

**BRIDGEWATER TOWNSHIP PLANNING BOARD**

**Special Meeting**

**Monday, November 30, 2015**

**—MINUTES—**

**1. CALL MEETING TO ORDER:**

Chairman Rusak called the meeting to order at 7:00 p.m. in the Municipal Courtroom, 100 Commons Way, Bridgewater, New Jersey.

**2. OPEN PUBLIC MEETINGS ACT ANNOUNCEMENT:**

Adequate notice of this meeting has been given in accordance with the Open Public Meetings Act N.J.S.A. 10:4-6. On November 17, 2015, proper notice was sent to the Courier Newspaper and the Star-Ledger and filed with the Clerk at the Township of Bridgewater and posted on the bulletin board in the Municipal Building.

Please be aware of the Planning Board policy for public hearings: no new applications will be heard after 10:00 pm and no new testimony will be taken after 10:15 pm. Hearing Assistance is available upon request.

Accommodation will be made for individuals with a disability, pursuant to the Americans With Disabilities Act (ADA), provided the individual with the disability provides 48 hours advance notice to the planning department secretary before the public meeting." However, if the individual should require special equipment or services, such as a CART transcriber, seven days advance notice, excluding weekends and holidays, may be necessary

**3. SALUTE TO FLAG:**

There was salute to the flag.

**4. ROLL CALL:**

Stephen Rodzinak – present

James Franco – present

Chairman Walter F. Rusak – present

Councilman Allen Kurdyla – present

Ron Charles – absent

Tricia Casamento – present

Mayor Dan Hayes – present

Evan Lerner, Alt. #1 – present

Others present: Attorney David Soloway for Board Attorney Tom Collins, Board Engineer Robert C. Bogart, Board Planner Scarlett Doyle, Planner Frank Banisch, Planner, Recording Secretary Ann Marie Lehberger

**5. APPROVAL OF BOARD MINUTES:**

October 13, 2015, Regular Meeting (*pending*)

November 10, 2015, Regular Meeting (*pending*)

November 23, 2015, Regular Meeting (*pending*)

The foregoing minutes will be presented for Board consideration when completed. No action was taken.

**MEMORIALIZATION OF RESOLUTIONS:**

**TULLO ROAD ASSOCIATES (*pending*)**

Block 713 Lot 9

#14-025-PB, Preliminary Major Subdivision with variances

Time: 10/30/15

DECISION: Approved with conditions 10/13/15

Eligible to Vote: Mr. Rodzinak, Mr. Franco, Mr. Charles, Councilman Kurdyla, Mr. Rusak, Mayor Hayes, Mrs. Casamento

**MERCAL LLC-866 Country Club Rd. (pending)**

Block 454 Lots 1 & 2

# 15-029-PB, Preliminary and Final Major Subdivision

Time: 11/26/15

DECISION: Approved with conditions 11/23/15

Eligible to Vote: Mr. Rodzinak, Mr. Franco, Mr. Charles, Councilman Kurdyla, Mr. Rusak, Mrs. Casamento

The foregoing resolutions will be presented for Board consideration when completed. No action was taken.

**6. OTHER BOARD BUSINESS:**

Workshop to discuss Redevelopment Area and Redevelopment Plan for Block 483, Lots 17, 18 & 19

Mayor Hayes provided opening comments and gave a brief overview. Mayor Hayes thanked all those members of the subcommittee that were involved for all their hard work. The members of the subcommittee include Mayor Hayes, Councilman Kurdyla, Mr. Franco and Mr. John Schmitt, Chairman of the Economic Development Committee. Mayor Hayes also thanked Board Planner Scarlett Doyle and Planner Frank Banisch of Banisch Associates for their work. Mayor Hayes stated that he had pens and paper available for note taking and invited members of the public to write down any comments or questions they may have while viewing the presentation.

Frank Banisch, PP of Banisch Associates provided a PowerPoint presentation. (A copy is attached)

Chairman Rusak opened the public portion of the meeting. There were no questions or comments from the public.

Mayor Hayes encouraged the board members to contact Board Planner Scarlett Doyle if they had any questions or concerns.

**7. LAND DEVELOPMENT APPLICATIONS:**

**DPB LLC**

Block 707 Lots 9

#15-032-PB, Amendment to Prior Approval

Time: 3/15/16

Mr. Franco recused himself from this application.

Attorney Francis P. Linnus was present to represent the applicant. Mr. Linnus provided opening comments stated that the applicant was before the board this evening to request an amendment to a condition of prior site plan. The applicant would like to expand use of the basement space of the building on the property that currently houses the Reflections Center, which is a form of "medical spa."

