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May 5, 2023

Via Lawyers Service and E-Mail

Lisa Smith, Land Use Coordinator Joint Land Use Board Borough of Mendham 2 West Main Street Mendham, New Jersey 07945

Re:

Application for Preliminary and Final Major Site Plan and Bulk Variance Relief V-Fee Mendham Apartments, LLC 84-90 East Main Street, Mendham, NJ 07945

Block 801, Lot 20

Dear Ms. Smith:

This firm represents V-Fee Mendham Apartments, LLC (the "Applicant") in connection with the above-referenced application for preliminary and final major site plan approval, with bulk variance relief, to construct a 75-unit inclusionary multifamily residential development with related site improvements (the "Application"). The Board deemed the Application incomplete at its March 21, 2023 hearing because it determined that the Applicant may (at least potentially) have to seek a (d)(1) use variance with regard to the use of the standalone barn-style structure and a (d)(3) conditional use variance since the proposed residential use is located within 250 feet of a cell tower. The Applicant disagreed with Board on this issue and subsequently filed an application requesting an interpretation by the Zoning Board to formally resolve the same (the "Interpretation Application"). Included within the Interpretation Application was an updated Planning Report from Topology, last revised March 8, 2023 (the "Revised Report"). Amended content in the Revised Report is italicized in blue font. In salient part, the Revised Report clarifies that "no third-party vehicle storage will be provided on site." The Revised Report supersedes any potentially conflicting statements contained in the November 2022 Topology Report.

The Applicant now respectfully submits the Revised Report in connection with this Application, amends the Application accordingly, and stipulates to the use of the barn-style structure as described in

Lisa Smith, Land Use Coordinator \mathbb{P} a g e \mid 2 May 5, 2023

the Revised Report. We believe that this will eliminate the potential (d)(1) use variance which had been tentatively identified by the Board's professionals.

Should the Board desire any additional sets of the Revised Report, I would be happy to provide them. I also note that the Applicant only intends to present the Interpretation Application at the upcoming May 16th, 2023 hearing, and will separately notice and present this Application at a future hearing date once the Interpretation Application is decided.

We thank the Board for considering this correspondence.

Very truly yours,

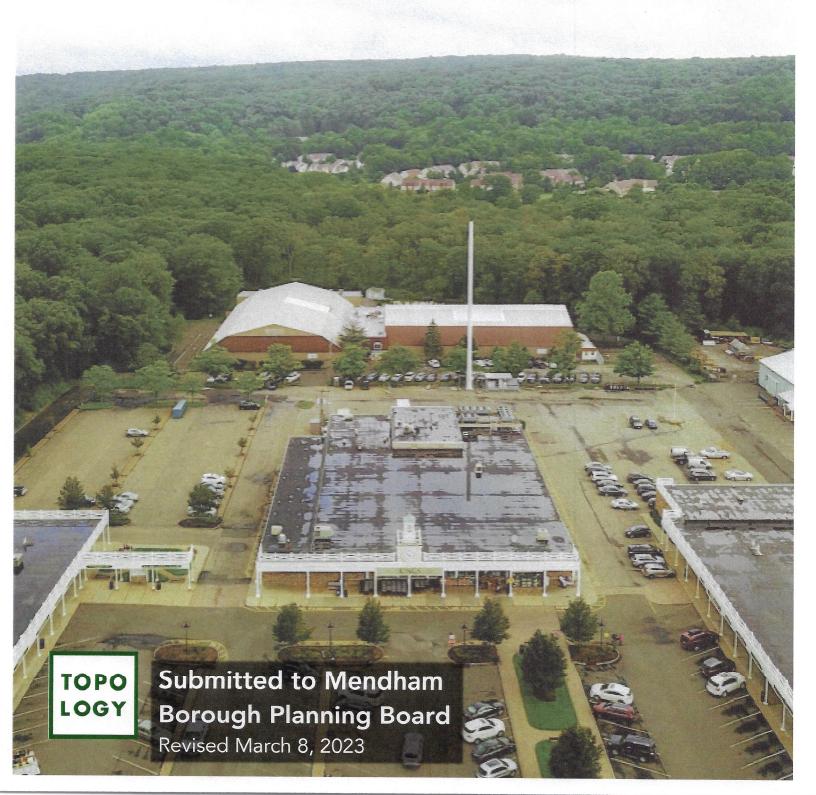
/s/ Derek W. Orth DEREK W. ORTH

Encls.

