

**Transitional Aid Application for Calendar Year 2011**  
**Division of Local Government Services**  
**Department of Community Affairs**

**General Instructions:** This application must be submitted in its entirety by March 11, 2011 for funding consideration under this program. Information contained in the application is subject to independent verification by DLGS. Refer to Local Finance Notice **2011-7** when preparing this application for specific instructions and definitions, and review the Submission Checklist on Page 6.

<b>Name of Municipality:</b>		City of Asbury Park		<b>County:</b>	Monmouth
<b>Contact Person:</b>		Terence J. Reidy		<b>Title:</b>	City Manager
<b>Phone:</b>	732-502-5753	<b>Fax:</b>	732-775-1483	<b>E-mail:</b>	Terence.reidy@cityofasburypark.com

**I. Aid History**

List amount of Transitional or former Discretionary Aid (Extraordinary, Special Municipal, or Capital Cities) received for the last three years, if any:

CY 2010	CY 2009	CY 2008
\$ 11,750,000	\$ 10,500,000	\$ 12,000,000

**II. Aid Request for Application Year:** (All municipalities currently operating under a Transitional Aid MOU are advised that a decrease from prior year funding is likely.)

<b>Amount of aid requested for the Application Year:</b>	<b>\$ 10,575,000</b>
--	----------------------

*An aid request does not constitute guarantee of receipt of any funds.*

**III. Submission Requirements**

The following items must be submitted with, or prior to, submission of this application. Indicate date of submission of each.

Item	Date Submitted to DLGS
Prior Year Annual Financial Statement	February 23, 2010
Previous Year Annual Audit	July 16, 2010
Previous Year Audit Corrective Action Plan	August 10, 2010
Application Year Introduced Budget	March 16, 2011
Budget documentation submitted to governing body	March 14, 2011

**IV. Application Certification**

The undersigned herewith certify that they have reviewed this application and, to the best of their ability, find its contents to be true and that it accurately portrays the circumstances regarding the municipality's fiscal practices and need for financial assistance. By submitting the application, the municipality acknowledges that the law provides that the decision of the Director regarding aid awards is final and not subject to appeal.

Official	Signature	Date
Mayor/Chief Executive Officer		March 11, 2011
Governing Body Presiding Officer		March 11, 2011
Chief Financial Officer		March 11, 2011

**V-A. Explanation of Need for Transitional Aid**

Explain the circumstances that require the need for Transitional Aid in narrative form. Include factors that result in a constrained ability to raise sufficient revenues to meet budgetary requirements, and if such revenues were raised, how it would substantially jeopardize the fiscal integrity of the municipality.

Asbury Park's 2010 annual budget was approximately \$40 million. The amount to be raised by taxes in 2010 was \$12,400,000. State aid made up 47.6% of the revenue and fees and fines provided the balance. Over the past five years, Asbury Park has reduced costs, reorganized, entered into shared service agreements, pursued regionalization of services in Monmouth County, increased fees, established new revenue producing entities, aggressively pursued economic development and reduced staffing levels; despite these measures, **Asbury Park still has a structural imbalance in excess of \$12 million in its ability to balance the 2011 budget without "Transitional aid"**.

**In 2010, the governing body adopted a budget which increased local taxes by 7.9%.**

The Mayor and Council of Asbury Park are committed reducing the City's reliance on state aid. Their recent decision to take the waterfront developer to court to gain the right to develop the City's most valuable resource (a residential subsequent-developer has not been brought to the governing body for approval by the "master developer" since 2004) is just one indicator of the City's resolve to take charge of Asbury Park's future. Section V-C of this application is designed to detail the efforts the City has used and is entertaining to increase revenues and decrease costs of operation.

In section V-C the City will demonstrate the ways in which all fees for service as well as the utilities are increasing their revenue as well as ways in which the City is lowering costs through shared service agreements and making offers to generate additional revenue by selling the City's services. There are three other avenues to balance the City's budget:

- 1) Raising taxes
- 2) State aid
- 3) Increasing tax revenue by expanding the base through economic development strategies

The total assessed value of Asbury Park is \$420 million. The City is in dramatic need of a revaluation; the new tax maps are under review by the State as of this submission. The value of a tax point is \$42,500. As noted, in 2010 taxes were raised 7.9% - a courageous move on the part of the governing body.

**Without Transitional Aid in 2011, Asbury Park would have to raise the local tax levy by 101% to balance the budget.**

This level of increase would drive the majority of homeowners and businesses out of the City. The City has reduced the request for aide in this application by 10%. Section V-C outlines the ways the City will make up that difference and continue to decrease its reliance on state aid. One of the many self-help measures the City initiated was to start “accelerated tax title lien sales” in 2004. This policy decision by the governing body increased the City’s tax collection rate from the 93.9 range in 2003 to over 99% for the last five years.

