

**The Township of Verona
Essex County
New Jersey**

Redevelopment Investigation Report

A study to assist the Verona Planning Board as well as the Township Council in determining whether a certain property located in the Township of Verona along Sunset Avenue satisfies the statutory criteria of the New Jersey Local Housing and Redevelopment Law as an Area in Need of Redevelopment (ANR) for Non-Condernation Purposes.

Block 303, Lot 4
{1 Sunset Avenue}

July 2, 2019

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Disclaimer-Please Read:

This Report has been prepared to assist the Verona Planning Board and the Verona Township Council in their deliberations regarding the potential area in need of redevelopment. It is in the sole and exclusive governmental discretion of these public bodies to determine if it is in the best interest of the public to make such a redevelopment determination. Notwithstanding the foregoing, if this report includes background and evidence that the indicated property qualifies to be included in an area in need of redevelopment the Planning Board must adopt the requisite resolution confirming that the property satisfies the statutory conditions of an area in need of redevelopment, unless evidence is presented to the contrary.

This report is in draft form as of the date printed on the cover and will not be made final until the date of the last public notice of the Verona Planning Board public hearing on this matter. This will allow the investigation of the area to continue so as much pertinent evidence may be gathered respecting the property which may be included in the potential redevelopment area.

The work of the Planning Board regarding this investigation is narrow. The board must decide if the property satisfy the statutory criteria as outlined in Section 3 of this report, or, in the alternative, if the criteria are applicable to the property under study.

1-BACKGROUND-The Redevelopment Study. On May 6, 2019, the Township Council of the Township of Verona, Essex County, ("Township") adopted Resolution Number 2019-99 directing the Verona Planning Board ("Planning Board") to study the property at Block 303, Lot 4 as a potential area in need of redevelopment ("Study Area"). The property was previously preliminarily investigated by the Planning Board on January 31, 2019 after considering a report by Kasler Associates, PA ("Kasler Report"). The Kasler Report is attached as Exhibit A and is referenced as though repeated herein, and as supplemented by the findings of this study. The Planning Board indicated in a February 6, 2019 memorandum that the Study Area did not, at that time, meet the criteria as an area in need of redevelopment. However, as new information arose in early 2019 the Township of Verona Council determined to re-study the area.

The Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.- "LRHL") establishes the guidelines which must be followed in determining an area in need of redevelopment ("ANR"). N.J.S.A. 40A:12A-6- "Investigation for determination as redevelopment area, public hearing, notice", establishes the basis for this report. "6. 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.79 (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-Condensation 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

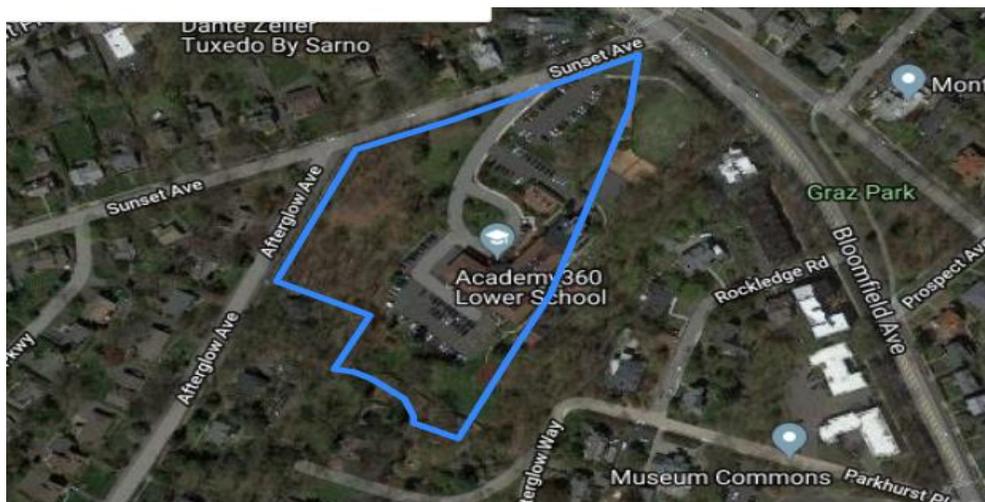
domain (hereinafter referred to as a "Condemnation Redevelopment Area")." This is a "Non-Condemnation Redevelopment Area".

The Township authorized the undersigned to research the Study Area and prepare a report for the Verona Planning Board and the Township Council to determine if the property now satisfies the statutory criteria thereby qualifying as an area in need of redevelopment ("ANR"). This is our report.

2-CONTEXT. The Study Area is an approximately eight (8.11) acre parcel located at 1 Sunset Avenue, of which five and one-half (5.5) acres is situated in Verona and approximately two and one-half (2.5) acres is situated in the Township of Montclair. The property currently houses a private school, The Children's Institute ("TCI"), which provides educational opportunities to children with certain learning disabilities.

The school building has 45,373 square feet of interior space plus attic space of 3,907 square feet. The school needs to expand its facilities to meet the special education needs of the school's constituency. The school has a contract to sell its substandard property and use the sales proceeds to move to a facility which the school and its constituency can better utilize.

On July 10, 2008 TCI was denied application by the Vernon Board of Adjustment to expand the facility. The property is located in a residential area but adjacent to the aforementioned major artery. The parcel in the study area is situated next to a vibrant commercial corridor and a vibrant residential neighborhood. The following aerial map shows the general location of the property, also please refer to Exhibit 2.



The Township of Verona, Essex County, New Jersey, has a population of approximately 13,332 according to the 2010 Census, down significantly from the 1970 population of 15,067. The Township has approximately 2.8 square miles in land area. Township is a community in an urban/suburban county, Essex County. The Township has a discreet retail-commercial district along Bloomfield Avenue.

The Study Area has several formative land use issues and the existing school facility is obsolete which provide a foundation for considering it an ANR for non-condemnation purposes. An analysis of the Study Area's existing physical characteristics and the current developed use as a special needs school, including the limitations on its structure was conducted using tax records, Township records, physical inspection of the facility, review of aerial photography, official websites and consultation with the Township staff. These issues will be discussed in detail.

3-THE STATUTORY CRITERIA: The determination as to whether or not the property qualifies to be included in a redevelopment area is the responsibility of the Verona Planning Board and ultimately the Verona Township Council. Should the Planning Board determine that the property qualifies to be included in a redevelopment area because the statutory criteria are satisfied, the Township Council would make the final determination by declaring the properties to be in need of redevelopment for non-condemnation purposes.

Section 5 of the LRHL, N.J.S.A. 40A:12A-5, specifies that an area may be determined to be in need of redevelopment, if after investigation, notice, and hearing as stipulated in Section 6 of N.J.S.A. 40A:12A, provided the area meets one or more of the following statutory criteria:

- a. The generality of buildings are substandard, unsafe, unsanitary, dilapidated or obsolescent, or possess any of such characteristics or are so lacking in light, air or space, as to be conducive to unwholesome living or working conditions.
- b. The discontinuance of the use of buildings previously used for commercial, manufacturing or industrial purposes; the abandonment of such buildings or the same being allowed to fall into so great a state of disrepair as to be untenable.
- 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 the adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or portions of such municipality, topography or nature of the soil, is not likely to be developed through the instrumentality of private capital.

- d. Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals or welfare of the community.
- e. A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real properties therein or other similar conditions which impede land assemblage or discourage the undertaking of improvements, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare, which condition is presumed to be having a negative social or economic impact or otherwise being detrimental to the safety, health, morals, or welfare of the surrounding area or the community in general.
- f. Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by 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.
- g. In any municipality in which an enterprise zone has been designated pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the actions prescribed in that act for the adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone shall be considered sufficient for the determination that the area is in need of redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax exemptions within the enterprise zone district pursuant to the provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption of a tax abatement and exemption ordinance pursuant to the provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The municipality shall not utilize any other redevelopment powers within the urban enterprise zone unless the municipal governing body and planning board have also taken the actions and fulfilled the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.) for determining that the area is in need of redevelopment or an area in need of rehabilitation and the municipal governing body has adopted a redevelopment plan ordinance including the area of the enterprise zone.
- h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.