cc: Tom Germinario, Esq. (via e-mail)

Applicant (via e-mail)

PLANNING REPORT 84-88 EAST MAIN STREET



Submitted to:

Mendham Borough Planning Board

Applicant:

V-Fee Realty Investments, LLC

Subject Property:

84-88 East Main Street

Block 801, Lot 20

Development

Proposed improvements include:

Summary:

(1) various site upgrades to existing retail center; (2) 75-unit inclusionary multifamily residential building with indoor parking; and (3) a standalone barn structure to be used to be used for a combination of multifamily accessory parking and a limited

automotive sales/service use.

Zone:

East Business Zone - Affordable Housing

Date:

November 10, 2022

Revised March 8, 2023



60 Union Street Newark, NJ 07105 973-370-3000 www.topology.is Philip Spranger

Philip Abramson, AICP/PP NJ Planner License No. 609600 Golda Speyer, AICP/PP

Golda Speyer, AICP/PP NJ Planner License No. 639400

Version Notes

March 8, 2023 Revision: Upon review of the Applicant's original Planning Report dated November 10, 2022, the Borough's Joint Land Use Board Professionals raised a series of questions and concerns regarding the use of the "barn" structure, particularly as it relates to automotive services offered to third parties.

Based on technical discussions with the Board Professionals, the Applicant submits this revised report to clarify the proposed use of the barn structure. Please note that this memorandum is intended to supersede any conflicting statements made in our November 2022 Planning Report. All amended content is reflected by use of blue italics.

PART 1. INTRODUCTION & BACKGROUND

On February 3, 2020, the Applicant entered into a Settlement Agreement with Fair Share Housing Center and the Borough to create a realistic opportunity for the construction of low- and moderate-income housing at property designated as Block 801, Lot 20 (the "Site"). Following execution of the Settlement Agreement, the Planning Board adopted a Master Plan Re-Examination on April 13, 2020, recommending, among other things, the adoption of an affordable housing zone upon the subject property. Similarly, the Planning Board's adoption of the Borough's Housing Element and Fair Share Plan on May 11, 2020, which identified the subject property as a realistic opportunity to meet the Borough's affordable housing obligation.

To effectuate the Planning Board policy recommendations and the terms of the Settlement Agreement, the Borough Council adopted Ordinance #09-2020 establishing the East Business Zone - Affordable Housing (EB-AH) on August 11, 2020. As described in Ordinance 09-2020, the purpose of the of the EB-AH Zone is to:

"provide for retail sales and services to accommodate the general public and to provide a location that creates a realistic opportunity for the construction of low-and moderate-income housing in the Borough of Mendham on land that is available for development, thereby addressing the Borough's fair share housing obligation under the New Jersey Fair Housing Act and constitutional obligations to provide affordable housing."

The application now pending before the Planning Board effectuates these stated policies. More specifically, the Applicant's request for Preliminary and Final Site Plan approval will facilitate the construction of a 75-unit inclusionary multifamily residential building in the former location of the Mendham Racquet Club. The applicant also proposes a host of site upgrades to the existing Mendham Village Shopping Center that will provide aesthetic and circulation benefits. Finally, the Applicant also proposes to construct a clear span "barn" style structure to visually separate residential and commercial uses.

The purpose of this report is to provide Mendham Borough's Planning Board with a compliance analysis in connection with applications for Preliminary and Final Major Site Plan, submitted by V-Fee Realty (the "Applicant"). As more fully described below, the submitted application complies with the applicable terms contained in the Settlement Agreement as well as the standards and requirements contained in the EB-AH District and other sections of the Borough's Zoning Ordinance. With that said, the Applicant's proposal does require limited "C" variance relief which, as outlined below, all result in a "better planning alternative" and thus could be granted by the Planning Board pursuant to N.J.S.A. 40:55D-70(c)(2).

