



Fidelity Plaza

Block 143, Lot 24.06

Redevelopment Study

Heyer, Gruel & Associates

July 16, 2024



Redevelopment Law Introduction

Local Redevelopment and Housing Law (LRHL) N.J.S.A. 40A:12A-1

Phase I: Redevelopment Study

Township Council authorizes Planning Board to conduct investigation



"Area in Need of Redevelopment" study prepared



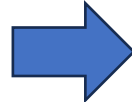
Planning Board holds public hearing



Planning Board makes recommendation to Township Council



Township Council takes formal action to designate Redevelopment Area



Phase II: Redevelopment Plan

Redevelopment Plan is prepared – establishes permitted uses, bulk requirements, etc.



Redevelopment Plan is introduced by Governing Body



Planning Board reviews Plan for consistency



Governing Body adopts Plan by Ordinance

Phase I is focused on documenting existing conditions and collecting relevant data to determine which of the criterion are met by the area.

Phase I *does not* envision the future of the area – it does not explore future uses, standards, zoning, etc. These are topics that are flushed out in Phase II

We are here!





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Phase III: Redeveloper Designation

A developer is sought out or identified through an RFP/RFQ process



The Redevelopment Entity and selected developer enter into interim agreement, engage in negotiations



Redevelopment Entity enters into final Redevelopment Agreement with developer



Phase IV: Implementation

Designated redeveloper pursues Site Plan and/or Subdivision approvals from Planning Board



Designated redeveloper coordinates other actions necessary to implement plan – infrastructure improvements, permits, etc.



Designated redeveloper oversees and completes construction, obtains certificate of occupancy, etc.



What is a Redevelopment Study (Preliminary Investigation)?

- Phase I in the Redevelopment Process
- ***Does not consider potential future uses or standards of the area – that is explored in Phase II***
- Preliminary investigation that ***evaluates the conditions*** of an area to determine if one or more of the redevelopment criteria are met
- Findings are supported by ***substantial quantitative and qualitative evidence***
- Provides a ***basis for the Board*** to make a recommendation to the Council



Why Pursue the Redevelopment Process?

- Effective way to **address problematic properties** proactively and comprehensively
- Facilitates **beneficial public private partnerships** between developer(s) and a municipality
- Presents **opportunities to negotiate** private contributions toward public improvements
- Gives municipality **greater control** over uses, bulk standards, architectural design standards, timeline, and more
- Provides a “toolkit” that establishes zoning and incentives that can **enable projects that would not otherwise occur**
- Opens doors to **financial incentives** including PILOTs, Redevelopment Area Bonds, ASPIRE, and more



