



ESSEX GREEN AND EXECUTIVE DRIVE AREA

AREA IN NEED OF REDEVELOPMENT STUDY

TOWNSHIP OF WEST ORANGE, NEW JERSEY

PHILLIPS PREISS GRYGIEL LLC

PLANNING & REAL ESTATE CONSULTANTS

OCTOBER 2017

**Essex Green and Executive Drive Area
Area in Need of Redevelopment Study
Township of West Orange, New Jersey**

October 2017

Prepared for:
The Township of West Orange

Prepared by:
Phillips Preiss Grygiel LLC
Planning and Real Estate Consultants

33-41 Newark Street
Third Floor, Suite D
Hoboken, NJ 07030

The original of this report was signed and
sealed in accordance with N.J.S.A. 13:41-1.2



Paul Grygiel, AICP, PP
New Jersey Professional Planner License # 5518

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I. INTRODUCTION

This study examines whether a portion of Block 155 and the entirety of Block 155.21, inclusive of all streets, “paper” streets, private drives, and rights-of-ways, in the Township of West Orange, Essex County, New Jersey, meets the statutory criteria for an “area in need of redevelopment” in accordance with the New Jersey Local Redevelopment and Housing Law (LRHL) at N.J.S.A. 40A:12A-5 et seq. The study was prepared for the Township of West Orange Planning Board. The area under consideration is comprised of five lots in Block 155 and the entirety of Block 155.21, bounded generally by Interstate 280 to the north; Prospect Avenue to the east; Rooney Circle and a portion of Block 155, Lot 26.01, which is owned by PSE&G, to the south; and the right-of-way and ramp associated with I-280 and a small portion of Block 155, Lot 55, also owned by PSE&G, to the west (heretofore referred to as the “Study Area”).

The scope of work for the study encompassed the following: surveys of land uses and property conditions, occupancy and ownership status within the Study Area and nearby areas; review of municipal tax maps; review of the official tax records of the Township of West Orange; review of the existing zoning ordinance and map for the Township of West Orange; and review of the 2004 West Orange Reexamination Report and the Township of West Orange 2010 Master Plan Update.

As more fully described in the body of the report, we conclude that the Study Area meets the statutory criteria for designation as a redevelopment area. Our conclusion is based on the following findings:

- The Study Area boundary has been appropriately and logically drawn from an overall planning perspective and in consideration of established land uses, property conditions and existing development trends in the immediate surrounding blocks.
- The Study Area contains an approximately 403,000 square foot office complex with a vacancy rate of 58 percent; and an approximately 330,000 square foot shopping center with a vacancy rate of 23 percent. These are prime examples of outmoded suburban office and commercial developments that must be reinvented in order to ensure a positive contribution to the West Orange community in the future.
- The properties within the Study Area meet one or more of the statutory criteria for redevelopment designation. If the current conditions are allowed to persist, and the Study Area continues to lay fallow and unproductive, it will further deteriorate to the point at which it will have a detrimental impact on the surrounding properties and the public-at-large. The prevailing condition of the Study Area is one of an “area in need of redevelopment.”

In sum, the Study Area meets the statutory criteria for designation as an “area in need of redevelopment” in accordance with the LRHL.

The remainder of this report is divided into four sections. Chapter II describes the locational context of the areas under consideration for redevelopment area status, while Chapter III discusses the applicable zoning and master plan recommendations for the area. Chapter IV considers the appropriateness of the Study Area boundaries, sets forth the statutory criteria used to determine whether an area is in need of redevelopment, and then applies those criteria to the Study Area to determine whether they warrant a redevelopment designation. Chapter V presents the overall conclusions regarding the Study Area’s potential for redevelopment area status.

II. LOCATIONAL CONTEXT OF THE STUDY AREA

The area under consideration for redevelopment area designation encompasses developed and undeveloped lands located in the central section of the Township of West Orange. The Study Area includes Lots 40.02, 40.03, 41.02, 42.01, and 42.02 in Block 155 and Lot 40 in Block 155.21, as identified on the official tax maps of the Township of West Orange. The Study Area locational context and boundaries are shown on Figure 1 and can be described as follows:

The western boundary of the Study Area consists of Block 155, Lot 42.01 where it abuts the I-280 right-of-way, as well as a small portion of Lot 55, within the same block; the Study Area shares its northern boundary with the I-280 right-of-way; the eastern boundary of the Study Area consists of Lots 40.01 and 40.04 within Block 155, as well as the right-of-way of Prospect Avenue where it abuts Block 155.21, Lot 40; and the southern boundary consists of the Rooney Circle right-of-way where it abuts Block 155.21, Lot 40 and where Lots 40.03, 42.01 and 42.02 within Block 155 abut Block 155, Lot 26.01. The Study Area is irregularly shaped and totals ±70.58 acres. A significant portion of this acreage is comprised of Block 155.21, Lot 40 (±33.60 acres), which is developed with the Essex Green shopping center.

The tax lots which comprise the Study Area are shown on Figure 2. The aerial context of the Study Area is shown on Figure 3. The Study Area is centrally located in the Township, to the south of I-280, proximate to Interchange 7 at Pleasant Valley Way. The street address and ownership information for the parcels which comprise the Study Area are shown in Table 1 below.

