

# DOWNTOWN REDEVELOPMENT PLAN QUESTIONS & ANSWERS

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Building on the 2019 Master Plan update and years of careful planning, the Borough formally kicked off an effort in October 2020 to create a Redevelopment Plan for four tracts in downtown Highland Park. The following are answers to some of the common questions we've received about this process. The Mayor and Borough Council value all of the input received from the public and are working now to incorporate it, as appropriate, into the draft Redevelopment Plan that will be shared in the coming weeks.

#### Q1: What is redevelopment?

A: Redevelopment is a legal process undertaken by a municipality in accordance with the Local Redevelopment and Housing Law, *N.J.S.A.* 40A:12A-1 *et seq.* This law provides tools for municipalities to revitalize, restore and improve areas that are underutilized or stagnant.

#### Q2: What is a Redevelopment Plan?

A: A Redevelopment Plan articulates a vision for development and establishes new zoning standards for a particular area of a municipality. The Redevelopment Plan establishes the permitted uses and bulk standards that must be met when the property is redeveloped. Prior to adopting a Redevelopment Plan, the properties included in the Plan must first be formally designated by the governing body as an area in need of redevelopment or an area in need of rehabilitation.

The downtown redevelopment planning effort that is underway in Highland Park (kicked off in 2020) focuses on four different tracts along Raritan Avenue. You can find the specific locations for each tract by clicking **this link**. Several of these properties were designated as an area in need of redevelopment in 2005, prior to the adoption of the 2005 Downtown Redevelopment Plan. In 2016, the Borough Council adopted Ordinance No. 16-1921, designating the entire Borough as an area in need of rehabilitation.

#### Q3: How is a Redevelopment Plan adopted?

A: Once the Redevelopment Plan is finalized, it must be approved by the governing body in the form of an ordinance. Like all other ordinances, there is a meeting to introduce the ordinance and then another meeting for the formal public hearing and vote for adoption. In between those meetings or prior to introduction of the ordinance, the Redevelopment Plan will be referred to the Planning Board for review and comment, including to

determine if it is consistent with, or will effectuate, the <u>Master Plan</u>. The Borough Council may accept or reject some or all of the Planning Board's comments.

#### Q4: What is the role of the public in creating a Redevelopment Plan?

A: In many towns, a Redevelopment Plan is fully drafted by elected officials and professional staff and then introduced to the public for comment. In Highland Park, the governing body added an additional layer of public engagement into the process prior to drafting the Plan.

On September 1, 2020, the Borough Council authorized the Borough Planner to prepare a Redevelopment Plan for four tracts in the downtown in accordance with the Local Redevelopment and Housing Law. To kick-off that effort, the Borough held a series of stakeholder meetings in October 2020 with residents and businesses in close proximity to the proposed redevelopment sites. At these meetings, a series of visualizations and redevelopment concepts were presented by the Borough Planner to stimulate discussion and solicit feedback during the question and answer session that followed. On November 17, 2020, the Borough held another public information session at the regularly scheduled Council Redevelopment Entity meeting. In total, more than 150 people attended these virtual meetings.

Members of the public and concerned stakeholders can also submit their questions, comments and concerns directly to the Mayor, Council, Borough Administrator and Redevelopment Director, and Borough professionals via email.

In addition, Borough professionals have held a number of meetings with owners of property within/adjacent/near areas covered by the Redevelopment Plan. This stakeholder outreach is ongoing and will be incorporated into the Plan.

Once drafted, the Redevelopment Plan will be presented at a Borough Council Redevelopment Entity Meeting. Following that meeting, the Plan will be finalized and scheduled for introduction at a regular meeting of Borough Council, at which time it will be referred to the Planning Board for Master Plan consistency review. Prior to introduction, the Plan will be posted on the Borough's website and hard copies will be made available for in-person review (by appointment) in Borough Hall. Following that, the Redevelopment Plan will be scheduled for a public hearing and vote. Each of these meetings are open to the public and have opportunity for public comment.

The specific dates for these meetings depend on when a draft Redevelopment Plan document is completed by the Borough professionals. However, it will likely be April of 2021 before these meetings can be held and a Redevelopment Plan can be adopted by Borough Council.

#### Q5: How has public comment and input impacted the planning process so far?

With the input from the significant and substantial public comment process in hand, the Borough professionals are now in the process of drafting the Redevelopment Plan. This process is ongoing and extensive and as of March 2, 2021 it is not finished. However, we can report that the next iteration of the Redevelopment Plan will include a number of changes, all based on public feedback. These include:

- Provisions for flexible phasing and sequencing of individual projects within the various tracts.
- A commitment to creating a more permanent public space on 3<sup>rd</sup> Avenue which will provide additional certainty that the public space needs of the community can be met.
- Additional flexibility within the Redevelopment Plan language that will allow for on-site parking options as well as parking off-site in a proposed garage.

