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PRELIMINARY INVESTIGATION – AREA IN NEED OF REDEVELOPMENT Non-Eminent Domain

Block 34, Lots 4, 5, 6 and 7 and Block 35, Lots 5, 6, 7, 8, 9 and 10

Borough of Bound Brook Somerset County, New Jersey



Prepared for the Borough of Bound Brook in accordance with the New Jersey Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.)

The original of this report was signed and sealed on February 27, 2019 in accordance with Chapter 41 of Title 13 of the New Jersey State Board of Professional Planners

Carlos Rodrigues FAICP / PP New Jersey Professional Planner #5107

CREDITS

Governing Body:	Robert Fazen, Mayor
	Abel Gomez, Council President
	Robert Dixon
	Brad Galetta
	Elizabeth Jannuzzi
	Vince Petti
	Anthony Pranzatelli
Land Use Board:	Michael Witt, Chair
	James Ayotte
	Linda Brnicevic
	Robert Fazen
	Keith Krauser
	Mario Meola
	Anthony Pranzatelli
	Scott Sloan
	Mark Speed, Esq.
	Tricia Smith
	Howard Wagner
Land Use Administrator:	Jasmine Mathis
Redevelopment Counsel:	Francis X. Regan, Esq
	Decotiis, Fitzpatrick & Cole, LLP
Professional Planner:	Carlos Rodrigues, PP / FAICP
	Design Solutions for a Crowded Planet, LLC

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1. Introduction, Background and Definition of Study Area

By Resolution 2019-34 (see Appendix A), adopted 1/22/2019, and amended by Resolution 2019-51, adopted on 2/26/19, the Borough of Bound Brook authorized and directed the Bound Brook Planning Board to examine whether certain properties in Blocks 34 and 35 should be determined to be a non-condemnation area in need of redevelopment pursuant to N.J.S.A. 40A:12A-1 et seq.

Specifically, the properties identified in Resolution 2019-34 comprise lots 4, 5, 6 and 7 in Block 34, and lots 5, 6, 7, 8 and 9 in Block 35 (see Appendix 3). Resolution 2019-51 added Block 35 lot 10 to the Study Area.

The purpose of the present study is to provide the Bound Brook Planning Board with the substantive information that will allow it to satisfy the request from Borough Council and issue a formal determination as to whether the aforementioned properties (hereinafter referred to as the "Study Area"), or a subset of those properties, meet the statutory requirements for designation as an "area in need of redevelopment – non-condemnation".

The Study Area comprises the southern side of two blocks of East Second Street, between Hamilton Street and Mountain Avenue, and encompasses an area of approximately 1.7 acres. The entire area slopes down quite a bit, with a vertical drop of approximately 14 feet between the rear of the lots and the fronts on East Second Street.

The Study Area contains an eclectic mix of uses and structures, ranging from an auto repair service station, a parking lot for an adjacent office building, two single-family structures, mixed-use (commercial and residential) buildings, including a former firehouse, and a place of assembly.

The four lots in Block 34 are zoned Business-Residential (B-R), as well as lots 6, 7, 8 and 9 in block 35. Lots 5 and 10 in Block 35 are zoned Office-Business (O-B). As such, the Study Area is located at the transition between these two zoning districts, on the outer edges of the downtown area.

The Study Area is directly adjacent, across East Second Street, from Redevelopment Area 1, specifically sub-area 1.4. A Redevelopment Plan for Area 1 was adopted in 2000, substantially changing the planning and regulatory framework in that area. The Redevelopment Plan for Area 1 was partially amended in 2012; additional, targeted, amendments to the Redevelopment Plan for Area 1 have been adopted. The zoning in the adopted Redevelopment Plan for Sub-Area 1.4, as amended, generally defers to the underlying zoning, with some exceptions.

While the zoning in the B-R district is quite permissive, and allows a wide variety of uses, and combinations of uses, all properties in the Study Area portion of the B-R district are pre-existing non-conforming uses, with the exception of Block 35, Lot 7 (103 Hamilton Street), again signaling the transitional nature of the area.

In preparation for this study, the following documents were reviewed:

- Official tax maps of Bound Brook
- Tax records for the parcels in the Study Area
- Aerial photograph of the Study Area
- Street level photographs of the properties in the Study Area
- 1988 Land Use Plan
- 2017 Master Plan Reexamination Report
- Borough of Bound Brook Land Development Regulations
- New Jersey State Development and Redevelopment Plan, 2001
- Somerset County Investment Framework, 2014
- New Jersey Opportunity Act of 2013
- Redevelopment Plan for Area 1

The Study Area properties were visually inspected and photographed in February of 2019. Those site photographs can be found in the Section 3 of this report. Site inspections were carried out on February 8 and 13 of 2019.

