

# Pine Street Redevelopment Plan



Township of Montclair  
County of Essex  
New Jersey

Prepared by the Montclair Department of Planning and  
Community Development  
June 2003

## INTRODUCTION

On March 19, 2002, the Township Council designated a portion of the Pine Street Historic District as an "area in need of rehabilitation" (the Area) under the New Jersey Local Redevelopment and Housing Law, NJSA 40A:12A. Under the statute, municipalities are permitted to designate certain neighborhoods as "areas in need of rehabilitation" if at least 50% of the structures are at least 50 years old and where a program of rehabilitation may be expected to prevent further deterioration and promote the overall development of the community. The Planning Board commented on the Township Council's Resolution designating the Area on March 11, 2002, and after minor modifications, recommended it for adoption. Under the law, the municipality is further required to prepare a Redevelopment Plan in order to undertake certain activities within the Area. This Plan is prepared in accordance with NJSA 40A:12A-7 which provides that "no redevelopment projects shall be undertaken or carried out except in accordance with a Redevelopment Plan adopted by ordinance of the municipal governing body upon its finding that the specifically delineated project area is located in an area in need of redevelopment or an area in need of rehabilitation or both..." The Plan outlines the physical planning and rehabilitation of the Area sufficient to indicate:

- Its relationship to definite local objectives as to appropriate land uses, density of population, and 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 local housing market.
- An identification of any property within the redevelopment area which is proposed to be acquired in accordance with the redevelopment plan.
- Any significant relationship of the redevelopment plan to (a) the master plans of contiguous municipalities, (b) the master plan of the county in which the municipality is located, and (c) the State Development and Redevelopment Plan.

### Area Description/Background

The designated Area is bounded by the railroad tracks to the north, Pine Street to the west, Glenridge Avenue to the south and the Glen Ridge Borough border to the east. (**See Figure 1**) It encompasses 6 streets and four zone districts: NC Neighborhood Commercial, C2 General Business and Light Manufacturing, R4 Multi-family Residential and R2 Two Family Residential. It is almost completely developed, with only two parcels listed with the municipal Tax Assessor's Office as vacant on Bay Street and Grant Street (Lot 30, Block 4209 and Lot 11, Block 4211). The land uses consist of one and two-family residential, multi-family residential, mixed residential/commercial uses, commercial uses and railroad property. Almost half, or 46% of the principal uses within the Area, are multi-family residential dwellings. (**See Figure 2**)

Immediately to the south of the Area is the previously designated Train Station Area in Need of Redevelopment currently under construction. A subsidized senior residence with 48 units was opened in December 2002, and a new municipal fire headquarters will be completed in November 2003. Plans for a commuter parking deck, 160 housing units (with a 10% affordable component) and a new day care center are being finalized. Both Matthew Carter Apartment complexes at 20 and 80 Glenridge Avenue, completed in the 1970s, were part of the original Urban Renewal project encompassing a large tract of land from the Glen Ridge Borough border to Lackawanna Plaza along Bloomfield Avenue and Glenridge Avenue. The Area which is the subject of this Plan continues the redevelopment efforts begun to the south many years ago, but with an emphasis on rehabilitation, restoration and stabilization of this historic neighborhood.

The most significant land use alteration in the center of the Area was the recent construction of the railroad tracks known as the Montclair Connection—a link between the Boonton Line and the Montclair Branch offering a one-seat ride to Mid-town Manhattan—which divided the neighborhood into two segments. Construction began in early 2000 and was completed in Fall 2002. The rail link construction caused the removal of 17 principal buildings on 19 tax parcels and turned Grant and Sherman Streets into loop streets. Four surface parking areas were created by New Jersey Transit from leftover parcels of land which were not needed for the rail link construction.

The construction of the Montclair Connection, along with a region-wide increase in property values beginning about 4 years ago, have caused rents to rise

dramatically throughout the community. This has been particularly evident in the immediate Connection neighborhood; as investors began to buy up older multi-family structures, rents began to increase. Rent increases of over \$100 per month have been reported by several Area residents. This once affordable neighborhood is now experiencing exorbitant increases which are pushing out families who cannot afford the new contract rents.

