



Maxwell Place on the Hudson & The City of Hoboken Public Park Hoboken, New Jersey 2011 Region 2 Winner

Key Project Lesson: *Successful real estate development can be accomplished only with critical community involvement and support when developing large, high-profile sites.*

Overview

Maxwell Place on the Hudson in Hoboken, New Jersey, is a ground-up development composed of residential, retail and office space, plus 5 acres of open space.

The \$580 million project comprises a total of 24 acres with a total area of approximately 1.9 million square feet. The development is broken down into four main buildings. Building A is a 12-story tower with 169 units that contains 226,997 square feet of residential space, 11,766 square feet of commercial space and 203 parking spots. Building B is comprised of two 12-story towers connected by a seven-story building to the west and a five-story building to the east. It contains 498,033 square feet of residential space, 41,218 square feet of commercial space and 832 parking spots. Together Building B contains a total of 376 units. Building C is made up of one 12-story tower and one six-story tower that contain a total of 171 units. Combined, both towers contain 191,129 square feet of residential use, a 51,466-square-foot commercial component and 412 parking spots. Building D is one 12-story tower with 84 units. It is composed of 99,352 square feet of residential space, 82,655 square feet of commercial space and 38 parking spots. The total commercial space is approximately 100,000 square feet of retail and 80,000 square feet of office, which contributes to Maxwell Place's concept of a "city living lifestyle."

Featured Partners

- PT Maxwell LLC, Developer
- The Hoboken Brownstone Company
- CB Richard Ellis, Leasing Management
- Dean Marchetto, Architect
- Perkins Eastman, Architect
- Michael Graves, Interiors

Primary Reason for Redevelopment

When the Maxwell House Coffee Factory was opened in 1938 it was the largest coffee factory in the world. When operating seven days a week over 4000 people worked at the plant. When General Foods acquired the Maxwell House brand they decided to close the factory can use the more modern facility in Jacksonville Florida. In 1989 the plant was shuttered and a major employer, taxpayer, and nostalgic reminder of Hoboken's industrial past went to sleep. It lay dormant until 1998 when the Hoboken brownstone's principles purchased it and began envisioning its future.

Out of this under-used area came a design for five new city blocks containing over 800 condominiums, office space, retail space, and the largest public park in the city of Hoboken; including a boat house built as an exact replica of the New York Yacht Club which was founded on the very same site by Alexander Hamilton and Colonel John Stevens

Grandsons in 1846, a launch, playing fields, a fishing pier, a children's playground and a dog run. The entire edge of the park along the river bank is finished with a walking path partially paid for by an \$8.6 million dollar Federal Grant.

Approach

Since This Was the Last Major Undeveloped Waterfront Site in the entire city, we knew that its high profile would make community support critical in order to obtain the zoning approvals necessary for its redevelopment. Shortly after we purchased the property we began a community visioning process that took two years and incorporated over 35 meetings some as small as with the neighbors across the street others filling the basement at the 10th St. church with over 200 people.

We initially proposed an adaptive reuse of the property using eight of the 11 existing manufacturing buildings. Since most of the prominent buildings were built on the river's edge, this plan did not allow for a waterfront park. Feedback from the majority of community meetings told us that a waterfront park which was open to the public was of utmost importance. We responded by scrapping the adaptive reuse plan and proposing a ground-up all new construction plan that would create five new city blocks. Four of the blocks would contain 12 story towers and the fifth block would encompass the entire waterfront and would be built as a public Park and donated to the city of Hoboken.

Other feedback we received regarding the new construction plan involved remembering and celebrating the history of the property. The New York Yacht Club Boathouse and a playing field on the exact site of the first baseball game played in America (called Elysian Fields) were important components of the site plan. Additionally, throughout the common areas of the project are framed pictures of the factory when it was in full operation.

Innovative Techniques

Regulatory - The City of Hoboken declared the North Hoboken waterfront an area in need of redevelopment. That allowed for incentive zoning, tax abatement, and eligibility for other financial assistance from New Jersey.

Remediation - See challenges section below.

Financing - The State of New Jersey offers up to 75% reimbursement for remediation expenses in high profile urban industrial redevelopment.

Partnering - After completion of the City, County, State, and Federal approval and permitting processes, the developers initiated a joint venture with Toll Brothers Inc. Toll Brothers bought out our partnership interest in 2005 and has been constructing the project ever since.