Despite these measures, the 2011 budget faces additional challenges that were not present in 2010. They include the following:

- The economic climate has put a minor chill on the accelerated tax sale mechanism forcing the reserve for uncollected taxes to increase from \$61,000 in 2010 to **\$275,000** in this budget.
- Surplus anticipated was all but eliminated from the 2011 budget dropping from \$1.3 million in 2010 to \$ 114,000 this year – more than **a million dollar loss in revenue.**
- The City’s ratable base has declined for the last two years from \$430 million to \$425 million. While not a dramatic decrease given the national economy, it is a concern and further erodes the revenue stream.
- The snow emergency cost the City **\$330,000**.
- The City will lose \$800,000 in UEZ revenue as this program closes.
- Retirement payouts cost the City **\$347,635** in 2011. While these positions were not replaced, one fifth of this cost must be raised in this year.
- Workers Compensation awards from 1998 amounting to **\$394,000** came due in this budget year.
- Pension costs for both PERS and PFRS increased this year by **\$550,000**.

So, these are some of the special challenges that the City faces in 2011. Despite these factors, the City is aggressively going after economic development opportunities in every part of the City as well as working closely with all state agencies to maximize technical support and networking in these areas. The real estate market is just now opening up. Investors are coming to Asbury Park; the entire 500 block of Cookman Avenue in the central business district is under reconstruction (see V-C). By the end of this year, there will be new apartments, retail space and three movie theaters in the downtown.

There is similar activity on the west side of the City – Springwood Avenue. While not as advanced, there are at least five housing, school and retail projects under way in this part of the City. This activity is in addition to \$9 million worth of New Jersey Department of Environmental Protection Environmental Infrastructure Trust (EIT) funded infrastructure work on the Springwood corridor.

**Unfortunately, neither of these projects will have a direct bearing on additional revenue for the City's 2011 budget.**

[Empty rectangular box for content]

**V–B Alternate Eligibility Calculation**

Complete this section only if Transitional Aid **was not** received in the prior year. If the requirements of this section are met, this application must also reflect that the criteria in Section C, items 2-7 of Local Finance Notice 2011-7 are met.

**Part 1** calculates loss of equalized value. If there is a loss of at least *2% of equalized value*, the eligibility criteria is met and the rest of the form does not have to be completed.

If the 2% criterion is **not** met, continue with Part 2 to identify individual revenue losses (exclusive of State CMPTRA/ETR formula aid reductions) or specific, extraordinary appropriation increases (pursuant to Local Finance Notice 2011-7, Item B-8).

<b>Part 1 – Eligibility of Value Loss</b>	<b>Current Year County Equalization Table County Apportionment</b> (a)	<b>Prior Year Director’s Table Equalized Value</b> (b)	<b>Decrease</b>  (c)
<b>Equalized Value Reduction</b>			
<b>Percent of loss from prior year (c) divided by (b) as percent:</b>			
<b>If this exceeds 2%, stop and proceed to the next page.</b>			

**Part 2 – Demonstration of Revenue Loss/Substantial Cost Increase**

Complete Part 2 if eligibility was not met in Part 1. Show: (1) extraordinary revenue losses (exclusive of State CMPTRA/ETR aid reductions, but inclusive of other aid, including payments under various open space State payments in lieu of tax programs), but not as the aggregate of many revenue line items; and (2) or specific, extraordinary increases in appropriations. Describe the item on the cell below each entry. If applicable, indicate in the description of the extraordinary increase in expenditure if the increase was the result of a policy decision made by the municipality (i.e. a back-loaded debt service schedule, deferred payment, costs associated with additional hires, etc.)

<b>Revenue or Appropriation</b>	<b>Prior Year Value</b>	<b>Current Year Value</b>	<b>Amount of Loss/Increase</b>
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			

**V-C Actions to Reduce Future Need for Aid**

Detail the steps the municipality is taking to reduce the need for aid in the future. Include details about long-term cost cutting and enhanced revenue plans, impact of new development, potential for grants to offset costs, and estimated short and long-term annual savings. Use additional pages if necessary.

**Introduction**

In the City's 2010 Transitional Aid application, we stated that "regionalization" of municipal services was a key component to the City's ability to reduce the need for state aid going forward. Our assessment of this as a key component in solving this challenge has not changed. In this application, the City will put forward a variety of action steps that we are taking to facilitate our regionalization/ enhanced shared service philosophy. Having said that, however, the City is aggressively pursuing a wide variety of additional strategies to reduce its need for state aid as we work toward the regional service/enhanced shared services delivery solution.

The strategies include:

- Entering into new shared service agreements
- Reducing staff
- Expanding economic development opportunities
- Expanding the City's network of support to provide additional resources
- Strengthening management practices to reduce costs and increase productivity
- Increasing fees for service
- Expanding existing services to generate revenue

**New and Enhanced Shared Services:**

Over two years of negotiations will culminate this Spring in an agreement to have the County/Neptune Township or Ocean Township take over the Asbury Park **Police and Fire Dispatch** responsibilities. The City is entertaining proposals from each of these entities. The decision will be made within the next 30 days. **The annual cost saving for this shared service is anticipated to be approximately \$500,000.**

The City is also in negotiations with Neptune Township on entering into an agreement to share engineering, public works and finance department services. These negotiations are not as advanced as the dispatch agreement. Under the Police Department, we will outline several shared service activities that are precursors to regionalizing public safety services in the county.

Each of these shared service agreements will reduce staff without impacting the services delivered to our residents.

