

**APPLICATION**

**INNOVATIVE DEVELOPMENT PROGRAM**

**New Jersey Department of Community Affairs – Small Cities**

**PROJECT:**

**West Market Street Redevelopment Project**



**SUBMITTED BY:**

**CITY OF GLOUCESTER CITY**

**CAMDEN COUNTY**

**JUNE, 2003**

**TRIAD**  
Associates

**Innovative Development Program Application**  
**City of Gloucester City**  
**West Market Street Redevelopment Project**

	<b>Section</b>
<b>Project Summary</b>	<b>1</b>
<b>Project Description</b>	<b>2</b>
<b>Statement of Community Development &amp; Housing Needs</b>	<b>3</b>
<b>Project Location Map</b>	<b>4</b>
<b>Project Schedule</b>	<b>5</b>
<b>Other Funds</b>	<b>6</b>
<b>Financials and Projections</b>	<b>7</b>
<b>Grant Management Plan</b>	<b>8</b>
<b>Budget</b>	<b>9</b>
<b>Resolution of Governing Body</b>	<b>10</b>
<b>Audit Report</b>	<b>11</b>
<b>Public Hearings</b>	<b>12</b>

**Appendix**

<b>Property Inventory</b>
<b>Developer Proposals</b>
<b>West Market Street Redevelopment Plan</b>
<b>NJ School Construction Corporation Timetable</b>
<b>NJ TEA-21 Streetscape Improvement Budget</b>

## PROJECT SUMMARY

1. **Name of Applicant** Gloucester City  
512 Monmouth Street  
Gloucester City, NJ 08030-1793
2. **In** Camden **County.**
3. **State Legislative District** 5      4. **Federal I.D. Number** 21-6000659
5. **Name of Contact Person**  
Patrick J. Keating      Administrator      856 456-0205  
Name      Title      Phone
6. **Name of Chief Financial Officer**  
Frank J. Robertson      CFO      856 456-0205  
Name      Title      Phone
7. **Name of Project** West Market Street Redevelopment Project
8. **Proposed Activities**  
Acquisition and site preparation of privately owned lots for infill construction of thirty new single family homes.
9. **Source of Project Funds:**      10. **Date of Public Hearing** June 16, 2003
- Private      \$ \$4,045,850.00  
Small Cities      \$ 402,300.00  
Other Public      \$ 630,115.00  
**Total**      \$ 5,078,265.00
11. **Certification:** To the best of my knowledge and belief, the data in this application are true and correct, the document has been duly authorized by the governing body of the applicant.
- Robert T. Gorman      Mayor  
Name      Title (Chief Elected Official)  
Robert T. Gorman      6/30/03  
Signature      Date

## ***Project Description***

---

The West Market Street neighborhood in Gloucester City extends from Broadway to King Street and is one of the oldest public thoroughfares in New Jersey, dating back to the mid 1600's. Locally, it is an important gateway to the riverfront redevelopment area. Unfortunately, the complexion of the neighborhood has changed significantly in the last two decades, primarily due to the extent that absentee landlords now own a majority of the properties. This has resulted in a dramatic change in the overall character and quality of the residential environment. These and other factors have created considerable blight and deterioration from the owner and tenant malaise, disinvestments negatively affecting the fabric of the neighborhood. As a result, the City of Gloucester City, in accordance with NJSA 40 A: 12: -1, adopted the West Market Street Redevelopment Plan on May 7, 1998. The Redevelopment Plan calls for a revitalization approach, which will include:

- The rehabilitation of homes and businesses for necessary code upgrades, roof and façade improvements, or other required improvements. This may include the conversion of multi-family properties to their original single-family status and the demolition or rehabilitation of vacant, boarded up properties.
- The redevelopment of vacant lots for new housing construction, parking, or other urban amenities. Most of the vacant and abandoned properties formerly had been used for housing and had been destroyed by fire and removed for public health and safety reasons. These unimproved lots are collectors of debris, litter, and vermin.
- Streetscape, landscape, lighting, curb, and sidewalk improvements along the length of West Market Street as indicated in the Economic/Strategic Plan Element of the City Master Plan.

Subsequent to the adoption of the Redevelopment Plan in 1998, Gloucester City and the newly formed New Jersey School and Construction Corporation (SCC) have selected a site in the West Market Street Redevelopment Area as their first choice for the construction of a new elementary-middle school. The School Construction Corporation, a subsidiary of the New Jersey Economic Development Authority, who has been designated by the State as the entity responsible for the construction of new schools in the State's Abbott Districts, has prepared a timetable for the construction of the new school. The feasibility studies and design is scheduled to start in March – April 2003, the property acquisition and relocation to start in November 2003, and the school construction commencing in December 2004. A copy of the complete timetable has been attached to this pre-application.

As a result of the selection of this site for the new school, the City of Gloucester has established the implementation of the West Market Street Redevelopment Plan as a priority. The construction of the new school will require that approximately 70 families will need to be relocated. The City has set a goal to provide replacement housing for as many of these residents as possible in their existing neighborhood. In addition, it is not

the intent of the City that the new school should become a “neighborhood school” constructed in a declining neighborhood. For these reasons, the City has taken the following actions:

- Authorized the preparation and submittal of this Innovative Development Application for funding to assist in the redevelopment of housing in the neighborhood.
- Authorized the preparation and submittal of a New Jersey Department of Transportation, Transportation Enhancement Grant (TEA-21) for the implementation of streetscape improvements to the neighborhood. This will include the construction of pedestrian walkways connecting the neighborhood to the new school.
- Authorized the City Engineer to investigate alternate routes for the truck traffic that currently travels along Market Street to the riverfront. The elimination of this truck traffic is essential for the safety of the school children and will greatly increase the marketability and living quality of the neighborhood.

The redevelopment of the housing stock will be initiated in stages. The first stage will be infill construction of approximately thirty vacant lots or lots where properties have been boarded up. The City has met with the development firm of D.R. Mon Group, Inc. and Homes for All, Inc. to solicit preliminary proposals for the redevelopment project. Copies of the developers’ letters of interest have been attached to the application as well as the preliminary cost proposal prepared by Dean Mon Inc. His proposal is based upon no costs for land acquisition and utilizing funding from the New Jersey Housing Mortgage Finance Agency. Under his proposal 30 units are to be constructed, five to be marketed to lower income homeowners and sold for \$66,900 and twenty-five units to be market rate and sold for \$104,900. Detailed cost breakdowns will be required from all interested developers prior to selecting the redevelopment developer.

In addition, the City has applied to the Council on Affordable Housing to utilize Regional Contribution Agreement program income and excess administration funds to further subsidize the costs of the affordable homes. All residents being relocated due to the school construction will be notified of the availability of these new homes. This first stage will not include any relocation.

All new construction will be built as owner-occupied units due to City’s already high percentage of rentals versus homeownership, which according to the 2000 census is 26.6%. This is an increase over the 1990 census, which was 25%. As result, the City would like to promote homeownership over increasing the supply of rentals. The second phase will then be to acquire additional blighted properties, relocate the occupants, and either demolish the structure and construct a new unit or substantially rehabilitate the existing unit. The City will pursue funding for the subsequent development phases from a new Regional Contribution Agreement between Gloucester City and the Township of East Greenwich.

The Small Cities grant will be used towards the cost required to acquire the vacant lots and properties with boarded-up structures where new infill housing will be constructed. There are twenty available vacant lots and four properties with boarded up structures. In addition, the City will donate thirteen vacant lots that they currently own and provide funding for all grant administration fees. The cost of at least two of the City owned vacant lots will be requested to be considered as a portion of the required match.