The Montclair Connection had a detrimental impact on the Township's historic resources since several older houses and commercial buildings were demolished to allow for the rail link construction. At the time, the Pine Street Historic District (also known as the Montclair Working Class Housing Historic District) was identified as State Historic Register eligible. In response to growing concerns over the Connection construction potentially affecting its eligibility for listing on the National Register of Historic Places, it was required that all structures in the District be appropriately identified. In August 1999, the Pine Street Historic District National Register Nomination Report was prepared by Lynn Drobbin & Associates, preservation consultant. As a result of that Report, on January 13, 2000, the Pine Street Historic District was listed on the New Jersey Register of Historic Places. On March 16, 2000, the District was entered onto the National Register of Historic Places. It is not currently designated as a local historic district. Listing on the New Jersey Register prevents the State, a county, municipality or any of their agencies or instrumentalities from undertaking any project that will encroach upon, damage or destroy the properties listed without approval from the Commissioner of the Department of Environmental Protection. Similarly, listing on the National Register ensures that

properties affected by undertakings that are federally executed, licensed, or financially assisted will be subject to review and comment in accordance with the National Historic Preservation Act of 1966.

Prior to construction of the Montclair Connection, the Township commissioned the preparation of the Lackawanna Neighborhood Strategic Development Plan in 1997. That Plan, encompassing a much larger land area, recommended a number of physical improvements to the Area which include the introduction of street trees and improved street lighting, traffic calming measures, the establishment of historic design standards and use of tax credits for historic rehabilitation, development of a neighborhood center including social services and pre-k day care, a community facility building. Of those recommendations, the Township has secured funding for street improvements including trees and lighting, NJ Transit has installed a traffic light at the intersection of Glenridge Avenue and Pine Street and Day Nurseries has been relocated from 15 Pine Street to the Mt. Carmel Church.

## RELATIONSHIP TO LOCAL OBJECTIVES

### Affordable Housing

The 1997 Housing Element and Fair Share Plan lists the following goals:

- Montclair is an older, fully developed municipality with a significant number of low and moderate income households. The Township should continue to address the housing needs of its current low/moderate income citizens.

- The current mixture of housing structure types and balance of owners and renters is considered appropriate for Montclair. Land use policies should seek to maintain this balance. The greater portion of Montclair's land should continue to be used for owner-occupied single-family detached homes. The designation of additional areas for multi-family use beyond those already zoned should be discouraged.

Historically, Montclair Township has had a strong commitment to providing a wide range of housing types to people of all incomes. This diversity sets it apart from neighboring communities and is one reason why Montclair continues to be a desirable place to live. Over the last 25 years, Montclair has directed millions of dollars towards affordable housing development, mostly rental apartments, through various state and federal grant programs. Since the late 1970s, it received 3 HUD Section 202 capital advances for the development of 278 units of senior citizen housing. The third subsidized residence for 48 seniors is immediately adjacent to the Area on Glenridge Avenue and Pine Street.

While the Township has made significant efforts to produce housing affordable to households of limited means, it recognizes the need to pursue new strategies at this time. First, some housing units have rent/sale price restrictions which will begin to expire in 3 years. The Township will therefore begin to lose units created specifically for the low/moderate income population as these units revert to market rate. Further, the Township is experiencing a significant loss of affordable units caused by increasing rents town-wide as described above. Lastly, an examination of the 2000 U.S. Census data indicates that the demand for affordable housing clearly

exceeds the supply, as a significant percentage of Montclair households continue to be cost-burdened (33% of households spend more than 30% of their income on housing). On January 14, 2003, the Township Council adopted a Resolution setting forth its intent to take appropriate actions to maintain and create affordable housing throughout Montclair. One such action is the preparation of a townwide Affordable Housing Strategic Plan and the implementation of recommendations through local ordinances and other measures which is expected to be complete in summer 2003.

This Plan sets forth several incentives to create and maintain affordable housing within the Pine Street neighborhood (see Incentives). This Plan may be amended in the near future to incorporate new strategies appropriate for the Area which may arise from the town-wide Strategic Plan.

### Historic Preservation

In May 1993, the Township Planning Board adopted a Master Plan Historic Preservation Element.



