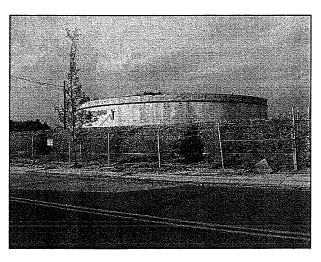
PRELIMINARY INVESTIGATION For DETERMINATION of an AREA IN NEED OF REDEVELOPMENT and REDEVELOPMENT PLAN

Block 101, Lots 1 and 1.01; Block 112.01, Lot 1; Block 120.01, Lots 2 and 3; And Block 284.02, Lot 1



CITY OF GLOUCESTER CITY In The County of Camden State of New Jersey

Remington & Vernick Engineers, Inc. 232 Kings Highway East Haddonfield, New Jersey 08033

March 2006

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Planning Board Solicitor Barry Beran, Esquire

Planning Board Engineer Thomas Cundey, P.E.

Planning Board Secretary
Regina Dunphy

EXECUTIVE SUMMARY

Pursuant to resolutions #R242-2005 and #R069-2006 of the Common Council of the City of Gloucester City, the planning board was directed to re-examine various parcels previously examined in 1997 found to be in need of redevelopment to determine whether existing conditions still qualify the below mentioned parcels as being in need of redevelopment as defined under the Local Redevelopment and Housing Law N.J.S.A. 40A:12A-1 et seq. Provided a finding in the affirmative, the board was charged with the preparation of a plan for the revitalization of the study area.

The Planning Board commissioned Remington and Vernick Engineers, licensed professional planners in the State of New Jersey, to undertake the investigation and write the redevelopment plan on its behalf. The study area is comprised of Block 101, Lots 1 and 1.01, Block 120.01, Lots 2 and 3 and Block 284.02, Lot 1, located entirely within the Port Planned Industrial District; and Block 112.01, Lot 1, located entirely within the Business Industrial District. All of the lots in the study area, lie within the city's Urban Enterprise Zone. Furthermore, the entire study area is – as is the entirety of Gloucester City – classified under the New Jersey State Development and Redevelopment Plan (SDRP) as Metropolitan Planning Area (PA-1) and as a Designated Town Center.

The Preliminary Investigation detailed herein revealed that existing conditions of the study area still qualify said area for redevelopment designation eligibility under criteria 'b', 'd,' 'e,' 'g,' and 'h.'



Preliminary Investigation

- I. INTRODUCTION
- II. REDEVELOPMENT PROCESS
- III. OVERVIEW
- IV. POPULATION & EMPLOYMENT TRENDS
- V. STUDY AREA
- VI. MAPS OF STUDY AREA
- VII. STATUTORY CRITERIA
- VIII. APPLICABILTY OF STATUTORY CRITERIA
- IX. CONCLUSION

I. INTRODUCTION

Pursuant to resolutions #R242-2005 and #R069-2006 of the Common Council of the City of Gloucester City, the planning board was directed to re-evaluate for continued "area in need of redevelopment" eligibility various parcels, set forth below, that had previously been found to be eligible in 1997. Further, the board was directed, provided a finding in the affirmative, to prepare a plan for the revitalization of the study area that would serve to enhance development potential and facilitate the remediation of long term conditions manifesting the criteria which under the Local Redevelopment and Housing Law evidence the need for redevelopment.

Block 101, Lots 1 and 1.01 **Block 112.01**, Lot 1 **Block 120.01**, Lots 2 and 3 **Block 284.02**, Lot 1

The Planning Board commissioned Remington and Vernick Engineers, licensed professional planners in the State of New Jersey, to undertake the Preliminary Redevelopment Investigation on its behalf.

The study was conducted in accordance with the Local Redevelopment and Housing Law. Enacted in 1992, the *Local Redevelopment and Housing Law* P.L. 1992, c.79 (C40A:12A-1 et seq.) provides municipalities with a means to address conditions of deterioration and lack of proper land use for lands and/or buildings which are abandoned, decayed, undeveloped/under-developed, or non-productive/under-productive and to actively redevelop such areas into productive assets for the community.

Additionally, the redevelopment statute gives municipalities the power to acquire private property for the purposes of redevelopment (through negotiation or condemnation); to clear and reprogram said lands; to install infrastructure and/or other site improvements; and to negotiate and enter into partnerships with public and private entities in order to accomplish a municipality's redevelopment goals and objectives.

An area may be deemed in need of redevelopment given the presence of certain criteria and adherence to the process outlined in the Local Redevelopment and Housing Law. If the study area is deemed to be an area in need of redevelopment, this will then permit the preparation and execution of a redevelopment plan, the acquisition of buildings and land through condemnation, the leasing or selling of property without public bidding, and allow the area to qualify for financial incentives.

II. REDEVELOPMENT PROCESS

The redevelopment statute requires a multi-step process that must be adhered to in order for the municipal governing body and planning board to exercise those powers lawfully. This process is outlined below.

- (1) The governing body must authorize the planning board, by resolution, to undertake an investigation of the delineated area to determine whether it meets the criteria set forth in section 5 of P.L.1992, c.79 (C.40A:12A-5).
- (2) The planning board must then prepare and post a map showing the boundaries of the area and the location of the various parcels therein. The map must also include a statement setting forth the basis for the investigation.
- (3) The planning board must conduct a preliminary investigation and hold a duly noticed public hearing in order to discuss the findings of the investigation and to hear persons who are interested in or would be affected by the contemplated action. The results and recommendations of the hearing are then referred to the governing body in the form of a planning board resolution for formal action.
- (4) Upon receipt of the recommendation from the planning board, the governing body may act to adopt a resolution designating the area in question, or any part thereof, as an area in need of redevelopment.
- (5) Upon designation, the planning board or redevelopment entity is then required to prepare a redevelopment plan, which establishes the goals and objectives of the municipality and outlines the actions to be taken to accomplish these goals and objectives.
- (6) The redevelopment plan, after review by the planning board, is referred to the governing body.
- (7) Upon receipt of the redevelopment plan from the planning board, the governing body may act to adopt the plan by ordinance. The adopted redevelopment plan may become an amendment to the municipality's zoning district map and zoning ordinance or may be treated as an overlay to existing zoning.

Only after completion of this public process is a municipality able to exercise the powers granted under the Redevelopment Statute.

III. OVERVIEW

History of the City

Gloucester City has its roots in 1623 when the Dutch built Fort Nassau on land that is now part of the city. The present city was settled in 1682 by Irish Quakers, and was formally incorporated nearly 200 years later, in 1868.