Table 1: Study Area Properties

Block	Lot	Address	Owner	Area (acres)
155	40.02	100 EXECUTIVE DRIVE	RA 100 EXECUTIVE DR, LLC% REXCORP	10.08
155	40.03	ROONEY CIRCLE	CLPF ESSEX GREEN LLC	4.72
155	41.02	10 ROONEY CIRCLE	RA 10 ROONEY CIRCLE LLC %REXCORP	5.28
155	42.01	300 EXECUTIVE DRIVE	RA 300 EXECUTIVE DRIVE LLC% REXCORP	8.68
155	42.02	200 EXECUTIVE DRIVE	RA 200 EXECUTIVE DR LLC% REXCORP	8.22
155.21	40	PROSPECT AVENUE	CLPF ESSEX GREEN LLC,%LEVIN MANAGME	33.60

Land use within the vicinity of the Study Area is varied. There are commercial and professional offices uses along the east side of Prospect Avenue to the south of Guerino Drive. There is a townhouse development known as “Villas at Eagle Ridge” within the PURD Planned Unit Residential Development District along Prospect Avenue, the entrance to which is located at Guerino Drive. Villas at Eagle Ridge extends eastward to the I-280 right-of-way. There is an LA Fitness gym to the south of the Essex Green shopping center along Rooney Circle, and an office building with a surface parking lot located at the southwestern corner of the intersection of Rooney Circle and Prospect Avenue. There is a large PSE&G electrical substation facility and associated transmission lines to the south of the Study Area, generally to the northwest of the intersection of Prospect Avenue and Mt. Pleasant Avenue. There is a right-of-way developed with PSE&G transmission lines along a portion of the southern boundary of the Study Area, beyond which is what appears to be a primarily medical office complex to the east of Marion Drive; a townhouse residential development within the PURD Planned Unit Residential Development District to the west of Marion Drive; and single-family residential development beyond. There are ramps associated with Interchange 7 of I-280 to the east of the Study Area, and mainly residential development across I-280 to the north of the Study Area.

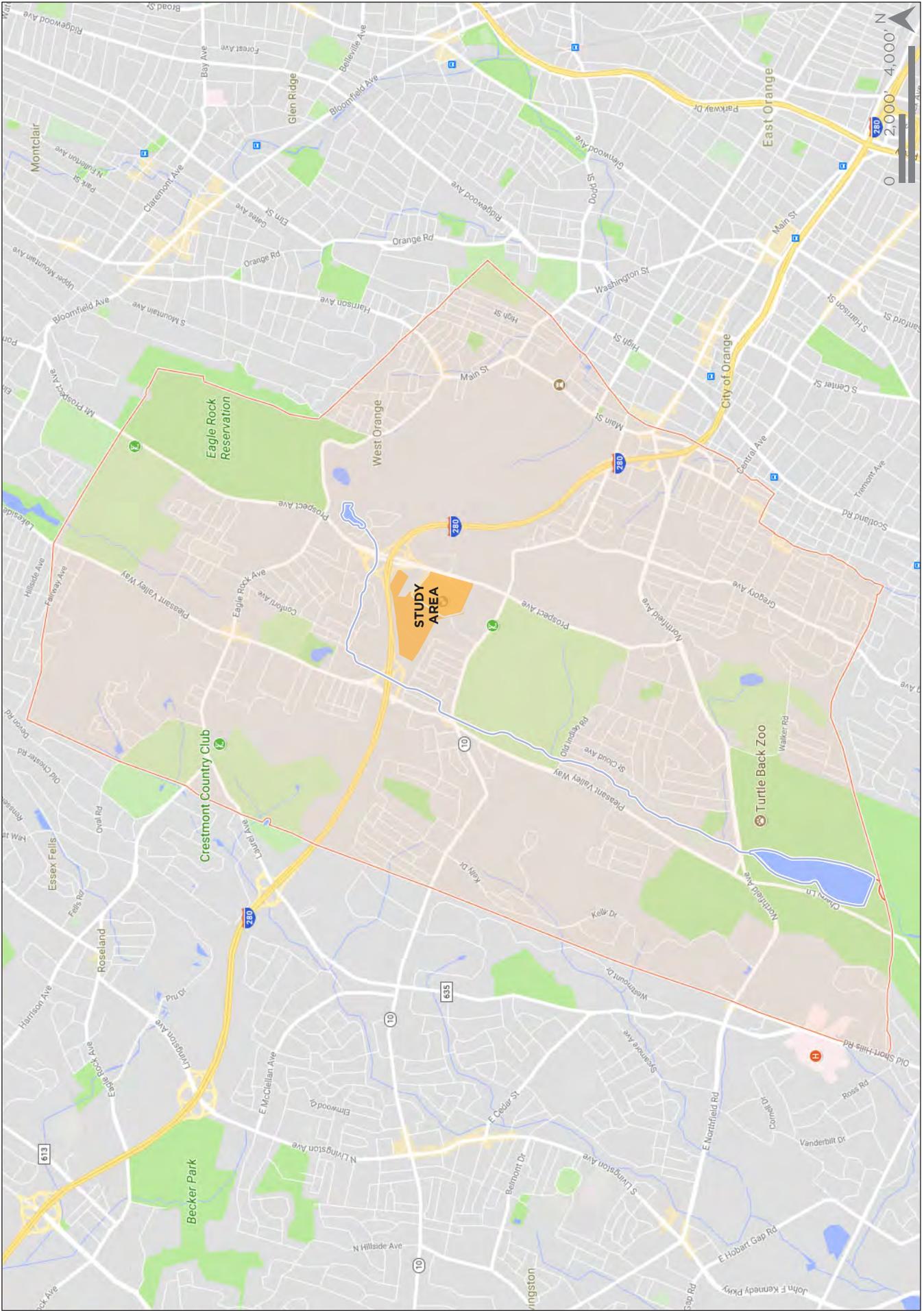


FIGURE 1: STUDY AREA LOCATION
 AREA IN NEED OF REDEVELOPMENT STUDY | BLOCK 155, LOTS 40.02, 40.03, 41.02, 42.01, and 42.02 & BLOCK 155.21, LOT 40 | WEST ORANGE NJ
 PHILLIPS PREISS GRYGIEL LLC 2017



