WHARTON BOROUGH MORRIS COUNTY, NEW JERSEY

AREA IN NEED OF REDEVELOPMENT STUDY For Block 1317, Lots 1-23

May 22, 2018



145 Spring Street, Suite E, Newton, NJ 07860

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The original of this report was signed and sealed in accordance with N.J.S.A. 45:14A-12.

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1. INTRODUCTION

1.1 BACKGROUND

On March 12, 2018, the Governing Body of the Borough of Wharton authorized the Planning Board to conduct a non-condemnation area in need of redevelopment study for an area identified as Block 1317, Lots 1 through 23 on the official tax maps of the Borough(the "Study Area"). The Study Area covers a block along North Main Street with secondary frontages on East Central Avenue, Fern Avenue and 2nd Street. The Study Area includes twenty-three (23)¹ parcels covering 4.312 acres in the heart of the Central Business District.

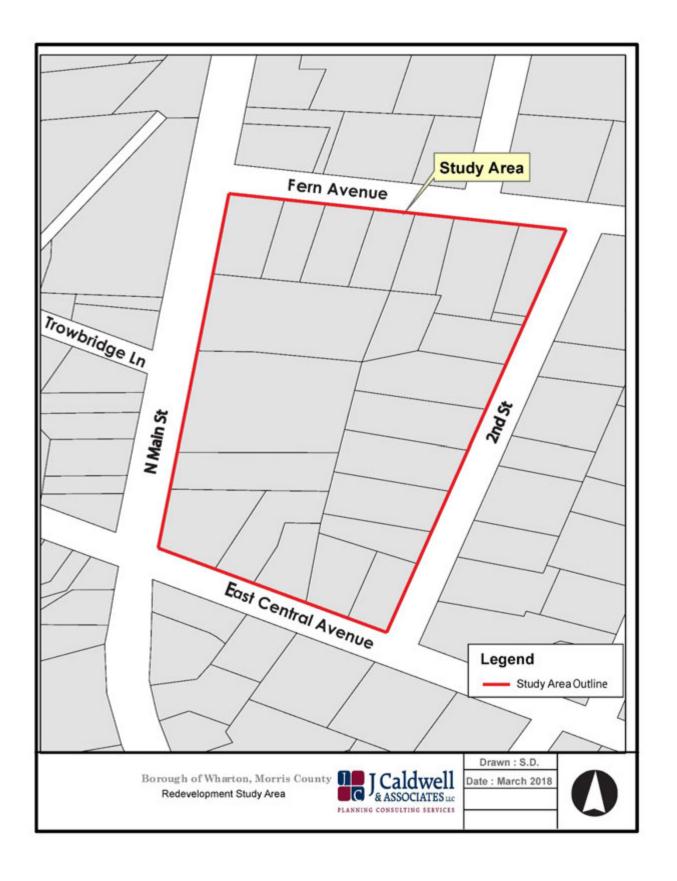
The purpose of this study is to determine whether all or a portion of the Study Area should be designated by the Borough as a non-condemnation area in need of redevelopment pursuant to the Local Redevelopment and Housing Law (LRHL), N.J.S.A 40A:12A-1 et seq.

The Borough resolution also declares that the preliminary investigation of the Study Area shall be undertaken within the context of a "non-condemnation" redevelopment area. In other words, if the Study Area is determined to be an area in need of redevelopment pursuant to LRHL, it shall be given a redevelopment designation. However, due to the non-condemnation designation, the municipality will not have the statutory authority to exercise the power of eminent domain to acquire property in the designated area.

This report will describe whether the Study Area qualifies as a "redevelopment area" pursuant to the requirements set forth in the LRHL. The analysis presented in this report is based upon an examination of existing conditions, site inspections, review of tax data, land uses, zoning ordinances, master plan goals and objectives, and a history of each site pertaining to zoning violations and police records as they relate to the statutory "area in need of redevelopment" criteria.

Section 1: Introduction Page 1

 $^{^1}$ LOTS 8, 11 AND 23 ARE SHOWN ON THE BOROUGH TAX MAPS AS DISTINCT LOTS. THE BOROUGH TAX RECORDS HAVE INCORPORATED THE LOTS INTO ADJACENT LOTS 9, 10 AND 22, RESPECTIVELY.



Section 1: Introduction Page 2

2. LOCAL REDEVELOPMENT AND HOUSING LAW

2.1 CHAPTER 12A. LOCAL REDEVELOPMENT AND HOUSING LAW (LRHL)

The LRHL was developed by the New Jersey State Legislature to provide tools to municipalities to promote the process of redevelopment and rehabilitation as follows:

"There exist, have existed and persist in various communities of this State conditions of deterioration in housing, commercial and industrial installations, public services and facilities and other physical components and supports of community life, and improper, or lack of proper, development which result from forces which are amenable to correction and amelioration by concerted effort of responsible public bodies, and without this public effort are not likely to be corrected or ameliorated by private effort."

The Legislature has, by various enactments, empowered and assisted local governments in their efforts to revitalize their communities through redevelopment, rehabilitation and incentives for the expansion and improvement of commercial, industrial, residential and civic facilities.

2.2 PROCESS FOR DETERMINATION AS A REDEVELOPMENT AREA

The following process must be followed in order to designate an area in need of redevelopment (N.J.S.A.40A:12A-6):

- a. The Governing Body adopts a resolution authorizing the Planning Board to undertake a preliminary investigation of a proposed area to determine if the area is in need of redevelopment. The resolution must designate whether the area being considered is proposed as a "Condemnation Redevelopment Area" or a "Non-Condemnation Redevelopment Area permits the Governing Body to use the power of eminent domain in a designated redevelopment area. The Non-Condemnation Redevelopment area does not permit the Governing Body to use the power of eminent domain in a designated redevelopment area. The Governing Body forwards a map of the proposed Study Area to the Planning Board.
- b. The Planning Board "prepares" a map and appends a statement setting forth the basis for the investigation. This must be on file with the Municipal Clerk.
- c. A study of the proposed area in need of redevelopment is prepared for review by the Planning Board.
- d. The Planning Board sets a date for a public hearing on the proposed designation of the proposed area and provides notice and opportunity for the public and those that would be affected by the determination to provide input on the proposed designation. The hearing notice must identify the general boundaries of the area and that a map is on file with the municipal clerk for public inspection. The hearing notice must also identify whether the area is being considered as a condemnation or non-condemnation redevelopment area. Notice must be published once per week for two weeks prior to the hearing in the newspaper of record. Notice must also be mailed to all property owners in the Study Area and anyone who has expressed interest in the designation.
- e. After completing the hearing, the Planning Board makes a recommendation to the Governing Body whether the area, in whole or in part, should be designated as an area in need of redevelopment.
- f. The Governing Body, after receiving the recommendation from the Planning Board, may adopt a resolution determining that the delineated area, in whole or in part, is designated as an area in need of redevelopment.
- g. The Clerk must transmit a copy of the resolution to the Commissioner of the State Department of Community Affairs (NJDCA) for review and approval. If the area in need of redevelopment is situated in an area where development or redevelopment is to be encouraged pursuant to State law or regulation then the determination shall take effect upon transmittal to NJDCA. Otherwise, the NJDCA has 30 days to approve or disapprove the area. If NJDCA does not respond in 30 days, the area is approved.

