

CAPTAIN'S COVE

AREA IN NEED OF REDEVELOPMENT INVESTIGATION REPORT

Borough of Highlands
Monmouth County, New Jersey
November 2017



A Redevelopment Study
Prepared by

Heyer, Gruel & Associates

H|G|A

236 Broad Street
Red Bank, NJ 07701
732.741.2900

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



Susan S. Gruel P.P. #1955



Fred Heyer, AICP, P.P. #3581



John A. Barree AICP, P.P. #6270

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Purpose

This report determines whether a portion of the Borough of Highlands, shown on the Redevelopment Area Study Area Map (figure 1), referred to herein as the Study Area, qualifies as an "area in need of redevelopment" as defined in the Local Redevelopment and Housing Law (LRHL). This report is written pursuant to Section 6 of the LRHL, which provides the following:

- a. No area of a municipality shall be determined a redevelopment area unless the governing body of the municipality shall, by resolution, authorize the planning board to undertake a preliminary investigation to determine whether the proposed area is a redevelopment area according to the criteria set forth in Section 5 of P.L. 1992/c.79 (C.40A:12A-5)... The governing body of a municipality shall assign the conduct of the investigation and hearing to the planning board of the municipality.

- b. After completing its hearing on this matter, the Planning Board shall recommend that the delineated area, or any part thereof, be determined, or not be determined, by the municipal governing body to be a redevelopment area. After receiving the recommendation of the planning board, the municipal governing body may adopt a resolution determining that the delineated area, or any part thereof, is a redevelopment area.

In resolution 16-228 adopted on December 7, 2016, the Governing Body of the Borough of Highlands authorized the Land Use Board to undertake an investigation to determine whether Block 84, Lot 2.01, located on Marine Place and commonly known as Captain's Cove Marina is in need of redevelopment. The authorizing resolution is attached as Appendix A of this document.

This report serves as the "statement setting forth the basis for the investigation" which is required by Section 6(b) of the LRHL. (N.J.S.A. 40:12A-6).



Figure 1- Aerial Photo of Study Area

Captain's Cove Study Area and Location

The Borough of Highlands is a small, 0.71 square mile municipality situated at the base of Sandy Hook where the Raritan Bay meets the confluence of the Navesink and Shrewsbury Rivers. The physical form of the Borough is characterized by a sharp elevation change between its waterfront and downtown neighborhoods, which are only a few feet above sea level, and the up-hill areas that quickly ascend to over 100 feet of elevation. The lower portions of the Borough were significantly impacted by storm surge and flooding from Superstorm Sandy in October 2012. The Borough is continuing the long and difficult road to recovery from the damage wrought by that catastrophic storm.

The Borough's main downtown commercial strip runs along Bay Avenue. There are pockets of waterfront commercial along the river and bay frontage that are occupied by marine-oriented businesses and restaurants. There are also several small pockets of highway-oriented commercial development. The remainder of the Borough is predominantly zoned for, and developed with, single-family homes, although there are a few pockets of multi-family development.

The Study Area is located in the north-central portion of the Borough along Sandy Hook Bay. The property is nearly entirely water with the exception of small pieces of land at the intersection of Cheerful Place and Washington Avenue in the southern portion of the site, and where Marine Place and Washington Avenue intersect at the northeast corner of the site. The eastern boundary of the site borders the side and rear yard of homes that front on Huddy Avenue, Bedle Place, and Recreation Place. The western boundary of the site borders Washington Avenue.

The Area is in the R-2.03 Single-Family Residence Zone District. That district permits single-family dwellings, existing bungalow colonies, public uses, religious institutions, and schools. The surrounding properties are also in the R-2.03 zone (see figure 3). The current use of the property, as a marina, is not permitted in the R-2.03 zone. However, historic use of the property as a marina predates the Borough's zoning. The Sanborn map of the area from 1922 shows that the property was used as a boat slip at that time, the bulkhead along both sides of the channel was in place, and the Water Witch Society Club was located at the intersection of Cheerful Place and Washington Avenue on what is now the vacant portion of the property (see figure 2).