Like many towns and cities on both banks of the Delaware, Gloucester City's river access allowed it to develop a healthy manufacturing and industrial sector. As that sector was weakened by the general shift in the regional and national economies from manufacturing-based to service-based, Gloucester City experienced a prolonged economic downturn. The river and waterfront that was such a key to the city's growth in the past, however, now presents an opportunity for future growth and revitalization.

Location

The city is bordered to the east by the Mount Ephraim, to the west by the Delaware River, to the south by Brooklawn Borough, and to the north by the City of Camden. The city is also conveniently situated in an area with connections to major arterials providing convenient access to the City of Philadelphia and points beyond.

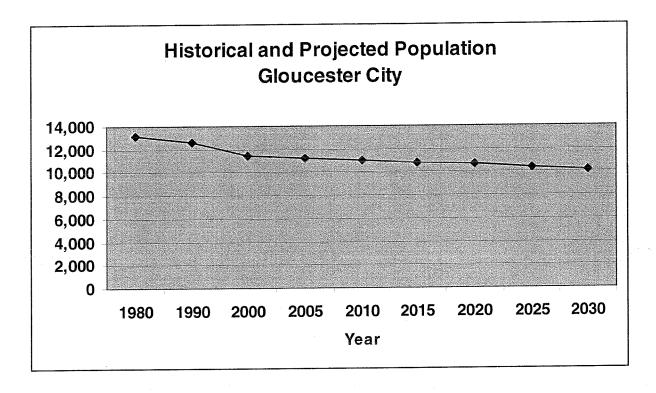
Population

The population of Gloucester City, recorded by the 2000 Census, is 11,484 persons. This is a decrease of 1,165 persons from the population recorded by the 1990 Census. In the previous two decades, the city has experienced declines both in employment and population. In addition, population and employment forecasts published by the Delaware Valley Regional Planning Commission (DVRPC) project a steady decline for the city between 2000 and 2025.

The 'New Jersey State Development and Redevelopment Plan' categorizes the entirety of the city as being within the PA-1 Metropolitan Planning Area. The entirety of the city is a Designated Town Center, which is defined as a center of commerce or government, with diverse residential neighborhoods served by a mixed-use core offering locally oriented goods and services.

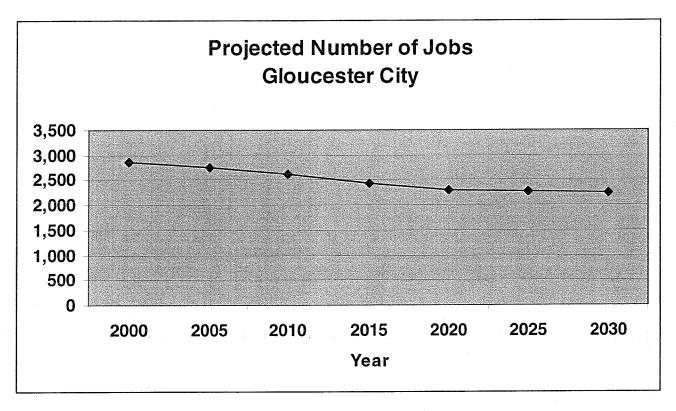
IV. POPULATION & EMPLOYMENT TRENDS

Population



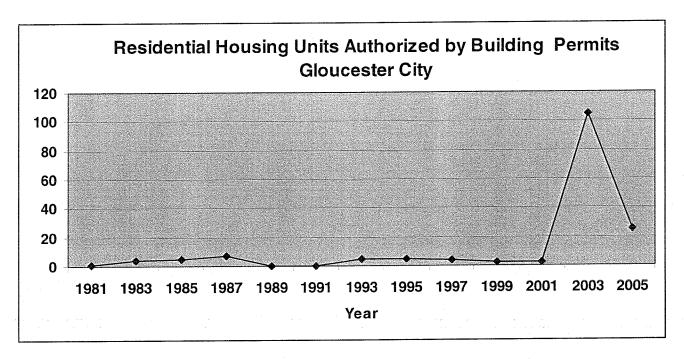
Source: Bureau of the US Census; DVRPC data bulletin, No. 73 (March 2005)

Employment



Source: Bureau of the US Census (historic data); DVRPC data bulletin, No. 73 (March 2005) (projected data)

Building Permits



Source: http://www.wnjpin.net/OneStopCareerCenter/LaborMarketInformation/lmi18/ (last visited February 13, 2006)

V. STUDY AREA & BASIS FOR INVESTIGATION

Study Area Delineation

Block 101, Lot 1 is on the Delaware River waterfront and fronts on Water Street from King Street to Sixth Street. Lot 1.01, in common ownership with Lot 1 delineates riparian property. Block 112.01, Lot 1 is bounded by Jersey Avenue to the northeast, Seventh Avenue to the east, Charles Street to the south, Pine Street to the west, and Fifth Street to the northwest. Block 120.01, Lots 2 and 3 front on the western end of Charles Street approximately 500 feet from the intersection of Charles and Water Streets. Block 284.02, Lot 1 is the Conrail railroad right-of-way that extends southeastward from its intersection with Charles Street to its intersection with Brick Street. Specifically, the study area includes:

Block 101, Lots 1 and 1.01; Block 112.01, Lot 1; Block 120.01, Lots 2 and 3; and Block 284.02, Lot 1

The boundaries of the current study area were determined by the city given long term manifestations of physical deterioration and economic blight, in aggregate, conditions detrimental to the well-being of the city. Additionally, the city recognized that the revalidation for redevelopment eligibility of the current study parcels can potentially result in renewed interest in, and the enhanced marketability of, said parcels and facilitate wider area revitalization.