There will be at least four additional opportunities for the public to comment on the Redevelopment Plan(s) before adoption. These include:

- During the public comment period of a Council Redevelopment Entity Meeting.
- During the public comment period of a regularly scheduled Borough Council meeting where the Redevelopment Plan ordinance will be introduced.
- During the review of the Redevelopment Plan by the Highland Park Planning Board.
- During a second Borough Council meeting where the Council will hold a public hearing and vote on the Redevelopment Plan ordinance.

The public is also invited to submit comment via email to Borough Administrator and Redevelopment Director, Teri Jover, at <u>tjover@hpboro.com</u>.

#### Q6: What uses will be permitted under the Highland Park Downtown Redevelopment Plan?

A: Highland Park's downtown redevelopment planning effort is primarily focused on having more people living downtown in mixed-use, residential buildings. On the ground-level, we want to activate the street with non-residential spaces; however, care will be taken not to saturate Raritan Avenue with too much retail. The Redevelopment Plan may also allow for things like a small, boutique hotel. In addition, it is anticipated that the Redevelopment Plan will allow for the possibility of constructing a parking garage (Tract D) to provide off-site parking to serve the needs of the new apartment buildings and businesses. The Redevelopment Plan will also call for the creation of a public space on Third Avenue.

#### Q7: How does the Redevelopment Plan change what is currently along Raritan Ave?

Under the 2005 Downtown Redevelopment Plan, buildings can be up to four (4) stories high with a step-back along Raritan Avenue. Under the existing zoning, that allowable height is three (3) stories.

The new Redevelopment Plan is contemplating up to as many as five (5) stories on Raritan Avenue in key locations. It is impossible to know how many buildings will be at this height at this stage in the process. This is because no specific plans from developers are part of this Redevelopment Plan. The plan simply provides the zoning framework for what could be permissible. The redevelopment plan allows for the possibility of a parking garage off of No. Third Ave on what is currently surface parking. Once again, the size of the parking structure could range from 3 to 5 stories depending on the demand and cost factors.

#### Q8: Who will redevelop the various sites under the Redevelopment Plan?

A: At this time, there is no designated redeveloper for Tracts A, C and D. In the future it is possible that the owners of property within a redevelopment area, or someone who negotiates to acquire a property, will become the redeveloper of one or more properties within the redevelopment area.

# Q9: Ubry's auto repair shop has a sign up on the building that says "Please Don't Take Our Business!" Is the Borough seeking to condemn his property as part of the Redevelopment Plan?

A: No, the Borough does not have the power to condemn this property for redevelopment. The Borough has offered to purchase Mr. Ubry's property; however, he has indicated to us that he is not interested in selling at this time. We respect his decision and wish him well. We have also let him know if he ever changes his mind he should reach out to the Borough. Recognizing such property is not for sale we are focused on acquiring and redeveloping adjacent parcels.

#### Q10: How will the affordable housing set-aside in the Redevelopment Plan be determined?

A: Highland Park is committed to meeting all of our affordable housing obligations. Any new residential development will include affordable housing units. Per our ordinance, any new residential development must include at least 15% affordable units if they are rentals and 20% affordable if they are for sale. How many units in total is ultimately determined by the size of the various developments. Click here to learn more about our affordable housing plan.

#### Q11: Won't this Redevelopment Plan increase the population density of Highland Park?

A: Yes, there will be more people living on Raritan Avenue if everything goes according to plan. More people who will shop at stores downtown and more people who will eat at restaurants on the Avenue. However, until we have actual proposals and signed developer agreements, we will not know how many apartments or people will be moving to downtown as a result of the Redevelopment Plan.

### Q12: Why does the Redevelopment Plan include the possibility for a parking garage in downtown?

A: The overriding goal of this Plan is to bring more people to live, work and shop along Raritan Avenue. One way of doing that is to centralize parking in one location. Hypothetically, with off-site parking opportunities, a new residential development could have 100 units versus only 50 units if it also has to have room for adequate on-site parking. Centralized parking means more downtown residents who will shop and eat downtown, which means less vacant or underutilized buildings downtown.

#### Q13: How much will this parking garage cost to build and maintain?

A: It is too early in the process to know that with any certainty. However, the goal of the Redevelopment Plan is to have future redevelopers contribute to the construction costs

and pay most of the costs of operating the downtown garage, since it will primarily be their residents using it.