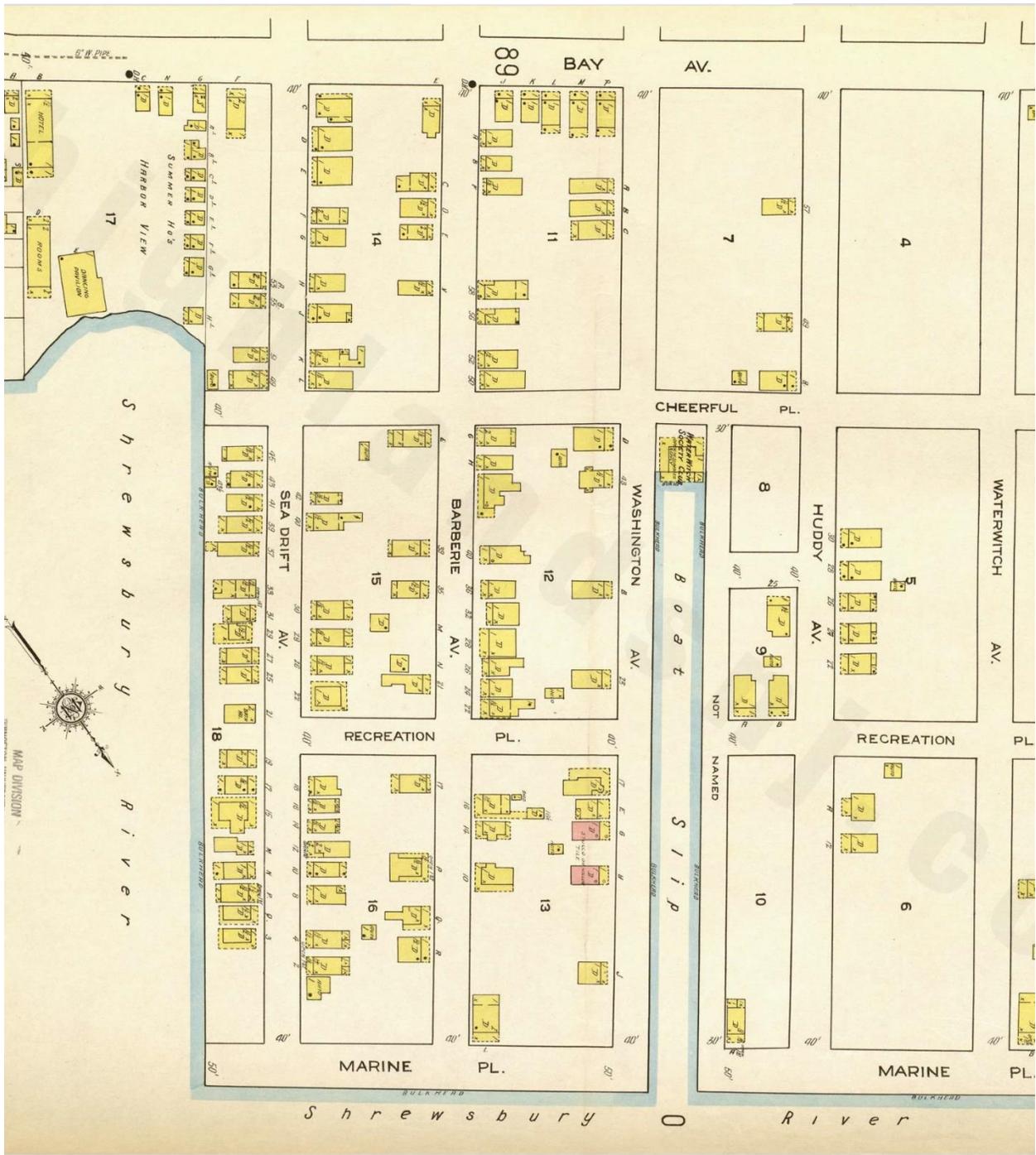


Figure 2 - Sanborn Map Sheet 96 "Water Witch" (1922)



Figure 3- Zoning of Study Area and Environs

Criteria for Redevelopment Area Determination

The criteria contained in Section 5 of the LRHL that were considered in evaluating the Study Area were the following:

- a. The generality of buildings are substandard, unsafe, unsanitary, dilapidated or obsolescent, or possess any of such characteristics or are so lacking in light, air or space, as to be conducive to unwholesome living or working conditions.
- b. The discontinuance of the use of buildings previously used for commercial, manufacturing or industrial purposes; the abandonment of such buildings; or the same being allowed to fall into so great a state of disrepair as to be untenable.
- c. Land that is owned by the municipality, the county, a local housing authority, redevelopment agency or redevelopment entity, or unimproved vacant land that has remained so for a period of ten years prior to the adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or portions of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentality of private capital.
- d. Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals or welfare of the community.
- e. A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real properties therein or other similar conditions which impede land assemblage or discourage the undertaking of improvements, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare, which condition is presumed to be having a negative social or economic impact or otherwise being detrimental to the safety, health, morals, or welfare of the surrounding area or the community in general.
- f. Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by the action of storm, fire, cyclone,

tornado, earthquake or other casualty in such a way that the aggregate assessed value of the area has been materially depreciated.

- g. In any municipality in which an enterprise zone has been designated pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the actions prescribed in that act for the adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone shall be considered sufficient for the determination that the area is in need of redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax exemptions within the enterprise zone district pursuant to the provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption of a tax abatement and exemption ordinance pursuant to the provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The municipality shall not utilize any other redevelopment powers within the urban enterprise zone unless the municipal governing body and planning board have also taken the actions and fulfilled the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.) for determining that the area is in need of redevelopment or an area in need of rehabilitation and the municipal governing body has adopted a redevelopment plan ordinance including the area of the enterprise zone.
- h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.

Furthermore, Section 3 of the LRHL permits the inclusion of parcels necessary for the effective redevelopment of the area, stating:

"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 in which they are a part. "

Relationship to the Borough of Highlands Planning Documents

The Borough's current Master Plan was adopted in 2004. A re-examination report was adopted in 2009, and another re-examination report was recently adopted in 2016. In addition, the Borough adopted an updated Housing Element and Fair Share Plan in 2016. The following goals, objectives, recommendations, and strategies that are present in these planning documents and are relevant to this investigation are as follows:

MASTER PLAN (2004) prepared by T&M Associates

General Objectives

1. Physically – Meet the needs of the Borough with the creation of mixed-use development of exceptional design quality, a waterfront destination for activity and relaxation (p. G&O-3).

Commercial

2. Continue the Improvement of commercial properties in the Borough (p. G&O-4).
8. Encourage redevelopment of commercial properties that need rehabilitation or improvement (p. G&O-5).
9. Encourage upgrading of commercial properties and their surroundings (p. G&O-5).

Circulation

13. To encourage public access to the waterfront (p. G&O-6).

Economic Development / Redevelopment Goals

6. Encourage redevelopment in areas that need rehabilitation or improvement (p. G&O-6).
8. Capitalize on the economic resources represented by Sandy Hook, Route 36, the Twin Lights, the New York Ferry and the physical attractiveness of the Area (p. G&O-6).

Land Use Element

- Development Along the Waterfront – The land use plan recognizes the waterfront area as one of Highlands' greatest assets. A key guiding principle or philosophy of this Plan is to encourage the development of land use regulations that maximize the view corridor to the waterfront. (p. LU-22).

RE-EXAMINATION REPORT (2016) prepared by T&M Associates

The 2016 Re-examination report and master plan amendments carry forward the General Objectives and Economic Development / Redevelopment Goals espoused in the 2004 Master Plan. The re-exam also includes additional language specific to the Captain's Cove Marina site.

Zone Changes

7. Create a new Waterfront Commercial (WC-3) district encompassing Block 84, Lot 2.01 to allow for commercial boat basins. *The unique characteristics of this site and historic usage should be acknowledged. Zoning regulations should be created for a new Waterfront Commercial Zone District which allow for commercial boat basins, SUP rentals, and provide parking standards based on the number of boat slips.* (p. 55).