PART 2. EXISTING CONDITIONS + PROPOSED PROJECT

A. Site Description & Neighborhood Context: The Applicant's proposal includes a variety of improvements upon Block 801, Lot 20 within the Mendham Borough. The parcel, which fronts along East Main Street (NJ124 / CR510), contains 13 acres with an overall lot depth of approximately 1200'. The site is relatively flat and has been fully developed for approximately 40 years.

The site contains two functional areas – the front of the property is developed as a multitenant shopping center (closest to E. Main Street) while the rear of the site contains a monopole telecommunications antenna and a large private recreation complex, formerly occupied by the Mendham Racquet Club. The site currently contains ancillary site improvements, which includes various pedestrian facilities, circulation lanes, loading areas, and approximately 417 parking spaces.

The parcels to the west of the property are primarily developed with multifamily residential uses. To the north is Borough-owned open space, traversed with segments of Morris County's Patriot's Path trail system. Parcels to the east contain a variety of commercial and light industrial uses including a lumberyard, autobody shop, car dealer, gas station, and drive-through bank. Across East Main Street, to the south of the Property, are parcels containing a Provident Bank branch and the Jockey Hollow Processional Park – a multi-structure office condominium complex. Also located nearby is the United States Post Office and police headquarters. To note, West Morris Mendham High School is located along East Main Street less than a half-mile to the west of the project site.

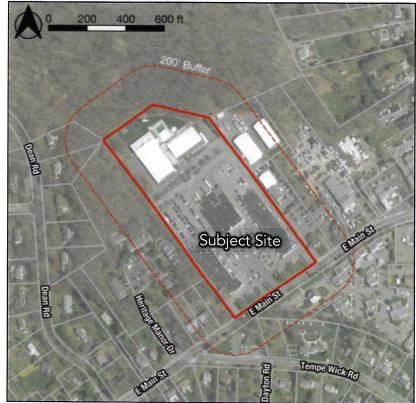


Figure 1: Aerial Photograph with Parcel Boundaries & 200' Buffer

B. Project Overview

1. **Site Plan**: The Applicant seeks Preliminary and Final Site Plan Approval to enable a variety of improvements upon Lot 20. Within the shopping center, a reconfiguration of the existing parking areas, drive lanes, and sidewalks are proposed:

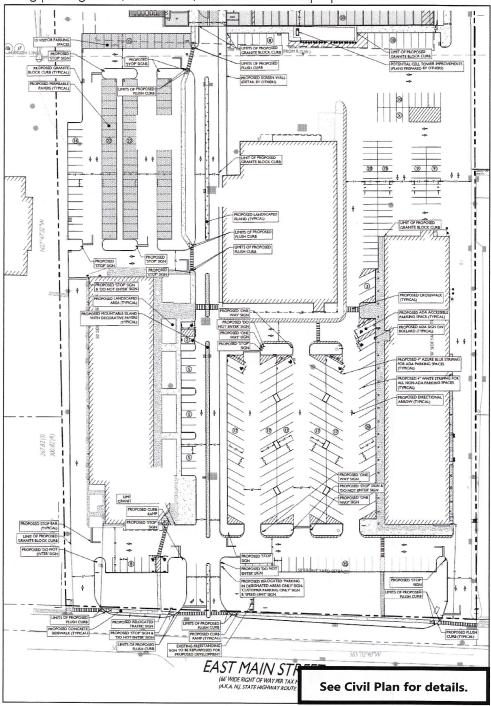


Figure 2: Proposed Improvements to Existing Shopping Center

In the rear of the property, the Applicant proposes to demolish the existing Mendham Racquet Club, to be replaced with a multi-family residential structure containing four occupiable stories over a first floor that contains an internal parking garage, lobby, and spaces to support building operations. The Applicant also proposes a separate two-story "barn-style" structure, containing multiple uses (see list below) that will provide additional indoor parking spaces for multifamily residents, contain a boutique auto sales/service facility, and will also create a visual buffer between the proposed multifamily complex and the existing shopping center.

