

## NEW JERSEY

### CAMDEN DEMOGRAPHICS

Current Population: 79,318  
Median household income 2006: \$25,961  
Median household income 2000: \$23,421  
Number of households 2006: 24,271  
Number of households 2000: 24,177

Source: U.S. Census Bureau

### CAMDEN REAL ESTATE STATS

Downtown retail rents: \$28.00  
Neighborhood center rents: \$13.32  
Power center rents: \$27.00  
Downtown vacancy: 6%  
Neighborhood center vacancy: 10%  
Power center vacancy: 4%  
Source: NAI Global

# Soup's On!

Camden officials battle to retain Campbell Soup Co. to anchor a long-awaited renaissance.

By Chuck Green

For decades, Camden, N.J., a city of 80,000 residents just across the Delaware River from Philadelphia, has been infamous for its high crime and poverty rates. Along the way, New Jersey state and local officials have tried a number of initiatives to shake the stigma and revitalize the city with mixed results.

Repeatedly it has failed in its bids to lure Philadelphia's professional sports franchises to build venues across the river. All four of Philly's pro sports teams play in facilities built within its city limits since 1996. And, over the years, various developers' proposals to erect upscale apartments and condos were scuttled

due to a lack of interest from prospective residents who could afford such units to live in America's poorest city.

Today, Camden is in the midst of a fierce effort to retain its highest-profile corporate tenant, Campbell Soup Co., to be the cornerstone of the city's redevelopment. Weighing heavy on the minds of developers, brokers and retailers (not to mention civic leaders) is the temporarily stalled—if not aborted—plans by Campbell to invest \$72 million to expand its corporate headquarters as part of Camden's redevelopment plans.

Even with Campbell's fate up in the air,

**NEW PACKAGING**  
Campbell Soup Co.'s proposed new building would be a centerpiece in a plan to revitalize Camden.



there is reason to believe the city's fortunes may have turned. New projects are debuting, including luxury residential towers and the first office building constructed in almost 50 years. And, retail could follow. At the center of the latest initiative is Camden's waterfront. On the other side of the Delaware, Philadelphia has done much to embrace the waterfront. Now Camden is trying to follow suit and in the process establish an entertainment district with some nightlife.

"There was always this stereotype that as soon as the sun went down you didn't want to stay around Camden because it's not safe. Camden city workers—firefighters, police, lawyers, doctors, judges normally leave the city to [dine] at the Cherry Hill Mall in Mt.

says James Harveson, director of Economic Development for the Camden Redevelopment Agency. "The Camden waterfront is almost a blank canvas."

Still, success is far from assured. "They're taking lots of baby steps, but need some big steps," notes James Aug, senior vice president of CB Richard Ellis.


### Space walk

In one of the most significant steps to date, Columbus, Ohio-based Steiner + Associates and Vibrant Development have taken on the task to master-develop the waterfront. Steiner is also developing Cooper's Crossing, a 30-acre mixed-use property located between the Adventure Aquarium and the Benjamin Franklin Bridge. As part of the project, the firm completed a \$53 million renovation and expansion of the aquarium in an attempt to transform the Camden waterfront into a year-round destination to work and live and for entertainment. Overall, Cooper's Crossing will consist of 1,500 new units of market-rate housing, 500,000 square feet of class-A commercial office, 100,000 square feet of retail, dining, and entertainment and a hotel/conference center.

Another major Steiner development under construction within the Cooper's Crossing master plan is the \$20 million, 100,000-square-foot Ferry Terminal Building. It's situated on the waterfront adjacent to the aquarium and is the first privately financed office built in Camden in 48 years. Additionally, in a partnership agreement with Dranoff, Steiner will develop a residential project.

In all, these waterfront projects will contribute \$3 million in annual taxes to the city, which is projected to represent 12 percent of its overall tax collections, while generating more than 1,500 full-time jobs.

Munley believes attracting an out-of-town developer like Steiner was a feather in Camden's cap. "Camden doesn't have the best reputation around the country, so for Steiner to take that gamble was a huge step." And one worth taking, says Barry Rosenberg, president of Steiner + Associates, who explains his firm was drawn to the area primarily by its proximity to Philadelphia, the nation's sixth largest city. It has "probably one of the best views



COMING ON-LINE  
Steiner + Associates  
will spend \$20 million  
on the Ferry Terminal  
Building—the first privately  
financed office  
built in Camden in  
48 years.

Laurel or surrounding towns of affluence," says Chris Munley, a locally based sales associate for Marcus & Millichap Real Estate Investment Services. Waterfront redevelopment would provide a safe haven and "almost a nightlife."

Acknowledging the process has proceeded slower than expected, Shawn Sarin, manager of The Victor's Pub, which opened six months ago at The Victor Luxury Lofts, a new waterfront residential development by Dranoff Properties, says rejuvenating the city that has had "so much bad karma gives you a sense of hope. You hear the word 'Camden,' known for crime and violence, you get scared."

Hearing his restaurant is in Camden, Sarin says, people ask, "Why?" In light of the city's plans, the answer could eventually become, "Why not?"

The doors are essentially wide open,

state to partner with the company to develop a 110-acre office park in Camden's Gateway Redevelopment District, with the Fortune 500 company as its anchor. The state of New Jersey, Camden County and the city plan to invest about \$26 million in the area's infrastructure, including improvements to roads and water and sewer upgrades for the redevelopment area.

The Campbell campus will encompass approximately 40 acres. An adjacent office park will occupy 500,000 additional square feet of office space. The company believes it's on solid ground.

Since Sears exited, the former department store's structure has housed a car dealership, nightclub and office and retail tenants, all of which pulled out. Sanzio notes Campbell also views the demolition of a series of abandoned, dilapidated buildings nearby and the development of new buildings and office park on that site as the best way to revitalize this area.

If Campbell's permission to remove the old Sears building is denied, Campbell will pursue other options, including leaving Camden entirely.

That's not what many in the area want to see. "Everyone will think, 'If Camden's not going to work with Campbell, why would they work with my company?'" Sarin says.

Furthermore, watching a property shuffle through multiple hands might dissuade other major corporations from considering entering the region. "Properties and areas sometimes take on a stigma that there's problems," says Rob Samtmann, principal of Equity Retail Brokers.

Ultimately, Delfinder doubts Campbell will uproot. "Can you imagine a multibillion-dollar international company leaving their headquarters because of one building being razed or not?"

The loss of Campbell would sting all the more, notes CB Richard Ellis's Aug, considering its \$72 million investment in its world headquarters can only help stimulate the area and therefore stimulate retail as well.

The question of whether the global food company will leave is difficult to answer, says Sanzio. First and foremost, he notes as public company, Campbell will act in the best

interests of its shareholders, employees and the community.

Munley says, he's heard Campbell is staying buoyed by Steiner's commitment to redevelop the area. But, he warns, should Campbell leave, it would cause a huge void since many of those who'd consider developing projects in and around the area would probably think twice. ET

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