Evaluation of the Study Area

An analysis of the Study Area's existing land use, physical characteristics, history and accessibility was conducted using:

- Borough of Highlands Tax maps and GIS data
- Tax and ownership records for the Study Area
- Aerial photos of the Study Area property
- Field Inspections of the Study Area and its surroundings
- Borough of Highlands building department, policy, fire, health, and zoning inspection records

Captain's Cove Marina – Marine Place	
Block 84, Lot 2.01	
Lot Area	1.5 acres
Owner	RA Multimedia Corp. % F. Rosiak
Property Class	4A (Commercial)
Land Value (2017)	\$400,000
Improvement Value (2017)	\$100,000
Total Value (2017)	\$500,000

Site Description and Evaluation

The Captain's Cove Marina site is mostly water that is used for boat slips. At the time of site visit on November 10, 2017, there were boats occupying some of the slips in the marina. The bulkhead runs along both sides of the marina channel from the intersection of Cheerful Place and

Washington Avenue to the Bay. The bulkhead is showing signs of wear and damage. There is a small structure at the end of the marina channel that has been damaged and is not habitable.

The entire site, as is most of the Borough, is located within the mapped flood hazard area. The northernmost portion of the property is located in the VE-12 and VE-13 zone, which indicates a flood hazard with storm wave hazards. The southern portion of the property is in the AE-11 zone (see Figure 4).

The property may be designated as in need of redevelopment under criteria "b" and "d" of the Local Redevelopment and Housing Law. Criterion "b" reads:

"The discontinuance of the use of buildings previously used for commercial, manufacturing or industrial purposes; the abandonment of such buildings; or the same being allowed to fall into so great a state of disrepair as to be untenable."

Criterion "d" states:

"Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals or welfare of the community."

