

Redevelopment Area without Condemnation: Determination of Need Study

Block 801, Lot 4.03

November 20, 2023

Prepared for:

Prepared by:

Borough of Ringwood

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Approved by the Planning Board on Month Day, 2023

Adopted by the Borough Council via Resolution XXXX-XXX on Month Day, 2023

Project No. 23008513G

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I. Introduction

The purpose of this report is to investigate whether Block 801, Lot 4.03 (hereinafter "Study Area") qualifies as an Area in Need of Redevelopment as defined by the Local Redevelopment and Housing Law (NJSA 40A:12A, et. seq., hereinafter "LRHL"). This analysis has been conducted pursuant to the LRHL, which specifies the conditions that must be met within the delineated area and the process to be undertaken by the Planning Board during the investigation. It should be noted that the photographs included in this report were taken during our site inspection on October 12, 2023.

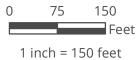
This report is written pursuant to Section 6 of the LRHL (NJSA 40A:12A-6), which provides in relevant part as follows:

- a) No area of a municipality shall be determined a redevelopment area unless the governing body of the municipality shall, by resolution, authorize the planning board to undertake a preliminary investigation to determine whether the proposed area is a redevelopment area according to the criteria set forth in Section 5 of P.L. 1992 (C.40A:12A-5). Such determination shall be made after public notice and public hearing as provided in subsection b. of this section. The governing body of a municipality shall assign the conduct of the investigation and hearing to the planning board of the municipality. The resolution authorizing the planning board to undertake a preliminary investigation shall state whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area other than the use of eminent domain (hereinafter referred to as a "Non-Condemnation Redevelopment Area") or whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area, including the power of eminent domain (hereinafter referred to as a "Condemnation Redevelopment Area").
- b) (1) Before proceeding to a public hearing on the matter, the planning board shall prepare a map showing the boundaries of the proposed redevelopment area and the location of the various parcels of property included therein. There shall be appended to the map a statement setting forth the basis for the investigation.
 - (2) The planning board shall specify a date for and give notice of a hearing for the purpose of hearing persons who are interested in or would be affected by a determination that the delineated area is a redevelopment area.

On May 16, 2023, the Borough Council adopted Resolution 2023-120 directing and authorizing the Planning Board to conduct a preliminary investigation as to whether the Study Area (see aerial map on page 4) identified in the Resolution can be designated as an Area in Need of Redevelopment. The Resolution also indicates that if the Study Area is eligible for a redevelopment determination, the Borough is authorized to exercise all powers provided under the LRHL, except for the use of eminent domain (see Appendix A for a copy of the Resolution).







Study Area

Borough of Ringwood Passaic County, New Jersey



November 2023

II. Redevelopment Act & Process

New Jersey's LRHL empowers municipalities and local governments with the ability to initiate a process that transforms under-utilized or poorly designed properties into healthier, more vibrant, or economically productive land areas. The process has been used successfully across the state to creatively improve properties meeting specific redevelopment criteria. Projects approved for redevelopment are often eligible for certain types of technical and financial assistance from the State of New Jersey.

The Borough of Ringwood has identified Block 801, Lot 4.03, noted in Chapter I as the Study Area, as a potential location for redevelopment within the Borough in accordance with the provisions of the LRHL.

Before presenting the Study Area investigation and parcel level analysis, it is important to note that the determination of need present in this analysis is only the first step of the redevelopment process and does not provide guidance with respect to planning, development, or redevelopment of the Study Area. As illustrated in Figure 1 below, there are several steps in the redevelopment process and this document is just the beginning.



Figure 1: Simplified timeline of redevelopment process under the LRHL.

As shown in Figure 1 above, a redevelopment plan would be written following a redevelopment area designation. A redevelopment plan, which may supersede the zoning of an area or serve as an overlay thereto, specifies the following:

- Relationship of the project area to local objectives as to appropriate land uses, density of population, improved traffic and public transportation, public utilities, recreational and community facilities and other public improvements.
- Proposed land uses and building requirements in the project area.

- Adequate provision for the temporary and permanent relocation, as necessary, of residents in the
 project area, including an estimate of the extent to which decent, safe and sanitary dwelling units
 affordable to displaced residents will be available to them in the existing housing market.
- An identification of any property within the redevelopment area, which is proposed to be acquired in accordance with the redevelopment plan.
- Any significant relationship of the redevelopment plan to the master plan of contiguous municipalities, the master plan of the county, and the State Development and Redevelopment Plan.
- An inventory of all housing units affordable to low- and moderate-income households that are to be removed as a result of the implementation of the redevelopment plan.
- A plan for the provision of one comparable, affordable replacement housing unit for each affordable housing unit that is to be removed.
- Proposed locations for public electric vehicle charging infrastructure within the project area in a manner that appropriately connects with an essential public charging network.

This report and investigation are aimed only at determining whether the Study Area meets the statutory criteria to be identified as an Area in Need of Redevelopment and therefore does not contain any of the specific planning guidance contained in a redevelopment plan.

III. Criteria for Redevelopment Area Designation

Under the LRHL a delineated area may be determined to be in need of redevelopment if, after investigation, notice, and hearing one or more of the following conditions are found:

"Deterioration"



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.

"Vacant and Abandoned Commercial and Industrial Buildings"



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

"Public and Vacant Land"



Land that is owned by the municipality, the county, a local housing authority, redevelopment agency or entity, or unimproved vacant land that has remained so for a period of ten years prior to the 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.

"Obsolete Layout and Design"



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.

"Property Ownership and Title Issues"



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.

"Fire and Natural Disasters"



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 area has been materially depreciated.

"Urban Enterprise Zones"

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.

"Smart Growth Consistency"



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

In addition to the above criteria, Section 3 of the LRHL, which defines the redevelopment area, allows the inclusion of parcels necessary for the effective redevelopment of the area, by stating "a redevelopment area may include land, buildings, or improvements, which of themselves are not detrimental to the health, safety or welfare, but the inclusion of which is found necessary, with or without change in their condition, for the effective redevelopment of the area in which they are a part."

IV. Description of Study Area

This chapter is divided into three sections. The first section provides a description of the property within the Study Area. The second section reviews environmental contamination. The third section describes the existing zoning within the Study Area.

Parcel Descriptions

The Study Area is located in the southeastern quadrant of the Borough at the intersection of Skyline Drive (Country Route 692) and Fieldstone Drive. The Study Area encompasses one property, Block 801, Lot 4.03, and contains 11.92 acres according to Sheet 8 of the Borough's Tax Map¹ and Tax Card² (12.09 acres according to GIS data). See Figure 2 below. According to the property information page on The Azarian Group, LLC's website, Lot 4.03 is developed with a 90,840 square foot strip mall, a 5,000 square foot freestanding building with a drive-through, and 356 parking spaces. The property is commonly known as the "Fieldstone Park Shopping Center". The strip mall building contains 26 tenant spaces, some of which may be combined with contiguous units, including an anchor tenant, Stop&Shop, and a junior tenant, Dollar General. The freestanding building is occupied by a Wells Fargo bank. It should be noted that 11 tenant spaces were vacant during our site inspection on October 12, 2023. See Figure 3 for the tenant plan.⁵

The Study Area is adjacent to vacant land to the north, east, and south, and a strip mall and gas station to the west. Additionally, single-family homes along Fieldstone Drive are located beyond the vacant land to the east. The Study Area is not located near any NJ Transit train station. However, NJ Transit operates two bus routes

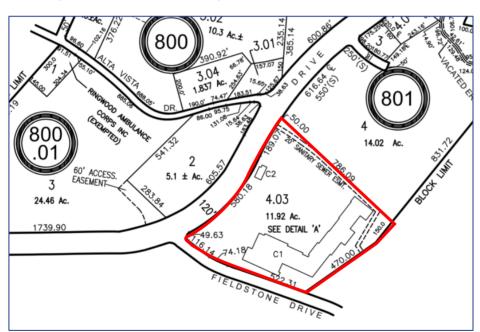


Figure 2 - Sheet 8 of the Borough's Tax Map

near the Study Area, Routes 196 (Warwick-Ringwood-New York) and 197 (Warwick-Wayne-New York). Both routes stop at the Ringwood Park & Ride located roughly a quarter mile to the north along Cannici Drive. However, Skyline Drive does not provide sidewalks, which makes pedestrian travel from the Study Area unsafe.

It should be noted that the Tax Map and Tax Card indicates the property includes two qualifiers, "C1" and "C2". According to the information on the Tax Card, the "Bldg Desc"

¹ Data sourced from http://www.ringwoodnj.net/content/2347/2369/default.aspx, dated June 22, 2020, accessed July 27, 2023.

² Tax Card received from Allison Winkler, Land Use Secretary, on August 9, 2023.

³ Data sourced from https://ni.gov/njgin/edata/parcels/, last updated December 16, 2022, accessed November 2, 2023.

⁴ Data sourced from https://www.azariangroup.com/property/fieldstone-park-shopping-center/, accessed November 15, 2023.