Underutilization.

N.J.S.A. 40A:12A-5 specifies the "Underutilization" criteria, specifically: " 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.”

Because of space restrictions and other factors, the school property is underutilized. The Kasler Report, on Page 23, indicates their finding as to underutilization, to wit: “In general, the building locations, and configurations, are not consistent with modern land use standards and as currently configured can not be redeveloped for any use other than a school. As indicated in the table below, the subject property has (sic) improvement to land ratio of 1:1.17 which is an indicator the property is underutilized.”

Based on property tax records the building is approximately fifty years old, being constructed in 1970, by Hoffman LaRoche as a research facility. In the late 1980’s Hoffman LaRoche closed this facility and moved the operation to its facility in Nutley New Jersey. The property was vacant for over a decade, becoming an attractive nuisance and a known gathering point for questionable activity. The office property was allowed to deteriorate.

The property was transferred to The Children’s Institute (“TCI”-now “Spectrum”) in December 1993 for \$1. In July 1996, upon appeal from the Verona Board of Adjustment, a Consent Judgement was entered into, in Superior Court, stipulating the conditions upon which the school could operate. One condition was that all vehicular traffic exiting the facility must make a right, going to Bloomfield Avenue. No turns are permitted onto the residential street of Sunset Avenue. TCI invested over \$6 million in the building before it opened to bring it up to State standards. However, with the passage of time (over 25 years) the school has become inappropriate for special needs students). The school is now known as Spectrum 360.

The school currently has approximately 100 students with a faculty and staff of 150. The student population has significantly changed over the past ten years. Local school districts are creating in-house programs for the less severely disabled students, and sending out the more severe to specialized schools, such as TCI. This has resulted in the student teacher/aide ratio to be more that 1:1. Almost every student has an aide.

As the Kasler Report indicates the property contains a non-conforming use, an obsolete office building converted to a school facility.

Because of the various property constraints TCI has been required to use the original boiler system(s) which should be replaced, if the facility could expand, to meet the health, safety and welfare of the student population.

This leads into redevelopment criteria 'a', at N.J.S.A. 40A:12A-5a which specifies the "Substandard" criteria of a property being considered for redevelopment, where: (t)he generality of buildings are substandard, unsafe, unsanitary, dilapidated or obsolescent, or possess any of such characteristics or are so lacking in light, air or space, as to be conducive to unwholesome living or working conditions." Coupled with the following Obsolescence criteria, the building is substandard and certainly unwholesome for the students attending school at the facility.

Figure 1.



Based on the above factors the property satisfies criteria e, underutilization, of the LRHL. In addition, the above factors together with the factors identified in the following section indicate that criteria a, substandard property, of the LRHL is satisfied.

Obsolescence.

N.J.S.A. 40A:12A-5d. specifies the "Obsolescence" property/building criteria: "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."

The TCI facility has become obsolete, substandard and thereby is non-functional for several reasons:

-The size of the classrooms is small, a typical size is less than 20x30, or approximately 580 square feet. The State of New Jersey Department of Education minimum Facilities Efficiency Standards ("FES") for classroom sizes range between 800 and 900 square feet for grades 1-8.

Again, while the number of students may be relatively low per classroom, the number of aides is high necessitating the larger classroom space. Special needs children need more space than a regular student, and the current school facility does provide adequate space, making the building obsolete.

-Student bathrooms are undersized, inadequate, and not all are handicapped accessible.

-The facility is on three levels. One elevator provides ADA service to the entire building. elevator is a very tight fit for a child in a wheelchair and an aide. Walking special needs students up and down stairs can be difficult and time consuming.

-Cafeteria facilities are inadequate. The students now eat in three shifts to accommodate the room. There are not enough seats in the staff room, so many staff eat at various locations.

-Because of the requirement that all vehicles exit to Bloomfield Avenue, the result is that Sunset Avenue and the school parking lot and driveway significantly back up at dismissal time. It can take 30 minutes to exit onto Bloomfield Avenue due to the timing of the traffic light, which has a twelve (12) second green light cycle. This also negatively impacts residents from Sunset Avenue and surrounding streets.

-The school facility lacks a full-size gymnasium, thereby limiting physical activities for students.

-There is no auditorium or meeting space. The facility only has one small conference room which seats ten around a table.

Based on the above factors the property satisfies criteria d, obsolescence, of the LRHL.

Smart Growth.

The Pathway to Redevelopment for Affordable Housing Legal Obligations.

N.J.S.A. 40A:12A-5 specifies the “Smart Growth” criteria, specifically: “h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.” The Township of Verona is in the Metropolitan Planning Area (PA-1) of the State of New Jersey as designated in the State Development and Redevelopment Plan. One of the principles of Smart Growth as promulgated by the Office of Smart Growth is providing a “range of housing choices and opportunity” (N.J.S.A. 52:18A-196 et seq.).

Smart Growth America defines Smart Growth as “... creating homes for families of all income levels alongside one another. Smart growth means diversifying our transportation system so Americans have a choice in how they get around. Smart growth means building streets that are safe for people walking, bicycling or using a wheelchair, as well as driving. Smart growth means reimagining the places we have already built and protecting our open green spaces for generations to come. Above all, smart growth is about helping every town and city become a more economically prosperous, socially equitable, and environmentally sustainable place to live. This approach looks different for every community, but can help neighborhoods of any kind flourish, make towns and cities competitive in a 21st century economy, and improve lives by improving neighborhoods.”

The Township’s focus of relatively dense residential development to be situated along a major artery, Bloomfield Avenue, and to the degree possible NOT impacting upon existing neighborhoods, at least not any more than the office/school use, is “smart” so as to provide legally required affordable housing.

The redevelopment (or repurposing) of a property to satisfy the smart growth principles and comply with the various legal requirements centered on affordable housing opportunities “imposed” upon the Township is also “smart”, so as to provide a realistic development potential of affordable housing. An extension of Smart Growth principles is finding convenient needs, a good home in a safe neighborhood, close to jobs, good schools, and other daily requirements.

Many times, neighborhoods with significant amenities, such as public transit, shops, restaurants, parks, houses of worship, and schools, are expensive because more people want to live there. As a result, people who can't afford to live in these neighborhoods often find themselves either moving far from their jobs or living in areas where they might not always feel safe. This is also the essence of Smart Growth and is what the Township of Verona is attempting to do through identifying its affordable housing opportunities.

On October 1, 2018 the Township Council adopted resolution number 2018-136 authorizing a Memorandum of Understanding ("MOU") agreeing to a 300 residential unit development at the Study Area so as to satisfy a significant portion of the Township's affordable housing obligation. This initial proposed project was to be an inclusionary project, meaning that a minimum of 15% of the units (45) would be affordable as defined by the New Jersey Council on Affordable Housing ("COAH") - Substantive Rules at N.J.A.C. 5:93 et seq. (26 N.J.R. 2300 {Page 134}) and the Uniform Housing Affordability Controls ("UHAC") at N.J.A.C. 5:80-26.1 et seq.

The MOU stipulated that up to 20%, or 60 residential units would be affordable. It is important to note that the initial Spectrum MOU in Section 9, the Township (through its Planning Board) agreed in this draft MOU to process and "expedite" the Poekel development as an inclusionary development.

The Poekel Development is situated at Block 2301, Lot 17 and Lot 18, approximately 1.25 miles to the west of the Study Area along Bloomfield Avenue, the major east-west artery in Verona. The Planning Board on February 6, 2019 sent a memorandum to the Township Manager indicating that the properties at Block 2301, Lots 1 through 19 meet the statutory redevelopment criteria.