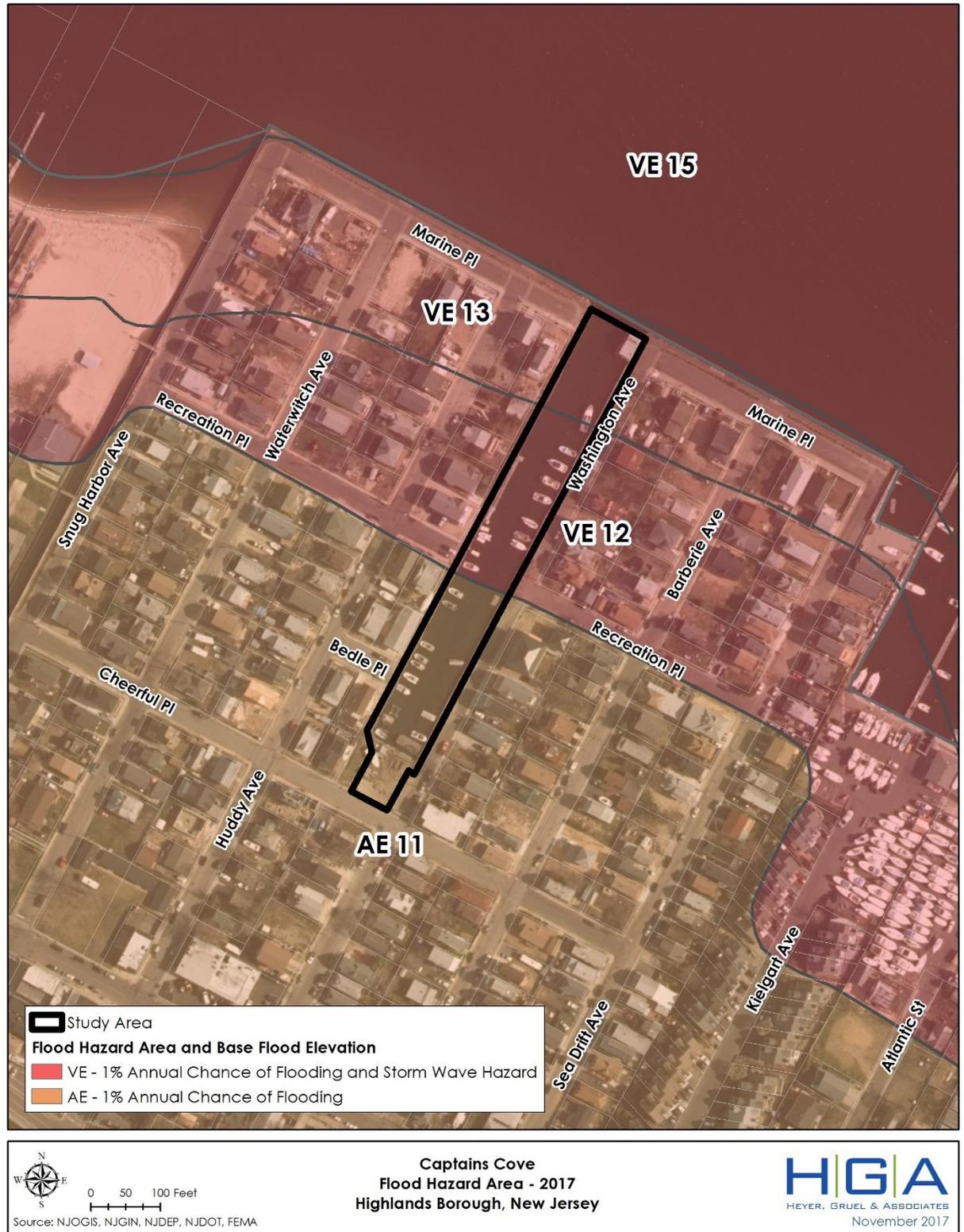


Figure 4- Flood Hazard Area

Faulty Arrangement

The following pictures demonstrate the faulty arrangement of a portion of the lot, the dilapidation of the bulkhead, and the deterioration of the structure on the property. The portion of the lot at the intersection of Cheerful Place and Washington Avenue, at the end of the site is currently being used to park vehicles and store a boat, several trailers, construction materials, equipment, and other miscellaneous debris. The lot is unpaved and sand is moving off the property at a section of depressed curb near a storm sewer inlet. Furthermore, the entire property, including this portion of land is in the flood hazard area. The unsecured materials that are stored on the property could be potentially harmful to residents or property in the vicinity in the event of a significant flood event.



Lot with depressed curb apron, drainage inlet, sand moving off property.



Construction material, equipment and boat storage.

Dilapidation

The bulkhead running along the eastern side of the property near Washington Avenue is damaged in several locations. The bulkhead had been damaged during Irene and was in the process of being rebuilt when Sandy struck in 2012. There are signs of erosion or subsidence where the ground has been worn away on the eastern side of the bulkhead, and the bulkhead is bulging into the marina channel.

Approximately half of the site is located in the VE flood hazard area. The VE zone is identified as areas that may be subject to storm wave hazards in addition to inundation. A major storm event could subject the bulkhead to wave action, which would hasten the erosion and subsidence, and place stress on the already compromised portions; thereby, increasing the hazard.