2. Statutory Authority and Procedural Requirements

The Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-5) provides that [a] delineated area may be determined to be in need of redevelopment if, after investigation, notice and hearing as provided in Section 6 of P.L.1992, c.79 (C.40A:12A-6), the governing body of the municipality by resolution concludes that within the delineated area any of the following conditions is found:

- a. The generality of buildings are 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.
- b. The discontinuance of the use of buildings previously used for commercial, manufacturing, or industrial purposes; the abandonment of such buildings; or the same being allowed to fall into so great a state of disrepair as to be untenantable.
- c. Land that is owned by the municipality, the county, a local housing authority, redevelopment agency or redevelopment entity, or unimproved vacant land that has remained so for a period of ten years prior to adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or portions of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentality of private capital.
- 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.
- e. A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real properties therein or other similar conditions which impede land assemblage or discourage the undertaking of improvements, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare, which condition is presumed to be having a negative social or economic impact or otherwise being detrimental to the safety, health, morals, or welfare of the surrounding area or the community in general.
- f. Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by the action of storm, fire, cyclone, tornado, earthquake or other casualty in such a way that the aggregate assessed value of the areas has been materially depreciated.
- g. In any municipality in which an enterprise zone has been designated pursuant to the New Jersey Urban Enterprise Zones Act, P.L. 1983, c. 303 (C.52:27H-60 et seq.) the execution of the actions prescribed in that act for the adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone shall be considered sufficient for the determination that the area is in need of redevelopment pursuant to sections 5 and 6 of P.L. 1992, c. 79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax exemptions within the enterprise zone district pursuant to the provisions of P.L. 1991, c. 431 (C.40A:20-1 et seq.) or the adoption of a tax abatement and exemption ordinance pursuant to the provisions of P.L. 1991, c. 441 (C.40A:21-1 et seq.). The municipality shall not utilize any other redevelopment powers within the urban enterprise zone unless the municipal governing body and planning board have also taken the actions and fulfilled the requirements prescribed in P.L. 1992, c. 79 (C.40A:12A-1 et al.) for determining that the area is in need of redevelopment or an area in need of rehabilitation and the municipal governing body has adopted a redevelopment plan ordinance including the area of the enterprise zone.

h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.

The law also provides that individual properties that do not meet any of the statutory conditions may still be included within an area in need of redevelopment provided that within the area as a whole, one or more of the expressed conditions are prevalent. This provision is referred to as "Section 3" and is set forth in NJSA 40A:12A-3, which states in part that:

"a redevelopment area may include lands, buildings, or improvements which of themselves are not detrimental to public health, safety or welfare, but the inclusion of which is found necessary, with or without change in this condition, for the effective redevelopment of the area of which they are a part."

3. Description of Study Area Properties

As previously mentioned, the Study Area includes 10 properties. Table 1 provides information on parcel size (in square feet) and ownership for these properties. All properties in the Study Area are in private ownership.

Table 1 - Ownership of Study Area Properties

Block	Lot	Area	Owner of Record	Owner Address
		(sq ft)		
34	4	10,335	Frislid, Kjell and Aud	217 E Second St, Bound Brook, NJ
34	5	8,851	Mohring, Richard and Karen	209 E Second St, Bound Brook, NJ
34	6	15,184	Mohring, Richard and Karen	209 E Second St, Bound Brook, NJ
34	7	8,832	Verizon New Jersey	PO Box 749, Addison, TX
35	5	3,542	Almazo, Clemente Vale	506 E Second St, Bound Brook, NJ
35	6	4,720	Lustig, Barry	107 Hamilton St, Bound Brook, NJ
35	7	2,624	Niederle, Steve	103 Hamilton St, Bound Brook, NJ
35	8	5,779	Jersey Firestop, LLC	317 E Second St, Bound Brook, NJ
35	9	17,613	Benevolent and Protective Order of Elks	305 E Second St, Bound Brook, NJ
35	10	3,241	Benevolent and Protective Order of Elks	305 E Second St, Bound Brook, NJ

Table 2 provides property classification, and assessed values for land, improvements and land plus improvements, from the Borough tax assessor's records for 2017.

Eight properties are classified as commercial, including the parking lot for the Elks building. Two properties are residential. The Elks building parcel is partially tax exempt, with the ground floor retail/services storefronts and the parking lot classified as 4A.

Table 2 – 2018 Assessed Values of Study Area Properties

			2017 Assessed Value				
Block	Lot	Property	Land	Improvements	Total		
		Classification					
34	4	2	\$63,000	\$174,300	\$237,300		
34	5	4A	\$142,800	\$29,500	\$172,300		
34	6	4A	\$321,000	\$110,000	\$431,000		
34	7	4A	\$221,300	\$52,500	\$273,800		
35	5	2	\$114,000	\$120,000	\$234,000		
35	6	4A	\$150,000	\$186,100	\$336,100		
35	7	4A	\$81,000	\$170,000	\$251,000		
35	8	4A	\$228,500	\$181,400	\$409,900		
35	9	15F	\$388,000	\$1,582,100	\$1,970,100		
35	9	4A	\$68,500	\$342,200	\$392,700		
35	10	4A	\$98,400	\$19,600	\$118,000		

3.1 - Block 34 Lot 4 - 217 East Second Street

This is a two and a half story Victorian single-family structure built in 1884 on a lot measuring 64 feet by 159 feet. It occupies the northwest corner of the intersection of East Second Street with Maiden Lane. It has a 1,170 square foot basement, 1,403 square foot first floor and a 1,340 square foot second floor. There is also an 1,118 square foot unfinished attic. A total of 2,743 square feet are heated – when there was heat. There is an outbuilding in the back yard, which has previously been used by a business. It is currently full of unassembled cardboard moving boxes.

