

Businesses may have to move, but some residents approve

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NEW BRUNSWICK: A \$114 million proposal to redevelop the area around Robert Wood Johnson University Hospital would create a regional center for pediatric health care.

The proposal unveiled by city leaders last week would include an institute to study child health, a pediatric rehabilitation hospital, an office building and a parking garage. It would be adjacent to the Bristol-Myers Squibb Children's Hospital that RWJUH opened in March.

If it is approved, the plan would be part of a major expansion of medical facilities in New Brunswick. It would also change the face of parts of French and Plum Streets, as the new buildings replace area stores.

Some merchants are concerned about where their businesses will go, but two French Street businesses have offered support for the concept.

Eunice Eshun, owner of African Market on French Street and mother of four, supports the idea of building two medical facilities for children, even though one of the buildings will displace her shop.

"I think it's a good idea," she said. "Children come first. It's something good they're doing."

But Eshun, who wants to stay in New Brunswick, is still concerned about where she can move.

"The bottom line is where do we go?" she asked. "I'm for all the changes, but they need to relocate us."

Mayor Jim Cahill said Wednesday the city has successfully relocated business owners for past projects and will be able to do so again for this one.

The Details

Cahill, New Brunswick Development Corp. President Christopher J. Paladino and hospital and medical university officials discussed their concept for the area between French, Prospect, Somerset and Scott streets during a Home News Tribune editorial board meeting Wednesday.

A 150,000-square-foot Child Health Institute would be built on French Street next to the Robert Wood Johnson University Hospital. The project has a construction budget of \$57 million. Of that, gifts and grants for the project have totaled \$16 million. A lease signed with Devco by the Institute's parent, University of Medicine and Dentistry of New Jersey, would bring in the remaining \$41 million, said Paladino.

Behind the institute would be some open space plus a 100,000-square-foot Children's Specialized Hospital on Somerset Street. About \$30 million will be needed to build the pediatric rehabilitation facility, said Robert Wood Johnson University Hospital spokeswoman Laurie Miller. It would be an arm of the Children's Specialized Hospital in Mountainside.

About \$12 million will be needed to build a 630-car parking garage at Somerset, Prospect and Plum streets. The garage will be a structured finance deal based on parking revenue, Paladino said. Devco will borrow money to build the structure and then obtain leases from medical entities for allotted spaces while maintaining a certain number of daily parking spaces, he said.

A 20,000-square-foot office building, the last of the four projects expected to be constructed, would sit on French Street where Magyar Savings Bank is now located. It will cost about \$15 million to \$16 million to build, Paladino said.

Magyar Savings Bank hopes to move some of its operations to a 19,000-square-foot building at the intersection of Route 27 and Somerset Street while keeping a branch near its current French Street facilities, said bank President and CEO Robert E. Pastor.

He also supports the concept city officials are discussing. The bank has experienced growing pains and been limited by its existing facilities, said Pastor.

"We see this as a win-win for everybody -- city, Magyar, the hospital," he said.

Pastor attended Wednesday's editorial board meeting along with Cahill, Paladino and the city's planning director Glenn Patterson; Robert Wood Johnson President and CEO Harvey Holzberg and Senior Vice Presidents Stephen Jones and Judith E. Burgis; Robert Wood Johnson University Medical School Dean Harold L. Paz and Associate Dean for Planning and Administration James R. Bardsley; Child Health Institute Executive Director and City Planning Board Chairwoman Elizabeth S. Garlatti, and City Public Information Officer Steve Lenox.

Paladino emphasized the plans are subject to change. A groundbreaking is expected in June, he said.

The Child Health Institute will attract research grants which will draw top-notch doctors who will also care for patients, said Paz. Cahill, Paladino and hospital officials said the proposed medical facilities will further polish New Brunswick's image as the Health Care City.

That reputation has been growing as the hospital and other facilities continue to expand. RWJUH is now building its \$106 million Cancer Hospital of New Jersey. In August, Holzberg announced that the hospital plans to begin construction within the next two years of a new parking deck, hotel and cardiovascular institute next to the Doll's Place pub on another section of French street. The

Cancer Institute of New Jersey, affiliated with UMDNJ, is also planning an expansion.

The Next Steps

Under the proposal explained last week, Prospect Street would be widened and converted to two-way traffic. Portions of sidewalk on French Street would be widened too.

The office building and garage would include ground-floor retail space. A net gain of retail space would be realized on French Street, Paladino said. Cahill said less than \$200,000 of revenue is generated on the blocks now, but the proposal would produce estimated revenue exceeding \$300,000.

The concept won't touch the 10,000-square-foot Hungarian American Athletic Club as it is not in the area the city being considered for redevelopment.

Eshun is still concerned about the fate of her 10 employees and does not know what to tell them. "I wish it was a dream, but it's a real thing," Eshun said.

Eshun said Patterson told her she might be able to get retail space on George Street or at a planned retail strip on Route 27 and Jersey Avenue. But nothing has been built yet at either site, Eshun noted.

After unveiling the concept Wednesday, Cahill said, "We expect to immediately follow up with the businesses and the property owners to let them know what our interest is so they can hear it not only from the Home News Tribune but also directly from us."

Eshun has not been contacted by the city since Oct. 10 when Patterson, whom she described as very helpful, visited her store. Her landlord, Woo Cho, said he attended the Oct. 10 Planning Board meeting, but no city officials have contacted him since then.

Cho said he heard about plans for the four new buildings from a hospital official. He is concerned about whether he will get a fair deal on his properties, 85 and 87 French St.

"I ask how are they going to pay back my property. They said they would pay market prices but I don't know," said Cho.

Classifying an area as needing redevelopment is the first step in a process in which property can be condemned if the land owner and redeveloper cannot agree on a price. Cho questioned the city's redevelopment study assertion that one of his two storefront at 87 French St. was vacant.

"There is nothing vacant. I don't know where they get the information," said Cho. "Vacant is wrong information."

When asked about Cho's comment, Patterson said: "The study speaks for itself."

The study was considered by Planning Board members, who voted 3-2 to recommend the City Council declare the area in need of redevelopment. The City Council is expected to vote on it soon.

Cahill said he is confident the redevelopment proposal makes sense and that the council will support it. If the City Council designates the area as needing redevelopment, the city would create a redevelopment plan and select a developer.

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