# 2018 AMENDMENT TO THE 2016 MASTER PLAN REEXAMINATION REPORT

## **BOROUGH OF LEBANON**

Hunterdon County, New Jersey



# BOROUGH OF LEBANON PLANNING/BOARD OF ADJUSTMENT BOARD

### MARCH 2018

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

Prepared by:

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License No. 6114

# BOROUGH OF LEBANON 2018 AMENDMENT TO THE 2016 MASTER PLAN REEXAMINATION REPORT

### Borough of Lebanon Planning Board

Alex Saharic, Chairman Chris Uchrin, Vice-Chairman Michael Reino, Class I Joe Hauck, Class II Sam Berger, Class III Henry Hopkins, Class IV Ronald Lapczyski, Class IV David Abeles, Class IV William Skene, Class IV William Willson, Alternate #1 James Newman, Alternate #2

Jonathan Drill, Board Attorney Bob Brightly, Board Engineer

ADOPTED MAY 8, 2018 VIA RESOLUTION NO. 2018-03

#### Preface

The 2016 Master Plan Reexamination Report was adopted on July 12, 2016. In the past two years several planning-related opportunities as well as a few new planning issues have occurred that trigger the need to amend the 2016 Master Plan Reexamination Report ("2016 Reexamination"). This document serves to amend the 2016 Reexamination to set the stage to perform the necessary planning documents and zoning amendments to advance the Borough's land use goals, policies and objectives.

#### **Master Plan Amendments**

"Introduction" – no change.

Chapter 1 "Major Land Development Problems & Objectives" - no change.

Chapter 2 "Extent of Reduction/Increase in Problems & Objectives" - no change.

Chapter 3 "Significant Changes in Assumptions, Policies, Objectives"

There have been three significant changes that have occurred since the adoption of the 2016 Reexamination. Each is discussed below.

The first policy change was noted in the 2016 Reexamination – the Borough's desire to study and potentially received a Highlands Center Designation. Following the adoption of the 2016 Reexamination, the Borough received a grant from the Highlands Council to complete a Center Designation Feasibility Study. On August 24, 2017 the Borough Council approved the Highlands Center Designation Feasibility Study via Resolution #123-2017 and authorized its submission to the Highlands Council. The Council requested that the Highlands Council amend the Borough's Petition for Plan Conformance to include Center Designation as outlined in the Study.

The report identifies 83.6% of the Borough (see map on page 7) as a potential Highlands Center. The Highlands Council reviewed the Borough's request for Center Designation on March 15, 2018 and approved the designation via Resolution 2018-1. (The governor's veto period concludes on April 10, 2018.) The Highlands Center Designation also provides additional grant funding to advance center planning. This includes funding for redevelopment area planning, sustainable economic development planning, a center plan and implementing ordinances for the center, which totals just shy of \$100,000 spread over three years (2018 through 2020).

The second change has been a statistical change, which requires amendments to the Borough's land use policies. Since the adoption of the 2016 Reexamination the Borough has noticed an increase in the number of vacancies along the Route 22 corridor. There are several vacant retail spaces and the amount of vacant office space has increased significantly during the past two years. The Borough has several non-residential buildings that are 100% empty and partially empty. Currently, the 200

Corporate Drive office building is entirely empty. The 100 Corporate Drive office building is 50% empty and the Merck Building (600 Corporate Drive) is also entirely empty. This translates into a complete erosion of the Borough's corporate office sector, which has been concentrated along Corporate Drive. Due to these changes, the Borough believes a dramatic corrective course is required and has decided to pursue an Area in Need of Redevelopment study for the Corporate Drive area (see map on page 8 outlining the study area). The Study Area would include the following block and lots:

Block 4, Lots 1.01, 1.02, 1.03, 1.04, 1.05, 2, 5, 7, 8 and 9

The objective is to study the parcels to determine if they meet the statuary criteria and after designation create a Redevelopment Plan that breathes new life into these parcels. It is likely that a Redevelopment Plan will call for a mixture of uses to diversify the study area and better capitalize on the Route 22 frontage.

The third change occurred in the assumptions. The Borough filed a Declaratory Judgment Action ("DJA") in 2015 as a result of the March 10, 2015 Supreme Court decision, which reverted the powers of COAH back to the courts and directed towns to voluntarily file DJAs to receive immunity from builders' remedy lawsuits. Lebanon has been awaiting Judge Miller to make a decision regarding the fair share obligations. However, in June of 2016 Lanwin Holdings, LLC ("Lanwin") filed an order seeking to intervene in the Borough's DJA. Judge Miller granted the intervention on June 29, 2016. Lanwin owned two parcels within the Borough – Block 4, Lots 1.03 and 1.04, which are vacant and located to the north of Corporate Drive.

