

Dunellen

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Currently under demolition, the project will include 252 high-end rental units and 9,200 square feet of retail developed by Bloomfield-based Prism Capital Partners and 130 townhomes that will be sold by Matawan-based K Hovnanian, both in partnership with Richard Brudner, owner of the 19-acre site.

After 21 years of service as mayor, Robert J. Seader said he is thankful that his last term will bring the largest of many borough redevelopment projects to fruition.

“Dunellen is a great little town, a great place to raise your kids or a great place to be a married couple or a single person to buy or rent, and it’s easy access to New York,” Seader said. “If you think you’ll make money in the stock market, you’ll make more money selling your house in four or five years. This Art Color project alone is going to help tremendously with our property values. It’s going to bring people to the downtown.”

Borough Business Administrator/Clerk William M. Robins added, “Everybody is really behind the rejuvenation of the town. They know that this is our future, and if it doesn’t happen, we won’t be here ... If we don’t do this redevelopment, we’re going to have to merge in 20 years with Middlesex or Piscataway. We just won’t have the tax base to support the municipal services, but now with this new complex – and what they’re paying us – we can boldly go into the future.”

Through the state’s Payment In Lieu of Taxes (PILOT) program, Dunellen Station will bring \$20 million in tax revenue over a 30-year term, while another \$4 million will be coming from other redevelopment projects, Seader said.

The \$105 million Dunellen Station also will bring to the tiny but well-traveled town a new traffic light at the complex’s South Washington Avenue and New Market Road entrance, as well as a new pump station farther up Washington, plus:

■ One hundred thirty back-to-back townhomes in 14 buildings, with either eight, 10 or 12 units in a building, all with a one-car garage and one-car driveway and either three bedrooms in 2,300-square-foot space in a model called The Bard or The Bowdoin, a two-bedroom unit within 1,500 square feet.

■ Two hundred fifty-two apartments in six buildings with 42 units in each, 58 of which are designated for affordable housing, plus a lobby and common space totaling 310,000 square feet.

■ A freestanding 3,200-square-foot clubhouse.

■ Nine thousand two hundred square feet of retail featuring neighborhood commercial services, dining, health and beauty, medical, convenience and baking.

■ A design that will mirror a train station.

All local approvals for the apartments have been obtained, but Prism still awaits issuance of a few state and county approvals, said Robert Fourniadis, Prism’s senior vice president of residential development. Fourniadis said Prism expects to break ground by year’s end and to start leasing in the fourth quarter of 2020. First residential tenants are expected to move in six months later, followed a year later by the first retail tenants, he said. Prism expects to complete its part of Dunellen Station by the fourth quarter of 2022, Fourniadis said.

All approvals for the townhomes are expected to be finalized by year’s end with site work to start early next year for a late spring 2020 sales opening, said John Caniglia, area counsel for K Hovnanian. The first closings are expected in late 2020, early 2021, Caniglia said.

On the other side of Dunellen Station is the continually refurbished 19-acre Columbia Park to which the borough is upgrading the tennis courts and turf field and adding a gazebo in front of the senior center.

Neither developer has other properties in Dunellen, but they said they were attracted to the site due its proximity to the train station and a downtown within walking distance from the community.

“The new community will have over 300 residential units, which will provide support for local businesses in the Dunellen downtown, as well as the new retail, and attract capital investment to local businesses to serve these new Dunellen residents,” Caniglia said.

“We anticipate a major positive impact on the local businesses and the borough’s revenue base and many other positive intangible and intangible benefits that come from the demolition and repurposing of a rundown, obsolete industrial facility, Fourniadis added. “The Borough of Dunellen is a wonderful community with many fine attributes, including a charming walkable downtown business district, a train station, fine schools and access to just about anywhere in the state via Route 22, I-78 and I-287.”