There are four bedrooms, 1 ½ baths and a total of nine rooms.

The house currently has no heat and the owners do not plan to replace the boiler, since the house is for sale. The property has been on the market for years. The owners are elderly and have moved away. The owners' daughter has been packing up the contents of the house, in preparation for its sale.

The house appears generally to be in reasonable condition, although there are signs of deferred maintenance and the structure is quite old.



View of front of 217 East Second Street

3.2 - Block 34 Lot 5 - 215 East Second Street

This is a parking lot associated with the adjoining service station. It has 53 feet of frontage and a depth of 167 feet. The property was developed with a single-family dwelling, built in 1884, and demolished in 1969, when the property was purchased by Chevron. The current owners acquired the property from Chevron in 1983, along with the service station.

The parking lot has room for maybe 50 vehicles, which is far more than is needed for the service station business. There are a number of vehicles that appear to be parked there permanently and would need to be either repaired or towed. Other vehicles may be parking there under an arrangement with the property owners, which would constitute a non-conforming use.

There is also a trailer that appears to be permanently parked in the lot.



View of apparently disabled and abandoned vehicle in service station parking lot.



View of what appears to be a permanently parked trailer in the service station parking lot

3.3 - Block 34 Lot 6 - 203-209 East Second Street

This slightly irregularly shaped parcel is occupied by a motor vehicle service station building -- Mohring's Auto Maintenance. It is located on the northeast corner of Mountain Avenue and East Second Street. There is a large, pylon sign at that corner. The parcel has 147 feet of frontage on East Second Street, 104 feet of frontage on Mountain Avenue and an area of approximately .34 acres.

Two residential dwellings occupied the site, but were demolished in 1969 and replaced with the service station and a fuel distribution facility. The service station is in a single-story masonry building, with two connected parts: the office, waiting area and a service area with two bays have a footprint of 31 feet by 39 feet and a vertical clearance of 14 feet. An addition built in 1995 added two more bays, with a footprint of 36 feet by 39 feet and an 18-foot vertical clearance. Eight underground storage tanks were removed in 1988. A total of six above ground storage tanks – three inside the building, and three outside -- remain.

Decades of operation as a motor vehicle service station and fuel distribution facility raised concerns as to possible soil and groundwater contamination. A Preliminary Assessment prepared in 2008 indicated 9 "areas of concern", 3 of which warranted further investigation. Testing revealed slightly elevated levels of volatile organic compounds (VOCs), namely benzene, in the groundwater, but it is not clear whether they originated at the site or elsewhere. Three underground monitoring wells can still be found in front of the taller building. After due diligence, the NJDEP issued a "no further action" notice in 2011.



Side view of 203-209 East Second Street

The Borough's records indicate that three building permits were issued for work at this address between 1995 and 2001. The largest investment occurred in 1995, when work valued at \$35,000 took place. No permits have been issued since 2001.

3.4 - Block 34 Lot 7 - 120 Mountain Avenue

This is an irregular shaped parcel with 63.5 feet of frontage on Mountain Avenue and 139.4 feet of depth, totaling approximately .2 acres. It is owned by the telecommunications company Verizon New Jersey and is adjacent to a building owned by Verizon that occupies block 34, lot 1. The parcel was acquired by New Jersey Bell Telephone Company – a predecessor of Verizon -- in 1974.

The parking lot appears not to be used by Verizon employees, or anyone else, for that matter. This is perhaps because this Verizon building is redundant, and its functions have been relocated elsewhere; or perhaps the equipment it contains is largely automated, and does not require employees on the premises. During multiple site visits, both in the morning and afternoon, there was a single vehicle parked in the lot, and it was the same vehicle, parked in the same location.

No permits have been requested for work on this parcel since 1995.



View of parking lot adjacent to Verizon New Jersey building, looking south.

3.5 - Block 35 Lot 5 - 109 Hamilton Street

This is a small parcel with 46 feet of frontage on Hamilton Street, a depth of 77 feet and a total area of 3,542 square feet. It contains a 2 1/2-story brick multi-family structure built in 1900, according to the tax assessor's records. The building has 1,630 square feet of living space, with a 650 square foot basement, 980 square foot first floor, 650 square foot second floor and a 650 square foot unfinished attic. The building has 4 bathrooms and 7 bedrooms.

It was not possible to conduct an interior inspection.

The tax assessor's files contain a deed from a sheriff's sale from 3/3/1999.

Borough records indicate that three permits were issued for minor work at this address between 2003 and 2015, when the gas furnace was replaced.