Governmental Initiatives - When the community feedback we received during our outreach process clearly indicated that the community wanted a waterfront park, our political leaders pledged to apply for assistance for the construction of the park which led to the \$8.6 million federal Highway transportation grant for the construction of the waterfront walkway.

After the new construction plan with waterfront Park was decided upon, the developers funded \$100,000 of planners, landscape architects, and other consultants requested by the community group so that they could have professional input to the design of the waterfront Park. This collaborative process resulted in a unanimous approval by the City Planning Board with a room packed with supporters who celebrated the final vote for approval. Obtaining community buy-in for such a high profile and controversial waterfront site in a city like Hoboken was absolutely unique. This process serves to underscore The Defining Mission of the Hoboken Brownstone Company which is based on the premise that successful real estate development can only be built from the premise of successful community development.

Challenges

- Expedite MOA compliance while managing the environmental and financial risks to the Investors, and
- Take the MOA compliance schedule out of the project's critical path.

Solutions

- Expedited MOA process (PA/SI and RIWP) and (RI/RASR/RAWP)
- Performed site investigation and site studies at risk
- Used innovative site characterization technologies
- Recommended “restricted use” with natural attenuation as the remedial action with engineering controls and a site-wide classification exception area (CEA) for groundwater.

Benefits

When Maxwell Place on the Hudson was awarded the 2010 New Jersey Future Award for the Number One Mixed-Use Project in New Jersey, we knew that our mission of urban redevelopment which started at the purchase of a four Family Brick Row House on Third Street in Hoboken in 1980 (for \$20,000) had finally come of age. Both generations X and Y as well as the aging baby boomers are choosing the urban lifestyle where transit oriented mixed-use development presents an active and rich lifestyle opportunity.

Hoboken’s population peaked in the 1950s at 75,000 residents most of home were blue-collar immigrant working families. As industry moved elsewhere in search of lower-cost labor, less regulation, and lower taxes, most of our older industrial cities fell into decline. Hoboken’s population dropped to under 38,000 and many buildings were abandoned and some burned to the ground. Beginning in the 1970s, HUD financed rental rehabilitations began to turn around some of these blocks. By the 1980s When the Hoboken Brownstone Company began its work; young urban professionals discovered the economy and convenience of living in Hoboken with its easy commute into Manhattan on subways and ferries.

Three decades later The Hoboken Brownstone Company has completed over 1000 units of market rate housing in Hoboken and over 1000 units of new affordable housing in New Jersey’s other major urban centers. The population of Hoboken has been growing and is now over 50,000. Redevelopment continues at a rapid pace and the city has become the poster child for Urban Renaissance.

BEFORE



Maxwell House Coffee Company
(Circa 1960)

AFTER





Project Address:	1525 Hudson Street Hoboken, New Jersey 07030
Contact Person:	George Vallone, President, The Hoboken Brownstone Company
Phone:	201 792 0100
Email Address:	GVallone@HBrownstone.com
Names of Participants:	George Vallone and Daniel Gans
Number of Acres:	24
Former Uses:	Maxwell House Coffee Factory
Current Uses:	Residential, Retail and office space
Former number/Types of jobs:	Industrial
New number/Types of jobs:	Management, Retail
Type of Site:	Mixed Use
Regulatory Program:	Brownfield remediation
List of Major Contaminants:	Asbestos, trichloroethylene, petroleum hydrocarbons, Mercury
Magnitude of Contamination:	\$12 million
Greatest Challenge(s):	see above
Length of Time to Remediate Site:	2 years
Primary Reason for Redevelopment:	Repurposing of abandoned 24 acre coffee manufacturing site
Years Abandoned or Challenged:	10 years
Cleaned up under Consent Decree:	Yes NJ DEP Voluntary Cleanup Program
List of Financial Assistance:	\$8 million (75%) Brownfield Reimbursement from State of NJ
Other Financial Techniques Utilized:	\$8.6 million Federal Transportation Grant for construction of waterfront trail
New Tax Revenues:	Over \$25 million in property tax revenue annually
Community Outreach Activities:	35 community group meetings over 2 years
Innovative Environmental	See above
Regulatory Techniques:	See above
Innovative Remediation Techniques:	See above
Innovative Economic Development:	See above
Land Conservation:	5+ acres
Sustainable Development:	Smart Growth
Federal & State Partners:	NJ DEP, Federal Highway Trust Fund, NJ Commerce, Army Corps, NJ Historic Preservation Office