Municipal mergers are a tall order in N.J.

Advocates say cost savings play a key role in attracting businesses to smaller towns

BY ANDREW KITCHENMAN

REDUCING THE NUMBER of New Jersey's 566 municipalities will save taxpayers money and improve the business climate, according to advocates for local government consolidation.

Their efforts are now getting support from a new nonprofit, Courage to Connect New Jersey, and from an attempt by residents of Merchantville to combine with its larger neighbor, Cherry Hill.

Gina Genovese, executive director of Courage to Connect New Jersey, said municipal mergers can lead to increased economic development.

Genovese, once mayor of Long Hill, said towns with fewer than 50,000 residents cannot usually afford an economic development director to focus on attracting and retaining businesses.

As budget pressures increase on local governments, "we're going to have to make a real change," including making a concerted effort to attract and grow businesses, she said.

Another argument for consolidation is its potential to reduce municipal costs and property taxes. However, the impact likely would differ from place to place — and some smaller towns contend they are more frugal than their larger neighbors.

Under a 2007 state law, residents can form a consolidation study commission via petition. That's what happened in Merchantville, a borough of 3,800 next to Cherry Hill, with 70,000 residents. Cherry Hill's township council also approved the study commission; a formal merger proposal would have to be voted upon before being adopted.

Gregory La Varde, an architect who lives in Merchantville, is a member of Merchantville Connecting for the Future, the group advocating consolidation there.

> See SERVICES on page 9
He said it should be good for local businesses, "in terms of taking advantage of grants and promotions."

La Vardera doesn't expect a merger with Cherry Hill to benefit his business directly, but he does see a positive outcome for the broader business community.

Most business owners "will agree that being part of a larger business community is a good thing," La Vardera said.

Genovese dismissed a common objection to consolidations — that municipal character gets lost in a merger.

"Not one town is going to lose its identity," she said.

Woodbridge Mayor John E. McCormack, the former state treasurer and a consolidation supporter, offers proof of that sentiment. McCormack said Woodbridge includes a series of neighborhoods — Colonie, Fords, Iselin and Avenel among them — that have maintained separate downtowns and identities within the larger municipality.

"If we were in Bergen County, we'd be 10 towns with 10 mayors, and probably twice the budget," McCormack said.

But he's skeptical that widespread consolidations will move beyond the talking stage any time soon. He said a more practical step to lowering costs is to increase the sharing of services by municipalities.

While Merchantville and Cherry Hill have started the process, another potential consolidation is at an earlier stage. Legislators have proposed carving up tax-able-rich Teterboro among its neighbors, but the measure is on hold pending discussions by Gov. Chris Christie and legislators.

E-mail to: akitchenman@njbiz.com