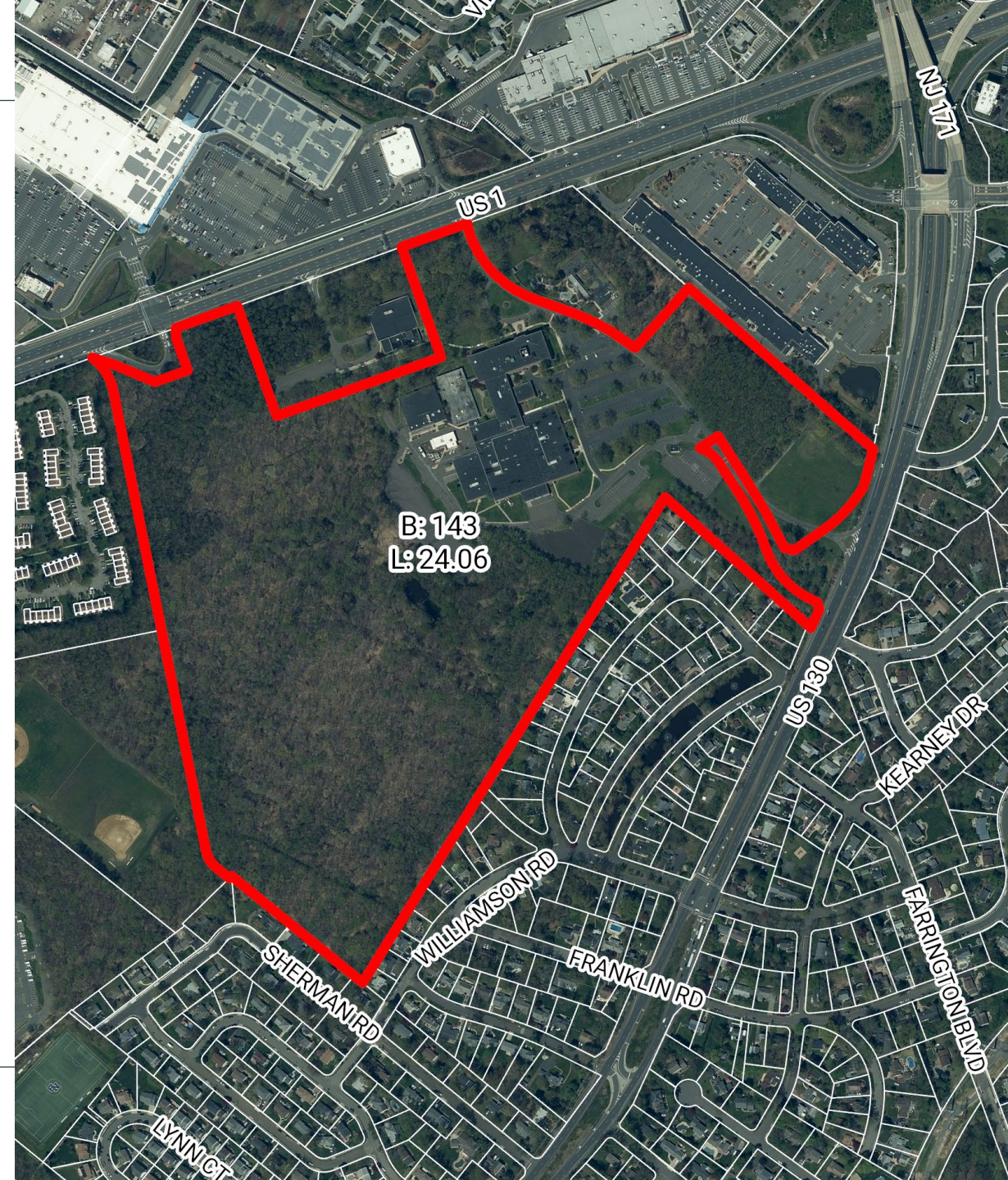
Redevelopment Criteria

- a) Buildings are unsafe, substandard, dilapidated, obsolescent
- b) Commercial / office / industrial buildings have significant vacancies for 2+ years or have fallen into disrepair
- c) Publicly owned land **or** land that has been vacant for 10+ years that is unlikely to be developed through private means.
- d) Improvements that are overcrowded, have a faulty arrangement or design, excessive land coverage, have an obsolete layout, etc. and are detrimental to the community.
- e) Lack of utilization and improvement of property due to title issues, diverse ownership that prevents land assemblage, and other similar factors, with the resulting stagnancy being detrimental to the community.
- f) Areas 5+ acres that have been destroyed by fire or similar disaster
- g) Areas within Urban Enterprise Zones
- h) Delineation is consistent with smart growth planning principles

Section 3 – Property does not qualify itself, but is necessary for the comprehensive redevelopment of a larger area

Study Area

- Generally bound by:
 - Route 1 to the north
 - Route 130 to the northeast
 - Society Hill + NBHS to the west
 - Residential neighborhood to the south/east
- Approximately 87 acres – significant area of wooded wetlands in the western / southern portion
- Subdivisions in 1980, 1991, 2018 – Kids 'R' Kids Learning Academy @ northern corner (Lot 24.07) and former Johnston Historical / National Scouting Museum building along Route 1 frontage (Lot 24.02)
- +/- 300,000 SF of commercial space; several buildings
- Original construction 1953; additions between 1960s and 1980s