Robert Berlant, principal of DPB LLC was sworn in for testimony. Mr. Berlant presented exhibits that were marked into evidence as follows:

**A1-A6            11/30/15            Photos of existing conditions on the lower level of Reflections Spa**

There was a question by the Board relating to the square footage of the floor area that would be utilized in the building if the application were granted, as an increase of any significance in the amount of floor area would exceed the permitted floor area ratio in the zone. The Board lacks jurisdiction to grant variances to

## —MINUTES—

exceed allowable floor area ratio; that type of variance may only be granted by the Zoning Board of Adjustment. Mr. Berlant testified that the only basement space proposed to be utilized by the application was 1,915 square feet. Mr. Berlant noted that the remainder of the basement, consisting of approximately 3,000 square feet is unfinished, and is not proposed to be improved by this application. The photographs provided in Exhibits A-2 through A-5 show the unfinished area, which is utilized for storage. Mr. Berlant noted that there is currently no heat or air conditioning in the basement, and while heat and air conditioning will be provided for the newly converted space, there will still be none in the unfinished storage area. Based on the testimony provided by Mr. Berlant, the Board finds that the granting of the application will not result in any increase in floor area requiring a floor area variance, and that the Planning Board accordingly has jurisdiction over the application. Mr. Berlant noted the history of prior approvals for the uses on this site, the most recent of which was on August 10, 2010, is directly relevant to this application. One of the conditions of the approval that was received in 2010 noted in the resolution granted by the Board, specifically, condition number 5, stated that although the basement space could be modified and finished as explained at the hearing on the application, it was only to be utilized for storage equipment, computer equipment, and laundry uses, and was not to be utilized for permanent full time offices for employees or for treatment rooms. The applicant is requesting approval to utilize 1,915 square feet of the basement area and convert a portion of that space to two new office rooms, a conference room and a kitchenette. The Board raised a concern regarding implementation of condition #5 in the 2010 resolution insofar as it had an impact on the floor area. The Township Planner, Scarlett Doyle, and the Township Engineer, Robert Bogart, each recalled that at the hearing on the application in 2010, the applicant had agreed to limit the basement ceiling height to less than seven feet utilizing a drop ceiling. Although not specifically noted in the resolution, both Mrs. Doyle and Mr. Bogart clearly recalled this. Mr. Berlant did not recall this stipulation and the drop ceiling was not installed. This is important in assessing whether this would count toward floor area. The Board finds that the question is essentially moot. The Ordinance, in defining net floor area, states that net floor area "shall not include any finished space where the floor to ceiling height shall be less than seven feet." The important factor is whether the space is "finished." If it is finished, it counts toward floor area, unless it is less than seven feet in height. Since the approximately 3,000 additional square feet in basement space is not finished, the Board concludes that it doesn't matter how high the ceiling is in that area, as it does not qualify as floor area under the Ordinance. The Board accordingly clarified in this Resolution that the August 10, 2010 Resolution and condition number 5 are not to be construed as requiring the installation of a dropped ceiling in the basement area.

Mr. Berlant reviewed the reports of the Board Professionals. It was noted that the applicant would meet with the fire official to work out the details of his report.

Chairman Rusak opened the public portion of the meeting.

John Gray of 833 Quarry Lane was present and was sworn in. Mr. Gray expressed concern because the lights from the Building come right into his home.

There were no other questions or comments from the public.

Dr. Mitchell Chasin, MD, owner of Reflections Spa was sworn in for testimony. Dr. Chasin stated that the proposed expansion was needed in order to provide his staff members with office space in the building. He noted it was also needed to provide a break area for his staff and a conference room to conduct small group seminars for approximately 7 to 10 patients at a time. Dr. Chasin also noted that no treatment rooms would be added. Dr. Chasin testified that he is in the building typically 3 days a week and the facility opens at 8 a.m. and closes as late as 8 p.m., except on Saturdays where they generally

BRIDGEWATER TOWNSHIP PLANNING BOARD

Special Meeting

Monday, November 30, 2015

—MINUTES—

close 4 p.m. and are not open on Sundays. Dr. Chasin also confirmed that the blinds on the windows are closed and the interior lights are turned off after business hours.

Chairman Rusak opened the public portion of the meeting. There were no questions or comments.

Mr. Linnus provided brief summary comments.

