

The New York Times

September 10, 2013

Future Takes Shape for Bell Labs Site

By RONDA KAYSEN

HOLMDEL, N.J. — Decades before the first smartphone, researchers at Bell Labs in central New Jersey developed the technology that ushered in the digital age.

Now, the building that is as magnificent in its design as the discoveries that were made here will have another chapter in its storied life.

Late last month, Somerset Development bought the mirrored glass building, completed in 1962, and its pastoral grounds from Alcatel-Lucent for \$27 million after the Township of Holmdel approved an ambitious [redevelopment proposal](#) that includes plans for a health care center, residences, a hotel and retail space.

While the sale ends a protracted debate over the fate of the vacant structure, set on 473 acres in a wealthy rural community, filling 1.9 million square feet of space may prove difficult. New Jersey is saturated with aging office parks like this one, where geese roam an empty ring road and old signs still eerily point to vacant parking lots overgrown with weeds.

A tenant looking for space in a large commercial building in Monmouth County had nearly 2.53 million square feet of available space to choose from in July, according to data provided by CBRE, a commercial real estate brokerage firm. And the situation is unlikely to improve. American work habits have changed as companies relocate to urban centers.

The work once done in Bell Labs helped to foster this new era. James W. Hughes, dean of the Edward J. Bloustein School of Planning and Public Policy at Rutgers, pointed to the advancements that have allowed employees to work remotely. “When the iPhone came out and then the iPad, workers became untethered,” Mr. Hughes said. “They don’t need the office workplace umbilical cord anymore.”

Somerset has enlisted an architect, [Alexander Gorlin](#), to help overcome that hurdle by lining the building’s striking five-story, quarter-mile-long atrium with urban amenities, so that an office worker on an upper floor can walk downstairs to a coffee shop, restaurant or bank. But the building needs a critical mass of commercial tenants to support that retail presence.

“It’s a very difficult building for adaptive reuse,” said Suzanne Macnow, a broker for CBRE. “It’s set up with this gigantic center area, like the Mall of America in Minneapolis. It doesn’t make sense to me.”

The building was designed by the Finnish-American architect Eero Saarinen, who also designed the Gateway Arch in St. Louis and the [T.W.A. building](#) at Kennedy Airport.

As far back as the 1930s, the site was a [research center](#) for AT&T. The scientists who toiled here were pioneers in developing the transistor, cellphones, touch-tone dialing and fiber optic communications, amassing seven Nobel Prizes.

But since 2007, when the property was closed by Alcatel-Lucent, which had acquired it in a spinoff from AT&T, the structure's fate has been uncertain. At one point, another developer proposed demolishing it, setting off [an international outcry](#) from scientists and architects who feared the loss of a piece of intellectual history and an architectural gem.

"Bell Labs is such a great historical and architectural icon," said Mr. Hughes of Rutgers. "It's one of the few buildings that I worry about."

Signs of decay at the mammoth building are quite visible — plastic buckets catch water leaking from the glass roof under which scientists developed satellite communications. In 2007, Preservation New Jersey listed the building as one of the state's top 10 most endangered historical properties.

"Personally, I find it difficult to drive by it and see it abandoned. I worked there. My friends worked there," said Janet Jackel, a physicist who worked at Bell Labs. "You see it as representing the American forward-looking attitudes of the last century, and that's all been abandoned."

The redevelopment plan, which would cost well over \$100 million, could transform the former Bell Labs building into a commercial center for Holmdel, a community of about 17,000 people. With no downtown, most of the town's retail properties now sit along busy Route 35.

The six-story building will house 50,000 square feet of retail space, the town library and a hotel. The grounds will have pedestrian trails, bike paths and, eventually, an outdoor sports complex. Part of the land is protected wetlands.

"It's going to be a virtual city," promised Ralph Zucker, president of Somerset Development. "It is going to have so many uses there that it will have its own identity."

Holmdel hopes the plan will also restore its tax base. At one time, Alcatel-Lucent paid \$5 million in taxes on the property. With the property vacant, that bill plummeted to \$475,000. Mayor Patrick Impreveduto estimates that Holmdel could reap \$7 million in payments in lieu of taxes once the redevelopment is complete.

But first the building needs tenants. Community Healthcare Associates, a health care developer, intends to buy up to 400,000 square feet of the building from Somerset. It plans to build an ambulatory surgical center, an assisted-living facility, physician offices and other medical services.

Finding people interested in buying the large luxury homes planned for the site will most likely be a simpler task. Thirty-eight percent of the homes on the market in Holmdel were listed for more than \$1 million in late August, according to data provided by Heritage House Sotheby's International Realty.

Somerset plans to sell half of the land — 237 acres — to Toll Brothers, the luxury home builder. Toll Brothers will build 40 single-family homes with prices ranging from \$1 million for a 4,000-square-foot house to \$2 million for a 6,000-square-foot home on a 2.5-acre lot. The company also plans to build 185 high-end town homes for residents age 55 and over.

The scale of the housing irks some residents and preservationists who worry that it will detract from the bucolic appeal of the land. "I don't care for an excessive number of residential units that sprawl all over the property," said Ralph B. Blumenthal, a founding trustee of Friends of Holmdel Open Space. "They could have accomplished something different that could have been more compact."

Despite reservations about Somerset's plan, supporters of the building are, for the most part, relieved to see an architectural icon survive.

Michael Calafati, chairman of the American Institute of Architects' New Jersey Historic Resources Committee and a longtime advocate for the property, said, "We're all going to come and go, but these buildings are our legacy."

This article has been revised to reflect the following correction:

Correction: September 12, 2013

An article on the Square Feet pages on Wednesday about the renovation and repurposing of the old Bell Labs building in Monmouth County, N.J., misstated the amount of square footage that was available in July in large commercial buildings in the county. It was 2.53 million square feet, not 253,000 square feet.