From a zoning perspective, Block 101, Lots 1 and 1.01, Block 120.01, Lots 2 and 3 and Block 284.02, Lot 1 are located entirely within the Port Planned Industrial Zoning District; and Block 112.01, Lot 1 is located entirely within the Business Industrial Zoning District. The purpose of the Port Planned Industrial Zone is to establish sites for the development of comprehensively designed port facilities and related water oriented or water related manufacturing facilities. Uses permitted include:

- Piers for the mooring of ships and waterborne cargo vessels for the purpose of loading and unloading of cargo;
- Warehouses for the storage of cargo in transit; outdoor cargo and container storage yards;
- Administrative and auxiliary office uses solely intended for occupancy by the port operator and shippers using the port facility;
- Cranes for the lifting and movement of cargo and containers to and from ships;
- Electric substations;
- Maintenance facilities for motorized land based equipment; and

 Light manufacturing, storage, processing of cargo, raw materials and the shipment of finished products

The purpose of the **Business Industrial Zone** is to encourage the concentration of administrative offices and light industrial uses in the area of existing comparable uses while minimizing adverse impacts on adjacent residential areas. Uses permitted include:

- Administrative offices;
- Fully enclosed warehouses;
- Light manufacturing facilities;
- Fully enclosed wholesale business establishments;
- General business establishments; and
- Research and design laboratories

With respect to the New Jersey State Development and Redevelopment Plan (SDRP), the study area is - as is the entirety of Gloucester City - classified under the New Jersey State Development and Redevelopment Plan as Metropolitan Planning Area (PA1) and as a Designated Town Center.

The intent of the Metropolitan Planning Area (PA1) of the SDRP is to:

- Provide for much of the state's future redevelopment;
- Revitalize cities and towns;
- Promote growth in compact forms;
- Stabilize older suburbs
- Redesign areas of sprawl; and
- Protect the character of existing stable communities.

All of the study area parcels are situated within the city's Urban Enterprise Zone.

Existing Character and Land Use

Block 101, Lots 1 and 1.01

These lots are within the **Port Planned Industrial Zone** and are the site of the Koch modified asphalt processing facility. Lot 1.01 delineates Riparian property having a pier. Overall, the site is well maintained. Pursuant to settlement of litigation resulting in city approval for the establishment of the modified asphalt processing use, the city was granted an option to purchase the parcels.

This site is located in the Business Industrial Zone. A warehouse/commercial structure dating to 1925 occupies most of the parcel. The structure is currently occupied by four (4) tenants with the predominant use being warehousing albeit one (1) firm is engaged in the manufacture of wood boxes, pallets, and crates while another does some manufacturing of window panes. Anecdotal information indicates single tenant manufacturing concerns occupied the structure in the 1970's and 1980's. Portions of the building are boarded and instances of severe dilapidation are prominent. Miscellaneous debris is found at various locations on-site. The chain link fence on the western and southern sides of the property topped with barbed wire is dilapidated. A parking lot accessible from Charles Street exhibits severe surface course deterioration evidenced by ponding of water throughout the lot for which there is no drainage infrastructure. In addition, internal traffic circulation and on-site parking is ill-defined. A grassed area having no improvements thereon encompassing approximately two (2) acres is found along the parcel's Seventh Avenue frontage.

Block 120.01, Lots 2 and 3

These lots are located in the Port Planned Industrial Zone. Lot 2 is occupied by JILCO Trailers Company. The principal structure from exterior inspection appears to be structurally sound; the exterior is well maintained. The parking lot exhibits surface course deterioration evidenced by ponding of water and is not fully improved. Said area is utilized for the parking of truck trailers virtually to the front property line with no screening provided.

Lot 3 is the site of the long term vacant 110,000 square foot (approximate) former GAF Building. While appearing to be structurally sound from exterior inspection, instances of physical deterioration are prominent. Also prominent are instances of severe surface course deterioration of surrounding pavement.

Block 284.02, Lot 1

This lot is a railroad right-of-way. The western end of this lot is no longer in use and is overgrown. The eastern end of this lot beginning at Brick Street is still in use.