Motion by Mr. Lerner, second by Mrs. Casamento, the foregoing applications was approved with conditions on the following roll call vote:

AFFIRMATIVE: Mr. Rodzinak, Chairman Rusak, Councilman Kurdyla, Mayor Hayes,  
Mrs. Casamento, Mr. Lerner

ABSENT: Mr. Charles, Mr. Franco (recused)

8. **MEETING OPEN TO THE PUBLIC:**

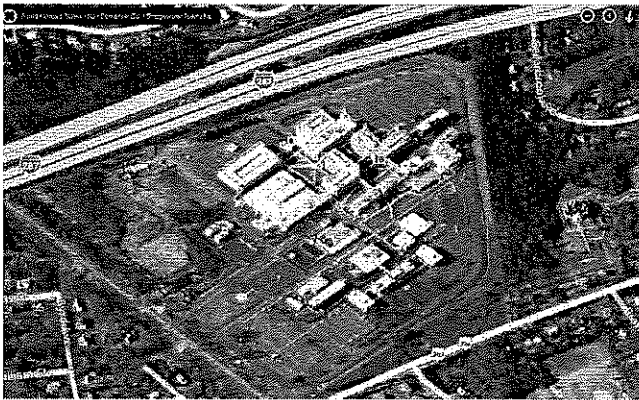
There were no members of the public wishing to address the Board on any matter not listed on the agenda.

9. **ADJOURNMENT**

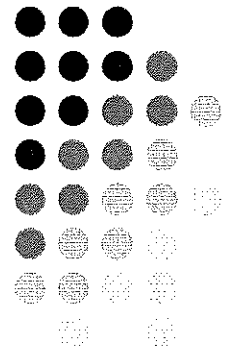
It was the consensus of the Board to adjourn the meeting at approximately 9:10 pm.

Respectfully submitted,  
Ann Marie Lehberger  
Secretary to the Planning Division

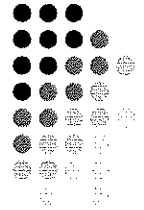
# Bridgewater's Center of Excellence



*Navigating a  
Course for  
Changing  
Times*

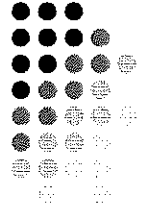


# Yesterday



- American Hoechst created a model single user office/research campus in Bridgewater
- Towns competed for desirable office ratables
- The “single user” campus trend emerged
- The fully-integrated campus lifestyle included modern cafeteria and physical fitness facilities
- Office and research uses fueled growth that kept housing values high and taxes low
- With faith in the future - Merck constructed its “forever” world headquarters in Readington

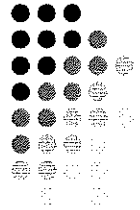
## sanofi R&D history



- Hoechst moved to Bridgewater from the Empire State Building in 1953
  - The company remained here for 59 years (until 2012) in one form or another through a series of mergers and acquisitions
  - Sanofi was attracted to the research cluster in Cambridge, Mass and left Bridgewater
  - The 2012 closure resulted in a loss of 2,000 jobs and emptied 1.2 Million SF of R&D space
- *Hoechst AG (a German chemicals then life-sciences company) became Aventis Deutschland after 1999 merger with France's Rhône-Poulenc S.A.. After a 2004 merger with Sanofi-Synthélabo, it became a subsidiary of the Sanofi-Aventis pharmaceuticals group.*

# **DISTURBING TRENDS**

**in New Jersey, Somerset Co. and Bridgewater**

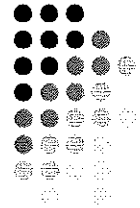


- Collapsing office market
- Job losses
- Pharma exodus
- Lack of housing alternatives
- Loss of Millennials

