

HILLSDALE-PATTERSON STREET REDEVELOPMENT PLAN
QUESTIONS & ANSWERS
UPDATED: DECEMBER 7, 2020

Q: 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.* The Redevelopment Law provides tools for municipalities to revitalize, restore and improve areas that are underutilized or stagnant.

Q: What is a redevelopment plan?

A: A redevelopment plan is a zoning document for the redevelopment or rehabilitation of a particular area of the municipality. The Hillsdale Patterson Street Redevelopment Plan applies to industrial properties with frontage on Patterson Street, Knickerbocker Avenue, Brookside Place, Piermont Avenue and Prospect Place. The properties were previously designated as an “area in need of redevelopment” pursuant to Borough Council Resolution 19225. The plan establishes permitted uses and building standards. When the property is redeveloped, developers will be required to build projects that comply with the uses and standards described in the redevelopment plan.

Q: How is a redevelopment plan adopted?

A: On November 12, 2019, by Resolution 19289, the Borough Council engaged DMR Architects to begin preparing a redevelopment plan for the redevelopment area. Over the course of several months, the Borough, together with DMR Architects and other professionals, prepared a draft redevelopment plan and presented the draft to the Borough Council and the public. On October 6, 2020 the Borough Council referred the draft plan to the Hillsdale Planning Board for review. The Planning Board has up to 45 days from the Borough Council’s referral to evaluate the plan and provide recommendations to the Borough Council.

The Borough Council may accept some or all of the Planning Board’s comments or reject some or all of the Planning Board’s comments. Once the form of the plan is finalized, it must be approved by ordinance. Like all other ordinances, this means there must be two public meetings, including one public hearing, before the ordinance can be finally approved.

Q: Will the public have an opportunity to express their opinions about the redevelopment plan?

A: Yes, the public will have opportunities during the Planning Board meeting and Borough Council meetings to have their questions answered and to voice their opinions.

Q: What uses are permitted under the Hillsdale-Patterson Street Redevelopment Plan?

A: You are encouraged to review the plan in detail. However, in summary permitted principal uses in the plan are residential, mixed-use (i.e., non-residential uses on the ground floor and multi-family residential dwellings above), commercial and personal services, and general public purposes (i.e., indoor/outdoor recreation, community facilities, or assembly facilities for the general public).

Residential uses include townhomes, multi-family structures, independent living, continuing care retirement communities (CCRCs), and/or co-living complexes. Multi-family developments with 5 or more units would be required to comply with the inclusionary zoning provisions described in the plan.

Commercial and personal services are limited to retail, restaurants, food markets, apparel laundries, tailoring and dry-cleaning services, beer gardens, licensed spas, maker space, medical/dental/professional office or clinic space, art studios, financial/insurance/banking services, adult and child daycare facilities, pet grooming services, entertainment and recreational or athletic facilities.

Q: Who will redevelop the Hillsdale-Patterson Street site?

A: At this time, there is no designated redeveloper or proposed project. In the future it is possible that the owner of property within a redevelopment area, or someone who negotiates to acquire the property, will become the redeveloper of property within the redevelopment area.

Q: How was the affordable housing set-aside in the plan determined?

A: Affordable housing requirements, such as construction of affordable housing units or payment of a fee, apply when new square-footage retail, commercial, industrial or residential developments are built. The amount of affordable housing set aside in the plan is consistent with the amount agreed to by the Borough in its affordable housing settlement agreement. This plan is intended, in part, to address the Borough's obligation per the settlement agreement.

Q: What is the permitted density for this area?

A: The plan includes limits on the size and density of proposed projects. In compliance with the affordable housing settlement agreement, the plan will permit construction of 28 units per acre in residential or mixed-use developments. The plan will permit the Borough Council to evaluate requests for higher density for Blocks 1208, 1210 and/or 1211 (no more than 32 additional units per acre). The Borough may approve a project with higher density, but only if the redeveloper provides a community benefit in exchange and enters into a redevelopment agreement with the Borough.

Q: 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 before 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.