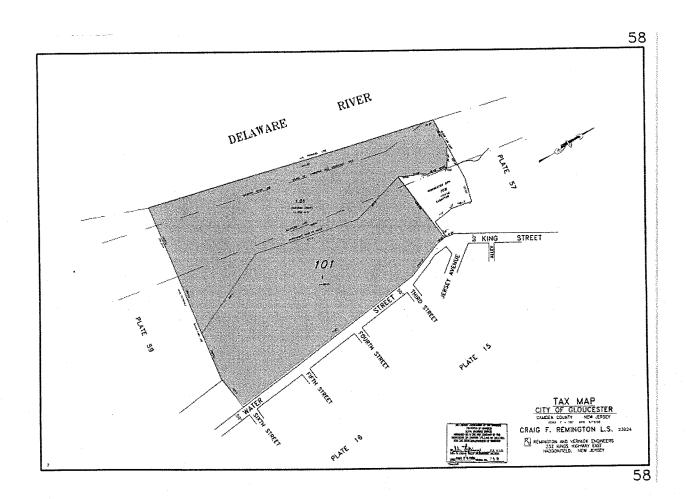
I. MAPS OF STUDY AREA

Aerial Map of Study Area

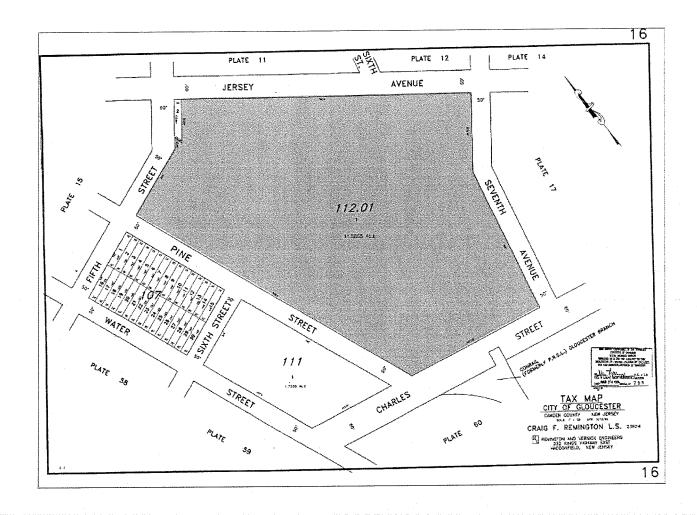


Source: New Jersey Image Warehouse, 2002 orthophotography

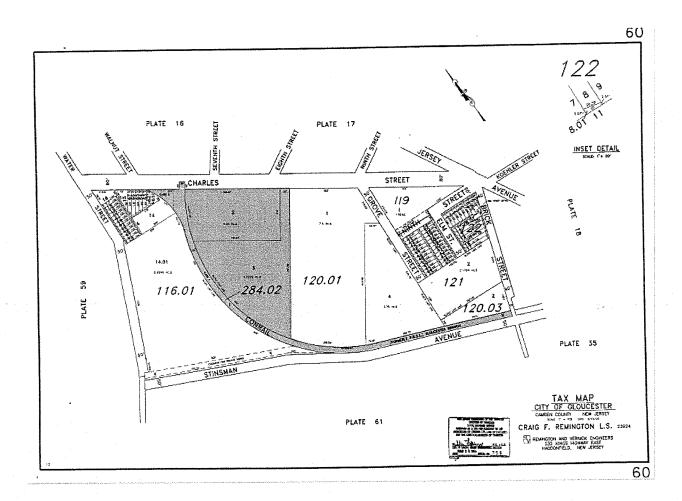
Tax Map of Block 101, Lots 1 and 1.01



Tax Map of Block 112.01, Lot 1

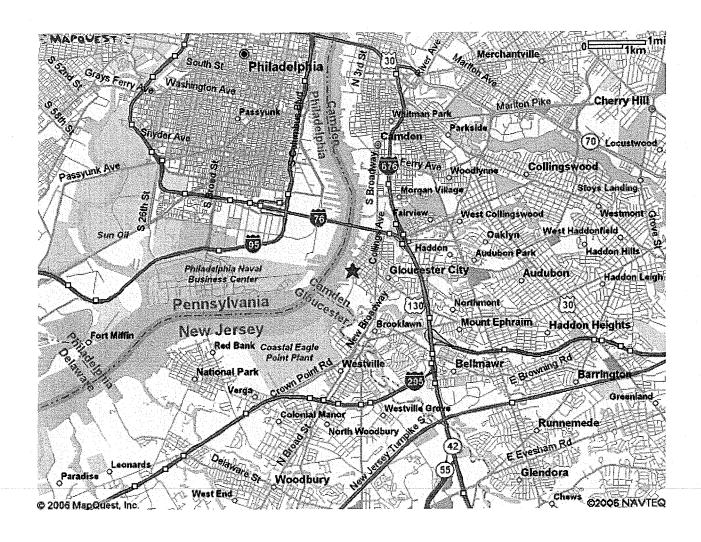


Tax Map of Block 120.01, Lots 2 and 3, and Block 284.02, Lot 1



Routes

Regional Access Routes



VII. STATUTORY CRITERIA

Under 40A:12A-5, a delineated area may be declared in need of redevelopment if, after investigation, notice and hearing, the governing body of the municipality, by resolution, concludes that within the delineated area any of the following conditions is found:

- 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 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 property, therein or other conditions, resulting in a stagnant or not fully productive condition of land potentially useful and valuable for contributing to and serving the public health, safety, and welfare
- f. Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by 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. c. 303 9C52:27H-60 et. seq.), said designation and prescribed related action are, in and of themselves, sufficient basis for the determination that an area is in need of redevelopment for the purpose of granting tax exemption within the enterprise zone or the adoption of a tax abatement and exemption ordinance.
- h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.

In addition to the criteria, the Redevelopment Statute states:

"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.¹"

N.J.S.A. 40A:12A-3

VIII. APPLICABILITY OF STATUTORY CRITERIA

The deeming of an area to be in need of redevelopment is an area wide determination. As such, the statutory charge for a positive determination of redevelopment eligibility requires a demonstration, on an area wide basis versus an individual lot basis, that existing conditions give evidence of economic deterioration in terms of an underutilization or less than fully productive condition of land, or physical deterioration by the presence of improvements which are dilapidated, obsolete, faulty in terms of arrangement, or in any way deleterious to the welfare of the community. An area is also eligible for declaration where it can be demonstrated that said declaration would advance smart growth planning through consistency with the intent and policy objectives enumerated under the New Jersey State Development and Redevelopment Plan (SDRP) for the planning area within which the study area is situated.

With respect to the advancement of smart growth planning, the State Plan (SDRP) classifies the entirety of the study area as Metropolitan Planning Area (PA1), a growth area for which it is envisioned that much of the State's future development and redevelopment activity will occur. Furthermore, the entirety of the city is also a Designated Town Center under the SDRP, these being defined as centers of commerce or government, with diverse residential neighborhoods served by a mixed-use core offering locally oriented goods and services. The Town Center designation is intended to qualify the area to receive priority assistance from the state.

Declaring the study area to be in need of redevelopment would advance the overarching themes of the Town Center and Planning Area designations, and facilitate the redevelopment of the Southport Redevelopment area by enhancing the potential for development activity and growth within Gloucester City. Therefore, this report concludes that the principles of smart growth are advanced such that the threshold for satisfaction of criteria 'h' is reached for the entirety of the study area.

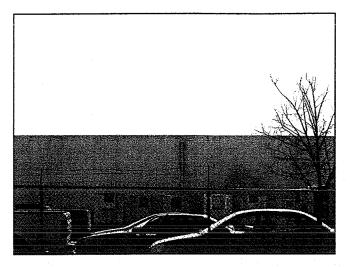
All of the study area parcels lie within the Gloucester City Urban Enterprise Zone. These parcels automatically qualify as an area in need of redevelopment for the purpose of granting long and short-term tax abatements and exemptions. (Criteria 'g').

There are several characteristics present throughout the study area in various concentrations which present 'substantial evidence' qualifying the area for redevelopment eligibility. The former GAF Building represents a long term discontinuance of commercial use (criteria 'b'), and, as a result of long term vacancy, a stagnant condition potentially having a negative impact on redevelopment of properties in close proximity (criteria 'e'). A stagnant condition representative of criteria 'e' is found relative to the rail road right-of-way given that at least a portion thereof is no longer utilized for the purpose intended and the configuration is not conducive for development other than as a transportation corridor. Dilapidated improvements (severe building deterioration and severe surface course deterioration of parking lots), faulty

design (ill-defined traffic circulation and on-site parking), lack of full improvement of said areas, parking of truck trailers to proximity of front property line and absence of screening for same as well as expansive area devoid of use relating to the warehouse on Block 112.01, Lot 1, and accumulations of trash and debris - all of which having a dampening effect on the overall viability of the area for economic growth give rise to criteria 'd'.

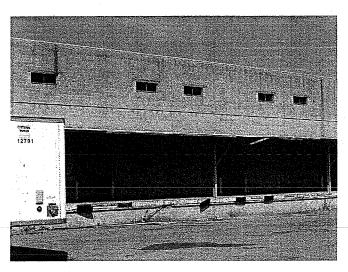
The following pages photographically illustrate the conditions that render the above properties eligible for a redevelopment declaration.