A series of interconnected implications

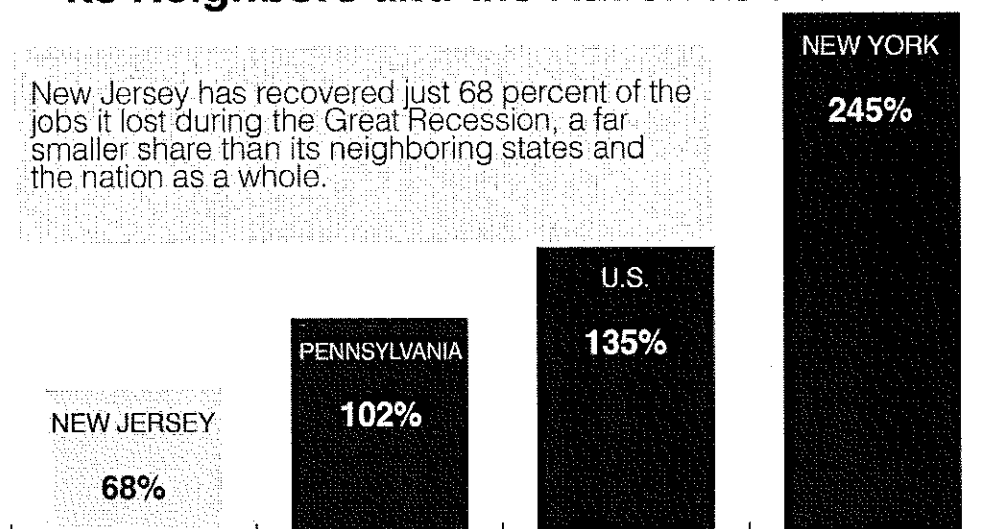


# Slow Jobs Recovery in New Jersey



## New Jersey's Jobs Recovery Lags Far Behind its Neighbors and the Nation as a Whole

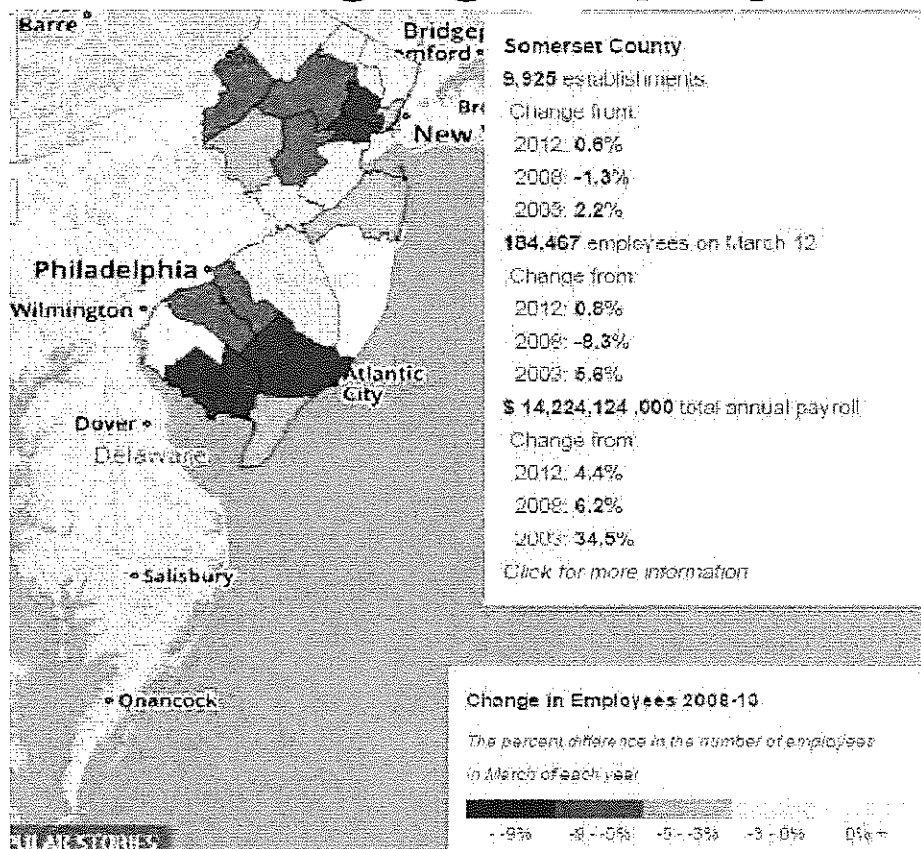
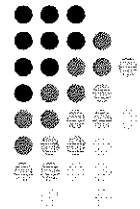
New Jersey has recovered just 68 percent of the jobs it lost during the Great Recession, a far smaller share than its neighboring states and the nation as a whole.



*NJ & US data from April 2015; NY & PA data from March 2015*

NEW JERSEY POLICY PERSPECTIVE [NJPP.ORG](http://NJPP.ORG)

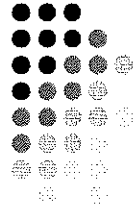
# Discouraging Employment Trend



8.3% fewer employees than in 2008

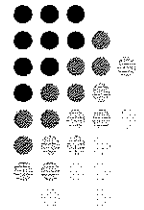
<1% annual payroll growth since 2008

## **Depressed Income in a High Cost State**



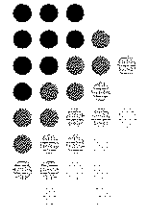
- New Jersey household income declined 2% from 2006-2012
- At the same time, U.S. household income increased by 5.8%