It is proposed that the Market Street Redevelopment Project will be financed through the following public and private funds:

• New Jersey Department of Transportation TEA –21 Grant	\$ 427,115
• Regional Contribution Agreement Program Income	\$ 156,500
• Private Developer (Estimate)	\$4,045,850
• Small Cities Innovative Development Funds	\$ 402,300
• City of Gloucester City – Grant Administration	\$ 21,500

### Conclusion

The implementation of the West Market Street Redevelopment Plan is an initiative to reverse the decline in this neighborhood while simultaneously the New Jersey School Construction Corporation is planning for the construction of a new school. As one of the most distressed communities in New Jersey, with an MDI ranking of 15, Gloucester City is committed to reversing the trends of neighborhood decline in designated areas throughout the City, including the West Market Street area. In addition, the City has been designated as an Urban Aid Municipality, a NJHMFA Target Area, and as an Abbott School District. The median household income of \$36,855 is twenty-three percent less than the county's median household income of \$48,097, according to the 2000 U.S. Census. With the low median income and seventy Gloucester City families facing imminent relocation, the need for the replacement of affordable housing is critical. The City's tax base cannot sustain additional losses of ratables; the local businesses cannot lose local consumers or employees, or both; and, many of these households desire to stay in this community.

Utilizing Small Cities funding for property acquisition and site preparation of lots in the redevelopment area will foster the construction of infill housing and substantial rehabilitation and is required to bring financial feasibility to the creation of the new affordable housing units.

The implementation of the West Market Street Redevelopment Plan will:

- *Provide newly constructed and renovated affordable housing for the residents of Gloucester City. The new units will be available to the families that have been relocated as a result of the new school construction.*
- *Reverse the trend of property decline, eliminate the slums and blight conditions, and create a revitalized neighborhood to support the new “neighborhood school.”*

Furthermore, the West Market Street Redevelopment Plan supports the goal of the State’s Smart Growth vision in that Gloucester City is located in a “green area” on the “BIG Map,” and has been designated as a **Town Center** by the New Jersey State Planning Commission, an area where redevelopment will be supported and encouraged by the state. **The project is clearly consistent with the three key provisions of the New Jersey State Development and Redevelopment Plan:**

1. *Encourage Development, redevelopment, and economic growth in locations that are well situated with respect to present or anticipated public services or facilities and discourage development where it may impair or destroy natural resources or environmental qualities.<sup>1</sup>*
2. *Reduce sprawl*
3. *Promote development and redevelopment a manner consistent with sound planning and where infrastructure can be provided at private expense or with reasonable expenditures of public funds.*

---

<sup>1</sup> New Jersey State Planning Commission, *New Jersey State Development & Redevelopment Plan*, 1992, pg 57.

## **Statement of Community Development and Housing Needs**

---

### **1. COMMUNITY DEVELOPMENT NEEDS**

#### **a. Non-Residential Development**

Gloucester City once enjoyed a thriving industrial sector, particularly along the Delaware River. Thousands of industrial jobs fueled the local economy and supported a vital commercial district along Broadway. The demise of the municipality's industrial base deprived the City of a substantial portion of its tax revenues. The weakened economy, as well as competition from newer, outlying shopping centers had a devastating effect on the Central Business District.

The City, however, has several plans in place to bolster its weakened economy. They are:

- Route 130 Corridor Study as part of a multi-jurisdictional County initiative
- Waterfront area and Coast Guard Base – the City would like to rehabilitate the pier and infrastructure along the base and is currently in the construction phase of a Green Acres program for a pier, marina, boat launching area and other waterfront amenities. It is the City's hope that by providing these amenities to the riverfront area, commercial activity will follow suit expanding upon the waterfront marina theme and stimulate production of revenue as well as services to the community.
- Southport Redevelopment Area – The City is looking for grant funds to identify which properties need brownfields remediation. Acquisition of properties will include GAF, Viacom, Amspec, and Arco for redevelopment as a business park. Marketing and additional road connections are also anticipated needs.
- Broadway Commercial Corridor – (Gloucester City's traditional main street) Plans to revitalize this area include providing proper land use regulatory controls to guide appropriate design changes for properties. New decorative sidewalks and period lighting enhance this district. Future enhancements include banners, murals and gateway identification signs to distinguish Broadway as a commercial corridor and help garner private sector investment. "The goal of the Broadway Commercial Corridor Plan is to stimulate the improvement of commercial activity, enhance the real estate attractiveness of the area and restructure the 'Local Broadway' as an attractive theme and viable retail corridor of Gloucester City."<sup>2</sup>

---

<sup>2</sup> Ibid, Page ECON-48



“... the future growth and economic vitality of Gloucester City appears very limited if the City does nothing and remains the same. However, the initiation of pro-active, public/private ventures to develop sites in key locations of the City can result in a much brighter future for Gloucester City.”<sup>3</sup> With a Municipal Distress Index of 15, strengthening the economic base of the City will positively affect all residents, especially residents of low- to moderate-income.

The City has demonstrated its commitment to local businesses by recently designating the entire City as a special improvement district. It is hope that the extra funds garnered through this program will strengthen and unite the business community.

**b. Parks and Recreation Facilities and Open Space Areas**

There are over 54 acres of municipally maintained parks and recreation facilities throughout the City of Gloucester. According to the Gloucester City Master Plan Recreation Plan Element, most of these recreational areas are sized and located to serve the immediate area. There are 13 recreational areas accessible to all members of the public. A majority of the municipal parks and recreation facilities are either in good or fair condition. The Gloucester City Master Plan identified the problem areas and suggested improvements for each park as follows:

- Mercer Street Park – Recommended actions include upgrading the equipment as well as perimeter landscape improvements, signage and benches.
- Three Corners Park – The City would like to relocate this park on its West Side.
- Sherman Street Park – The addition of canopy trees around the site perimeter would provide shade and improve the aesthetics of this location.
- Proprietor’s Park – Gloucester City has acquired \$3.62 million in grant and loan funds to develop a comprehensive riverfront program for active and passive recreation, including the construction of a boat ramp, marina, river walk and fishing pier along the Delaware River.
- Cherry Street Park – Buffer landscaping at the East End of this park would provide additional privacy for adjacent residents.

---

<sup>3</sup> Peter P. Karabashian Associates, *Gloucester City Master Plan*  
December 1995, Page ECON – 18

- Lane Avenue Park – Additional canopy trees around the site would provide shade and make the site more inviting.
- Washington Avenue Park – Perimeter fencing, lighting and the involvement of local residents could reduce vandalism in this park.
- Paul Street Park – Upgrades and additional equipment are needed.
- Martin's Lake Park – The City acquired New Jersey Tree Planting Grant Funds to provide additional trees for this location.
- Gloucester Heights Park – The present equipment appears to be in good condition and additional equipment should be added as needed.
- Walnut Street Park – Additional equipment should be added as needed.
- Jersey Avenue Courts – This area has been closed until PSE&G completes clean up of contaminants. The developers of the proposed Hunter Street intergenerational housing complex are proposing the redevelopment of this site with a community center, parking lot, and an open space area.

The City plans on upgrading the playgrounds on its East Side.

“The 54 acres of parks and recreational facilities maintained by Gloucester City represent approximately 3.7% of the total land area of the community, which exceeds the statewide goal of 3% of developed and developable land area to be used for recreational purposes.”<sup>4</sup> However, the City falls short of the recommendations of the National Recreation and Parks Association (NRPA), which suggests a core system of parkland provide between 6.25 and 10.5 acres of developed open space per 1,000 population. The City currently has approximately 4.24 acres per 1,000 of population or 2/3 of the minimum recommended by the NRPA. To combat this deficiency, the Master Plan recommends that the City provide recreational facilities to serve the needs of residents living in the Park Manor neighborhood and in the core of the West Broadway residential area. It is proposed in the Master Plan that Gloucester City provide a recreational area to serve Park Manor on the Starlight theater tract. Approximately 9-10 acres of this 19-acre tract could be developed as a multi-use park/recreational area capable of meeting both existing neighborhood needs and the recreational needs of the entire community, including residents of low- to moderate-income, through a multi-purpose field. For the West Broadway area, recommendations are to design the recreational element when neighborhood

---

<sup>4</sup> Peter P. Karabashian Associates, *Gloucester City Master Plan*  
December 1995, Page REC - 22

parking lots are developed. This could include amenities such as a passive seating area, basketball net, striping for a street hockey court and a small swing set.

