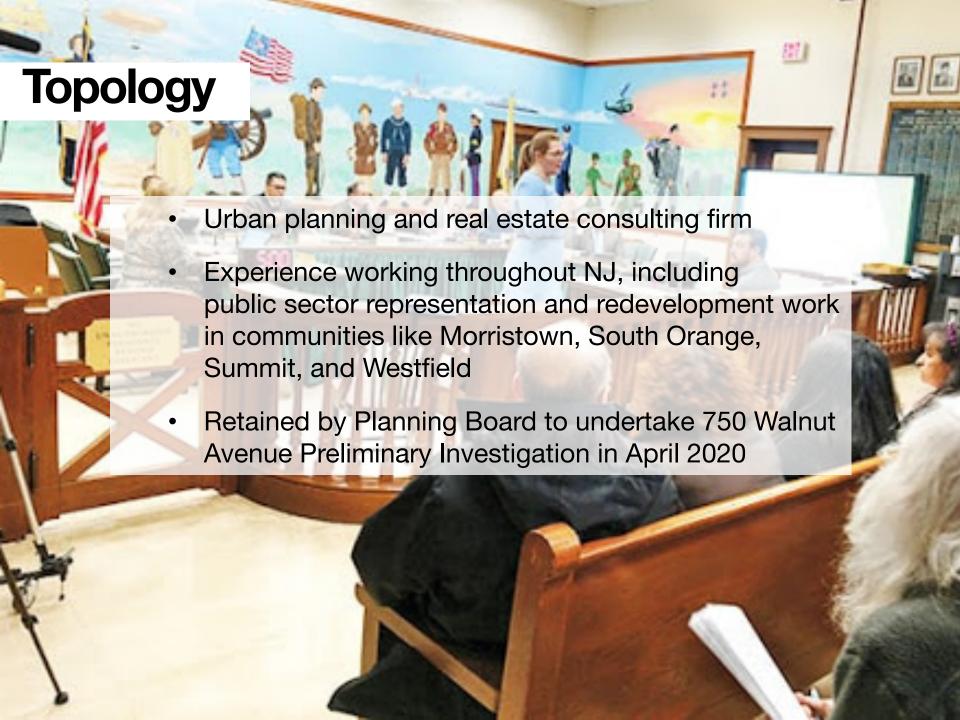


Agenda

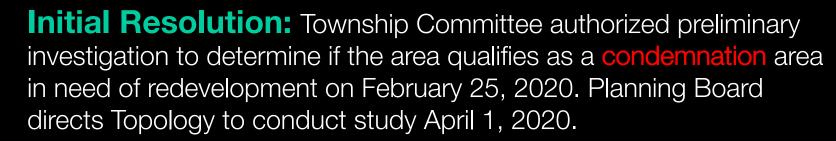
- 1 Introduction + Process
- 2 Study Area Overview
- **3** Statutory Criteria
- 4 Property Evaluation
- 5 Conclusion + Next Steps

1. Introduction + Process





Process: Overall



Due Diligence: Research on the condition of the properties in the study area.

Preliminary Investigation: Analysis of study area and recommendation (report submitted August 18, 2020).

Planning Board Review: Township Planning Board public hearing on September 2, 2020.

Designation: Township Committee accepts, rejects, or modifies recommendation.

