



Planning & Real Estate Consultants

HIGHLANDS CBD REDEVELOPMENT PLAN: A GUIDE

Status of the CBD Redevelopment Plan

The Borough of Highlands' *Central Business District (CBD) Redevelopment Plan* was adopted on May 18, 2022. The Redevelopment Plan does not supersede the Zoning and Land Use Regulations of the Borough of Highlands in Chapter 21 of the Borough's Revised General Ordinances (the "Zoning Ordinance"), except as specifically set forth in the development regulations for the Redevelopment Area. The Plan establishes three Overlay areas that serve as an overlay to existing zoning and an amendment to the zoning map.

This Executive Summary describes major policy changes for the CBD as compared to existing zoning and other policies that were in effect before the Redevelopment Plan was adopted.

Goals of the Redevelopment Plan

This Redevelopment Plan aims for a vision of downtown Highlands that acknowledges and works with the constraints of its location within a flood prone area. It seeks to make development in the CBD more financially feasible by redefining, or in some cases removing, onerous zoning requirements such as floor area ratio, building coverage and height, and parking ratios, and by providing more flexible standards. The overall vision for the Redevelopment Area is a vibrant, walkable downtown centered along the Bay Avenue corridor and adjoining areas that includes a mix of old and new commercial and residential uses.

To preserve vibrant, bustling downtown streets, the Plan seeks to incentivize through additional building height the provision of retail or other active uses on the Lowest Floor (a floor which could be raised above grade) and offers additional incentives to provide retail or other Active Uses at the ground floor, where it can best contribute to active, pedestrian-friendly streetscapes. In either case, guidelines are provided to downplay the visibility of off-street parking and ensure that retail businesses, apartments, and other uses will have a strong connection to the sidewalk through porches, staircases, and high facade transparency.

The Plan seeks to improve pedestrian safety and comfort through a program to increase effective sidewalk width through deeper front setbacks and landscaping. It aims to provide additional open space, seating, and gathering areas within front setbacks. The Plan intends to highlight and frame major Gateway intersections into downtown Highlands with requirements for special features in building design and site planning. Streets, sidewalks and public spaces will be more inviting and attractive as a result of public and private investments in the Redevelopment Area.

Background & Clarifications

AFFORDABLE HOUSING

The Redevelopment Plan adds language clarifying that the mandatory set-aside requirements in Section 26-2 of the Borough of Highlands Affordable Housing Ordinance apply to any multifamily residential development of five (5) dwelling units or more, including the residential portion of a mixed-use project.

FLOOD ZONE & ALLOWABLE USES RELATIVE TO BASE FLOOD ELEVATION

Nearly all the parcels in Highlands' CBD zone lie within FEMA's designated AE flood hazard area. In this AE zone for the CBD, the Base Flood Elevation (BFE) is a uniform 11 feet. Borough zoning follows FEMA guidelines and requires that all residential space in new and substantially improved buildings be located above BFE+1, that is, above elevation 12 feet. Non-residential space in such buildings is permitted below the BFE+1, but must be dry-floodproofed. Only parking and storage areas may be located below the BFE+1 without special dry-floodproofing. The elevation of most parcels in the CBD appears to lie between 4 and 9 feet elevation, meaning that the BFE+1 height of 12 feet falls somewhere between 3 and 8 feet above grade for most parcels.

MEASUREMENT OF BUILDING HEIGHT

According to the zoning code, building height is measured from the Grade Plane, which for parcels in the flood hazard area – nearly all of the downtown – is the Base Flood Elevation plus one foot ("BFE+1"). Height is measured to the deck level of a flat roof, and to the midpoint between eaves and peak for a sloping roof.

Measuring building height relative to BFE+1 is a standard approach used in other towns; however, the downside of this approach is that the overall building height is therefore not equal for all parcels. Buildings on higher ground will have less available building height envelope than buildings on lower ground, due to having less height available below the BFE+1.

The Redevelopment Plan continues to use the zoning definition for building height *exceptions*, including allowing an additional 10 feet for mechanical use only. The Plan adds the clarification that parapets are permitted to exceed the maximum building height by up to four (4) feet.

Specific Policy Changes

OVERLAY AREAS FOR USE AND HEIGHT

This Redevelopment Plan divides the CBD into three Overlay Zones in order to more finely regulate allowable uses and building height. See **Figures 5 and 6**.