### **c. Infrastructure**

According to the Gloucester City Master Plan, “the New Jersey Department of Environmental Protection and the Delaware River Basin Commission are currently working to establish requirements and methodologies for the treatment of storm water outfall from combined systems such as those in Gloucester City. These agencies are evaluating types of controlled devices that will capture solids in the discharge system and also provide for some chemical treatment of the water prior to outfall into the Delaware River.”<sup>5</sup> In concert with those efforts, the City of Gloucester has recommended utility improvements and specific planning areas such as:

- Gloucester Redevelopment area – The existing combined sewer system is outdated and not of sufficient size to serve the proposed development. The redevelopment of this area will require the replacement of the combined system with separate storm and sanitary sewers along with the replacement of existing water mains and provisions of new extensions as needed.
- West Broadway area – With the exceptions of Bergen, Hudson, Hunter, Market and Monmouth Streets, the combined sewer system may require replacement.
- Broadway Corridor – Both the combined sewer and water mains in this area are deteriorating, antiquated, and must be replaced. The City has secured low-interest loans to fund this construction and has scheduled replacement of these utilities.
- East Broadway area – The most crucial utility improvement needed is the upgrading of the water system north of Hudson Street, which is having problems with low pressure. Although the specific cause of the low pressure is unknown, engineers have surmised either a leak or an obstructed valve as the cause of this condition.

Local streets in the City of Gloucester function as collector and sub-collector streets, providing access to individual lots and carrying traffic between neighborhoods and to the County road system. The Gloucester City Master Plan identifies serious concerns regarding the local street system, which are concentrated in the older area, consisting of mainly low- to moderate-income residents of the City west of Broadway. These concerns include:

---

<sup>5</sup> Ibid, Page U-1

- “Narrowness of cartway, requiring the institution of parking restrictions and/or one-way traffic flow;
- Lack of off-street parking, resulting in residents competing with visitors and business patrons for limited on-street parking spaces;
- Emergency vehicle access;
- New Jersey transit bus use, particularly on Monmouth Street;
- Access for municipal service vehicles (e.g. trash pick up, street sweeper).”<sup>6</sup>

The City, through its Master Plan, has identified improvements to combat the above referenced problems. One suggestion is to designate portions of several streets to have a one-way traffic flow and on other streets to restrict parking to one side of the roadway. As of the date of this writing, the City has begun to change the circulation patterns on several streets. To further minimize transportation problems within the City, the Master Plan recommends long-term measures of reducing the density of housing and developing off-street parking areas. Other suggestions include cross-access easements, identified truck routes, bus routing changes and the installation of a commuter rail service.

#### **d. Public Buildings**

- **Senior Center**

Gloucester City does not have a Senior Center. Seniors living in the City meet regularly at Carpenters Hall on South Broadway, the Gloucester Heights Fire Hall on Nicholson Road and the Gloucestertowne Senior Apartments. According to the City’s Community Development Director, the current situation meets the needs of senior citizens in Gloucester City and the administration decided it was unnecessary to provide a public senior center.

- **Community Center**

The City does not have a Community Center. However, the vacant Brown Street Elementary School has been deeded over to the Police Athletic League (P.A.L.) for educational and recreational programs for area youth. P.A.L. has received \$100,000 from the State of New Jersey to assist with the formation of the program

---

<sup>6</sup> Peter P. Karabashian Associates, *Gloucester City Master Plan*  
December 1995, Page CIRC-5

and for building improvements. According to the City's Community Development Director, the administration decided there was no additional need that would precipitate the construction of a Community Center.

- **Schools**

On July 2, 2002, the Department of Education approved the request of the Gloucester City School District, identified as a State Abbott District, to amend its Long-Range Facilities Plan. The following lists the specifics of the amendment:

- The Mary Ethel Costello Elementary School will be replaced
- The existing Mary Ethel Costello school will be remodeled for an alternative/transitional high school program
- The high school will be expanded
- A new Central Office will be housed within an approved school facility

In December 2002 the City and the newly formed New Jersey School and Construction Corporation (SCC) selected a site in the West Market Street Redevelopment Area as their first choice for the construction of a new elementary-middle school. The School Construction Corporation, a subsidiary of the New Jersey Economic Development Authority, who has been designated by the State as the entity responsible for the construction of new schools in the State's Abbott Districts, has prepared a timetable for the construction of the new school. The feasibility studies and design were scheduled to start in April 2003, the property acquisition and relocation to start in November 2003, and the school construction commencing in December 2004. A copy of the complete timetable has been attached to this pre-application.

- **Library**

The City of Gloucester has one library located on Hudson Street. No actions are proposed to address the need to improve this library. "The 1984 Master Plan presented the results of an exhaustive analysis of the space allocation in the library and the compatibility of the facility with the standards with the American Library Association. According to City Officials, there have been no significant modifications to the library since that time. It is presumed that the facility continues to meet the needs of the residents of Gloucester City."<sup>7</sup>

---

<sup>7</sup> Peter P. Karabashian Associates, *Gloucester City Master Plan*  
December 1995, Page COMFAC - 25

- **Other**

Gloucester City is looking into renovating its current municipal building.

## **2. HOUSING NEEDS**

### **a. Rental Housing**

One of the goals of the City of Gloucester, Master Plan Housing Plan element, is to encourage owner occupancy of residential units. According to the 2000 Census, 26.9% of the housing units in Gloucester City were renter-occupied. At this time the City does not feel it is necessary to increase its rental housing, since “a high percentage of rental units or a high turnover of tenancy are considered symptoms of communities in decline.”<sup>8</sup> The proposed Market Street Redevelopment Project will aim to increase the availability of single-family units without dislocating existing tenants.

### **b. Manufactured Housing**

The City does not anticipate an increase in manufactured housing. “According to published building permit records, the recent trend for new residential construction in Gloucester City has been almost negligible.”<sup>9</sup> This is due to an absence of significant tracts of vacant developable land for housing in Gloucester City.

### **c. Existing Owner-Occupied Housing Stock**

The City of Gloucester has an aging housing stock, low median income, and a substantial number of elderly residents on fixed income. Many of these residents are homeowners who lack the financial resources to undertake substantial repairs to their dwellings. For many years, the City participated in DCA’s Housing Rehabilitation Fund and has recently completed seventy –units of housing rehabilitation through Regional Contribution Agreements with Evesham and Washington Townships. A Small Cities Housing Rehabilitation Program is currently underway to rehabilitate an additional ten to twelve units and plans to enter into a Regional Contribution Agreement with East Greenwich Township for an additional fifty units are to be submitted to COAH in June 2003.

The City will be concentrating on existing owner-occupied housing stock. Objectives to encourage owner-occupancy of residential units include:

---

<sup>8</sup> Ibid, Page HSG - 12

<sup>9</sup> Ibid, Page HSG - 22

- (1) Developing programs such as the proposed Market Street Redevelopment Project that provide for redevelopment of targeted areas in a manner consistent with sound planning.
- (2) Provide the support services needed for qualified low and moderate-income households to move from renters to homeowners.
- (3) Encourage qualified prospective homebuyers to take advantage of mortgage options available through the NJHMFA. An additional need for existing owner-occupied housing stock is to improve the quality of that housing stock in Gloucester City. Objectives for that goal include:
  - Developing a pro-active code enforcement strategy
  - Acquiring sub-standard structures for demolition or redevelopment
  - Increasing the participation in existing Small Cities Housing Rehabilitation Programs administered by the City.
  - Participation in DCA's Neighborhood Preservation Program in the Pine Grove neighborhood.