# Today



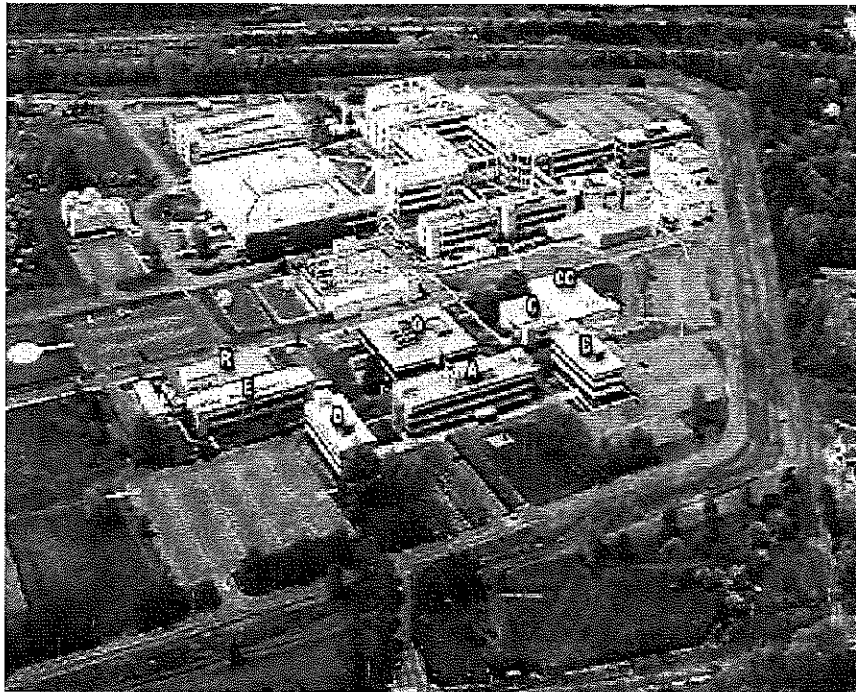
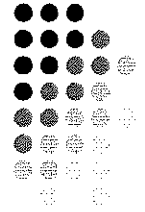
- Sanofi has abandoned Bridgewater for Cambridge  
(Loss of \$100 million in assessed value and 2,000 high paying jobs)
- The Central Jersey office market has collapsed
- The fully-integrated lifestyle of the “single user” campus is no longer desirable as Millennials are driving today’s workforce trends
- Merck’s Readington facility was sold to a religious group, taking the property off the tax rolls
- The Café has replaced the cafeteria and health clubs are today’s choice in physical fitness facilities
- The office and research uses that kept housing values high and taxes low have been leaving NJ

# Neighborhood Land Uses

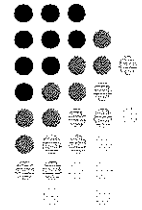


-  High Density Residential/Multiple
-  Medium Density Residential
-  Low Density Residential
-  Rural Residential
-  Commercial

# Buildings Slated for Removal

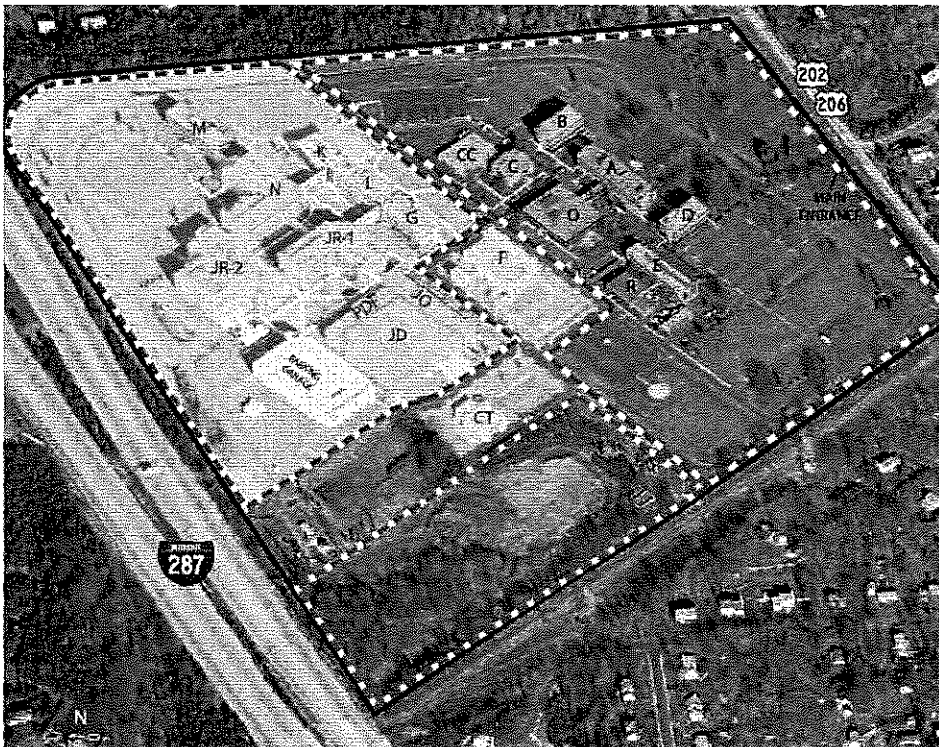
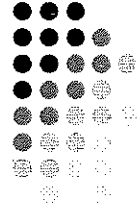