## Q14: How will the Redevelopment Plan impact existing businesses, property values, and long-term leases of property in the redevelopment area?

A: Upon adoption, the Redevelopment Plan would not have an immediate impact on existing businesses, which will continue operating normally. It is, however, hoped that some property owners who are not part of the Redevelopment Plan will be interested in joining the redevelopment effort. The Borough of Highland Park is interested and ready to discuss any and all options with existing businesses and property owners. Business owners, property owners, and landlords/tenants within the redevelopment area are encouraged to discuss more specific questions with their real estate and legal professionals. Please contact Teri Jover, Borough Administrator and Redevelopment Director, at tjover@hpboro.com if you have any questions or want to get a conversation started. Our long-term expectation is that the redevelopment process will revitalize our business district and by extension increase property values along Raritan Avenue and throughout the Borough.

#### Q15: How will the Redevelopment Plan impact schools and municipal services?

A: It is too early in the process to know with any certainty, but the goal is to have a net positive fiscal impact on the Borough. The Borough communicates regularly with the Highland Park Board of Education and Superintendent and will continue to do so as we make decisions that may impact school enrollment. Of course, any impact on municipal services will be studied and addressed in the future when an actual project is proposed.

# Q16: Does the Redevelopment Plan include sustainability, resiliency or renewable energy requirements?

A: Generally, many developers are moving in the direction of sustainability in terms of systems and materials, and the Redevelopment Plan will encourage sustainability and renewable energy measures. Such measures might include, but are not limited to, sustainable/green design, green landscape elements, open space, or mechanisms to mitigate flooding and manage stormwater, electric vehicle charging stations and bicycle storage options. Further, the broad goal of increasing downtown density with a shared/common parking structure is by itself more environmentally sustainable than traditional residential development options. Specific standards and requirements relating to all of the above will be negotiated in more detail when a project is proposed and would be memorialized in a Redevelopment Agreement.

# Q17: Why doesn't the Redevelopment Plan include statistical and visual comparisons to developments in other central New Jersey towns?

A: This information is rarely included in a Redevelopment Plan particularly, as in this case, where there is no currently proposed project.

# Q18: Why doesn't the Redevelopment Plan analyze financial impacts on taxpayers, including the effect that it might have on the need for additional police, DPW, fire equipment, teachers?

A: The Borough will undertake a detailed fiscal analysis of any proposed project and its impact on municipal services and schools when one is proposed. At this time, the Borough is unable to predict the mixture of uses, density, unit count, height, or other aspects of a project that a prospective redeveloper may propose. To undertake these analyses at this stage would require a high degree of conjecture and may not be informative when considering a project in the future. In short, it would be a waste of taxpayer funds to conduct a fiscal analysis on a hypothetical outline of a potential project or projects. Once an actual project is proposed that meets the broad framework outlined in an adopted Redevelopment Plan this type of fiscal analysis will be conducted.

#### Q19: Why doesn't the Redevelopment Plan address traffic implications?

A: It is difficult to ascertain traffic impacts until proposed projects emerge and whether or not there is a centralized parking facility as part of the mix. One benefit of centralized parking experienced by other downtowns is additional foot traffic passing by downtown shops and restaurants by residents walking to and from parking. This will also attract younger and empty-nester residents who are less auto-oriented in their daily lives and desire a "live-walk-work/learn-shop" lifestyle which is already an attraction for many Borough residents. Remote parking may help allow downtown housing to be attractive to transit riders if planned in conjunction with launching a shuttle service to downtown New Brunswick, something the Borough has long envisioned (and an element of the sustainable transportation strategies identified by the Master Plan).

#### Q20: Why doesn't the Redevelopment Plan address the impact of PILOT payments?

A: A "PILOT" is a "payment in lieu of taxes," which is a payment made by a redeveloper who has been granted a long-term tax exemption pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. In order to obtain a PILOT, a prospective redeveloper must submit an application for an exemption, meet all legal requirements to qualify for a PILOT, and enter into a financial agreement approved by ordinance of the Borough. In considering whether to approve the exemption, the Borough would undertake an analysis of the impact of PILOTs, including but not limited to the impact on the school district, but the analysis would only occur once an actual project is proposed. The amount and impact of a PILOT would depend on many factors, including but not limited to proposed uses, density, unit count, and method of calculation. The maximum amount of time a redeveloper may receive a PILOT is thirty (30) years.

Because we are so early in the process and there is no actual development proposed under the Redevelopment Plan any discussion of a PILOT agreement is premature.

#### Q21: Can the Redevelopment Plan be changed after it is adopted?

A: Yes. The process to amend the Redevelopment Plan is the same as for adopting it. Redevelopment Plans are routinely amended over time.