The Borough mediated with Lanwin several times in 2016 and 2017. In February of 2018 the Borough was notified that Lanwin was in the process of selling the properties to a new developer. The Borough met with the contract purchaser on February 28, 2018.

It has become apparent over the past two years that the current zoning of the two lots (COM-ROM 200,000) is limited. The principal permitted uses in the zone are as follows:

- Offices for business, professional, executive or administrative purposes
- Research offices
- Research and scientific laboratories
- Process of manufacturing, fabrication, treatment or conversion of products
- Industrial and commercial warehouses and wholesale distribution centers
- Retail store
- Theater

The Borough believes that the Redevelopment Plan should include a variety of uses. However, it does not want to encourage the construction of housing that contains children on the north side of Route 22 because the Borough is a walking district, which would require school children to cross the very busy and dangerous highway. One land use the Borough has discussed and is excited to further evaluate is senior living, specifically assisted living, memory care and independent living. The County has limited

facilities for seniors and the Borough believes that the Study Area would be an ideal location for one of these types of facilities.

#### Chapter 4 "Specific Recommended Changes to the Master Plan"

As the Borough has received Center Designation from the Highlands several new planning initiatives will be funded over the next three years. This will enable the Borough to prepare an Area in Need of Redevelopment Study and Redevelopment Plan for the study area along Corporate Drive, prepare a Sustainable Economic Development Plan and prepare a Center Master Plan.

The Master Plan should recognize the Borough's desire to create a potential Area in Need of Redevelopment and subsequent Redevelopment Plan, that will introduce new uses to the study area, that may include senior living options.

The Master Plan should also recognize the Borough's concern with regard to the number of non-residential vacancies. Due to the proliferation of vacant spaces the Borough wishes to be proactive and analyze the Route 22 corridor as well as the Main Street commercial zoning to expand the list of permitted uses, which are very narrow as described in Chapter 5. It is likely that the Borough will consider permitting mixed-use inclusionary residential development on the south side of Route 22 and potentially along Main Street. This would introduce a use not previously contemplated by the Borough.

#### Chapter 5 "Specific Recommended Changes to Development Regulations"

If the Borough is able to designate the study area along Corporate Drive as an Area in Need of Redevelopment, a Redevelopment Plan will be prepared that guides the land use goals and regulations within that study area. As noted above in Chapter 3, the Borough envisions that the Redevelopment Plan will call for a mixture of uses to diversify the land uses within the study area and better capitalize on the Route 22 street frontage.

As noted in Chapter 3, the Borough has an intervenor in its DJA. The two parcels that are the subject of the intervention are in the proposed redevelopment study area. As indicated above, Lebanon believes that the Redevelopment Plan should include a variety of uses. However, it does not want to encourage the construction of housing that contains children on the north side of Route 22 because the Borough is a walking district, which would require school children to cross the very busy and dangerous highway. One land use the Borough has discussed and is excited to further evaluate for these two properties is senior living, specifically assisted living, memory care and independent living. The County has limited facilities for seniors and the Borough believes that the study area would be an ideal location for one of these types of facilities.

The major recommendation to development regulations arises from the number of vacancies along Route 22. As a result, the Borough believes it needs to amend the zoning, which is COM-ROM 100,000 on the south side of Route 22 and the zoning west of Cokesbury Road on the north side of Route 22, which is COM-ROM 200,000. Both zones permit almost the same principal uses, which are limited. The Borough believes the list of permitted uses needs to be expanded to permit uses that will complement the corridor and capitalize on the passerby traffic. Additionally, the minimum lot size of 100,000 and 200,000 needs to be reevaluated, as there are many small parcels in both zones that fail to meet the minimum lot size. Additionally, both zones permit four stories and 55 feet of height. This was likely adopted to encourage office construction; however, Lebanon's historic architecture and character is not a four-story town. The number of permitted stories and height should be reevaluated and reconsidered as the permitted uses are expanded and defined.

One specific use the Borough wishes to pursue is mixed-use development that permits a variety of commercial uses on the first floor and multi-family inclusionary residential development on the upper floor(s). The Borough however, would only want to permit this on the south side of Route 22 (COM-ROM 100,000) due to the walking school district concerns. This should be a conditional use that requires a minimum lot size of at least 2.5 acres and includes other conditions, such as coverage, height, parking, etc. to ensure the development will blend with the corridor.

Finally, the Borough believes the permitted uses along Main Street, which is zoned C-LB, also need to be evaluated as they are severely limited in options. The zone only permits retail shops, offices, public utilities, municipal uses and parking facilities.