Faulty design and dilapidation (criteria 'd'): Block 120.01, Lots 2 and 3





Left: Block 120.01, Lot 3, peeling paint on building, Right: Block 120.01, Lot 2, partially paved parking lot with puddles of water

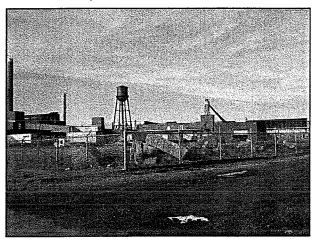


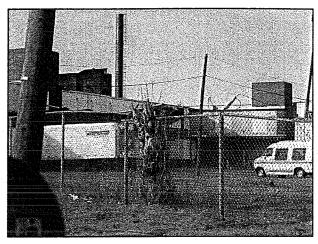
Left: Block 120.01, Lot 3, building dilapidations



Right: Trailers parked to the front of the lot with inadequate screening

Dilapidation of improvements and principal structure, and deleterious land use (criteria 'd'):





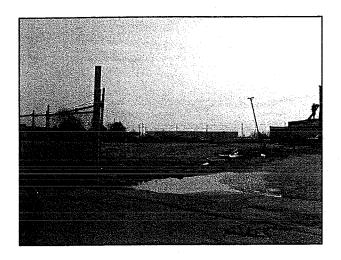
Left: Piles of debris in the yard, Right: A dead tree is intertwined with the fence

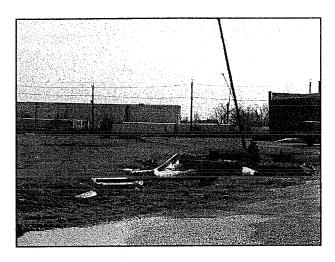




Left and Right: Surface course deterioration and flooding in the parking lot

Dilapidation of improvements and principal structure, and deleterious land use (criteria 'd'):



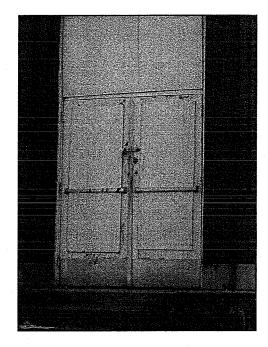


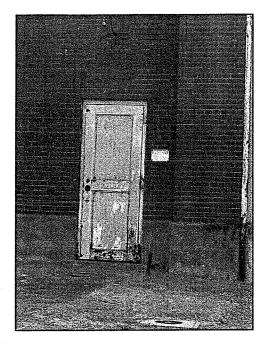
Left: Flooding and surface course deterioration at parking entrance, Right: debris in yard



Dilapidation of the principal structure and fence

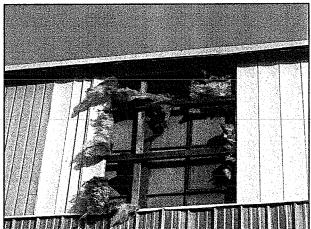
Dilapidation of the improvements and principal structure (criteria 'd'):





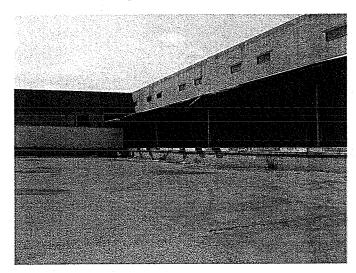
Left and Right: Rusted doors on principal building





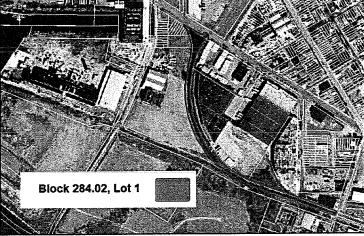
Left and Right: Dilapidation of principal structure

Criteria 'b' (discontinuance of commercial use): The building on Block 120.01, Lot 3 manifests long term vacancy. Block 284.02, Lot 1 is vacant and configured in a way that is not conducive for a use other than as a transportation corridor.



Block 120.01, Lot 3: vacant principal structure





Left: The western end of Block 284.02, Lot 1 is vacant with overgrown vegetation, Right: The irregular shape of this parcel is not conducive to most commercial development

IX. CONCLUSION

Given instances of physical deterioration and economic underutilization, and given that this redevelopment initiative advances smart growth planning as articulated through the State Development and Redevelopment Plan (SDRP), being consistent with the intentions of the Metropolitan Planning Area and the thrust of the Town Center designation, and further that the area is situated within an urban enterprise zone, this preliminary investigation concludes the parcels comprising the study area meet the statutory definition for an 'Area in Need of Redevelopment' based on criteria 'b', 'd,' 'e,' 'g,' and 'h.' Therefore, it is recommended that the Common Council of the City of Gloucester City and the Planning Board take action necessary, after public notice and hearing, to make that determination according to law.²

² Any municipal governing body resolution which designates an area to be in need of redevelopment is required to be submitted to the New Jersey Department of Community Affairs (DCA) for review. If the area designated is within an area targeted for development activity by state policies (Metropolitan [PA1] or Suburban [PA2] planning areas, or within an identified center, for example), approval of the designation is automatic upon submittal of the resolution to the DCA Commissioner. If the area which has been designated is not within an area for which development and redevelopment is encouraged by state policies, laws, or regulations, the DCA Commissioner has the authority to approve or reject the designation. In such cases, if no response is received from the Commissioner within thirty (30) days of the municipal submittal, the designation is automatically approved.



Part II: Redevelopment Plan

I. REDEVELOPMENT PLAN

II. PLAN IMPLENTATION

III. APPENDIX

Appendix A: New Jersey Finance and Incentive Programs

I. REDEVELOPMENT PLAN

From a strategic standpoint, this redevelopment plan seeks in the first instance to ameliorate conditions of physical and economic deterioration, and, in the second, enhance interest in, and marketability of lands proximate to areas of the Delaware River waterfront currently the subject of private sector redevelopment initiatives so to encourage wider area revitalization and introduction of uses compatible with the type of development anticipated for the Southport area waterfront.

The Gloucester City Council will serve as the redevelopment entity responsible for the execution of the redevelopment plan.

This Redevelopment Plan includes an outline for the planning, development, redevelopment, or rehabilitation of the project area in accordance with section 6 of P.L. 1992, c. 79 (C.40A:12A-7).