⁵ Tenant Plan sourced from Fieldstone Park Shopping Center | The Azarian Group, LLC, accessed November 15, 2023.

for Qualifier C1 is "Phase I-II& III" and the "Detached Items" is "retail strip center". The "Bldg Desc" for Qualifier C2 is "Bank Bldg" and the "Detached Items" is "bank" (2,863 sf)".⁶

Additionally, Qualifier C1 is owned by Ringwood Plaza Limited Partnership and located at 130 Skyline Drive, while Qualifier C2 is owned by Ringwood PLZ/Wachovia%Thomson Reute and located at 110 Skyline Drive. The Tax Map illustrates the property with 769.25 feet of frontage along Skyline Drive and 712.63 feet of frontage along Fieldstone Drive. As discussed above, the property is developed with a 90,000+ square foot strip mall and 5,000 square foot freestanding building. Associated improvements include drive aisles and roadways, loading areas, site lighting, landscaping, and signage. The property is connected to public water service provided by the Ringwood Water Department and has multiple on-site septic systems for wastewater.⁷ According to online tax records, both Qualifiers C1 and C2 are classified as commercial. The "Year Built" line on the Tax Card states " / 1924". However, based on aerial imagery, the property was developed in the late 1970s (see Chapter V).



Figure 3 - Tenant Plan for the Fieldstone Park Shopping Center

The Study area contains several environmental features including the Highlands Open Water Protection Area ("OWPA"), Highlands Riparian Area, wetlands, and Highlands Steep Slope Protection Area ("SSPA") according to the Highlands Council GIS data.⁸ Of the 12.09 acres according to GIS data, 9.56 acres are encompassed by these environmental features. The OWPA encompasses the southwestern quadrant of the property, while the Riparian area includes nearly all of the property except for the northwest corner. Wetlands are located in the southwest corner of the property generally between the ingress driveway from Skyline Drive and two-way driveway along Fieldstone Drive. Meadow Brook is located within the wetlands area and flows to the southwest. The SSPA is primarily located along the eastern and southern property lines and in the northwest

⁶ Tax Card received from Allison Winkler, Land Use Secretary, on August 9, 2023.

⁷ Information from Kevin Pelio, Executive Vice President, The Azarian Group, LLC during our site inspection on October 12, 2023.

⁸ Data obtained from https://highlands-data-njhighlands.opendata.arcgis.com/, accessed November 2, 2023. Note that we have not field verified the accuracy of the Highlands GIS data.



Photo 1 - View of shopping center, looking southeast



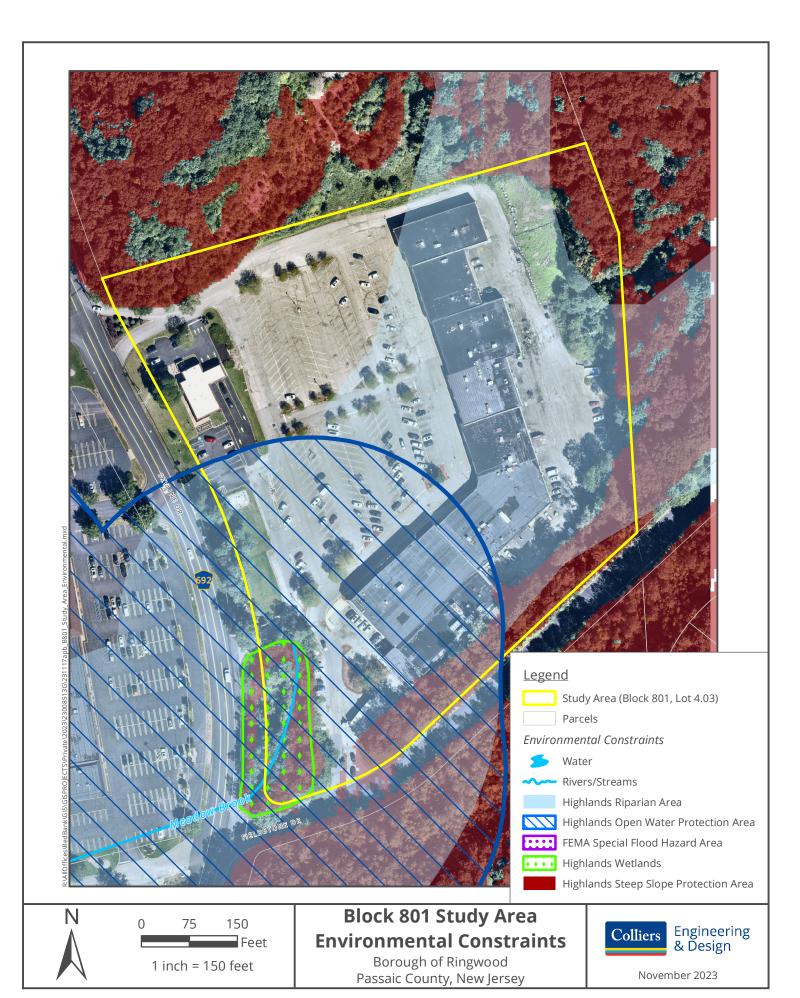
Photo 2 - View of bank building, looking north



Photo 3 - View of shopping center, looking south



Photo 4 - Rear of shopping center, looking southwest



corner. A small SSPA is also located within the wetlands. The property is not within a FEMA Special Flood Hazard Area.⁹ See page 12 for the environmental constraints mapping.

Environmental Contamination

A review of Ringwood's Municipal Report of all known contaminated sites revealed that no property in the Study area currently has any environmental contamination. However, Wachovia Bank (now Wells Fargo) has site remediation case related to a non-regulated underground storage tank that was closed in March of 2010 (Program Interest Number 330782). NJDEP's NJ-GeoWeb interactive GIS map shows an area of historic fill encompassing a portion of the strip mall building. However, no information is provided in the data. 11

Zoning in the Study Area

The Study Area is located within the CC-80 Community Commercial Zone District ("CC-80 District") according to the Borough's Zoning Map. ¹² The CC-80 District ¹³ permits the following principal uses:

- Antique, appliance, automobile supply and sales, clothing, department, drug, electricals supply, florist, food, furniture, hardware, hobby and craft, home and garden supply, interior decoration, jewelry, package liquor, paint and wallpaper, photo equipment or processing, plumbing supply, radio, TV, and recording equipment, record and recording tape, shoe, sporting goods, stationery and office supply, toy, and variety or five-and-ten cent stores and shops.
- Service-related establishments including animal hospitals and grooming, dry cleaning, funeral homes, hair styling, laundromats, locksmiths, clothing and household good repair, and tailor or dressmakers.
- Offices including those for general business, banks, savings and loan associations, insurance, post
 office, real estate, professionals (dentists, optometrists, doctors, lawyers, architects, engineers, etc.),
 and travel agencies.
- Food and food service-related uses including bakeries, banquet halls, catering establishments, confectioneries, delicatessens, eating and drinking establishments, fish markets, and meat markets.
- Entertainment and social uses including art galleries, bowling alleys, clubs, lodges, and meeting rooms, movie theaters (in enclosed buildings), and museums.
- Recreational-related uses including athletic centers (in enclosed buildings), community centers
 operated by public or non-profit organizations, municipal parks and playgrounds, municipal buildings,
 libraries, fire stations, and ambulance stations, and parks and playgrounds owned and operated by
 neighborhood property owners' associations on a non-profit basis.
- Schools of performing arts, arts and crafts, or professional or trade schools.
- Child-care centers

⁹ Data obtained from FEMA Flood Insurance Rate Map, Effective Panel 340031C0134G, dated April 17, 2020, obtained on FEMA's Flood Map Service Center, https://msc.fema.gov/portal/advanceSearch, accessed July 27, 2023.

¹⁰ Municipal Report (All Sites) for the Borough of Ringwood, obtained from NJDEP Data Miner on July 27, 2023.

¹¹ Data obtained from https://www.ni.gov/dep/gis/geowebsplash.htm, accessed November 2, 2023.

¹² http://www.ringwoodnj.net/filestorage/2347/2355/4064/zoning map.pdf, accessed November 15, 2023.

¹³ Data obtained from https://ecode360.com/attachment/Rl4114/Rl4114-040b%20Schedule%201%20.pdf, accessed November 15, 2023.

Additionally, the CC-80 District permits the following conditional uses:

- Essential services.
- Automobile service and/or gas stations.
- Churches and other places of worship, including parish houses and Sunday school buildings.
- Public and private nursery, elementary, middle, and secondary schools.
- Nursing homes and convalescent homes.

Table 1 provides the area, yard, and bulk requirements of the CC-80 District.

Table 1: Bulk Standards of the CC-80 District

Requirement	CC-80 District
Minimum Lot Area	80,000 sq ft
Minimum Lot Width	200 ft
Minimum Lot Depth	200 ft
Minimum Front Yard Setback	55 ft
Minimum Side Yard Setback (each)	35 ft
Minimum Rear Yard Setback	45 ft
Maximum Lot Coverage*	25%
Maximum Improved Lot Coverage**	60%
Maximum Disturbed Land Area	N/A
Maximum Building Height	35 ft or 2.5 stories

^{*}Lot coverage is defined as the percentage of a lot area which is occupied by buildings and accessory structures including swimming pools, porches, decks, chimneys, and other related building appurtenances but not including walkways, driveways, patios, tennis courts, open parking areas and loading areas.

^{**}Improved Lot Coverage is defined as percentage of lot area, which is improved with principal and accessory buildings, structures and uses including, but not limited to, driveways, tennis courts, parking areas, garages, walkways, patios, loading areas, hard surfaces, or other man-made improvements. Detention or retention basins shall be excluded from such calculations provided same is constructed of natural materials.