FIGURE 2: AERIAL CONTEXT
 AREA IN NEED OF REDEVELOPMENT STUDY | BLOCK 155, LOTS 40.02, 40.03, 41.02, 42.01, & 42.02 and BLOCK 155.21, LOT 40 | WEST ORANGE NJ
 PHILLIPS PREISS GRYGIEL LLC 2017

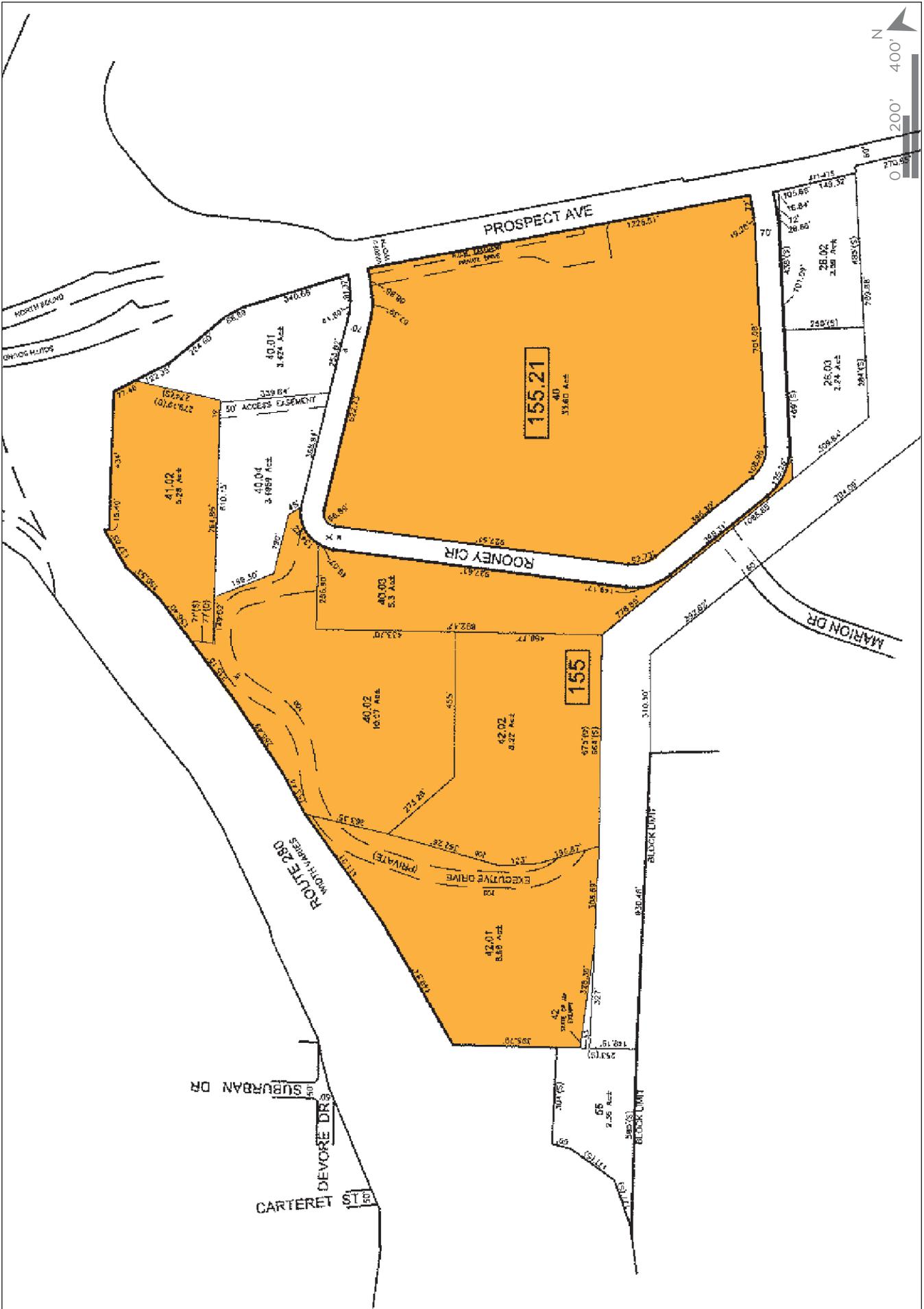


FIGURE 3: STUDY AREA TAX MAP
 AREA IN NEED OF REDEVELOPMENT STUDY | BLOCK 155, LOTS 40.02, 40.03, 41.02, 42.01, & 42.02 & BLOCK 155.21, LOT 40 | WEST ORANGE NJ
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III. EXISTING MASTER PLAN AND ZONING DESIGNATIONS FOR THE STUDY AREA

A. Master Plan

The Township of West Orange adopted a Master Plan Reexamination Report in 2004. Though the Township has not adopted a full master plan since 1989, a Master Plan Update comprised of a Reexamination Report, Sustainability Plan, and updates to certain plan elements, including Land Use, Economic Development and Historic Preservation, among others, was prepared and adopted in 2010.

The 2004 Reexamination report noted that development which generates employment opportunities and beneficial commercial/retail activity should continue to be encouraged where it is compatible with adjacent land uses and sensitive natural and environmental features, and should be balanced by the need to maintain adequate public infrastructure and facilities, services and pedestrian and vehicular circulation patterns. This objective was reaffirmed in the 2010 Master Plan Update, while also encouraging the continued maintenance and revitalization of commercial and office areas, and is of particular relevance to the Study Area.

