

## Planning Board Review Memo

Applicant: Scudders Land Holdings LLC/Ivy Realty, Inc.

Property Owner: Same

Type of Application: Pre-Application/Concept Plan Discussion

Project: Fusion at Plainsboro Mixed-Use Development

Property Location: 700 Scudders Mill Road (Block 1601, Lots 50)

Site Area: 56 acres

Zone: PMUD, Planned Unit Development Zone District

Present Use of Property: Undeveloped

Adjacent Land Uses:

North:	Open Space and Office/Research Development (incl. former BMS property)
South:	Office/Research/Manufacturing (Firmenich)
East:	Open Space and Office/Research (Novo Nordisk)
West:	Open Space

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### **INTRODUCTION**

The subject 56-acre property is owned by the applicant, Scudders Land Holdings LLC/Ivy Realty, Inc., and is currently approved for an office/research development (including a childcare center) containing 723,879 square feet. Instead of this approved office/research development the applicant wishes to develop the subject property for a mixed-use development that would include residential, commercial, hotel, office, and recreational facilities at the same level of development (723,879 sq. ft.) as the approved development.

Below is background history on the property, a discussion regarding compliance with current Township land use policies (Master Plan and zoning regulations), details on the applicant's vision for the property, and project details and phasing. Lastly, there is a discussion regarding anticipated project impacts (stormwater management, traffic, and fiscal impacts) and the next steps in order to formally consider the applicant's proposal.

## **BACKGROUND**

### **History of Prior Approval**

On October 19, 1981, the Planning Board granted concept approval to Merrill Lynch to develop a portion of its approximately 275 acres of land, of which 224 acres was situated in the PMUD District, comprising approximately 141.3 acres of developable land and approximately 82.7 acres designated for common open space. The Merrill Lynch site subsequently received various subdivision and site plan approvals, which can be summarized as follows:

- The proposed development within the PMUD District devoted to the now-former Merrill Lynch corporate campus approved over 40 years ago comprised a total of 1.781 million square feet of office-research use and hotel/training center space;
- To date, approximately 1.057 million square feet of the campus has been constructed and is presently occupied by Novo Nordisk, the Holiday Inn Express, and the Crown Plaza;
- In August 2000 ML Plainsboro Limited Partnership (Merrill Lynch) received preliminary major site plan and subdivision approval (P00-10) for the remaining undeveloped floor area of 723,879 square feet, to be developed on the vacant 56 acres parcel on the western side of the overall planned development. This final phase of the project was to include four office buildings, a technology center, a childcare center for 300 children, and associated parking garages and surface parking. At present, the subject parcel has extended vesting for this development until June 30, 2026.

### **Recent Master Plan Re-examinations**

In the April 2019 and October 2022, the Planning Board adopted Master Plan Re-Examination Reports that both made mention under a section labeled "Major Problems and Objectives facing the Township," that:

*"...the persistent lack of demand for large scale office development and the high-vacancy rate of existing office within the township, against a back drop of large tracts of land in the PFC that is zoned, planned, and in some cases approved for large scale office development, one of the major challenges continues to be the consideration of new, more sustainable, land use options for such areas that will*

*complement planned and existing nearby developments, and contribute to an enhancement of the quality of life in the community.”*

## **2022 Master Plan Update and the PMUD Zone**

The Updated Land Use Plan identifies the subject property for consideration for mixed-use development, noting that such use responds to changing land use trends by allowing more flexibility for mixed-use infill development options in locations such as existing corporate office complexes. Parcels that may be considered for mixed-use development, but which currently are dominated by a single use (e.g., office), will now have the opportunity to evolve in the future as land use trends and markets change.

In March 2020, the Township adopted a “PMUD Zone Use Location Map” intended to guide where land uses should be located within the PMUD Zone to complete the build-out of the zone consistent with sound planning and the development of supportive infrastructure. With regard to such map, the PMUD Zone regulations (§101-137.1) state that, the uses set forth on the map should be developed as shown (e.g., subject property is designated for Office/Research); however, the Planning Board, in its discretion and for good cause shown, shall be authorized to approve a variation in the location of a given use or uses upon application by a developer. To approve a variation from the land use designation on the map, the Planning Board must find that such variation will not substantially impair the intent and purpose of the PMUD Zone, including the intent and purpose of the location map and existing and planned infrastructure, or be substantially detrimental to the public health, safety and welfare.