- h. Notice of the determination must be provided to all property owners within the delineated area within 10 days of the determination. If the area was determined to be a condemnation area the following language must be in the notice:
 - (i) The determination operates as a finding of public purpose and authorizes the municipality to exercise the power of eminent domain to acquire property in the redevelopment area, and
 - (ii) legal action to challenge the determination must be commenced within 45 days of receipt of notice and that failure to do so shall preclude an owner from later raising such challenge.
- i. Following the 45-day appeal period and approval or no comment from NJDCA, then the area is designated as a redevelopment area and the municipality may exercise all of the powers set forth in the LRHL.
- j. In order to carry out a redevelopment of the site, a redevelopment plan must be adopted by the Governing Body. The plan may be prepared by the Governing Body and adopted pursuant to an ordinance with a referral to the Planning Board. Alternatively, the Governing Body may ask the Planning Board to prepare the plan, after which the Governing Body may adopt the plan pursuant to an ordinance.
- k. The Redevelopment Plan, once adopted, supersedes existing zoning or constitutes an overlay zoning district within the redevelopment area.

2.3 BENEFITS OF REDEVELOPMENT

The LRHL is essentially a planning and financial tool that allows a redevelopment area to be overlain with specific zoning and other incentives to stimulate the area's redevelopment or rehabilitation. More specifically, a redevelopment designation allows the municipality to, among other things:

- a. Adopt a redevelopment plan that will identify the manner in which an area will be developed, including its use.
- b. Clearing an area, install, construct or reconstruct streets, facilities, utilities and site improvements.
- c. Negotiating and entering into contracts with private redevelopers or public agencies for the undertaking of any project or redevelopment work.
- d. Issue bonds for the purpose of redevelopment.
- e. Acquire property.
- f. Lease or convey property without having to go through the public bidding process.
- g. Grant tax exemptions and abatements.

As such, the Borough can utilize the powers granted to municipalities under the LRHL to improve the existing conditions of the Study Area.

2.3 CRITERION FOR AREA IN NEED

Pursuant to N.J.S.A 40A:12A-5, for an area to be found in need of redevelopment, the proposed area must meet any one (1) of the eight (8) criteria listed below:

- a. The generality of buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics, or are 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, remotness, lack of means of access to developed sections of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentallity 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, deletrious 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 area has been materially depriciated.
- g. In any municipality in which an enterprise zone has been designated pursuant to the "New Jersey Urban Enterprise Zones Act, "P.L.1983, c303 (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:20-1et seq.) or the adoption of a tax abatement and exemption ordinance pursuant to the provisions of P.L.1991, c441(C.40A:21-1 et seq.). The municipality shall not utilize any other redevelopment power within the urban

enterprise zone unless the municipal governing body and planning board have also taken the actions and fulfilled the requirements prescribed in the 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 principals adopted pursuant to law or regulation.

In addition to the above criteria, Section 3 of the LRHL allows the inclusion of parcels necessary for the effective redevelopment of the area, by defining an area in need of redevelopment as follows: "(a) redevelopment area may include lands, buildings, or improvements which of themselves are not detrimental to the public 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."

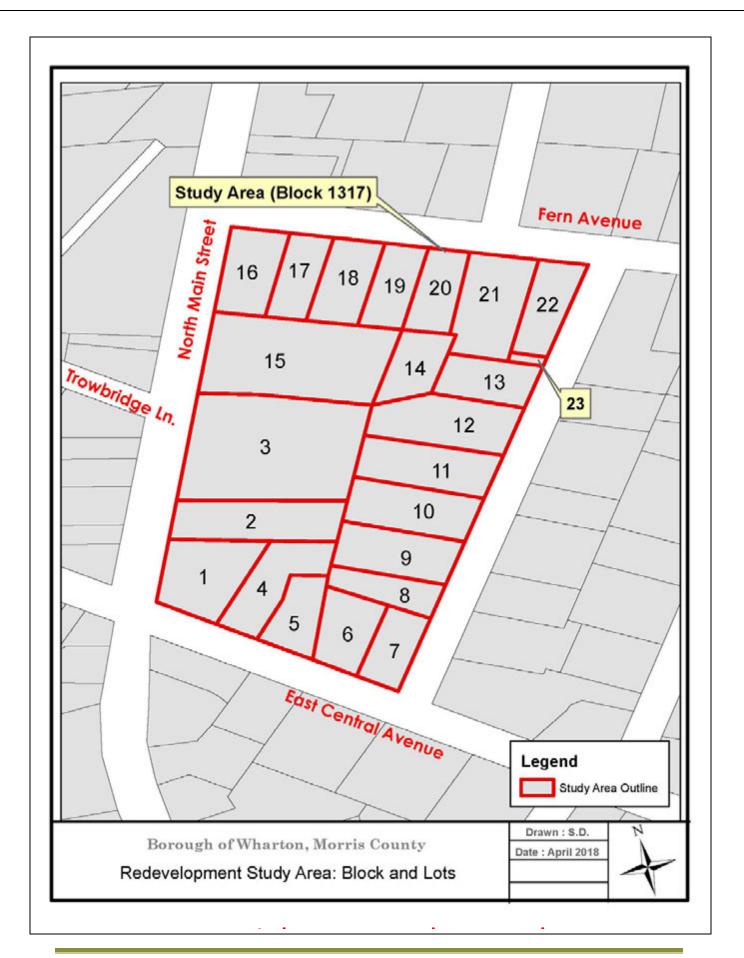
3. OVERVIEW OF THE STUDY AREA

3.1 DESCRIPTION

The Study Area includes twenty-three (23) parcels identified as Block 1317, Lots 1-23. Lots 8, 11 and 23 are shown on the tax maps as separate parcels; however, in the tax records the lots are incorporated into Lots 9, 10 and 22, respectively. The properties are located in the heart of the Central Business District, on North Main Street between Fern Avenue and East Central Avenue.

