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60 Union Street, #1N
Newark, NJ 07105

January 28, 2021

Township of Cranford
Planning Board of the Township of Cranford
8 Springfield Avenue
Cranford, NJ 07016

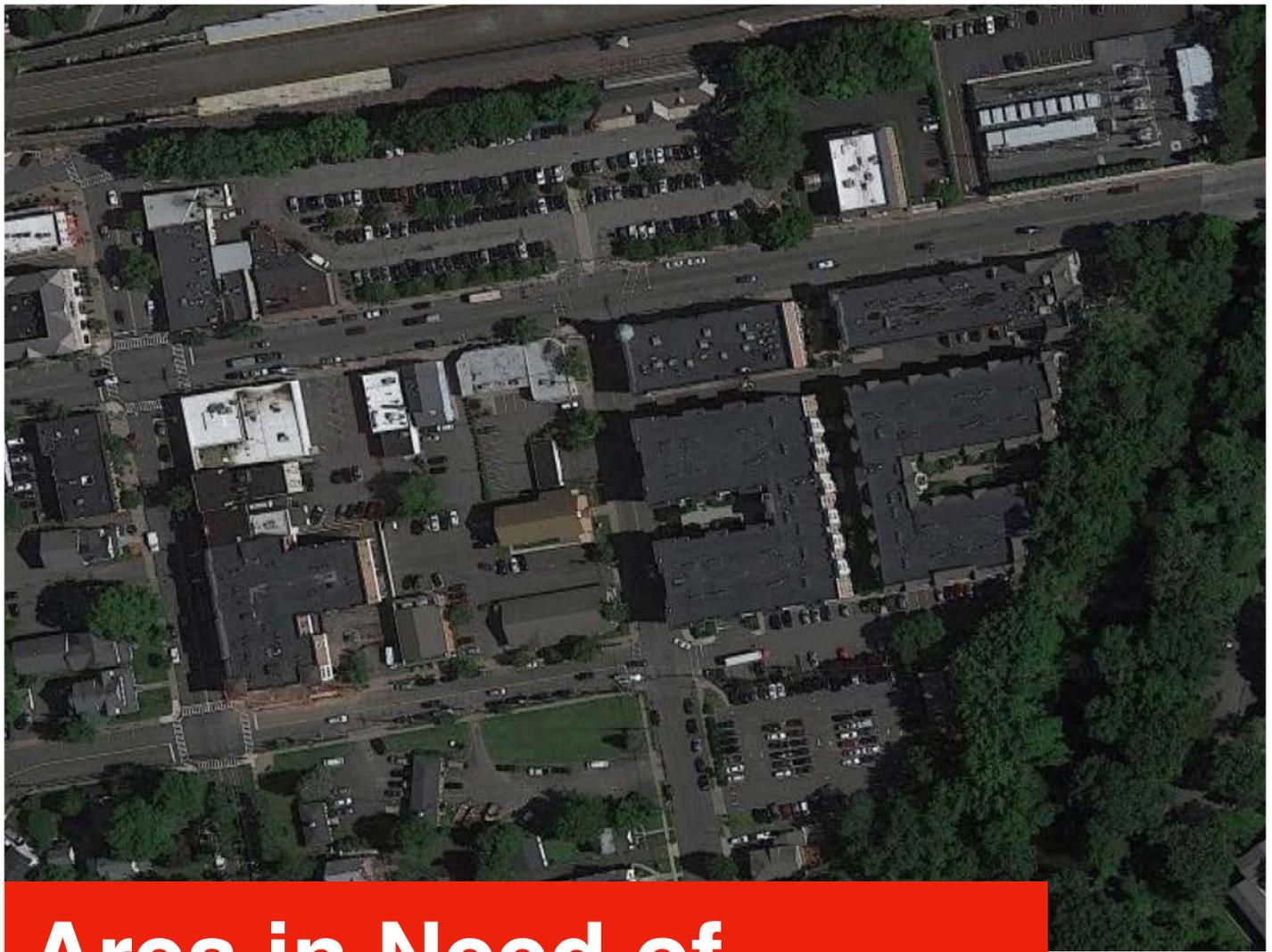
Dear Planning Board Members,

Enclosed please find the Area in Need of Rehabilitation Report, studying certain properties on South Avenue and Chestnut Street, for the Township of Cranford.

It is our intent to discuss the conclusions of the report with the Planning Board in public session at the February 3rd Planning Board Meeting.

