Planning Report
On an Amendment to the
Gateway Redevelopment Plan

Gateway
(Census Tract 6002)
City of Camden

Camden County, New Jersey

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CMX

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Introduction

This planning report has been prepared for the Campbell Soup Company (CSC), acting as the designated Master Redeveloper (Redeveloper), and the Camden Redevelopment Agency (CRA) in support of a proposed Amendment to the Gateway Redevelopment Plan and is intended as a professional planning document for use by the Camden Planning Board (CPB) and Camden City Council (CCC).

The Gateway Redevelopment Plan was prepared by the Division of Planning for the City of Camden in December of 2005. It provides an outline, as required by the Local Redevelopment and Housing Law ("Statute") for the "planning, development, redevelopment, or rehabilitation of the project area" (see sidebar from Statute).

Upon the adoption of the Gateway Redevelopment Plan, CSC was appointed Master Redeveloper of the Gateway Office Park Area under the Gateway Redevelopment Plan by City Council Resolution No. 02-06-07A. The Camden Redevelopment Agency entered into a "Project Development Agreement" (PDA) with CSC, the New Jersey Economic Development Authority and the County of Camden on February 6, 2007 to develop the Gateway Office Park Area.

CSC has proceeded with property acquisition and the planning and design of the project in accordance with the PDA.

40A:12A-7. Adoption of redevelopment plan (excerpted from the Local Redevelopment & Housing Law)

"7. a. No redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment or in an area in need of rehabilitation, or in both, according to criteria set forth in section 5 or section 14 of P.L.1992, c.79 (C.40A:12A-5 or 40A:12A-14), as appropriate. The plan shall include an outline for the planning, development, redevelopment, or rehabilitation of the project area sufficient to indicate:

(1) Its relationship to definite local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreational and community facilities and other public improvements.

(2) Proposed land uses and building requirements in the project area.

(3) Adequate provision for the temporary and permanent relocation, as necessary, of residents in the project area, including an estimate of the extent to which decent, safe and sanitary dwelling units affordable to displaced residents will be available to them in the existing local housing market.

(4) An identification of any property within the redevelopment area which is proposed to be acquired in accordance with the redevelopment plan.

(5) Any significant relationship of the redevelopment plan to (a) the master plans of contiguous municipalities, (b) the master plan of the county in which the municipality is located, and (c) the State Development and Redevelopment Plan adopted pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et al.).

b. A redevelopment plan may include the provision of affordable housing in accordance with the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) and the housing element of the municipal master plan.

c. The redevelopment plan shall describe its relationship to pertinent municipal development regulations as defined in the "Municipal Land Use Law," P.L.1975, c.291 (C.40:53D-1 et seq.). The redevelopment plan shall supersede applicable provisions of the development regulations of the municipality or constitute an overlay zoning district within the redevelopment area. When the redevelopment plan supersedes any provision of the development regulations, the ordinance adopting the redevelopment plan shall contain an explicit amendment to the zoning district map included in the zoning ordinance. The zoning district map as amended shall indicate the redevelopment area to which the redevelopment plan applies.

d. All provisions of the redevelopment plan shall be either substantially consistent with the municipal master plan or designed to effectuate the master plan, but the municipal governing body may adopt a redevelopment plan which is inconsistent with or not designed to effectuate the master plan by affirmative vote of a majority of its full authorized membership with the reasons for so acting set forth in the redevelopment plan."
**Proposed Amendment**

The proposed Amendment to the Gateway Redevelopment Plan identifies BLOCK 1463, LOT 1 as necessary for acquisition. This Amendment will enable the successful integration of the former Sears site at its key location along the key frontage of the proposed Gateway Office Park Area at Admiral Wilson Boulevard, into the larger Gateway Office Park project (see map on preceding page).

**Description of Study Area**

The study area, known as “Gateway”, is Census Tract 6002 in the City of Camden and is located near the center of Camden south of Admiral Wilson Boulevard. This area is bounded by Federal Street on the north; Atlantic Avenue on the south; Interstate 676 on the west; and the Cooper River, Walnut Street, and Haddon Avenue on the east. Gateway consists of 1,535 individual parcels, of which 504 (34%) of the parcels were not improved with a building. Besides the numerous blocks that are publicly owned (358, 360, 373, 375, 377, 384, 386, 392, 396, 405, 1432, 1445, 1454, and 1455), the entire study area is also characterized by privately owned and City-owned vacant lots scattered among lots with buildings so that approximately one in ten parcels in the study area is a vacant lot.