| # | Block | Lot | Acerage (ac.) | Owner |
|----------------|---------|-----|-------------------|---------------------------|
| 1 | 1317 | 1 | 0.195 | BOROUGH OF WHARTON |
| 2 | 1317 | 2 | 0.21 | JENLYN, LLC |
| 3 | 1317 | 3 | 0.569 | BOROUGH OF WHARTON |
| 4 | 1317 | 4 | 0.183 | CKM, LLC |
| 5 | 1317 | 5 | 0.109 | SINGH, SANJEEV K & KUMARI |
| | | | | SUMAN |
| 6 | 1317 | 6 | 0.135 | CATANO, NICOLAS |
| 7 | 1317 | 7 | 0.217 | SUAREZ, HECTOR M |
| 8 | 1317 | 8 | 0.101 | BALZANO, DOMINIC |
| 9 | 1317 | 9 | 0.172 | BALZANO, DOMINIC |
| 10 | 1317 | 10 | 0.366 | QUICENO, CARLOS |
| 11 | 1317 | 11 | 0.189 | QUICENO, CARLOS |
| 12 | 1317 | 12 | 0.234 | IVANOVS, RAIMONDS |
| 13 | 1317 | 13 | 0.138 | DASPIN, MATTHEW |
| 14 | 1317 | 14 | 0.111 | IVANOVS, RAIMONDS |
| 15 | 1317 | 15 | 0.478 | PARIKH LIPRA, LLC |
| 16 | 1317 | 16 | 0.142 | SHANTIVAN MANAGEMENT, LLC |
| 17 | 1317 | 17 | 0.103 | VANDERHOOF, BEVERLY J |
| 18 | 1317 | 18 | 0.126 | MARIN, JAIRO E/RONY |
| 19 | 1317 | 19 | 0.108 | MORALES, GUSTAVO |
| 20 | 1317 | 20 | 0.108 | ONE EIGHT-TWO ZERO FERN |
| | | | | AVENUE LLC |
| 21 | 1317 | 21 | 0.2 | RAMNARINE, BALDATT/CAMANI |
| 22 | 1317 | 22 | 0.114 | RADOVANIC, ZALTKO |
| 23 1317 23 | | | RADOVANIC, ZALTKO | |
| Total | Acreage | | 4.312 acres | |

Source: NJCTB- New Jersey Association of County Tax Boards.



The Study Area is developed with a mix of uses including a pharmacy, parking lots, mixed-use buildings with commercial below and apartments above, single family uses and two family uses. Most of the mixed-use/commercial properties are located along North Main Street and the residential properties front Fern Avenue, East Central Avenue and 2nd Street.

Each parcel within the Study Area is described below in detail:

1. Block 1317, Lot 1:8 North Main Street

This 0.195 acre parcel is a corner lot located east of North Main Street and East Central Avenue. This property is owned by the Borough of Wharton and is developed as a public parking lot. In addition, the site is also developed with a gazebo and a freestanding clock. There are about 17 parking spaces on site. Approximately 80% of the site is developed with impervious



coverage. Access to the site is provided off of East Central Avenue. On a regular weekday this site is approximatley 60 percent occupied.

2. Block 1317, Lot 2: 10 North Main Street

This 0.21 acre property is located on North Main Street and is developed with a mixed-use office building. The first floor along the street frontage is mixed-use commercial with office and business services use. Half of the front of the building is occupied by a massage business and the other half is



currently vacant. Apartments are located above the business uses.



3. Block 1317, Lot 3: 14 North Main Street

This parcel is owned by the Borough of Wharton. This 0.5 acre lot (approximately) is currently developed as a public parking lot with approximately 60 spaces.

4. Block 1317, Lot 4: 17 E Central Avenue

This 0.18 acre property is an L shaped lot with frontage on East Central Avenue. This is developed with a two-story single family residential building with a three-car garage to the rear. The residence is approximately 1,200 square feet and was built in 1950.



5. Block 1317, Lot 5: 19 E Central Avenue

This 0.109 acre property appears to be developed with a single family. It has frontange on East Central Avenue. The residence is approximately 1,200 square feet and was built in 1950.



6. Block 1317, Lot 6: 21-23 E Central Avenue

This 0.14 acre property is developed with a twofamily dweling. The façade and roof have signs of neglect.



7. Block 1317, Lot 7: 25 E Central Avenue





This 0.22 acre property is developed with a single family home. The façade has signs of neglect. This property is a corner lot on East Central Avenue and 2nd Street. This residence was built in 1900 and is approximately 1,650 square feet.

8. Block 1317, Lots 8 & 9: 15 &17 Second Street

This lot is developed with a two-family dwelling. The property has frontage on 2nd Street. This dwelling was built in 1910 and is approximately 2,100 square feet. Lot 9 is vacant land incoprorated with Lot 8 o the tax reocrds.



9. Block 1317, Lots 10 & 11: 19-21 Second Street

This lot is developed with a two-family house. The façade is outdated and neglected. The property has frontage on 2nd Street. The dwelling was built in 1850 and is approximately 2,300 square feet. Lot 11 is vacant land incorporated with Lot 10 on the tax records.



10. Block 1317 ,Lot 12: 27-29 Second Street

This 0.23 acre property is developed with a two-family dwelling. The building was built in 1890 and is approximately 1,600 square feet.





11. Block 1317 Lot 13: 33-37 Second Street

This lot is located in the RM-75 Zone and is developed as a multi-family residential use with three (3) units. The lot is approximately 0.138 acres. It appears that nearly 100% of the property is impervious. This is due to the size of the residence and parking behind the building.



12. Block 1317 Lot 14:24-26 North Main Street

This lot is located in the CBD Zone and is developed as a two-story residential use. It is approximately 0.111 acres. It does not have direct access to a public street and is completely surrounded by Lots 13, 15, 20, and 21.



13. Block 1317 Lot 15: 22 North Main Street

This site is approximately ½ an acre and developed with a two-story structure with a pharmacy and ice cream/candy store on the first floor and apartments on the second floor. Parking and access to the rear of the lot is provided via an access drive on North Main Street. The commercial uses have access from both the front and rear of the property.

14. Block 1317 Lot 16: 32-40 North Main Street

This site is developed with a three-story mixeduse building with commercial store fronts on the ground floor and apartments above. This structure has a vacant store front on the first floor and has signs of neglect showing on its façade. The yard to the side of the structure is littered and has cars parked in the rear yard. Several window areas on the ground floor in the front of the building and on the second floor in the rear of the site are boarded.