# PHYSICAL CHALLENGES of the Sanofi Redevelopment Site



- outdated buildings suffer from a combination of obsolescence & inefficiency that render them unsuitable for occupancy
  - ⊕ This obsolescence can be classified as 'incurable' because retrofit and adaptation will cost more than the finished product would be worth.
  - ⊕ With modern Class-A office buildings today leasing or selling for only a fraction of their replacement or reconstruction cost, the capital investment of retrofitting these older building fails the test of economic feasibility. (Otteau 2014)
  - ⊕ Vacancies continue despite extensive but unsuccessful marketing efforts. Prospective tenants find that building obsolescence renders them unsuitable for occupancy.

# Accent the Positive



## ZONE 1 - RESEARCH & DEVELOPMENT

	Building	# of Floors	Gross Sq. Ft.
The Research & Development section of the campus consists of laboratory/vivarium/office buildings and a 162,000 SF mixed use building including PDI, warehouse and office. The highlights of the New Jersey Center of Excellence are the newer buildings, JR-1 and JR-2. Built in 2002 they are state-of-the-art laboratory buildings.	JR-1	4	138,900
	JR-2, Lab	4	106,000
	JR-2, Vivarium	4	61,440
	N	4	151,000
	M	4	46,000
	E	4	10,180
	L	4	40,000
	G	4	46,300
	Hy	1	11,105
	PD	2	58,930
	JD	1	56,000
	JO	2	45,000

## ZONE 2 - CENTRAL UTILITY PLANT (CUP)

The CUP provides electricity via a superconductor system, chilled water for environmental cooling, steam for heating and compressed air primarily for HVAC control and is housed in a 22,000 SF building (P) with a 1,320 SF Main Cooling Tower Building (CT). Electrical power is also provided by SCML via a 35kV line between the Somerset and Readington substations and the site can be isolated from either substation.

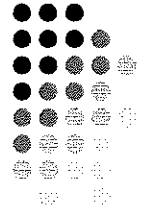
## ZONE 3 - OFFICE BUILDINGS/SUPPORT

	Building	# of Floors	Gross Sq. Ft.
This zone is 270,000 SF total, constructed between 1948 and 1972, with several office buildings, a laboratory building, maintenance shop, cafeteria, fitness and conference center.	A	4	62,200
	B	4	51,300
	D	4	51,300
	E	3	38,000
	O	3	64,600
	C	2	15,300
	CC	1	10,000
	N	1	9,300

## ZONE 4 - UNIMPROVED VACANT LAND



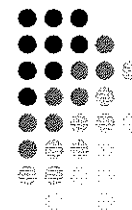
# The Millennial Shift



***‘Millennials’ (now 18-34 years old) have been leaving the area due to broad economic and real estate trends.***

- Millennials are sought after by employers, since they will be creating a company’s innovations or patents and future profits.
- For a combination of reasons, Millennials are leaving our area and moving elsewhere.
- A lack of rental housing encourages them to leave town
- Millennials are about to become the largest demographic segment – larger than Baby Boomers

# Nearly 1/6 of Somerset County's Millennials moved away since 2000



Somerset County's total population increased by 8.7% from 2000-2010, when the population of 25-34-Year-Olds declined by 14%

SOMERSET COUNTY, NJ: POPULATION

	2000		2010		Change	
	#	%	#	%	#	%
Total population	297,490	100.0	323,444	100.0	25,954	8.7%
Under 5 years	22,207	7.5	19,237	5.9	-2,970	-13.4%
5 to 9 years	22,783	7.7	22,488	7.0	-295	-1.3%
10 to 14 years	20,554	6.9	24,163	7.5	3,609	17.6%
15 to 19 years	15,415	5.2	21,406	6.6	5,991	38.9%
20 to 24 years	12,547	4.2	14,592	4.5	2,045	16.3%
<b>25 to 34 years</b>	<b>42,367</b>	<b>14.2</b>	<b>36,425</b>	<b>11.3</b>	<b>-5,942</b>	<b>-14.0%</b>
<b>35 to 44 years</b>	<b>58,297</b>	<b>19.6</b>	<b>48,863</b>	<b>15.1</b>	<b>-9,434</b>	<b>-16.2%</b>
45 to 54 years	43,861	14.7	57,513	17.7	13,652	31.1%
55 to 59 years	15,170	5.1	21,705	6.7	6,535	43.1%
60 to 64 years	10,908	3.7	17,050	5.3	6,142	56.3%
65 to 74 years	17,770	6.0	20,721	6.4	2,951	16.6%
75 to 84 years	11,482	3.9	13,110	4	1,628	14.2%
85 years and over	4,129	1.4	6,171	1.9	2,042	49.5%
Median age (years)	37.2	(X)	40.2	(X)	3	8.1%