V. Study Area History

Historic aerial photographs dating back to 1930 were reviewed to determine the history of and changes in development that took place within the Study Area over the past 90+ years. As noted above, the Tax Card does not provide a specific year of construction for the strip mall or freestanding building. However, as the aerials that follow show, the property was developed in the late 1970s. The following images illustrate the development of the Study Area since the 1930s. ¹⁴ It should be noted that the red dashed line is the approximate location of the Study Area boundary.

The first aerial image available for the Study Area was captured in 1930 (Figure 4). This image was sourced from the Highlands Council's interactive GIS map and does not show any development in or around the Study Area. (Note that the approximate location of the Study Area may be incorrect due to the clarity of the image.)

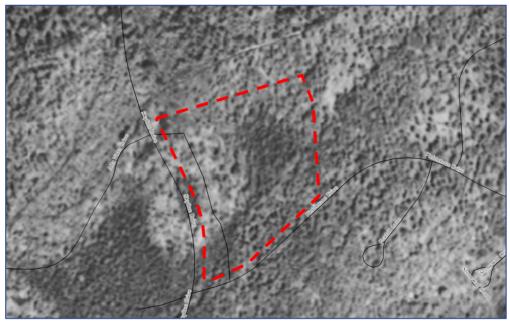


Figure 4 - 1930 aerial image

The next available image was captured in 1953 and continues to show the Study Area in an undeveloped state. However, the development of Skyline Drive can be seen but it is unclear if it is under construction or completed. No other nearby roads have been built. See Figure 5 on the following page.

The next clear aerial image available is from 1966 (Figure 6). This image shows the first signs of disturbance in the Study Area. There appears to be a patch of site disturbance in the northwestern corner, roughly where the existing bank is located. It appears the shopping center across Skyline Drive has started to develop as has Alta Vista Drive. However, Fieldstone Drive has not started construction.

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¹⁴ Imagery sources: NETR Online, https://www.ni.gov/njhighlands/gis/, and NearMap, https://www.ni.gov/njhighlands/gis/, and NearMap, https://www.nearmap.com/us/en, accessed July 27, 2023.



Figure 5 - 1953 aerial

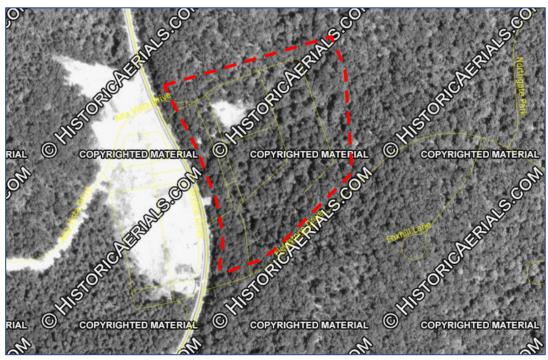


Figure 6 - 1966 aerial

The aerial image captured 8 years later in 1974 shows a majority of the Study Area has been cleared. The disturbance also appears to extend beyond the property lines of the parcel. See Figure 7 on the following page. Additionally, Figure 8 shows the progress made by the next year, which includes the construction of the parking area, the southwestern portion of the strip mall building, and Fieldstone Drive.

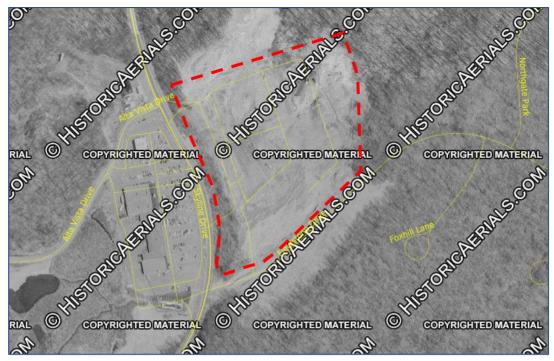


Figure 7 - 1974 aerial



Figure 8 - 1976 aerial

The first available colorized aerial image is from 1979. More progress has been made with the shopping center development including the remaining portion of the strip mall, freestanding building, and additional paved areas. See Figure 9 below. The next aerial image is from 1995 (Figure 10) and is pixelated.

The next available image was captured seven years later in 2002. Other than the clarity, there does not appear to be any significant changes in the Study Area since 1995. However, the paved area to the rear (east) of the

strip mall building appears to have been resurfaced. Between 2002 and the present, aerial images are readily available. However, no significant changes other than the occasional improvements to the paved surfaces (new paving or sealing) have occurred. Compared to the most recent aerial captured by NearMap on September 7, 2023, development in the Study Area has seen little to no change. See Figures 11 and 12 on pages 18 and 19.

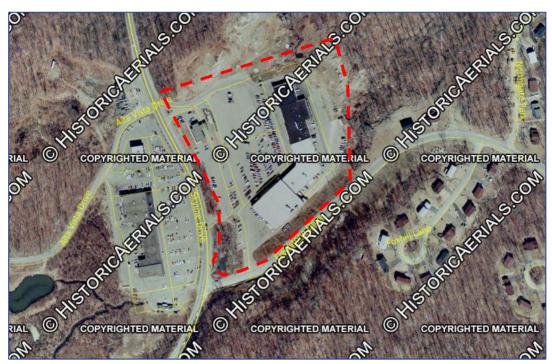


Figure 9 - 1979 aerial



Figure 10 - 1995 aerial



Figure 11 - 2002 aerial



Figure 12 – September 7, 2023 aerial

VI. Master Plan Studies

This Chapter details the relationship between the proposed redevelopment designation and the Borough's master planning documents, the County's master planning documents, and the State Plan as well as the Highlands Regional Master Plan.

Municipal Documents

The Borough of Ringwood has adopted several master planning documents and/or elements. The following sections summarize the documents and how each would be advanced by the potential designation of the Study Area as an Area in Need of Redevelopment.¹⁵

1991 Ringwood Master Plan

The Planning Board of the Borough of Ringwood adopted a new comprehensive Master Plan to replace the 1981 Master Plan in 1991. The 1991 Ringwood Master Plan (hereinafter "1991 Master Plan") contains four elements: a Land Use Plan Element, a Fair Share Housing Plan, a Traffic and Circulation Plan, and a Community Facilities Plan in addition to background information regarding the Borough's existing land use, environmental and physical features, demographics, housing, community facilities, traffic, and utilities. The Study Area (referred to as Ringwood Park Shopping Center) is identified as one of the three shopping centers along Skyline Drive, "which serve the basic needs of Borough residents." ¹⁶

Page 118 of the <u>1991 Master Plan</u> provides the Borough's Goals and Objectives, the following of which would be advanced by the potential designation of the Study Area as an Area in Need of Redevelopment:

- 4. To encourage the best possible design for new developments, to prohibit the development of flag lots and to protect established neighborhoods and utilities.
- 12. To provide for the appropriate expansion of commercial uses to serve the shopping, professional and personal service needs for residents and visitors alike.
- 13. To provide suitable areas for the location and expansion of service businesses.

The Land Use Plan Element of the 1991 Master Plan analyzes each land use category within the Borough and provides recommendations for each.¹⁷ The Study Area was identified as the area recommended to be Community Commercial land uses, which include the three shopping centers and additional commercial uses along Skyline Drive and Greenwood Lake Turnpike. The recommended land use in the Study Area is not clearly discussed. However, the Land Use Plan map categorizes the Study Area as "quasi-public".¹⁸ The Fair Share Housing Plan, Traffic and Circulation Plan, and Community Facilities Plan do not specifically discuss the Study Area. However, the Traffic and Circulation Plan did recommend a traffic signal to be installed at the intersection of Skyline Drive and Fieldstone Drive "in order to facilitate a smooth and efficient traffic flow in a cost-effective manner" within the next five to ten years.¹⁹

1992 Recycling Plan Element

The Borough of Ringwood Planning Board adopted a <u>Recycling Plan Element</u> on July 27, 1992 to address the requirements of the Mandatory Source Separation and Recycling Act of 1987. This Master Plan Element is

¹⁵ Documents sourced from http://www.ringwoodni.net/content/2500/2516/default.aspx, accessed September 15, 2023.

¹⁶ <u>1991 Master Plan</u>, page 6.

¹⁷ <u>1991 Master Plan</u>, pages 120 through 135.

¹⁸ http://www.ringwoodnj.net/filestorage/2500/2516/4086/1991_Master_Plan_Drawing.pdf, accessed September 15, 2023.

¹⁹ <u>1991 Master Plan</u>, pages 141 and 142.

focused on implementing recycling standards within the Borough and does not discuss or provide recommendations for the Study Area.

2007 Conservation Plan Element

On June 11, 2007, the Borough Planning Board adopted the 2007 <u>Conservation Plan Element</u>, which "proposes policies and strategies to balance the effects of development with the need to preserve the natural resource base, enhance the quality of life for Borough residents and protect the future health of the Highlands regional ecosystem." This Element focuses on providing recommendations to ensure the environmental resources within the Borough are protected and future development does not pose a detrimental impact to these resources. The scope of this document is Borough-wide and does not discuss or provide recommendations for the Study Area.