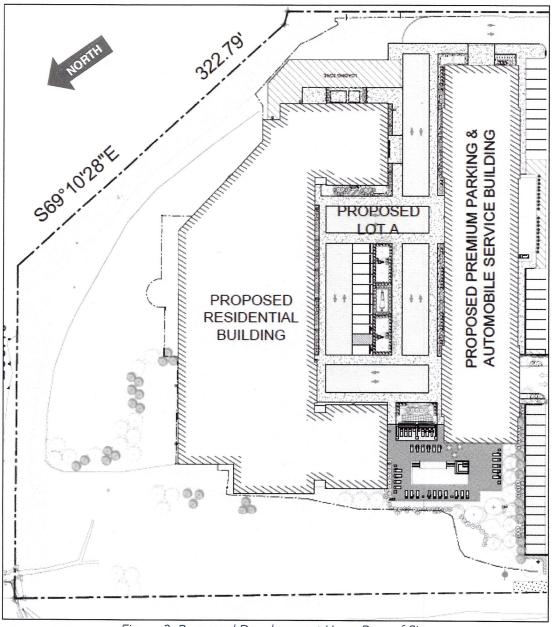


Figure 3: Proposed Development Upon Rear of Site

A programmatic summary of the new development upon the proposed rear of the Site is provided below:

i. Structure #1: Multifamily Residential

- 33 one-bedroom units
- 39 two-bedroom units
- 3 three-bedroom units
- 106 structured parking spaces
- Accessory lobby, leasing, utility rooms
- Accessory amenity areas

ii. Structure #2: Multi-family Accessory Uses & Automotive Sales / Service ("Car Barn")

The Car Barn is proposed to contain both an automobile sales operation (as further defined below) and a variety of uses accessory to the proposed multifamily structure. The Car Barn will have the following physical and operational characteristics:

- Applicant proposes an open-span, high-bay structure, like a barn or stable, with a footprint of approximately 20,700 SF (inclusive of the covered drop-off area).
- Much of the Car Barn will be utilized as a parking facility and showroom. All parking spaces will be capable of accommodating a hydraulic lift, which will allow each space to accommodate two vehicles in height. This indoor parking area will be used both as auto sales showroom and will also provide "premium" accessory parking for multifamily residential tenants. These two uses will be physically divided by a movable partition wall.
- At the outset of operations, interior parking spaces will be divided equally between premium parking and auto sales – each occupying 20 surface spaces. Applicant reserves the right to expand the area dedicated to accessory parking up to 100% of interior spaces, if required to accommodate resident demand.

Areas dedicated to automotive sales include:

- Ground floor management office and meeting space.
- 20-40 indoor spaces will be dedicated for showroom use at outset of operation.
 This number may be reduced to accommodate additional accessory parking for multifamily use. Each space may contain a hydraulic lift to double capacity of 20 proposed "floor spaces."
- 2 external-parking spaces will be dedicated to employees.

Areas dedicated for multifamily accessory uses include:

 20-40 indoor parking spaces will be dedicated for premium tenant parking (climate-controlled) at outset of operation, although number of spaces may be increased to accommodate tenant demand. Each space may contain a hydraulic lift to double capacity of spaces.

- First floor: Tenant bicycle parking.
- Second floor: secure storage area for multifamily tenants measuring approximately 11,450 SF.

iii. Ancillary Site Improvements:

- Internal courtyard
- Accessory pool amenity area
- Landscaping, lighting, and utility improvements
- Loading area and 15 visitor parking spaces

PART 3. ZONING COMPLIANCE

Pursuant to § 215-72 of the Mendham Borough zoning ordinance, the location of the East Business Zone - Affordable Housing (EB-AH Zone) boundary "applies to Block 801, Lot 20 (as it exists at the time of ordinance), also known as the "tract." The municipal zone map is hereby amended to reflect the same." As such, this section analyzes compliance with the standards contained in the EB-AH Zone (Mendham Code Article XIX).