**Networking with all police agencies**

Asbury Park's Police Department works closely with all public safety agencies. The ability of our Police Chief to network the way he does has saved the City hundreds of thousands of dollars and provided resources that are beyond our financial capability. We see these networking systems as a prelude to a regional approach to public safety. The networking includes:

- County Prosecutor's Office supports the City through its Narcotics Task Force, their Gang Task Force and their SWAT team. Asbury Park also subsidizes its police budget through the use of Law Enforcement Trust Fund money we receive from participating in these joint investigations and police actions.
- The Monmouth County Sheriff's Department is in Asbury Park every day supporting the police department during special events and emergencies.
- The United States Marshall's Office Fugitive Task Force is an integral part of the City's public safety network; the City also makes use of their **technology** to track cell phone use which allowed the city to close homicide cases. In 2010, the City was awarded a new police vehicle by the U.S. Marshal Service for our efforts in this team approach.
- The FBI provides training, personnel and valuable resources to support



Asbury Park in its actions against violent crime and gangs.

- In February of 2011, the Monmouth County Prosecutor's Office in conjunction with the New Jersey State Attorney General's Office selected Asbury Park to be the fifth municipality in the State to participate in the Attorney General's "Community Planning Board" program.
- The Asbury Park and Long Branch police departments have agreed to share technology ("Picture Link") which will allow both departments to share a suspect data bank.

This networking is a prelude for designing additional shared services and regionalizing public safety in Monmouth County.

### **Shared Services in the Fire Department**

#### **Fort Monmouth will close in September of this year (2011).**

As discussed in the City's 2010 transitional aid application, the Fort Monmouth Fire Department has provided Special Operations Emergency Response services to the citizens of Monmouth County for years. These services include hazardous materials mitigation, confined space rescue, building collapse rescue, low and high angle rope rescue, and any other type of emergency response that falls in the highly technical and unusual category. This service has been sporadic at best over the last year because the Fort Monmouth Fire Department has been experiencing a talent drain as members have been leaving to pursue other career opportunities in light of the Fort closing.

Over the past 5 years the Asbury Park Fire Department has been aggressively securing grants for equipment and training opportunities to assume these duties. As the only fully career fire department in Monmouth County we are the only logical organization to assume these responsibilities. To that end we have been included in the investment justifications by the NJ State Police for the last 3 years.

While the City of Asbury Park does not have the financial resources that the United States Army does in the case of funding these types of services via the Fort Monmouth Fire Department, we are an organization that is already staffed

24/7 and prepared to enter into inter-local or shared service agreements as the most efficient way to provide these essential high risk low frequency services to municipalities throughout the County.

In the 2010 Transitional Aid application, the City noted the benefits of regionalizing services. As a footnote to last year's information, it should be noted that over 20 municipalities have fire districts in Monmouth County. The two closest communities to Asbury Park are Neptune Township and Ocean Township. Each of these municipalities contain two fire districts. **The combined budget for these four fire districts is \$7,358,506.**

We share this statistic as a reminder that there is an opportunity to provide a higher level of service for residents of Monmouth County without increasing the "tax" they currently pay. Asbury Park continues to work this initiative. We believe that this is still one of the untapped opportunities to reduce costs and increase service to our residents.

### **Strengthening management practices:**

Insurance coverage

**Asbury Park has decreased its general liability insurance costs in 2011 by over \$300,000 while increasing coverage.** After five years of petitioning a variety of Joint Insurance Funds (JIFs) for membership, Asbury Park is now a member of the New Jersey Intergovernmental Insurance Fund (NJIIIF). Each of the City's self insured retention (SIR) limits was cut by 50% and all of the city's coverage was increased. Just as importantly, the NJIIIF provides management support and training to reduce injuries and establish effective work practices among all of the departments. Overall, joining this organization will save several hundred thousand dollars this year and allow the City to be eligible for reduced premiums and even lower SIRs in the years to come.

**Increasing Revenue/Decreasing costs:**

- **Police summonses have increased** from \$706,000 in 2007 to **over \$1 million** in 2009 and 2010. In 2010, Asbury Park issued more tickets than any other municipality in the County. It should be noted that in 2009, Asbury Park's "gross" summons amount was \$1,887,000. Approximately \$1 million went to the City and the majority of the balance went to the State. In 2010 the gross amount collected was \$1,737,000. Of this over \$700,000 went to the State. While the City is increasing its revenue, we are also generating significant revenue for the State.
- **No raises** for all employees and unions without binding arbitration from 2008 through 2011.
- A **third layoff plan** is underway to reflect the loss of personnel due to shared service agreements under negotiation and additional reorganization plans.
- The City will **reduce health benefits cost by \$417,000 in 2011** as a result of the City's health benefits "waiver" policy. This policy allows employees who have alternate health coverage to "waive" the coverage that the City provides. As compensation for waiving their coverage, the employee receives a payment. In 2011, the City reduced this payment to a maximum of \$5,000 per employee ; it had been 50% of the value of the premium. A total of 22 employees opted to use the waiver provision. The total premium for these employees would have been \$510,507; the cost of the waiver payments is \$93,305.
- The **Police Department was reduced** from 95 officers in 2010 to 89 officers in 2011; seven additional officers are funded through grant programs reducing the number of budget-funded officers to 82 sworn officers in the 2011 budget. In 2009, 11 full-time Special police officers were replaced by part-time officers. The Mounted Police Unit was eliminated in 2011.