This redevelopment designation indicated the Poekel property met the statutory criteria at 'd' - obsolete layout, and 'e' -underutilization, as well as criteria 'c' -vacant land, as to Lot 18. This designated area in need of redevelopment also includes the "Cameco" site (specifically, Lots 11, 14, 12 and 15 also) indicated in the February 6, 2019 memorandum.

The Township paid \$2,280,000 for lots 11 and 14 and \$570,000 for lots 12 and 15. The combined amount paid by Verona was \$2,850,000, plus closing and other property costs.

The purpose of the Township acquiring the Cameco site situated next to (and “around”) the Poekel site is to provide affordable housing opportunities to satisfy the Township’s unmet affordable housing obligation consistent with Smart Growth principles promulgated by law. Both Poekel and Spectrum are intervenors in the Township’s affordable housing litigation-while the Cameco site is located in an ANR specifically identified for affordable housing obligation purposes.

The effort by the Township to identify realistic development potential (“RDP”) sites for affordable housing within its environs is consistent with Smart Growth planning principles. Further, N.J.A.C. 5:93-3.4 indicates that a municipality shall review its map (and land inventory) for areas that may be developed or redeveloped. The following Figure shows the preliminary RDP identified by the Township to satisfy the Township’s affordable housing obligation.

Figure 2.

Realistic Development Potential-Sites:	Total Units	Market Units	Affordable Units
Hillwood Prior Round Continuing Credits Section 8	59	0	59
Various Individual Units	10	0	10
Redevelopment Cameco-from Township and Other Site (TCI/Spectrum) Funding	100		100
Redevelopment Poekel	46	36	10
Redevelopment TCI/Spectrum	200	200	
SUB-TOTAL	415	236	179
Rental Bonus			60
TOTAL			239

The Affordable Housing Requirements.

The RDP promulgated by the State of New Jersey is, indeed, part of the State’s Smart Growth strategy and is legally required by the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et. seq, (“FHA”) which requires municipalities prepare a Housing Element and Fair Share Plan, which may be a part of the Master Plan, to achieve the objective of identifying affordable housing opportunities in a municipality.

The Municipal Land Use Law, N.J.S.A. 40:55D-28, (“MLUL”), stipulates that a Housing Element of the municipal Master Plan (“Master Plan”) be structured to achieve the objective of access to affordable housing to meet present and prospective housing needs of a

municipality, with particular attention to low and moderate income housing.¹

The Kasler Report provides an extensive review of the 2009 Master Plan in Pages 12-19. It is important to emphasize that Objective Number 14 of the Master Plan indicates “To continue to meet the municipal obligation to provide the Township of Verona its fair share of affordable housing meeting the requirements set forth by the New Jersey Council On Affordable Housing.”

The 2009 Verona Master Plan included the statutorily required Housing Element and Fair Share Plan (See Section 13 of the Master Plan). In the Master Plan the calculated affordable housing obligation (also known as unmet need) was 131 new affordable residential units. This covered the period of 2004-2018. The Fair Share Plan (the “Plan”) identifies Verona’s realistic development potential (“RDP”), and unmet need or demand for affordable housing.

This Plan proposed a modified unmet need affordable housing obligation of a credit of 56 units because the Township had 159 Section 8 housing units located in the Township and other “pre third round credits”. It must be emphasized that the Plan must propose, for each component of the obligation (read: Unmet Need), mechanisms for the achievement of the municipality’s fair share, or stated another way, the realistic opportunity for the provision of housing affordable to low and moderate income households.

This is the approach being used by the Township when determining how to go about achieving its fair share obligation under the various statutes. The Plan was never adopted because of the purgatory which affordable housing regulations were in over the several years prior to 2015. In October 2014 COAH failed to adopt their newly revised Third Round regulations, deadlocking with a 3-3 vote. The Fair Share Housing Center, which was a party in both the 2010 and 2013 FHA cases, responded by filing a motion in aid of litigants’ rights with the New Jersey Supreme Court. The Court heard the motion in January 2015. On March 10, 2015, the Court ruled that COAH was effectively dysfunctional, and consequently, returned jurisdiction of affordable housing issues back to the trial courts where it had been prior to the creation of COAH in 1986.

¹ On August 2, 1995 COAH granted substantive certification to Verona of its Round 2 petition.

The Court decision thus created a process for municipalities, like Verona, that participated in the Fair Housing Act process before COAH but due to the inertia of COAH never obtained Third Round substantive certification of their Housing Element and Fair Share Plan (“HE&FSP”), to file a declaratory judgment seeking to declare their HE&FSP constitutionally compliant or receive temporary immunity from affordable housing builders remedy lawsuits.

This allowed time for municipalities to prepare a new or revised HE&FSP to ensure their Plan continues to affirmatively addresses their local housing need as may be adjusted by new housing-need numbers promulgated by the Court.

The Township of Verona filed a declaratory judgment and a brief in support of a motion for temporary relief with the Court on July 2, 2015. Within its period of immunity, the Township prepared various documents in support of its position and was thwarted by intervenors in moving forward with the implementation of its RDP. The Township has now developed an RDP schedule using redevelopment as its foundation to 1-repurpose properties consistent with smart growth principles, 2-utilize payment in lieu of taxes pursuant to N.J.S.A. 40A:20-1 et seq to help directly fund affordable housing and supplement the acquisition of property already made by the Township of Verona, and 3-satisfy its legally obligated Unmet need (the amount of affordable residential units required to be built in Verona through 2025). Using this foundation, the Township has developed an RDP to satisfy its Unmet Need.

As previously described the Township in 2009 filed a Third-Round Plan-made part of the Master Plan-to address its Third-Round obligation, as adjusted by an analysis of the Township’s growth share projections. This Plan was filed in a timely manner with COAH.

However, as noted above, the Third-Round methodology utilized a growth share methodology that was subsequently invalidated by the Court, requiring a new plan based upon the Prior Round fair share methodology.

The Township of Verona will demonstrate through this ANR designation, continued constitutional and statutory compliance with its affordable housing responsibilities and thereby achieve protection from adverse zoning actions, such as builder’s remedy lawsuits which cause hodge podge development-the opposite of Smart Growth-and undesired community results.

Based on the above factors the property satisfies criteria h, Compliance with legally required Smart Growth principles, of the LRHL.

Figure 3.
A view of the subject property looking northwest across Bloomfield Avenue-near the primary property exit.



Figure 4. Typical building physical characteristic.



The tax map abstract in Exhibit 2 is required to be included in the requisite notice of a pending designation of an area in need of redevelopment as stipulated in N.J.S.A. 40A:12A-6 b, (1).

4-SCOPE OF REDEVELOPMENT-Block 303, Lot 4. The May 6, 2019 Township Council Resolution authorizing this report further directs the Township of Verona Planning Board to study and determine whether certain properties are included in the following figures satisfy the statutory criteria found in the Local Redevelopment and Housing Law (“LRHL”), N.J.S.A. 40A:12A-1 et seq.

The work of the Planning Board regarding this investigation is narrow. The Planning Board must decide if the properties satisfy the statutory criteria as outlined in Section 3 of this report, or, in the alternative, if the criteria are applicable to the property under study. In addition to this report, additional testimony and photographic evidence may be submitted at the public hearing on this matter. Further, the Planning Board members are encouraged to visit the properties under study. Finally, a hearing will be held regarding the proposed area in need of redevelopment to provide an opportunity for the affected property owners to be heard and provide input.

The conditions found at Block 303, Lot 4 have been described and explained as presenting substandard conditions (criteria ‘a’), obsolescence (criteria ‘d’), underutilization (criteria ‘e’) and potential redevelopment consistent with legally required Smart Growth principles (criteria ‘h’). Therefore, it is reasonable for the Planning Board to conclude that this property qualifies as an area in need of redevelopment.