*Significant architectural details are found on many of the buildings in the Pine Street Historic District.*

Under the terms of the Element, the

purpose of historic preservation regulations or ordinances passed by the Township is to serve the public interest by protecting and preserving the unique architectural heritage that forms a vital part of the Township's community life and development. By June 1994, the Township Council adopted a historic preservation ordinance and a Historic Preservation Commission was established by October 1994. The majority of the Area is located within the Pine Street Historic District. **(See Figure 3)**

To maintain the character and integrity of the Pine Street Historic District, rehabilitation of existing structures which retain the historic features of the facades should be encouraged. All rehabilitation undertaken with federal or state grant funds will receive a historic preservation review under Section 106 of the National Historic Preservation Act of 1966.

### Housing Rehabilitation

The 1997 Housing Element and Fair Share Plan recommends that housing rehabilitation efforts be directed to this Area.

The Area contains approximately 80 principal structures, 87% of which were built prior to 1930. Given the age of the Area's housing stock, it is assumed that many structures will be in need of repair. To determine the condition of buildings in the Area, a windshield survey was conducted on April 28, 2003. Exterior conditions of principal structures were noted to be Good, Fair or Poor as depicted on the attached Building Conditions Map. **(See Figure 4)** A rating of Good indicates that the structure appears sound with no visible repairs needed. A rating of Fair indicates a sound structure in need of repairs, and a rating of Poor indicates a structure exhibiting more

serious and numerous deficiencies which need attention. Approximately 45% are considered Good, 45% Fair and 10% poor. Generally, the building exteriors were well maintained and most needed only repointing of brick, painting of trim and patching of cracks. Many of the historic architectural details remain along the roofline and at doorway entrances and can be restored to their original beauty. Accessory structures and condition of rear yards were not noted, and interiors were not accessed.

Through a Regional Contribution Agreement (RCA) with the Township of East Hanover, the Township will begin a housing rehabilitation program which should be used in the Area. See the Incentives section for a program description.

### **Traffic/Transportation/Public Improvements**

Recent traffic projects in the Area include the installation of a railroad grade crossing on Glenridge Avenue and the installation of a traffic light at the corner of Glenridge Avenue and Pine Street, both by New Jersey Transit. New Jersey Transit has also created 4 surface parking lots from remnant lands not needed for the rail link. Two are accessible from the westerly loop and two from the easterly loop. These satellite lots totaling 38 parking spaces should be transferred to the Township and used for municipal parking, as Area residents may need overnight off-street parking. The Township may also consider daytime utilization of these lots for rail commuters due to their proximity to the Bay Street Train Station. A site visit revealed that all 4 lots were at least half full during the weekday.

The Township operates a street and drainage improvement program which it funds through its capital budget, NJ DOT and CDBG grants. CDBG funds have been awarded for the following Area streets, and they are scheduled for improvement in 2003/2004. Improvements include new pavement, sidewalks, curbing, lighting, trees and drainage systems.

- Grant Street
- Sherman Street
- Pine Street
- Baldwin Street
- Bay Street

The following Area street is in need of improvements including curbing and street trees, and funding should be secured:

- Glenridge Avenue

### **PROPOSED LAND USES**

The Plan does not propose nor does it anticipate significant changes in the land use pattern which exists today. The Area is densely populated with approximately 1,000 people in 456 dwelling units. Almost 100% of the Area is built, with only two parcels listed as vacant:

- Lot 30 in Block 4209, a 4,490 s.f. property in the R2 Two Family Zone, is owned by a contiguous property owner at 91 Pine Street which contains a multi-family house. The vacant lot is undersized, and therefore a development of a one or two family dwelling would require a variance.
- Lot 11 in Block 4211, a 18,900 s.f. property in the R4 Multi-family Residential Zone, is owned by Marsellis Warner, a commercial business operating on contiguous property at 12

Baldwin Street. It is used as a storage yard for New Jersey Transit equipment--presumably a temporary use. The zoning regulations would allow a one-family, two-family or multi-family building with a maximum of 12 housing units at the permitted 28 units per acre. No commercial use is permitted in the zone.

Commercial uses should continue to be concentrated near Glenridge Avenue (in the NC Neighborhood Commercial Zone) and adjacent to the railroad (in the C2 General Business and Light Manufacturing Zone) and should not encroach further into the residential streets. Small lot sizes make it all but impossible to increase the number of dwelling units in the Area. Most every residential property is at or exceeds the maximum allowable densities under the current zoning. In keeping with the Township's policy against expansions of its commercial and multi-family residential zones as stated in its Master Plan, the Plan does not recommend any intensification of zone districts in the Area. It is further recommended that building requirements (bulk standards) remain as is for each of the existing zone districts.