## Nearly 1/3 of Bridgewater's Millennials left town since 2000



- While Bridgewater's population increased slightly (3.5%) since 2000, ***those aged 25-34 declined by 33%***
- The **35-44** age group ***declined by 20%***

BRIDGEWATER TOWNSHIP, SOMERSET COUNTY, NJ: POPULATION						
	2000		2010		Change	
	#	%	#	%	#	%
Total population	42,940	100.0	44,464	100.0	1524.0	3.5%
Under 5 years	3,295	7.7	2,470	5.6	-825.0	-25.0%
5 to 9 years	3,331	7.8	3,142	7.1	-189.0	-5.7%
10 to 14 years	2,888	6.7	3,532	7.9	644.0	22.3%
15 to 19 years	2,162	5.0	3,043	6.8	881.0	40.7%
20 to 24 years	1,432	3.3	1,654	3.7	222.0	15.5%
25 to 34 years	5,595	13.0	3747	8.5	-1848.0	-33.0%
35 to 44 years	8,421	19.6	6799	15.3	-1622.0	-19.3%
45 to 54 years	6,344	14.8	8254	18.5	1910.0	30.1%
55 to 59 years	2,273	5.3	2,960	6.7	687.0	30.2%
60 to 64 years	1,756	4.1	2,348	5.3	592.0	33.7%
65 to 74 years	2,797	6.5	3064	6.8	267.0	9.5%
75 to 84 years	1,868	4.4	2207	5	339.0	18.1%
85 years and over	778	1.8	1,244	2.8	466.0	59.9%
Median age (years)	38.2	(X)	42.2	(X)	4.0	10.5%

# Straight From the Headlines...



Page A4 Wednesday, January 28, 2015

Courier News MyCentralJersey.com

state

## When it comes to job growth, New Jersey is No. 48!

New Jersey ranked 48th in job growth in 2014, according to government figures released Tuesday, a performance that surpassed only Mississippi and Alaska.

The report added more fuel to the idea that

the Garden State needs to shift gears and focus on smaller, faster-growing companies to replace the aging corporations that are downsizing.

"It's critical," said Brian Smiga, a venture capital investor and found-

er of TedXGavesink, an annual event that highlights innovation at the Jersey Shore. "It's everything at the heart of what created Silicon Valley and what drove innovation in New Jersey in the past, whether it was in Edison or Holmdel."

The report capped a disappointing year for a Garden State economy that once prided itself on the inventions created here. And if Gov. Chris Christie runs for president, voters nationwide likely will be reminded.

New Jersey created 29,000 jobs last year, giving it a growth rate of 0.74 percent.

Only Mississippi, which grew 0.62 percent, and Alaska, which grew 0.62 percent, were worse, according to a preliminary report by the U.S. Bureau of Labor Statistics.

While the nation's job market gained steam, all of New Jersey's flaws were exposed.

What went wrong?

• New Jersey's cost of living is high, makes it difficult for the state to compete with Southern and Western states that have lots of land - and huge tax breaks - to offer companies. Mercedes-Benz recently said it would move its long-time headquarters and 1,000 jobs from Montvale in Bergen County to Atlanta, where living costs are cheaper. Perhaps not coincidentally, Georgia's job market grew 2.7 percent last year, according to the BLS.

• New Jersey's giants faded. Some of the big pharmaceutical companies that made their home in central and northern New Jersey saw their patents expire and, to cut costs, consolidated. Others moved to other states to be closer to medical research and development coming out of universities. Meanwhile, four casinos closed in Atlantic City, the result of compe-

tition in neighboring Pennsylvania and New York.

• New Jersey's suburban landscape, which suited it well in the 1960s, has become outdated. In the old economy, workers drove to corporate campuses and hunkered down in offices for eight hours before calling it a day and driving home. In the new economy, workers can walk from their apartment or the local coffee shop, plug in their laptop and be just as productive.