The LRHL permits the inclusion of parcels in an ANR that do not meet the statutory criteria if the property is necessary for effective redevelopment of the proposed redevelopment area:

“A redevelopment area may include land, 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.” (N.J.S.A. 40A:12A-3.)

We posit that the effective redevelopment of the previously designated ANR at the Poekel and Cameco properties designed to achieve, together with the TCI site, the construction of 110 affordable housing units, as indicated in Figure 2, can only be accomplished through the redevelopment of Block 303, Lot 4. On May 31, 2019 the Township and TCI/Spectrum entered into a settlement agreement which will provide a less dense development of 200 residential units, as opposed to the previously agreed to 300 units, with an amount of \$6,250,000 being paid to the Township of Verona to help build affordable housing at the Cameco site.

In effect the properties included in Figure 2 should be considered as one scattered site redevelopment area, connected by the common purpose of meeting the Township's legally required affordable housing obligation.

BENECKE ECONOMICS

Fred Sulic, P.P.
Robert Benecke
July 2, 2019

2019 Township of Verona New Jersey

Property located at 1 Sunset Avenue, Verona, NJ 07044
Block 303 Lot 4

Determination of Area in Need of Redevelopment

PREPARED FOR
THE MAYOR & COUNCIL AND
THE PLANNING BOARD
OF THE
TOWNSHIP OF VERONA, NJ

PREPARED BY
KASLER ASSOCIATES, PA
34 Little Brook Road
SPRINGFIELD, NEW JERSEY 07081
January 20, 2019

The original document was signed and sealed on January 20, 2019 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.

Jason L. Kasler, AICP, PP
Kasler Associates, PA
Professional Planner #5240

A handwritten signature in black ink, appearing to read "Jason L. Kasler", written over a horizontal line.

Introduction

The purpose of this report is to determine whether all or parts of the subject area qualify as an Area in Need of Redevelopment as defined by the Local Redevelopment and Housing Law (NJSA 40:12A-1 et seq., hereafter referred to as LRHL). This analysis has been conducted pursuant to the LRHL, which specifies the conditions that must be met within the delineated areas and the process to be undertaken by the Planning Board during the investigation.

This report is written pursuant to Section 6 of the LRHL that requires the following:

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 the P.L. 1992 (C.40A:12A-5).

The governing body of a municipality shall assign the conduct of the investigation and hearing to the Planning Board of a municipality. After completing its hearing on this matter, the Planning Board shall recommend that the delineated area, or any part thereof, be determined, or not be determined, by the municipal governing body to be a redevelopment area. After receiving the recommendation of the Planning Board, the municipal governing body may adopt a resolution determining that the delineated area, or any part thereof, is a redevelopment area.

The applicable LRHL statute requires the Planning Board to hold a public hearing on this matter prior to recommending that the delineated area, or any part thereof, be determined or not determined a redevelopment area by the governing body. After obtaining the Planning Board's recommendation, the governing body may adopt a resolution determining that the delineated area, or any part thereof, is a redevelopment area. This report serves as the statement setting forth the basis for the investigation of an area in need of redevelopment, as required under the LRHL.

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. (Note: not every property in a redevelopment area must be acquired; the redevelopment plan can specify buildings or uses to remain in the redevelopment area and to be incorporated into the future design and development of the area).
- 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.

This report and investigation are aimed only at determining whether the specified parcels in the subject area meet the statutory criteria to be identified as an Area in Need of Redevelopment and therefore does not contain any of the specific planning regulations contained in a redevelopment plan.

Criteria for Redevelopment Area Determination

Section 5 of the LRHL outlines the following criteria that are to be considered when evaluating the parcels in the study area. An area may be determined to be in Need of Redevelopment if, after investigation, notice and hearing, the governing body of the municipality concludes by resolution that any one of the following conditions exists:

- A. The generality of buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics or are so lacking in light, air, or space as to be conducive to unwholesome living or working conditions.
- B. The discontinuance of the use of buildings previously used for commercial, manufacturing, or industrial purposes; the abandonment of such buildings; or the same being allowed to fall into so great a state of disrepair as to be untenable.
- C. Land that is owned by the municipality, the county, a local housing authority, redevelopment agency or redevelopment entity, or unimproved vacant land that has remained so for a period of ten years prior to adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or developed thought the instrumentality of private capital.
- D. Areas with building or improvements which, but reason of dilapidation, obsolescence, over crowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.
- E. A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real property therein or other conditions, resulting in a stagnant or not fully productive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare.
- 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 depreciated.
- G. In any municipality in which an enterprise zone has been designated pursuant to the “New Jersey Urban Enterprise Zones Act,” P.L.1983, c.303 (C.52: 27H-60 et seq.) the execution of the actions prescribed in that act for the adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone shall be considered sufficient for the determination that the area is in need of redevelopment pursuant to sections 5 and 6 of P..L.1992, c.79 (C.40A: 12A-5 and 40A: 12A-6) for the purpose of granting tax exemptions within the enterprise zone district to the provisions 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 in need of rehabilitation and the municipal governing body has adopted a redevelopment plan ordinance including the area of the enterprise zone.

- H. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation. In addition to the above criteria, Section 3 of the LRHL (NJSA 40A:12A-3) 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.”

The Statutory Criteria – a more detailed narrative¹

This information has been provided to further explain the qualifying statutory criteria.

There are seven [now eight] statutory criteria that qualify an area as being in need of redevelopment. The seven [now eight] criteria are commonly identified by the letter corresponding to the paragraphs in Section 5 of the LRHL (N.J.S.A. 40A:12A-6). Generally, properties located within an area in need of redevelopment will meet more than one of the criteria. However, only one of the seven need be found for a delineated area to be determined in need of redevelopment.

The "a" Criteria – Deterioration

For an area to qualify as being in need of redevelopment pursuant to the "a" criteria, the planning board must find that the buildings in the area have deteriorated or fallen into such a state of disrepair that they constitute a threat to the people who live or work in them. Consequently, when analyzing the applicability of the "a" criteria, the planning board should focus on the physical conditions within the study area. This means that the professionals preparing the preliminary investigation report will need to visit the study area and assess the physical conditions of each of the properties in the area. If deterioration is severe, it often will be apparent from an exterior inspection of the building or buildings in the area. However, an interior examination of the building may sometimes be necessary. Photos should be used to document any evidence of deterioration and disrepair. Documentation of physical conditions also may be videotaped if it is appropriate and the expense warranted.

Buildings or properties that have been neglected for long periods of time are frequently subject to numerous local code enforcement actions. Consequently, an analysis of applicability of the "a"

¹ This narrative can be found on The New Jersey Smart Growth Gateway website (http://www.smartgrowthgateway.org/local_redev_criteria.shtml).

criteria should include a review of local building, housing, fire, health, and property-maintenance code records.

The "b" Criteria - Abandoned Commercial and Industrial Buildings

Vacant and abandoned commercial and industrial buildings constitute another example of the conditions historically associated with "blighted" areas or areas in need of redevelopment. The existence of these buildings within a study area will be readily apparent and can be easily documented during a site visit. As with the "a" criteria, the existence of vacant and abandoned commercial buildings will likely have triggered the investigation in the first place. When in doubt, historic records and photographs, interviews with property owners and local officials, and a review of local tax assessment records will help to document cases of abandonment. While it may be useful to know how long a building has remained unoccupied, no minimum time frame is required to qualify the building as abandoned under the "b" criteria.

Typically, buildings that meet the "b" criteria will exhibit sufficient deterioration to meet the "a" criteria as well. However, to meet the "b" criteria, the deterioration or disrepair must be so extensive that the building may be considered "untenantable," as per the statutory criteria. It is important to remember that the "b" criteria is applicable only to commercial and industrial buildings and not to residential buildings. However, the nonresidential component of a mixed use building, which contains both residential and commercial uses, can meet the "b" criteria.

