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Bell Labs portion will be preserved in Holmdel

**'Monumental' design
will be renovated
for future tenants**

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Staff Writer

The ghost of Eero Saarinen may not haunt Holmdel just yet.

The Finnish-born architect and designer of the Bell Laboratories facility died in 1961, but the legacy of his design will survive, at least for now.

Pennsylvania-based redevelopment firm Preferred Real Estate Investments, the purchaser of the nearly 500-acre Bell Labs property, announced on Aug. 30 that a large portion

of the current facility will remain intact in an effort to preserve what founder and CEO Michael G. O'Neill called a "truly monumental building." A renowned architect of the 20th century, Saarinen is perhaps best known as the designer of the St. Louis Arch.

O'Neill told residents at the Holmdel Community Center that phase one of the Saarinen building will be preserved and renovated as part of the commercial aspect of the redevelopment plan for the site. Saving the Saarinen building would require it to be gutted and renovated from the inside out, O'Neill said. All new mirrored glass would have to be installed on the exterior of the facility.

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"If we can economically make this work, I think what this does is give us a really great compromise and try to save something significant here," O'Neill said.

Phase one includes the two front sections of Saarinen's design, which are the sections that dominate the view from the entrance road. The two back sections and the two end caps that currently create the 2-million-square-foot research and development facility will be demolished, but O'Neill said that the phase one buildings will be renovated as closely to the current design as possible.

Under the preliminary sketches, O'Neill proposed a 1.5-million-square-foot campus of commercial buildings that would encircle the pond located behind the current facility. All of the commercial development will remain in or just outside of the current oval driveway.

O'Neill said two of the buildings would be "bookend" structures for the main Saarinen building but would be hidden enough not to disturb the current look of the site from the front.

The first floor of the two back structures would not be demolished and would instead be turned into an underground parking structure with a park-like plaza on top of it. The parking garage could ostensibly link the main Saarinen building to the two bookend buildings, providing the possibility for a large company to purchase or lease all three buildings to create a campus-like atmosphere.



Eero Saarinen designed Bell Labs, Holmdel, and the Gateway Arch in St. Louis. The redeveloper purchasing the Holmdel facility announced on Aug. 30 that part of Saarinen's design will be preserved.

Read my lips: No townhouses

The Bell Labs site has, since the 1930s, been a commercial-only site. However, O'Neill said that with a slumping commercial market in Monmouth County, it would be difficult to fill enough commercial property to boost the tax rate.

The company has earmarked a large portion of the land along the entrance road of the property for 350 age-restricted housing units to help balance the risk of the commercial real estate market.

O'Neill said that building age-restricted units alongside the commercial real estate will give the site a uniqueness that may be beneficial for winning over possible tenants and will essentially hedge the bet for the company and the town.

"If you had an endless market of people to come here for commercial, whatever I built they would take," O'Neill said.

But the market is not endless, and O'Neill said that Preferred and the town would benefit from age-restricted housing that would not strain the school system and would help provide the tax base that the commercial component may not immediately absorb.

O'Neill was asked why not build more commercial and eliminate residential.

"I'm going to go after the one, two or three very large users who see this site as being very, very unique," O'Neill said. "The minute I put 2.5 million square feet of building there ... I've lost that uniqueness, and now I'm competing with Monmouth County directly, and it's not a good market."

O'Neill said that a mixed-use site of 1.5 million square feet of commercial and age-restricted residential would make it more unique and more palatable for

prospective tenants.

"I have to create something world class and rare, and I don't think I can just keep adding commercial buildings ... and hope the market can support it," O'Neill said.

Building residential helps to bring a balance to the site and create a more stable and immediate tax rate than the commercial would, he said.

"Build the tax base right away for the town so they get the ground taxes back up and running," O'Neill said. "If you balance the tax base, you can wait that much longer to make that work."

O'Neill said that 350 units is by no means the number they are looking for, but simply the number that they feel the town and the site could sustain.

"That is not a magic number," O'Neill said. "It could be higher or lower. That's probably what you would fit in those areas."

There were many in the audience who expressed concern over what type of housing the units would be, and said townhouses would not be acceptable.

Deputy Mayor Rocco Pascucci said that townhouses would not be as good as small, individual age-restricted houses.

O'Neill said that if the commercial part of the site did not materialize as well as the residential side, the company would not consider building more houses to make up for it.

"It will be zoned for commercial and that's what you'll have," O'Neill said. "If it doesn't get built, we'll have some land there."

O'Neill said that Preferred would not actually build the houses but would subcontract out to a company that builds housing they feel would fit the site and what they are trying to accomplish.

"We won't physically build the house," O'Neill said. "We do all the land development and we'll bring, as we get much closer, someone who we think will build the type of product we think is going to fit right with our development."

Estimated \$7M to \$10M ratable

At its current capacity, the Bell Labs site is underassessed, O'Neill said. At its peak, Bell Labs employed 6,500 workers; now it is down to about 1,000. The town receives \$3.2 million in taxes from

Bell Labs

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Lucent at its current assessment.

O'Neill is pushing for triple that number. He said when all is finished, he expects the tax return to the town to be \$7 million to \$10 million per year.

That number will not come all at once, however, and O'Neill said that having a mixed-use site will make it easier to recoup the tax base if one aspect moves slower than the other.

O'Neill said that the process from conception to the first tenants will be at least two and a half years. Preferred expects to have its site plans submitted to the Planning and Zoning boards by the end of this fall. The approval process will most likely take a year. By that point, Preferred will be the official owner of the site, because the contract will be final-

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ized at the end of the 2007 summer.

At that point, demolition and construction will begin, and O'Neill hopes to have tenants for the first phase lined up by then. From groundbreaking to the first tenants moving in should take 18 months, O'Neill said.

Preferred is prepared to offer the township land on the site to build a library, O'Neill said. He said there were many places where such a facility could go that would take advantage of the infrastructure of the commercial site as well as the scenic landscape surrounding it. He said that the township could share the site's parking and utility lines but would have to build the structure itself on their own.

"They could save a lot of money on construction, as well as have a site that is spectacular," O'Neill said. "We would incorporate that as community access to our site, long term."