2007 Land Use Plan Element

The Borough Planning Board also adopted the 2007 <u>Land Use Plan Element</u> on June 11, 2007. The Vision Statement of the document states, "The Borough of Ringwood being mindful of its semi-rural character and historic settlements, and recognizing the natural constraints that limit the location, type and intensity of development, envisions a safe, healthy, and pleasing environment for all of its residents." The document provides several goals and objectives, the following of which would be advanced by the Study Area's potential designation as an Area in Need of Redevelopment:

Land Use and Management

- To provide a future land use pattern that preserves large contiguous areas of open lands.
- To continue and expand upon land use policies that promote controlled development at suitable locations and appropriate intensities by discouraging the extension of growth-inducing infrastructure into areas of fragile environmental resources.
- To establish development densities and intensities at levels, which do not exceed the current planning capacity of the natural environment and available infrastructure, based on the sensitivities and limitations of these systems.
- To encourage the best possible design for new developments, and to protect established neighborhoods and utilities.

Community Design

- To develop standards to ensure good visual quality and design for all land use categories.
- To ensure that new development is visually and functionally compatible with the physical character of the Borough.
- To improve the visual and physical appearance of developed areas through the implementation of design standards for features such as signs and buffering and protect neighborhoods from encroachment by incompatible uses.
- To encourage improvement of the appearance of existing commercial development to provide for ecotourism related shopping and dining services.
- Reshape suburban development to create a pedestrian-friendly town commons with aesthetically pleasing design, and appropriately scaled development with significant pedestrian linkages.

²⁰ <u>2007 Conservation Plan Element</u>, page 2.

²¹ 2007 Land Us Plan Element, page 4.

Economic Development

- To provide for desirable non-residential development in appropriate areas of the Borough that will complement the existing character of the community and aid in broadening the local tax base.
- To promote the redesign of existing commercial sites to provide a more efficient land use pattern through such approaches as reduced curb cuts, interconnecting driveways, improved pedestrian and bicycle linkages and enhanced landscaping and aesthetics.

The 2007 Land Use Plan Element also discusses the existing land use and zoning within the Borough. The Study Area is noted to be within the CC-80 Community Commercial Zone, which contains the Borough's major shopping centers and permits a variety of retail stores and services. The future land use of the Study Area noted to be "CR – Commercial Retail", which combines the Borough's NC-15, NB-15, CC-80, CS-40, GB-80, and GB-80W Zones. Expansion of non-residential development in these areas is recommended to be regulated by floor area ratio, impervious coverage, and setback requirements to maintain the existing scale and character of the district.

Additionally, the <u>2007 Land Use Plan</u> discusses redevelopment opportunities in the Borough. Redevelopment opportunities were assessed and the Plan details three potential opportunities: redevelopment in non-residential districts, town commons, and quarry redevelopment. The town commons redevelopment opportunity focuses on the CC-80 District and Skyline Drive, which is recognized to have the potential to be a unifying area for Borough residents by establishing a pedestrian-friendly environment and offering a variety of retail, service, and other commercial uses, and a sense of community. A town commons area could include amenities such as benches, walkways, lighting, and green space to create a sense of community and attract non-residents to shop, dine, and explore the area. However, it was noted that a new wastewater treatment facility would be necessary to accommodate new development.

2010 Housing Plan Element and Fair Share Plan

On May 10, 2010, the Planning Board adopted the Borough's 2010 Housing Element & Fair Share Plan (hereinafter "HEFSP"), which provides the existing and proposed mechanisms that would be utilized to address the Borough's constitutional obligation to provide affordable housing. This document does not address the Study Area.

2022 Master Plan Reexamination Report

The Planning Board adopted its most recent <u>Master Plan Reexamination Report</u> on December 5, 2022. Pages 15 through 19 of the Report provide the recommended changes to the Master Plan and Ordinances. One recommended change is for an updated land use element, which includes the following relevant considerations:

- Design standards should be reviewed for the general look of the town for commercial facilities.
- Protection of existing neighborhood character requires the examination of zoning requirements and bulk standards. Ordinances to impose FAR (floor area ratio) and/or volume ratios to reexamine height and story limitation.
- Senior housing is much needed in the community, but it should be affordable housing. Special attention needs to be paid to this issue, and a realistic plan developed. Seniors will benefit from the proximity to the commercial district with no need to drive. Commercial property tenants will benefit financially from an increase in sales, volume, and revenue as well as an increased demand for retail space rentals. The Borough will benefit by retaining longtime residents who are not able to physically and/or financially maintain their current homes. Furthermore, seniors will benefit in their fulfillment of their desire to stay in the town that they wish to live their retirement years.

Additionally, Appendix A provides the 2022 Master Plan Goals and Objectives. The following would be advanced by the potential designation of the Study Area as an Area in Need of Redevelopment:

1. Land Use and Management

- e. To continue and expand upon land use policies that promote controlled development at suitable locations and appropriate intensities by discouraging the extension of growth-inducing infrastructure into areas of fragile environmental resources.
- f. To establish development densities and intensities at levels, which do not exceed the current planning capacity of the natural environment and available infrastructure, based on the sensitivities and limitations of these systems.
- g. To encourage the best possible design for new developments, and to protect established neighborhoods and utilities.

2. Community Design

- a. To develop standards to ensure good visual quality and design for all land use categories.
- b. To ensure that new development is visually and functionally compatible with the physical character of the Borough.
- d. To improve the visual and physical appearance of developed areas through the implementation of design standards for features such as signs and buffering and protect neighborhoods from encroachment by incompatible uses.
- f. To encourage improvement of the appearance of existing commercial development to provide for eco-tourism related shopping and dining services.

4. Housing

d. To develop housing strategies to address the needs of various age groups, including affordable housing for senior citizens.

6. Economic Development

- d. To provide for desirable non-residential development in appropriate areas of the Borough that will complement the existing character of the community and aid in broadening the local tax base.
- e. To promote the redesign of existing commercial sites to provide a more efficient land use pattern through such approaches as reduced curb cuts, interconnecting driveways, improved pedestrian and bicycle linkages and enhanced landscaping and aesthetics.
- f. To provide for new commercial development within existing commercial areas with utilities in order to concentrate businesses and provide a variety of services.
- g. To coordinate such items as architectural design, access, landscaping, adequate parking, lighting, signs and similar design features to produce visually and functionally compatible economic development.
- h. To encourage economic development and new and expanded business opportunities by utilizing the redevelopment aspects of the Highlands Act and the Local Housing and Redevelopment Law.

County Documents

Passaic County has adopted several Master Plan documents within the past ten years, which are summarized below.²²

Highlands Element of the Passaic County Master Plan

The Passaic County Planning Board adopted the <u>Highlands Element of the Passaic County Master Plan</u> on July 7, 2011. This document is based on the model Highlands Element prepared by the New Jersey Highlands Water Protection and Planning Council and modified as it relates to Passaic County. The document was prepared as a result of the Highlands Act, which requires counties seeking Plan Conformance to adopt revisions to their master plan documents to align with the Highlands Regional Master Plan. This Master Plan Element sets forth the policies for future development in the Highlands Preservation Area within Passaic County. The Borough of Ringwood is located in the Highlands Preservation Area and the Study Area is located in the Protection Zone.

Section C of the Plan discusses redevelopment within the Highlands Region in Passaic County. The Plan notes that the term "redevelopment" is used to refer to the "reconstruction or re-use of previously developed and underutilized properties (which include Preservation Area sites having 70% or more area in impervious surface), and to the rehabilitation and re-use of "brownfield" sites…" Based on aerial imagery we have estimated the Study Area's impervious coverage and it is approximately 69.8%. A survey would provide an exact impervious coverage and may well show that existing impervious coverage is 70% or greater. Therefore, it is likely the potential Area in Need of Redevelopment designation would be in-line with the County's definition of redevelopment.

Additionally, the intent of the Highlands Element is to "encourage redevelopment where appropriate within the Highlands Area, to ensure optimal and efficient use of land." Pages 11 through 13 provide "considerations" for Planning Board's making an area in need of redevelopment determination. The following considerations would be advance by the potential designation of the Study Area as an Area in Need of Redevelopment:

1. Definitions.

c. A "redevelopment project" or "redevelopment activity" refers to the re-use, reconstruction or conversion to alternate use of a brownfield site, a greyfield site, or a previously developed site that is currently vacant or underutilized in the Highlands Area. Redevelopment projects and activities may include but are not limited to: removal, reconstruction or adaptive reuse of existing building and other structures; construction of new buildings and other structures; and conversion or restoration of a site or portions of a site for open space, recreation, or conservation purposes of any kind.

2. Redevelopment Projects and Activities.

1. Redevelopment projects and activities that comply with all applicable land use regulations (specifically including those developed for the Highlands Area) are encouraged in all Areas, Zones and Sub-zones of the Highlands Area. Such project and activities are also subject to all applicable municipal, county, State and federal regulatory requirements.

²² Documents sourced from https://www.passaiccountynj.org/departments/planning-economic-development/plans-and-technical-studies, accessed September 15, 2023.

- 3. Highlands Redevelopment Areas. In assessing the potential for Highlands Redevelopment Area designations with the governing municipality serving as project lead, the County Planning Board incorporates the following relevant considerations.
 - a. Any redevelopment project or activity under the auspices of a Highlands Redevelopment Area plan should be designed and developed in accordance with smart growth and Low Impact Development principles.²³

Transportation Element of the Passaic County Master Plan

The Passaic County Planning Board adopted the <u>Transportation Element of the Passaic County Master Plan</u> (hereinafter "<u>Transportation Element</u>") on October 18, 2012. The document discusses the existing trends and transportation infrastructure in the County and includes six themes: Complete Streets, Bicycle, Pedestrian, and River Access, Public Transportation, Motor Vehicle Circulation, Moving Goods and People, and Scenic and Historic Byways. The Plan includes four overall goals, which are stated in Chapter 1 and are provided below. Additional goals and objectives are provided for each theme of the <u>Transportation Element</u>.