The "c" Criteria - Public and Vacant Land

Property owned by a municipality, county, housing authority, or redevelopment entity may be designated in need of redevelopment pursuant to the "c" criteria. However, care must be taken in establishing the planning reasons for the designation, particularly when only a publicly owned parcel or tract of land will be designated as an area in need of redevelopment. A recent court decision has determined that public ownership alone is not a sufficient reason for such a designation. The reasons why the development potential of a publicly owned property may be limited, such as its location, "remoteness," lack of access, topography, or soil conditions should be specified in findings of the preliminary investigation report.

The "c" criteria enables municipalities to use the redevelopment process to generate private development interest in surplus public lands and get them back on the tax rolls. Over time, municipalities may obtain ownership of various properties through tax foreclosure. By designating these publicly owned parcels in need of redevelopment, the municipality is able to convey the parcel to a redeveloper without having to go through the public bidding process. The redeveloper is then required by a redeveloper agreement to redevelop them in accordance with a redevelopment plan. In contrast, the public bidding process allows the transfer of publicly owned properties to a private entity at a public sale, but does not effectively result in their redevelopment consistent with municipal objectives.

Privately owned land that has remained unimproved and vacant for at least ten years also may be designated in need of redevelopment pursuant to the "c" criteria. As with publicly owned land, it also must be shown that a vacant parcel is not likely to be developed through private investment because of development constraints resulting from its location, remoteness from other developed areas of the community, lack of access, topography, or soil conditions.

The "d" Criteria - Obsolete Layout and Design

While the "a" and "b" criteria focus on the condition of the buildings on a property, the "d" criteria focuses on site layout and design. In addition, the 'd' criteria expands the analysis of the statutory criteria to include a review of the condition of other site improvements, such as accessory structures and parking lots. Some of the factors to be reviewed in analyzing a study area for the applicability of the "d" criteria include the location and relationship of buildings, accessory structures and other site improvements, onsite circulation and parking, land use conflicts, as well as lot and building coverages within the study area. In general, properties that meet the "d" criteria are being used in a manner not consistent with modern land use planning standards or practices. Given the flexible nature of the "d" criteria, it often is used (along with the "e" criteria) in suburban settings, where deterioration and abandonment are not issues.

The "e" Criteria: Underutilization

The "e" criteria is applicable in circumstances where there is a quantifiable economic "underutilization" or "lack of proper utilization" of properties in a study area. This may be the result of property ownership and title problems, property configuration, or "other factors" that limit the economic viability and marketability of the properties in a study area and depress property values. Properties that meet the "e" criteria may include obsolete commercial and industrial facilities that may no longer be marketable, properties exhibiting poor design and arrangement consistent with the "d" criteria, or areas not developed in a manner consistent with the objectives of a municipality's zoning and master plan.

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 the land. The assessed values of land and improvements for a particular property are found in local property tax records. Developed properties in areas that are economically viable typically have improvement-to-land ratios of 2:1 or greater. Ratios of less than 2:1 may offer evidence of underutilization. A low improvement-to-land ratio, in itself, is not absolute proof that a property is in need of redevelopment. Improvement-to-land ratios should also be analyzed in connection with other evidence - such as the physical condition of the property or site layout - to determine the applicability of the statutory criteria. It may be necessary to compare ratios within the study area to those in surrounding areas or in other parts of the community. For example, the property values and tax revenue generated from two comparable blocks, one within the study area and one within an area considered economically stable, should be

compared to determine the appropriate threshold in identifying underutilization.

It is important to note that a property may not be economically "underutilized," but may exhibit a lack of "proper utilization" in relation to a municipality's overall land use goals and objectives. Thus, the property would still meet the "e" criteria, but the analysis would focus on broader land use planning issues and concerns. This type of analysis is less empirical and involves a review of the local master plan and other planning documents to determine whether or not the area is developing in a manner consistent with a municipality's comprehensive plan.

The "f" Criteria - Fire and Natural Disasters

The "f" criteria is intended to permit the redevelopment of a large area in a community that has been destroyed or where the property values have been materially reduced by a sudden natural disaster. It was first added to the old urban renewal statutes after a catastrophic fire in Passaic destroyed several city blocks. When the state's redevelopment laws were updated in 1992, the "f" criteria was retained, but the minimum tract area that could qualify for designation was reduced from ten to five contiguous acres.

A recent example of the application of the "f" criteria occurred in two municipalities along the Raritan River in central New Jersey that experienced extensive flood damage during 1999's Hurricane Floyd. The municipalities of Manville and Bound Brook used emergency flood assistance funds to redevelop their flood-ravaged areas. Bound Brook has adopted a redevelopment plan, and Manville is considering redevelopment of several key properties along its downtown corridor.

The "g" Criteria - Urban Enterprise Zones

The Urban Enterprise Zone Act added criteria "g" to the redevelopment statute. Under the "g" criteria, urban enterprise zones (UEZs) designated by the New Jersey Urban Enterprise Zone Authority automatically qualify as areas in need of redevelopment for the purposes of granting long- and short-term tax abatements and exemptions. However, if a municipality wants to exercise any other redevelopment powers within the UEZ, including the power of eminent domain, it must prove that the area meets one or more of the other statutory criteria and formally designate the area in need of redevelopment pursuant to the procedures in the LRHL. A redevelopment plan for the area also must be adopted.

Aerial Photograph



Background

Master Plan Recommendation

The Township of Verona last adopted its master plan in June of 2009. The 2009 master plan has many goals and objectives, of which, the following are pertinent to the subject properties:

The goals and objectives serving Verona's Master Plan are indicated as follows:

1. To encourage municipal action to guide the appropriate use or development of all lands in this Township, in a manner that will promote the public health, safety, morals, and general welfare.
2. To secure safety from fire, flood, panic and other natural and manmade disasters.
 - a. Maintain adequate water service to the Township.
 - b. Maintain and improve the storm drainage system serving the Township.
 - c. Maintain adequate sanitary sewer service for the Township.
3. To provide adequate light, air and open space:
 - a. Provide appropriate levels of recreational opportunities to efficiently and adequately serve the residents of the Township.
 - b. Promote the conservation of environmental resources and the natural appearance of the Township.
4. To ensure that the development of the Township does not conflict with the development and general welfare of neighboring municipalities, the County and the State as a whole;
 - a. To ensure that the relationship of the proposed development of the municipality, as developed in the master plan is not in conflict with the master plans of contiguous municipalities, the master plan of the county, the State Development and Redevelopment Plan adopted pursuant to the "State Planning Act," sections 1 through 12 of P.L.1985, c.398 (C.52:18A-196 et seq.) and district solid waste management plan required pursuant to the provisions of the "Solid Waste Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.) of the county.
5. To promote the establishment of appropriate population densities and concentrations that will contribute to the well-being of people, neighborhoods, communities and regions and preservation of the environment;

- a. Preserve the environmental resources of the Township by locating conservation parklands and easements where necessary; by limiting development in environmentally sensitive areas; by encouraging the preservation of specimen trees and general landscaping; and by preservation of the township's natural character.
 - b. Preserve environmentally sensitive lands by identifying wetlands and preserving them according to the rules and regulations promulgated by the New Jersey Department of Environmental Protection.
 - c. Preserve environmentally sensitive lands by identifying steep slopes and deterring development on said lands.
6. To encourage the appropriate and efficient expenditure of public funds by the coordination of public development with land use policies;
 - a. Provide adequate community facilities in the Township by maintaining and improving necessary facilities such that the Township is efficiently and adequately served, and that all such facilities be barrier free.
7. To provide sufficient space in appropriate locations for a variety of residential, recreational, commercial and open space, both public and private, according to their respective environmental requirements in order to meet the needs of all the citizens of Verona;
 - a. Preserve and promote a balanced variety of residential, commercial, public, recreation and conservation land uses.
 - b. Preserve and protect the established primarily residential character of the Township by maintaining and improving neighborhood quality in existing residential areas.
 - c. Encourage future housing construction that is compatible with the existing character of the Township without increasing housing density in established residential areas.
 - d. Maintain and improve the existing quality of housing.
 - e. Encourage modifications and/or additions to existing housing in light of current trends of completely razing the existing home and rebuilding anew.
 - f. Guide the future development and/or redevelopment of land within the Township so as to incorporate new construction without undue disruption to the established character of the Township.
8. Continue to recognize the central business district as the primary location for pedestrian-oriented business serving the community.
 - a. Encourage the renovation and rehabilitation of existing buildings and storefronts.