The Study Area measures approximately 220 gross acres, excluding streets (calculated using GIS mapping) or 0.34 square miles in size. The study area is characterized by predominantly commercial and industrial properties of varied sizes to the north of Pine Street, including Campbell Soup corporate headquarters, City of Camden Department of Public Works, and the former Sears and Roebuck Store. To the south of Pine Street, the study area is predominantly residential with mixed use buildings and rowhouses along Haddon, Kaighn and Mt. Ephraim Avenues and concentrations of rowhousing with some commercial properties and institutions, including several major church properties and Old Camden Cemetery.

The study area south of Pine Street is split by two rail lines, the PATCO High Speed Line to the east and a freight rail line to the west. The two rail lines converge at Route 676, the western edge of the Census Tract 6002 at South 10th Street and Mt Ephraim Avenue.
Planning Report - Amendment to Redevelopment Plan

Background

Description of Redevelopment Plan
With the adoption of the Gateway Redevelopment Plan by the City Council in 2005, the City's partnership with the Economic Development Authority and CSC led to a groundbreaking in October of 2008 which marked the beginning of construction on CSC's new Employee Services Building as the "anchor" of the Gateway Office Park. The $90 million expansion involves the construction of the 80,000 square foot building, which will include a new café, fitness center, company store and credit union, as well as additional office space, conference rooms and a learning and development center. Renovations to the existing buildings, improvements to the corporate campus and the acquisition of additional properties to create the Gateway Office Park are included in this 90 million dollar financial commitment by CSC.

The 80,000 square foot building will be the first phase of the redevelopment of surrounding vacant properties into an office park with additional Class A office space for new employers and sorely needed ratables to support municipal services for the rest of Camden. The Park will sit on approximately 100 acres, with Campbell's campus covering approximately 40 acres. The proposed office park would cover parcels previously containing vacant and neglected buildings and empty lots with approximately 200,000 square feet of office space.

The state, city and county plans have already invested in new roadway improvements (see NJDOT map at right) and upgrades to the water and sewer service in the area.

The project will include the creation of multi-use public access trails and pathways and is a component of the Camden County "Greenways" project, which includes a route through the project area along Pine Street and Line Street (see map at lower right).

The new CSC Employee Services building will be a LEED-certified (Leadership in Energy and Environmental Design) "green" facility that will set the example for the redevelopment of the rest of the Office Park. Some of the environmental features in the new building will include energy efficient HVAC, water conservation, recycled building materials, and daylight harvesting techniques.
PROJECT PLAN, TARGET ACTIVITIES AND COSTS

Redevelopment activities in Gateway will create new housing, business, recreation, social and community services opportunities in this redevelopment area. Proposed projects include:

**RESIDENTIAL DEVELOPMENT:**
- New Single Family Homes: Affordable & Market Rate (200 houses)
- New Duplex townhouses (50 bids/100 units)
- Rehab Single Family Homes: Affordable (150 houses)
- New Assisted Living Apartments (40 units)

**ECONOMIC DEVELOPMENT:**
- New Industrial Parks/Office Campuses (500,000sf)
- Retail commercial stores – Infill and rehabilitated (40 stores)
- Renovation/expansion of existing storefronts (20 stores)

**INSTITUTIONAL DEVELOPMENT:**
- New Elementary School
- Multi-service (Daycare-Senior Care) Center – 10,000sf
- Community Center/Multi-purpose Facility – 10,000-15,000sf
- Social Services Complex – 5 acres
- Charter Elementary School (K-8) – 1 acre

Excerpt from Gateway Redevelopment Plan, 2005
Description of Block 1463, Lot 1

The Sears Building and its former automobile service center have occupied Blocks 1463 and 1464 since the late 1920s (see Sanborns at right). According to the Tax Assessor’s field cards, the original Sears building was constructed in 1927, which is supported by the historical Sanborn Maps at right. Also shown by the Sanborns was the expansion of the auto service center on Block 1464, which occurred in 1957, according to the field cards.

The Sanborn Maps provide a good illustration of how the introduction of the access ramps to Admiral Wilson Boulevard (called Bridge Boulevard in 1926) split up the blocks between 1950 and 1977 after the Sears Building and its auto service center were constructed. With the Sears Building situated so close to the entrance to the off-ramp (see image on page 5) and the building situated so close to the street (image 1, page 8), the vehicular circulation around the building is confusing and hazardous. The building continues to block sightlines for vehicles entering Admiral Wilson Boulevard from Memorial Avenue to vehicles entering from the Wright Avenue ramp and Mt. Ephraim Avenue. As a result, the future development potential of the Sears site is limited without being part of a larger redevelopment project that would enable additional changes to the vehicular circulation system to be addressed in coordination with the road improvements already implemented by NJDOT.