Allowable Uses by Overlay Location

The Redevelopment Plan lists permitted land uses for each of the three Overlay Zones in a cumulative fashion, so that everything allowed in Overlay 1 is also allowed in Overlay 2, and everything allowed in 1 and 2 is also allowed in 3. Compared to what is permitted under

existing zoning, Bed & Breakfast has been added as a permitted use in Overlay 2, and Hotels have been added as a permitted use in Overlay 3.

Allowable Building Heights by Overlay Location

Existing zoning permits for the entire CBD a maximum height of 36 feet, or 38.5 feet if parking is provided inside the ground floor. In this Redevelopment Plan, the “base” or as-of-right building height across the entire CBD has been increased slightly, to 40 feet, as measured relative to the BFE+1. In addition, the Redevelopment Plan creates two optional height bonuses, tailored to the Overlay Areas, as discussed below.

Optional Height Bonuses

The Redevelopment Plan allows as-of-right a maximum building height of 40 feet in all three Overlays. It also provides two *optional* and mutually-exclusive Height Bonuses to provide economic incentive for creating floodproofed buildings with active uses at or near the sidewalk:

- Height Bonus A is permitted in Overlays 2 and 3 and provides a maximum height of 44 feet if certain requirements are met, including an 8-foot front setback and retail or other commercial on the Lowest Floor (which could be the ground floor or more likely the first raised floor).
- Height Bonus B is only permitted in Overlay 3, the area around Second St & Shore Drive, where parcels are generally larger and wider. This bonus provides a maximum height of 54 feet if certain requirements are met, including a 12-foot front setback, retail or other active use provided on the *ground* floor, and several other items.

Ground Floor Retail and Active Uses on Lower Floors

The existing zoning does not specifically state that ground-floor retail is required in multi-story buildings in the CBD; it merely says that residential is only permitted above the first floor. In order to provide more flexibility in building uses, this Redevelopment Plan *encourages* ground-floor retail or other active use everywhere, and only *requires* it as part of one of the optional Height Bonuses: with either Height Bonus, retail or other Active Use must be provided on the Lowest Floor. Active Uses include various non-residential uses, primarily retail and dining, but also shared residential support spaces such as lobbies and lounges. Active uses do *not* include parking garages and office space. Specifically:

- For Height Bonus A, Active Uses must be provided on the “Lowest Floor.” The Lowest Floor is defined in the zoning as either a floor raised above the BFE (such as the second floor of a building) or a dry-floodproofed ground floor. Active uses must be at least 15 feet deep and occupy at least 50 percent of the front facade width. Any raised or second-floor Lowest Floor Active Uses shall be accessible from the sidewalk by stairs leading up to an elevated deck or porch of minimum 5 feet depth and occupying at least 50 percent of the building facade width. This requirement is intended to help strengthen the relationship between the at-grade sidewalk and the raised active use.

- For Height Bonus B, which gives the largest height bonus, Active Uses must be provided at the *ground* floor. Active uses must be at least 25 feet deep and occupy at least 50 percent of the facade width.

GATEWAY PARCELS

The Redevelopment Plan identifies and maps (**Figures 5 and 6**) specific parcels at a few intersections that are considered to be gateways into downtown Highlands. At the “Gateway Parcels” in these locations, new buildings must include architectural accents or massing such as towers and bay windows, and greater detailing to emphasize the gateway. Parking lots and garage entries are encouraged to be placed away from these important intersections where possible. If located within Overlay 2 and 3, these Gateway parcels are permitted to obtain additional height through compliance with Height Bonus A or B, as appropriate.

OTHER BUILDING BULK STANDARDS

Front Setbacks

The existing zoning does not require any front setback in the CBD zone; a zero-foot front setback is permitted. The Redevelopment Plan requires a minimum two-foot deep concrete-paved front setback on all properties in the CBD, which will help to increase effective sidewalk width, making for a more comfortable pedestrian walking environment. In addition, the Plan requires deeper setbacks if Height Bonuses are pursued: an 8-foot setback with a 44' height (Bonus A), and a 12-foot setback with a 54' height (Bonus B).