- A. Uses Permitted (Borough Ord. Sec. 215-73): All proposed and existing uses are either permitted in the EB-AH zoning district. Upon completion of the proposed project, the site will contain the following uses as defined by the Borough Zoning Ordinance¹:
 - 1. Dwelling, Multi-Family: 75 units of inclusionary housing, as described above.
 - 2. Automotive Sales & Service: Consistent with the Borough's definition of "Automotive Sales and Services," which includes "any establishment selling motor vehicles new and used, supplies and accessories and including service and repair facilities, but not solely the storage of vehicles." As such, the operation will be limited to the sale and servicing of automobiles. Work on-site shall be limited to routine maintenance, minor repairs, and cleaning. No third-party vehicle storage will be provided on-site.
 - 3. Planned Commercial Development: The existing Mendham Village shopping center, containing a total of 80,615 SF.
- B. Accessory Uses (Borough Ord. §215-73.E): Pursuant to the Mendham Borough's definitions, an Accessory Use shall be "a use of the land or of a building or portion thereof customarily incidental and subordinate to the principal use of the land or building and located on the same lot as the principal use."

Section 215-73.E of the EB-AH Zone also permits various accessory uses including "off-street parking, structured parking [...] Residential amenities such as fitness centers, lounges, and tenant storage. Residential accessory uses such as leasing and management offices, maintenance buildings, and model units."

As such, the following accessory uses are proposed, all of which are permitted in Sec. 215-73.E of the EB-AH Zone standards:

- 1. Off-street parking associated with a principal use
- 2. Residential amenities associated with a principal use
- 3. Leasing and management offices associated with a principal use
- 4. Maintenance buildings associated with a principal use
- 5. Tenant storage associated with a principal use

¹ Definitions from the Borough Zoning Code may be found in § <u>215-1</u>.

C. Development Standards (Borough Ord. Sec. 215-74): The following development standards shall be applicable to all permitted uses and development in the EB-AH zoning district.

Standard	Required	Proposed	Complies
Minimum Lot Size	3.0 acres	13.27 Acres	YES
Number of Units (Max.)	75 Units	75 Units (Including 15 COAH)	YES
Unit Mix and Affordability Requirements	See Table 3		YES
Minimum Lot Width	200′	509.4'	YES
Minimum Front Yard	50'	130' (Shopping Center)	YES
Minimum Side Yard	50 feet (as measured from the nearest point of any building to any property line)	50.1' (New Structure)	YES
Minimum Rear Yard	50′	143'	YES
Minimum Recreation Area	5,000 SF	< 5,000 SF	YES
Building Stories (Max.)	Four stories over parking	Four stories over parking	YES
Building Height (Max.)	60 feet with exceptions (Note 1)	60 feet	YES
Maximum Impervious Coverage	Shall not exceed 80% for the tract.	74%	YES
Buffer to Residential Zone	Requirements of § 215-27, Impact on adjoining residential zones, shall apply	Complies with § 215-27	YES
Automotive sales and service uses	Shall be subject to the standards and regulations set forth in § 215-11	All standards contained in § 215-11 are N/A.	YES
Where there is more than one use or business enterprise in any building	There shall be a minimum floor area of 700 square feet per use or business enterprise. Each shall have its own separate entrance/exit	Automotive sales/services exceed 700SF and have separate entrance/exit	YES

Note 1: Height shall be measured to the top of building (i.e., the highest point of a flat roof, the deck line of mansard roofs, or the mean height between eaves and ridge for gable, hip, and gambrel roofs) from the average elevation of the proposed finished grade at each corner of the building next to the foundation; and Rooftop amenities and rooftop features (including mechanical equipment and machinery) shall not be considered a story and such appurtenances shall not be considered part of overall building height.

D. Off-Street Parking Standards (Borough Ord. Sec. 215-74.F): The following parking ratios are applicable in the EB-AH District. Pursuant to §215-74.F.1.d.

Per the EB-AH District, parking may be reduced in mixed uses based on a submission of a shared parking analysis per the Urban Land Institute (ULI) standards if approved by the Planning Board. Please see the Traffic Impact Statement submitted by Stonefield Engineering for complete analysis.

A summary of parking compliance is provided below.