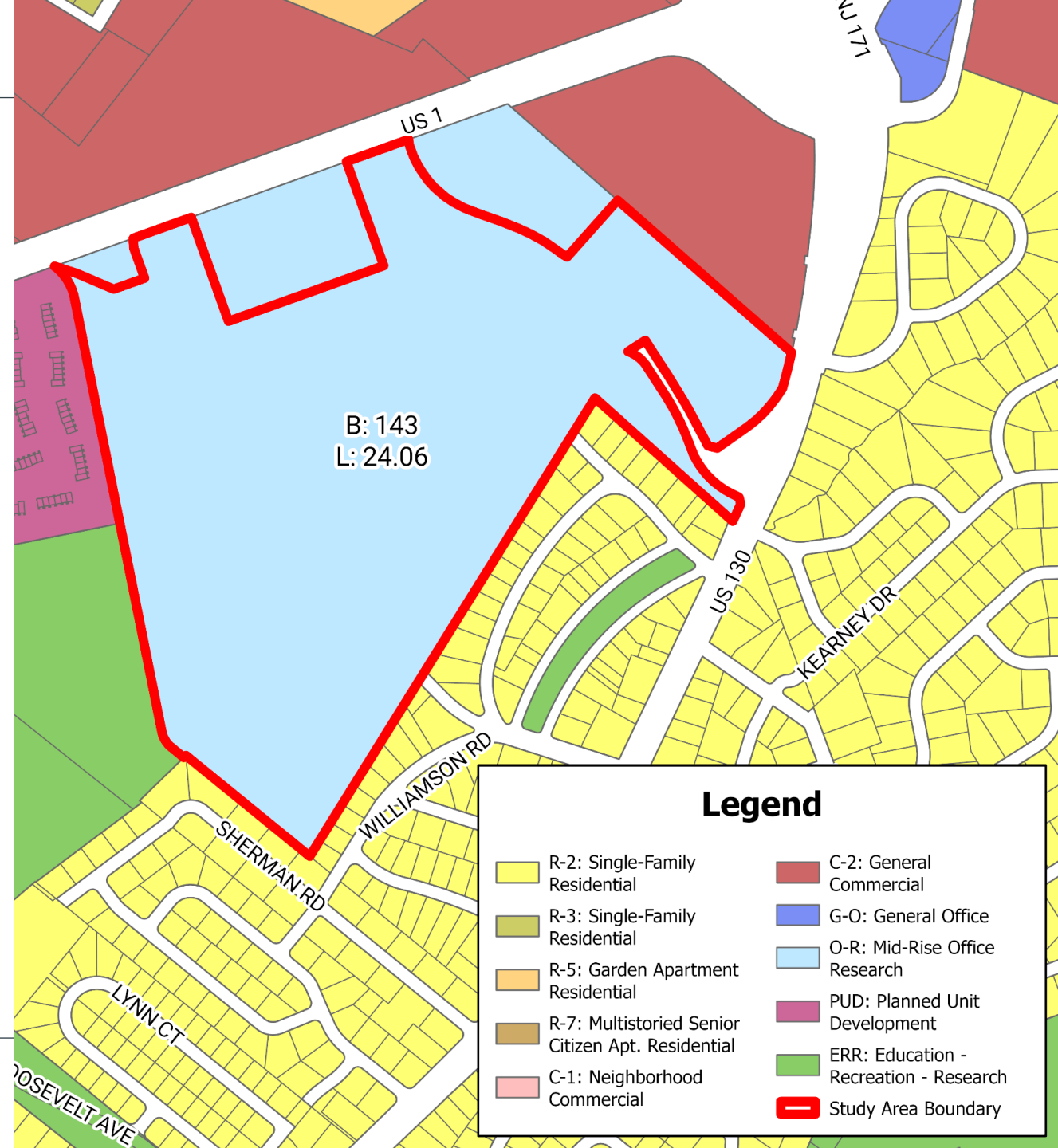
Study Area - Zoning

EXISTING ZONING

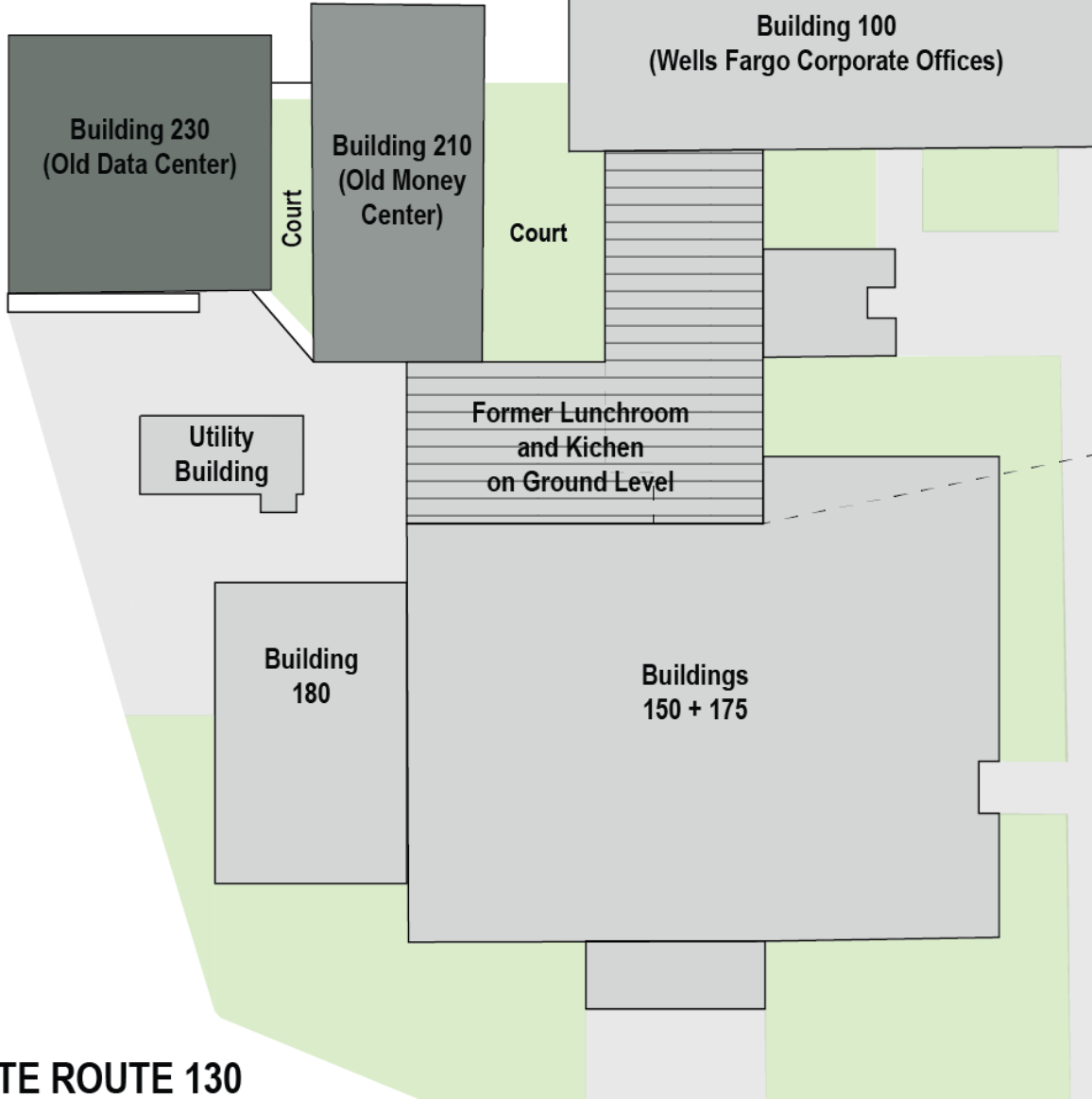
The Study Area is located within the O-R Mid-Rise Office Research Zone of the Township.