Sincerely,

Leigh Anne Hindenlang, AICP/PP



Area in Need of Rehabilitation Report

Certain Properties on South Avenue
and Chestnut Street

Township of Cranford

January 28, 2021

Topology | 60 Union St #1N Newark, NJ 07105

TOPO
LOGY



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60 Union Street, 1N, Newark NJ 07105

ACKNOWLEDGEMENTS

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Report Date: January 28, 2021

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CONTENTS

I. OVERVIEW	3
II. BACKGROUND	4
III. EXISTING CONDITIONS ANALYSIS	5
IV. CONCLUSION	17

I. OVERVIEW

The purpose of this document is to provide the Township of Cranford (the "Township") with a review of the conditions of an area within the municipality, referred to herein as "the Study Area." Specifically, this Report has been prepared to determine whether or not the Study Area qualifies as an Area in Need of Rehabilitation pursuant to N.J.S.A 40A:12A-14.

The Study Area includes several properties located on the edge of downtown Cranford and immediately south of the Cranford NJ TRANSIT train station. More specifically, the Study Area includes the following properties:

- Block 478, Lots 1.01, 1.02, 2, 3, 4 and 5 (100-126 South Avenue);
- Block 478, Lot 6 (32 High Street);
- Block 483, Lot 18 (2 Chestnut Street), and;
- Block 484, Lot 19.01 (201 Walnut Avenue).

The figure below reflects the boundaries of the Study Area.

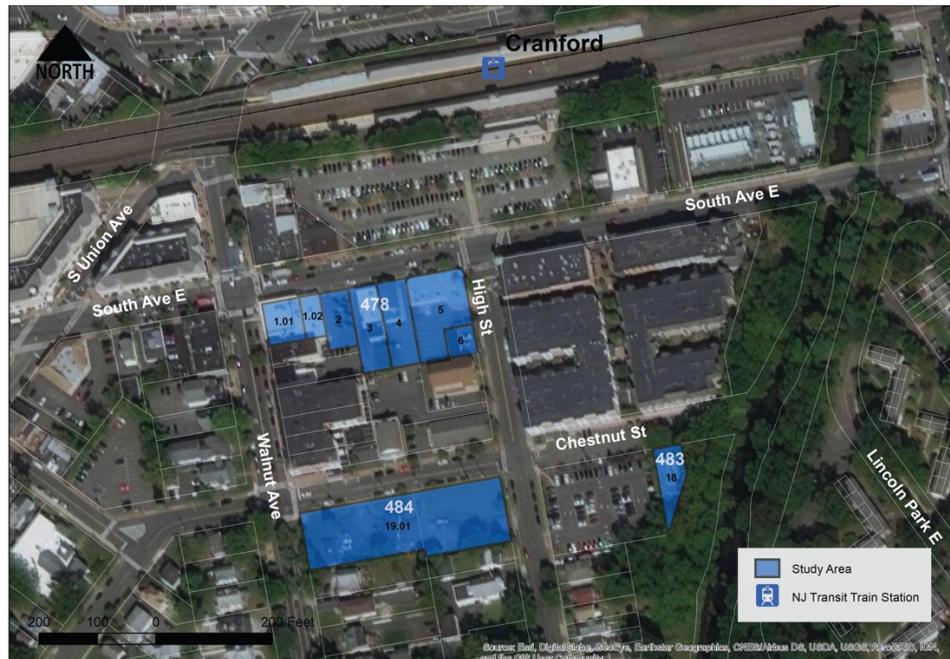


Figure 1: Rehabilitation Study Area

After review of relevant documents and conditions within the Study Area, it has been determined that the Study Area qualifies, pursuant to N.J.S.A 40A:12A-14, as an Area in Need of Rehabilitation.

II. BACKGROUND

A. LEGAL AUTHORITY

The LRHL authorizes municipalities to designate portions, or the entirety of the municipality, as an Area in Need of Rehabilitation.

Rehabilitation designation allows municipalities access to additional tools in their effort to promote development and prevent further deterioration within delineated areas. The designation must be supported by findings that specific conditions, as stated in *N.J.S.A 40A:12A-14*, exist in the proposed rehabilitation area—in this case, the Study Area—and addressed in Section III of this document.