The Plan recommends only slight adjustments in the zone boundary lines to reflect the current development of several tax lots as follows:

- Block 4207, Lot 10: This is an accessory parking area serving a multi-family property at 52 Sherman Street in the R2 Two Family Zone. The Plan recommends a designation of R4 Multi-family Residential Zone to place it in the same zone as the principal structure which is zoned R4.
- Block 4207, Lot 16: This is a multi-family property in the C2 General

Business and Light Manufacturing Zone at 105 Pine Street. The Plan recommends a designation of R4 Multi-family Residential Zone. This allows the same residential density, but no commercial uses would be permitted.

- Block 4210, lot 13: This is a multi-family residential building at 4-6 Grant Street which is partially in an R2 Two Family Residential Zone and partially in an R4 Multi-family Residential Zone. The Plan recommends a designation of R4 Multi-family residential zone for consistency.
- Municipal satellite parking lots (No tax lot numbers assigned). The Plan recommends a designation of P Public for all of the parking lots.

### RELOCATION

Under the statute, no properties may be acquired through condemnation, so no relocations are planned.

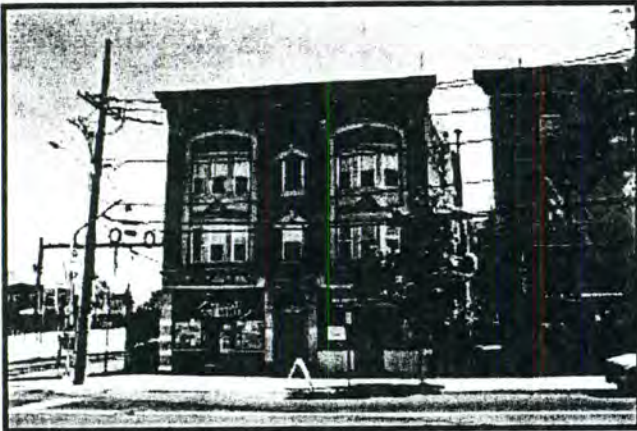
### PROPERTY TO BE ACQUIRED

An area in need of rehabilitation designation gives the municipality all of the same powers as the area in need of redevelopment designation, except the power to condemn property. The Plan recommends the following property acquisitions through means other than condemnation:

- 43 Glenridge Avenue Block 4210 Lot 16

This is a 3 story Renaissance Revival style building constructed in 1910 consisting of 2 commercial spaces on the first floor and 4 apartments above, all occupied. The lot size is 6,329 square feet in the NC Neighborhood Commercial Zone. Parking

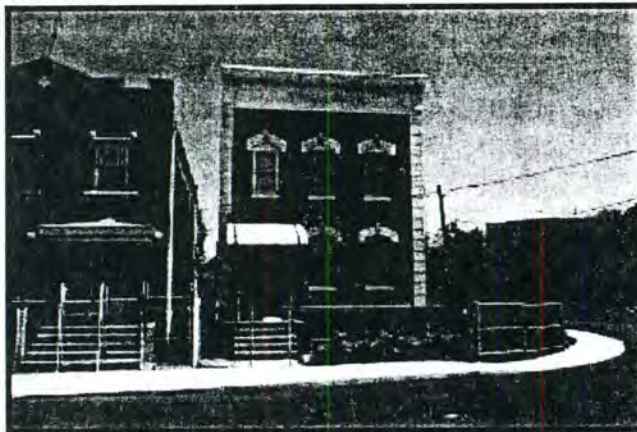
spaces are provided on an adjacent property at 6 Grant Street through a legal easement.



43 Glenridge Avenue

- 27 Grant Street                      Block 4209    Lot 27

This is a 2 story Italianate and Renaissance Revival style two-family house built in 1911 which has been vacant and boarded for about 3 years. The lot size is 4,950 square feet in the R2 Two Family Residential Zone. There is a driveway leading to a rear yard where a parking area could be created.



27 Grant Street

Both properties were acquired by New Jersey Transit in anticipation of construction of the Montclair Connection. The structures

were never demolished for the rail link as they were not within the path of the tracks. It is recommended that the Township purchase these properties from New Jersey Transit and then resell them. Conditions of the sales should be as follows:

- 43 Glenridge Avenue: All 4 residential units must meet NJ COAH guidelines as to income limits of residential tenants, allowable rents and length of affordability restrictions.
- 27 Grant Street: At least one unit must be affordable under NJ COAH guidelines as to income limits of tenants, allowable rents and length of affordability restrictions.