1. LOCAL GOALS

The City of Gloucester City has identified several goals that have guided this Redevelopment Plan, and these are as follows:

- a. Establish new mixtures of diverse land uses that creatively accommodate new housing, business, and recreational activities.
- b. Achieve public access to the Delaware River waterfront in order to allow its value as an amenity to permeate and positively affect the entire community.
- c. Create a smooth transition in building scale and form from adjacent neighborhoods to waterfront blocks in order to reconnect the waterfront study area with the whole of Gloucester City.
- d. Promote context sensitive development that addresses the scale and typology of existing neighborhoods, while encouraging new forms of development near the water's edge.
- e. Create a pedestrian-friendly streetscape.

2. LAND USE

In order to allow for flexibility in potential development patterns, the following land uses shall be permitted throughout the entirety of the study area:

- a. Residential development to include town homes, multi-family condominiums, live work units, and single-family attached development.
- b. Commercial uses including offices, restaurants, and retail.
- c. Mixed-use development, allowing for the integration of residential and commercial uses within or attached to the same structure.
- d. Active and passive recreation areas and facilities.

3. BULK AND AREA REQUIREMENTS

This plan adopts for the entirety of the study area the prevailing bulk and area requirements as set forth for the **CRO** - **Commercial-Residential Office Mixed Use** Zoning District within the Gloucester City ordinance.

4. DEVIATIONS FROM REDEVELOPMENT PLAN

The planning board may review and retain jurisdiction over applications requiring relief for deviations, other than with respect to permitted uses, from this redevelopment plan or other city development ordinances. Accordingly, an amendment to the redevelopment plan shall not be necessary if the selected redeveloper(s) or property owner desires to deviate from the bulk provisions set forth in this redevelopment plan or the pertinent sections of city's Land Development Ordinance, or from the design standards set forth in this redevelopment plan or other city development ordinances. All requests for such relief shall be made to the planning board accompanied by a complete application for development as otherwise required by city ordinance. Decisions on such requests shall be made in accordance with the legal standards set forth in N.J.S.A. 40:55D-70c. in the case of requests for relief from zoning standards, and in accordance with the legal standards set forth in N.J.S.A. 40:55D-51 in the case of requests for relief from design standards.

5. PUBLIC ACCESS TO THE WATERFRONT

The plan encourages, to the greatest extent practical, the provision of public access to the Delaware River for recreational purposes.

6. ADDITIONAL RECOMMENDATIONS

- a. Consolidation and/or re-subdivision of land, as well as flexible accommodation of various uses is recommended under this plan.
 - b. Planned development, that being, the coordinated development of uses under a single unifying plan versus stand alone development is encouraged.

c. Prospective redevelopers who propose projects within the area encompassed by this plan are to illustrate and describe the compatibility of redevelopment proposals with potential future redevelopment occurring on lands within this specific area and lands subject to the city's Southport Redevelopment Plan.

7. CONFORMANCE WITH ROUND THREE AFFORDABLE HOUSING OBLIGATIONS

Affordable housing obligations resultant from residential construction and/or job creation shall be addressed by the means **as** found acceptable by the redevelopment entity as provided for under the Substantive Rules of the New Jersey Council on Affordable Housing for the period beginning on December 20, 2004 (N.J.A.C. 5:94.)

8. LAND ACQUISITION

As authorized by the Local Redevelopment and Housing Law, lands and/or buildings not owned by the City of Gloucester City, necessary for the effective execution of the redevelopment plan, may be acquired by condemnation in accordance with the provisions of the Eminent Domain Act of 1971. For conformance with subsection 40A:12A-7.a(4) of the Local Redevelopment and Housing Law, requiring identification of parcels which may be acquired, the following study area parcels are identified as potential acquisition sites through either the exercise of eminent domain or negotiated settlement:

Block 101, Lots 1 and 1.01; Block 112.01, Lot 1; Block 120.01, Lots 2 and 3; and Block 284.02, Lot 1

9. RELOCATION ASSISTANCE

The Redevelopment Agency shall undertake all appropriate relocation measures as required by law pursuant to the Relocation Assistance Law of 1967, P.L. 1967, C.79 (c. 52:31B-1 et. seq.) and the Relocation Assistance Act, P.L. 1971, C. 362(c. 20:4-1 et. seq.) in the event of displacement of any resident from the redevelopment area.

10. STATE PLAN CONFORMANCE

This Redevelopment plan compliments the goals of the State Planning Act (N.J.S.A. 52: 18A-196 et. seq.) relating to the revitalization of the State's cities and towns as well as promotion of

beneficial economic growth and development. The plan is also consistent with the policies of the New Jersey State Development and Redevelopment Plan given the promotion of redevelopment activity within a designated Center of an area classified as a Metropolitan Planning Area (PA1).

Pertinent goals of the State Plan with regard to Metropolitan Planning Areas are:

- I. Provide for much of the state's future redevelopment
- II. Revitalize cities and towns
- III. Promote growth in compact forms
- IV. Stabilize older suburbs
- V. Protect the character of existing stable communities

The community vision as expressed by the Gloucester City Master Plan (December 1995) anticipates port, industrial, and manufacturing uses for the study area. The city's re-evaluation of the Southport area redevelopment plan, resulted in a shift away from the originally envisioned heavier uses to a mix of residential and compatible commercial uses. This initiative is consistent with the master plan goals "of charting a course for Gloucester City to develop fiscal independence by carefully allocating its land resources and managing their development for the enhancement of the entire community." This plan is also consistent with the master plan call for "maximizing opportunities by following a defined pattern of rehabilitation and redevelopment in a process that is mutually interrelated and self reinforcing..."

II. IMPLEMENTATION OF REDEVELOPMENT PLAN

Upon the adoption of a redevelopment plan pursuant to section 7 of P.L. 1992, c. 79 (C.40A:12A-7), the municipality or redevelopment entity designated by the governing body may proceed with the clearance, replanning, development and redevelopment of the area designated in that plan. In order to carry out and effectuate the purposes of this act and the terms of the redevelopment plan, the municipality or designated redevelopment entity may:

- 1) Undertake redevelopment projects, and for this purpose issue bonds in accordance with the provisions of section 29 of P.L. 1992, c. 79 (C.40A:12A-29) and issue bonds.
- 2) Acquire, by condemnation, any land or building which is necessary for the redevelopment project, pursuant to subsection i. of section 22 of P.L. 1992, c. 79 (C:40A-12-22).