The 2010 Master Plan Update specifically notes with regard to the Essex Green shopping center and vicinity that “a key for this area is to maintain a balance of land uses, which will have benefits with regard to traffic as well as fiscal impacts.” The Master Plan Update did contemplate the potential for the future redevelopment within the Study Area. It did not propose an expansion of the retail zoning in the area, as there was sufficient land zoned to allow for retail and service uses, nor did it recommend any additional residential development. However, an exception for residential development could be considered for mixed-use development as part of a future redevelopment of the shopping center or another large property.

B. Zoning

The Study Area is located within two zoning districts within the Township. The properties that comprise the Essex Green shopping center (Block 155.21, Lot 40 and Block 155, Lot 40.03) are located within the P-C Planned Commercial District. The properties which comprise the office park (Block 155, Lots 40.02, 41.02, 42.01, and 42.02) are located with the OB-1 Office Building District.

The Study Area zoning is described in Tables 2 and 3 below and the Study Area and surrounding zoning is shown on Figure 4.

Table 2: Use and Bulk Standards in the P-C Planned Commercial District

Permitted Principal Uses

- Retail Store
- Personal Service Store or Studio
- Restaurant
- Bar
- Motor Vehicle Fueling Station
- Post Office
- Civic Center, Limited to Assembly Hall and Non-Commercial Indoor Recreational Facilities
- Theater on Lots of 8-Acre Minimum

Permitted Accessory Uses

- Required Accessory Parking
- Required Accessory Truck Loading Spaces
- Private Garage
- Signs

Permitted Conditional Uses

- Video or Amusement Arcades
- Commercial Antennas

Bulk Requirements

Bulk Standard	Requirement
Minimum lot area	8 acres
Minimum lot width	No minimum
Minimum front yard	300 feet
Minimum side yards	75 feet + 75 feet, 100 feet adjacent to residence
Minimum rear yard	75 feet, 100 feet adjacent to residence
Minimum building coverage	20%
Maximum lot coverage	75%
Minimum spacing between buildings	150 feet
Maximum building height	2 ½ stories/35 feet

Additional Standards

- Waste Disposal in P-C, O-R, or I District. In a P-C, I or O-R District, every building or group of buildings shall make adequate provisions for the proper disposal of wastes within a screened enclosure. Such provision should be reflected in the preliminary site plan.
- Indoor Storage and Loading. In a P-C district, no visible display of waste, trash, scrap or material of any kind shall be permitted except that items offered for sale may be displayed in accordance with an overall plan to be included as part of the preliminary site plan, and in such districts provisions shall be made for properly enclosed truck loading areas and bays located entirely within the structure.
- Shopping Centers. There shall be only one grouping of free standing signs identifying various businesses within the center. Individual signs are prohibited.
- Outdoor Cafes in the B-1, B-2 and P-C District. Outdoor cafes shall be permitted subject to the standards and conditions of Section 5-10 of Chapter V, General Licensing of the Revised General Ordinances of the Township of West Orange and in conjunction with the conditions of Section 25-11.10 of the Land Use Regulations of the Township of West Orange.

Table 3: Use and Bulk Standards in the OB-1 District

Permitted Principal Uses

- One-Family, Detached Dwelling
- Water Reservoir, Well Tower, Filter Bed
- Federal, State, County or Township Building
- Golf Course and Golf Course House
- Farm, Nursery, Greenhouse and Similar Uses

- Hospital
- Office Buildings

Permitted Accessory Uses

- Required Accessory Parking
- Signs

Permitted Conditional Uses

- Commercial Recreation
- Public School
- Private School
- Library
- Museum
- Park or Playground
- Public Utility Building or Structure
- Telephone Exchange
- Private Club, Other than a Golf Club
- House of Worship
- Nursing Home
- Long-Term Care Residential Health Care Facility
- Congregate Care Facility
- Assisted Living
- Commercial Antenna
- Check Cashing Facility

Bulk Requirements

Bulk Standard	Requirement
Minimum lot area	10,000 square feet
Minimum lot area per unit	6,000 square feet
Minimum lot width	60 feet
Minimum front yard	30 feet
Minimum side yards	10 feet + 8 feet
Minimum rear yard	30 feet
Minimum building coverage	40%
Maximum lot coverage	50%
Maximum building height	2 ½ stories/35 feet

Additional Standards

- Retail sales or service permitted as an accessory use in the OB-1, OB-2 and PURD Districts shall be an integral part of the permitted building, shall be limited to sales or services designed for the convenience of the employees, visitors and tenants of the permitted building and no goods, advertisements or other evidence of such sales or services shall be visible from the street. Such use shall not consist of more than 15 percent of the total first floor area in the OB-1 and PURD Districts or 10 percent of the gross floor area of the buildings or 3,000 square feet, whichever is less, in the OB-2 District and shall be designated on the preliminary site plan.

- In the OB-1 and OB-2 Districts, one square foot of open space shall be provided for each square foot of building area except that no more than 40 percent of the lot in the OB-1 District nor 30 percent in the OB-2 District may be covered by buildings or structures. Off-street parking areas are not permitted within open space areas, except for “overflow” parking spaces that are specifically approved by the Planning or Zoning Board and are constructed in a manner acceptable to the Township Engineer. Furthermore, no accessory structure of off-site parking area shall be located within the required front yard no closer than 25 feet to the side or rear property lines in the OB-1 District or 10 feet to the side or rear property lines in the OB-2 District.

Adjacent Zoning

Lands across I-280 to the north of the Study Area are located in the PURD Planned Unit Residential Development District. To the east of the Study Area across Prospect Avenue, there is a strip of properties within the B-2 General Business District, as is a property directly north of the Essex Green shopping center on the west side of Prospect Avenue, which is developed with a hotel. In addition to the B-2 District, lands across Prospect Avenue to the east of the Study Area are within the PURD District, extending eastward to the I-280 right-of-way. Lands to the south of the Essex Green shopping center are within the O-R Office Research and PURD Districts. Lands to the south and west of the office park are within the R-5 One-Family Dwellings on 10,000 Square Foot Lots District.