#### RELATIONSHIP TO MASTER PLANS OF OTHER COMMUNITIES

The Area is adjacent to the Borough of Glen Ridge. An examination of the 1996 Master Plan of Glen Ridge Borough, Land Use Plan, indicates that the Borough neighborhood immediately adjacent to the Area is recommended for multi-family residential development along Glenridge Avenue, open space (Minnie Lucy School) and medium density single-family development on Baldwin Street. The Glen Ridge Master Plan is currently under review by the Planning Board, and one recommendation under consideration is a change in the single-family development designation between Baldwin Street and the railroad to a multi-family development designation.

The Redevelopment Plan is consistent with the Borough's current Master Plan and well as the potential change to multi-family use off Baldwin Street.



## RELATIONSHIP TO COUNTY MASTER PLAN

The County's Master Plan was prepared in the 1980s. The Redevelopment Plan is consistent with the County's general use and policy objectives.

Montclair participated in the cross-acceptance process regarding the New Jersey State Development and Redevelopment Plan with the County of Essex. This Redevelopment Plan is not inconsistent with the Report filed by the County.

## RELATIONSHIP TO STATE DEVELOPMENT AND REDEVELOPMENT PLAN

The State Development and Redevelopment Plan (SDRP) adopted on March 1, 2001, designates the Township as a Metropolitan Planning Area 1 (PA1). The SDRP characterizes most of the communities within a PA1 as fully or almost fully developed, with little land available for new development. Much of the change in land uses, therefore, will take the form of redevelopment.

Within the PA1, some of the State Plan's intentions include:

- Providing for much of the State's future development
- Revitalizing cities and towns
- Stabilizing older suburbs

The Plan is consistent with the policy objectives of the State Plan as it relates to redevelopment and rehabilitation, housing options, transportation, historic preservation and public facilities.

## RELATIONSHIP TO MONTCLAIR MASTER PLAN

The Plan is consistent with the goals of the 1997 Housing Element and Fair Share Plan as stated above. It is also consistent with the Housing Element's recommendation that the Pine Street neighborhood is in need of rehabilitation, and efforts and funding should be directed here.

The Plan is consistent with the goals of the 1999 Master Plan Reexamination Report.

## INCENTIVES TO CREATE AFFORDABLE HOUSING IN THE AREA

The Township offers the following programs to qualified applicants who provide affordable housing units within the Area.

### Regional Contribution Agreement (RCA) Rehabilitation Program

To further the Township's goal of increasing the supply of affordable housing throughout the community, Montclair has entered into a Regional Contribution Agreement (RCA) with the Township of East Hanover. The New Jersey Council on Affordable Housing (COAH) regulates the program. Over \$1 million will be given to Montclair by East Hanover under the RCA program over the next several years to be used to create 42 affordable rental apartments through rehabilitation of existing dwelling units. The maximum amount of assistance per unit is \$20,000. Funds may be used only for rehabilitation of units which will remain affordable. The renovated units must remain affordable for a period of 10 years in owner-occupied one to three family houses and 15 years in nonowner-occupied multi-family houses.

Allowable rents, maximum incomes of owners/tenants and length of affordability restrictions are based upon COAH guidelines. Maximum allowable rents are as follows: One-bedroom unit \$737, Two-bedroom unit \$885 and Three-bedroom unit \$1,023. Owner must deduct utilities if supplied by tenants as per HUD Section 8 program guidelines.

Although the rehabilitation program will be marketed throughout the Township, it may be particularly attractive to owners of properties within the Area, as 87% of the principal structures were built prior to 1930, and 55% of them are in Fair or Poor condition (see Building Conditions Map). Building owners in the Area are encouraged to use these program funds which further two goals of this Plan—affordable housing and housing rehabilitation.

The program will be available in summer 2003. See RCA Project Plan for complete program details.