**d. Impediments to New Affordable Housing Development**

The principal impediment is the minimal amount of vacant land suitable for housing development in Gloucester City. "Given this, and the existing demographic characteristics of the municipality, it is not foreseen that a substantial number of new housing units for low and moderate income households could be constructed in Gloucester City. Accordingly, future low and moderate-income housing needs should continue to be addressed for the rehabilitation and upgrade of existing housing that is occupied by households falling into these income categories."<sup>10</sup>

**e. Date of Most Recent Housing Study**

Gloucester City completed its most recent housing study as part of its comprehensive Master Plan in December 1995. The City filed its adopted housing element and fair share plan at the offices of the Council on Affordable Housing on June 12, 2000. Attached is COAH's acknowledgment of receipt of the adopted housing element and fair share plan. The letter states that Gloucester City "may petition for substantive certification."

---

<sup>10</sup> Peter P. Karabashian Associates, *Gloucester City Master Plan*  
December 1995, Page HSG - 23

Gloucester City meets two (2) of the eligibility requirements for neighborhood preservation balanced housing program. In addition, the City has been designated eligible to receive State Aid (Urban Aid) pursuant to PL1978, Small City.<sup>14</sup> (NJSA 55:27D-178 et seq).

**f. Current COAH Status**

The attached letter from the Council on Affordable Housing acknowledges receipt of Gloucester City's adopted Housing Element and Fair Share Plan. The letter states, "Your municipality may petition for substantive certification at any time within two years of the above date as per N.J.S.A. 52:27D-313".

**3. EFFECT ON LOW OR MODERATE INCOME PEOPLE AND ACTIONS TAKEN OR PROPOSED**

Since Gloucester City is one of the poorer municipalities in the State of New Jersey, ranking 15<sup>th</sup> among the 566 municipalities on the NJ Municipal Distress Index, the community development and housing needs, identified above, have a profound effect upon low or moderate-income residents. However, the City is working assiduously to ameliorate its economic and housing problems. For many years, the City participated in DCA's Housing Rehabilitation Fund and has recently completed seventy –units of housing rehabilitation through Regional Contribution Agreements with Evesham and Washington Townships. A 2003 Small Cities Housing Rehabilitation Program is currently underway to rehabilitate an addition ten units and plans to enter into a Regional Contribution Agreement with East Greenwich Township for an additional fifty units are to be submitted to COAH in June 2003.

The construction of a new neighborhood school on Market Street by the New Jersey School Construction Corporation and the City's emphasis on the redevelopment of the area will hopefully spur a dramatic revitalization of the area.

Over the last several years, the City has obtained Public Facilities Funding to address a number of right-of-way and infrastructure deficiencies in its residential neighborhoods. The municipality has combined SCP funds with local bonds, NJ Transportation Trust Funds and Camden County Programs in a comprehensive approach for restoration of neighborhoods. FY2001 NJ Transportation Municipal Distress Funds have been requested for cartway and curbing improvements. Recently, the City acquired NJ Transportation Enhancement funds for street improvements to Monmouth Street in their local historic district.

Several years ago, the local Coast Guard Station was deeded to the City, which is in the process of developing a major recreation and commercial complex on the site. Finally, Gloucester City is applying for 2003 Small Cities Public Facilities



Fund to undertake street and infrastructure improvements in a lower income neighborhood.

#### 4. STATUS OF PLANNING

Gloucester City completed its most recent Master Plan adoption in December of 1995. The Plan was prepared by Peter P. Karabashian Associates, professional planners in Atlantic City, New Jersey. An updating of the Plan was completed at the end of 2001.

Gloucester City has been characterized as a **Town Center** by the New Jersey State Planning Commission. Attached is a resolution of the New Jersey State Planning Commission, dated January 28, 1998, which approves the amendment to the Resource Planning and Resource Map designating the City of Gloucester as a **Town Center**. Attached also are several items of correspondence to and from the New Jersey Office of State Planning relative to the subject.

The City of Gloucester City, in accordance with NJSA 40 A: 12: -1, adopted the West Market Street Redevelopment Plan on May 7, 1998. The Redevelopment Plan calls for a revitalization approach, which will include:

- The rehabilitation of homes and businesses for necessary code upgrades, roof and façade improvements, or other required improvements. This may include the conversion of multi-family properties to their original single-family status and the demolition or rehabilitation of vacant, boarded up properties.
- The redevelopment of vacant lots for new housing construction, parking, or other urban amenities. Most of the vacant and abandoned properties formerly had been used for housing and had been destroyed by fire and removed for public health and safety reasons. These unimproved lots are collectors of debris, litter, and vermin.
- Streetscape, landscape, lighting, curb, and sidewalk improvements along the length of West Market Street as indicated in the Economic/Strategic Plan Element of the City Master Plan.

The proposed West Market Street Redevelopment Plan is consistent with the goals of the **New Jersey State Development and Redevelopment Plan**.

The Statewide policies, which will be addressed, include the following:

- Encourage Development, redevelopment, and economic growth in locations that are well situated with respect to present or anticipated public services or

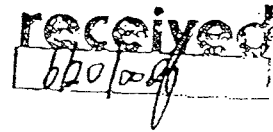
facilities and discourage development where it may impair or destroy natural resources or environmental qualities.<sup>11</sup>

- Reduce sprawl
- Promote development and redevelopment a manner consistent with sound planning and where infrastructure can be provided at private expense or with reasonable expenditures of public funds.

Gloucester City has been designated by the Governor's Urban Coordinating Council (UCC) as an eligible Empowerment Neighborhood with the New Jersey Redevelopment Authority.

---

<sup>11</sup> New Jersey State Planning Commission, *New Jersey State Development & Redevelopment Plan*, 1992, pg 57.



JOHN TODD WHITMAN  
Governor

State of New Jersey  
COUNCIL ON AFFORDABLE HOUSING  
PO Box 813  
TRENTON NJ 08625-0813  
609-292-3000  
FAX: 609-633-6056  
TDD#: (609) 278-0175

JANE M. KENNY  
Chairman  
SHIRLEY M. BISHOP, P.P.  
Executive Director

June 13, 2000

The Honorable Robert Gorman  
City of Gloucester  
512 Monmouth Street  
Gloucester City, NJ 08030

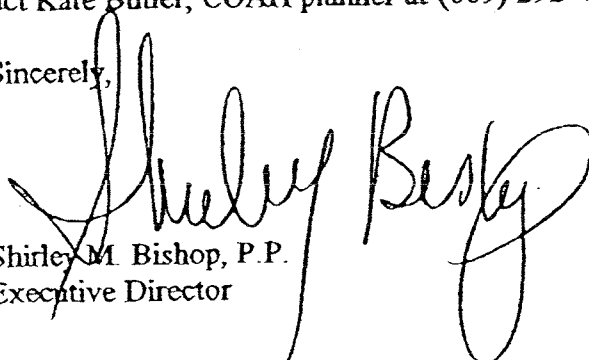
Dear Mayor Gorman,

This is to acknowledge receipt of your adopted housing element and fair share plan which was filed on June 12, 2000 at the offices of the Council on Affordable Housing (COAH). **Please take note that this document has not been reviewed by COAH.**

Your municipality may petition for substantive certification at any time within two years of the above date as per N.J.S.A. 52:27D-313. However, the adopted housing element and fair share plan will not be formally reviewed by COAH until such a petition is received. The form of petition for substantive certification would be a resolution by your governing body. You must also publish notice in a newspaper of general circulation as per N.J.A.C. 5:91-3.3.

If you have any questions, please contact Kate Butler, COAH planner at (609) 292-4338.