Standard	Req	uired	Proposed	Complies
New Development Parking Spaces (Min.): Residential – RSIS	143.7 Residential Spaces	Reduced by	116 Residential Spaces + 15 Shared Parking	YES
New Development Parking Spaces (Min.): Automobile service stations* – 4 for each bay, plus 1 for each employee in the maximum working shift	2 Employees for Automobile Service Stations	10% for EV Spaces (NJ Senate Bill S3223) = 131 Spaces	Spaces from Commercial + 2 Automobile Service Station Spaces = 133 Spaces	YES
Minimum Existing Development Parking Spaces • Commercial – 3.5 per 1,000 SF	283 Spaces		341 Spaces (15 Shared Spaces)	YES
Parking Areas	Located no closer than three feet from any parcel boundary shared with properties in the EB District and shall be located no closer than 10 feet from any parcel boundary shared with properties in other districts		10'+	YES
rking Dimension (Min.) 9' x 20'		9' x 18'	NO	
Loading (Min.) Residential: 1 Total Retail: 3	3	3	3	YES

*It should be noted that the proposed use is *NOT* an Automotive Service Station. The Ordinance does *NOT* contain a parking standard for Automotive Sales and Service use. Site Plan by Stonefield incorporates closest parking category in matrix table.

E. Affordable Housing Requirement: The following table summarizes project compliance with the EB-AH zone district standards.

Standard	Required	Proposed	Complies
Set-Aside Requirement	20% of units actually constructed shall be affordable to low- and moderate-income households. Inclusionary housing shall comply with the Borough's Affordable Housing ordinance.	15 Affordable Units = 20%	YES
Market Bedroom Distribution	No more than 50% of the market-rate units shall be two-bedroom units and no more than 50% of the remaining market-rate units shall be one-bedroom units or studio units. The applicant may, in its discretion, include up to two three-bedroom market-rate units.	60 Market Units: 30 (50%) one-bedroom 30 (50%) two-bedroom	YES
Unit Tenure	Affordable units shall be family rental units and shall not be age restricted.	Family rental affordable units	YES
UHAC Requirement	Affordable units shall consist of moderate-income, low-income, and very-low-income units in accordance with UHAC (N.J.A.C. 5:80-26.1 et seq.).	Applicant will deed restrict affordable units in accordance with UHAC ⁽¹⁾	YES
Veteran Preference	Affordable units shall provide a preference for qualifying veterans in accordance with the requirements of the N.J.S.A. 52:27D-311(j).	Applicant will affirmatively market for Veterans preference	YES

¹⁾ Uniform Housing Affordability Controls stipulates that in each affordable development, at least 50% of the restricted units shall be low-income units (of that 13% are very-low income) and the remainder may be moderate income units.

Affordable units must further meet the following, which the Applicant provides for on the architectural floor plan:

- The combined number of efficiency and one-bedroom units is no greater than 20% of the total LMI units (i.e. no more than 3 units);
- At least 30 percent of all LMI units are two-bedroom units (at least 5 units);
- At least 20 percent of all LMI units are three-bedroom units (i.e. at least 3 units); and
- The remainder may be allocated at the discretion of the developer.

PART 4. CONCLUSION

The Borough entered into a Settlement Agreement with the Fair Share Housing Center, approved by the New Jersey superior court, which identified the Site as appropriate for multifamily development to provide affordable housing units and credits. As proposed, the application is in full compliance of the terms of the Settlement Agreement and the affordable housing ordinance. Minor site design relief is required, which may be granted pursuant to NJSA 40:55D-70(c). Applicant's Planner will provide testimony to support requested relief. As such, the Applicant's application for site plan approval may be granted by the Planning Board pursuant to the NJ MLUL.

PART 5. DOCUMENTS REVIEWED

- A. O-09-2020, Adopted August 11, 2020.
- B. Architectural Plans, prepared by Marchetto, Higgins, Stieve Architects P.C. on October 24, 2022.
- C. Preliminary and Final Site Plan, prepared by Stonefield Engineering on October 20, 2022.
- D. Traffic Impact Study, prepared by Stonefield Engineering. on September 9, 2022.
- E. ALTA/NSPS Land Title Survey, prepared by Stonefield Engineering on July 15, 2021.
 - Documents Note: No new signage is proposed as part of this application, but Applicant intends to prepare a signage and way finding package for review / approval as part of a separate application.