### **Property Tax Abatements**

The Five-Year Exemption and Abatement Law, NJSA 40A:21-1 et seq. allows municipalities to enact an ordinance providing for five-year tax exemptions and abatements for the improvement of one or two family houses, the improvement, expansion or construction of new commercial and industrial projects, the conversion and improvement of existing multi-family dwellings, the construction of new one-family dwellings and new multi-family dwellings located within an area in need of rehabilitation. The ordinance may differentiate for the purposes of determining eligibility among the various neighborhoods, zones, areas or portions of the area. An abatement is that portion of the assessed value of a property as it existed prior to

construction, improvement or conversion which is exempted from taxation. An exemption is that portion of the assessor's full and true value of any improvement, conversion, alteration or construction not regarded as increasing the taxable value of a property. An exemption and/or an abatement may be offered to owners who create or maintain affordable housing units at the discretion of the governing body.

### **Developer's Fee Fund**

Pursuant to the New Jersey Council on Affordable Housing (COAH) guidelines, the Township enacted an ordinance requiring every developer of residential and non-residential properties, with some exceptions, to contribute to a fund to be used to finance affordable housing efforts throughout the community. The fee is based upon a formula which takes a percentage of the assessed value of the property. Use of the funds is determined by the Township Council on a case-by-case basis, and could be used in a variety of ways to assist an affordable housing developer in this Area.

### **ADDITIONAL INCENTIVES TO CREATE AFFORDABLE HOUSING OFFERED BY OTHER ENTITIES**

#### **Investment Tax Credit for Low Income Housing**

The New Jersey Housing and Mortgage Finance Agency (HMFA) administers the Federal Low Income Housing Tax Credit Program enacted in 1986. The credit, a dollar for dollar reduction in federal tax liability, acts as a catalyst to attract private investment into the historically underserved affordable housing market. The additional capital mitigates the debt burden incurred in

the construction and rehabilitation development process. Consequently, less rental income is necessary for operations. While the federal code only mandates a minimum affordability period of 15 years, New Jersey typically requires 45 year income and rent restrictions. Affordability is defined as either 50% or 60% of county median income adjusted for family size. Oversight of the program is handled by the State under the auspices of the Internal Revenue Service.

Given the successful history of the program, demand exceeds supply by almost three-to-one. This had led to a fairly complex competition, with applications typically due in April or May of each year. The HMFA provides extensive application and compliance training for interested applicants.

#### **Home Improvement Program (HIP)**

The County of Essex operates a Home Improvement Program (HIP) which provides deferred payment loans for the rehabilitation of homes owned by low and moderate-income homeowners who occupy a one, two or three family home. A lien is recorded against the property, and must be paid off if the owner sells or transfers ownership of the property within a 20 year period. Up to \$25,000 may be used for repairs to heating system, roofing, plumbing, electric and code violation abatement.

#### **HOMEBuyer Purchase Program**

The County of Essex operates a HOMEBuyer Purchase Program funded through HUD's Home Investment Partnership Program which provides deferred payment loans to low and moderate-income households who need

assistance in purchasing a one, two or three family home, townhouse or condominium. The County offers a no interest loan of up to \$15,000, a lien must be signed by each person listed on the deed, and the HOMEBuyer is required to sign a promissory note. In the event the home is sold, or is no longer the principal residence of the HOMEBuyer, the borrower is responsible for repaying the entire amount of the loan.