Q: What is the economic impact of redeveloping this area?

A: The goal of redeveloping this area is to bring the properties into more productive use by spurring economic investment in the community. In 2019, the Borough received approximately \$74,000 in taxes generated for the entire redevelopment area. With the new standards and uses permitted in this plan, these properties are expected to generate significantly more revenue for the Borough, not to mention creating jobs, servicing the needs of and providing recreational outlets for residents and visitors of the Borough. With a new stream of revenue, the Borough desires to stabilize taxes, secure the sustainability of services and provide funding for important community projects.

Q: 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, 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. A signed redevelopment agreement would be required prior to redeveloper’s submission of a site plan application to the Planning Board.

Projects pursuant to this plan may be considered over many years, if not a decade or more. During that time, Borough may enter into several redevelopment agreements with different redevelopers relating to portions of the redevelopment area. The process outlined above would be undertaken for all redevelopment agreements.

Q: How large might the projects constructed in the redevelopment area be?

A: The existing zoning at the site permits commercial building heights of up to 36 feet / 3 stories. Under the new plan, the permitted building height will stay substantially the same (3 stories with height up to 40 feet), but buildings may be used for commercial, residential and/or other purposes described in the proposed redevelopment plan. In addition, under the proposed redevelopment plan, a redeveloper may apply for increased building height, up to 24 additional feet / 2 additional stories, for Blocks 1208, 1210 and/or 1211 only. Such request would be subject to Borough evaluation and approval. To obtain approval of increased height allowances, the redeveloper would be required to provide a community benefit and would be required to sign a redevelopment agreement with the Borough, which must be approved by Borough Council.

Q: How much discretion does the Borough Council have with respect to requests to utilize a density bonus?

A: One of the objectives of the redevelopment plan is to give the governing body flexibility in deciding what types of projects are constructed in this area. To that end, the proposed redevelopment plan includes an optional density bonus in exchange for providing community benefits. Although the density bonus is included in the proposed redevelopment plan, this does not mean the Borough Council would need to approve a density bonus. The Borough Council has full discretion in deciding whether (or not) to grant a density bonus for a proposed project. Because projects may be considered over many years, if not a decade or more, giving the Borough Council flexibility in the redevelopment plan allows the Borough Council to make decisions based on consideration of all components of a project and on the economic picture at the time a project is proposed.

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

A: The Planning Board is responsible for reviewing and issuing site plan approval for all projects.

Q: If a proposed project included construction of a community center, where would the community center be located?

A: The draft redevelopment plan permits a variety of community benefits. One type of community benefit permitted under the draft redevelopment plan is the construction of a community center. Other types of community benefits include, but are not limited to, funding of a community center, dedication of public open space, sustainable design practices, or another benefit deemed most important by the governing body at the time a project is proposed. If negotiated and approved by the Borough, a community center could be located outside of the redevelopment area.

Q: What is the maximum possible number of units permitted in the area without the density bonus? With the density bonus?

A: In the Industrial Zone, which measures approximately 14 acres, up to 393 residential units could be constructed with no density bonus. Approximately 10.7 acres within the Industrial Zone are subject to the redevelopment plan, which could yield approximately 299 residential units with no density bonus.

If a full density bonus was applied to the eligible properties, then up to 562 residential units could be constructed on the properties in the redevelopment area and subject to the redevelopment plan.

Regardless of whether a density bonus is requested, all redevelopers of property within the redevelopment area would be required to enter into a redevelopment agreement with the Borough in order to build their proposed project.

Q: 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 may continue operating normally. Existing property owners will not be compelled to sell their properties. 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.

Q: How will the redevelopment plan impact schools and municipal services?

A: Generally, multi-family rental projects of the type and quality that would be permitted in the redevelopment area have a net positive fiscal impact on the host municipality. The Borough expects to undertake a detailed analysis of school enrollment and impact on municipal services in the future when an actual project is proposed.

Q: Would the presence of commercial use on a property impact the residential density allowed on that property?