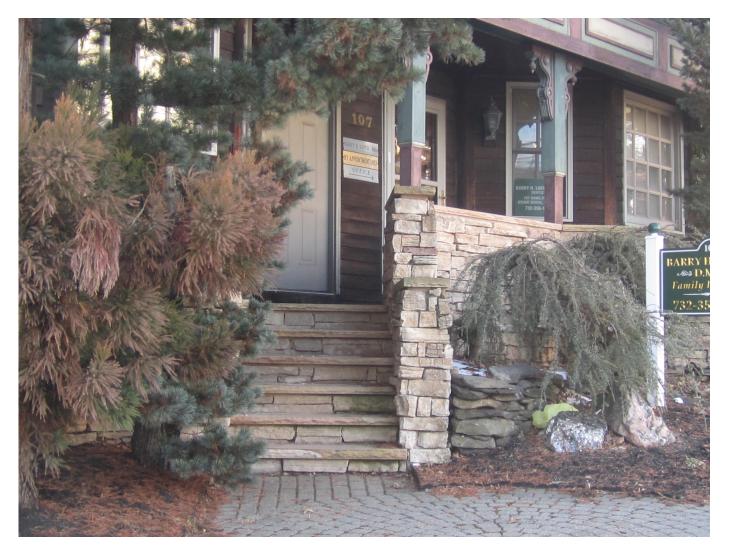


Front View of 109 Hamilton Street.

3.6 - Block 35 Lot 6 - 107 Hamilton Street

This is a handsome two-story Victorian single-family dwelling, built in 1800, according to the Borough's tax records. It occupies a small (.1 acre) rectangular lot with 59 feet of frontage on Hamilton Street and a depth of 80 feet. The ground floor houses the family dentistry practice of Dr Barry Lustig, DMD. There are apartments upstairs, with access from a separate entrance. An interior site inspection did not take place. From the outside, the building looks well maintained and in good condition.

Borough records indicate that four building permits were issued for this address between 2002 and 2014 for minor work. In 2004, \$8,287 were invested in the building. The most recent permit is for 2014, when a free-standing sign advertising the dental practice was installed in the front.



Front view of 107 Hamilton Street

3.7 - Block 35 Lot 7 - 103 Hamilton Street

This is a rectangular parcel with 32.6 feet of frontage on Hamilton Street and 80.5 feet of frontage on East Second Street, and an area of just 2,624 square feet. The property is located on the northwest corner of East Second Street and Hamilton Street and is occupied by a two-story, rusticated masonry building, built in 1888 as a fire house for the former Ivy Hook and Ladder fire company.

The building is 28 feet wide, 66 feet deep and occupies 70 percent of the lot. It has a ground floor footprint of 1,848 square feet, and a total floor area of 3,696 square feet. A large, overhead garage door – once used by the fire equipment -- faces Hamilton Street. The building has a separate entrance for its current occupants. The former fire company was disbanded, and the building was sold in 1994 to the current owner. The tax assessor's records indicate that the building has a retail use as well as a residential use, but no retail presence was visible.

It was not possible to inspect the interior of the building. The exterior of the building is badly in need of maintenance. The windows, which appear to be the original windows, need to be replaced.

Borough records indicate that three building permits for very minor work were issued for this address in 1994, in 1996 and most recently 2014. No additional permits have been issued since 2014.



Angled view of 103 Hamilton Street

3.8 - Block 35 Lot 8 - 317 East Second Street

This is a two-story masonry building, built in 1898, with a footprint of 1,408 square feet. The lot has 42 feet of frontage on East Second Street, and is 137.2 feet deep, for a total area of 5,762 square feet. The building has a storefront, as the ground floor was previously occupied by a flower shop. The ground floor is now used as an office for Jersey Firestop, LLC, a business that installs fire insulation in commercial and residential buildings. The business also stores insulation materials on the premises. The second story is occupied by a residential unit, with a separate entrance.

The business also uses a converted, single-family house in the rear for additional warehouse space. That house — which is accessed by a driveway that runs along the side of the building, is on a different lot, however, and is not included in the Study Area. There is a substantial retaining wall on the western side of the rear of the property, which supports the parking lot in the rear of the adjacent Elks building.

The building appears to be in good condition. Borough records indicate that building permits were issued for this address, for minor work, in 1994, 1995, 2002 and, most recently, 2012.



Side view of 317 East Second Street

3.9 - Block 35 Lot 9 - 305 East Second Street

This is a very substantial three-story brick building that occupies the northeast corner of the intersection of Maiden Lane and East Second Street. The parcel has 89 feet of frontage on East Second Street, 206 feet of frontage on Maiden Lane and an approximate area of .37 acres. The adjacent Lot 10, to the north, contains a parking lot with 18 parking spaces.

There are four storefronts on either side of the building's main entrance on East Second Street. Three are occupied by a barbershop, a thrift store and an office that provides employers with temporary workers. The window for the fourth storefront has been covered with siding. It was not possible to ascertain how the space is being used. It has a separate street address – 310 East Second Street.

The building was built in 1930 as a place of assembly (Lodge 1388) for the Benevolent and Protective Order of Elks, which still manages the building. The Elks organize periodic community events, such as a monthly pasta night, which we were told might attract 40 or 50 people. The Elks conduct their periodic meetings there. And the building can be rented for community events, such as weddings or parties.



Corner view of 305 East Second Street

The second floor has two game rooms, two meeting rooms – one quite large, the other not as large -- and two bathrooms.

The third floor has a large, industrial kitchen, a second, smaller kitchen with pantry, a very large event room with a pipe organ, another large room with a bar, meeting rooms, storage and two additional bathrooms. The building has a class C liquor license. The bar is open to the public, starting at 2PM.

Inspections conducted for the Board of Health on 7/13/17 and 6/5/18 deemed the Elks facility "satisfactory".