The Sears building has been acquired and the new owner has indicated an intention to convert it to a variety of different alternative uses over the past 18 months, ranging from offices and retail or light industrial uses for multiple tenants, to warehousing, or, most recently, a “data center”. However, its obsolete arrangement with the main building at one end of an elongated block and the surface parking at the other end, rather than distributed around the building to minimize the walking distance to the entrance, will make it difficult to market the building for anything other than marginal quality tenants.

In addition, the NJDEP recently issued a Notice of Deficiency to the owner of the Sears site due to the six underground storage tanks (USTs) located on the site. These USTs were identified in a Preliminary Assessment/Site Investigation commissioned by CSC after the acquisition of the property by the current owner.

The City of Camden, State of New Jersey and County of Camden, in partnership with CSC has already begun a comprehensive program of redevelopment that can deal with the cost of environmental remediation, infrastructure improvements and a high level of public and private investment to make the area between Campbell Soup and Admiral Wilson Boulevard function as
a cohesive office park rather than its current fragmented condition. This comprehensive redevelopment process started with the acquisition and demolition (image 4) of the dilapidated Sears Tire and Battery building (image 3 - 1993) on Block 1464 and the similarly dilapidated former commercial laundry on Block 1459 by CSC as part of the implementation of the Gateway Redevelopment Plan. However, without a comprehensive plan that would enable the reconfiguration of Blocks 1457, 1458, 1459, 1463, 1464, 1465, 1466 and 1467 to fully address the inadequate and hazardous traffic patterns around the Sears site and complete the improvements already made to the previous one-way loop roads (see image 5 at right), the Wright Avenue Ramp to Admiral Wilson Boulevard and the elevated Flanders Avenue Ramp, the Sears Building is likely to remain isolated and unable to be integrated into the Gateway Office Park that will have to be planned around it.

In addition, while the primary public interest in retaining the Sears building in the Redevelopment Plan would normally be either its architectural or historical significance, the Assistant Commissioner of the NJ Department of Environmental Protection, Amy Credic, whose decision was issued on July 19, 2007, overruled the State Historic Preservation Office’s determination that the building should not be demolished. The ruling was based on the prevailing public interest in the effective redevelopment of the larger area. The relatively low value placed on the historical significance of the Sears Building in comparison with other Camden historic resources is supported by the 2002 Master Plan, in Section VI, which identifies both historically significant buildings, such as the Walt Whitman House, and Historic Districts. It is notable that the Sears Building is neither shown on the Historical Map in Section VI nor mentioned in the "Project Activities" table that recommends actions in each of the 21 Camden neighborhoods. Additionally, the 2008 Reexamination Report, in its review of the 2002 Master Plan, does not mention the need to preserve the Sears Building or show it on the Historic Districts Map on page 22 of the Report.

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1 This decision has been challenged and is pending in Superior Court.
Acquisition Constraints

This area of Gateway north of Pine Street has been described previously as having once been a retail services area accessed by Admiral Wilson Boulevard to visitors from out of the neighborhood and from Mt. Ephraim Avenue by residents of Gateway. It has a distinctly different land use pattern than the rest of Gateway, having been heavily influenced by changes in the road circulation system through the introduction of ramps to and from Admiral Wilson Boulevard.

The long term effect of the out-moded design of the on and off ramps to Admiral Wilson Boulevard was to create undersized lots for light industrial use when superimposed over the existing street system. In addition, as the Sears Building was constructed in 1927, a year after the Benjamin Franklin Bridge, but well before Admiral Wilson Boulevard, the growing road network created a dangerous condition where the Wright Avenue Ramp comes within a few feet of the corner of the building and the merges at Mt. Ephraim Avenue and Memorial Avenue provide inadequate acceleration distances (see image below).

Under these conditions, it is in the public interest to be able to plan and design the Gateway Office Park in a way that will enable the appropriate placement and orientation of buildings within a safe and efficient roadway network.

Financial Feasibility

A report prepared by Urban Partners, dated May 16, 2007 evaluated the “Sears Building Site” under five
potential scenarios:

1. Rehabilitation of the 125,000 square foot existing Sears Building as office space at a quality as near to Class A as possible.

2. Demolition of the Sears Building to create a cleared site for development of a three-story, 175,000 square foot Class A office building.