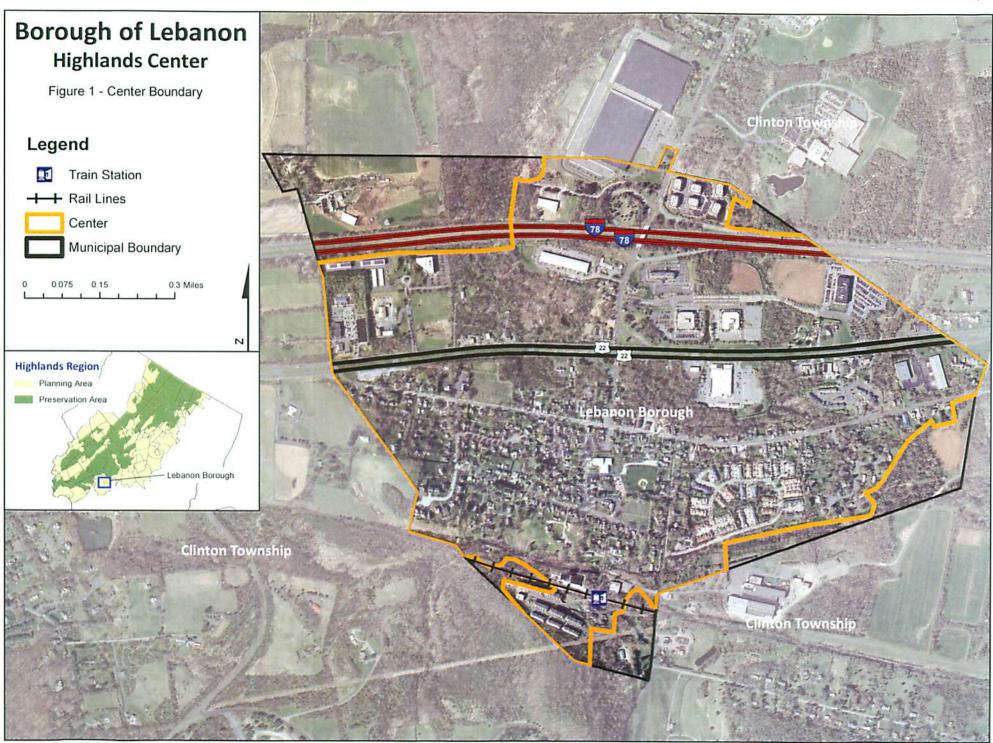
The code fails to permit restaurants (which exist currently), service establishments (such as salons, dry cleaners, barbers, etc.), instructional uses (dance studio, karate, pilates, etc.), etc. In order to strengthen Main Street, the Borough believes that the permitted uses need to be reevaluated and expanded to ensure that if and when buildings become available there are a suitable number of use options to ensure their re-occupancy and ultimate success within the Borough.

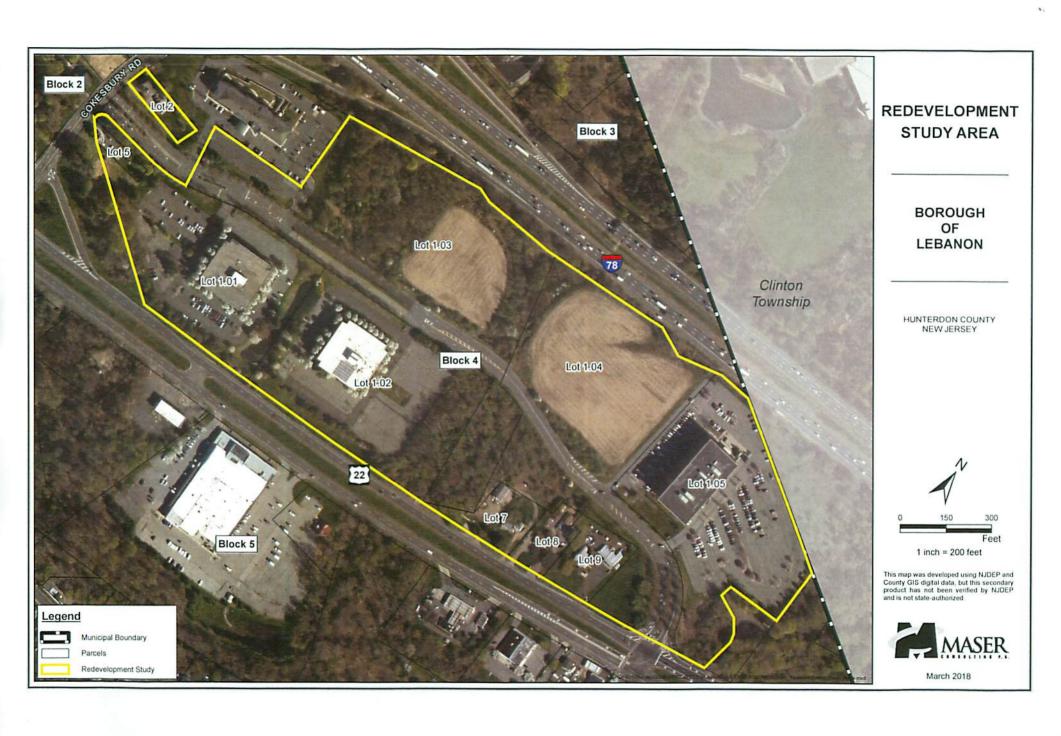
#### Chapter 6 "Changes Recommended for Incorporation of Redevelopment Plans"

