

RESOLUTION PB 21-03

**RESOLUTION PERMITTING THE DEMOLITION OF EXISTING
BUILDINGS AND STRUCTURES LOCATED ON BLOCK 100, LOT 17.03
ON THE OFFICIAL TAX MAP OF THE TOWNSHIP OF MENDHAM**

**(22 SAINT JOHN'S DRIVE)
(PINNACLE VENTURES, LLC)**

WHEREAS, Pinnacle Ventures, LLC ("Applicant") has made application to the Mendham Township Planning Board ("Board") for preliminary and final major site plan and variance approval to redevelop the property located at 22 St. John's Drive and formally known as Block 100, Lot 17.03 on the Official Tax Map of the Township of Mendham ("Property"); and

WHEREAS, the multi-family residential development Applicant proposes to construct upon the Property requires the demolition of existing buildings and structures thereon, and Applicant's project cannot proceed or be advanced without said demolition; and

WHEREAS, the Board may allow the demolition of the existing buildings and structures on the Property if the Applicant is able to demonstrate to the Board that certain factors and conditions exist on-site or presents other reasons for the proposed demolition that are acceptable to the Board; and

WHEREAS, the Applicant has provided the requisite notice to property owners and published public notice in accordance with the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. and the requirements of the Township of Mendham as modified for the purposes of conducting the meeting remotely through the Zoom platform wherein members of the public were able to participate by joining the meeting utilizing the invitational link set forth in the notice or by telephone using the invitational telephone numbers set forth in the notice; and

WHEREAS, a public hearing was held on the application on March 17, 2021 which focused primarily on the threshold issue of whether the demolition of existing buildings and structures on the Property should be permitted; and

WHEREAS, the Applicant was represented by Thomas J. Malman, Esq. and testimony to support the demolition of existing buildings and structures on the Property was provided by John K. Fetterly, Manager of Hospitality Resources – Hillandale, LLC, the entity which owns the Property, and Robert Moschello, P.E. (Engineer) thereafter presented a brief overview of Applicant's proposed project; and

WHEREAS, a copy of the application, together with supporting documentation has been filed and transmitted to the appropriate boards, agencies, committees, consultants and employees of the Township of Mendham, and the Board having heard and considered the testimony presented, and reviewed the Exhibits related thereto, together with the application, hereby makes the following findings of fact.

1. The Board has jurisdiction to consider the application before it.
2. The Property is located at 22 St. John's Drive, and is formally known as Block 100, Lot 17.03 on the Official Tax Map of the Township of Mendham. Presently there are approximately 135,000 sq. ft. of existing improvements within five buildings on the approximately 18-acre site. The existing structures are vacant and were last used for a school/church use by the former Mount Saint John Convent/Academy. There is the centrally located main building consisting of the Mosle Mansion that is flanked by two former school building wings one of which includes a chapel. Across from this main building are Fatima Hall and a carriage house. Behind those structures to the north are barracks type structures. There is also a separate gymnasium near the southwestern property line. The Property is located in the

Residential R-10 Zone district, and is also governed by the Reuse of Existing Buildings Overlay District.

3. The Property was previously the subject of an application for preliminary and final site plan, variance and design waiver approval to construct a luxury, age-restricted residential development consisting of 53 units, which was approved by the Board in Resolution PB-15-03 dated November 16, 2015 (hereinafter “2015 Approval”). The prior applicant who had secured the 2015 approval nonetheless did not proceed with the luxury age-restricted development.

4. Pinnacle Ventures, LLC now proposes to redevelop the Property as a principal permitted conditional use for multi-family residential townhouse units pursuant to the Reuse of Existing Buildings Overlay District. The Applicant seeks to demolish the existing main building and all existing accessory buildings on the Property to accommodate the construction of the new residential development. The project will consist of forty-four (44) for sale, luxury housing units, garage and surface parking, lighting, landscaping, stormwater management facilities, and other related site improvements. A variance for minimum setback of accessory buildings from the property boundary is also requested.