3. Rehabilitation of the 125,000 square foot existing Sears Building as office space and additional construction of a two-story, 50,000 square foot Class A office building.

4. Rehabilitation of 70,000 square feet of the existing Sears Building as office space and additional construction of a three-story 105,000 square foot Class A office building.

5. Demolition of most of the Sears Building to create a cleared site for development of a three-story 175,000 square foot Class A building, but retention of the full length of the facade of the original building along Admiral Wilson Boulevard.

The Urban Partners report concluded that Option 1, the rehabilitation of the Sears Building for Class A office space, would require a developer to overcome a financing gap of $12.4 million or $99.20 per gross square foot of the 125,000 square foot building. The magnitude of the gap was considered extreme, even given the possible use of historic tax credits and federal New Market Tax Credits. A similar conclusion was reached with regard to Options 3, 4 and 5. Given the severe handicapping of the financial industry during the period between the 2007 Urban Partners report and the present, their analysis has been updated in a 2009 report which generates the same results, even when the potential benefits of the new Transit Hub Tax Credit Program in the Economic Stimulus legislation are factored into the various scenarios.

Conversely, the financing of Option 2, which involved the demolition of the Sears Building and construction of a new three-story Class A office building, generated a gap of $6.96 million, or $39.77 per square foot of the 175,000 square foot proposed building. This gap was considered feasible with routinely available supplemental funding at the time of the report in 2007.

The drastic changes in the financial industry that have occurred since 2007 would make it even more imperative that Block 1463 be included in the overall Gateway Office Park project so that the public-private partnership of the City, County, State and CSC can exert maximum financial leverage to enable redevelopment of the property in the public interest, as is borne out by the 2009 Urban Partners report. In addition, short of a full redevelopment of Block 1463 as part of the Gateway Office Park, it is likely that the building will continue to languish as either vacant or leased for marginal purposes such as record storage or marginal retail or office uses that will not support the rental revenue requirements necessary to fully renovate the Sears Building to a level that will complement and not constitute an economic “drag” on the overall Gateway Redevelopment Plan.

Affordable Housing Requirements (A-500)

Inventory of Affordable Housing

N.J.S.A. 40A:12A-7 requires an inventory of all housing units affordable to low and moderate income households, as defined pursuant to section 4 of P.L.1985, c.222 (C.52:27D-304), that are to be removed as a result of implementation of the redevelopment plan, whether as a result of subsidies or market conditions, listed by affordability level, number of bedrooms, and tenure. In response to this requirement, there are not any housing units affordable to low and moderate income households as defined pursuant to section 4 of P.L.1985, c.222 (C.52:27D-304) that will be removed as a result of the acquisition of Block 1463, Lot 1.

Plan for the Provision of Affordable Replacement Housing

N.J.S.A. 40A:12A-7 requires a plan for the provision, through new construction or substantial rehabilitation of one comparable, affordable replacement housing unit for each affordable housing unit that has been occupied at any time within the last 18 months, that is subject to affordability controls and that is identified as to be removed as a result of implementation of a redevelopment plan. In response to this requirement, the acquisition of Block 1463, Lot 1 does not result in the removal of any affordable housing unit that is subject to affordability controls.
Master Plan Consistency

The Future Camden Master Plan of 2002 recommends that the study area be consolidated and reinforced in accordance with its traditional predominant land uses of commercial and industrial north of Haddon Avenue and west of Walnut Street and residential south of Haddon Avenue to Atlantic Avenue, with mixed-use corridors along Haddon Avenue and Mt. Ephraim Avenue (see Land Use Plan Map at right). The summary goals for Gateway from the Master Plan are as follows:

- Create office-light industrial district around Campbell Soup facilities and between Wright Avenue and Flanders Avenue.
- Continue with housing rehabilitation and infill medium density residential development from Haddon Avenue to I-676.
- Target areas adjacent to the Haddon Avenue and Mt. Ephraim Avenue retail and commercial corridor for early action concentrated housing improvements.
- Reorganize commercial/retail uses into compact retail centers along the Harghins Avenue corridor east of I-676 to Mt. Ephraim Avenue.
- Provide green corridor landscape improvements along the I-676, PATCO and freight rail line corridors.
- Continue greenway network along the Cooper River and upgrade the park and open space area in the vicinity of Pine Street and Wildwood Avenue.
- Concentrate retail and commercial/retail land uses along Haddon Avenue from Mt. Vernon Street to Atlantic Avenue and along Mt. Ephraim Avenue from Walnut Street to Mechanic Street.
- Renovate Challenge Square School into a new Technology High School.
- Upgrade the Sycamore and Louis Streets park, recreation and open space along with community facilities throughout the neighborhood.