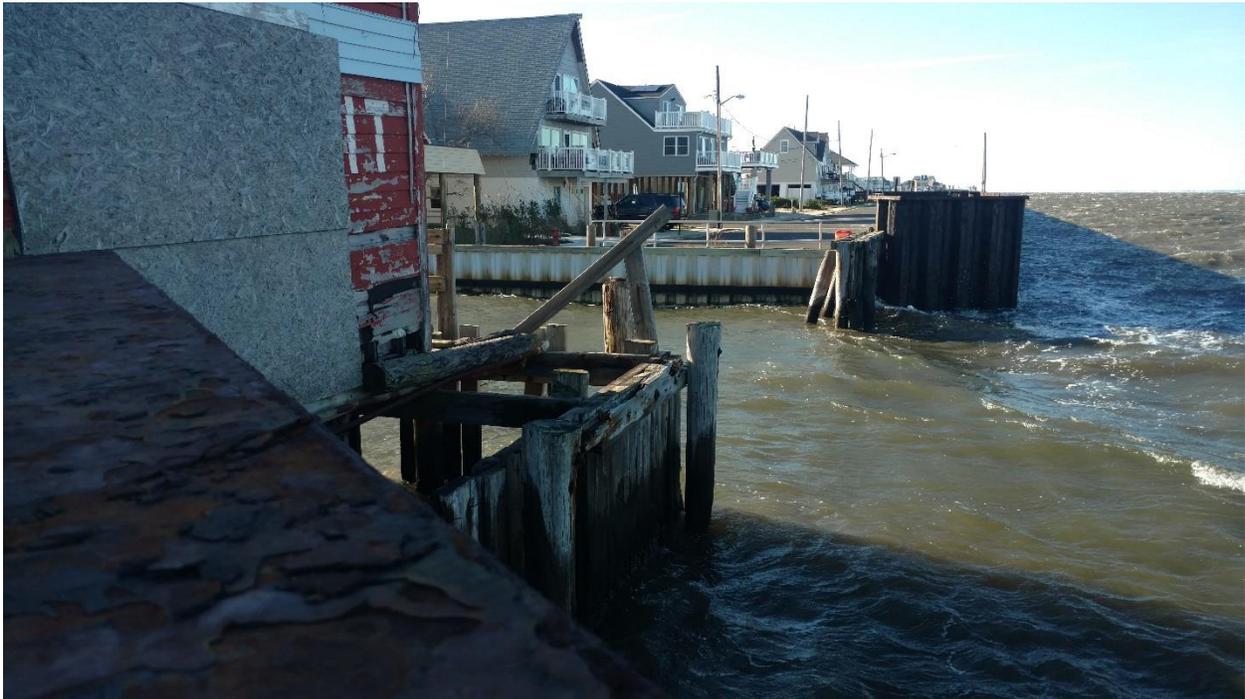
Bulkhead in poor condition, ground subsiding.



Bulkhead bulging into channel, signs of sand eroding at landward side.

Deterioration of the Structure

There is a small structure at the end of Washington Avenue at Marine Place that has been damaged and is uninhabited. The siding has been torn off in places and worn wood has been exposed. Portions of the building have been boarded up, and a fence has been put up to prevent access to the building. The roof is missing shingles in sections. The building is located at the end of the marina channel and is not shielded from the bay by the main bulkhead running along the bay-frontage of Marine Place. The structure is located in the VE-13 flood hazard area, and is vulnerable to wave action and inundation.





South-facing side of the building, siding damage, walkway damage.



View of building from Marine Place. Portion of building boarded up, fencing in place.



View of building from bay. Roof damage visible.

Conclusion

In conclusion, the condition of the building on the property has deteriorated to the point that it is untenable. The commercial activity that had taken place in the building is no longer happening on site. The condition of the building and the discontinuance of its commercial use make the use of criterion "b" of the LRHL appropriate.

The disorganized storage of vehicles, boats, construction materials and equipment demonstrates a faulty arrangement on the land portion of the property, which is exacerbating the run-off of sand from the property into the storm drain immediately adjacent to the site. The bulkhead is damaged and deteriorating in several areas. This dilapidated condition is creating a potential hazard to patrons of the marina and the public at large. Furthermore, the entire property is in the flood hazard area, and each of these conditions would be exacerbated in the event of a flood event.

The designation of the Captain's Cove Marina property as an area in need of redevelopment based on criteria "b" and "d" is appropriate due to the combination of an overcrowded and faulty arrangement of the lot at the intersection of Cheerful Place and Washington Avenue and the dilapidation of the bulkhead creating a potential hazard to the public safety and welfare, and the deterioration of the structure to the point that it is untenable.

Appendices

Appendix A: Highlands Borough Governing Body Resolution 16-228

Appendix B: Tax Property Card - Block 84,, Lot 2.01

Appendix A: Highlands Borough Governing Body Resolution 16-228



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 16-228

RESOLUTION AUTHORIZING THE LAND USE BOARD TO UNDERTAKE A PRELIMINARY INVESTIGATION TO DETERMINE WHETHER BLOCK 105.107, LOT 1.1 AND BLOCK 84, LOT 2.01, QUALIFY FOR DESIGNATION AS AREAS IN NEED OF REDEVELOPMENT PURSUANT TO N.J.S.A. 40A:12A-1 ET. SEQ.