Sincerely,

  
Shirley M. Bishop, P.P.  
Executive Director

c: Attached Service List  
Kate Butler, COAH planner



State of New Jersey  
 DEPARTMENT OF THE TREASURY  
 NEW JERSEY STATE PLANNING COMMISSION  
 PO Box 204  
 TRENTON NJ 08625-0204

ROBERT TODD WHITMAN  
 Governor

JAMES A. D'LEUTERIO, JR.  
 State Treasurer

January 29, 1998

Hon. Robert T. Gorman, Mayor  
 City of Gloucester City  
 512 Monmouth Street  
 Gloucester City, NJ 08030-1793

Re: Gloucester City Town Center

Dear Mayor Gorman:

I am writing to offer my congratulations and to officially notify you that, in accordance with the State Planning Rules (N.J.A.C. 17:32-8.6(a)), the State Planning Commission approved Gloucester City's petition for Town Center designation at its meeting of January 28, 1998. I am enclosing a copy of the signed resolution indicating this approval. I am also writing to remind you that, according to section 8.6(b) of the rules, you must provide public notice of the disposition of this petition in a newspaper of general circulation within Gloucester City within 30 days of the receipt of this letter. In addition, the regulations require you to notice the Camden County Planning Board and the planning boards of adjacent municipalities within the same 30-day period.

As indicated in N.J.A.C. 17:32-8.6(f), all notifications shall contain, at a minimum, the following information:

1. The name and address of the person or organization that filed the petition;
2. A description of the action that was requested; and
3. A description and date of the State Planning Commission's disposition of the petition.

Newspaper notices may be published as a standard legal advertisement.

Please forward a copy of these notices to our office to complete our file. If you have any questions, please do not hesitate to call.

Sincerely,

Herbert Simmens  
 Director

HS:sag

- c. David Maski, Manager, LPAU
- David Hojsak, Area Planning Manager
- Barbara A. Woolley, Peter P. Karabashian Associates, Inc.
- J. Douglas Griffith, Planning Director, Camden County Division of Planning
- Receptionist/Chron



State of New Jersey  
DEPARTMENT OF THE TREASURY  
NEW JERSEY STATE PLANNING COMMISSION  
PO Box 204  
TRENTON NJ 08625-0204

RISTINE TODD WHITMAN  
Governor

JAMES A. D'Eleuterio, Jr.  
State Treasurer

Resolution No. 98-002  
Page 1 of 5

Date: January 28, 1998  
Patron: Dianne Brake

RESOLUTION

DESIGNATING THE CITY OF GLOUCESTER CITY  
AS A TOWN CENTER

WHEREAS, the State Planning Commission has been created pursuant to the State Planning Act, N.J.S.A. 52:18A-196 et seq., and

WHEREAS, the State Planning Act requires that the State Planning Commission prepare and adopt a State Development and Redevelopment Plan and to revise and readopt the Plan at least every three years thereafter, and

WHEREAS, the State Planning Act requires that the State Development and Redevelopment Plan be designed to represent a balance of development and conservation objectives best suited to meet the needs of the State, and

WHEREAS, pursuant to its responsibilities under the State Planning Act, the State Planning Commission did prepare and adopt a State Development and Redevelopment Plan on June 12, 1992, and

WHEREAS, in adopting a State Development and Redevelopment Plan, the State Planning Commission determined to utilize the concept of Centers as the organizing planning principle for achieving a more effective and efficient pattern of development in New Jersey, and

WHEREAS, the State Development and Redevelopment Plan identifies five types of Centers: Urban Centers, Towns, Regional Centers, Villages, and Hamlets, and

WHEREAS, in order to foster the identification and development of Centers, the State Development and Redevelopment Plan also sets forth, in the section of the Plan containing Statewide Policies for Resource Planning and Management, a number of



State of New Jersey  
DEPARTMENT OF THE TREASURY  
NEW JERSEY STATE PLANNING COMMISSION  
PO Box 204  
TRENTON NJ 08625-0204

IMNE TODD WHITMAN  
Governor

JAMES A. D'ELFUTERIO, JR.  
State Treasurer

Resolution No. 98-002  
Page 2 of 5

Date: January 28, 1998  
Patron: Dianne Brake

Policies regarding the identification, development, redevelopment and delineation of centers, and

**WHEREAS**, Policy 12 within this section of the Plan states that all Centers must have boundaries delineating the geographic focus of development and redevelopment activities and of infrastructure and other investments, and

**WHEREAS**, Policy 15 within this section of the Plan states that the community development boundaries of Centers should accommodate the projected growth of such centers for a 20-year horizon, and

**WHEREAS**, in carrying out its aforementioned statutory responsibilities, the State Planning Commission is also empowered, pursuant to N.J.S.A. 52:18A-203 of the State Planning Act, to adopt rules and regulations pertaining to the cross-acceptance process, the facilitation of cooperation between State agencies and local governments, and the provision of technical assistance to local governments to encourage the use of effective and efficient planning and development review data, tools and procedures, and

**WHEREAS**, pursuant to its authority under N.J.S.A. 52:18A-203, the State Planning Commission has adopted regulations, set forth in N.J.A.C. 17:32-8, that pertain to the fostering of cooperation between State agencies and local governments and the coordination of planning activities between State agencies and local governments, and

**WHEREAS**, such regulations establish procedures for the filing of petitions with the State Planning Commission for amendments to the Resource Planning and Management Map of the State Development and Redevelopment Plan in order that the Map and Plan can better serve to foster such cooperation and coordination, and

**WHEREAS**, the City of Gloucester City filed a petition with the State Planning Commission in October, 1997, pursuant to N.J.A.C. 17:32-8, seeking to amend the Resource Planning and Management Map of the State Development and Redevelopment Plan to have the entire City designated as a Town Center under the Plan, and



*State of New Jersey*

DEPARTMENT OF THE TREASURY  
NEW JERSEY STATE PLANNING COMMISSION  
PO Box 204  
TRENTON NJ 08625-0204

RUSTINE TODD WHITMAN  
Governor

JAMES A. DiBLEUTERIO, JR.  
State Treasurer

Resolution No. 98-002  
Page 3 of 5

Date: January 28, 1998  
Patron: Dianne Brake

WHEREAS, in accordance with N.J.A.C. 17:32-8.5(e), the Director of the Office of State Planning has reviewed the petition filed by the City of Gloucester City, and

WHEREAS, on the basis of this review, the Director of the Office of State Planning determined that, while the petition met most of the criteria for designation as a Town Center under the Plan, certain issues should be resolved before the petition was approved by the State Planning Commission, and

WHEREAS, more specifically, the Director determined that the petition should be amended to address the following outstanding issues: (1) the City's position regarding the proposed light rail line from Camden to Glassboro which would pass through Gloucester City; (2) local efforts to expedite the development review process in the City; (3) the addition of a timeframe for the accomplishment of activities listed in the Planning and Implementation Agenda (PIA) contained in the City's petition; (4) the need for an elaboration on the City's working relationship with its neighboring municipalities; (5) the need for more detail regarding public input to the preparation of the center petition, the City's 1995 Master Plan, and the City's strategic planning program; and (6) the need to provide the required public notice and local governing body resolution so that the petition can be deemed complete, and

WHEREAS, in accordance with N.J.A.C. 17:32-8.5(e), the Director of the Office of State Planning has, in a memorandum dated January 8, 1998, recommended that the City amend the petition for center designation to address and resolve the issues noted above and, upon such amendments being made, that the State Planning Commission grant approval to the petition, and

WHEREAS, the Plan Implementation Committee met on January 14, 1998, and consistent with the Director's findings and recommendations, has determined to recommend that the petition of the City of Gloucester City, seeking designation as a Town Center, be amended to address and resolve the issues noted above and that thereafter the petition, as amended, be forwarded to the State Planning Commission for approval, and