5. The demolition of existing buildings and structures is permitted in the Reuse of Existing Buildings Overlay District when certain criteria are shown. In the case of a residential unit development in a townhouse configuration located within the R-10 Overlay District, as is being proposed by the Applicant, the Board may allow for the demolition of existing buildings and structures upon a finding that the Applicant has demonstrated some or all of the following factors: (1) The on-site structures are obsolete; (2) The on-site structures present no economic value; (3) The cost to re-adapt, re-purpose and re-use the on-site structures exceeds the utility to be gained thereby; (4) The on-site structures do not lend themselves to the approved project; (5) Any other reasons for the demolition are presented that are acceptable to the Board.

6. John K. Fetterly testified that he is the managing member of Hospitality Resources – Hillandale, LLC (“HRH”). He stated that HRH acquired the Property in January 2020 and partnered with the Applicant, the Property’s contract purchaser, to develop same. In his view, the location and physical setting of the Property are exceptional, even if saddled with the existing structures thereon, which have been idle on the Property for over a decade.

7. Mr. Fetterly presented a series of 16 color photographs to show the current deteriorated condition of the existing buildings and structures on the Property, which were marked as Exhibits A-HRH-1 through A-HRH-16. He stated that he personally visited the site and took the photographs approximately two weeks prior and that they fairly and accurately depict what he saw on the Property at that time. A collapsing second-floor ceiling in one of the former school building wings is shown in Exhibit A-HRH-1. A school wing stairwell with severe water infiltration and evidence of mold was depicted in Exhibit A-HRH-2. A boarded up first-floor building exterior and damaged exterior building infrastructure systems were seen in Exhibit A-HRH-3. Mr. Fetterly testified that ongoing vandalism necessitates the boarding up of various exterior portions of on-site buildings, and that the damage to infrastructure systems was a result of vandalism. More evidence of exterior building vandalism was shown in Exhibit A-HRH-4, which also depicted failing roofs and degraded roof support systems. Collapsing, water saturated interior ceilings and standing water in the hallways of the former school building were seen in Exhibits A-HRH-5 through -7. Evidence of significant water infiltration in the former Mosle Mansion as reflected by collapsed ceilings, cracked masonry walls, and damaged connecting corridors was presented in Exhibits A-HRH-8, -9, -10 and -11. Exhibit A-HRH-12 showed buckled and popped floor tiles in a lower-level school wing, which Mr. Fetterly stated was indicative of a fully saturated floor substrate. More photographs of water seepage, mold, rust, and saturated, collapsing ceilings and floors in the former Mosle Mansion were introduced

as Exhibits A-HRH-13 and -14. Finally, standing water and water damage in lower building floors was shown in Exhibits A-HRH-15 and -16.

8. Mr. Fetterly testified that the photographs he presented reflect the current overall condition of the Mosle Mansion and former school building wings on the Property and leave little doubt of the magnitude and extent of foundational damage in those structures. He stated that on-site buildings and structures continue to be vandalized notwithstanding the security measures that have been undertaken by the Applicant. He further noted that the Township Historic Preservation Committee concluded back in 2018 that the on-site buildings had deteriorated to such a degree that rehabilitation was unfeasible. The Committee had specifically cited to necessary asbestos mitigation, the deteriorated condition of the roof, rafters, and sub-straights, and the need for completely new mechanical and electrical systems in finding that the costs of conversion and upgrade to the existing buildings far exceed the return on the investment. The Committee therefore unanimously concluded in 2018 that the existing buildings on the Property should be removed so that new construction can begin, a position which Mr. Fetterly pointed out the Committee reaffirmed in a recent letter to the Township. Additionally, Mr. Fetterly proffered that the existing on-site buildings present no economic value is also acknowledged by the Township Tax Assessor as the 2019 assessed value of all the structures on the Property was reduced to \$200,000, which Mr. Fetterly stated amounts to approximately a mere \$1.48 per square foot.

