BOROUGH OF PENNINGTON RESOLUTION 2025-5.7

RESOLUTION ACCEPTING PLANNING BOARD RECOMMENDATION TO DESIGNATE THE AREA IN THE BOROUGH KNOWN AS BLOCK 201, LOTS 6 AND 7 ON THE BOROUGH TAX MAP AN AREA IN NEED OF REDEVELOPMENT, IN ACCORDANCE WITH THE NEW JERSEY LOCAL REDEVELOPMENT AND HOUSING LAW, N.J.S.A. 40A:12A-1, ET SEO.

WHEREAS, by Resolution 2024-8.6, pursuant to the provisions of the New Jersey Local Redevelopment and Housing Law, *N.J.S.A.* 40A:12A-1, *et seq.*, Borough Council of the Borough of Pennington directed the Planning Board to conduct a preliminary investigation to determine whether the area of the Borough known as Block 201, Lots 6 and 7 on the Borough Tax Map (hereafter "Study Area") constituted a non-condemnation area in need of redevelopment, in accordance with the criteria set forth in *N.J.S.A.* 40A:12A-5 and further in compliance with the procedural requirements contained in *N.J.S.A.* 40A:12A-6;

WHEREAS, the Planning Board has conducted such investigation in compliance with *N.J.S.A.* 40A:12A-6, in that:

- 1. It commissioned a study and report by the Borough's Planning Consultants Kyle McManus Associates entitled "Preliminary Investigation Block 201, Lots 6 and 7," dated September 20, 2024 (hereafter "Kyle McManus Report") to assist the Board in assessing whether the Study Area or any part of it meets one or more of the criteria for designation as an area in need of redevelopment pursuant to *N.J.S.A.* 40A:12A-5.
- 2. The Kyle McManus Report presented a map showing the boundaries of the potential area in need of redevelopment and locations of the various parcels of property included therein, with a statement appended to the map setting forth the basis for the investigation.
- 3. The Board conducted a public hearing on October 9, 2024 for the purpose of hearing persons who are interested in or would be affected by the determination that the delineated Study Area or part thereof is an area in need of redevelopment, gave notice of the hearing in accordance with *N.J.S.A.* 40A:12A-6(b)(3), and conducted a hearing on the specified date at which James T. Kyle, PP, AICP (Licensed NJ Professional Planner Number 05667) presented the Kyle McManus Report in detail. There were no objections from the public to designation of the Study Area as a noncondemnation area in need of redevelopment and the Board approved a recommendation of that designation to Borough Council
- 4. On November 13, 2024, the Board adopted a resolution of memorialization recommending designation of the Property as a redevelopment area ("Resolution of Memorialization Borough of Pennington Planning Board Resolution Following a Preliminary Investigation Recommending that Block 201, Lots 6 and 7 on the Pennington Borough Tax Map be Declared an Area in Need of Redevelopment").

WHEREAS, copies of the Kyle McManus Report and the Planning Board's Resolution of Memorialization are attached to this Resolution and incorporated herein by reference;

NOW, THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Pennington, that in accordance with the analysis contained in the Kyle McManus Report and its approval by the Planning Board as set forth in its Resolution of Memorialization, Borough Council makes the following findings drawn from the Report (with references to relevant pages):

- F1. The Property, designated Block 201, Lots 6 and 7 on the Borough Tax map, consists of approximately 2.8 acres located on the northwest corner of the intersection of Route 31 and West Delaware Avenue, as depicted in the aerial photograph at Figure 1 (p6) of the Kyle McManus Report. The photograph details the location of the parcels studied, with the block and lot designations of those parcels and the lots surrounding them labeled for reference. (p5)
- F.2 Lot 6 presently contains a two-story brick office building with bank drive through, parking areas and a detention basin while Lot 7 is vacant and wooded and contains drainage features. (p7)
- F.3. Data available from the NJDEP shows there are no wetlands on the property, however a tributary to the Lewis Brook flows roughly east to west through Lot 6. Since FEMA has not studied the Lewis Brook and established a floodway and 100 year flood elevation, more detailed engineering study will be required to establish the regulated areas. There are no known contaminated sites documented by NJDEP in the study area. (p7)
- F.4. The area surrounding the Study Area contains Hopewell Valley Central High School and the library to the west, the Global Neurosciences Institute and medical office to the north, a gas station and other commercial uses to the east and commercial uses to the south across West Delaware Avenue. (p7)
- F.5. The Property under study is located in the O-B Office Business District. Permitted primary uses include executive or administrative, general business and professional offices, technical training centers, childcare centers and educational uses. (p7)
- F-6. The Borough will not seek to condemn any privately-owned properties in connection with any development of the Study Area. (p8)
- F-7. A delineated area may be determined to be in need of redevelopment if, after investigation, notice and hearing as provided in *N.J.S.A.* 40A:12A-6, conditions specified in *N.J.S.A.* 40A:12A-5.b are found:

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

The Kyle McManus Report has determined, through conversations with the owner, that the majority of the building currently on Lot 6 has been vacant for two years, despite extensive efforts by the owner to market the property. The Report further details that at the time of the report, Mercer County had an office vacancy rate of 24.7% in the second quarter of 2024, up from 19.6% for the third quarter of 2023, a trend that does not bode well for successfully leasing the building for office use. As extended vacancy of the building for a period of two years has been demonstrated, Criterion B is met. (p9)

- F-8. *N.J.S.A.* 40A:12A-3, defines a "redevelopment area" or "area in need of redevelopment" as follows: "A redevelopment area may include lands, buildings, or improvements which of themselves are not detrimental to the public health, safety or welfare, but the inclusion of which is found necessary, with or without change in their condition, for the effective redevelopment of the area of which they are a part." While Lot 7 on its own has little utility for development of any use, its inclusion can facilitate the most effective redevelopment of Lot 6, as it can contribute valuable land area for parking or stormwater management facilities and should therefore be included in the designated redevelopment area. (p10)
- F-9. The recommended boundaries for this proposed "Route 31 and Delaware Redevelopment Area" are shown in Figure 2 at page 11 of the Kyle McManus Report.

F-10. Based on the above findings, and the site inspection, data review, analysis and conclusions described in the Kyle McManus Report, Borough Council accepts the recommendation of the Planning Board to designate Block 201, Lots 6 and 7, in their entirety, a Non-Condemnation Area in Need of Redevelopment under the New Jersey Local Redevelopment and Housing Law.

BE IT FURTHER RESOLVED that the Borough Administrator and Borough Clerk are hereby directed as follows:

- the Borough Clerk shall forward for review and approval, no later than 10 days after adoption, a certified copy of this Resolution to the Commissioner of Community Affairs, which must be approved or disapproved by the Commissioner within 30 days or same shall be deemed approved;
- 2. the Borough Clerk shall issue within 10 days, on behalf of Borough Council, a notice of determination to any property owners within the delineated area and any person who filed a written objection and specified an address to which a notice of determination must be sent,
- 3. the Borough Administrator, in consultation with the Borough Planning Consultant, shall prepare and advertise a request for proposals seeking responses from qualified developers that shall include conceptual plans for redevelopment of the redevelopment area.

Record of Council Vote on Passage

COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.
Angarone					Marciante				
Chandler					Stern				
Rubenstein					Valenza				

This is to certify that the foregoing is a true copy of a Resolution adopted by the Borough Council of the Borough of Pennington at a meeting on <u>March 5, 2025.</u>
Elizabeth Sterling, Borough Clerk