WHEREAS, following the meeting of the Plan Implementation Committee on January 14, 1998, the City of Gloucester City has amended its petition for center designation so as to (1)



**State of New Jersey**  
DEPARTMENT OF THE TREASURY  
NEW JERSEY STATE PLANNING COMMISSION  
PO Box 204  
TRENTON NJ 08625-0204

STINE TODD WHITMAN  
Governor

JAMES A. DILEUTERIO, JR.  
State Treasurer

Resolution No. 98-002  
Page 4 of 5

Date: January 28, 1998  
Patron: Dianne Brake

indicate the City's position regarding the proposed light rail line from Camden to Glassboro which would pass through Gloucester City; (2) elaborate on local efforts to expedite the development review process in the City; (3) establish a timeframe for the accomplishment of activities listed in the Planning and Implementation Agenda (PIA); (4) elaborate on the City's working relationship with its neighboring municipalities; (5) provide more detail regarding public input to the preparation of the center petition, the City's 1995 Master Plan, and the City's strategic planning program; and (6) provide proof of the required public notice of intent to submit said petition, and the local governing body resolution authorizing its submission, and

**WHEREAS**, the City of Gloucester City has submitted its amended petition for center designation to the State Planning Commission and the Office of State Planning on January 27, 1998 for approval, and

**WHEREAS**, the State Planning Commission has considered the petition submitted by the City of Gloucester City in October, 1997 seeking designation of the City as a Town Center, the findings and recommendations of the Director of the Office of State Planning with regard to the petition, the recommendation of the Commission's Plan Implementation Committee with regard to the petition, the amendments to the petition submitted by the City through January 27, 1998, and all of the comments and written correspondence submitted to the Office of State Planning and the State Planning Commission with regard to the petition, and

**WHEREAS**, the State Planning Commission has determined it appropriate to approve the amendment of the Resource Planning and Management Map for the purpose of designating the City of Gloucester City as a Town Center in accordance with the petition submitted by the City in October 1997 and thereafter amended by the City through January 27, 1998,

**NOW, THEREFORE BE IT RESOLVED** that the State Planning Commission, pursuant to N.J.A.C. 17:32-8, hereby approves the amendment of the Resource Planning and Management Map designating the City of Gloucester City as a Town Center in accordance with the petition filed in October, 1997 and thereafter amended through January 27, 1998, and





State of New Jersey  
DEPARTMENT OF THE TREASURY  
NEW JERSEY STATE PLANNING COMMISSION  
PO Box 204  
TRENTON NJ 08625-0204

CHRISTINE TODD WHITMAN  
Governor

JAMES A. DILEUTERIO, JR.  
State Treasurer

Resolution No. 98-002  
Page 5 of 5


Date: January 28, 1998  
Patron: Dianne Brake

**BE IT FURTHER RESOLVED** that the Office of State Planning shall work closely with the City of Gloucester City, the County of Camden and the municipalities adjacent to the City in order to assist in the implementation and development of the Town Center, and

**BE IT FURTHER RESOLVED** that a copy of this Resolution be forwarded to the Governor, the Senate President, the Assembly Speaker, members of the Legislature representing District 5, and the Commissioners and Secretaries of State Agencies.

Certification

This Resolution was adopted by the New Jersey State Planning Commission at its meeting held on Wednesday, January 28, 1998. Ayes: (12) Dianne Brake, George Horzempa, Michele Byers, Meredith Stengel, Richard Fritzky, Jay Cranmer, Stephen Sasala, Charles Kuperus, Lisa Scarinci, Larry Schmidt, Bill Beetle, H. Jay Yoon. Nays: (0).

  
Herbert Simmens, Secretary  
NJ State Planning Commission

Dated: January 29, 1998

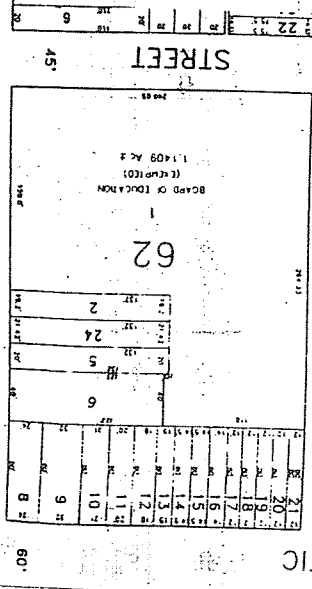
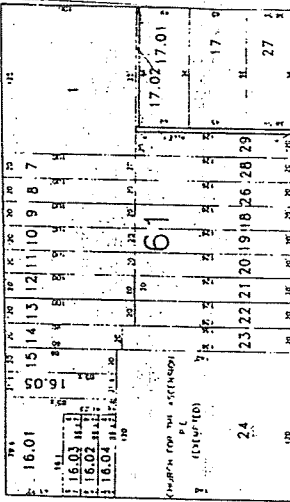
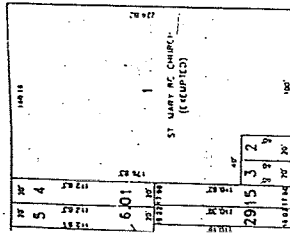
### ***Project Location Map***

---

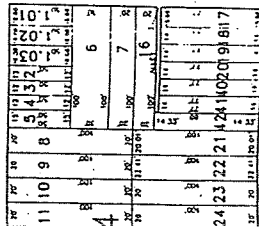
Location Map for West Market Street Project Area is attached.

CUMBERLAND

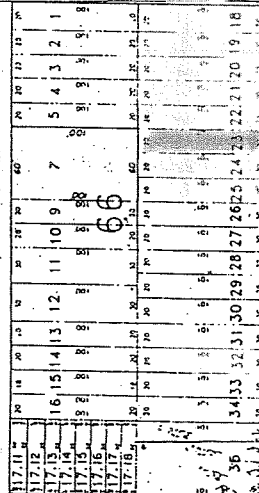
STREET



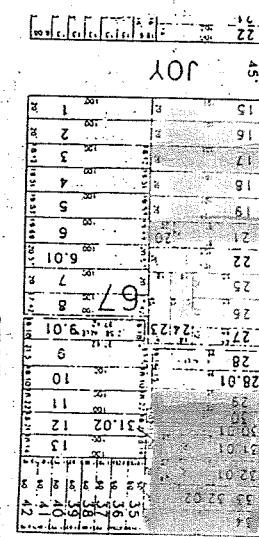
RIDGEWAY



STREET

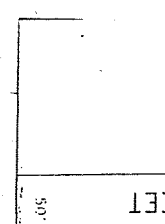
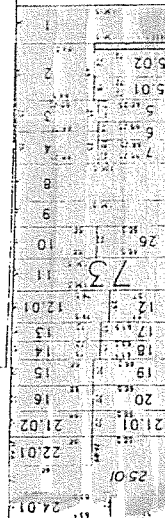
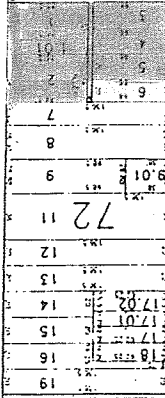
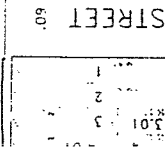