- 1. Bring the County's transportation system in line with current and anticipated future needs.
- 2. Help the County become more transit friendly and reduce reliance on the automobile.
- 3. Integrate transportation with local land-use plans to better support each community's vision for its future.
- 4. Work toward the creation of "Complete Streets" so that our roadways better serve all users, including pedestrians, bicyclists, transit users, senior citizens, and persons with disabilities.²⁴

The Study Area is located along Skyline Drive, which is County Road 692. Chapter 3 "Complete Streets" discusses the County Road classifications. Skyline Drive is classified as a Highlands Regional Street, which is identified as a major travel route with high volumes of traffic and is in the Highlands Region. These Streets serve single-use, low-intensity development in residential, commercial, and rural settings and can accommodate a variety of transportation modes including cars, buses, trucks, bicycles, and pedestrians. Map 4.2 of the Transportation Element identifies Skyline Drive and Fieldstone Drive (non-County Road) as on-road bicycle and pedestrian priority routes. Additionally, an off-road bicycle and pedestrian priority route is illustrated connecting Skyline Drive to Lakeview Avenue to the northeast. The Borough has one bus park and ride facility, which is located at Skyline Drive and Cannici Drive. However, the facility is not safely walkable from the Study Area. It should be noted that the maps contained within the Transportation Element illustrate the Study Area as a "Potential Development Area", which "were identified during the municipal interview process and review of local master plans." The various sections of the document provided general recommendations and objectives for future transportation improvements on Passaic County roadways. However, no specific recommendations are provided for Skyline Drive in the document.

Sustainability Element of the Passaic County Master Plan

On May 2, 2013, the Passaic County Planning Board adopted the <u>Sustainability Element of the Passaic County Master Plan</u> (hereinafter "<u>Sustainability Element</u>"). This document serves to guide County policies and development with a focus on economic, environmental, and energy benefits to "ensure Passaic County's Rich History and Bright Future."²⁶ The document includes four main chapters, which discuss the County's vision for

²³ Highlands Element of the Passaic County Master Plan, pages 11 through 13,

https://www.passaiccountynj.org/home/showpublisheddocument/2302/637672207623030000, accessed November 17, 2023.

²⁴ Transportation Element of the Passaic County Master Plan, pages 1 and 2,

https://www.passaiccountynj.org/home/showpublisheddocument/2262/637672140975730000, accessed November 17, 2023. ²⁵ Ibid, page 39.

²⁶ Sustainability Element of the Passaic County Master Plan, page 1, https://www.passaiccountynj.org/home/showpublisheddocument/2260/637672105117830000, accessed November 17, 2023.

a sustainable future, environmental resources and preservation priorities, goals, and strategies to achieve the County's goals. Page 5 defines Sustainability as "a systematic approach that supports economic responsibility, environmental stewardship and a thriving community to achieve and encourage the highest level of efficiency and conservation of resources in local government operations."²⁷

The Goals of the <u>Sustainability Element</u> are provided beginning on page 37 and include goals related to the Environment, Economy, and Community. Environmental goals include those related to natural systems, planning and design, and energy and climate. Economic goals include the topics of economic prosperity and employment and workforce training. Finally, Community goal topics include education, arts and society, health and safety, and affordability and justice. Pages 38 through 45 provide detailed descriptions of each. These goals are general in nature and are not specific to any one municipality or area of the County.

Parks, Recreation and Open Space Master Plan

The Passaic County Planning Board adopted the <u>Parks, Recreation and Open Space Master Plan</u> (hereinafter "<u>PROS</u>") in June of 2014. The <u>PROS</u> provides an inventory of County-owned parks, recreational facilities, and open space areas, assesses the County Park System including operations, financing, conditions, programs, natural resources, etc., provides a needs analysis, and establishes an action plan, which includes recommendations for the entire park system as well as park-specific recommendations and potential acquisitions. The Study Area is not adjacent to any County Park or potential acquisition area.

Green Stormwater Infrastructure Element of the Passaic County Master Plan

On January 10, 2019, the Passaic County Planning Board adopted the <u>Green Stormwater Infrastructure Element of the Passaic County Master Plan</u>. This document provides a comprehensive strategy for stormwater management using low impact development techniques and green stormwater infrastructure. The Element includes discussion on the preparation of the document and recommendations to implement these stormwater management policies and is general in nature and does not specifically address any one municipality. However, the Goals of the Element are as follows:

- Develop strategies to implement LID (Low Impact Development) / GSI (Green Stormwater Infrastructure) throughout the County.
- Provide standardized technical guidance to support Countywide implementation on public capital improvement and private sector land development projects. Technical guidance includes a Stormwater Management Guidance Manual and Green Streets Guidelines.
- Provide recommendations to incorporate Green Stormwater Infrastructure requirements into an update of the County's Site Plan and Subdivision Resolutions.
- Provide resources for municipalities to facilitate implementation at the local level. (The regulatory and technical guidance materials developed for the County can be adapted by municipalities to adopt their own regulations or guidelines for use in local planning and development review processes.)²⁸

State Documents

The State is in the process of preparing a new State Plan. The last adopted State Plan is from 2001 and fails to account for the Highlands Act and the subsequently adopted <u>Highlands Regional Master Plan</u>. Consequently, there is no need to review the 2001 document. Below is a summary of the <u>Highlands Regional Master Plan</u>.

²⁷ Ibid, page 5.

²⁸ Green Stormwater Infrastructure Element of the Passaic County Master Plan, page 5, https://www.passaiccountynj.org/home/showpublisheddocument/2294/637696485458670000, accessed November 17, 2023.

2008 Highlands Regional Master Plan

The Highlands Region encompasses 88 municipalities, including the Borough of Ringwood. The <u>Highlands</u> Regional Master Plan hereinafter ("RMP")²⁹ seeks to evaluate how best to protect the natural and cultural resources of the Highlands Region while striving to accommodate a sustainable economy.

Nothing within this document specifically addresses the redevelopment of the Study Area. However, the Plan does stress smart growth principles and encourages redevelopment. The Study Area is entirely located in the Highlands Preservation Area in the Protection Zone.

The <u>RMP</u> provides many goals, policies, and objectives to guide the development in the Highlands Region. The following goals, policies, and objectives of the <u>RMP</u> could be advanced by the redevelopment of the Study Area.

- Goal 6C: Limitation of development in the Protection Zone to development and redevelopment, which does not adversely affect the natural resources of the Highlands Region ecosystem.
 - Policy 6C1: To limit new human development in the Protection Zone to redevelopment, exempt activities, and environmentally-compatible low density new land uses, in accordance with RMP resource protection needs and water quality and quantity capacity constraints and to ensure that the impacts of development using exemptions under the Highlands Act (see Policy 7F1) are considered in regional protection measures.
 - Policy 6C2: To ensure through Plan Conformance, local development review and Highlands Project
 Review that any future development or redevelopment which does occur in a Protection
 Zone is subject to standards and criteria which protect the land and water resources of the Protection Zone from any potential adverse impact to the maximum extent possible.
- Goal 6H: Guide development away from environmentally sensitive and agricultural lands and



Photo 5 - Graffiti on the rear wall of the shopping center



Photo 6 - Vacant tenant space

²⁹ https://www.nj.gov/njhighlands/master/rmp/final/highlands_rmp_112008.pdf, accessed November 2, 2023.

promote development and redevelopment in or adjacent to existing developed lands.

- Policy 6H4: To promote compatible growth opportunities that include infill development, adaptive reuse, redevelopment, and brownfields redevelopment in existing developed areas.
- Policy 6H9: To incorporate smart growth principles and green building design and technology in development and redevelopment initiatives.
- Goal 6]: Accommodation of regional growth and development needs through the reuse and redevelopment of previously developed areas, including brownfields, grayfields, and underutilized sites.
 - Policy 6J1: To encourage Preservation Area redevelopment of sites with 70% or greater impervious surfaces or a brownfield in areas designated by the Highlands Council as Highlands Redevelopment Areas in accordance with N.J.A.C 7:38-6.6 and 6.7.



Photo 7 – Water damage inside Benjamin Moore store

- Goal 8A: Sustainable Economic Development in the Highlands Region.
 - Policy 8A1: To maintain and expand the existing job and economic base by promoting appropriate, sustainable, and environmentally compatible economic development throughout the Highlands Region.

VII. Redevelopment Evaluation

Study Approach

This office conducted an analysis of the Study Area's existing physical characteristic on October 12, 2023. A summary of our findings is provided in the next section. Additionally, this office examined Borough reports, analyzed historic aerial photographs, and the Borough's zoning code. Colliers Engineering & Design also requested various information from the Borough on July 26, 2023, including tax records, code violations, property liens, and other municipal documents, which are listed below. Text in italics reflects what information was received.