- The PBA/SOA received an arbitration award covering the years from 2008-2010. The value of this award was \$926,000. The City negotiated a new contract with **the PBA/SOA in which the unions agreed to economic givebacks equal to this award** to prevent layoffs.
- **The PBA/SOA also agreed to take a zero percent salary increase for 2011 and 2012 and a modified health benefits program with higher deductibles.**
- The Fire Union (IAFF) has proposed a similar agreement (salary and health benefits). The IAFF did not go to arbitration. As with the Police Department's award, the Fire union would have to agree to economic givebacks equal to their increase.
- Beach badge revenue increased by 43.5% in 2010 (from \$540,000 to \$775,000).
- Using 2008 as the base year, overtime costs in the Fire Department were cut by 50% in 2009 and by 75% in 2010.
- Revenue generated by ambulance billing increased 30% between 2009 and 2010 (from \$400,000 to \$520,000)
- In the 2010 Transitional Aid application, the City noted that we were supporting two bills that would allow municipal fire departments to provide advanced life support services. Presently, New Jersey is the only state in the union that does not allow municipal EMT to provide this service. It is currently a monopoly held by hospitals. After years of negotiating, A-2095 will be up for a vote on March 14, 2011. If approved, the bill would go to the Senate. The City estimates that by providing this service, our Fire Department could generate an **additional \$250,000 annually.**

The following will serve as a brief summary of ways to offset lost revenue and to create additional funding sources for the Department of Social Services.

- For several decades the City has annually been awarded a continuation

grant from the State of New Jersey, Department of Human Services, Division of Mental Health Services to provide services to the chronically mentally ill and medically needy within the community. Over the past several years additional funding was provided to the City through the grant based on its participation in the Medicaid Administrative Claim Program (MAC). The project was suspended on January 1, 2011. **The suspension of this project resulted in the mental health grant being reduced by \$10,148.** Money that was used to work with this very vulnerable population.

- During 2010, the City provided services to over 750 individual clients; approximately 80% are Medicaid eligible. In an attempt to offset the lost funding, The City is attempting to enter the Medicaid program for reimbursement for services provided.
- Prior to the closing of our Senior Citizen Center (that was located on the second floor of the Asbury Avenue Boardwalk Pavilion), residents of Ocean Grove used our facility. At that time, the Center had its own nutrition site for congregate meals and residents from local communities where transported to the center by Monmouth County Senior Citizen Alternative Transportation (SCAT) bus for meals. Once the Center had to be closed, the nutrition center was relocated to Asbury Towers and we saw a significant decline in participant use at the temporary center.
- It's anticipated that the new Senior Citizen Center will be completed by the end of this year (2011). Once the building is completed and operational, the nutrition center (operated by Inter-Faith Neighbors) will be moving back into the Asbury Park Senior Citizen Center and it is anticipated that residents from various communities will again be transported to the congregate meal program by the County's SCAT program.
- The City will also reach out to surrounding communities that do not have their own Senior Citizen program and through inter-local service agreements offer them services at the new center. This approach will generate additional revenue for the Asbury Park Senior Center.

**All fees are reviewed annually. For 2011, the following fees are increasing:**

- All fire inspection fees (2011)
- Dog/cat license fees (2010)
- Vital statistics (2010)
- Beach badges (2011)
- Parking meter rates (2011)
- Inspection of grease traps (new ordinance which reduces maintenance costs for the city and provides penalties for non-compliance...2011)
- Liquor license fees (2011)
  
- In addition to parking fees increasing, the City is expanding its “parking management program” from the waterfront into the Central Business District and Main Street. Approximately **800 new spaces will be metered** starting this Spring (2011).
- The City is applying to the New Jersey Department of Transportation to implement the **Red light camera system**. This program has been effective in reducing the number of vehicles that run red lights in other communities. It also has the benefit of generating additional revenue.
- The governing body is enacting a **“false alarm ordinance”** in April of this year to increase safety and reduce unnecessary calls. Three years ago two police officers were injured and their cars totaled while responding to a “false alarm”.
- A **hotel tax** is currently under review by the governing body.
- The City is working with its state representatives to enact legislation that would **restore** some of the **liquor licenses** lost by the City during the years when Asbury Park was in decline. This measure would be closely tied to

the redevelopment areas throughout the City. In 1957, Asbury Park had 74 consumption licenses and 8 distribution licenses; the City now has 37 consumption licenses and three distribution licenses. This simple measure would provide revenue for the City that would both increase direct revenue and encourage further investment by developers and business owners.

**All departments compete for grant funding to supplement their departments, A few of the larger grants include:**

- SAFER grant (\$1.4 million) for the Fire Department which has been funding 12 firefighters for the past four years.
- COPS grant (\$1.2 million) in the Police Department which is funding five officers for three years
- Byrne Memorial Assistance Grants which have funded the City's purchase of surveillance camera equipment, 9 police vehicles, automated license plate recognition technology, etc.

**Expanding economic development opportunities**

One of the most dramatic accomplishments in Asbury Park in the last five years is the coordination among all departments to grow economic development in the City. There were numerous impediments to economic growth eight years ago (as a former city manager once said: "there was plenty of parking"). Safety was at the top of the list. Asbury park was considered too dangerous to visit or invest in.

**That has changed.**

One of the reasons for this change has been the investment of time, programs and resources in our young people.