Review of Municipal Records for the Study Area

Various municipal records were requested from the Township for the Study Area properties. The records provided were reviewed, including information on development approvals. The records covered the previous 20 years and revealed isolated upgrades to buildings in the Study Area. The work reported included:

- Interior renovations, signage and parking-related approvals to accommodate new tenants
- Approval to install a cafeteria to serve office park users
- The addition of a restaurant pad (TGI Fridays) within the Essex Green shopping center
- Subdivision to create Block 155, Lot 40.04 and site plan approval for a new hotel

Beyond this, there were some minor tenant fit-ups/upgrades (e.g., alarms, interior partitions) and other work that appears to be code-related (e.g., emergency exit installation, electrical renovation). Overall, there has been limited investment in the Study Area over much of the last two decades.

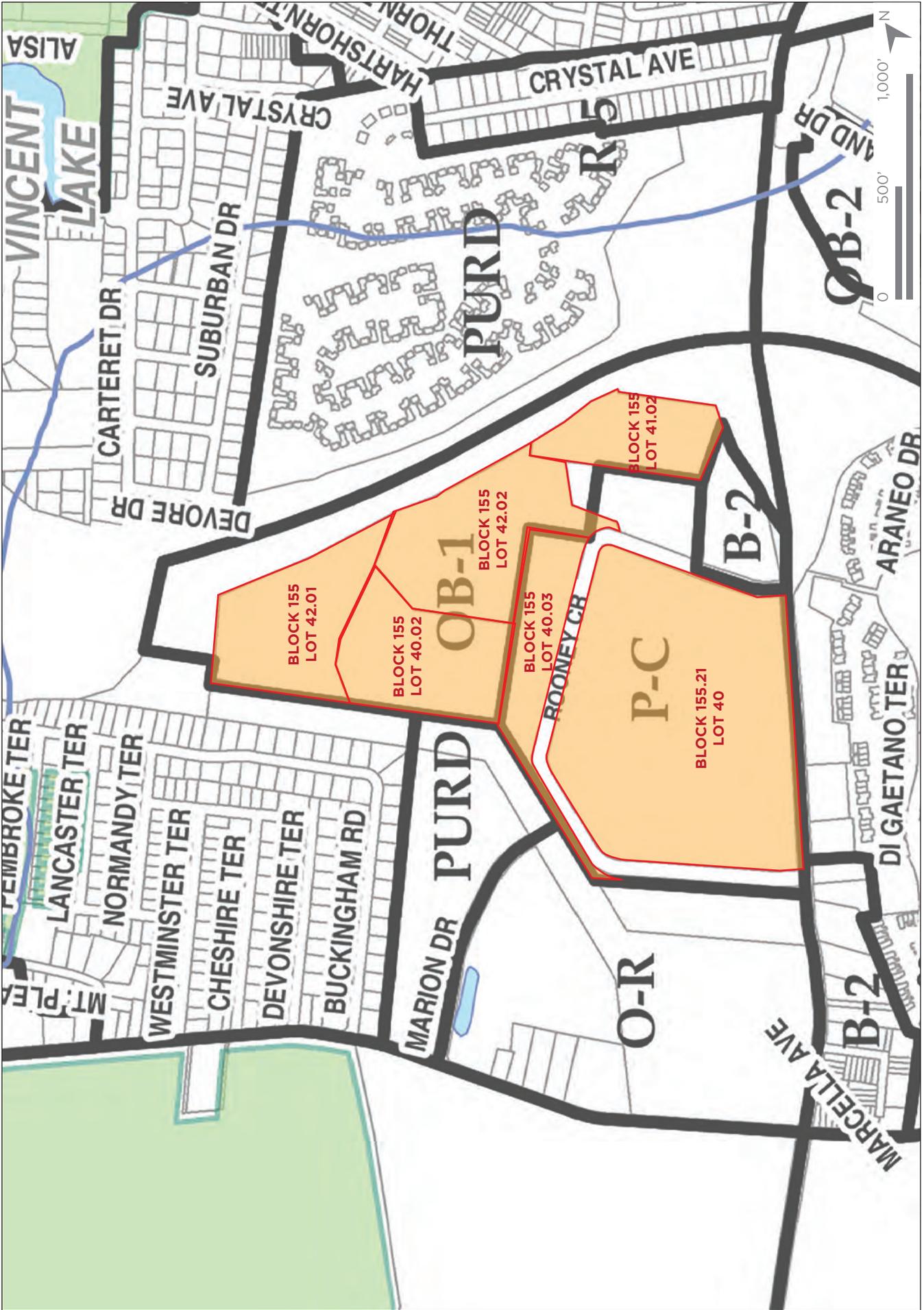


FIGURE 4: STUDY AREA ZONING
 AREA IN NEED OF REDEVELOPMENT STUDY | BLOCK 155, LOTS 40.02, 40.03, 41.02, 42.01, & 42.02 and BLOCK 155.21, LOT 40 | WEST ORANGE NJ
 PHILLIPS PREISS GRYGIEL LLC 2017

IV. CONSIDERATION OF THE STATUTORY CONDITIONS FOR ESTABLISHMENT OF AN AREA IN NEED OF REDEVELOPMENT AS APPLIED TO THE STUDY AREA