B. STATUTORY CRITERIA APPLICATION

In order to qualify for designation as an Area in Need of Rehabilitation, the governing body of the municipality must determine “by resolution that a program of rehabilitation... may be expected to prevent further deterioration and promote the overall development of the community” as well as that any of the following conditions exist in that area pursuant to *N.J.S.A 40A:12A-14*:

- (1) A significant portion of structures therein are in a deteriorated or substandard condition;
- (2) More than half of the housing stock in the delineated area is at least 50 years old;
- (3) There is a pattern of vacancy, abandonment, or underutilization of properties in the area;
- (4) There is a persistent arrearage of property tax payments on properties in the area;
- (5) Environmental contamination is discouraging improvements and investment in properties in the area; or
- (6) A majority of the water and sewer infrastructure in the delineated area is at least 50 years old and is in need of repair or substantial maintenance.

C. PROCESS

On August 11, 2020 the Township Committee of the Township of Cranford passed Resolution No. 2020-270 requesting the Planning Board to evaluate the properties that constitute the Study Area to determine if they should be designated as an Area in Need of Rehabilitation. Subsequently, the Township of Cranford Planning Board appointed Topology on September 16, 2020 to study if and how the Study Area qualifies as an Area in Need of Rehabilitation. Topology has since engaged with the Township administration and various professionals, conducted a property inspection, and an analysis of property and tax records to determine the relevant conditions. This report details the findings of this analysis and asserts that the statutory conditions exist in the Study Area.

III. EXISTING CONDITIONS ANALYSIS

A. DESCRIPTION OF STUDY AREA

The Study Area's existing conditions were considered and studied for designation as being "in need of rehabilitation" against the requirements in N.J.S.A 40A:12A-14.

In order to effectively determine whether the Study Area qualified as an Area in Need of Rehabilitation, the boundaries of the Study Area were defined by the property tax records from the State of New Jersey Division of Taxation's database and the Official Tax Map of the Township of Cranford. The properties included in the Study Area are listed in the table below.

Block	Lot	Property Class	Area (Acres)	Address	Owner
478	1.01	4A	0.111	100 SOUTH AVE E	IOP CRANFORD 100 SOUTH LLC
478	1.02	4A	0.0612	104 SOUTH AVE E	IOP CRANFORD 100 SOUTH LLC
478	2	4A	0.1148	108 SOUTH AVE E	108 SOUTH AVE E LLC
478	3	4A	0.1722	112 SOUTH AVE E	BARRY'S HOLDING CO LLC
478	4	4A	0.1722	118 SOUTH AVE E	BOFFARD HOLDINGS
478	5	4A	0.287	122-126 SOUTH AVE E	VIBO HOLDINGS LLC % MEEKER SHARKEY
478	6	4A	0.0574	32 HIGH ST	BOFFARD HOLDINGS LLC
483	18	2	0.1166	2 CHESTNUT ST	BOFFARD, DARYL K
484	19.01	4A	0.8465	201 WALNUT AVE	201 WALNUT AVE LLC

The boundaries of the Study Area, as reflected on the municipal tax maps of the Township of Cranford, are reflected in Figure 2 below.



Figure 2: Boundaries of properties comprising the Study Area

B. QUALIFYING CONDITIONS

Determining whether an area qualifies as in need of rehabilitation is a two-step test.

First, it must be determined if the rehabilitation designation is expected to prevent further deterioration within the municipality and promote development in the community. As mentioned in the 2019 Master Plan Reexamination Report, the Township set itself an objective to utilize rehabilitation designations to encourage development on underutilized properties as part of a broader effort to proactively plan for the future and implement projects.

Declaring an area in need of rehabilitation is expected to further these efforts. While specific courses of action will be determined by the Township after potential designation, the ability to adopt and implement redevelopment plans and provide short-term tax abatements can be expected to focus development and encourage investment in the municipality. These steps will allow the municipality to more specifically state their development aspirations, tailor their land use regulations around these goals, and potentially take advantage of tax programs in order to achieve these objectives. This satisfies the first condition of N.J.S.A 40A:12A-14.

Secondly, it must be determined if one of the six previously detailed (Section II.B) conditions listed in N.J.S.A 40A:12A-14 exists in the Study Area. For the purpose of this report, conditions 1, 2 and 3 were applicable and reviewed.

Summary of Findings

The table below summarizes this report’s findings with regard to the statutory conditions’ (described in Section II.B.) applicability to the parcels within the Study Area:

Block	Lot	Acres	Condition					
			1	2	3	4	5	6
478	1.01	0.111		NA	X			
478	1.02	0.0612		NA	X			
478	2	0.1148		NA	X			
478	3	0.1722	X	NA	X			
478	4	0.1722	X	NA	X			
478	5	0.287	X	NA	X			
478	6	0.0574	X	NA	X			
483	18	0.1166	X	X	X			
484	19.01	0.8465	X	NA	X			

Condition 1: Significant Portion of Deteriorated or Substandard Structures

Condition 1 requires an analysis of the existing structures in the Study Area to assess whether a significant portion of those structures is in a deteriorated or substandard condition.