- **Juvenile Crime (ages 17 and under) has decreased by 38%** between 2006 and 2010.
- Crime for residents between the **ages of 18 and 22 years has decreased by 12%**. These decreases are a direct result of coordination among several of our departments and support from our community.
- The police department has also reduced narcotic complaints by 74% in the

last five years.

The Police Athletic League, Recreation Department and community groups combined to fund and build a boxing ring/work-out facility in a space above the Public Works offices that opened this year. As noted earlier in this application, the school district funds two "school resource officers". One of the programs these officers deliver is the Gang Resistance Education And Training (GREAT) program. A Junior Police Academy was started three years ago and has added to the opportunity for our police officers to be role models for our youth.

The combination of recreation opportunities and old fashioned community police work has made this difference and opened the door to greater investment by the residential and business community.

### **New Harmonies Music Exhibit**

In March of 2011, the City of Asbury Park launched an initiative to capture and promote the city's great musical heritage that dates back to the 1890's. This is a strategic plan to embrace all the extraordinary music that emanated from Asbury Park, package it up, and leverage it to attract new businesses and visitors to our city even in this very difficult economic climate.

This philosophy was successfully implemented in cities like Memphis, Nashville, Austin, and Liverpool. Asbury Park is uniquely positioned to achieve similar success. We have been selected by the Smithsonian Institution to host the opening stop on their national tour on the New Harmonies Exhibit. We expect thousands to visit the city while the tour is here and we have already received national press coverage including articles in USA Today and the NY Times. We will establish Asbury Park as a musical Mecca. This strategy will create the economic engine that will carry the city until the residential real estate market begins its recovery.

### **Continuing redevelopment growth**

For the first time in over 40 years, there is significant investment by the City in the infrastructure on Springwood Avenue. July 4, 1970 marked the end of an era



in Asbury Park. The civil disturbances of that weekend culminated in the razing of a majority of the commercial center that thrived for decades. Springwood Avenue was one of the most vibrant commercial centers in Monmouth County.

Springwood Avenue is coming back. The governing body authorized \$9 million of NJDEP Environmental Infrastructure Trust funding to completely reconstruct the avenue's infrastructure as well as the ancillary streets. This step, along with several housing and commercial projects currently under way on the west side of the City stand as measurable examples of the rebirth of the south-west portion of our City. The projects include:

### **Redevelopment of Vacant City-Owned Land to Enlarge the City's Ratables Base**

#### **1. Springwood Center Project**

- a. The project site is located within the Springwood Avenue Brownfield Development Area and Springwood Avenue Redevelopment Area. The site has been vacant since the 1970's.
- b. This project calls for the construction of a 27,534 square foot, three-story, mixed use building at 1501-1507 Springwood Avenue. These formerly City-owned parcels sit within the Springwood Avenue Redevelopment Area
- c. Building design calls for commercial/retail space at grade, space for the Asbury Park Senior Center on the second floor, and eight affordable, residential rental units at the third floor level.
- d. The estimated "all-in" cost to complete this project is approximately \$6.9 million. Interfaith Neighbors, a local non-profit, as owner and developer of this project, is responsible for securing financing to undertake and complete the project.
- e. Hazardous Discharge Site Remediation Funds were utilized by the City to remove an underground oil storage tank.
- f. The City has committed \$160 thousand in unused Regional Contribution Agreement (affordable housing funds) money and \$40 thousand in Community Development Block Grant funds toward the construction of the eight affordable rental units .

#### **2. Springwood Commons Project**

- a. The project site is located within the Springwood Avenue Redevelopment Area.

- b. This project calls for the construction of a 23,700 square foot, three-story, mixed use building at 1316-1320 Springwood Avenue. The project site consists in part of formerly City-owned land.
- c. Building design calls for commercial/retail space at grade, and a total of sixteen affordable, residential for-sale units at the second and third floor levels.
- d. Springwood Commons, LLC, as owner and developer of this project, is closing on a CHOICE program grant in the amount of \$1.6 million to fund the project.
- e. The City has committed \$225,000 in Affordable Housing and Community Initiative funding toward the construction of the sixteen affordable units that are part of project.

### **3. "Operation Westside" Scattered Site Redevelopment**

- a. The project sites are located within the STARS Redevelopment Area. The STARS project was initially started over 10 years ago. It stalled due to rapidly increasing land costs during the boom market of the last decade. The STARS area also borders on the Springwood Avenue redevelopment area and compliments the work the City is accomplishing there. The STARS plan also benefits from the \$9 million in EIT infrastructure improvements.
- b. Redevelopment of a total of 19 stand-alone, vacant lots, previously owned by the City of Asbury Park and transferred to a collaborative partnership of three not for profit affordable housing developers.
- c. Construction of a total of 20 new affordable housing units in both detached single-family and detached two-family housing styles.
- d. To date 5 homes have been completed, 9 will be completed in 2011 and 6 will be completed in 2012.
- e. Developers are utilizing Neighborhood Stabilization Program funds to help complete the project.
- f. The City intends to allocate unused RCA funds towards the construction of a portion of the affordable units that are part of project.