The PMUD Zone includes a permitted use, Mixed-Use Multiple Dwellings, intended to encourage mixed-use development, provided the proposed dwellings are integrated into an existing planned development that contains a mix of uses (office, hotel, restaurant, retail, health club), and where the property contains a minimum of 50 acres of land. Such a development may include outdoor amenity spaces, including recreational facilities. The entirety of such a development shall be referred to as a “mixed-use planned development.” The proposed development, which includes the existing former Merrill Lynch complex, complies with the applicable zoning requirements for the proposed use (e.g., residential density, non-residential F.A.R., common open space, and building height).

## **PROJECT VISION & DESCRIPTION**

### **Project Vision**

According to the applicant's narrative, the concept and vision for the project is to satisfy a number of key elements that the applicant believes are missing in the Princeton Forrestal Center and the Route One corridor, in light of emerging trends for mixed-use projects, including:

- A compact, walkable, dynamic place designed with a lively streetscape and public space that supports a vibrant lunchtime and after-work scene, where collaboration and innovation continue with co-workers outside the workplace – a hallmark of the “new collar” economy and lifestyle;
- Unique, destination food and beverage uses, including a feature that would be truly unique in the region – a Food Hall / Beer Garden / Distillery;
- Mixed-use living for multiple market segments – millennials, empty nesters, medical professionals, business travelers, among others; and,
- “Right-sized” office and other workspace in ground floor mixed-use and smaller office formats that would not compete with the existing large office building vacancies in PFC and an expanded range of active and passive recreation and entertainment opportunities.

### **Project Description**

The Project envisions the creation of a well-integrated, compact, mixed-use and walkable development that will include:

- A dynamic food and beverage / recreation / entertainment “hub” that will function as an amenity and help to retain and attract tenants to nearby vacant and under-utilized office properties, adding longer-term value to the PFC;
- Office and employment spaces configured in a range of mixed-use and multi-use buildings which will avoid adding larger free-standing office buildings that would otherwise cannibalize existing vacant/underutilized office buildings in PFC;
- Residential in “true” mixed-use buildings which will collectively help to activate the corridor by providing a live-work-play environment for the Township's residents and employees;
- Age-restricted affordable housing and potentially other supportive uses that promotes an active adult lifestyle and allows for “aging-in-place” within the overall live-work-play environment and the Township;
- Long-term stay corporate rentals that offer furnished living amenities integrated into the mixed-use activity center, which will benefit neighboring employers (e.g., Novo Nordisk); and
- The ability to attract a more diverse workforce that desire to live, work, and recreate in mixed-use activity centers with increased walkability/bike-ability/transit

accessibility, housing options closer to one's place of employment, and an enhanced sense of place or community.

### Proposed Development Program:

<u>Use</u>	<u>Size</u>	<u>Units/Keys</u>
Office	42,000 SF	---
Extended Stay	---	70 keys
Food & Beverage / Restaurants	40,000 SF	---
Mixed-Use Buildings		
Ground-Floor Non-Residential <sup>1</sup>	71,700 SF	---
Ground-Floor Residential Amenities <sup>2</sup>	12,000 SF	---
Multi-Family Residential Units	---	435 du
Active Adult Buildings		
Ground-Floor Residential Amenities <sup>2</sup>	4,000 SF	---
Age-Restricted Affordable Housing Units	---	64 du <sup>3</sup>

Approximately 45%-50% of the site will be reserved for common open space.

1. Ground-Floor Non-Residential is flexible commercial space that may include retail, personal service, co-work/office space, health club, professional office, restaurant, entertainment, and other commercial uses.
2. Ground-Floor Residential Amenities would primarily serve the residents and may include lobby/common area space, co-work/office space, fitness facility, leasing/management offices.
3. Represents 12.7% of overall 499 residential units proposed.

The applicant states that the Fusion project has been designed to be integrated with the existing planned development, the former Merrill Lynch complex, by providing both internal pedestrian, bicycle and vehicular connections with the adjacent Novo Nordisk office complex and locating the proposed office building on the east side of the site, adjacent to the neighboring office use. The open space has been designed to protect the existing wetlands located on the site, and to be more connected with the existing planned development by a series of active and passive recreation and open spaces and a comprehensive trail network.

### General Phasing Plan:

The applicant intends to maintain a balanced approach throughout the planning and construction process, so as to be able to respond to the ever-changing market. Generally, it is anticipated that the first phase will begin at the south side of the site (that is, the non-residential uses including the Food & Beverage / Restaurants and the Extended Stay), with subsequent phases for the mixed-use buildings, active adult building and stand-alone office building.