15. Block 1317 Lot 17: 6 & 8 Fern Avenue

Located on Fern Avenue, this site is developed with a two-family structure. The façade of the structure looks dilapidated and neglected. Several sections of siding are missing and the generality of the building shows signs of deterioration.



16. Block 1317 Lot 18: 10-12 Fern Avenue

This site is developed with a two-family house with a well maintained façade and yard. However, this site has recived a Notice of Violation from the Zoning Official. It states that "On December 3, 2014, it was noticed that there is a concrete patio being constructed in the rear yard." It appears that 90% of the property is impervious, whereas the permitted impervious coverage in this zone is not more than 40%.



17. Block 1317 Lot 19: 14-16 Fern Avenue

This site is developed with a two-family structure and is showing some signs of wear and tear/ The building façade is outdated and does not present an appealing streetscape. Further, the site received a Notice of Violation from the Zoning Official. The notice states that on August 25, 2016, it was noticed for having a large carport built on the side of the garage in the rear of the property. A structure of this type would not have been allowed without a variance and the proper permits.



18. Block 1317 Lot 20: 18-20 Fern Avene

This lot is located in the RM-75 Zone and is developed as a two-story, two-family residence. The lot is approximately 0.108 acres. It appears to have some signs of wear and tear. There is a small shed and garage behind the residence.



19. Block 1317 Lot 21: 22-26 Fern Avenue

This lot is located in the RM-75 Zone and is developed with a two-story, three-family residence. The lot is approximately 0.2 acres. There is parking and a garage behind the residence. The lot contains more than the 40% impervious coverage allowed for the zone.



20. Block 1317 Lot 22: 30-34 Fern Avenue

This lot is located in the RM-75 Zone and is developed with a two-story, three-family residence. The lot is approximately 0.114 acres. The residence appears to have some signs of wear and tear but not dilapidated. The building façade is not inviting and does not have a streetscape friendly appearance. Most of the property is impervious due to the size of residence and parking behind the building.

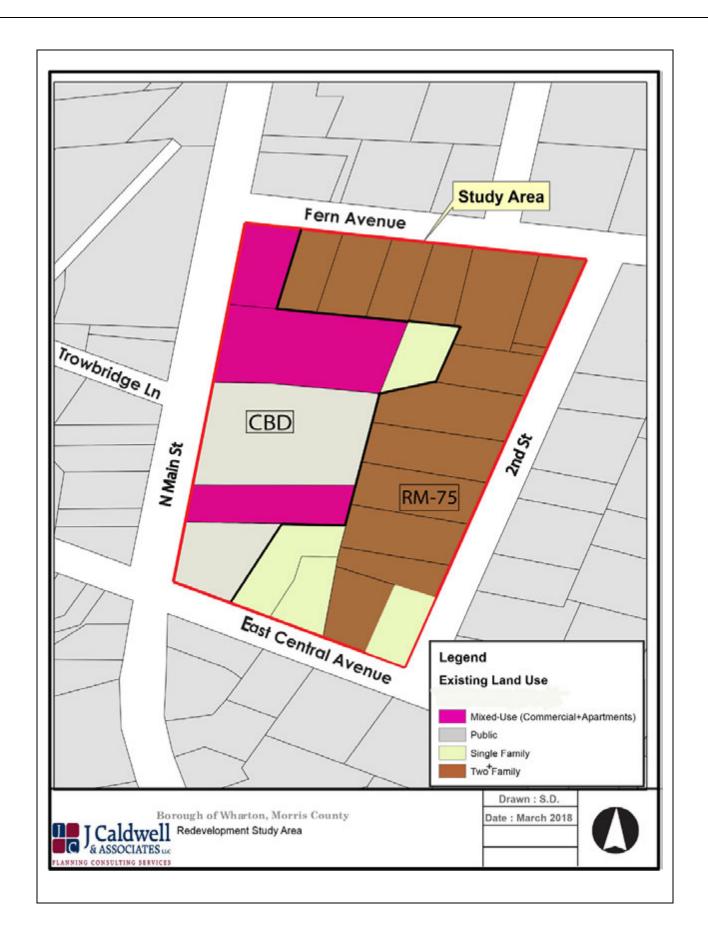
3.2 EXISTING LAND USE

The Study Area includes twenty-three (23) tax lots, covering an area of 4.312 acres. The uses in the Study Area include several mixed-use properties, residential properties and two (2) public parking lots.

| # | Block Lot | | Acerage (ac.) | Land Use | | |
|-------|-----------|----|---------------|----------------------------------|--|--|
| 1 | 1317 | 1 | 0.195 | Public Parking | | |
| 2 | 1317 | 2 | 0.21 | Commercial - Mixed-Use | | |
| 3 | 1317 | 3 | 0.569 | Public Parking | | |
| 4 | 1317 | 4 | 0.183 | Residential - Single Family | | |
| 5 | 1317 | 5 | 0.109 | Residential – Single Family | | |
| 6 | 1317 | 6 | 0.135 | Residential – 2 Family | | |
| 7 | 1317 | 7 | 0.217 | Residential - Single Family | | |
| 8 | 1317 | 8 | 0.101 | Vacant (incorporated into Lot 9) | | |
| 9 | 1317 | 9 | 0.172 | Residential – 2 Family | | |
| 10 | 1317 | 10 | 0.366 | Residential - 2 Family | | |
| 11 | 1317 | 11 | 0.189 | Vacant (incorporated into Lot | | |
| | | | | 10) | | |
| 12 | 1317 | 12 | 0.234 | Residential -2 Family | | |
| 13 | 1317 | 13 | 0.138 | Residential – 3 Family | | |
| 14 | 1317 | 14 | 0.111 | Residential – Single Family | | |
| 15 | 1317 15 | | 0.478 | Commercial- Mixed- Use | | |
| 16 | 1317 16 | | 0.142 | Commercial – Mixed- Use | | |
| 17 | 1317 | 17 | 0.103 | Residential – 2 Family | | |
| 18 | 1317 | 18 | 0.126 | Residential – 2 Family | | |
| 19 | 1317 | 19 | 0.108 | Residential – 2 Family | | |
| 20 | 1317 | 20 | 0.108 | Residential – 2 Family | | |
| 21 | 1317 | 21 | 0.2 | Residential - 3 Family | | |
| 22 | 1317 | 22 | 0.114 | Residential - 3 Family | | |
| 23 | 1317 23 | | | Vacant (incorporated into Lot | | |
| | | | 22) | | | |
| Total | Acreage | | 4.312 acres | | | |

Land uses in the Study Area fall into the following categories:

- 1. Approximately 15 percent of the Study Area is comprised of single family residential uses. These include the two properties located on East Central Avenue (Lots 4 and 5) and one property on the corner of East Central Avenue and 2nd Street (Lot 7). The properties are located in the RM-75 zone, where the proposed use is permitted. Lot 14 is also single family, the property has an address on North Main Street, however it is landlocked. Additionally, Lot 14 is in the CBD Zone, where single family use is not permitted.
- 2. About 40 percent of the Study Area is comprised of two-family uses. This includes eight of the lots in the Study Area located primarily along Fern Avenue and 2nd Street. One two-family residence is located along East Central Avenue. All of these properties are located in the RM-75 zone, where one and two-family uses are permitted.
- 3. About 20 percent of the Study Area is used for public parking, consisting of the two Borough-owned properties (Lots 1 & 3) providing parking for the downtown. During our field visits, a study of the parking showed that about 50-70 percent of the spaces were empty during weekdays.
- 4. About 20 percent of the Study Area includes mixed-use commercial uses, which include Lots 2, 15 and 16. The mixed-use structures are permitted uses.
- 5. Approximately 5 percent of the land in the Study Area is vacant land including Lots 8, 11 and 23. These lots are essentially double lots in common ownership with adjacent parcels. For purposes of land uses on the map below, they are incorporated into the adjacent lot's land use.



3.3 IMPROVEMENT VALUE TO LAND VALUE ANALYSIS

In order to determine the economic productivity of properties within the Study Area, tax assessment data was analyzed to determine the ratio of the improvement value to land value on each lot. This ratio can help identify properties that are underutilized. The Redevelopment Handbook: A Guide to Rebuilding New Jersey's Communities, 2012, notes that an improvement to land ratio is an indication of potential underutilization of the property. An improvement to land value ratio of 1:1 or less suggests that the "land is not currently supporting a reasonable value of improvements", and, as such, is underutilized. An improvement value of less than 2:1 also can identify parcels that are underbuilt for the area, particularly in a central business district.

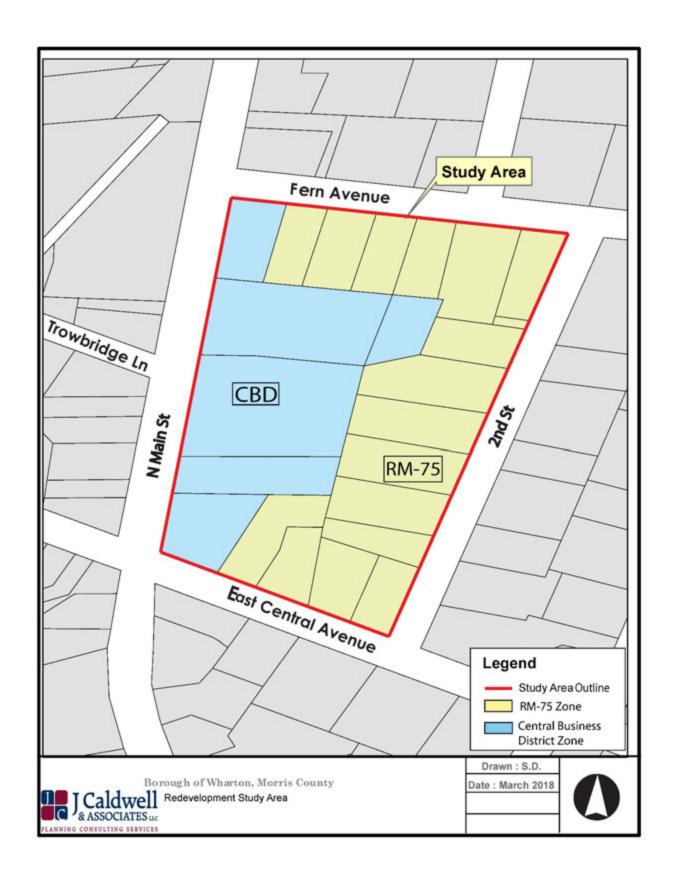
| Lot | Land Value | Improvement Value | Total Value | Improvement to Land Ratio |
|-------|------------|-------------------|-------------|------------------------------|
| 1 | 144,500 | 0 | 144,500 | 0 |
| 2 | 146,000 | 273,000 | 419,000 | 1.87:1 |
| 3 | 569,000 | 0 | 569,000 | 0 |
| 4 | 83,700 | 146,700 | 230,400 | 1.75: 1 |
| 5 | 81,600 | 159,900 | 241,500 | 1.96:1 |
| 6 | 84,100 | 179,000 | 263,100 | 2.13:1 |
| 7 | 89,700 | 137,500 | 227,200 | 1.53: 1 |
| 8,9 | 87,600 | 214,800 | 302,400 | 2.45: 1 |
| 10,11 | 96,800 | 216,800 | 313,600 | 2.24: 1 |
| 12 | 90,500 | 150,900 | 241,400 | 1.67: 1 |
| 13 | 84,400 | 220,800 | 305,200 | 2.61:1 |
| 14 | 62,800 | 154,800 | 217,600 | 2.46:1 |
| 15 | 172,800 | 622,200 | 795,000 | 3.60:1 |
| 16 | 139,200 | 330,800 | 470,000 | 2.38:1 |
| 17 | 81,000 | 172,700 | 253,700 | 2.13:1 |
| 18 | 83,200 | 251,100 | 334,300 | 3.02:1 |
| 19 | 81,500 | 242,500 | 324,000 | 2.98:1 |
| 20 | 81,500 | 152,800 | 234,300 | 1.87:1 |
| 21 | 88,900 | 318,100 | 407,000 | 3.58:1 |
| 22,23 | 82,100 | 263,700 | 345,800 | 3.22:1 |

The parcels highlighted in orange above include the two (2) properties which have an improvement to land ratio of less than 1:1, which are the two (2) Borough-owned public parking lots. An additional six (6) parcels are highlighted in yellow, which are parcels with an improvement value to land value ratio of 2:1 or less and located in the Borough's Central Business District.