- 3) Acquire, by condemnation, any land or building which is necessary for the redevelopment project, pursuant to the provisions of the "Eminent Domain Act of 1971," P.L. 1971, c. 361 (C. 20:3-1 et. seq.).
- 4) Clear any area owned or acquired and install or reconstruct infrastructure
- 5) Prepare or arrange by contract for the provision of professional services and the preparation of plans by licensed professionals and/or other consultants for the carrying out of redevelopment projects.
- 6) Arrange or contract with public agencies or redevelopers.
- 7) Lease or convey property or improvements without public bidding.
- 8) Enter upon buildings or property for conduct of investigations or surveys.
- 9) Provide for relocation assistance
- 10) Carry out a voluntary rehabilitation program and develop plans for the enforcement of codes and regulations relating to use and occupancy, rehabilitation, demolition, and removal of buildings or improvements.
- 11) Request the designation of particular areas as areas in need off redevelopment or rehabilitation.

SITE PLAN AND SUBDIVISION APPLICATIONS

In the execution of this redevelopment plan, it should be noted that development and subdivision within the area shall be governed by the requirements set forth under the applicable development regulations of the City of Gloucester. Redevelopment activities shall be in conformance with the adopted redevelopment plan which may be amended in accordance with law. Site plan review, as may be required, shall be conducted by the Planning Board of the City of Gloucester, pursuant to the provision of the Municipal Land Use Law N.J.S.A. 40:55D-1 et. seq.

All leases, agreements, deeds, and other instruments from, or between, the Redevelopment Agency, and to, or with a redeveloper, shall comply with the applicable provisions of Title 40, Chapter 37A.

AGREEMENTS WITH (RE-) DEVELOPER

Agreements with developers shall note that only those uses established in the redevelopment plan shall be constructed, and prohibit, without approval of the redevelopment entity, the sale, leasing, or transferring of the redevelopment project, or portion thereof, without written consent.

EQUAL OPPORTUNITY

The land within the project area shall not be restricted on the basis of race, creed, color, or national origin in the sale, use, lease, or occupancy thereof.

PERIOD OF APPLICABILITY

The provisions of this plan, specifying the redevelopment plan for the project area and requirements and restrictions with respect thereto, shall be in effect for a period yet unspecified until such time as the purpose of the plan has been satisfied and the designated district's need for redevelopment has been substantially alleviated.

Appendix A: New Jersey Financing and Incentive Programs

Business Employment Incentive Fund:

Under the BEIP program, incentive grants are offered to companies that create new jobs in New Jersey. Qualified businesses can apply for periods as long as 10 years for incentive grants up to 80% of the New Jersey personal income tax withholdings from new jobs created when they relocate to New Jersey, or expand their businesses in the state. In the base year, the company must create at least 25 new jobs in a targeted urban community or at least 75 jobs in a suburban area.

Bond Financing:

Bond financing can be an attractive form of lower cost, long-term borrowing for qualifying businesses needing at least \$1 million in capital. Tax-exempt bond financing, which can provide capital at interest rates substantially below the prime rate, is authorized under the Internal Revenue Code for use by manufacturers needing to finance buildings and equipment. The New Jersey Economic Development Authority may issue a bond of up to \$10 million to enable a manufacturer to finance real estate acquisitions, equipment, machinery, building construction, and renovations. Certain other specified businesses also may qualify for this type of financing, such as commercial and industrial projects located in federal Empowerment or Enterprise Zone Communities. Taxable bonds, which also can provide favorable interest rates, are not subject to the same federal restrictions. They may be used on a wider range of businesses without dollar limitations and for such purposes as debt refinancing or working capital.

Statewide Loan Pool for Business:

Through an arrangement between the New Jersey Economic Development Authority and New Jersey banks, loans from \$50,000 up to \$3 million for fixed assets and up to \$500,000 for working capital are available. The New Jersey Economic Development Authority provides up to 25% of the financing subordinate to 75% bank participation. Also, the New Jersey Economic Development Authority will provide up to \$250,000 of the loan at a below-market interest rate and also may guarantee up to 30% of the bank portion.

Local Development Financing Fund:

The New Jersey Economic Development Authority's Local Development Financing Fund is aimed at stimulating commercial and industrial projects in Urban Aid communities through matched fixed-asset loans. Low-interest local development loans can range from \$50,000 to \$2 million. The host municipality must sponsor the request for financial assistance.

Fund for Community Economic Development:

Loans and loan guarantees are made to urban-based community organizations that in turn make loans to microenterprises and small businesses which may not qualify for traditional bank financing. Affordable capital is provided to fill financing gaps in the development of community facilities and other real estate-based economic development projects. Funds are available to local

groups to finance feasibility studies and other predevelopment costs to determine if a real estate project is viable. Technical assistance is also available to support the long-term growth and viability of individual organizations.

Real Estate Development

The New Jersey Economic Development Authority supports the creation of jobs and ratables principally in the urban centers of the state by providing assistance for projects that are consistent with state and local economic development objectives. The NJEDA's main development focus targets urban-aid municipalities. In pursuing that goal, the NJEDA has engaged in a large number of projects in the development of centers identified in the State Plan. Examples include the New Jersey Performing Arts Center in Newark, the Blockbuster-Sony Music Entertainment Center in Camden and the Jersey City Medical Center. It also supports the growth of important industry sectors such as the Technology Center in New Brunswick.

Sustainable Loan Fund:

The Sustainable Loan Fund, that provides low-interest loans of up to \$250,000, is targeted to assist companies wishing to improve the environmental quality of their operations. Preference for loans is given to firms that locate in urban and town centers near existing infrastructure and mass transit.

Brownfields Incentive for Industrial Cleanup

The New Jersey Commerce & Economic Growth Commission provides significant incentive program to developers who remediate and redevelop contaminated sites. A developer may enter into a redevelopment agreement with the Secretary of Commerce that allows for recovery of up to 75% of the cost of remediation once the redevelopment project has begun to realize the new tax revenues in an amount sufficient to cover the cost of remediation. The developer must be a nonresponsible party, who agrees to undertake and complete the cleanup to the satisfaction of the New Jersey Department of Environmental Protection.

Hazardous Discharge Site Remediation Loan & Grant Program:

Businesses may qualify for loans up to \$1 million for up to 10 years for site investigation and cleanup. The interest rate is the Federal Discount Rate at approval or closing of contaminated sites, whichever is lower, with a minimum of 5%. Loan guarantees are also available.

Customized Training Program:

The New Jersey Department of Labor's Customized Training Program promotes the creation and retention of high-skill, high-wage jobs through comprehensive workforce training. Financial assistance in the form of matching grants may be available to qualified businesses to offset some f the costs of occupational training in the workplace. Training plans are largely designed by the employer. Training may be classroom based or on the job. Applicants may select a third party training vendor such as New Jersey community colleges, four-year colleges/universities, county vocational schools, or private training organizations.