Process: Tonight's Report

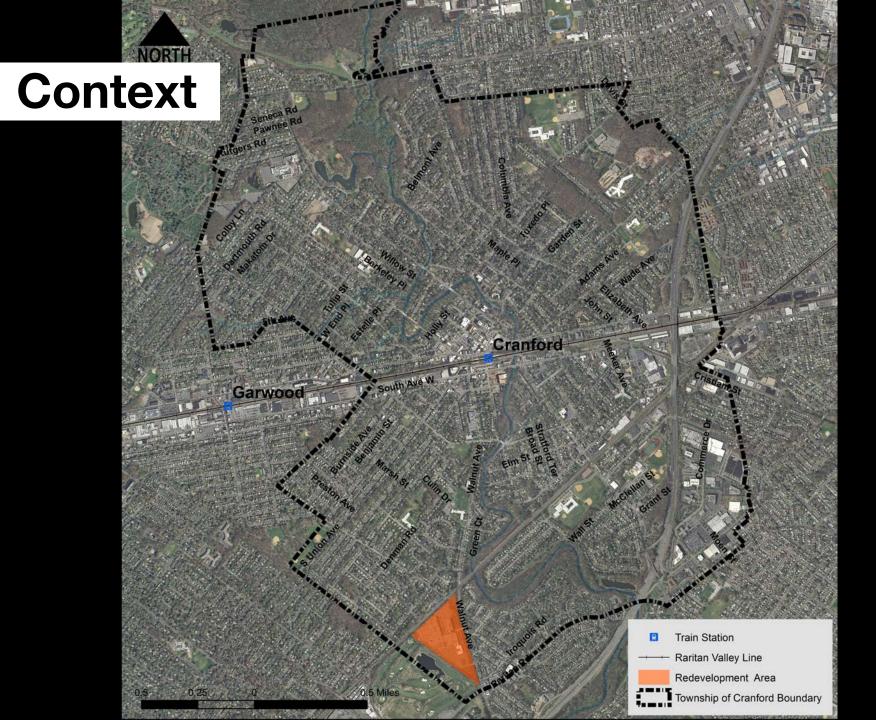
Site Visits

External site inspections: April 29 and July 31, 2020

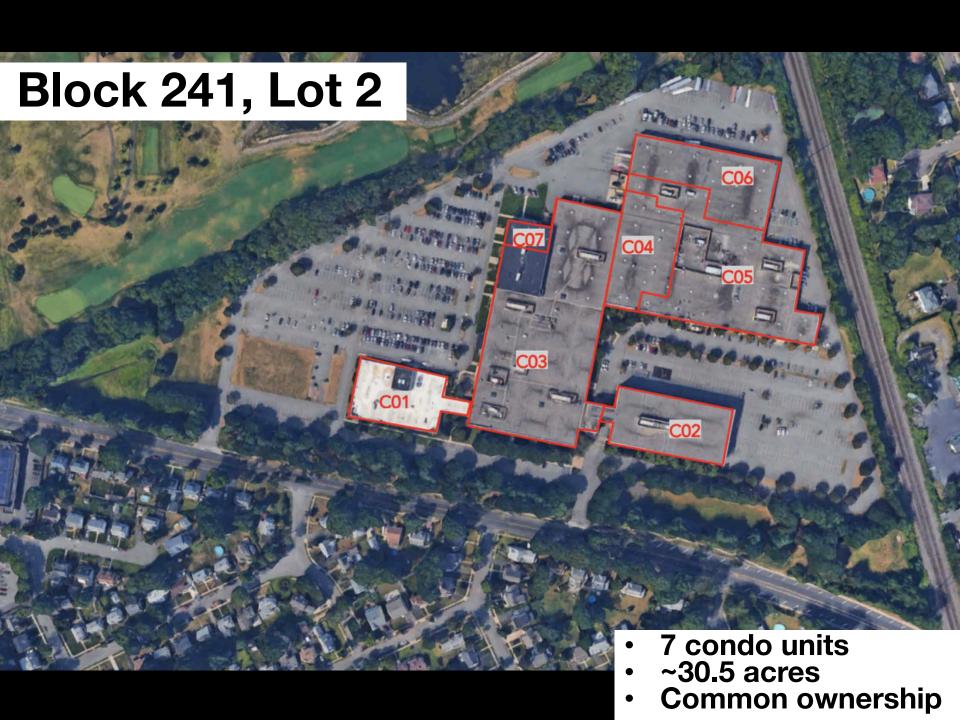
Documents Reviewed:

- Land use review
- Municipal tax maps and tax assessor records
- Building records
- Development approvals and permits
- Existing zoning ordinance and zoning map
- Township Master Plan and Reexamination Report
- Sanborn maps
- NJ DEP records****
- Police and Fire Department records
- Water and sewage usage records



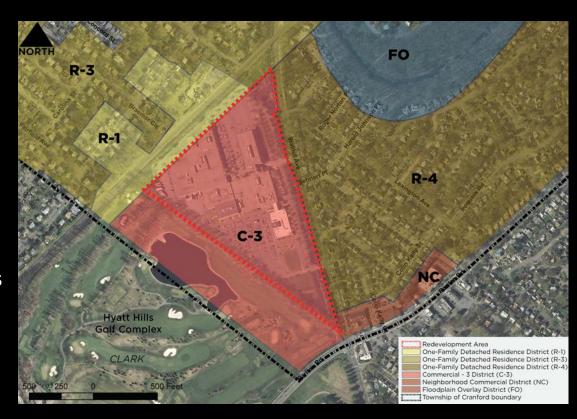






Zoning

- Permitted principal uses:
 - Business, administrative, executive + professional offices
 - Essential services
 - Golf courses
 - Health care facilities
 - Office distribution centers
 - Research laboratories
- General required conditions:
 - Min. tract area of 20 acres
 - To be developed as a single entity
 - Max. building coverage: 25%
 - Max. lot coverage: 60%
- Max. height: 3 stories, 45 feet



Property History

- 1920s-1930s: Study Area was developed as a manufacturing plant. A residential subdivision was built on the other side of Walnut Avenue
- Late 1960s: Most of the existing buildings were built for manufacturing purposes
- After 1988: Minimal improvements made to reuse building for other purposes
- Present: A 100% vacant commercial property subdivided into seven separate condominium units.