A. Introduction

Under the regulations of the LRHL at N.J.S.A. 40A:12A-5, a delineated area may be determined to be in need of redevelopment if, after investigation, notice and hearing as provided in Section 6 of P.L.1992, c.79 (N.J.S.A. 40A:12A-6), the governing body of the municipality by resolution concludes that within the delineated area any of the following conditions is found:

- 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.
- b. The discontinuance of the use of buildings previously used for commercial, manufacturing, or industrial purposes; the abandonment of such buildings; or the same being allowed to fall into so great a state of disrepair as to be untenable.
- c. Land that is owned by the municipality, the county, a local housing authority, redevelopment agency or redevelopment entity, or unimproved vacant land that has remained so for a period of ten years prior to adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or portions of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentality of private capital.
- d. Areas with building or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.
- e. A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real property therein or other conditions, resulting in a stagnant or not fully productive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare.
- f. Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by the action of storm, fire, cyclone, tornado, earthquake or other casualty in such a way that the aggregate assessed value of the areas has been materially depreciated.
- g. In any municipality in which an enterprise zone has been designated pursuant to the New Jersey Urban Enterprise Zones Act, P.L. 1983, c. 303 (C.52:27H-60 et seq.) the execution of the actions prescribed in that act for the adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone shall be considered sufficient for the determination that the area is in need of redevelopment pursuant to N.J.S.A. 40A:12A-5 and 40A:12A-6 for the purpose of granting tax exemptions within the enterprise zone district pursuant to the provisions of N.J.S.A. 40A:20-1 et seq. or the adoption of a tax abatement and exemption ordinance pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. The municipality shall not utilize any other redevelopment powers within the urban enterprise zone unless the municipal governing body

and planning board have also taken the actions and fulfilled the requirements prescribed in N.J.S.A. 40A:12A-1 et al. for determining that the area is in need of redevelopment or an area in need of rehabilitation and the municipal governing body has adopted a redevelopment plan ordinance including the area of the enterprise zone.

- h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.

In a Study Area with multiple parcels, individual properties or blocks that do not meet any of the statutory conditions may still be included within an area in need of redevelopment provided that within the Study Area as a whole, one or more of the expressed conditions are prevalent. This provision is referred to as “Section 3” and is set forth under N.J.S.A. 40:12A-3, which states in part:

A redevelopment area may include lands, buildings, or improvements which of themselves are not detrimental to public health, safety or welfare, but the inclusion of which is found necessary, with or without change in this condition, for the effective redevelopment of the area of which they are a part.

The following section describes the particular Study Area boundaries and improvements within the Study Area, and considers whether or not the statutory criteria for an “area in need of redevelopment” designation are met.

B. Appropriateness of the Study Area Boundaries

The Study Area boundaries are an essential part of any area in need of redevelopment investigation. In this case, the limits of the Study Area have been appropriately drawn. The Study Area consists of lands developed with an office park and shopping center, both of which are characterized by outdated buildings and relatively high vacancy rates.

Block 155, Lot 40.01 has been excluded from the Study Area because it is developed with a hotel building (Courtyard Hotel) that is in good condition, and adjacent Block 155 Lot 40.04 has been excluded from the Study Area because it was approved for a hotel use by the Township Zoning Board (Application ZB-10-15A-2) in 2011. Block 155, Lots 26.03 and 28.02 are developed with a gym and office building, respectively, and are not under common ownership with the properties included within the Study Area. Lands to the south of the Study Area owned and developed for a utility use by PSE&G would also logically be excluded from the Study Area.

Vacant lands (Block 155, Lot 40.03) comprise ±4.72 acres or approximately 7 percent of the Study Area; the Essex Green shopping center comprises ±33.60 acres or approximately 48 percent of the Study Area; and the office complex comprises ±32.26 acres or approximately 46 percent of the Study Area. As a whole, the Study Area is surrounded by development that is in generally good condition, including residential development and operational businesses and offices along Rooney Circle, Prospect Avenue and Mt. Pleasant Avenue. In contrast, the properties included within the Study Area have tended to stagnate relative to the new development that has been proposed and/or undertaken in the vicinity of the Study Area, such as the aforementioned hotels and gym.

C. Individual Property Evaluations

The following evaluates the current conditions within the Study Area and considers whether this area meets any of the statutory criteria for an “area in need of redevelopment” designation. For the purposes of this evaluation, individual properties were aggregated into three logical assemblages based on common use and/or common ownership. Each of these assemblages was evaluated based

on surveys of land usage, property conditions, occupancy, and ownership status. All of the information was collected on a property-by-property basis, and then was aggregated for the Study Area.

Block 155.21, Lot 40 – CLPF ESSEX GREEN LLC

The property measures ±33.60 acres and is irregular in shape. It is bound to the north, west and south by Rooney Circle, a “u” shaped road that begins and terminates at Prospect Avenue to the east. The property also has a significant amount of frontage along Prospect Avenue to the east. The property is developed with a regional shopping center known as Essex Green, which consists of multiple commercial buildings with surface parking areas. There is a main commercial building containing a number of retail units and a cinema centrally located on the property, as well as a stand-alone grocery store in the northwestern corner of the property and two pad sites in the southeastern corner of the property, currently occupied by a restaurant and bank branch. The main vehicular access driveway into the shopping center is located along Prospect Avenue; however, rather than providing direct access into the shopping center parking area, there is private, internal drive that runs parallel to Prospect Avenue and connects to the shopping center parking lot, as well as to Rooney Drive to the north and south.

The shopping center was built in 1957 and the last major renovation was undertaken in 1991. There have been some somewhat more recent improvements to the shopping center site, including the addition of a restaurant pad for TGI Fridays in the southeastern corner of the property in the late 1990s. Major tenants include Shop Rite, Sears Outlet, Total Wine and More, AMC Theaters, and Panera; Macy’s recently vacated its retail unit in the central shopping center building, and now its outlet store brand, Macy’s Backstage, occupies a fraction of the former space. The total square footage of commercial space is 330,000 square feet, and current occupancy is 77 percent.