3.3 ZONING ANALYSIS

Of the twenty-three (23) properties in the Study Area, six (6) are located in the CBD Zone-Central Business District and seventeen (17) are located in the RM-75 Zone – Medium Density One and Two-Family Districts.

| # | Block | Lot | Zone |
|----|-------|-----|-------|
| 1 | 1317 | 1 | CBD |
| 2 | 1317 | 2 | CBD |
| 3 | 1317 | 3 | CBD |
| 4 | 1317 | 4 | RM-75 |
| 5 | 1317 | 5 | RM-75 |
| 6 | 1317 | 6 | RM-75 |
| 7 | 1317 | 7 | RM-75 |
| 8 | 1317 | 8 | RM-75 |
| 9 | 1317 | 9 | RM-75 |
| 10 | 1317 | 10 | RM-75 |
| 11 | 1317 | 11 | RM-75 |
| 12 | 1317 | 12 | RM-75 |
| 13 | 1317 | 13 | RM-75 |
| 14 | 1317 | 14 | CBD |
| 15 | 1317 | 15 | CBD |
| 16 | 1317 | 16 | CBD |
| 17 | 1317 | 17 | RM-75 |
| 18 | 1317 | 18 | RM-75 |
| 19 | 1317 | 19 | RM-75 |
| 20 | 1317 | 20 | RM-75 |
| 21 | 1317 | 21 | RM-75 |
| 22 | 1317 | 22 | RM-75 |
| 23 | 1317 | 23 | RM-75 |



CBD Zone (Central Business District)

The Central Business District principally permits the following uses:

- 1. Retail trade and service establishments excluding sales and taxi and limousine operations.
- 2. Eating and drinking establishments.
- 3. Business and professional offices.
- 4. Banks and Financial Institutions.
- 5. Multifamily dwellings above the first story of any structure housing a first story devoted to uses enumerated above; the maximum gross density of residential apartments above commercial uses in the CBD Zone shall be 12 dwellings units/acre.
- 6. Municipal facilities and buildings.
- 7. Child Care Centers.

In Conditional uses the zone permits:

- 1. Essential services such as pump stations and utility services subject to conditions that they be located in enclosed structures and be landscaped.
- 2. Houses of worship.
- 3. Service stations.
- 4. Satellite Dish Antennas.
- 5. Veterans and community clubs.

Bulk regulations in the CBD Zone promotes a pedestrian friendly environment, thereby not requiring a front yard or side yard setback, unless the side yard is next to a residential district or providing a 12 feet driveway setback. Similarly, the CBD Zone requires a rear yard setback of 50 feet and 100 feet if adjacent to a residential district. The Zone permits a maximum impervious coverage of 75% and a building coverage of 10%. Further the zone permits a building height of 2.5 story/35 feet.

RM-75 Zone

The RM-75 zone principally permits single family and two family residential uses, community residences for developmentally disable or shelter for domestic violence, municipal buildings and facilities. In terms of conditional uses, the zone permits schools, houses of worship, community clubs and home occupations. Accessory uses include, parking, pools, garages and other uses that are customarily incidental to principally permitted use.

3.4 RELATIONSHIP TO MASTER PLAN

Enhancement of the CBD has been an ongoing effort for the Borough. The Borough's most recent Master Plan Reexamination was adopted in 2015. The Master Plan highlights that improvements to the Central Business District remain a high priority for the Borough. It notes that the connection between leisure, retail, dining and entertainment can provide added visitor appeal through enhancements of intersections and uses.

The 2005 Master Plan Re-examination Report noted the following:

The area (CBD) requires a more coordinated and comprehensive approach in establishing guidelines for design features in the area to create a uniform identify emanating the old-style charm of the area. It is this old-style charm which distinguishes the area from other nearby commercial areas. Further development and enhancement of this unique characteristic is essential in establishing the area as an attractive commercial niche, given the close proximity of the Rockaway Town Square Mall complex to the north in Rockaway Township.

A Main Street Study and Improvement Plan was developed in 2008. The plan identified properties in the Central Business District and proposed an overhaul of the area. The plan notes that "The physical identity of the Central Business District as it relates to the Borough contains some cohesiveness and connectivity, but there is a lack of thematic context which is exacerbated by the varied intensities of development". The plan further noted "The downtown lacks key personal services and activities such as salons, exercise/dance studios and coffee/tea cafes frequently found in thriving downtown areas. Such facilities are desirable since they draw patrons from outside communities".

The plan identified several opportunities and constraints in the CBD zone. It stated that the compact downtown, small-scale buildings, proximity to community facilities such as the library and Route 80 makes the downtown desirable from a locational and development standpoint. However, the small and narrow lot configurations along with outdated and vacant storefronts are some of the major constraints. Some of the goals of the Main Street Study as it relates to the Study Area are as follows:

- 1. To establish a unified design theme for Wharton's Main Street and create a distinct image, where small town charm prevails.
- 2. To provide an inviting and improved streetscape that will welcome customers as well as businesses.
- 3. To set forth guidelines for business/property owners to upgrade their property and building facades to attract greater customer patronage and pedestrian activities.
- 4. To provide stimulus for existing commercial facilities to emphasize the most attractive features.

3.5 POLICE REPORTS

Police reports for the lots in the Study Area over the last five (5) years were analyzed with respect to issues that may relate to land use and development concerns and the statutory criteria of the LHRL. By far the highest incident occurring in the area is with respect to conflicts related to parking. There were 22 incidents over the last five (5) years with parking related issues. These issues ranged from conflicts over designated parking areas, overnight parking where it was not permitted, blocking driveways with parked vehicles and accidents stemming from backing out of driveways. This points to a faulty layout or design of the buildings and driveways as well as insufficient parking in the area for vehicles associated with residential uses.

One incident of stacking was reported in the area where a two-family residence was reported to have several families living in each apartment, with one family in each room of the residence, i.e. bedroom, living room, attic spaces and basements.

3.6 ZONING VIOLATIONS

Zoning violations in the Study Area were analyzed to determine if property maintenance and land use violations were an issue in the area. Several violations have been issued over the last five years within the Study Area. A lot by lot analysis shows that 15 of the 23 lots, or 65 percent of the Study Area, have had property maintenance and zoning violations in the last five years.

Block 1317, Lot 5 – 19 E Central Avenue: Property maintenance violation for not maintaining yard/grass.

Block 1317, Lot 6 – 21-23 E Central Avenue: Property maintenance violation for not maintaining yard/grass. Property maintenance violation for dilapidation and failure to make repairs. Sanitation violation for rat infestation. Zoning violation for illegal renting of rooms and stacking. Maintenance and code violations due to foreclosure. Property maintenance violation for large piles of debris in the yard.

Block 1317, Lot 7 – 25 E Central Avenue: Property maintenance violation for not maintaining yard/grass. Property maintenance for yard debris. Property maintenance violation for garbage and outside storage.

Block 1317, Lots 10 & 11 – 19-21 Second Street: Zoning violation for illegal construction of a lean-to on the unattached garage. Violations for unregistered vehicles and storage of garbage outside.

Block 1317, Lot 12 - 27-29 Second Street: The Borough was sent notice that the gas was shut off at the unit. Property maintenance violation for yard debris and fallen tree, broken fence.

Block 1317, Lot 14 - 24-26 North Main Street: Zoning related issue due to neighbor dispute over access and use of driveways to permit deliveries.