A: The presence of commercial use on a property would not affect the permitted residential density on that same property.

Q: How would projects in this area be similar/different to those in other towns?

A: Compared to projects in other towns, one primary distinction is the location of this redevelopment area within the Borough of Hillsdale. While many towns have built large scale developments along their main thoroughfare, this area is situated in a more isolated part of town.

In addition, the topography of the redevelopment area is distinctive. The properties exhibit a change in grade of approximately 4 to 8 feet from Patterson Street to the PSEG substation. The change in grade is significant enough that a five-story building constructed on the lower grade areas of the redevelopment area would have less visual impact than a five-story building on higher grade area closer to Patterson Street. The redevelopment plan is designed to encourage developers to creatively design projects around the change in grade in order to reduce impact of the project on residents.

Finally, the redevelopment of this area is require to move the area from an industrialized zone which once included a very active solid waste facility to a residential area.

Q: Would revitalization of the industrial area benefit downtown Hillsdale?

A: Generally, this type of project can be expected to increase consumerism to the benefit of local businesses. Downtown areas flourish when consumers are in close proximity, especially if within a walkable distance. Because the redevelopment area is drivable and walkable to downtown Hillsdale, it is expected that the downtown will experience an uptick in business.

Q: 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 both permits and encourages 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. Further, the redevelopment plan has impervious coverage standards designed to reduce the impact of flooding from the Pascack Brook, which forms the westernmost boundary of the redevelopment area. 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.

Q: What will happen to the Waste Management property if this redevelopment plan is adopted?

A: In drafting the redevelopment plan, the Borough and its professionals sought to establish a range of density levels that would encourage developers to submit proposed projects and start a dialogue with the Borough. As an existing property owner in the redevelopment area, Waste Management may wish to find a development partner to undertake a redevelopment project on its property. Other developers may propose projects in this area, too.

Q: How many parking spaces would be built in the redevelopment area?

A: You are encouraged to review the redevelopment plan parking standards in detail. As described in the redevelopment plan, the number of spaces required to support a project will depend on various factors. The parking ratio requirements differ based on the types of uses included in a project. Because of the unique topography in this area, engineering analysis will be necessary to determine how much parking the area can support once specific use(s) are proposed.

Q: What will be the width of the streets and sidewalks in the redevelopment area?

A: Please refer to the redevelopment plan.

Q: What is the Borough's affordable housing obligation, including Realistic Development Potential and "unmet need"?

A: The Borough's affordable housing obligations are established in a Settlement Agreement dated October 10, 2017. The Borough has a "Third Round Prospective Need" of 234 affordable housing units for the period 1999-2025. The Borough's Third Round obligation is divided into two categories: "Realistic Development Potential" (RDP) of 35 units, and "unmet need" of 199 units. The Settlement Agreement establishes various affordable housing mechanisms to satisfy the Borough's RDP and address the "unmet need." Adoption of the Hillsdale-Patterson Street Redevelopment Plan is one of several mechanisms established for the Borough to address its "unmet need" of 199 units.

Q: Why doesn't the redevelopment plan include statistical and visual comparisons to developments in other Pascack Valley towns?

A: This information is rarely, if ever, included in a redevelopment plan particularly, as in this case, where there is no currently proposed project.

Q: 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 a project 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 not be a beneficial use of taxpayer funds.

Q: Why doesn't the redevelopment plan address traffic implications?

A: The exact impact on traffic cannot be fully ascertained until a developer proposes a project. The Borough will undertake traffic studies and analysis when an actual project is proposed. The impact of a project on traffic will depend on factors such as the proposed uses, unit count and concept plan. To undertake an analysis of traffic at this stage would require a high degree of conjecture and may not be informative when considering a project in the future. As with a fiscal impact analysis, undertaking such an effort would not be a beneficial use of taxpayer funds.

Q: 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 long-term tax exemption, a prospective redeveloper must submit an application for an exemption, meet all legal requirements to qualify for a tax exemption, 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 long-term tax exemption 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 long-term tax exemption is thirty (30) years.

Q: 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.