#### Q22: What happens after a Redevelopment Plan is adopted?

A: Honestly, nothing will happen immediately after the Redevelopment Plan is adopted. This is because the adoption of the Redevelopment Plan is actually the very beginning of a very long process of working with the development community and Highland Park community to craft specific development projects that meet the criteria outlined in the development plan.

It could be at least 18 months to two years after the Redevelopment Plan is adopted before anything actually happens in the redevelopment areas.

That being said, there is a series of steps and processes the Borough will follow once a Redevelopment Plan is adopted. First, the adopted Redevelopment Plan will be shared with the development community, primarily through presentations by professional staff. It is possible that the Borough will prepare a "Request for Proposals" or RFP, seeking a redeveloper with a proven track record who would be in charge of developing one or more of the sites that are owned by the Borough. All of the competing bids would need to fit within the broad framework laid out in the Redevelopment Plan. At the same time, negotiations with existing property owners or contract purchasers of sites not owned by the Borough could commence.

Eventually, a developer (or several developers) will be asked to prepare detailed and specific plans to redevelop these areas. This is when we will determine how many units, what type of units, where they are located, whether they will provide parking, how much retail space is proposed, how much they might contribute to paying for a parking garage, how many affordable housing units will be included and host of other details.

The RFP process and direct negotiations with property owners or contract purchasers will have a significant public input component and ultimately will result in one or more Redevelopment Agreements between the Borough and private developers.

# Q23: Will the public have an opportunity to express their opinions about the Redevelopment Agreement or a proposed project?

A: Yes, the public will have opportunities to ask questions and express their opinions about a Redevelopment Agreement to the Borough Council who must approve a Redevelopment Agreement by resolution. Further, because all redevelopers within the site will be required to obtain site plan approval for a proposed project, the public will have future opportunity to voice their support or concerns before the Planning Board. In the event that a prospective redeveloper requests any change to the uses permitted in the redevelopment area, any deviation from conditional uses or any change which would otherwise be a "d" variance under the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., the deviation would be permitted only by means of an amendment of the Redevelopment Plan approved by ordinance of the Borough Council. Accordingly, the Borough has more

control and more opportunities to solicit feedback from the public under the redevelopment process compared to traditional zoning.

## Q24: Isn't it possible that a developer can make a proposal that meets the framework of the Redevelopment Plan and force the Borough to accept it?

A: While it is true that this has happened in other municipalities, that can't happen under the current situation in Highland Park. This is for two reasons. First, the Borough owns two of the lots under consideration. Because of this no developer can force the Borough to sell them property owned by the Borough. This is one of the reasons the Borough council set aside money for the purchase of property. As an owner, the Borough has even more control over what gets built than it does through its zoning powers. Second, because the areas under consideration are included in a Redevelopment Plan and will require a Redevelopment Agreement the Borough has more control, tools and legal protections to ensure that developers implement the adopted plan.

#### Q25: How is a Redevelopment Agreement adopted?

A: A Redevelopment Agreement is negotiated between the Borough and a redeveloper with a proposed project for the site. During negotiation, the Borough will analyze every facet of the project, including but not limited to project details, concept plans, parking and traffic impacts and financial impacts. After the conclusion of negotiation, the Borough Council will be presented with the final, negotiated agreement for review and approval. The Redevelopment Agreement must be approved by a resolution adopted by Borough Council. That means that there will be several opportunities for the public to comment on the redevelopment agreement. A signed Redevelopment Agreement would be required prior to redeveloper's submission of a site plan application to the Planning Board. The process with the Planning Board also requires public comment and public hearings be held.

Projects pursuant to the Redevelopment Plan may be considered over many years. During that time, Borough may enter into several Redevelopment Agreements with different redevelopers relating to portions of the redevelopment area. The process of community input outlined above would be undertaken for all Redevelopment Agreements.

# Q26: What is the Planning Board's role in approving a project within the redevelopment area?

A: The Planning Board is responsible for reviewing the Redevelopment Plan to ensure that it is consistent with, or will effectuate, the Master Plan. The Planning Board also reviews the engineering, architectural and landscape and lighting plans (among others) and ultimately issues final site plan approval for all projects.

#### Q27: How long will this process take?

A: As noted above, the final adoption of a Redevelopment Plan is still at least two months away. Then the process of bringing the plan to the development community, a potential RFP process, reviewing and analyzing potential bids, negotiating with developers, conducting parking studies, traffic studies, school impact studies, environmental studies

and engineering studies, will at an absolute minimum take 18 months to two years before any shovel hits the ground. It is of course possible that this process will take significantly longer.