- Copies of tax cards for all lots for the past seven years.
 - Copies of the most recent tax card for the lot was received on August 9, 2023. Note that a tax card was provided for each of the lot's qualifiers, C1 and C2.
- Code (property, building, etc.) violations for the past five years.
 - An email with multiple records of fire violations issued in the past five years was received on July 28, 2023.
 The following fire violations were issued:
 - Fieldstone Shopping Center One violation was issued on February 24, 2022 and Four were issued on March 7, 2023. The violations from February 2022 and one from March 2023 were abated. It is unclear if the remaining three violations from 2023 were abated.
 - Coldwell Banker Real Estate One violation was issued on February 18, 2022 and one violation was issued on March 7, 2023. Both violations have been abated.
 - Dollar General Three violations were issued on December 20, 2021, two violations were issued on and March 6, 2023. One violation from March 2023 was abated, while it is unclear if the other four have been abated.
 - LV Spa Nails Seven violations were issued on September 30, 2020, which were abated. Three violations were issued on April 25, 2023, two of which were abated. It is unclear if the third violation from April 2023 was abated.
 - Ringwood Paint & Wallpaper Two violations were issued on March 4, 2022, which were abated.
 - Ringwood Wine & Liquors Three violations were issued on March 1, 2022, which were abated.
 - Sakura Japanese Restaurant Two violations were issued on February 2, 2023, which was abated.
 - Skyline Family Eyecare One violation was issued on April 8, 2022, which was abated.
 - Skyline Pizza Three violations were issued on February 10, 2022 and four violations were issued on March 9, 2023. All violations have been abated.
 - Spring Chinese Restaurant Two violations were issued on January 24, 2022 and five violations were issued on February 17, 2023. All violations have been abated.
 - Stop & Shop Five violations were issued on December 17, 2021 and eight violations were issued on December 20, 2022. All violations have been abated.
 - Subway Five violations were issued on January 31, 2022, which have been abated.

- Winterfields Martial Arts Two violations were issued on March 4, 2022 and two were issued on April 5, 2023. All violations have been abated.
- A document indicating no building code, Uniform Construction Code, or notices of unsafe structure were issued in the past five years was received on August 3, 2023. However, this document noted that there were two Code Enforcement Notices of Abatement issued in the past five years:
 - September 13, 2019 No formal notice was sent for a cracked walkway. However, the issue was abated on September 30, 2019.
 - March 22, 2023 A Notice of Abatement was issued for nuisances (Section 13-5.1(k) and (n)) including repairing potholes, removing graffiti, and cleaning garbage throughout the site.
- An email containing various documents from the Health Department received on August 3, 2023 revealed a number of violations, complaints, or other issues in the Study Area. Documents dating back to 1984 were provided and detailed ongoing issues with the site's septic system. Over the years, these issues have been addressed and the septic system upgraded and/or fixed. However, the issues have continued to arise over the years. A set of Site Plans for the property, prepared by Jeffrey J. Careaga Engineering, Inc., dated September 16, 2005, which includes details of the septic system was received. For brevity, documents from the past five years are detailed below.
 - A Borough Health Department Complaint Form, dated December 26, 2017, reported a sewage odor but no evidence of sewage on the ground.
 - A letter from Donna Ruccione, REHS of the Borough Health Department, dated July 19, 2021, details
 a septic system malfunction where effluent was observed in front of the Dairy Queen and draining
 into a catch basin. Two pumps were found to be malfunctioning and Ms. Ruccione required the
 property owner to replace the pumps and install a new control panel.
 - A Borough Health Department Complaint Form, dated August 29, 2022, reports ponding water with a sheen look and odor of septic and presence of flies. This complaint was referred from the Borough Department of Public Works.
 - A Borough Health Department Complaint Form, dated July 14, 2023, reports a number of complaints including tree and overgrowth in the septic fields at the rear of the property, dumpsters in disrepair, and a tank missing a lid.
 - A letter from Zackary Faiola, REHS of the Borough Health Department details the above complaint and requires corrective action to address them.
 - A Notice of Violation, dated August 30, 2022 from the Borough Health Department states was issued for "Ponding or breakout of sewage or effluent onto the surface of the ground." (N.J.A.C. 7:9A-3.4(b)).
- Building permits issued for the past five years.
 - The Building Department provided a Records Request document, dated August 2, 2023, indicating there
 have been 10 permits issued in since 2018. All except one permit, which is related to electrical service for
 the property, are closed.
- Copies of site plan approvals for the past five years.
 - An email indicating no site plan approvals were granted in the past five years was received on August 10, 2023.
- Information on tax liens for the past five years.

- An email indicating the properties have not had any tax liens in the past five years was received on August 10. 2023.
- Police actions documented on the lots within the past five years.
 - Copies of Ringwood Police Department records were received on August 9, 2023. The documents revealed four police reports in the past five years, which include a tenant sign that fell in the parking lot, a pot hole complaint, a broken sign damaging a vehicle, and a report of juveniles trespassing, graffiti, and climbing on the roof.
- Tax maps and copies of any easements on the lots.
 - o Sheet 8 of the Tax Map was received on July 28, 2023.
 - o Easement descriptions from the Borough Engineer was received on August 3, 2023.
- Data on any site contamination and related paperwork.
 - Environmental contamination information was received from the Borough Health Department on August
 3, 2023. See code violations above.
- Data on any unpaid taxes, tax appeals, and title documents for the past five years.
 - o Copies of the Deed were received on August 9, 2023.
 - The tax payment history for the properties, which revealed there have not been any unpaid taxes in the past five years, was received on August 10, 2023.
 - o An email indicating no tax appeals were filed in the past five years was received on August 10, 2023.

Site Inspection

On Thursday, October 12, 2023, this office conducted a site inspection of the Study Area, identified as Block 801, Lot 1. Site inspection attendees included:

- Darlene Green and Austin Bejin, Colliers Engineering & Design
- Michael Hafner, Borough Zoning Officer/Construction Official
- Zach Faiola, Borough Health Department
- Kevin Pelio, Executive Vice President of The Azarian Group, LLC (property owners)

We inspected the exterior of the site and most of the interior spaces. We did not gain entry to the following spaces: Gingie Makes, Post Office, Coldwell Banker, and Wells Fargo. Of the interior spaces we inspected, many were found to be fine with no issues or concerns. However, the former hair salon, Spring Chinese, former café, Dairy Queen, Benjamin Moore, Karate Studio, Skyline Pizza, and Liquor Store all had water-stained ceiling tiles. Several tenants reported that this was an ongoing issue with the roof leaking and water discoloring the tiles. The Benjamin Moore store exhibited the worst conditions. Several ceiling tiles had very dark stains. The store owner indicated that he had a stream of water coming through the ceiling. In the rear of the store, within the bathroom, the ceiling had been removed due to water damage.



Photo 8 – Missing ceiling inside Benjamin Moore store

During the site inspection, trash and debris was visible along the northern edge of the parking area and to the rear of the building. Several dumpsters were located to the rear of the building, all of which were not within an enclosure. Additionally, many dumpsters were left open or had broken lids. Graffiti was found on the rear wall of the building (see Photo 5 above). The Construction Official indicated this was an ongoing issue. The rear southeast corner of the building had a ladder leaning against a ladder attached to the building, which appeared to be a means of roof access. There was no gate or barrier preventing anyone from accessing the roof. See the photos below for conditions of the property that were found during our inspection.



Photo 9 - Trash and unenclosed dumpsters to the rear of the building



Photo 10 - Unobstructed roof access



Photo 11 - Cracked parking area pavement



Photo 12 - Open dumpster and grease bin

Block 801, Lot 4.03 | 130 Skyline Drive

The following sections describe the redevelopment criteria that are relevant to the Study Area.

Criteria B

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

Kevin Pelio, Executive Vice President of The Azarian Group, LLC, the owner/operator of the Study Area provided information on the site's occupancy for the past four years:

- **2**020 80.8%
- **2**021 79.8%
- **2**022 79.8%
- 2023 79.8%³⁰

Therefore, the site had a vacancy rate of 19.2% in 2020 and has had a vacancy rate of 20.2% in 2021 through 2023. To understand if this vacancy rate is significant, we obtained data on the retail sector in New Jersey from Colliers.³¹ We received a Quarter 3 2023 report (see Appendix B) and an excel table with historical vacancy rates within the State (see the table below).³² The Quarter 3 2023 report for the State of New Jersey provides information on "availability rate", which is the percentage of space that is being marketed for lease. "Vacancy rate" is the percentage of space that is physically unoccupied. As the table below shows, the vacancy rate of

retail in the State of New Jersey has fluctuated from a low of 3.9% in Quarter 3 of 2019 to a high of 4.8% in Quarter 2 of 2021. Comparatively, the subject site has a vacancy rate more than four times that of the State for 2021, 2022, 2023. The data shows that the Study Area's shopping center is experiencing a vacancy rate significantly higher than otherwise found in the State, which has occurred consecutively since 2020. Based on this information, the Study Area qualifies under Criteria B.

Period	Vacancy Rate	Availability Rate
2023 Q3	4.3%	5.1%
2023 Q2	4.5%	5.3%
2023 Q1	4.4%	5.2%
2022 Q4	4.4%	5.4%
2022 Q3	4.4%	5.5%
2022 Q2	4.7%	5.8%
2022 Q1	4.5%	5.6%
2021 Q4	4.7%	6.3%
2021 Q3	4.5%	6.2%
2021 Q2	4.8%	6.5%
2021 Q1	4.7%	6.2%
2020 Q4	4.7%	6.6%
2020 Q3	4.4%	5.9%
2020 Q2	4.3%	5.8%
2020 Q1	4.3%	5.7%
2019 Q4	4.0%	5.6%
2019 Q3	3.9%	5.6%

³⁰ Email from Kevin Pelio, Executive Vice President, The Azarian Group, LLC, on October 19, 2023.