Permitted Principal Uses (§205-81)

- Offices
- Research & Testing
- Educational services
- Hotel / Convention facilities
- Computer and data processing facilities



U.S. HIGHWAY 1



FIDELITY PLAZA: LOT 24.06 EXISTING SITE PLAN

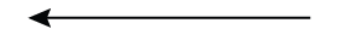
- Original Building (c. 1953)
- First Addition (1960s)
- Second Addition (1980s)



Not to Scale



STATE ROUTE 130



July 16, 2024



Rt 1

Fidelity Plaza

Fidelity Plaza

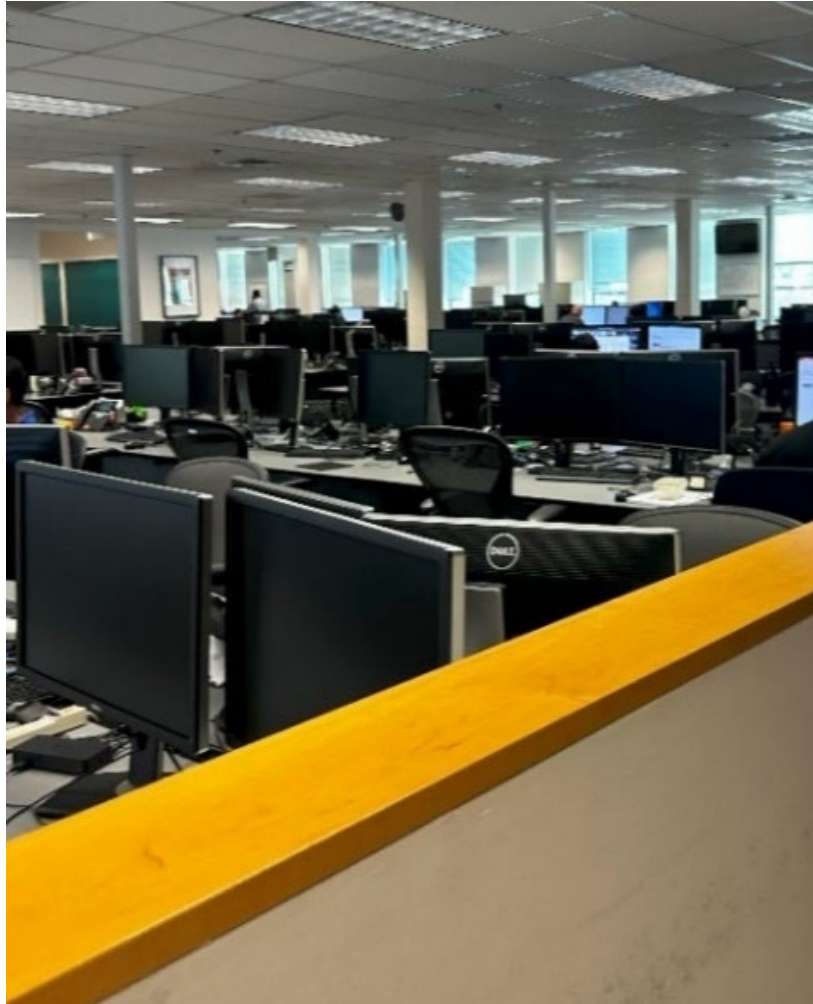
Fidelity Plaza

130

Exterior



Building 100



Building 100



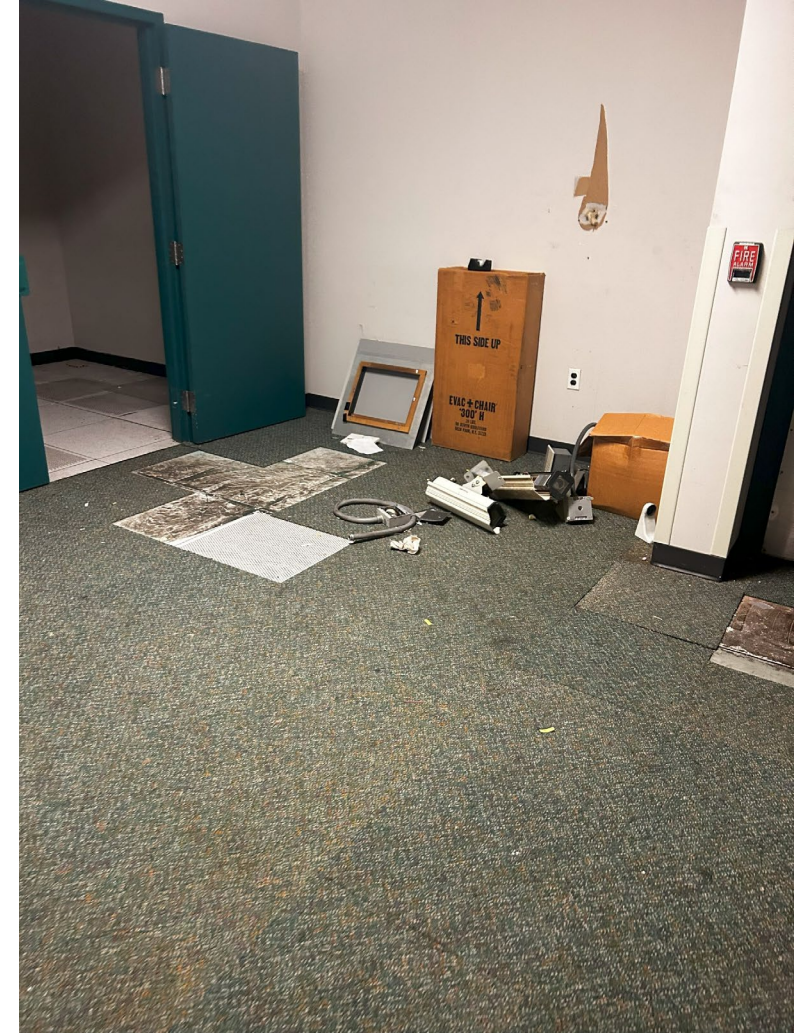
Building 210 – Money Center



Building 230 – Old Data Center



Building 230 – Old Data Center



Building 180



Buildings 150 + 175



Kitchen



Kitchen



Boiler Room



Exterior





Criterion A

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.”

- Substandard and dilapidated conditions are evident throughout with water damage, leaking roof / ceiling, and other deferred maintenance and lack of upkeep.
- The purpose-built data center facility and building mechanical systems are obsolete and do not lend itself to ready retro-fitting for modern uses.
- The conditions shown in the photographic evidence provide substantial support to the conclusion that criterion “a” of the LRHL is met as the substandard vacant, dilapidated, and obsolete facilities are not conducive to wholesome working conditions.



Criterion B

b. “The discontinuance of the use of a building or buildings previously used for commercial, retail, shopping malls or plazas, **office parks**, manufacturing or industrial purposes; the abandonment of such building or buildings; **significant vacancies of such building or buildings for at least two consecutive years**; or the same being allowed to fall into so great a state of disrepair as to be untenable.”

- Wells Fargo is the only current tenant, occupying between 60,000 and 70,000 square feet of the total +/- 300,000 square feet of leasable area.
- The office park is between 77% and 80% vacant, and has been for longer than 2 years, which is substantial vacancy.
- The site emptied out during the 2000s and 2010s as data center demands changed, banking operations consolidated and relocated, and the overall demand for office space decreased.



Conclusion

- The office complex was originally built in 1953 and added onto in the 1960s and 1980s.
- The office space and data center are substantially vacant.
- The condition of the vacant spaces has deteriorated due to high maintenance and upkeep costs.
- Obsolete building systems and layouts drive high operating costs that are unsustainable.
- The condition of the vacant +/- 80% of the site is poor and continuing to deteriorate.
- There is evidence of water leakage, roof and floor damage, animal droppings, debris accumulation, outdated systems, and general disrepair.
- The Study Area can be designated under criteria “a” and “b” based on the observed conditions and substantial vacancy.