STREET



STREET

STREET



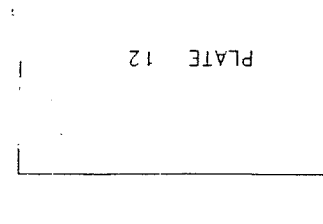
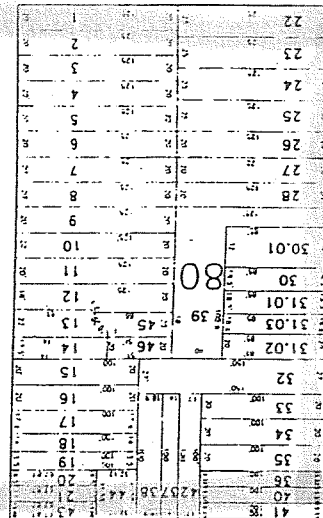
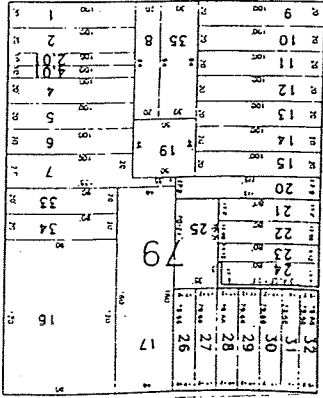
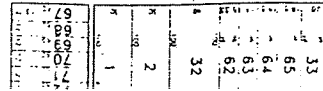
P

STREET

STREET

POWELL

STREET



GLOUCESTER CITY-IDP  
ARKET STREET PROJECT AREA

BLUE: CITY OWNED PROPERTIES  
YELLOW: PRIVATELY OWNED PROPERTIES  
GREEN: NEW SCHOOL SITE

## ***Project Schedule***

---

The City of Gloucester City prepared and adopted the West Market Street Redevelopment Plan in 1998 and the New Jersey School Construction Corporation has set a preliminary timetable for the construction of the new school to commence in late 2004. The City currently owns thirteen vacant lots in the area and is in the process of meeting with private developers to review construction proposals. As a result, the proposed project schedule is as follows:

**Step One:** Complete acquisition and site preparation of vacant lots – Six month to twelve month time period

**Step Two:** Review final developer proposals, select developer, and initiate construction – Twelve month time period.

**Step Three:** Market and select owners for affordable rate units.

***Other Funds***

---

Form ID-7 is attached

**OTHER FUNDS**

<b>ACTIVITY</b>	<b>FUNDING SOURCE</b>	<b>AMOUNT</b>	<b>DATE EFFECTIVE</b>	<b>DATE EXPIRED</b>
Construction	Private Developer	\$4,045,850		
Streetscape Improvements	New Jersey Department of Transportation TEA 21 Funds	\$427,115		
Grant Administration	Gloucester City (matching funds)	\$21,500*		
Vacant Lots Previously Purchased by City	Gloucester City (matching funds)	\$25,000*		
Affordability Assistance	Regional Contribution Agreement Program Income to be used to further Reduce cost of homes for low-income homeowners	\$156,500		

**Note: Include the amount and source of required matching funds**

### ***Financials and Projections***

---

This section is not applicable, as the project will not involve any loans to business/borrowers.

## **Grant Management Plan**

---

### **a. Project Management**

Patrick Keating, City Administrator, will act as Project Director. He will oversee all grant activities and will certify that monthly, fiscal and program progress reports are accurate.

In order to ensure effective administration of the Innovative Development Project the City will continue to use the services of Triad Associates as its Community Development Administrator. Day-to-day responsibilities for administration of the Small Cities Program lie with Kathy Packowski of Triad Associates who will serve as Project Coordinator. The firm's experience in implementing Community Development activities, both Housing Rehabilitation, Public Facilities, and Innovative Development Projects, its knowledge of the area, familiarity with area residents and ability to work with developers, contractors, home owners and the City itself, has been evidenced by its past performance in Gloucester City. This firm has extensive experience in the planning and administration of Small Cities Programs in Gloucester City and throughout New Jersey. With over 25 years experience in administering Community Development and related programs, the principals of the firm have the expertise to carry out the Program expeditiously. Given the successful track record of the City of Gloucester and Triad Associates, it is reasonable to assume that Gloucester City will accomplish the goals set forth in this Application within the designated contract period.

### **b. Fiscal Management**

The City's Chief Financial officer will be responsible for maintaining financial records of the Grant Program. While the City's Administrative Consultant will prepare disbursement reports, the record keeping will be controlled by the CFO as a separate project, as are current Community Development financial records. Mr. Frank J. Robertson is Chief Financial Officer for the City of Gloucester and will be responsible for fiscal management.

### **c. Staff**

As indicated above, the City of Gloucester will retain the professional services of Triad Associates for the Administration of the West Market Street Innovative Development Program. This consulting firm will be responsible for the overall operation of the Program.. Kathryn O'Callaghan, Associate, will be responsible for the preparation of the Environmental Review Record. Furthermore, Triad Associates will prepare the grant management manual.



Overall responsibility for provision of technical services will lie with Kathy Packowski.

As indicated above, the Chief Financial Officer will maintain financial records for the Program. Permits for the street reconstruction activities will be obtained upon completion of the engineering of the project.

It should be noted that the City maintains a fully furnished office, which will be available to the Consultant for administration of the Program, at no cost to the Small Cities Program.

## **Budget**

---

Form ID-10, illustrating the grant amount requested from DCA of \$402,300 and the administrative cost of \$21,500 and the acquisition funded to date that will be provided by the City as part of its local match is attached.

<b><u>Description</u></b>	<b><u>Cost</u></b>	<b><u>Funding Source</u></b>
Site Acquisition Of 24 Privately Owned Lots (Based on Assessed Value)	\$402,300	Proposed Small Cities Grant
Acquisition Funded by the City to Date	\$25,000	Gloucester City Matching Funds
Site Improvements, Legal Fees, New Construction, Marketing, & Development Fees (Based on Preliminary Proposal from the D.R. Mon Group for 30 Units)	\$4,045,850	Private Developer
Grant Administration	\$ 21,500	Gloucester City Matching Funds
Streetscape Improvements- Phase One (TEA-21 Grant Application)	\$ 427,115	New Jersey Department of Transportation TEA 21 Fund
Regional Contribution Agreement Program Income to be used for Additional affordability assistance	\$ 156,500	Regional Contribution Agreement Program Income
<b>Total Costs</b>	<b>\$5,078,265.</b>	

SMALL CITIES PROGRAM

BUDGET

PART I: PROGRAM ADMINISTRATION

Page 1 of 2

<b>PERSONNEL: (Salary and Fringe Benefits)</b>	<b>Estimated Cost</b>
<b>Total Personnel</b>	<b>-0-</b>
<b>CONSULTANTS:</b>	
	\$21,500
Technical services for compliance with grant contract including labor	
standards, monthly reporting, management plan, Environmental Review	
Record, etc.	
<b>Total Consultants</b>	<b>\$21,500*</b>
<b>OTHER COSTS:</b>	<b>-0-</b>
<b>TOTAL PROGRAM ADMINISTRATION (PART I)</b>	<b>\$21,500</b>

\* Consultant's fee will be provided by the Municipality as part of the 10% matching share.

CITY OF GLOUCESTER CITY

**SMALL CITIES PROGRAM**

**BUDGET**

**PART II: PROGRAM ACTIVITIES**

Page 2 of 2

<b>PERSONNEL: (Salary and Fringe Benefits)</b>	<b>Estimated Costs</b>
<b>Total Personnel</b>	-0-
<b>CONSULTANTS &amp; CONTRACT SERVICES:</b>	
<b>Total Consultants &amp; Contract Services</b>	-0-
<b>PROGRAMMATIC ACTIVITIES:</b>	
Acquisition and Site preparation of privately owned lots for infill construction of thirty new single family homes.	\$402,300
Vacant Lots previously purchased by City	\$ 25,000
<b>TOTAL PROGRAM ACTIVITIES (PART II)</b>	<b>\$427,300</b>
<b>GRAND TOTAL ALL COSTS (PARTS I &amp; II)</b>	<b>\$448,800</b>

***Resolution of the Governing Body***

---

**RESOLUTION of the CITY OF GLOUCESTER CITY**

**#R 114-2003**

**RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO  
THE NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS**

**WHEREAS**, the City of Gloucester City desires to apply for a grant from the New Jersey Department of Community Affairs for approximately \$400,000 to acquire and prepare site preparations of privately owned lots for infill construction of approximately thirty new affordable single family homes in the West Market Street Redevelopment Area to address the objective of the prevention/elimination of slums and blight in the municipality.