Block 1317, Lot 16 - 32-40 North Main Street: Property maintenance violation for overfilled dumpster and garbage in the yard. Tenant complaints that plumbing was leaking in the building and not being fixed. Property maintenance violations for leaking water traveling from one apartment to another.

Block 1317, Lot 17 - 6-8 Fern Avenue: Property maintenance for overgrown weeds and poison ivy. Property maintenance violations for unrepaired/broken siding, rotting wood on the exterior of the building.

Block 1317, Lot 18 – 10-12 Fern Avenue: Zoning violation for illegal construction of a patio.

Block 1317, Lot 19 – 14-16 Fern Avenue: Zoning violation for illegal construction of a carport.

Block 1317, Lot 20, 18-20 Fern Avenue: Property maintenance violation for failure to maintain yard/grass.

Block 1317, Lot 21 – 26 Fern Avenue: Complaints of loose dog defecating in neighbor's yards.

Block 1317, Lots 22 & 23–32-34 Fern Avenue: Property maintenance violation for outdoor storage of furniture. Property maintenance violation for garbage/debris in yard and rodent infestation.

Property Maintenance & Zoning Violations by Lot

| # | Block | Lot | Prop. Maint. | Zoning |
|-------|-------|-----|-----------------|--------|
| 1 | 1317 | 1 | | |
| 2 | 1317 | 2 | | |
| 3 | 1317 | 3 | | |
| 4 | 1317 | 4 | | |
| 5 | 1317 | 5 | 1 | |
| 6 | 1317 | 6 | 5 | 1 |
| 7 | 1317 | 7 | 3 | |
| 8,9 | 1317 | 8 | | |
| 10,11 | 1317 | 10 | | 1 |
| 12 | 1317 | 12 | 2 | |
| 13 | 1317 | 13 | | |
| 14 | 1317 | 14 | | 1 |
| 15 | 1317 | 15 | | |
| 16 | 1317 | 16 | 3 | |
| 17 | 1317 | 17 | 2 | |
| 18 | 1317 | 18 | | 1 |
| 19 | 1317 | 19 | | 1 |
| 20 | 1317 | 20 | 1 | |
| 21 | 1317 | 21 | 1 | |
| 22,23 | 1317 | 22 | 2 | |

4. CRITERIA COMPLIANCE ANALYIS

An analysis of the Study Area's existing land uses, site layout and physical characteristics was conducted using tax records, physical inspection of the area, review of aerial photographs, Master Plan studies and maps, and other municipal records. This section summarizes findings for the Study Area according to the following criteria from N.J.S.A 40A:12A-5 to determine whether the Study Area should be designated as an Area in Need of Redevelopment:

<u>Criterion "a":</u> Deterioration (N.J.S.A. 40A;12A-5.a) The generality of buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics, or are lacking in light, air, or space, as to be conducive to unwholesome living or working conditions.

The following properties within the Study Area were found to meet Criterion a for deterioration: Block 1317, Lots 6, 7, 8, 9, 10, 11, 12, 13, 16, 17, 20 and 22. These properties had dilapidated siding, chipping paint, sagging and broken porches and trim, exterior wiring exposed, boarded and missing windows, outdoor storage of debris and trash, and general signs of dilapidation displayed during field visits. Similarly, Lots 6, 7, 10-12, 16, 17, 20 and 22 were noted to have code violations issued over the last five years, further reinforcing property maintenance issues on the properties. See Appendix A for photos of these properties.

<u>Criterion "b":</u> Abandonment (N.J.S.A. 40A:12A-5.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.

The following property was found to meet Criterion b: Block 1317, Lot 16. The property is a mixed-use property where the building is boarded up and vacant. The building has been allowed to fall into a state of disrepair such that the building is untentable in its current condition. See photos in Appendix A.

<u>Criterion "c":</u> Public and Vacant Land (<u>N.J.S.A.</u> 40A:12A-5.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 of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentallity of private capital.

Block 1318, Lots 1 and 3 are owned by Wharton Borough and currently developed as public parking areas. Lot 1 is a small corner lot, consisting of approximately 8,494 square feet and due to its location between developed properties, leaves little opportunity for Lot 1 to be developed by private capiatl alone. Lot 3 is similarly situated between developed lots with a longer rectangular shape, with the narrow side of the lot fronting North Main Street. The lack of access to the rear portion of the Lot 3 and its location between two developed proeprties makes it not likely to be developed through the instrutment of private capital. As a result, Lots 1 and 3 to meet Criterion c.

<u>Criterion "d":</u> Obsolete Layout and Design (N.J.S.A. 40A:12A-5.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, deletrious 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.

The following properties meet Criterion d for obsolete layout and design: Block 1317, Lots 2, 14, and 19. The building on Lot 2 is a commercial mixed-use building without sufficient commercial display windows along North Main Street. Similarly, the access and frontage are poorly designed for a commercial entryway. The building appears to have had several additions and is haphazardly layed out. The unappealing street frontage makes the commercial uses in the structure non-descript. Lot 14 is a single family residential property that is landlocked with no road frontage. The faulty layout requires access across Lot 15, a commercial property fronting on North Main Street to access the property. As a result, the site is completely fenced with six foot fencing to shield the property from surrounding developed properties. Lot 19 is poorly laid out and lacks an entrance directly on its frontage. Few windows facing the street make the façade visually unappealing. For these reasons, Lots 2, 14 and 19 meet Criterion d.

<u>Criterion "e":</u> Property Ownership and Title Issues (N.J.S.A. 40A:12A-5.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.

This criterion is applicable in circumstances where there is quantifiable economic underutilization or lack of proper utilization of properties in the Study Area. One of the indicators used to measure the economic productivity of a property is the ratio of the assessed value of the improvements on the property to the value of land. Developed properties in areas that are economically viable typically have improvement to land value ratios of 2:1 or greater. Lower ratios may offer evidence of underutilization. An improvement to land to value ratio of 1:1 or less represents strong evidence of underutilization.

To determine if there is evidence of underutilization or lack of proper utilization of the properties, we have reviewed the tax records of each of the parcels. The following parcels have a building to land value ratio of 2:1 or less: Block 1317, Lots 1, 2, 3, 4, 5, 7, 12 and 20. For these parcels, the value of the building is less than twice that of the land, which in a central business district points to an underutilization of the property.

Additionally, there is one single family residence in the CBD Zone, Lot 14, that is a pre-existing non-conforming use and underdeveloped for the zone.

<u>Criterion "h":</u> Smart Growth Consistency (<u>N.J.S.A.</u> 40A:12A-5.h) The designation of the delineated area is consistent with smart growth planning principals adopted pursuant to law or regulation.