Top-floor Stepbacks

Stepbacks are a way to reduce the perceived height and bulk of a building by stepping back the top floor relative to the primary facade plane. Existing zoning does not require any stepbacks of upper floor facades. The Redevelopment Plan requires front and rear stepbacks of minimum 6 feet each for buildings attaining the Height Bonus A (to 44' above BFE+1) and 10 feet for buildings attaining the Height Bonus B (to 54 feet above BFE+1).

Floor Area Ratio (FAR)

Existing zoning permits a maximum FAR of 0.65. The Redevelopment Plan removes FAR as a regulatory measure in the CBD. Other bulk standards, including height, setbacks, stepbacks, and building coverage, are sufficient to guide building size in the CBD.

Lot Coverage

Existing zoning for the CBD permits a maximum lot coverage of 80 percent. The Redevelopment Plan continues this as the “base” lot coverage, but permits an increase in lot coverage from 80 to 88 percent for buildings in Overlay 3 only that attain Height Bonus B. The rationale behind this increase is that the ground-floor retail / commercial space required in Bonus B will remove some area otherwise used for parking, requiring more of the lot to be improved for parking.

Building Coverage

Existing zoning for the CBD permits a maximum building coverage of 35 percent. The Redevelopment Plan increases building coverage to 80 percent in order to allow sufficient building intensity to make new development feasible.

Private Outdoor Space

Existing zoning requires 100 square feet of private open space per residential unit, plus 50 square feet per bedroom. The Redevelopment Plan omits the requirement based on number of bedrooms, in order to be less onerous. The Plan adds language that the remaining required open spaces must be private, individual to each unit, and connected to the unit. This allows for choice and flexibility to use porches, decks, rooftop terraces, stepback areas, and back yards. Where a building has a generous front plaza as a result of the setback requirement associated with Height Bonus A or B, it is not allowed to count that front plaza space as private open space for a unit.

GREEN DESIGN

Existing zoning does not require any green design measures such as green roofs or porous paving. The Redevelopment Plan encourages green roofs and other green design features. The Redevelopment Plan requires that any front setback areas created through attainment of Bonus A or B shall have porous surfacing such as via porous pavers, grass-crete, rain gardens, and/or landscaping. The goal is to increase the amount of porous surfaces in the downtown and foster infiltration of stormwaters and floodwaters. On the other hand, the minimal 2-foot deep front setback required without the Height Bonuses is not required to have porous surfaces. This was done to simplify construction and lower costs for small projects; because the 2-foot deep setback is intended to serve as a widening of the sidewalk, it should be smooth and walkable.

PARKING REQUIREMENTS

Current zoning's parking requirements in the CBD are based on the recent Ordinance O-21-29. These zoning requirements exempt the first 1,000 square feet of non-residential uses from any parking requirements, but maintain high ratios for many uses. In recognition that providing structured off-street parking is usually one of the most expensive aspects of construction, the Redevelopment Plan changed the parking approach considerably, and included new parking ratios in the CBD to replace the parking ordinance. These include lower ratios for residential parking, with the lowest ratios possible for multi-family buildings having ground floor or Lowest Floor retail or commercial (i.e. those that achieve Height Bonus A or B). The new approach also lowers the parking ratio for non-residential uses in the CBD to 1 space per 600 SF, after the 1,000 SF exemption, and adds clarification that the 1,000 SF exemption may only be used once per building, not once per storefront.

To make alternatives to driving more convenient, the Redevelopment Plan adds a requirement for secure, indoor bicycle parking in buildings with more than three residential

units. Outdoor bicycle racks are also required, according to a ratio based on the number of residential units and amount of commercial space.

BUILDING DESIGN FOR BETTER FRONTAGES

The Redevelopment Plan includes specific requirements to soften and screen parking on the ground floor of buildings, since parking will be such a visible part of new construction.

The Redevelopment Plan adds design requirements for connecting residential, retail and other commercial spaces on a raised Lowest Floor to the public sidewalk, by requiring front porches and staircases, and encouraging terraced, landscaped spaces that draw visitors upwards. This is important since new construction may shift much of the retail and dining activity to the second floor.

DIAGRAMS

The Redevelopment Plan includes two helpful information graphics:

- A series of height diagrams (**Figures 7 through 9**) shows how building height could be allocated among floors for buildings at the base height, and those with Bonuses A and B.
- **Table 2** summarizes the major requirements of optional Height Bonuses A and B with the as-of-right Base Height.