There is also an unfinished basement, where the boiler and other mechanical systems are located. There was evidence of some water damage in the basement and water was flowing from a utility sink.

The building is not ADA compliant and has no elevator. It has smoke alarms but no sprinklers or other fire suppression system. While generally in good condition, there appears to be some deferred maintenance.

Membership in the organization has declined over time, leading to less frequent events. We were told that the organization is struggling to raise the funding needed to address deferred maintenance issues, such as the roof.

This very substantial place of assembly, located two blocks from the downtown and the train station, could become, once again, a significant asset to the community, with different programming of events, some investment to modernize mechanical systems and an emphasis on publicizing the venue.



View of the front of the Elks building showing storefronts

Borough records indicate that no serious work has been done to the building in the last 25 years. The only significant investment in maintenance occurred in 2010, when the Elks spent \$37,000 to re-stucco the rear of the building. Numerous inspections by the Borough's code officials have occurred during that time period, after new tenants occupy the ground floor storefronts.					

3.10 - Block 35 Lot 10 - Maiden Lane

This is an irregular, "L" shaped parcel with 31.3 feet of frontage on Maiden Lane and a total area of approximately 3,241 square feet.

It is used as a parking lot (18 spaces) for the adjacent Elks building. It also provides access to a loading dock located in the rear of the building, as well as a rear entrance to the building.

The parking lot appears to be in reasonable condition. There are no records of any permits issued for work in the parking lot in the last 25 years. If the Elks building is to be redeveloped, the parking lot and the access it provides to the rear of the building should be an integral part of the redevelopment.



View of parking lot in rear of Elks building

4. The Regional Planning Framework

The Borough was for many years an active participant in the State of New Jersey's smart growth planning efforts, having received Center Designation (jointly with South Bound Brook) from the New Jersey State Planning Commission in 2000. Center Designation was intended to attract State resources to the downtown area and, in turn, attract private investment.

The Borough's more recent planning initiatives continue to be aligned with current state and county strategic planning frameworks, and indeed include, by explicit reference, the goals, objectives and strategies outlined in those documents.

In 2003, the Borough successfully petitioned the NJ Department of Transportation and NJ Transit to be recognized with <u>Transit Village</u> designation. The Transit Village program recognizes communities that have adopted planning and zoning frameworks that support and further encourage transit ridership. Designated Transit Village communities are intended to have priority access to state funding and technical assistance for projects within the designated Transit Village areas.

New Jersey's Transit Village program loosely defines a passenger rail-oriented transit village as the area encompassed within the ½ mile area around the train station. In the case of Bound Brook, this ½ mile radius encompasses the entire downtown area, the entire Study Area, and the area north of the downtown, all the way up to the Union Avenue / NJ Route 28 corridor. It also encompasses the largely undeveloped area south of the tracks, all the way down to the Raritan River -- an area that is both flood prone and encumbered by both passenger and freight railroad right-of-ways.

5. The Municipal Planning and Zoning Framework

In February of 2012, the Planning Board adopted the <u>Downtown Urban Design Plan</u> as an element of the Master Plan. This plan provides a detailed development framework for the entire downtown area, extending to the riverfront.

In August of 2014, the Borough adopted extensive amendments to the Land Development Regulations for the Business Residential (B-R) district, which encompasses all of the downtown, including much of the Study Area, in an effort to facilitate implementation of certain elements of the downtown plan.

In 2015 the Planning Board adopted a <u>Riverfront Access Plan</u> as an element of the Borough's Master Plan. This plan element provides a blueprint for enhancing public access to the Raritan riverfront and for improving pedestrian and bicycle connections along the riverfront, as well as between the downtown and the riverfront.

Finally, in June of 2017, the Planning Board adopted an updated Master Plan Reexamination Report. Unlike most Reexamination Reports, which are very cursory documents, the 2017 report contains extensive background information and analysis of the changing conditions in the Borough. An urgent recommendation of the 2017 Reexamination Report is to update the Land Use Plan element of the Borough's Master Plan to reflect those changes. In order to do so, it was also necessary to update the Goals and Objectives statement of the Master Plan.

The Reexamination Report did not, however, recommend that the Study Area be examined as a potential "area in need of redevelopment".

A new statement of Goals and Objectives was adopted by the Planning Board in May of 2018.

A draft new Land Use Plan element of the Master Plan has been completed and is pending.

Many of the changes to the Borough's zoning and land development regulations recommended in the 2017 Master Plan Reexamination Report have been executed. A few additional changes are pending and are expected to be implemented in 2019.

As previously mentioned, the four lots in Block 34 are zoned Business-Residential (B-R), as well as lots 6, 7, 8 and 9 in block 35, while lots 5 and 10 in Block 35 are zoned Office-Business (O-B). It is hard to justify such zoning for lot 10 – the parking lot for the Elks Club. It would seem more appropriate for the building and its parking lot to share a common zoning designation.

Also as previously mentioned, all properties in the Study Area portion of the B-R district are pre-existing non-conforming uses, with the exception of Block 35, Lot 7 (103 Hamilton Street), even though the zoning in the B-R district is quite permissive, and allows a wide variety of uses, and combinations of uses. It would appear that a more tailored zoning for the Study Area might be called for.

