

Executive Summary

The following summary is based on our analysis of the various options as explained in detail through the remainder of the report.

Anticipated Redevelopment Scenarios

1. The first redevelopment option proposes 80 age-restricted for sale units, 10 two bedroom affordable multifamily units, 10 three bedroom affordable multifamily units and open space. The development is projected to generate a net tax revenue for the Borough of \$14,600 and a net tax revenue for the School District of \$204,300. The County is projected to receive \$197,000 in revenues.
2. The second redevelopment option proposes 160 age-restricted for sale units, 20 two bedroom affordable multifamily units, 20 three bedroom affordable multifamily units and open space. The development is projected to generate a net tax revenue for the Borough of \$29,400 and a net tax revenue for the School District of \$408,700. The County is projected to receive \$393,300 in revenues.
3. The third redevelopment option proposes 125 assisted living, 125 independent living units and open space. The development is projected to generate a net deficit in tax revenue for the Borough of \$84,700 and a net tax revenue for the School District of \$386,400. The County is projected to receive \$183,000 in revenues.
4. The fourth redevelopment option proposes 22 four bedroom single-family home for sale units, 2 two bedroom affordable units and 3 three bedroom affordable units and open space. The development is projected to generate a net tax revenue for the Borough of \$10,800 and a net deficit in tax revenue for the School District of \$11,600. The County is projected to receive \$114,090 in revenues.

Open Space Acquisition

1. The viability of open space protection on the site varies with the scenarios considered.
2. The Camden County Open Space Program would potentially contribute 25% of the purchase price, based on prior contributions to similar projects.
3. A non-profit partner would potentially contribute about 10% (maximum \$1 million) through a William Penn Foundation grant.
4. The Borough or County would need to borrow/bond for the remainder of the purchase price.

5. The Borough or County could expect funds to pay down a portion of the debt service from annual grant applications to the New Jersey Department of Environmental Protection (NJDEP) Green Acres Program and expected revenues from the municipal open space tax.
6. There are no other identifiable sources of funds for open space acquisition.

RESULTS OF ANALYSIS

The most fiscally beneficial redevelopment scenario on the Bancroft Site for the Borough would be the second option of one hundred sixty (160) age restricted for sale units, twenty (20) two bedroom affordable multifamily units and twenty (20) three bedroom affordable multifamily creating a total net tax revenue of \$438,100. The least fiscally beneficial scenario is the fourth option of twenty-two (22) four bedroom market rate single-family home for sale units, two (2) two bedroom affordable single-family home units and three (3) three bedroom affordable single-family home units creating a total net deficit in tax revenues of \$800.

The viability of open space protection on the site varies with the scenarios considered. The Camden County Open Space Program would likely contribute 25% of the purchase price, based on prior contributions to similar projects. A non-profit partner would likely contribute about \$1 million through a William Penn Foundation grant. The Borough or County would need to bond/borrow for the remainder of the purchase price, but could expect income for service of the bond debt from annual grant applications to the NJDEP Green Acres Program and expected revenues from the municipal open space tax, as well as possible revenues from the re-use of Lullworth Hall. The NJDEP Green Acres Program can give up to 50% of the purchase price of the property, but the amount granted each year is dependent upon the amount of funds allocated to Green Acres that year and the number and quality of other applications by other municipalities. There are no other identifiable sources of funds for open space acquisition.

The final purchase price of the property will have the largest determining factor on the feasibility of acquisition. If the purchase price is \$10 million, then the analysis indicates that there would be a potential of \$6 to \$7 million of total unfunded principal, interest and recreation improvement costs. If the purchase price is \$15 million, then the Borough would face a potential of \$11 to \$13 million of total unfunded principal, interest and recreation improvement costs. If the purchase price is \$20 million, the Borough would face a potential of \$17 to \$19 million of total unfunded principal, interest and recreation improvement costs.