- b. Encourage general maintenance and upkeep of buildings, storefronts and public areas.
 - c. Encourage lot consolidation to enhance opportunities for infill development and redevelopment.
 - d. Promote pedestrian activity in the Central Business District with active retail ground floor uses.
 - e. Encourage mixed-use developments.
 - f. Discourage parking areas in the front yards.
 - g. Support developments that are pedestrian scaled and support retail activity in the Central Business District.
 - h. Promote the conversion of existing light industrial uses to uses that are more compatible to the land uses surrounding the existing light industrial use.
9. To encourage the location and design of transportation routes that will promote the free flow of traffic while discouraging the location of such facilities and routes that result in congestion or blight;
- a. Maintain the efficiency of the Township's circulation system by continued upgrading of streets and intersections.
 - b. Develop a balanced circulation system incorporating the needs of pedestrians, bicycles, autos, trucks and buses.
 - c. Provide municipal parking areas in support of commercial enterprises in the central business district.
 - d. Encourage the use of alternative forms of mass transportation.
 - e. Encourage the protection of the residential character by discouraging cut through traffic.
10. To promote a desirable visual environment through creative development techniques and good civic design and arrangement;
- a. Reduce the cutting of trees on private property through tree preservation regulations.
 - b. Support the planting and maintain trees along public rights-of-way.
11. To promote the conservation of historic sites and districts, open space, energy resources and valuable natural resources in the Township and to prevent urban sprawl and degradation of the environment through improper use of land;
- a. Encourage the protection and preservation of historic sites and buildings.
12. To encourage planned unit developments that incorporate the best features of design and relate the type, design and layout of residential, commercial, and recreational development to the particular site;

13. To encourage senior citizen community housing construction;
 - a. Maintain the redevelopment of the Hilltop property with, in part, age-restricted housing.

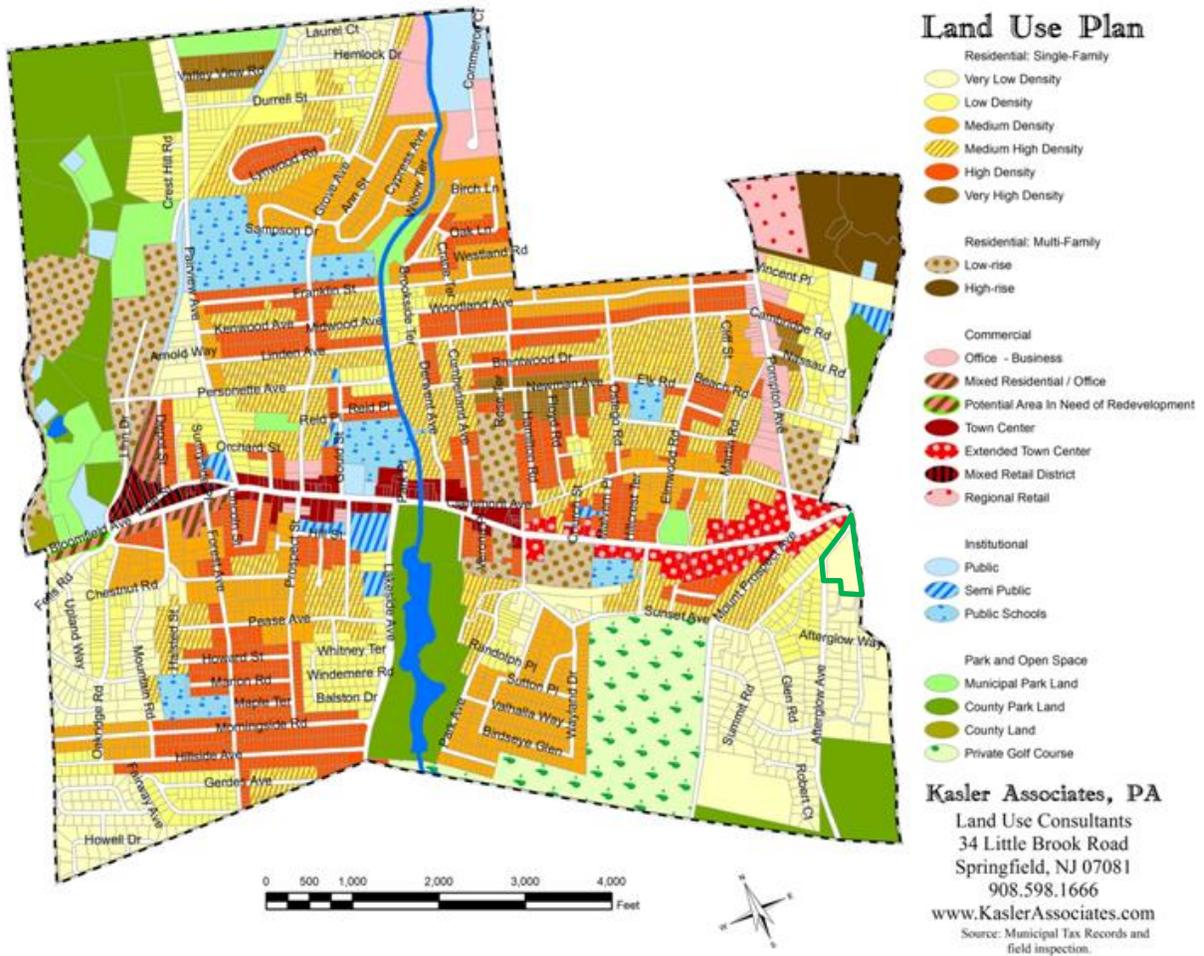
14. To continue to meet the municipal obligation to provide the Township of Verona its fair share of affordable housing meeting the requirements set forth by the New Jersey Council On Affordable Housing

15. To encourage coordination of the various public and private procedures and activities shaping land development.
 - a. Maximize leveraging of public and private funds.
 - b. Implement a downtown revitalization program.
 - c. Develop alternative parking and circulation configurations in the downtown that directs customers, employees, commuters and residents to designated parking areas or structured parking behind business.
 - d. Enhance and maintain attractive gateways to the Township.
 - e. Assess the redevelopment potential of properties in the central business district and on Pompton Avenue.
 - f. Provide the necessary infrastructure to support business development in all business districts.

16. To promote utilization of renewable energy resources.
 - a. Promote Leed (Leadership in Energy and Environmental Design) principals. that would promote construction of buildings that are environmentally responsible, profitable and healthy places to live and work.
 - b. Encourage the utilization of new solar technology and other clean fuels.

17. To promote the maximum practicable recovery and recycling of recyclable materials from municipal solid waste through the use of planning practices designed to incorporate the State Recycling Plan goals and to complement municipal recycling programs.
 - a. Assure adequate collection, disposal and recycling of solid waste materials.

The master plan recommends the subject properties to be very low density residential land uses and extended town center (the subject properties have been outlined in green).



The following pages are from the adopted 2009 master plan description of the R-100 zoning.