Chapter 6 is hereby amended to consider a redevelopment designation (or a rehabilitation designation if the sites cannot be qualified under the redevelopment criteria) and a Redevelopment Plan for Block 4 Lots 1.01, 1.02, 1.03, 1.04, 1.05, 2, 5, 7, 8 and 9, which are shown on the attached map. The Planning Board seeks to encourage private redevelopment within this area by leveraging the available tools under the Local Redevelopment and Housing Law, P.L. 11992, c.79 (C.40A:12A-1 et al.).

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 $^{\rm 1}$  COM-ROM 200,000 permits retail shops and theaters, but COM-ROM 100,000 does not.







### LEBANON BOROUGH PLANNING BOARD BOARD OF ADJUSTMENT

Tuesday, May 8, 2018 7 pm

- 1. Open Meeting
- 2. Open Public Meetings Act

This Meeting has been convened in compliance with the Open Public Meetings Act. Three local newspapers were notified, and a notice has been posted at Borough Hall.

- 3. Pledge of Allegiance:
- 4. Roll Call:
- 5. Minute Approval: Meeting of February 2018
- 6. Expenditure Approval: April 2018
- 7. Master Plan Reexamination
  Open Public Session
  Resolution LBPB 2018-03 Master Plan Reexamination
- 8. Marden Realty LLC. Block 2 Lot 9 Site Plan
- 9. Miscellaneous:
- 10. Public Comment:
- 11. Adjournment:



# RESOLUTION ADOPTING THE 2018 AMENDMENT TO THE 2016 REEXAMINATION REPORT

#### **RESOLUTION 2018-03**

WHEREAS, N.J.S.A. 40:55D-89 requires that the Borough of Lebanon ("Lebanon") Planning Board (the "Planning Board") reexamine the Lebanon master plan and development regulations at least once every 10 years from the previous reexamination and that the Planning Board prepare and adopt by resolution a report on the findings of such reexamination;

WHEREAS, the Planning Board previously adopted a 2016 Reexamination Report;

WHEREAS, the Planning Board directed its planning expert Darlene Green PP, AICP, to prepare a draft 2018 Amendment to the 2016 Reexamination Report, which draft report was thereafter distributed to all members of the Planning Board and the draft report was thereafter revised and put into final form as the proposed 2018 Amendment to the 2016 Reexamination Report (the "2018 Reexamination Amendment"), and a public hearing was scheduled on the adoption of the 2018 Reexamination Amendment for May 8, 2018;

WHEREAS, a duly noticed hearing public hearing was held by the Planning Board on the 2018 Reexamination Amendment on May 8, 2018, at which time Planning Board planning expert Darlene Green, PP, AICP provided sworn testimony concerning the 2018 Reexamination Amendment and was subject to questions, and the Planning Board also provided the opportunity for the public to speak and be heard as to the 2018 Reexamination Amendment;

WHEREAS, upon completion of the public hearing the Planning Board determined to adopt the 2018 Reexamination Amendment and directed the Planning Board Secretary to transmit same to the Mayor and Borough Council as well as to the Hunterdon County Planning as required by law;

NOW, THEREFORE, BE IT RESOLVED by the Planning Board, by motion made and seconded on May 8, 2018 that the Planning Board hereby adopts the 2018 Amendment to the 2016 Reexamination Report; and

BE IT FURTHER RESOLVED that a copy of this resolution, and the 2018 Amendment to the 2016 Reexamination Report shall be submitted by the Planning Board Secretary to the Mayor and Borough Council via the Lebanon Clerk, the municipal clerks of each and every adjoining municipality, and the Hunterdon County Planning Board not more than 30 days after the date of the adoption of this resolution.

\* \* \*

The above resolution was adopted on May 8, 2018 by the following vote of Board members:

<u>Member</u>	Yes	<u>No</u>	Abstain	Absent
SAHARIC	1			
UCURIN	1			
HOPKINS	1			
<b>ABELES</b>				1
LAPCYNSKI	1			-
HAUCK	1			
WIISON	1			
SKENE	1			
REINO				1
BERGER	1			-

ATTEST: KAREN ROMANO, Secretary

DATE ADOPTED: May 8, 2018

Chairperson