6. Application Of The Statutory Redevelopment Criteria To The Study Area

This section draws on the substantive findings of the previous sections to determine whether the Study Area meets one or more of the statutory criteria for "area in need of redevelopment" designation. For greater convenience, we repeat here the statutory language for the applicable criteria. Criteria not mentioned are not considered relevant or applicable to this designation. Table 3 summarizes the applicability of each criterion to each of the properties in the Study Area.

Criterion (a) -- The generality of buildings are 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.

We believe that Block 34 Lot 4 satisfies this criterion. The building has no heat and the owners have no intention of replacing the boiler. As such, the house is currently uninhabitable and "conducive to unwholesome living conditions". The property has been on the market for quite some time and is reportedly under option to a developer that is interested in the land, but not the structure.

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.

We believe that Lots 5 and 7 in Block 34 both satisfy this criterion. These parking lots constitute prominent voids in the streetscape. Both lots are completely paved, without a hint of landscaping. There are no provisions to adequately handle stormwater management. As such, we believe they are "obsolete" in the context of the surrounding land use pattern. The Borough's planning documents, and its zoning, strongly discourage surface parking lots in the downtown, as they are unsightly, pedestrian-unfriendly, environmentally-unfriendly and interrupt the desired continuity of the streetscape. These parking lots are "detrimental to the welfare of the community" and should be redeveloped.

Criterion (e) -- A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real property therein or other conditions, resulting in a stagnant or not fully productive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare.

We believe Block 34, Lots 5 and 7 and Block 35, Lots 7 and 9 satisfy this criterion.

While there do not appear to be issues with the "condition of the title" or "diverse ownership" of the subject properties, we believe that there are "other conditions" resulting in a "stagnant or not fully productive condition of land potentially useful and valuable".

The Verizon parking lot (Block 34, Lot 7) is consistently empty and, as such, constitutes an underutilization of land that is two blocks from the downtown, surrounded by goods and services, and that it should be redeveloped in ways that would be "potentially useful and valuable for contributing to and serving the public health, safety and welfare."

The service station parking lot (Block 34, Lot 5), on the other hand, is not empty, but we suspect that many – perhaps all -- of the vehicles parked there are not there because they are being worked on at the service station, but rather because it is a convenient place to park. If parking is offered, for a fee, to vehicles not associated with the

service station, this would constitute a non-conforming use in the district, and subject to a zoning violation. If the parking is offered, with no fee, to outside users it would not constitute a zoning violation, but might nevertheless qualify as "stagnant or not fully productive condition of land potentially useful and valuable".

We are told that the property is for sale, and under option. This indicates that the service station, which reportedly is also for sale, can operate without the parking lot. As such, we conclude that Block 34 Lot 5 satisfies this criterion, and should be redeveloped in ways that would be "potentially useful and valuable for contributing to and serving the public health, safety and welfare."

We believe that Block 35, Lots 9 and 10 also satisfy this criterion. This is a very substantial property that is clearly underutilized. Together with Brook Theater, just a block away, they constitute the two largest and most prominent privately-owned, non-denominational places of assembly in the Borough. This property should be a thriving destination, attracting visitors from the community and throughout the region for events and functions, and thereby become a dynamic force for downtown revitalization. In order to do so, investments are needed to upgrade and modernize the facilities, as well as to broadly diversify the programming for this venue. These investments are likely out of reach of a dwindling and aging membership. As such, it too should be redeveloped in ways that would be "potentially useful and valuable for contributing to and serving the public health, safety and welfare." Lot 10, while technically a separate parcel, is integral to the redevelopment of lot 9.

Finally, we believe that Block 35, Lot 7 also satisfies this criterion. This is an iconic property that clearly suffers from deferred maintenance. It occupies a prominent corner location, and should be a thriving destination, instead of a deadening presence. Borough records indicate that no significant investment has taken place in many years, and this is clearly apparent from the exterior. It too should be redeveloped in ways that would be "potentially useful and valuable for contributing to and serving the public health, safety and welfare."

Criterion (h) - The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.

Criterion "h" is perhaps the most nebulous criterion in the redevelopment statute. It is not clear whether it is intended to facilitate redevelopment of properties located in existing smart growth areas, or to facilitate the redevelopment of properties such that they may become future smart growth areas.

As documented in Section 4 of this report, the Study Area – along with the rest of the Borough -- has been repeatedly and in various ways recognized by the appropriate county and state entities as a "smart growth location."

In point of fact, all of Bound Brook qualifies as a "smart growth area" under the NJ Department of State: Office of Planning Advocacy's definition under two separate criteria: it is located in the Metropolitan Planning Area (PA1) and it is part of a Designated Center.

This status is codified in the State Planning Rules (NJAC 5-85), and is reflected in the status of the area under both the NJ Site Evaluator and the State's Smart Growth Areas Map.

Smart Growth Areas are recognized by a number of New Jersey State Agencies – such as the Board of Public Utilities, the NJ Economic Development Authority, the NJ Housing Mortgage Finance Agency, the Department of Community Affairs, the Department of Transportation, and the Treasury – in terms of both administrative regulations and funding programs.