Urban Enterprise Zone Program

The New Jersey Urban Enterprise Zone Program was created to stimulate economic development and job creation in the State's designated zones. Participating businesses located in these zones are eligible to receive incentives, including sales tax exemptions for building materials, equipment and supplies invested or used at the certified site, corporation tax benefits, and unemployment insurance rebates. Retailers charge only half the current sales tax on most "in person" purchases. Receipts from retail sales are deposited into a Zone Assistance Fund to which zone municipalities may apply for funding for projects within the urban enterprise zones. Over \$315 million has been approved from the Zone Assistance Fund for more than 1,000 zone projects. The Program's over 6,500 participating businesses have created over 50,000 full-time jobs and 5,000 part-time jobs since the program's inception in 1984. These companies employ 150,000 full-time employees and project hiring nearly 25,000 employees this coming program year. Companies have invested over \$9.9 billion to date in their businesses. They will invest another \$1.9 billion in the upcoming program year.

Benefits to Qualified Businesses Include:

- Reduced Sales tax (3% vs. 6% outside the UEZ)
- Sales tax exemptions
- Corporate tax credit for the hiring of certain designated employee groups
- Subsidized unemployment insurance costs
- Priority assistance for the Local Development Fund Program

NJ Redevelopment Authority:

The New Jersey Urban Redevelopment Act created the New Jersey Redevelopment Authority (NJRA) in 1996 to spearhead the economic development efforts in New Jersey's urban communities. The NJRA became operational in April 1997 and began focusing on investing in neighborhood-based redevelopment projects. Through the New Jersey Redevelopment Act, the NJRA has also assumed the assets and liabilities of the former Urban Development Corporation.

The Authority offers:

- Low and no interest loans
- Equity investments loan guarantees
- Technical assistance

The NJRA partners with community-based organizations, developers and businesses to leverage its resources to formulate and develop redevelopment projects to increase economic opportunities in 67 eligible communities. The NJRA's primary interest is to ensure that projects developed are urban-focused, neighborhood-based and investment-driven. The NJRA's commitment to projects goes well beyond financing. The NJRA is taking a comprehensive approach to economic development opportunities that are "Creative Community Investments."

Technology Certification Program:

This Innovative program allows new or expanding technology and biotechnology businesses to turn their tax losses and credits into cash to grow their businesses. Approved businesses may sell

their unused net-operating-loss carry forwards and unused research and development tax-credit carry forwards to any corporate taxpayer in the state for at least 75% of the value of the tax benefits. They can then use the money raised for working capital to buy equipment or facilities or for other business expenses. To qualify, the technology or biotechnology business must have 225 employees or less of which at least 75% must be based in New Jersey, and meet certain other criteria.

Technology Transfer & Commercialization Program:

This competitive investment program administered by the Commission on Science & Technology is a funding source for small, for-profit technology companies, to conduct product or process development projects with a near-term commercial outcome. Loans range from \$50,000 to \$250,000 and companies are required to repay only the principal amount of the loan. Companies eligible for this funding must be New Jersey based or plan to relocate to New Jersey.

Early Stage Enterprise (ESE) Seed Investment Fund:

Very young technology enterprises may be eligible to receive investments ranging from \$50,000 to \$1.5 million.

SBIR Bridge Loan Program:

Applicants for federal Small Business Innovation Research grants may receive loans which help bridge the time and financial gap between the awarding of Phase I and Phase II of the federal SBIR grants.

Edison Venture Finance Fund:

To increase the availability of venture capital to New Jersey businesses, the Edison Venture Fund makes investments in emerging technology businesses in the mid-Atlantic region, including New Jersey. The Edison Venture Fund has committed to target one-third of its capital to New Jersey-based businesses. The New Jersey Economic Development Authority has invested in this fund, and refers qualified high-tech companies to the fund for financing.

R & D Tax Credit Carry Forward Extension:

This law allows Research & Development Tax Credits to be carried forward for a period of 15 years. These credits must be incurred during period on or after 7/1/98, but no later than 6/30/01. Current law allows research and development tax credits to be carried forward for a period of seven years. New Jersey corporate business taxpayers are eligible if they have incurred qualified research expenses (pursuant to IRC 41 as of 6/30/92) in the following areas: advanced computing, advanced materials, biotechnology, electronic device technology, environmental technology, and medical device technology.

NJ Manufacturing Extension Program:

This innovative program allows new or expanding technology and biotechnology businesses to turn their tax losses and credits into cash to grow their businesses. Approved businesses may sell their unused net-operating-loss carry forwards and unused research and development tax-credit

carry forwards to any corporate taxpayer in the state for at least 75% of the value of the tax benefits. They can then use the money raised for working capital to buy equipment or facilities or for other business expenses. To qualify, the technology or biotechnology business must have 225 employees or less of which at least 75% must be based in New Jersey, and meet certain other criteria.

R & D Excellence Program:

This program is intended to create and/or mature new scientific and technology areas, which have potential for products, services, or processes important to New Jersey's future economic development. This multi-year grant program is available to academic research centers to work in collaboration with industrial partners.

Advanced Technology Centers:

Research Centers of excellence are located at New Jersey's major academic institutions, serving industry by offering and enhancing academic/industrial technology collaboration opportunities in a variety of disciplines. Advanced Technology Centers are designed to focus on strong industrial/academic R& D partnerships for continuous innovation to increase productivity, global competitiveness and profits

Technology Business Incubators:

Seven incubator facilities provide start-up and small firms with low-cost office, light manufacturing and/or laboratory space, shared central facilities, and business training and assistance. The Commission on Science & Technology expects to develop an additional five new incubators in New Jersey within the next two years. This expansion will allow New Jersey and its businesses to enjoy the economic benefits that can be derived from the incubation model.

Technology Centre of New Jersey:

Designed by the New Jersey Economic Development Authority, the Technology Centre of New Jersey, conveniently located in Central Jersey, is a collaborative effort by the State of New Jersey, private corporations, and academia featuring state-of-the-art, affordable laboratory, office, and production facilities for emerging and established technology companies.

Washington Technical Liaison:

The Technical Liaison Consultant provides New Jersey business with assistance in identifying available finding opportunities from the federal Small Business Innovation Research Program and other federal funding sources.