Single-family Residential District - Very Low Density

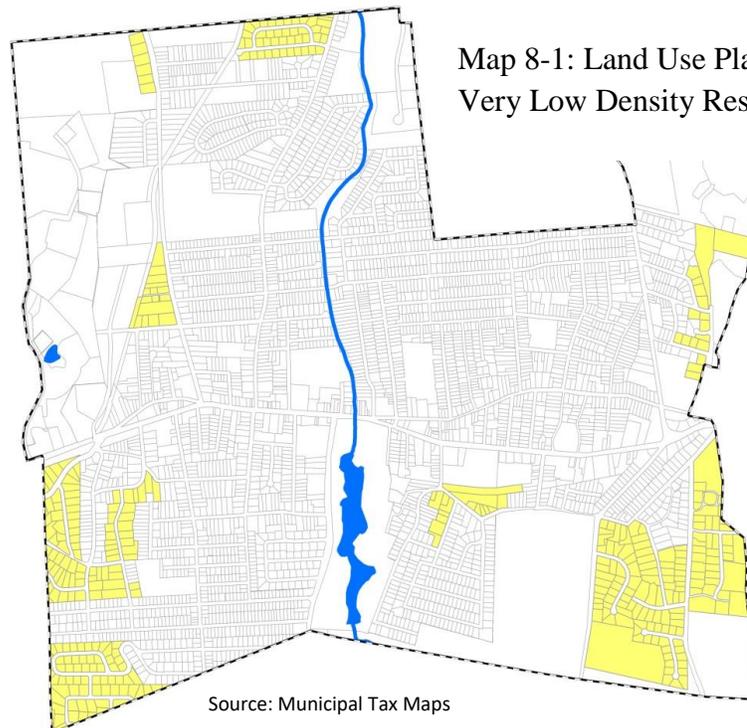
This land use classification provides the foundation for the creation of the R-100 zone in the Township zoning ordinance. There are eight locations proposed on the land use map to be located within this very low-density residential development.

This land use classification contemplates development of single-family homes on a minimum lot size of 12,000 square feet with a minimum lot width of 100 feet. There are 393 lots located in the very low density residential land use classification comprising 197.96 acres of land.



Photo 8-1: Example of Very Low Density Residential

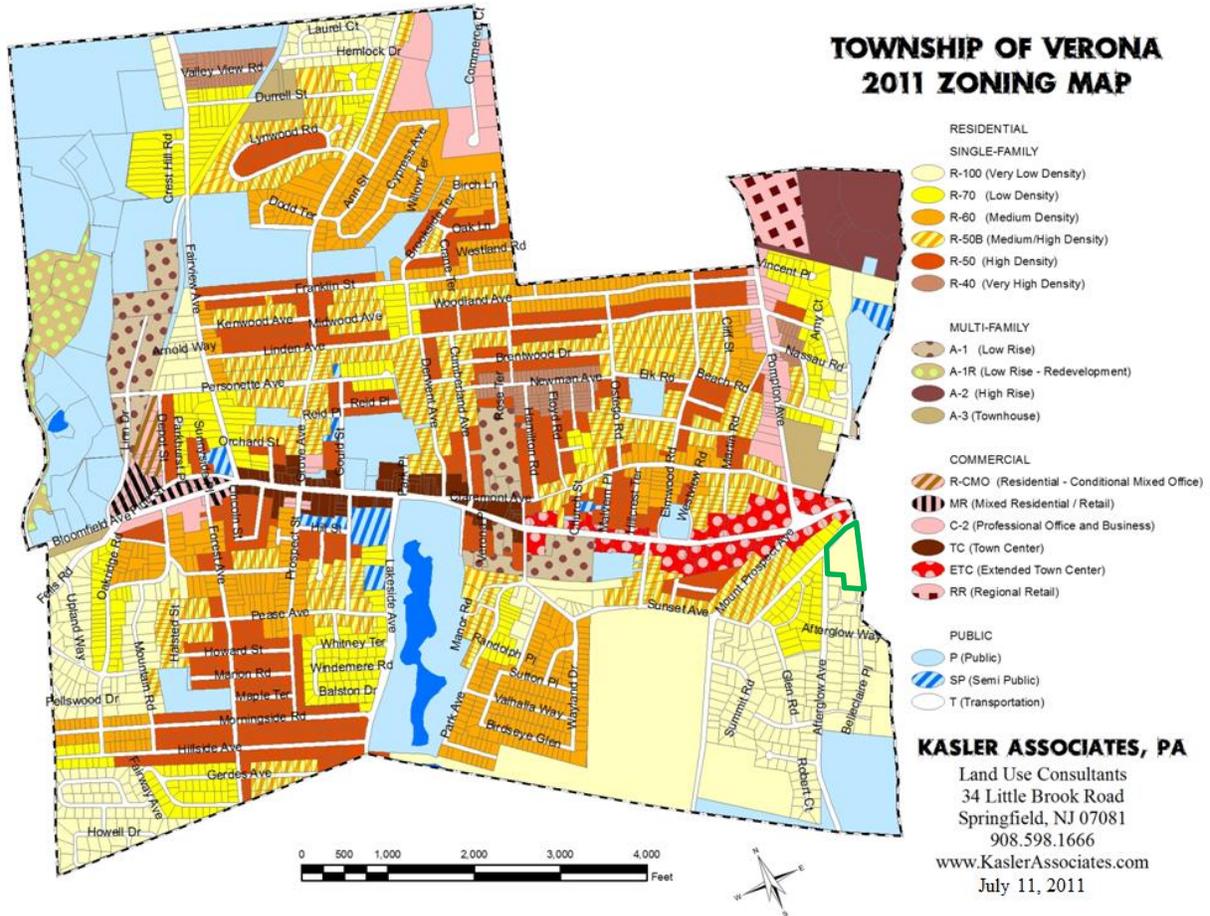
The largest property removed from the lowest residential land use classification is the Montclair golf course. This land use plan places the golf course in a new land use classification named “Private Golf Course” to reflect the actual land use of this property. However, this master plan does not recommend any modifications to the zoning ordinance, leaving this use in the lowest single family residential land use classification.



Source: Municipal Tax Maps

Study Area

The zoning for the Township of Verona was completely rewritten and adopted by the Mayor and Council in 2011. The zoning map (with the subject property highlighted in green) is displayed below.



The Master Plan land use plan recommends the subject properties to be included in the R-100. At time of the adoption of the master plan and continuing today, lot 4 in block 303, is utilized as a private school. The very low density residential zoning was extended from the south to encompass this use. The 2009 master plan recommendation and 2011 rezoning, made lot 4 in Block 303 a non-conforming use.

ARTICLE XVII
SCHEDULE OF DISTRICT REGULATIONS

150 - 17.1 R-100 (VERY LOW DENSITY SINGLE FAMILY) ZONE DISTRICT

A. Principal Permitted Uses

No building or premises shall be erected, altered or used except for uses designated for each district as follows:

1. Single family homes.

B. Permitted Accessory Uses

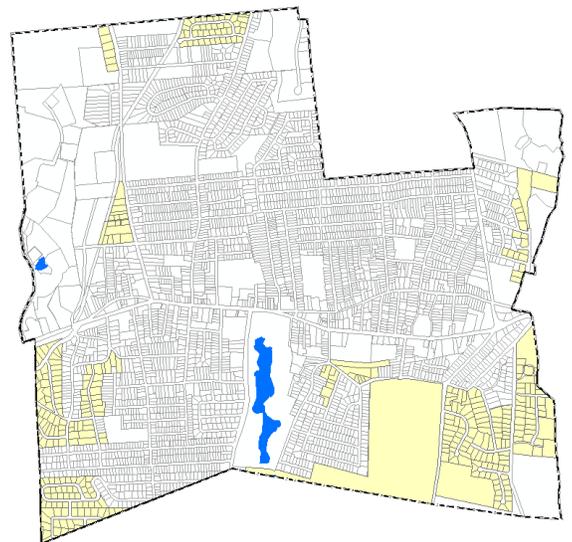
Any of the following accessory uses may be permitted in conjunction with a permitted principal use:

1. Detached garage.
2. Family day-care center.
3. Swimming pool, hot tub, and related facilities.
4. Basketball Court, unlit.
5. Tennis Court, unlit.
6. Deck, either attached or unattached.
7. Greenhouse.
8. A maximum of two sheds totaling no more than 200 square feet in floor area.