**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Common Council of Gloucester City that the City of Gloucester does hereby authorize the application for such a grant; and, upon receipt of the grant agreement from the New Jersey Department of Community Affairs, does further authorize the execution of the agreement; and also, upon receipt of the fully executed agreement from the Department, does further authorize the expenditure of funds pursuant to the terms of said agreement between the City of Gloucester and the New Jersey Department of Community Affairs.

**BE IT FURTHER RESOLVED** that the persons whose names, titles, and signatures appear below are authorized to sign the application, and that they or their successors in said titles are authorized to sign the agreement, and any other documents necessary in connection therewith.

  
Robert T. Gorman, Mayor

**CERTIFICATION:**

I, Paul J. Kain, the City Clerk of the City of Gloucester City hereby certify that at a meeting of the Governing Body held on June 16, 2003, the above RESOLUTION was duly adopted.

  
Paul J. Kain, City Clerk

## ***Audit Report***

---

CITY OF GLOUCESTER CITY, NEW JERSEY

PART 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2001



CITY OF GLOUCESTER CITY, NEW JERSEY  
FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAMS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

PART I - SUMMARY OF AUDITOR'S RESULTS

Financial Statement Section

A) Type of auditor's report issued:	<u>Unqualified Opinion</u>		
B) Internal control over financial reporting:			
1) Material weakness(es) identified?	<u>          </u> Yes	<u>    x    </u>	No
2) Were reportable condition(s) identified that were not considered to be material weaknesses?	<u>    x    </u> Yes	<u>          </u>	No
C) Noncompliance material to financial statements noted?	<u>          </u> Yes	<u>    x    </u>	No

Federal Awards Section

D) Dollar threshold used to determine Type A Programs:	<u>\$300,000</u>		
E) Auditee qualified as low-risk auditee? (1)	<u>    x    </u> Yes	<u>          </u>	No
F) Type of auditor's report on compliance for major programs:	<u>Unqualified Opinion</u>		
G) Internal Control over compliance:			
1) Material weakness(es) identified?	<u>          </u> Yes	<u>    x    </u>	No
2) Were reportable condition(s) identified that were not considered to be material weaknesses?	<u>          </u> Yes	<u>    x    </u>	No
H) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 97-08	<u>          </u> Yes	<u>    x    </u>	No
I) Identification of major programs:			

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.221	Urban Development Action Grant
14.228	Small Cities Community Development

CITY OF GLOUCESTER CITY, NEW JERSEY  
FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAMS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

PART I - SUMMARY OF AUDITOR'S RESULTS (Cont'd)

STATE AWARDS SECTION

- J) Dollar threshold used to determine Type A Programs: \$300,000.00
- K) Auditee qualified as low-risk auditee? (1)   x   Yes            No
- L) Type of Auditor's report on compliance for major programs: Unqualified Opinion
- M) Internal Control Over Compliance:
- 1) Material weakness(es) identified?            Yes   x   No
- 2) Were reportable condition(s) identified that were  
        not considered to be material weaknesses?            Yes   x   No
- N) Any audit findings disclosed that are required to be reported  
    in accordance with N.J. OMB Circular 98-07?            Yes   x   No
- O) Identification of major programs:

GMIS NUMBERS

6320-480-078-6320

01-5159-00

NAME OF STATE PROGRAM

New Jersey Transportation Trust Fund Authority  
Act  
Special Legislative Grant

CITY OF GLOUCESTER CITY, NEW JERSEY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

**PART 2 - SCHEDULE OF FINANCIAL STATEMENT FINDINGS**

**Finding No. 1-01**

**Condition**

Tax Title Liens records and controls do not include totals which are reconciled to the General Ledger.

**Criteria**

Tax Title Liens records should be in agreement with the General Ledger.

**Effect**

Computer totals for Tax Title Liens do not appropriately reflect transaction totals and account balances separated by Tax Water and Sewer Liens.

**Cause**

The City lien records are difficult to analyze.

**Recommendation**

That Tax Title Liens records and controls be reviewed and improved.

**CITY OF GLOUCESTER CITY, NEW JERSEY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001**

**PART 2 - SCHEDULE OF FINANCIAL STATEMENT FINDINGS (Cont'd)**

**Finding No. 2-01**

**Condition**

Tax year to date summaries are not in agreement with detail trial balances at year end.

**Criteria**

Tax trail balance listings should always agree with other tax reporting.

**Effect**

Inaccurate financial tax reporting.

**Cause**

Unknown

**Recommendation**

at year to date tax balances agree with detail trial balances on a consistent basis.

**CITY OF GLOUCESTER CITY, NEW JERSEY  
SCHEDULE OF FINDINGS AND QUESTIONED COST (CONT'D)  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001**

**PART 2 - SCHEDULE OF FINANCIAL STATEMENT FINDINGS (Cont'd)**

**Finding No. 3-01**

**Condition**

Old outstanding grant receivables and reserves from prior to 1998.

**Criteria**

Accurate financial reporting of receivables and reserves.

**Effect**

Overstatement of grant receivables and reserves.

**Cause**

Possible incorrect charges to appropriated reserves prior to 1998 be evaluated for cancellation.

**Recommendation**

That all outstanding grant receivables and appropriated reserves prior to 1998 be evaluated for cancellation.

**CITY OF GLOUCESTER CITY, NEW JERSEY  
SCHEDULE OF FINDINGS AND QUESTIONED COST (CONT'D)  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001**

**PART 2 - SCHEDULE OF FINANCIAL STATEMENT FINDINGS (Cont'd)**

**Finding No. 4-01**

**Condition**

Petty cash was not closed at year end.

**Criteria**

Petty cash should be redeposited at December 31.

**Effect**

Inaccurate financial tax reporting.

**Cause**

Petty cash carried over to next fiscal year.

**Recommendation**

That the petty cash fund be closed at the end of each fiscal year.

**CITY OF GLOUCESTER CITY, NEW JERSEY  
SCHEDULE OF FINDINGS AND QUESTIONED COST (CONT'D)  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001**

**PART 2 - SCHEDULE OF FINANCIAL STATEMENT FINDINGS (Cont'd)**

**Finding No. 5-01**

**Condition**

An emergency repair to well contract was issued without bid.

**Criteria**

Emergency should be documented in accordance with N.J.S.A. 40A:11-6.

**Effect**

Noncompliance with Local Public Contracts Law.

**Cause**

Oversight in documenting emergency.

**Recommendation**

That emergency purchases or services be documented in accordance with N.J.S.A. 40A:11-6.

CITY OF GLOUCESTER CITY, NEW JERSEY  
SCHEDULE OF FINDINGS AND QUESTIONED COST (CONT'D)  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

**Part 3 - Schedule of Federal and State Financial Assistance Findings and Questioned Costs**

This section identifies the reportable conditions, material weaknesses and instances of noncompliance including questioned costs, related to the audit of major Federal and State programs as required by OMB Circular A-133 and State of New Jersey Circular 98-07 OMB.

**Federal**

NONE

**State**

NONE



CITY OF GLOUCESTER CITY, NEW JERSEY  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS

This section identifies the status of prior year findings related to the financial statements and Federal and State awards that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 98-07 OMB.

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 1-00**

**Condition**

Tax Title Lien records and controls do not include totals which are reconciled to the general ledger.

**Current Status**

Recommendation repeated in 2001 as No. 1-01.

**Finding No. 2-00**

**Condition**

Tax year to date summaries are not in agreement with detail balances at year end.

**Current Status**

Recommendation repeated in 2001 as No. 2-01.

CITY OF GLOUCESTER CITY, NEW JERSEY  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS

Federal Awards

None

State Awards

None