## **PRELIMINARY REVIEW OF PROJECT IMPACTS**

In support of the Concept Plan Review, the applicant has provided a preliminary analysis of the Project's stormwater and infrastructure design, traffic, and fiscal impacts.

### **Stormwater and Infrastructure**

- Stormwater management will utilize a number of NJDEP approved Best Management Practice ("BMP") measures throughout the entire Project;
- Stormwater management options include: porous pavement in parking lots, bio-retention swales in landscape islands of parking lots, recharge/bio-infiltration swales along roadways, wet ponds in green areas around walkways, green infrastructure spread throughout the site, bio-infiltration basins, underground basins, green roofs to be considered if/where appropriate;
- The Project will not include the typical "one big hole" at the low end of the site. Stormwater measures will be utilized in close proximity to the new impervious surfaces including underground and surface options;
- Upcoming NJDEP rules on increased rainfall amounts will be accounted for within the stormwater design; and,
- Stormwater measures will be incorporated into site improvements.

### **Traffic Impacts**

- The site was previously planned and approved for development of 723,879 SF of office space;
- The proposed mixed-use program provides a mix of uses that both interact internally as well as support the surrounding developed properties;
- The proposed Project's mixed-use development results in significantly reduced weekday morning and evening commuter hour traffic impacts as compared to a single-use office development previously approved for the tract;
- The proposed Project's mix of office, retail, residential and restaurant space will generate approximately 500 less vehicle trips per hour during the weekday morning peak hour and weekday evening peak hour;
- Significant Roadway Improvements previously identified to support the development of the site and adjoining sites have already been constructed;
- The site has potential access to two signalized intersections on two separate roadways, one existing (Plainsboro Road) and one future (Scudders Mill Road);
- The access locations are consistent with prior approvals for the site and will allow traffic to disperse regionally to the roadway system in a logical and efficient manner; and,
- The proposed Project's mixed-use development would provide for reduced peak hour traffic impacts and more balanced traffic flow as compared to other single uses (office) permitted in the PMUD Zone.

## **Fiscal Impacts**

- Value of the Project: \$152.6M;
- Anticipated number of public-school students: 8 (using Center for Urban Policy Research multipliers) or 104 (using Township's multipliers); and,
- Overall annual tax revenue: surplus of \$2,737,660 (using Center for Urban Policy Research multipliers) or \$849,340 (using Township's multipliers).

The applicant advised staff that Princeton University is supportive of the project as currently conceived, and expects to receive something in writing from the University to this effect.

## **STAFF COMMENT**

Given the findings cited above in the BACKGROUND section regarding the updated Master Plan and land use map, the PMUD Zone Use Location Map, and the Mixed-Use Multiple Dwellings as a permitted use in the PMUD Zone, it is staff's opinion that the proposed use of the subject 56-acre site for mixed-use planned development is in general accordance with the Township's current land use policies and regulations, subject to the Planning Board's approval of a Variation from the PMUD Zone Use Location Map pursuant to §101-137.1 of the Township Code. Critical to the success of this project, both from the standpoint of its vibrancy as a "mixed-use development," as well as from a fiscal impact perspective involving the Township, is the manner in which the overall development program is phased, with both residential and non-residential being developed in a mutually coordinated and supportive manner.

The upcoming meeting with the Planning Board is intended as an informal opportunity for the applicant to present the proposed project to the Board and for the Board to offer non-binding feedback on the project to the applicant, including their concerns and/or issues that may warrant changes to the proposed development program and/or the overall plan.

## **NEXT STEPS**

Following the Planning Board meeting, and after addressing any concerns or issues raised at the Board meeting, the applicant may submit a request for a variation from the PMUD Zone Use Location Map, along with the submission of development applications, including major site and subdivision development plans, other detailed plan drawings (e.g., architectural, landscape), technical reports (e.g., stormwater management, utilities, traffic including directional distributions, impacts and off-site improvement obligations, parking, fiscal impact including phasing plan), and ultimately, a Developer's Agreement.

**For more details regarding the project, see the applicant's Project Narrative dated February 21, 2023, the Preliminary Traffic Evaluation dated February 17, 2023, the Fiscal Impact Analysis dated January 24, 2023, and the detailed graphic images for the Fusion @ Plainsboro dated February 2023.**