A site visit was conducted on November 21, 2020 in order to analyze and determine the existing conditions of the structures located within the Study Area. Based on this inspection, and as indicated in the table above, a significant portion of the structures located on Study Area properties are found to be in a deteriorated condition. Therefore, the properties located within the Study Area are found to meet Condition 1.

A site-by-site analysis, accompanied by photographs taken during the site inspection, is provided below.

Block 478, Lot 1.01

Address: 100 South Avenue East

Size: 0.111 acres

Owner: IOP Cranford 100 South LLC



Based upon an inspection of the property, Block 478, Lot 1.01 does **not** meet Condition 1 as the one-story commercial building on site is currently undergoing extensive renovation of both the façade and interior.

Block 478, Lot 1.02

Address: 104 South Avenue East

Size: 0.0612 acres

Owner: IOP Cranford 100 South LLC



Based upon an inspection of the property, Block 478, Lot 1.02 does **not** meet Condition 1 as the one-story commercial building on site is currently undergoing extensive renovation of both the façade and interior.

Block 478, Lot 2

Address: 108 South Avenue East

Size: 0.1148 acres

Owner: 108 South Ave E LLC



Based upon an inspection of the property, Block 478, Lot 2 does **not** meet Condition 1 as the property is a surface parking lot without any structures.

Block 478, Lot 3

Address: 112 South Avenue East

Size: 0.1722 acres

Owner: Barry's Holding Co LLC



Based upon an inspection of the property, Block 478, Lot 3 meets Condition 1 as the structures thereon are in a deteriorated condition.

The property contains a one-story commercial building. The building shows signs of deterioration as evidenced by cracked masonry, wood paneling and damaged stone 3' tall addition along the western façade. Also, the fence separating the site from an abutting commercial property on South Avenue East is in need of replacing or repair. Finally, the fence gate enclosing the side alley is broken and partially unhinged.

Due to the deteriorated condition of the structures on site, this property meets Condition 1.

Block 478, Lot 4

Address: 118 South Avenue East

Size: 0.1722 acres

Owner: Boffard Holdings



Based upon an inspection of the property, Block 478, Lot 4 meets Condition 1 as the structures thereon are in a deteriorated condition.

The property contains a three-story commercial building with parking in the rear accessible from South Avenue East by means of a driveway. The building shows signs of deterioration as evidenced by missing downspouts, damaged door frames, and peeling paint. Also, the fence separating the site from an abutting commercial property on South Avenue East is need of replacing or repair.

Due to the deteriorated condition of the structures on site, this property meets Condition 1.

Block 478, Lot 5

Address: 122-126 South Avenue East

Size: 0.287 acres

Owner: Vibo Holdings LLC % Meeker Sharkey



Based upon an inspection of the property, Block 478, Lot 5 meets Condition 1 as the structure thereon is in a deteriorated condition.

The property contains a one-story commercial building with three separate storefronts. The building is in a deteriorated condition as exhibited by cracked masonry, damaged window frames and storefront awnings, and damaged gutters causing water damage on the façade facing the rear parking area.

Due to the deteriorated condition of the structure on site, this property meets Condition 1.

Block 478, Lot 6

Address: 32 High Street

Size: 0.0574 acres

Owner: Boffard Holdings LLC



Based upon an inspection of the property, Block 478, Lot 6 meets Condition 1 as the structure thereon is in a deteriorated condition.

The property contains a one-story commercial building with three garage bays fronting on High Street. The building is in a deteriorated condition as exhibited by cracked and spalling masonry, fascia elements in need of repair, and patch mortar work.

Due to the deteriorated condition of the structure on site, this property meets Condition 1.

Block 483, Lot 18

Address: 2 Chestnut Street

Size: 0.1166 acres

Owner: Boffard, Daryl K



Based upon an inspection of the property, Block 483, Lot 18 meets Condition 1 as the structure thereon is in a deteriorated condition.

This property contains a residential two-story structure located on the western riverbank of the Rahway River. The single-family detached home evidences severe deterioration as exhibited in missing siding, broken and missing roof elements, peeling paint, a cracked foundational wall, and damaged window frames.

Due to the deteriorated condition of the structure on site, this property meets Condition 1.