"Area in Need of Redevelopment" Criteria

Statutory Analysis (N.J.S.A. 40A:12A-5)

- Substandard, dilapidated, or obsolescent buildings or lacking in light, air, or space conducive to unwholesome living or working conditions
- Abandonment of commercial buildings or disrepair rendering them untenantable; significant vacancies for two plus years
- Vacant or publicly owned land unlikely to be developed with private capital due to location, access or topography
- Buildings or improvements which, by reason of obsolescence, faulty arrangement or design, excessive land coverage or obsolete layout (or combination thereof) are detrimental to safety, health, or welfare of community

"Area in Need of Redevelopment" Criteria

Statutory Analysis (N.J.S.A. 40A:12A-5 (cont.))

- Stagnant and unproductive condition of land because of a condition of title or diversity of ownership.
- Area of 5+ acres with improvements that have been destroyed by fire or natural disaster
- Adopted and approved Urban Enterprise Zones (which may be designated for tax abatements only)
- Designation is consistent with smart growth planning principles

Section 3: "necessary...for the effective redevelopment of the area of which they are a part"

Redevelopment Case Law Principles

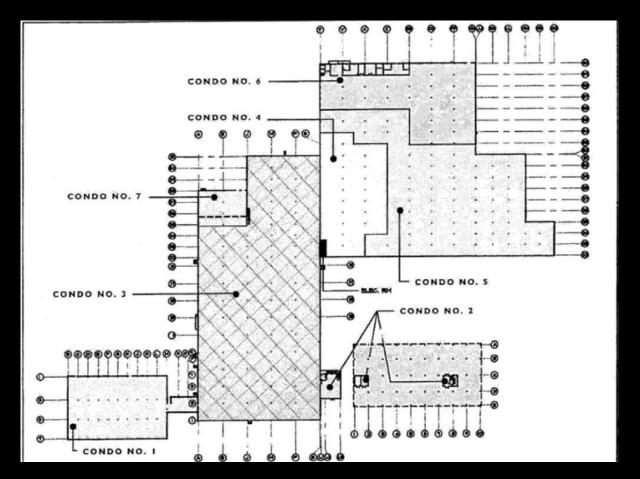
Standard of Proof

- Gallenthin: According to the NJ Supreme Court, a "municipality must establish a record that contains more than a bland recitation of the statutory criteria and declaration that those criteria are met."
- Again in <u>Gallenthin</u>, the Court emphasized that a redevelopment designation is only entitled to deference if supported by "substantial evidence" on the record.
- As a result, the analysis provided here is based on <u>a specific</u>
 and thoughtful application of the plain meaning of the
 <u>statutory criteria</u> to the <u>condition of the parcels</u> within the
 Study Area <u>as they currently exist</u>.





Criterion A: The **generality of buildings is substandard**, unsafe, unsanitary, dilapidated, or **obsolescent**, or possess any of such characteristics, or are so **lacking in light**, air, or space, as to be conducive to **unwholesome living or working conditions**.



Source: Exhibit A-2 Planning Board Hearing of Rezoning Application.

There are seven separate condominiums on site, all connected either through shared walls, corridors or bridges. The building, in its current configuration, does not meet modern standards of office and industrial uses.

Obsolescence

The existing 100% vacancy plus the following characteristics exhibiting its obsolescence suggest that the building does not meet market demand:

- Due to size, accessibility and location, this site is not appropriate for <u>Class A</u>.
- For <u>Class B</u> tenants, the site is lacking many of the basic amenities and aesthetics that this market would be interested in.
- This leaves <u>Class C</u> tenants, who are usually seeking smaller spaces as start-ups, making leasing risky for a building of this size.
- In general, the lack of light is not conducive to a wholesome work environment or in-line with modern demand, according to HMC Architects.