A site visit and discussions with the property manager revealed that the size and layout of many of the retail units in the central shopping center building are outdated by today’s retail standards. More specifically, the units are long and awkwardly laid out, and many of them were designed with two “main entrances” located at either end of the unit. The property manager indicated that the mechanical and HVAC systems in many of the vacant units are old and are in need of replacement. In addition, the shopping center was designed with large, central courtyard areas that today are rarely used and can best be described as unattractive and “wasted” space.

Further, the shopping center’s loading system, as designed, is antiquated. There is a single loading dock that connects to a system of tunnels wherein goods are centrally unloaded and then distributed throughout the shopping center via a system of underground tunnels. Each retail unit has a basement in which to receive deliveries and store goods; the goods must then be moved up a set of stairs to the main retail level. Needless to say, few tenants utilize the central loading dock; rather, loading takes place in main part via the front door, as it is more convenient. However, loading was not designed to be undertaken at the front of the units, creating the potential for conflict between trucks, vehicles and pedestrians. In short, the retail units in the central shopping center building are not attractive to tenant reuse.

The property meets the following criteria: **b, d**

While some of the retail units in the shopping center are actively utilized, others are largely vacant. The central retail shopping center building is aged (at least 60 years old) and is close to being or could be considered actually functionally obsolete. The building suffers from deficient mechanical systems and an antiquated loading and storage system. There are no elevators connecting the basement and ground floor retail units for ease of moving goods. Further, retail unit floor plans are

long and poorly configured, are characterized by low ceiling heights and do not comport with modern retail standards. Such deficiencies and limitations are problematic when seeking to promote a positive shopping experience; this retail space has little functional value in the current marketplace. Despite the shopping center's key location within the Township and along a busy thoroughfare, it cannot compete with modern regional shopping centers that are more attractive to today's retail tenants.

Clearly, these retail units are in need of significant renovation. In their unused state, they are detrimental to the public welfare, especially when considering municipal land use policies which are meant to encourage the updating and upkeep of existing commercial development in the Township. The property qualifies under criteria "b" due to its partially vacant condition and unfavorable prospects for re-tenanting. As noted, the property is presently 33 percent vacant, and there are limited prospects for finding users for the existing and potential future vacant space.

As described above, the odd configuration of the central shopping center building, overall dated aesthetic, impractical loading system, and unsuitable retail units have made the property difficult to market to potential new tenants. Consequently, there is little or no potential to re-tenant the property in its current condition. Other areas of the building exhibit outdated layouts and designs, and still others suffer from some level of functional obsolescence. The former Macy's and Citibank retail units exhibit dark, winding corridors and an odd configuration of office and storage space. The prospect of tenanting these older units will be very limited. Consequently, the property qualifies for criteria "d" due to its obsolete layout and faulty arrangement and design.

Block 155, Lot 40.03 – CLPF ESSEX GREEN LLC

This property measures ± 4.72 acres and is roughly rectangular in shape, but has a very narrow piece which extends along the western side of Rooney Circle between Block 155, Lot 55 that is essentially undevelopable. The property is under common ownership with Block 155.21, Lot 40 above and is currently undeveloped. The property is overgrown with trees and other vegetation, though a portion of it appears to be used for vehicular circulation, as the grass has been reduced to dirt and some amount of gravel. Historical aeriels indicate that there has not been any development on the property since at least 2002.

The property meets the following criteria: **Section 3**

The property is under common ownership with Block 155.21, Lot 40 (i.e., the Essex Green shopping center). The property has been vacant for at least 15 years. The property is undersized in relation to the lot size requirements set forth in the P-C District and would be effectively undevelopable without assemblage with another property. It is our opinion that the property is integral to the effective redevelopment of the overall redevelopment area, and therefore meets the criteria of Section 3 of the LRHL.

Block 155, Lots 40.02, 41.02, 42.01, and 42.02 – WEST ORANGE OFFICE EXECUTIVE PARK, LLC

As of May 2017, these properties were under new ownership, as noted above; however, this change is not yet reflected in the tax records. The properties collectively measure ± 32.26 acres and are located to the northwest of the Essex Green shopping center. They are accessed by a singular, private road known as Executive Drive, which is essentially a "spur" off of Rooney Circle. Block 155, Lots 40.02, 41.02 and 42.01 all have frontage along the I-280 right-of-way, however there is no direct vehicular access to the properties from the highway. The properties are characterized by a sloping terrain, and Executive Drive winds throughout the properties providing access to each of the four office buildings.

The properties were developed as an office park with four separate office buildings and surface parking areas in 1971, 1977, 1978, and 1984, at a time when the needs of suburban office users were much different. The office park has a total square footage of 403,000 square feet and major tenants include Lincoln Tech, Geico and the Department of Homeland Security. The current vacancy rate is 58 percent.

The property owner's architect has indicated that the buildings are considered to be "Class C" office space in the real estate market. As there is an oversupply of dated, suburban office buildings in New Jersey, there is no real market for Class C office space at this time, or in the foreseeable future. The office buildings have aesthetically dated façades and interiors that have not been well-maintained over the years and are in fair condition. Updates to the outdated mechanical, electrical and plumbing systems would take a significant amount of investment to bring them up to modern standards. In short, the office park cannot compete with other, more recently renovated, modern office buildings in the market.