While the terminology is slightly different, Bound Brook in general, including the Study Area, also qualify as "consistent with smart growth planning principles" under the Somerset County Strategic Plan.

As such, we conclude that lots 4, 5, 6 and 7 in Block 34, and lots 7, 8, 9 and 10 in Block 35 qualify as an "area in need of redevelopment" under criterion (h) of the statute, as this finding is "consistent with smart growth planning principles" at both the local, county and state levels. Technically, Lots 5 and 6 in Block 35 would also satisfy criterion (h), but since they do not appear to satisfy any other criteria, we do not recommend applying criterion (h) to those two properties at this time.

Section 3 -- "a redevelopment area may include lands, buildings, or improvements which of themselves are not detrimental to public health, safety or welfare, but the inclusion of which is found necessary, with or without change in this condition, for the effective redevelopment of the area of which they are a part."

This provision applies to Block 34, Lot 6, which does not appear to satisfy the other criteria, except for criterion (h). Lot 6 appears to be a viable business. Extensive due diligence suggests that concerns with potential environmental contamination may have been misplaced. The parcel is reportedly for sale, and we are told that the adjacent parking lot is under contract. The service station is a pre-existing, non-conforming use, originally permitted through a use variance granted by the Borough's Zoning Board. Service stations were never a permitted use in this district, they are not currently a permitted use in the district, and they are contrary to the intent and purpose of the adopted planning framework. This parcel, like every other parcel in the Study Area, is also immediately adjacent to Redevelopment Area 1.4, for which there is an adopted Redevelopment Plan.

As such, we conclude that Block 34, Lot 6 qualifies as an "area in need of redevelopment" under Section 3 of the statute.

This provision also applies to Block 35, Lot 8, which does not appear to satisfy the other criteria, except for criterion (h). Lot 8 appears to be a viable business, although not in an ideal location, as it too is a pre-existing, non-conforming use. If the business requirements change, and there is a need for more space, or a different location, the parcel could be redeveloped, perhaps in conjunction with an adjacent parcel or parcels.

As such, we conclude that Block 35, Lot 8 qualifies as an "area in need of redevelopment" under Section 3 of the statute.

Table 3 – Applicability of Area in Need of Redevelopment Criteria to Study Area Parcels

		Applicability of Area in Need of Redevelopment Criterion							ment Criterion	
Block	Lot	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	Subsection 3
34	4	>	NA	NA	NA	NA	NA	NA	>	NA
34	5	NA	NA	NA	√	/	NA	NA	\	NA
34	6	NA	NA	NA	NA	NA	NA	NA	1	✓
34	7	NA	NA	NA	1	1	NA	NA	1	NA
35	5	NA	NA	NA	NA	NA	NA	NA	NA	NA
35	6	NA	NA	NA	NA	NA	NA	NA	NA	NA
35	7	NA	NA	NA	NA	√	NA	NA	✓	NA
35	8	NA	NA	NA	NA	NA	NA	NA	✓	✓
35	9	NA	NA	NA	NA	√	NA	NA	√	NA
35	10	NA	NA	NA	NA	NA	NA	NA	✓	NA

Parcels That Do Not Satisfy Any Criterion

Lots 5 and 6 in Block 35 do not appear to satisfy any of the redevelopment criteria, with the possible exception of criterion (h). For reasons described earlier in this report, it is not considered a sound practice to base a redevelopment designation uniquely on criterion (h). These two parcels are located at the edge of the Study Area and do not appear to be essential to the redevelopment of the other parcels that do satisfy the redevelopment criteria. Hence, Subsection 3 does not apply. As such, we do not recommend including these two parcels, at this time, in a future area in need of redevelopment.

Appendix A: Borough of Bound Brook Resolution 2019-34

RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF BOUND BROOK AUTHORIZING AND DIRECTING THE PLANNING BOARD OF THE BOROUGH OF BOUND BROOK TO CONDUCT A PRELIMINARY INVESTIGATION TO EXAMINE WHETHER CERTAIN PROPERTY, IN PARTICULAR, BLOCK 34, LOTS 4, 5, 6 AND 7; AND BLOCK 35, LOTS 5, 6, 7, 8 AND 9, LOCATED IN THE BOROUGH OF BOUND BROOK, NEW JERSEY, SHOULD BE DETERMINED TO BE A NON-CONDEMNATION AREA IN NEED OF REDEVELOPMENT PURSUANT TO N.J.S.A. 40A:12A-1 ET SEQ.

WHEREAS, the Borough has identified certain properties identified as Block 34, Lots 4, 5, 6 and 7; and Block 35, Lots 5, 6, 7, 8 and 9 located on East Second Street, between Hamilton Street and Mountain Avenue, as delineated on the tax map attached hereto and made part of this resolution, to be investigated for designation as a non-condemnation area "in need of redevelopment", pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.; and

WHEREAS, before an area may be declared in need of redevelopment, it is legally necessary for the adoption of a resolution authorizing and directing the Borough Borough's Planning Board to undertake a preliminary investigation to determine whether the proposed area/property meets the criteria for designation as a redevelopment area pursuant to N.J.S.A. 40A:12A-5; and

WHEREAS, the Borough desires that the Borough Planning Board undertake an examination as to whether the property identified as Block 34, Lots 4, 5, 6 and 7; and Block 35, Lots 5, 6, 7, 8 & 9 located on East Second Street, between Hamilton Street and Mountain Avenue, may be deemed "an area in need of redevelopment - non-condemnation".