Block 484, Lot 19.01

Address: 201 Walnut Avenue

Size: 0.8465 acres

Owner: 201 Walnut Ave LLC



Based upon an inspection of the property, Block 484, Lot 19.01 meets Condition 1 as the structures thereon are in a deteriorated condition.

This site contains two principal buildings formerly used for a commercial bank operation. In addition to the main one-story building, a separate structure has four drive thru lanes for ATM services. Both structures evidence general structure deterioration as exhibited by cracked masonry, damaged roof and window elements, peeling paint, and broken light fixtures. Furthermore, the fences separating the site from abutting residential properties on Walnut Avenue and High Street are in need of replacing or repair.

Due to the deteriorated condition of the structures on site, this property meets Condition 1.

Condition 2: Majority of Housing Stock is Older Than 50 Years

Condition 2 calls for an analysis to determine if “more than half of the housing stock in the delineated area is at least 50 years old.” MOD IV data is a standard tool used to determine parcel specific land use information in a community.

Based on MOD IV data for the Township of Cranford, the Study Area is comprised of 9 parcels. Of those parcels, one is listed by the assessor as Class 2 or Class 4C (meaning they are used for residential purposes). That one property, or 100% of the housing stock in the delineated area, is listed as being built before 1970, meaning it is at least 50 years old.

As a result, the Study Area meets Condition 2; more than half of the housing stock in the delineated area is at least 50 years old.

Condition 3: Pattern of Vacancy, Abandonment, or Underutilization

Condition 3 requires an assessment of whether a pattern of vacancy, abandonment or underutilization of properties exists within the Study Area.

Property tax records from the State of New Jersey Division of Taxation’s database and the Township of Cranford—including a current list of properties located within the downtown Cranford Special Improvement District (SID)—were analyzed in order to establish whether a pattern of underutilization exists within the Study Area. These tax records were used to determine the assessed value of each property in the Study Area and current property taxes.

The value of the land, improvements thereon, and the net taxable value for each property is displayed in the table below. As shown, the assessed value of four Study Area properties has decreased significantly since 2013.

Block	Lot	Acres	Assessed Land Value	Assessed Improvement Value	Total Assessed Value 2020	Total Assessed Value 2013
478	1.01	0.111	\$129,600	\$245,300	\$374,900	\$585,400
478	1.02	0.0612	\$58,300	\$128,100	\$186,400	\$186,400
478	2	0.1148	\$112,500	\$2,300	\$114,800	\$114,800
478	3	0.1722	\$81,000	\$225,500	\$306,500	\$306,500
478	4	0.1722	\$172,300	\$85,000	\$257,300	\$325,000
478	5	0.287	\$198,000	\$95,600	\$293,600	\$425,000
478	6	0.0574	\$42,800	\$9,600	\$52,400	\$52,400
483	18	0.1166	\$72,400	\$93,900	\$166,300	\$191,300
484	19.01	0.8465	\$314,000	\$163,300	\$477,300	\$477,300

All nine Study Area properties are part of the downtown Cranford SID. A special SID tax assessment is currently collected for a total of 188 properties in downtown Cranford. A comparison with the improvement value per acre for all SID properties clearly indicates the relative underutilization of properties located within the Study Area. While the improvement value per acre for the Study Area properties is \$559,389.34, the improvement value per acre for all SID properties is \$1,121,813.72. In other words, the average improvement value of Study Area properties is about half the average of the downtown district as a whole.

As evidenced by their lower improvement value, the Study Area properties are underutilized and contribute minimally to the economic vitality of the downtown in which they are located. Combined with the declining assessed value of several Study Area properties, a pattern of underutilization among these downtown properties is evident.

IV. CONCLUSION

The Study Area qualifies under *N.J.S.A 40A:12A-14* as an Area in Need of Rehabilitation. This qualification is based on the fact that the Study Area and the properties located therein meet Conditions 1, 2 and 3.

First, a significant portion of structures within the Study Area are in a deteriorated or substandard condition, satisfying **Condition 1**. Second, more than half of the housing stock in the delineated area is at least 50 years old, meeting **Condition 2**. Third, there is a pattern of underutilization of properties within the Study Area, thus satisfying **Condition 3**.

Finally, the qualification of the Study Area as an Area in Need of Rehabilitation coupled with the utilization of LRHL tools and future encouragement by the Township, should prevent further deterioration and promote development.

Therefore, it is recommended that this Study Area within the Township of Cranford be designated as an Area in Need of Rehabilitation.