Obsolescence

The existing building, in its current configuration, does not meet standards of modern industrial uses, due to:

- The segmented and complicated floorplan which would create a large degree of unusable space for warehouse users.
- The placement of scattered loading docks around the building which does not allow for cross-docking.
- The building's ceiling height of 18-20 feet that does not meet the modern minimum standard of 40 feet (source: F. Curtis Barry & Company).
- The existing loading bays are at grade or about 30" above grade. The modern standard is about 55" above grade (source: National Institute of Building Sciences).





Substandard

The existing structure shows significant signs of deterioration resulting in a substandard building:

- Water damage in the ceiling of the indoor parking area.
- Cracking/crumbling facades, foundational damage, and damaged/leaking roofs.
- Evidence of water penetration and damage throughout.
- Broken railings and unsafe vehicular and pedestrian access points.







Criterion B: The discontinuance of the use of a building or buildings previously used for <u>commercial</u>, retail, shopping malls or plazas, <u>office parks</u>, manufacturing, or industrial purposes; the abandonment of such building or buildings; <u>significant vacancies of such building or buildings for at least two consecutive years</u>; or the same being allowed to fall into so great a state of disrepair as to be untenantable.

Significant Vacancies

- In 2019, a response to the Township's "Chapter 91 Request" lists the site's vacancy in recent years.
- About 60% or more has been vacant since 2017. In July 2019, there were two tenants on site.
- At the time of this report, the two final tenants have been off the rent rolls for almost a year. Currently, the 2020 vacancy rate is 100%.

Year	Percent Vacant
2017	61%
2018	65%
2019	71%
2020	100%

Vacancy Rates 2017-2020



June 2020: Vacant



Criterion D: Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.

Dilapidation

- General deterioration and deferred maintenance as evidenced by potholes, missing and damaged speed control devices, improperly maintained stormwater infrastructure, broken pedestrian and vehicular safety lighting, damaged security fencing, faded or non-existent circulation striping, damaged or dead landscaping, overgrowth of weeds, and accumulations of litter.
- This lack of maintenance creates conditions detrimental to the safety, health, morals, or welfare of the community.







Obsolete Layout + Faulty Arrangement

The lack of pedestrian amenities and circulation creates an uncomfortable, unsafe pedestrian environment in which visitors are forced to walk in the drive lanes.

- Insufficient number of handicap spaces that meet federal ADA standards for clear access, as they are not adjacent to the building, and marking.
- ADA spaces are spread far apart from one another and are typically connected by undersized, damaged sidewalks with Belgian block curbing at varying heights.





Obsolete Layout + Faulty Arrangement



Obsolete Layout + Faulty Arrangement

- In the last 5 years, 173 property and violent crime related police calls have been made.
- The number of incidents has begun to decrease in 2019, while the number of onsite patrols has almost doubled since 2015 resulting in an average of 35 site patrols per month.
- The increased policing is likely the result of continued vacancy and the limited visibility from Walnut Avenue. The raised berm there would not be a concern if the site was utilized with activity and users.
- This faulty arrangement requires the police to circulate the entire property, wasting valuable time and tax dollars.





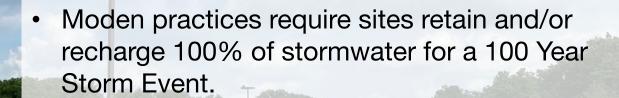
Excessive Land Coverage

- Excessive land coverage exacerbates stormwater management issues, such as flooding, erosion, and nonpoint source pollution.
- The site is 65.5% impermeable exceeding the allowable percentage of 60%. For this site, a 5.5% excessive land coverage translates into about 66,400 square feet.
- In addition, permeable surfaces (landscaping, detention basins) appear to be compacted, making it harder for stormwater to infiltrate.





Excessive Land Coverage



- The site retains only 42% of runoff from a 100 Year Storm Event, according to a 2018 Stormwater Management Statement.
- These conditions contribute to an obsolete design that impacts the safety (flooding, erosion, nonpoint source pollution) of the community.

Summary of Findings

Study Area qualifies as a condemnation Area in Need of Redevelopment based on:

Block	Lot	Acreage	Criteria								Section
			A	В	С	D	Ε	F	G	н	3
541	2	30.5	Х	Х		Х					



Recommended Redevelopment Area



Next Steps



Initial Resolution: Township Committee authorization of preliminary investigation on February 25, 2020.



Investigation Map: Delineates the boundaries of the proposed study area.



Preliminary Investigation: Analysis of study area and recommended course of action.



Planning Board Review: Planning Board holds public hearing to review preliminary investigation for recommendation to governing body.



Designation: Township Committee resolution that accepts, rejects or modifies recommendations.