#### **Rental Rehab Program**

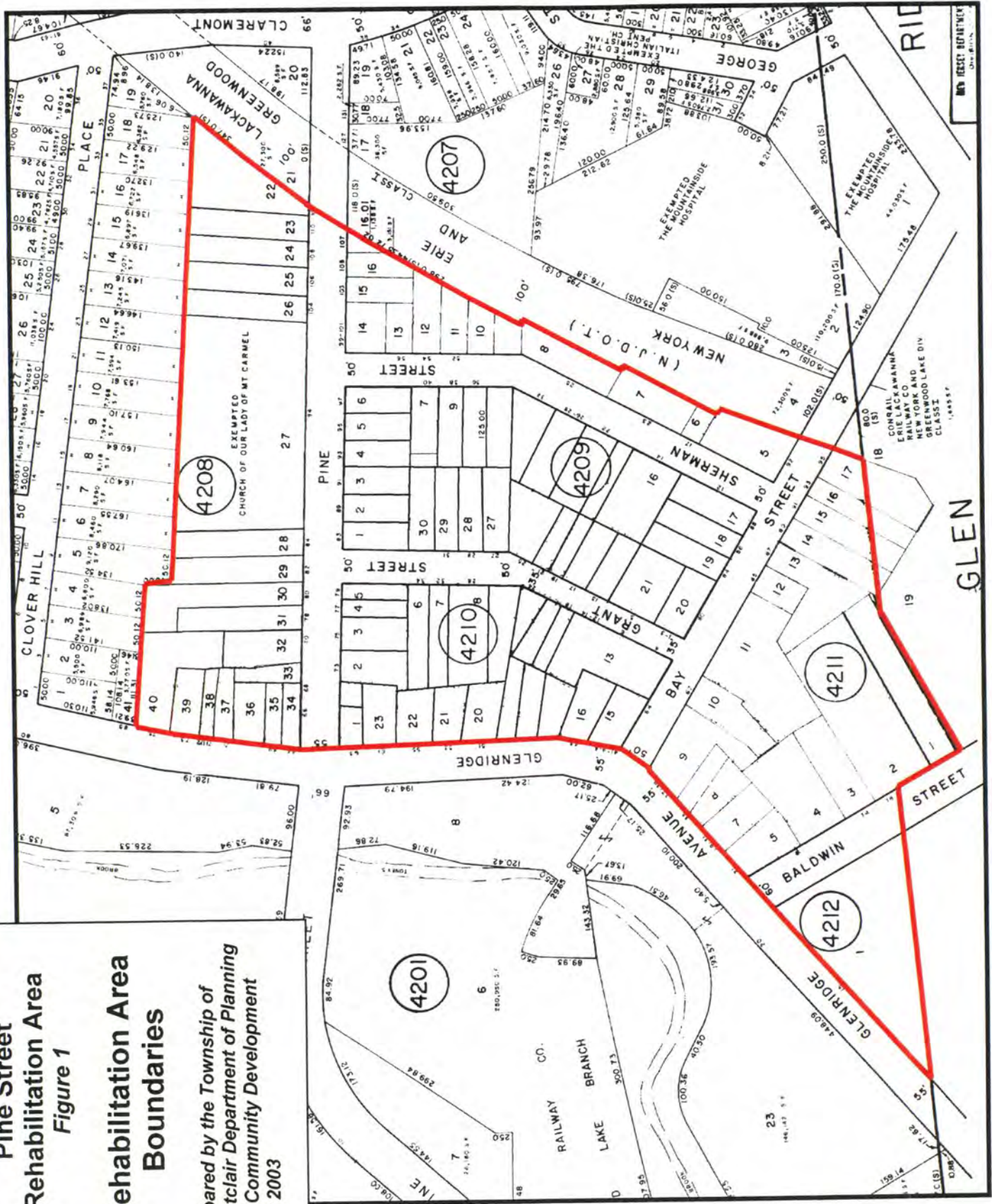
The County of Essex provides no-interest and low-interest loans for the development of affordable rental housing using HUD's Home Investment Partnership Program (HOME) funding. The term of the loan varies depending upon the size of the home and scope of the project. If a loan involves low-income homebuyers, the loan must be at least partially repaid when the closing takes place, or at least three months after the construction or rehabilitation is completed. A loan to a not-for-profit organization to acquire, construct or rehabilitate group homes, supportive housing or single room occupancy units must be repaid upon sale or transfer of title of the property or upon any change in use of the property. Loans to for-profit developers are usually repaid within two years, but can be extended up to ten years. The term of any loan made to a for-profit developer will be determined after a review of the project's budget, cost estimate, sources of financing and projected income.

A mortgage and mortgage note for the total amount of the loan will be placed upon every property acquired, constructed and/or rehabilitated with HOME funds. Any amount of the loan that is not repaid at closing will remain a lien on the property for

at least twenty years. The loan will expire after a twenty year period.

**Pine Street  
Rehabilitation Area  
Figure 1  
Rehabilitation Area  
Boundaries**

*Prepared by the Township of  
Montclair Department of Planning  
and Community Development  
May 2003*