The office buildings are poorly placed on the site, resulting in little visibility from Rooney Circle on the approach through the Essex Green shopping center or from the adjacent highway. Much of the landscaping screens the office buildings from I-280, which serves as a liability in terms of desired corporate visibility, as signage is not readily visible to passers-by. Buildings are tucked behind the shopping center, and there is no direct vehicular access into the office park from any major road in the Township. Access into the office park requires driving through the Essex Green shopping center, and many are not even aware that the office park is there. Further, the property owner has indicated that improvements are needed to the parking lot layout and lighting.

Modern office users are seeking open, daylighted spaces with multiple amenities on the site. Office park amenities are currently limited to a small, dated on-site cafeteria. Tenant preference skews towards downtown locations with access to transit and/or mixed-use environments. Suburban office sites are increasingly looking at modifications that create more of a "center" or a hub of many uses meant to bring activity to a site, essentially creating a "semi-urban" zone which includes offices, residential and/or retail activity.

The properties meet the following criteria: **b, d**

The office market in New Jersey has experienced a fundamental change over the past decade. Suburban office space in New Jersey has vacancy rates pushing 30 percent and most new office development is occurring in downtown or mixed-use locations in which retail and other amenities are within walking distance. In short, locational preferences have shifted away from the suburbs even while overall demand for office space continues to decline.¹ This has important planning implications for the office park and similar suburban office properties. A vacancy rate of 58 percent is symptomatic of these market trends and foretells more challenges in the future. Without a significant repositioning, these properties are likely to wither under the pressures of the changing office landscape.

The properties qualify under criteria "b" due to the partially vacant condition and unfavorable prospects for re-tenanting. As noted, the property is presently 58 percent vacant. Though the Department of Homeland Security has signed a long-term lease for the office space, the property

¹ For example, see "Reinventing the Suburban Office," by James Hughes. New Jersey League of Municipalities [online at <http://www.njslom.org/magazine/2013-05/pg-56.html>] and "Why Corporate America Is Leaving the Suburbs for the City," *New York Times*, August 2, 2016 [online at <https://www.nytimes.com/2016/08/02/business/economy/why-corporate-america-is-leaving-the-suburbs-for-the-city.html>].

owner has noted that the Department has the option to vacate with only several months' notice, creating further uncertainty.

There are few prospects for finding another user for the existing and potential future vacant space. Aside from the inferior location of the properties, as described above, its odd layout, lack of on-site amenities, dearth of natural light (due to the configuration of the buildings and interior office suites) and overall dated aesthetic of the buildings make the properties extremely difficult to market to potential large office tenants. The office park cannot compete for major tenants with new Class A office facilities in walkable and/or transit-oriented locations. As such, the properties qualify under criteria "b."

This office park was constructed for a suburban office users. The buildings are oddly configured with very inefficient and wide corridors and large expanses of building floor area without direct access to light and air. Other areas of the buildings exhibit outdated layouts and designs, and still others suffer from some level of functional obsolescence. Many of the spaces are configured such that it would be very costly to renovate.

Vacancy rates in this location is consistent with the trend toward consolidation and relocation of office space to walkable, mixed-use locations near transit. This type of sprawling, low-rise office park in a suburban location is a relic of a different era. For aging suburban office facilities, the only survival strategy is to introduce more on-site amenities and a mix of uses. The obsolescent location and layout of the properties provides little or no options to introduce such upgrades. Consequently, the properties qualifies under criteria "d" due to their obsolete layout and faulty arrangement and design.

D. Analysis of the Study Area as a Whole

The results of the redevelopment area investigation reveal that all but one of the properties, or 93 percent of the acreage within the Study Area, qualify for redevelopment designation under either criteria "b" or "d" of the LRHL. Thus, of the total land area of ±70.58 acres, 65.86 acres meets the statutory conditions for designation as an "area in need of redevelopment."

If current conditions are allowed to persist, and the premises continue to lay fallow and unproductive, the Study Area will further deteriorate to the point at which it will have a detrimental impact on the surrounding properties and the public-at-large. Public intervention in the form of a redevelopment area designation and the preparation and adoption of a logical and well-conceived redevelopment plan will serve to ameliorate those conditions. As a result of the conditions and circumstances described above, there is a legitimate basis to declare the Study Area in its entirety as an "area in need of redevelopment" in accordance with the "b" and "d" criteria as set forth in the Local Redevelopment and Housing Law [N.J.S.A. 40A:12A-5(b) and 5(d)].

The remaining property within the Study Area, Block 155, Lot 40.03, which does not in and of itself meet any of the statutory criteria for redevelopment may be properly included as part of the designated redevelopment area, since the exclusion of this property would be an impediment to the appropriate redevelopment scheme. It is therefore our finding that it can be included in the redevelopment area in accordance with the definition of that term at NJSA 40A:12A-3 (commonly referred to as "Section 3" inclusion of properties in a redevelopment). From an overall planning standpoint, inclusion of all of the Study Area properties is essential and necessary for the effective redevelopment area. The Study Area boundaries were indeed logically drawn to include substantial contiguous areas that can suitable accommodate redevelopment activity in this portion of the Township in furtherance of planning efforts for the area.

V. CONCLUSION

The foregoing study was prepared on behalf of the Township of West Orange to determine whether an area located within the Township of West Orange (i.e., Lots 40.02, 40.03, 41.02, 42.01, and 42.02 in Block 155 and Lot 40 in Block 155.21) qualifies as “an area in need of redevelopment” in accordance with N.J.S.A. 40:12A.

It is the finding of this investigation that the prevalent condition within the area is one of “an area in need of redevelopment,” and that the Study Area in its entirety meets the statutory requirements for designation as a redevelopment area.

Exterior Views of Essex Green



Exterior Views of Essex Green



Interior Views of Essex Green



Exterior Views of Offices



Interior Views of Offices



Interior Views of Offices