 $^{^{\}rm 31}$ Colliers and Colliers Engineering & Design are separate companies.

³² Information received via email from Colin Hyde, Research Manager | Tri-State of Colliers, on November 15 and November 16, 2023.



Photo 13 – Former cafe tenant space



Photo 14 - Former dry cleaner vacant tenant space

Criteria H

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

The LRHL was amended in 2003 to add the "h" criterion via P.L. 2003, c.125. In 2012 when <u>The Redevelopment Handbook</u> was published, the Office of Planning Advocacy (hereinafter "OPA") resided under the Department of State. OPA defined smart growth on their website as "well-planned, well-managed growth that adds new homes and creates new jobs, while preserving open space, farmland and environmental resources. Smart growth supports livable neighborhoods with a variety of housing types, price ranges, and multi-modal forms of transportation."³³ The OPA website containing this quote unfortunately no longer exists. <u>The Redevelopment Handbook</u> states, "smart growth is epitomized by compact, transit accessible, pedestrian-oriented, and environmentally sustainable development."³⁴ The handbook provides characteristics that may be exhibited as a result of smart growth:

- Mixed land uses
- Compact, clustered community design
- A wide range of housing choices and opportunities
- Walkable neighborhoods
- Distinctive, attractive communities offering a sense of place
- Open space, farmland, and scenic resource preservation
- Development directed to existing communities using existing infrastructure
- Sustainable design
- Transportation option variety³⁵

A review of OPA's current website does not provide a definition of smart growth, nor does it describe any principles or characteristics of smart growth. The only item of note is on OPA's homepage, "The Business Action

³³ The Redevelopment Handbook, 2nd Edition, page 66.

³⁴ Ibid.

³⁵ Ibid.

Center coordinates statewide planning to protect the environment and guide future growth into compact, mixed-use development and redevelopment."³⁶

The Highlands Water Protection and Planning Act was signed into law August 10, 2004; over a year after criterion "h" was added to the LRHL. The <u>Highlands Regional Master Plan</u> was adopted almost four years later, on July 17, 2008. Ringwood Borough is located within the Highlands Region and is entirely within the Preservation Area. The Highlands Council is the regional planning entity responsible for regulating land use and development within Ringwood.

Lot 4.03 is located within the Highlands' Land Use and Capability Zone known as the Protection Zone. According to the Borough's Draft Land Use Ordinance:

The Protection Zone contains the highest quality natural resource value lands of the Highlands Preservation Area. Lands in the Protection Zone are essential to maintaining water quality, water quantity and sensitive ecological resources and processes and have limited or no capacity to support human development without adversely affecting overall ecological function. Land acquisition is a high priority for lands in the Protection Zone and development activities will be extremely limited. Any development will be subject to stringent limitations on consumptive and depletive water use, degradation of water quality, and impacts to environmentally sensitive lands and natural resources.³⁷

However, the Study Area is a developed lot connected to public water and with its own on-site sewer treatment. Furthermore, the property is roughly 69.8% impervious coverage. The purpose of the <u>Highlands Regional Master Plan</u> is not to styme development and/or redevelopment within the Preservation Area. In fact, its purpose is to encourage reutilization of existing developed sites within the confines of water and sewer capacities.

Our site inspection revealed a tired and dated strip mall with a 20.2% vacancy rate in 2021, 2022, and 2023.³⁸ A review of aerials available on the New Jersey Highlands Council Interactive Map reveals the large parking lot has never been more than half full (years include 2002, 2006, 2007, 2010, 2012, 2013, 2015, 2017, 2019, and 2020).³⁹ See Photos 15 and 16 on the following page for views of the empty parking area during our October 12, 2023 site inspection.

The potential redevelopment of all or a portion of Lot 4.03 has the ability to transform portions of the oversized parking lot into businesses, creating employment; to convert existing space or add space to host housing; and/or to repurpose parts of the site for other uses. Potential redevelopment would advance the following phrase from OPA's definition of smart growth, "growth that adds new homes and creates new jobs, while preserving open space".

³⁶ https://nj.gov/state/planning/index.shtml, accessed November 15, 2023.

³⁷ https://www.nj.gov/njhighlands/passaic_county/ringwood/approved_petition/ringwood_luo_approved.pdf, page 22, accessed November 15, 2023.

³⁸ Email from Kevin R. Pelio, Executive Vice President, The Azarian Group, LLC, October 19, 2023.

³⁹ https://www.nj.gov/njhighlands/gis/interactive_map/index.html#/-74.26080/41.08580/14, accessed November 15, 2023.



Photo 15 - View of nearly empty parking area looking east



Photo 16 - View of nearly empty parking area, looking south





Study Area

Borough of Ringwood Passaic County, New Jersey



November 2023

Additionally, redevelopment of all or a portion of the Study Area could advance the following smart growth characteristics outlined in <a href="https://doi.org/10.1001/jnc.20

- Mixed land use by permitting a variety of as-of-right land uses
- Compact design by developing unused portions of the parking lot with new buildings
- Development directed to existing communities using existing infrastructure the site is connected to public water and on-site sewer treatment
- Sustainable design redevelopment would reuse existing impervious areas and would have to meet
 NJDEP's new stormwater management rules, which have a focus on green infrastructure

Since the Highlands Council is the regional planning entity responsible for regulating land use and development within Ringwood it is important to ensure redevelopment of all or a portion of the Study Area advances the Council's goals and policies. We should qualify this statement by indicating it is our assumption that any redevelopment on the site would occur within existing impervious areas or within Exemption #4 impervious limits and within the limits of the permitted water and sewer capacity.

The following goals and policies of the <u>Highlands Regional Master Plan</u>, which relate to the encouragement of redevelopment and reutilization of existing development, would be advanced by the Study Area's potential designation as an Area in Need of Redevelopment:

• <u>Goal 6C:</u> Limitation of development in the Protection Zone to development and redevelopment, which does not adversely affect the natural resources of the Highlands Region ecosystem.

The potential redevelopment of the Study Area would allow for the redevelopment and/or reutilization of the site, while complying with the Highlands Council and NJDEP's environmental regulations.

- Policy 6C1: To limit new human development in the Protection Zone to redevelopment, exempt activities, and environmentally-compatible low density new land uses, in accordance with RMP resource protection needs and water quality and quantity capacity constraints and to ensure that the impacts of development using exemptions under the Highlands Act (see Policy 7F1) are considered in regional protection measures.
 - The existing shopping center in the Study Area was developed in the 1970s, nearly three decades prior to the establishment of the Highlands Act and implementation of the RMP. The potential redevelopment of the Study Area would be in accordance with the public water capacity limitation of the Ringwood Water Department and within the on-site septic system capacity.
- Policy 6C2: To ensure through Plan Conformance, local development review and Highlands Project
 Review that any future development or redevelopment which does occur in a Protection Zone is
 subject to standards and criteria which protect the land and water resources of the Protection Zone
 from any potential adverse impact to the maximum extent possible.
 - Redevelopment and/or reutilization of the site could occur within existing impervious areas, which would minimize any potential adverse impacts.
- Goal 6H: Guide development away from environmentally sensitive and agricultural lands and promote development and redevelopment in or adjacent to existing developed lands.
 - Potential redevelopment and/or reutilization of the Study Area would occur within the existing impervious area on the site. Any expansion of impervious area would be required to qualify for Highlands Exemption #4. Additionally, the Study Area is not used for or adjacent to any agricultural lands.

Policy 6H4: To promote compatible growth opportunities that include infill development, adaptive reuse, redevelopment, and brownfields redevelopment in existing developed areas.

The Study Area is an existing developed shopping center initially constructed in the 1970s. Any potential redevelopment, reuse, and/or revitalization of the Study Area would repurpose an existing developed site and utilize existing water and sewer infrastructure.



Photo 17 - Shopping center facade with two vacant tenant spaces visible

• Goal 6]: Accommodation of regional growth and development needs through the reuse and redevelopment of previously developed areas, including brownfields, grayfields, and underutilized sites.

A large portion of the Study Area is an underutilized parking lot, a grayfield. This oversized parking lot could be repurposed to accommodate local and regional development needs.

- Goal 8A: Sustainable Economic Development in the Highlands Region.
 - Policy 8A1: To maintain and expand the existing job and economic base by promoting appropriate, sustainable, and environmentally compatible economic development throughout the Highlands Region.

As noted above, the site has had a vacancy rate of 20.2% since 2021. Repurposing and/or redevelopment of the Study Area could reinvigorate the property, spur new businesses to open on the site, and increase the Borough's economic base.

As detailed above, the potential redevelopment of the Study Area is consistent with the OPA's definition of smart growth, consistent with several of the characteristics of smart growth outlined in <a href="https://doi.org/10.21/20.21/

VIII. Study Conclusion & Recommendations

The Study Area consists of one parcel and encompasses approximately 12 acres. The property is currently developed with a 26-tenant "L"-shaped shopping center building with a variety of uses, a stand-alone building used as a bank with a drive-thru, off-street parking, loading areas, an on-site septic system, and other associated site improvements. The Study Area was inspected on October 12, 2023, which did not reveal any unsafe issues or code violations.