The Gateway Redevelopment Area designation and companion Redevelopment Plan was initiated by the City in 2005 to implement these recommendations from the 2002 Future Camden Master Plan and to reverse the negative trends that were described earlier within the neighborhood.

The City's Planning Board adopted a Reexamination Report in 2008 that reaffirmed the goals and objectives of the 2002 Master Plan and re-stated the strategies of creating urban industrial parks and to attract new firms to the City and maintain existing businesses. The decision by CSC to not only remain in Camden, but to become fully engaged with the City to expand its presence as the designated redeveloper of a new office park at the Gateway to Camden on Admiral Wilson Boulevard is a critically important element of implementing the vision of the 2002 Master Plan as re-stated in the 2008 Reexamination Report.
Consistency with Other Plans

Section III of the 2002 Master Plan addresses the consistency of the Master Plan with those of adjoining municipalities, Camden County, the DVRPC and the State Development and Redevelopment Plan. The Land Use Plan of the 2002 Master Plan was compared with those of municipalities that share common municipal boundaries with one or more of Camden's 21 neighborhoods. As the Gateway Neighborhood is separated from any adjoining municipalities by the Parkside Neighborhood, there were no land use issues to address.

Regarding plans of Camden County/DVRPC, the 2002 Master Plan referenced the open space and regional and regional recreational plans that were factored into the strong emphasis in the Master Plan on greenways. The Gateway Redevelopment Plan includes initiatives to incorporate greenways throughout the Gateway Redevelopment Area, including the Gateway Office Park redevelopment project.

Finally, the 2002 Master plan outlined numerous State-wide goals that were advanced by the Master Plan, and by extension, the redevelopment plans that are designed to effectuate the Master Plan, including: "Revitalize the State's urban centers and areas by investing wisely and sufficiently in improvements to their human resources and infrastructure systems to attract private investment."

The proposed Amendment to the Gateway Redevelopment Plan to add Block 1463, Lot 1 to the list and map identifying properties necessary for acquisition will not change the extent to which the Redevelopment Plan effectuates the 2002 Master Plan. In extension, the plans of adjoining municipalities, Camden County/DVRPC and the State Development and Redevelopment Plan.

Relationship to Local Zoning

The proposed Amendment to the Gateway Redevelopment Plan to add Block 1463, Lot 1 to the list and map identifying properties necessary for acquisition will not modify or affect the relationship of the Gateway Redevelopment Plan to the Camden Land Use Ordinance.

Conclusion

Based on the conditions required to advance an effective plan for the redevelopment of the Gateway Office Park in a way that will ensure a safe and efficient roadway network and the appropriate placement and orientation of buildings and public spaces, we conclude that the proposed Amendment to the Gateway Redevelopment Plan to identify Block 1463, Lot 1 as being necessary for acquisition, is supported by public interest of the citizens of Camden and the State of New Jersey and grounded in solid public planning principles.

The current owner of the Sears Building has failed to advance any substantive plans to rehabilitate the building over the past 18 months and the documented physical challenges of the building due to age make it a financial liability for integration into a high quality office park district, as borne out by the 2007 and 2009 Urban Partners Reports. While of some historic significance, an empty former department store shouldn't block clear progress in Camden. This was supported by the State Attorney General's Office in its determination that the SHPO ruling to preserve the building should yield to the greater public interest to be served by the acquisition and demolition of the building for the new office park.

CSC has moved forward to acquire all the land surrounding the Sears Building and is working on attracting businesses that will bring jobs and tax revenue into Camden.

The use of the City's condemnation powers to enable CSC, acting as the Master Redeveloper, to acquire Block 1463, Lot 1 to facilitate the inclusion of the block in the construction of a state of the art and sustainable office park as a true gateway to Camden will not require the displacement of any household or business, as the building has remained vacant.

The Gateway Office Park is clearly in the public interest, and it is time to amend the Gateway Redevelopment Plan so that the City of Camden and the Camden Redevelopment Agency can be an effective public sector partner to help CSC acquire the Sears Building. The Gateway Office Park should truly be a landmark to the thousands of motorists who pass by each day on Admiral Wilson Boulevard. The consolidation of Block 1463 into the overall Office Park plan will enable that to happen.
Appendix A - PROPOSED AMENDMENT TO GATEWAY ACQUISITION MAP