C. Conditional Uses

The following conditional uses are permitted within the single family district (R-100) subject to area, yard and bulk regulations and other controls identified in the conditional use regulations of this ordinance.

1. A satellite or dish antenna installed in the side or rear yard, subject to the conditions set forth in section 150-7.11 of this chapter.
2. Home occupations subject to the conditions set forth in section 150-8.8 of this chapter.



D. Area, Yard and Bulk Regulations for Principal & Accessory Structures & Uses

1.	Minimum Lot Size (Square Feet)	12,000
2.	Minimum Lot Width (Feet)	100
3.	Maximum Lot Coverage (Percent)	20
4.	Maximum Improved Lot Coverage (Percent)	35

E. Area, Yard and Bulk Regulations for Principal Structures & Uses

1.	Minimum Front Yard Setback (Feet)	35
2.	Minimum Side Yard Setback-One (Feet)	9
3.	Minimum Side Yard Setbacks-Both (Feet)	20
4.	Minimum Side Yard Setbacks-Both (Percentage of lot width)	25
5.	Minimum Rear Yard Setback (Feet)	30
6.	Maximum Height (Stories / Feet)	2.5 / 30

F. Area, Yard and Bulk Regulations for Accessory Structures & Uses

1.	Minimum Side Yard Setback-One (Feet)	9
2.	Minimum Rear Yard Setback (Feet)	10
3.	Minimum Distance between accessory and principal structures (feet)	10
4.	Maximum aggregate area covered by accessory structures in the yard it is located in. (percent)	15
5.	Maximum Height (Stories / Feet)	1 ½ / 15



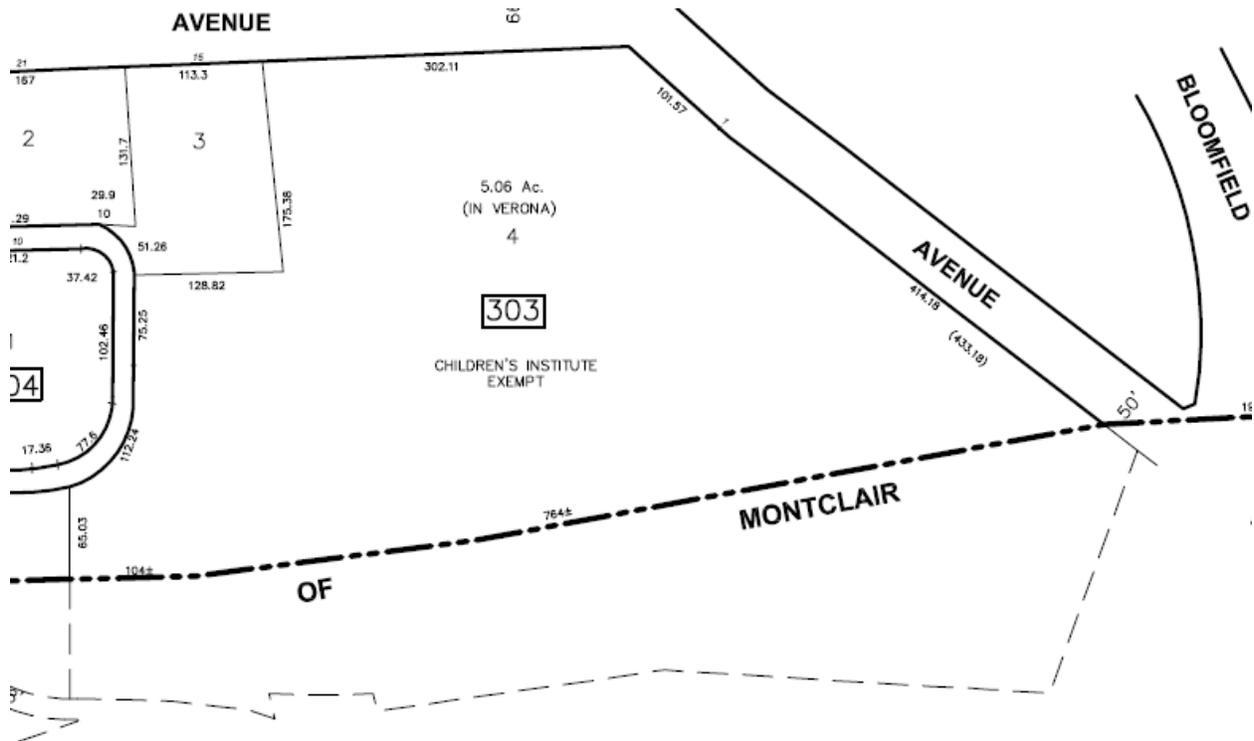
Subject properties Evaluation for Compliance with Redevelopment Criteria

An analysis of the subject properties existing land uses, site layout and physical characteristics was conducted utilizing tax maps / records, physical inspection of the area, review of aerial photography, Master Plan studies and maps. Photos were taken and a property survey form completed for each property.

Site #1 Block 303, Lot 4

Description: Lot 4 in Block 303 is located on the southeastern side of the intersection of Afterglow and Sunset Avenues. It contains 8.17 acres of land, with 5.06 acres located in Verona and the balance located in Montclair.

The site contains 515 feet of frontage along Sunset Avenue and 302 feet of frontage along Afterglow Avenue and on average 400 feet of lot depth in Verona. The site is currently the site of the Spectrum 360; a private school for persons on the autism spectrum.



Aerial Photograph (Viewing to the West)



Aerial Photograph (Viewing to the East)



Evaluation:

The subject property is substandard for the following reasons:

- 1) It contains a non-conforming use.

The building is obsolescent for any use other than a school.

Evaluation of Criteria The property exhibits conditions consistent with Statutory Criteria “D” as well as Criteria “E”. This is due in part to the following:

- The building is in fair condition.
- The site contains a non-conforming school.
- Current layout is obsolete for anything for but a school.
- Property does not meet a number of bulk standards.
- In general, the building locations and configurations are not consistent with modern land use standards and as currently configured can not be redeveloped for any use other than a school.
- As indicated in the table below, the subject property has improvement to land ratio of 1:1.17 which is an indicator that the property is underutilized.

Block	Lot	Land Value	Improvements	Total	Ratio
303	4	\$ 2,024,000.00	\$2,366,700.00	\$ 4,390,700.00	1:1.17

Conclusion

This preliminary investigation reveals several key findings that indicate and verify that the proposed Sunset Avenue Redevelopment Area meets the statutory criteria found in N.J.R.A. 40A:12A-5 of the Local Redevelopment Housing Law.

The Sunset Avenue Redevelopment Area property meets the statutory “D” and “E” criterion. The “D” criteria includes the following criteria: faulty arrangement or design, lack of ventilation and light, excessive land coverage, obsolete layout or any combination of these and other factors.

The “E” criteria includes a total lack of or, a growing lack, of property utilization of the parcels due to diverse ownerships or other conditions that retard the proper utilization of the land.

None of the structures within the proposed area meet the “A” criteria which is used when buildings are substandard, unsafe, unsanitary, dilapidated or obsolescent or process characteristics that can be conducive to unwholesome living or working conditions.

The proposed designation of the Sunset Avenue Redevelopment Area would benefit from redevelopment area designation and initiate a public planning process that would allow for the creation of a redevelopment plan for the area that can allow for creative design of the subject properties land uses that would be compatible with the surrounding development.

Recommendation

Based on the findings of this preliminary investigation, the recommendation to the Verona Planning Board is to forward these findings and recommendations to the Municipal Council. The property within the proposed area clearly meet the statutory criteria needed to establish a redevelopment area. If the area is formally designated, the Council should authorize a process by which the Planning Board, the public and professionals establish a redevelopment plan for the area. A resolution will be needed authorizing the Verona Planning Board to develop such a plan.