Based on the information presented in Section VII, the one property in the Study Area qualifies under the LRHL to be designated as an Area in Need of Redevelopment under Criteria B and H.

The designation of Block 801, Lot 4.03 as discussed in this report would advance the goals of the Borough's Master Plan, advance the goals and policies of the Highlands RMP, and spark redevelopment and/or reutilization of the shopping center. Based on the above, we recommend that the Study Area qualify for designation as an Area in Need of Redevelopment. If these recommendations are accepted by the Borough, the next step should be the preparation of a redevelopment plan that would guide redevelopment of the designated area. Any redevelopment plan for the Study Area should include a condition that requires redevelopment/reutilization to remain within the existing impervious coverage or within the 125% limitation permitted under Exemption #4 of the Highlands Act.

IX. Appendix

Appendix A | Council Resolution 2023-120

Appendix B | NJ Retail 2023 Q3 Report

Appendix A | Council Resolution 2023-120

A RESOLUTION AUTHORIZING AND DIRECTING THE PLANNING BOARD OF THE BOROUGH OF RINGWOOD, COUNTY OF PASSAIC, STATE OF NEW JERSEY TO EXAMINE WHETHER THE PROPERTY LOCATED AT 130 SKYLINE DRIVE, ALSO KNOWN AS BLOCK 801, LOT 4.03, AS SHOWN ON THE OFFICIAL TAX MAP OF THE BOROUGH OF RINGWOOD SHOULD BE DETERMINED TO BE AN AREA IN NEED OF REDEVELOPMENT, SPECIFICALLY A NON-CONDEMNATION REDEVELOMENT AREA, PURSUANT TO THE LOCAL REDEVELOPMENT AND HOUSING LAW, N.J.S.A. 40A:12A-1 ET SEQ.

WHEREAS, the Borough Council of the Borough of Ringwood (the "Borough") has identified a property, located at 130 Skyline Drive, also known as Block 801, lot 4.03, as delineated on the Borough tax map attached hereto and made part of this resolution (the "Study Area"), to be considered for designation as an area "in need of redevelopment", pursuant to the <u>Local Redevelopment and Housing Law</u>, N.J.S.A. 40A:12A-1 <u>et seq.</u>, ((the "LRHL"); and

WHEREAS, the LRHL authorizes the Governing Body, by resolution, to authorize the Planning Board to undertake a preliminary investigation (the "Investigation") to determine whether an area (or any portion thereof) is an "area in need of redevelopment" according to the criteria set forth in N.J.S.A. 40A:12A-5 of the LRHL; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-6 of the LRHL, "the resolution authorizing the Planning Board to undertake a preliminary investigation shall state whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area other than the use of eminent domain (hereinafter referred to as a "Non-Condemnation Redevelopment Area") or whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area, including the power of eminent domain (hereinafter referred to as a "Condemnation Redevelopment Area"); and

WHEREAS, the Borough Council finds it to be in the best interest of the Borough and its residents to authorize the Borough's Planning Board to undertake such Investigation of the Study Area as a Non-Condemnation Redevelopment Area; and

WHEREAS, the Borough Council wishes to direct the Planning Board to conduct the Investigation of the Study Area as authorized under the LRHL; and

WHEREAS, the notice of hearing(s) to be conducted by the Planning Board pursuant to the Redevelopment Law shall specifically state that a Non-Condemnation Redevelopment Area determination shall authorize the Borough to exercise all those powers provided by the Redevelopment Law for use in a redevelopment area, excluding the use of eminent domain.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Ringwood (the "Borough") that the Borough Planning Board is hereby authorized and directed to conduct a preliminary investigation as to whether the property located at 130 Skyline Drive, as identified on the Official Tax Map of the Borough as, Block 801, Lot 4.03 (the "Study Area"), should be determined as a Non-Condemnation "an area in need of redevelopment" pursuant to N.J.S.A. 40A:12A-5 and 6; and

BE IT FURTHER RESOLVED, that the Borough hereby authorizes and directs the Borough Planner and the Borough Engineer, to prepare the necessary studies and reports to determine whether the Study Area meet the criteria for designation as a Non-Condemnation "an area in need of redevelopment" under the Redevelopment Law; and

BE IT FURTHER RESOLVED, that the Borough hereby states that any Non-Condemnation Redevelopment Area determination shall authorize the Borough to exercise all those powers provided by the Redevelopment Law for use in a redevelopment area, excluding the use of eminent domain; and

BE IT FURTHER RESOLVED, that the notice of the hearing(s) to be conducted by the Planning Board pursuant to the Redevelopment Law shall specifically state that a Non-Condemnation Redevelopment Area determination shall authorize the Borough to exercise all those powers provided by the Redevelopment Law for use in a redevelopment area, excluding the use of eminent domain; and

BE IT FURTHER RESOLVED, that the Planning Board shall conduct a public hearing and submit its findings and recommendations to the Borough Council in the form of a resolution with all necessary supporting documentation; and

BE IT FURTHER RESOLVED, that a certified copy of this Resolution shall be forwarded by the Borough Clerk to the Borough Planning Board; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

	SEAN T. NOONAN, MAYOR
I hereby certify that the above Resolution was adopted by the Municipal Council of the Borough of Ringwood at its Business Meeting of May 16, 2023.	
NICOLE LANGENMAYR, RMC MUNICIPAL CLERK	

Council						
Member	Motion	Second	Ayes	Nays	Abstain	Absent
Noonan			X			
Matteo-Landis			X			
Baumgartner		Χ	Х			
Forest						Χ
Kerr	Χ		X			
Schaefer			X			
Speer			Χ			

Appendix B | NJ Retail 2023 Q3 Report



Key Takeaways

- Availability is a near record low 5.1%
- · Rent growth is beginning to accelerate
- · Retail employment has fully recovered
- Malls are being transformed into mixed-use centers



Availability Rate



Net Absorption
10111 403K SF



Under Construction



\$ Asking Rent \$24.13/SF



Highlights

The New Jersey retail market has displayed resilience in the face of changing consumer preferences, notable retailer bankruptcies, and broader economic uncertainties. Net absorption remained positive through the first nine months of the year, reaching nearly 403,000 square feet, though it cooled slightly compared to the previous year. Availability has been on a downward trend since the beginning of last year, currently standing at just 5.1%, marking its lowest level since before the 2008 financial crisis. After experiencing several years of muted rent growth, rents have increased by 2.9% in the past year, with landlords poised to take advantage of tightening market conditions. Demand for experiential concepts and mixed-use destinations is shaping the next wave of development, including the redevelopment of several major shopping malls across the Garden State.

Economic Indicators



4.2%Unemployment Rate (NJ)



4. 170GDP - Quarterly % change yr/yr

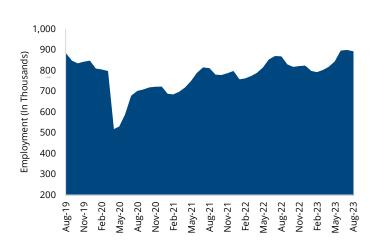


4.558%U.S. 10 Year
Treasury Note

Historic Comparison

	23Q3	23Q2	22Q3
Inventory (in Millions of SF)	136.2M	136.2M	135.8M
Net Absorption (in Thousands)	181.6k	64.8k	756.3k
Availability Rate	5.1%	5.4%	5.5%
Asking Rent	\$24.13	\$24.02	\$23.44

New Jersey Retail Employment



After bottoming out during the pandemic, retail employment in New Jersey has fully recovered with 891,400 jobs reported in August 2023, a 1.1% increase from 2019.

Source: BLS Statewide Retail Trade, Leisure and Hospitality Employment *Not Seasonally Adjusted"

Significant 2023 Leases



New Lease 2095 US-9 Old Bridge | 134k SF



New Lease 2095 US-9 Old Bridge | 80k SF



New Lease 2200 NJ-66 Neptune | 59k SF



New Lease 100 Promenade Blvd Bridgewater | 40k SF



New Lease 180 NJ-35 Eatontown | 40k SF



New Lease 1 Ronson Rd | Iselin 32k SF

New Jersey | 23Q3 | Retail | Market Statistics



Property Type	Inventory	Availability Rate	Net Absorption YTD	Under Construction	Avg Asking Rent
General Retail	90,432,162	3.7%	511,853	313,156	\$22.13
Neighborhood Center	23,615,109	8.8%	144,579	92,748	\$24.20
Strip Center	5,361,214	7.7%	(46,389)	0	\$22.91
Power Center	9,680,108	5.9%	(40,449)	0	\$24.83
Mall	6,853,700	8.4%	(181,040)	0	\$50.57
Other	283,709	0.0%	14,183	0	\$21.12
TOTAL	136,226,002	5.1%	402,737	405,904	\$24.13

Significant 2023 Sales

Address	Size	Buyer	Sale Price
1050 W Edgar Rd, Linden	185,682	Heritage Properties JV Pegasus Investments	\$55,954,500
1730-1740 Route 46, Woodland Park	90,945	Northeast Capital Group	\$18,000,000
2900 Route 10 E, Morris Plains	72,000	Pelican Sport Center	\$14,500,000
1660 US Highway 22, Watchung	37,630	Agus Holdings	\$10,400,000
1210-1232 Hooper Ave, Toms River	79,362	Paramount Realty Services	\$8,750,000