‘Diamond in the rough’

Carl Riccio is the co-owner of the



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Dr. Brian Katz, a Highland Park doctor and real estate investor, will make his first foray into construction with an high-end apartment complex on Bound Brook Road in Dunellen. COURTESY OF DR. BRIAN KATZ



Dunellen developer Joseph Vallani will turn these vacant buildings into his third downtown multi-use property in less than as many years. BOB MAKIN/CENTRAL JERSEY COURIER NEWS

newly named and soon-to-be-dedicated PAR Building next to Dunellen Station on South Washington Avenue at the corner of North Avenue. The building has been in his family since the mid-1960s when it was built by his late great uncle Peter A. Riccio, now its namesake.

A partner in the fully leased building with his father, Peter J. Riccio, and owner/franchisee of two of its restaurants, Mike’s Subs and 30 Burgers, Riccio said the economic waves of Dunellen Station already have begun to rumble.

“It was a struggle to find tenants for this building, but once that project started, we were filled up,” said Riccio, whose building will be dedicated on June 2 with a free community celebration. “And you can feel that through the whole town, that there’s going to be a lot going on because of Dunellen Station.”

“And it was such an eye soar because it was right across from the train station, so it was the first thing you saw as you came into town,” he continued. “Now they’re putting it to good use.”

Dr. Brian Katz, a Highland Park-based gastroenterologist who has successfully dabbled in the Middlesex County real estate market for the past decade, plans to make his first venture in construction with the redevelopment of three Bound Brook Road buildings he recently purchased.

Katz described Dunellen as a “diamond in the rough” on the ground floor of gentrification at a price point contractors still can afford.

“Dunellen is a town with great potential for vast improvements, similar to what has happened in Somerville over the past 10 years,” Katz said. “There is great opportunity in Dunellen, and the borough has been receptive to new development and wants to jump start and revitalize the entire downtown area.”

Katz plans to build a three-story, 43,200-square-foot apartment complex with 40 units that will replace two vacant buildings destroyed by fire and a third that is an apartment building with low-income housing. They are located near the fork where North Avenue becomes Bound Brook Road.

Katz said the project will cost him \$6 million. He said he’s looking for more opportunities to build in Dunellen.

“It’s the easiest town to deal with,” he said, “very pro-development aimed to



The 19-acre Dunellen Station will include 9,200 square feet of retail whose exterior is designed like a railroad station. COURTESY OF PRISM

improve their economics. I tell people, if you drive by, you’ll miss it. The mayor is one of nicest guys I’ve met ... very caring and future-thinking. I’ve dealt with many towns, and nobody is like Dunellen. It’s like a breath of fresh air. It’s pleading for gentrification. I guarantee that the town will not be affordable to contractors the way it is now.”

What else is coming

While not as massive as Dunellen Station, projects by frequent borough developers Joseph Vallani and Tunison’s Home Improvement & Building Co. have helped to transform downtown Dunellen from a “ghost town,” to a vibrant hub, Seader said.

With Devine’s Pharmacy relocated up the road to the PAR Building, Vallani plans to turn the spot at 376 North Ave., as well as an adjacent vacancy, into a multi-use project with retail on the bottom and apartments on top, much like he’s doing with a nearly completed project at 216 North Ave. and did at 364 North Ave.

“This kind of development is interesting, as there is not much free space and so developers must consolidate properties, such as Dr. Katz, or purchase individual structures and rebuild, like Joe Villani,” Robins said.

Dunellen’s transit appeal also is in its

active bus line, which travels to New York City, as well as to Bridgewater. Being a Transit Village, the borough has received \$600,000 in grants from the state Department of Transportation during the past four years for decorative downtown street lights, the most recent of which were implemented last month, Seader said.

Even more than the redevelopment he has been able to bring to his hometown of 30-plus years, the mayor said he is most proud of the many volunteers in town who made the progress possible. Rather than seek expensive consultants for legal, engineering, planning, zoning and other expertise, Seader and Robins led homegrown experts who offered their services for free to the borough, its planning and zoning boards and council to create and implement a redevelopment plan.

“Everybody checks their ego at the door,” Seader said. “We come together as a group, and we get it through. We don’t always agree, but I’m proud of the work that the planning and the zoning board have done, that the council has done and all the volunteers.”

Robins added, “It is small-town America in almost a 19th century way with a contemporary understanding that is a virtue.”

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