### **4. Springwood Avenue Redevelopment Area- Vacant Land Between Atkins Avenue and Memorial Drive**

- a. The property in question is located within the Residential and Gateway Zones of the Springwood Avenue Redevelopment Area.
- b. Property has lay fallow since the early 1970s. The City has reacquired the property through both legal settlement with the former property owner and a Memorandum of Understanding with the

Asbury Park Housing Authority

- c. The City is currently preparing a request for proposals to seek developers of the property.
- d. A preliminary build out analysis prepared shows the following potential development opportunities:

	Residential Zone	Gateway Zone	TOTAL
<b>Total Size of Land</b>	2.12 Acres	2.33 Acres	4.45 acres
<b>Potential Number of Residential Units (estimate max)</b>	95 units	127 units	222 units
<b>Potential Non-residential square footage (estimate max)</b>	NA	79,017 square feet	79,017 square feet

Another key component to the development of the Springwood Avenue Redevelopment Area is the design and construction of the first multi-purpose community park on the west side of the City- the first. This element of the redevelopment plan has been supported by two “Municipal Open Space Grants” from Monmouth County. The **first grant was in the amount of \$86,000** to offset the cost of the land; the **second grant in the amount of \$250,000** (the most the County awards in any one grant cycle) was for park improvements.

**Waterfront development**

It has been almost 10 years since the waterfront redevelopment plan was adopted by the Asbury Park Mayor and Council. This part of the City, arguably the most potent economic engine in the 1.42 square miles of this City is the most economically under achieving area in Asbury Park – still.

The City is currently in arbitration with the master developer on a variety of issues which precludes the City from discussing the details of our situation. What we can say is that the 2002 redevelopment plan will be amended to reflect the economic realities of the current market. The master developer and the City are

in agreement on this point.

The governing body has established a Waterfront Planning Committee to both amend the plan and solicit community input. Despite the lack of movement over the past several years on the residential development, the beach has continued to grow as a destination. This was reflected earlier in this application when we identified a 43.5% increase in beach badge revenue between 2009 and 2010.

## VI. Historical Fiscal Statistics

Item	2009	2010	Introduced Application Year
<b>1. Property Tax/Budget Information</b>			
Municipal tax rate	\$ 2.687	\$ 2.902	\$ 5.841
Municipal Purposes tax levy	\$ 11,560,188	\$ 12,433,171	\$ 24,799,480
Municipal Open Space tax levy	\$ 0.00	\$ 0.00	\$ 0.00
Total general appropriations	\$ 38,189,531	\$ 40,400,293	\$ 43,558,230
<b>2. Cash Status Information</b>			
% Of current taxes collected	99.50%	98.93%	%
% Used in computation of reserve	99.50%	99.725%	99.21%
Reserve for uncollected taxes	\$ 105,626	\$ 61,847	\$ 274,758
Total year end cash surplus	\$ 1,377,564	\$ (5,296,045)	
Total non-cash surplus	\$0.00	\$ 5,410,669	
Year end deferred charges	\$0.00	\$ 1,565,635	
<b>3. Assessment Data</b>			
Assessed value (as of 7/1)	\$ 430,292,416	\$ 428,549,386	\$ 424,599,898
Average Residential Assessment	\$ 89,000	\$ 140,000	\$ 140,000
Number of tax appeals granted	0	0	
Amount budgeted for tax appeals	\$0.00	\$ 0.00	\$ 0.00
Refunding bonds for tax appeals	\$0.00	\$ 0.00	\$ 0.00
<b>4. Full time Staffing Levels</b>			
Uniformed Police - Staff Number	104	99	99
Total S&W Expenditures	\$ 9,376,597	\$ 10,094,800	\$ 9,043,885
Uniformed Fire - Staff Number	55	55	55
Total S&W Expenditures	\$ 4,549,981	\$ 4,195,758	\$ 4,411,624
All Other Employees - Staff Number	133	90	90
Total S&W Expenditures	\$ 19,564,622	\$ 19,524,882	\$ 18,322,022
<b>5. Impact of Proposed Tax Levy</b>			
			<b>Amount</b>
Current Year Taxable Value			424,599,898
Introduced Tax Levy			24,799,480
Proposed Municipal Tax Rate		Average Res. Value ( #4 above)	140,000
Current Year Taxes on Average Residential Value (#4 above)			8,176
Prior Year Taxes on Average Residential Value			4,063
Proposed Increase in average residential taxes			4,113

**VII. Application Year Budget Information**

A. Year of latest revaluation/reassessment

2002

B. Proposed Budget – Appropriation Cap Information

- Item**
1. Was an appropriation cap index rate ordinance adopted last year?  
If YES: % that was used
  2. Amount of appropriation cap bank available going into this year
  3. Is the Application Year budget at (appropriation) cap?  
If NO, amount of remaining balance
  4. Does the Application Year anticipate use of a waiver to exceed the appropriation cap?  
If YES, amount:

	Yes	No
3.25%	X	
\$ 1,423,985		
\$ 1,895,951		X
\$		X
\$		

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Unemployment Insurance	150,000	200,000	50,000
Pensions	3,491,484	4,075,804	584,320

D. List all new property tax funded full-time positions planned in the Application Year:

Department/Agency	Position	Number	Dollar Amount
Financial Administration	Certified Municipal Finance Officer (6) month salary was budgeted.	1	58,000

E. Display projected tax levies, local revenues (not grants), anticipated (gradually reduced) Transitional Aid, total salary and wages, and total other expenses projected for the three post-application years:

	Tax Levy	Local Revenues	Transitional Aid	Total S&W	Total OE
<b>First year</b>	<b>25,167,276</b>	<b>5,792,070</b>	<b>9,500,000</b>	<b>18,081,362</b>	<b>18,600,000</b>
<b>Second year</b>	<b>25,670,622</b>	<b>5,907,911</b>	<b>7,500,000</b>	<b>16,273,226</b>	<b>18,650,000</b>
<b>Third year</b>	<b>26,184,034</b>	<b>6,026,069</b>	<b>5,500,000</b>	<b>14,645,903</b>	<b>18,700,000</b>



### VIII. Financial Practices

#### A. Expenditure controls and practices:

Question	Yes	No
1. Is an encumbrance system used for the current fund?	X	
2. Is an encumbrance system used for other funds?	X	
3. Is a general ledger maintained for the current fund?	X	
4. Is a general ledger maintained for other funds?	X	
5. Are financial activities largely automated?	X	
6. Does the municipality operate the general public assistance program?		X
7. Are expenditures controlled centrally (Yes) or de-centrally by dept. (No)?	X	
8. At any point during the year are expenditures routinely frozen?	X	
9. Has the municipality adopted a cash management plan?	X	
10. Have all negative findings in the prior year's audit report been corrected?		X
If No, list those uncorrected as an appendix.		

#### B. Risk Management: Indicate ("x") how each type of risk is insured.

Coverage	JIF/HIF	Self	Commercial
General liability	X		
Vehicle/Fleet liability	X		
Workers Compensation	X		
Property Coverage	X		
Public Official Liability	X		
Employment Practices Liability	X		
Environmental	X		
Health			X
	<b>SHBP</b>		

#### C. 1) Salary and Employee Contract Information (when more than one bargaining unit for each category, use average):

Question	Police	Fire	Other Contract	Non-Contract
Year of last salary increase	2010	2007	2007	2007
Average percentage increase	7.5%	3.25%	3.25%	3.25%
Last contract settlement date	March 2, 2011	July 1, 2004	July 1, 2004	
Contract expiration date	Dec. 31, 2012	Dec. 31, 2007	Dec. 31, 2007	

2) Explain if any of the following actions have been taken or are under consideration for the Application Year:

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)				
Wage Freezes (describe below)				
All employee salaries, with the exception of statutory requirements and an arbitration award for Police, have not increased since Jan. 1, 2008.				



<b>Application Year CY 2011</b>	Municipality: City of Asbury Park	County: Monmouth
---------------------------------	-----------------------------------	------------------

Layoffs (describe below)				

D. Tax Enforcement Practices:

Question	Yes	No
1. Does the municipality use the accelerated tax sale program?	X	
2. When was the last foreclosure action taken or tax assignment sale held:      Date:	N/A	
3. On what dates were tax delinquency notices sent out in 2010:      Date:	Quarterly	
4. Date of last tax sale:      Date:	Dec. 14, 2010	

E. Specialized Service Delivery:

If the answer to either question is "Yes," provide (as an appendix) a cost justification of maintaining the service without changes.

Service	Yes	No
Sworn police or firefighters are used to handle emergency service call-taking and dispatch (in lieu of civilians)		X
The municipality provides rear-yard solid waste collection through the budget		X

F. Other Financial Practices

1. Amount of interest on investment earned in:

Prior Year:	\$ 81,955	Last Year:	\$ 36,556	Anticipated Application Year:	\$ 35,000

2. List the instruments in which idle funds are invested:

Various Sweep Accounts	

3. What was the average return on investments during CY 2010?

1%

4. When was the last time fee schedules were reviewed and updated?

2011

G. Status of Collective Negotiation (Labor) Agreements: List each labor agreement by employee group, contract expiration date, and the status of negotiations of expired contracts.

Employee Group	Expiration Date	Status of Negotiations of Expired Agreement
PBA – Police Department	Dec. 31, 2012	Arbitrated contract settled for 0% increase for 2011 & 2012.
SOA – Police Department	Dec. 31, 2012	Same as above.
IAFF – Fire Department	Dec. 31, 2007	Currently in negotiations. (5) year contract proposal submitted for 2008 thru 2012.

<b>Application Year CY 2011</b>	<b>Municipality: City of Asbury Park</b>	<b>County: Monmouth</b>
---------------------------------	--	-------------------------

AFL/CIO Local # 6	Dec. 31, 2007	At the table, post arbitration award.
AFSCME – Supervisors	Dec. 31, 2007	At the table, post arbitration award.

**IX-A. List actions that limited Salary and Wage costs: i.e., layoffs, furloughs, freezes, contract concessions, etc.  
(See item C-3 in Local Finance Notice 2011-7 for details)**

S&W Line Item	Prior Year Actual	Application Year Proposed	Explanation of Change
Municipal Clerk	174,877	148,086	July 1, 2010 Layoff of (1) employee.
Senior Citizen Center	44,828	32,000	Retirement of (2) employees. (1) employee transferred from another department at a substantial decrease in salary.
Planning Department	227,073	169,790	(1) employee moved to Senior Center.
Engineering Department	100,000	0.00	Allowable expenses under NJEIT Capital Budget appropriation.
Code Enforcement	528,587	449,160	July 1, 2010 layoff of (2) employees. Retirement of (1) employee.
Public Works Administration	1,437,546	793,153	Retirement of (2) department directors in 2011. Department restructuring, merged with Engineering.
Community Development	233,310	0.00	Retirement of Department director and (1) additional employee. July 1, 2010 layoff of (1) employee. Administrative personnel charged directly to Federal HUD grant.
Police Department	10,094,799	9,043,885	(5) officers retired. (2) officer salaries paid through Board of Education. Officers waive all overtime costs for 2011.