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. ("LRHL") authorizes municipalities to determine whether certain parcels of land located therein constitute areas in need of redevelopment; and

WHEREAS, the governing body of the Borough of Highlands desires to explore whether the real property located at Block 105.107, Lot 1.1, commonly referred to as the Shadow Lawn Mobile Home Park site as well as the real property located at Block 84, Lot 2.01, commonly referred to as Captains Cove Marina (the "Study Areas"), may be appropriate areas for consideration for the program of redevelopment; and

WHEREAS, the governing body of the Borough of Highlands considers it to be in the best interest of the Borough to have the Land Use Board conduct such an investigation for the properties located at Block 105.107, Lot. 1.1, commonly referred to as the Shadow Lawn Mobile Home Park site, as well as the real property located at Block 84, Lot 2.01, commonly referred to as Captains Cove Marina; and

WHEREAS, the governing body of the Borough of Highlands believes the subject parcels are potentially valuable for contributing to, serving, and protecting the public health, safety and welfare and for the promotion of smart growth within the Borough; and

WHEREAS, the Local Redevelopment and Housing Law sets forth a specific procedure for establishing areas in need of redevelopment; and

WHEREAS, pursuant to N.J.S.A. 49A:12A-6, prior to the governing body of the Borough of Highlands making a determination as to whether the Study Areas qualify as areas in need of redevelopment, the governing body must authorize the Land Use Board, by resolution, to undertake a preliminary investigation to determine whether the Study Areas meet the criteria for designation as areas in need of redevelopment as set forth in N.J.S.A. 40A:12A-5; and

WHEREAS, the governing body of the Borough of Highlands wishes to direct the Land Use Board to undertake such preliminary investigation to determine whether the Study Areas meet the criteria for designation as areas in need of redevelopment pursuant to N.J.S.A. 40A:12A-5 and in accordance with the investigation and hearing process set forth in N.J.S.A. 40A:12A-1 et. seq.

Appendix B: Tax Property Card - Block 84, Lot 2.01

[New Search](#) [Property Card](#)

Block: 84 Prop Loc: MARINE PLACE Owner: RA MULTIMEDIA CORP. % F. ROSIAK Square Ft: 608
 Lot: 2.01 District: 1319 HIGHLANDS Street: 9 MARINE PLACE Year Built: 0000
 Qual: Class: 4A City State: HIGHLANDS, NJ 07732 Style:

Additional Information

Prior Block: 8 Acct Num: 00015980 Addl Lots: EPL Code: 0 0 0
 Prior Lot: Mtg Acct: Land Desc: Statute:
 Prior Qual: Bank Code: 32767 Bldg Desc: Initial: 000000 Further: 000000
 Updated: 11/14/16 Tax Codes: S01 Class4Cd: 739 Desc:
 Zone: R201 Map Page: 16 Acreage: 1.5 Taxes: 27944.56 / 14665.00

Sale Information

Sale Date: 12/01/00 Book: 5995 Page: 983 Price: 400000 NU#: 0

Sr1a	Date	Book	Page	Price	NU#	Ratio	Grantee
More Info	10/02/00	5994	900	1	3	0	CAPTAINS COVE ASSOCIATES
More Info	12/01/00	5995	983	400000		101.25	RA MULTIMEDIA CORP. C/O F.ROSAIK

TAX-LIST-HISTORY

Year	Owner Information	Land/Imp/Tot	Exemption	Assessed	Property Class
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2017	RA MULTIMEDIA CORP. % F. ROSIAK	400000	0	500000	4A
	9 MARINE PLACE	100000			
	HIGHLANDS, NJ 07732	500000			
2016	RA MULTIMEDIA CORP. % F. ROSIAK	750000	0	973000	4A
	9 MARINE PLACE	223000			
	HIGHLANDS, NJ 07732	973000			
2015	RA MULTIMEDIA CORP. % F. ROSIAK	750000	0	973000	4A
	9 MARINE PLACE	223000			
	HIGHLANDS, NJ 07732	973000			

*Click on Underlined Year for Tax List Page

[*Click Here for More History](#)