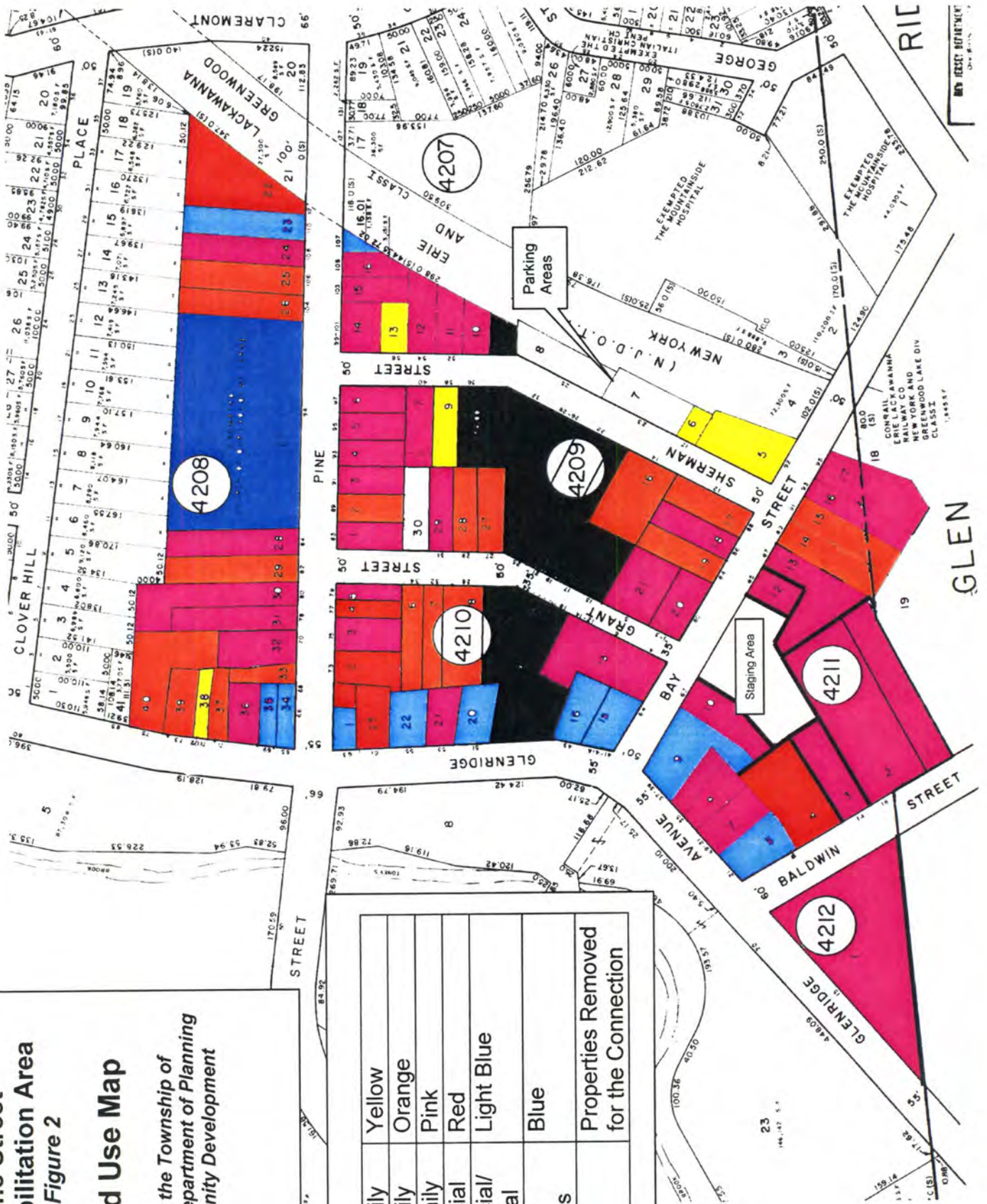
# Pine Street Rehabilitation Area Figure 2

## Land Use Map

Prepared by the Township of  
Montclair Department of Planning  
and Community Development  
May 2003

### Legend:

One-Family	Yellow
Two-Family	Orange
Multi-Family	Pink
Commercial	Red
Commercial/ Residential	Light Blue
Religious Institutions	Blue
Black	Properties Removed for the Connection



MAP REPRODUCED FROM THE

**Pine Street  
Rehabilitation Area  
Figure 3**

**Pine Street  
Historic District  
Boundaries**

*Prepared by the Township of  
Montclair Department of Planning  
and Community Development  
May 2003*



# Pine Street Rehabilitation Area

Figure 4

## Building Conditions Map

Prepared by the Township of  
Montclair Department of Planning  
and Community Development  
May 2003

### Legend:

Green	Good
Yellow	Fair
Red	Poor
Black	Properties Removed for the Connection