This can be applied to the entire Study Area as a whole because the designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation. Smart growth is defined as a planning principal that directs new growth to locations where infrastructure and services are available, limits sprawl development, protects the environment, and enhances and rebuilds existing communities. The New Jersey Office for Planning Advocacy identifies the following as smart growth principles:

- Mixed Land Uses;
- Compact, Clustered Community Design;
- Walkable Neighborhoods;
- Distinctive, Attractive Communities Offering a "Sense of Place";
- Open Space, Farmland and Scenic Resource Preservation;
- Future Development Strengthened and Directed to Existing Communities Using Existing Infrastructure:
- A Variety of Transportation Options;
- Community and Stakeholder Collaboration in Development Decision Making;
- Predictable, Fair and Cost-Effective Development Decisions; and
- A Range of Housing Choices.

The Study Area includes the Central Business District Zoning, which was implemented in order to further Smart Growth principals including mixed land uses, walkable neighborhoods and compact cluster community design. The properties within the Study Area meet the smart growth principal embodied in Criteria h, which is that they are within an existing downtown area, are contained in a walkable area and include compact development. To direct future development towards existing infrastructure is one of the key principals of smart growth to limit sprawl and preserve the environment.

Designating the Study Area as an area in need of redevelopment will promote the development of the Central Business District and the implementation of the smart growth planning principals adopted pursuant to law.

Section 40A:12A-3: The Redevelopment Law definitions are in Section 3 of the Redevelopment Law, which states following the definition of a Redevelopment Area that "a redevelopment area may include lands, buildings or improvements which of themselves are not detrimental to the public, 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 of which they are a part." The entirety of the area is needed for the effective redevelopment of the delineated area because this area represents the central local commercial block for the Central Business District and as such the redevelopment of the area as a whole would provide the most benefit to the health and general welfare of the community and the region. The parcels in the Study Area that are proposed to qualify only under Section 3 are internal to the area and create a contiguous area for redevelopment.

A summary of each lot and block and the redevelopment criteria met is shown in the table below:

Redevelopment Criteria by Lot

| # | Block | Lot | а | b | С | d | е | h | 3 |
|----|-------|-----|---|---|---|---|---|---|---|
| 1 | 1317 | 1 | | | ✓ | | ✓ | ✓ | ✓ |
| 2 | 1317 | 2 | | | | ✓ | ✓ | ✓ | ✓ |
| 3 | 1317 | 3 | | | ✓ | | ✓ | ✓ | ✓ |
| 4 | 1317 | 4 | | | | | ✓ | ✓ | ✓ |
| 5 | 1317 | 5 | | | | | ✓ | ✓ | ✓ |
| 6 | 1317 | 6 | ✓ | | | | | ✓ | ✓ |
| 7 | 1317 | 7 | ✓ | | | | ✓ | ✓ | ✓ |
| 8 | 1317 | 8 | ✓ | | | | | ✓ | ✓ |
| 9 | 1317 | 9 | ✓ | | | | | ✓ | ✓ |
| 10 | 1317 | 10 | ✓ | | | | | ✓ | ✓ |
| 11 | 1317 | 11 | ✓ | | | | | ✓ | ✓ |
| 12 | 1317 | 12 | ✓ | | | | ✓ | ✓ | ✓ |
| 13 | 1317 | 13 | ✓ | | | | | ✓ | ✓ |
| 14 | 1317 | 14 | | | | ✓ | ✓ | ✓ | ✓ |
| 15 | 1317 | 15 | | | | | | ✓ | ✓ |
| 16 | 1317 | 16 | ✓ | ✓ | | | | ✓ | ✓ |
| 17 | 1317 | 17 | ✓ | | | | | ✓ | ✓ |
| 18 | 1317 | 18 | | | | | | ✓ | ✓ |
| 19 | 1317 | 19 | | | | ✓ | | ✓ | ✓ |
| 20 | 1317 | 20 | ✓ | | | | ✓ | ✓ | ✓ |
| 21 | 1317 | 21 | | | | | | ✓ | ✓ |
| 22 | 1317 | 22 | ✓ | | | | | ✓ | ✓ |
| 23 | 1317 | 23 | ✓ | | | | | ✓ | ✓ |

All parcels within the Study Area meet at least one of the statutory criteria to be deemed an area in need of redevelopment as shown above.

5. CONCLUSION

This investigation and study find that each lot within the Study Area identified meets at least one of the statutory criteria to qualify as an Area in Need of Redevelopment and recommends that the Study Area be designated by the Borough of Wharton as a Non-Condemnation Area in Need of Redevelopment pursuant to N.J.S.A. 40A:12A-1 et seq.

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6. APPENDIX A - SITE PHOTOS

Photos from Field Study: April 25 & 26, 2018

Block 1317, Lot 1 – 8 North Main Street





Block 1317, Lot 2 – 10 North Main Street









Block 1317, Lot 3 – 14 North Main Street



Block 1317, Lot 4 – 17 E Central Avenue



Block 1317, Lot 5 – 19 E Central Avenue



Block 1317, Lot 6 – 21-23 E Central Avenue





Block 1317, Lot 7 – 25 E Central Avenue







Block 1317, Lots 8 & 9 – 15 & 17 Second Street







Block 1317, Lot 10 – 19-21 Second Street



Block 1317, Lots 11 & 12 – 27-29 Second Street



Block 1317, Lot 13 - 33-37 Second Street



Block 1317, Lot 22 &23- 30-34 Fern Avenue





Block 1317, Lot 21 – 22-26 Fern Avenue



Block 1317, Lot 20- 18-20 Fern Avenue





Block 1317, Lot 19- 14-16 Fern Avenue



Block 1317, Lot 18 – 10-12 Fern Avenue



Block 1317, Lot 17 – 6 & 8 Fern Avenue







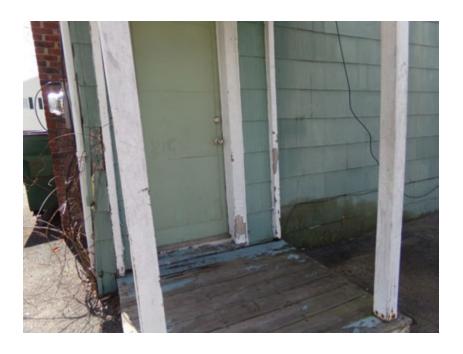




Block 1317, Lot 16 – 32-40 North Main Street











Block 1317, Lot 14 – 24-26 North Main Street





Block 1317, Lot 15 – 22 North Main Street