<b>Application Year CY 2011</b>	Municipality: City of Asbury Park	County: Monmouth
---------------------------------	-----------------------------------	------------------


**IX-C. Evaluate existing local revenues, as to whether or not the rates or collections can be increased or imposed, and if so, how changes will be implemented; i.e., recreation fees, utility fees, land use fees, construction, housing, and fire code.**

Local Revenues and services provided though the General/Current Fund	Check if services is provided	Are fees charged to cover the costs of the program?	If fees do not cover costs, what is the amount of subsidy?	If there is a subsidy, explain why fees cannot be increased to reduce or eliminate subsidy.
Recreation programs	<input checked="" type="checkbox"/>	Yes	200,000	See attached narrative. All fee schedules are reviewed annually and updated accordingly.
Sewer Fees	<input type="checkbox"/>			
Water Fees	<input type="checkbox"/>			
Swimming Pool	<input type="checkbox"/>			
Uniform Construction Code	<input checked="" type="checkbox"/>	Yes	0.00	In 2010, the fees collected covered the salaries of all employees in the Construction Dept.
Uniform Fire Code	<input checked="" type="checkbox"/>	Yes		This fee schedule was updated on Feb.16, 2011.
Land Use Fees	<input type="checkbox"/>			
Parking Fees	<input type="checkbox"/>			
Beach Fees	<input type="checkbox"/>			
Insert other local fees below:	<input type="checkbox"/>			

<b>Application Year CY 2011</b>	<b>Municipality: City of Asbury Park</b>	<b>County: Monmouth</b>
---------------------------------	--	-------------------------

--	--	--	--	--





**Section XI – Impact of Limited or No Aid Award**

Describe in complete detail the impact if aid is not granted for the current fiscal year; **this priority setting requires that the municipality will maintain a minimum level of essential services.** List the appropriate category of impact if the aid is not received. Rank each item from both lists as to the order in which elimination will take place. If across the board cuts will be made, indicate under service. **For rank order purposes, consider the two sections as one list. The cuts outlined here are one that the municipality is committing to make if they do not receive aid.**  
 (\*\*) These cuts will violate DCA staffing levels.

Rank Order	Department	# of Layoffs	Effective Date	2010 Full Time Staffing	2011 Full Time Staffing	\$ Amount to be Saved
1	Police Department	61	6/15/2011	107	46	2,510,175 **
2	Fire Department	36	6/15/2011	59	23	1,226,062 **
3	Public Works/Engineering	13	6/15/2011	27	14	382,806
4	Code Enforcement/ Construction	8	6/15/2011	13	5	213,901

If services will be reduced, describe the service, impact and cost savings associated with it.

Rank Order	Service	Cost Savings	Impact on Services

**XII. Agreement to Improve Financial Position of Municipality**

If aid is granted, the municipality will be required to submit to certain reporting conditions and oversight as authorized by law and a Memorandum of Understanding will need to be signed. Please mark each box below indicating that the applicant understands, and agrees to comply with these broad reporting and oversight provisions.

	Yes	No
1. Allow the Director of Local Government Services to assign management, financial, and operational specialists to assess your municipal operations.	X	
2. Implement actions directed by the Director to address the findings of Division staff.	X	
3. Enter into a Memorandum of Understanding and comply with all its provisions, without exception.	X	

**XIII. Certification of Past Compliance for Municipalities Currently Operating Under a Transitional Aid MOU:**

The undersigned certify that the municipality has complied with all the conditions and requirements of 2010 MOU conditions, including, but not limited to, the following: submission of a Transition Plan, adoption of a pay to play ordinance, receipt of signed approval forms as required prior to hiring personnel and contracting with professional service vendors.

Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

Chief Financial Officer: \_\_\_\_\_ Date: \_\_\_\_\_

Chief Administrative Officer: \_\_\_\_\_ Date: \_\_\_\_\_

**XIV. CAMPS Certification (Civil Service municipalities only)**

For Civil Service municipalities, the undersigned, being knowledgeable thereof, hereby certify that the municipality has placed the names of all current civil service employees in the NJ “CAMPS” system.

Human Resources or Personnel Director: \_\_\_\_\_ Date: \_\_\_\_\_

Chief Financial Officer: \_\_\_\_\_ Date: \_\_\_\_\_

**XV. CERTIFICATION OF APPLICATION FOR TRANSITIONAL AID**

The undersigned acknowledges the foregoing requirements with which the municipality must comply in order to receive aid as outlined above. In addition, included with this application is a copy (printed or electronic) of the budget documentation that supports the budget calculation that was provided to the governing body.

Mayor: \_\_\_\_\_ Date: \_\_\_\_\_

Chief Financial Officer: \_\_\_\_\_ Date: \_\_\_\_\_

Chief Administrative Officer: \_\_\_\_\_ Date: \_\_\_\_\_