9. Mr. Fetterly concluded his testimony by asserting that the Reuse of Existing Buildings Overlay District criteria for permitting demolition of the on-site buildings and structures have been clearly shown and satisfied. The numerous photographs presented, the Township Historic Preservation Committee's 2018 conclusion regarding the condition of the on-site structures which it recently reaffirmed, and the 2019 assessed value of the on-site structures, all

unequivocally demonstrate that the buildings and structures on the Property are obsolete, have no economic value, and the cost to re-adapt, re-purpose and re-use same exceeds the utility to be gained from doing so. Mr. Fetterly further contended that the fact that the prior owner of the Property did not proceed on the 2015 Approval indicates that the on-site structures do not lend themselves to the luxury apartment project that was previously approved and there is in fact no viable project for the 2015 Approval. With regard to the fifth consideration for demolition under the Reuse of Existing Buildings Overlay District, i.e., any other reasons for the demolition that are acceptable to the Board, Mr. Fetterly offered the following: although developing the Property involves high site costs because demolition and removal of the existing structures is necessary, the Applicant nonetheless is willing to undertake same; the Property has been idle for over a decade; the current boarded up nature of the buildings is inconsistent with the neighborhood and Township; the residential townhouse development Applicant is proposing is a less intensive use than other permitted uses in the zone.

10. The Board Planner, Ryan Conklin, PP, AICP, GISP, issued a report on the subject application dated March 15, 2021. With regard to the specific issue of demolition, after conducting an inspection of the Property focusing on the exterior conditions of the on-site buildings, the Board Planner found that the main building on the site appeared to be in such a state of deterioration that it could be assumed that it would take significant costs to adaptively reuse the structure. Mr. Conklin reiterated that finding at the public hearing.

11. Members of the public appeared at the public hearing to ask questions of Mr. Fetterly, many of which were outside of the narrow scope of the threshold demolition and general obsolescence of the on-site buildings and structures issue before the Board.

12. Several Board members expressed concern that the condition of the on-site buildings and structures present both a fire and public safety hazard, and attract trespassers and homeless persons to the Property, and will continue to do so if left in their current state.

13. After considering the testimony and the exhibits presented, the report and recommendation of the Board's Planner on the application, the Board is of the view that the Applicant has met some or all of the conditions imposed under the Reuse of Existing Buildings Overlay District to allow for the demolition of the existing buildings and structures on the Property, and that the Applicant should be permitted to undertake such demolition, in accordance with the requirements as set forth in this Resolution and subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED by the Township of Mendham Planning Board, County of Morris, State of New Jersey as follows:

1. The Applicant is permitted to demolish the existing buildings and structures on the Property, formerly identified as Block 100, Lot 17.03 on the Official Tax Map of the Township of Mendham, as set forth in the Findings of Fact of this Resolution and subject to the following conditions:

A. The balance of Applicant's application for preliminary and final major site plan and variance approval to redevelop the Property is approved by the Board.

B. The Board may impose, and the Applicant shall be subject to, additional conditions on the demolition process after the balance of Applicant's application for preliminary and final major site plan and variance approval to redevelop the Property is heard by the Board.

2. The Applicant shall be bound to comply with all representations made before this Board by the Applicant and Applicant's witnesses during the course of the public hearing on the application held on March 17, 2021 as related to the application and the same are incorporated

herein and are representations upon which this Board has relied in granting the approvals set forth herein and shall be enforceable as if those representations were made conditions of this approval.

3. This Resolution is a memorializing Resolution as set forth pursuant to N.J.S.A.40:55D-10g (2), memorializing action taken by the Board at its meeting on March 17, 2021.

4. The foregoing Resolution shall be distributed by the Planning Board Secretary after adoption to all appropriate officials in the Township of Mendham.

5. This Resolution shall take effect immediately.

CERTIFICATION

I HEREBY CERTIFY that this is a true copy of a Resolution enacted at a duly convened public meeting of the Mendham Township Planning Board held on _____, 2021.

Elizabeth Foley, Planning Board Secretary

PERMITTED TO VOTE ON THE APPLICATION:

Chairman Kevin Giordano

Members: Sante D’Emidio
Janet DeMeo
Nick Monaghan
Tom Baio
Ross Johnson
Jon Mayer