WHEREAS, the Borough hereby states that any redevelopment area determination shall authorize the municipality to use all those powers provided by the Local Redevelopment and Housing Law for use in a redevelopment area, except the use of eminent domain (hereinafter referred to as a "Non-Condemnation Redevelopment Area"); and

WHEREAS, the notice of any hearing to be conducted by the Planning Board with regards to this Resolution shall specifically state that a Non-Condemnation Redevelopment Area determination shall not authorize the municipality to exercise the power of eminent domain to acquire the Property; and

WHEREAS, the Borough directs the Borough Planner, Carlos Rodrigues, PP/FAICP, Principal of Design Solutions for a Crowded Planet, LLC to undertake the preliminary investigation.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Borough Council that the Borough Planning Board is hereby directed and authorized to examine whether the property identified as Block 34, Lots 4, 5, 6 and 7, and Block 35, Lots 5, 6, 7, 8 and 9, located on East Second Street, between Hamilton Street and Mountain Avenue, as delineated on the tax map attached hereto and made part of

this resolution, should be determined Non-Condemnation Redevelopment Area pursuant to Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.

BE IT FURTHER RESOLVED, the Borough directs the Borough Planner, Carlos Rodrigues, PP/FAICP, Design Solutions for a Crowded Planet, LLC to undertake the preliminary investigation for the Planning Board.

 $\ensuremath{\mathbf{BE}}$ IT FURTHER RESOLVED, that this resolution shall take effect immediately.

Approv	red:			
Mayor	Robert	Р.	Fazen	

Attest	t:			
	 Marie	Godleski,	Borough	

Date of Adoption: January 22, 2019

A RESOLUTION AMENDING RESOLUTON NO. 2019-34 ADOPTED BY THE BOROUGH COUNCIL ON JANUARY 22, 2019 TO ADD A PROPERTY TO THOSE PROPERTIES IDENTIFIED IN RESOLUTOIN NO. 2019-34 TO EXAMINE WHETHER ALL OF THE PROPERTIES IDENTIFIED HEREIN, LOCATED IN THE BOROUGH OF BOUND BROOK, NEW JERSEY, SHOULD BE DETERMINED TO BE A NON-CONDEMNATION AREA IN NEED OF REDEVELOPMENT PURSUANT TO N.J.S.A. 40A:12A-1 ET SEQ.

WHEREAS, on January 22, 2019, the Borough Council of the Borough of Bound Brook (the "Borough") adopted Resolution No. 2019-34 which directed and authorized the Borough Planning Board to examine whether the properties identified as Block 34, Lots 4, 5, 6 and 7; and Block 35, Lots 5, 6, 7, 8 and 9 located on East Second Street, between Hamilton Street and Mountain Avenue, as delineated on the tax map attached hereto and made part of this resolution, to be investigated for designation as a non-condemnation area "in need of redevelopment", pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.; and

WHEREAS, the Borough has identified an additional property known as Block 35 Lot 10, as delineated on the tax map attached hereto and made part of this resolution (the "Property"), to be considered for designation as an area "in need of redevelopment", pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.; and

WHEREAS, before an area may be declared in need of redevelopment, it is legally necessary for the adoption of a resolution authorizing and directing the Borough Borough's Planning Board to undertake a preliminary investigation to determine whether the proposed area/property meets the criteria for designation as a redevelopment area pursuant to N.J.S.A. 40A:12A-5; and

WHEREAS, the Borough desires that the Borough Planning Board undertake an examination as to whether the Property may be deemed "an area in need of redevelopment - non-condemnation".

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Borough Council that the Borough Planning Board is hereby directed and authorized to examine an additional property known as Block 35, Lot 10 along with the properties identified in Resolution No. 2019-34 adopted by the Borough on January Resolution 2019-34, adopted January 22, 2019, should be determined as a Non-Condemnation Redevelopment Area pursuant to Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.

BE IT FURTHER RESOLVED THAT the Borough hereby states that any Non-Condemnation Redevelopment Area determination shall authorize the municipality to use all those powers provided by the <u>Local Redevelopment and Housing Law</u> for use in a redevelopment area, except the use of eminent domain.

BE IT FURTHER RESOLVED THAT the notice of any hearing to be conducted by the Planning Board with regards to this Resolution shall specifically state that a Non-Condemnation Redevelopment Area determination shall not authorize the municipality to exercise the power of eminent domain to acquire any property in the delineated area.

BE IT FURTHER RESOLVED, the Borough directs the Borough Planner, Carlos Rodrigues, PP/FAICP, Design Solutions for a Crowded Planet, LLC to undertake the preliminary investigation for the Planning Board.

 $\,$ BE $\,$ IT $\,$ FURTHER $\,$ RESOLVED, $\,$ that this resolution shall take effect immediately.

Approved:	
Mayor Robert P. Fazen	

110000	•			
Donna	Marie	Godleski,	Borough	Clerk

Attast.

Date of Adoption: February 26, 2019