High-cost states in the Northeast that offer urban lifestyles have grown. Massachusetts grew 1.8 percent, aided by its booming biotechnology industry in Cambridge, home of Harvard University and the Massachusetts Institute of Technology. New York grew 1.2 percent, thanks to its high-tech scene in Manhattan.

For New Jersey, "it's just really, really modest growth," said Michael Wolf, an economist for

Wells Fargo. "I don't think the state is going to jump up and match the nation this year."

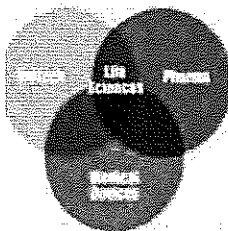
Is there hope?

The housing market is slow. More people are leaving New Jersey than moving in. The state doesn't have extra money to invest in its mass transit system or colleges.

But there is hope in the horizon. Rising costs in Manhattan and Brooklyn could send companies scurrying for less expensive locations. Millennials might get tired of city living and move to the suburbs, just like many of their parents before them.

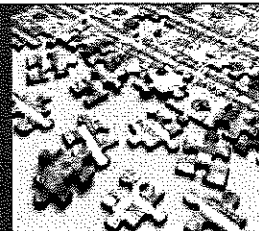
"New Jersey really has to foster a 24-7 (live-work-play) environment, because that's the baseline for millennials," Rutgers University economist James W. Hughes said.

Michael I. Diamond  
732-643-4934  
mdiamond@nj.com



## NEW JERSEY BIO-PHARMACEUTICAL LIFE SCIENCES CLUSTER

### Major New Jersey Employers



Some of New Jersey's well-known employers in this cluster include:

#### New Jersey: Home of Pharmaceutical Industry

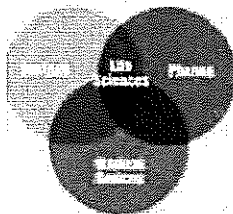
- |  |   |  |
|--|---|--|
| <ul style="list-style-type: none"> <li>• <b>Pharmaceutical &amp; Medicine Mfg.</b></li> <li>• <b>Soap &amp; Cleaning Compound &amp; Toilet Preparation Manufacturing.</b></li> <li>• <b>Drugs &amp; Druggists Sundries Wholesalers.</b></li> </ul> | <ul style="list-style-type: none"> <li>• Bayer HealthCare Pharmaceutical</li> <li>• Bristol-Myers Squibb Co.</li> <li>• Daiichi Sankyo</li> <li>• Ethicon, Inc.</li> <li>• Johnson &amp; Johnson</li> </ul> | <ul style="list-style-type: none"> <li>• L'Oreal, USA, Inc.</li> <li>• Merck &amp; Co. Inc.</li> <li>• Novartis Pharmaceuticals</li> <li>• Pfizer, Inc.</li> <li>• Sanofi, U.S.</li> </ul> |
|--|---|--|

#### New Jersey: Home of Biotech (R&D) Industry

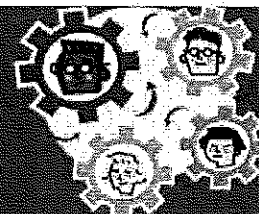
- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• <b>Research &amp; Development (R&amp;D) in Physical, Engineering, Life Science &amp; Social Science.</b></li> <li>• <b>Medical &amp; Diagnostic Laboratories.</b></li> </ul> | <ul style="list-style-type: none"> <li>• Bio-Reference Laboratories</li> <li>• CRI Lifetree</li> <li>• Celgene</li> <li>• Chugai Pharma, USA</li> <li>• Collagen Matrix Inc.</li> </ul> | <ul style="list-style-type: none"> <li>• ImClone System</li> <li>• NPS Pharmaceuticals, Inc.</li> <li>• PTC Therapeutics Inc.</li> <li>• Progenitor Cell Therapy</li> <li>• Quest Diagnostics</li> </ul> |
|---|---|--|

#### New Jersey: Home of Medical Device Industry

- |   |  |   |
|---|--|---|
| <ul style="list-style-type: none"> <li>• <b>Navigational, Measuring, Electromedical &amp; Control Instrument Manufacturing.</b></li> <li>• <b>Medical Equipment &amp; Surgical Supplies Manufacturing.</b></li> </ul> | <ul style="list-style-type: none"> <li>• Becton Dickinson &amp; Co.</li> <li>• C. R. Bard, Inc.</li> <li>• Integra Life Sciences</li> <li>• Micro Corp.</li> <li>• Novo Nordisk, Inc.</li> </ul> | <ul style="list-style-type: none"> <li>• Ortho McNeil Pharma</li> <li>• Oticon, Inc.</li> <li>• Roche Molecular Systems</li> <li>• Siemens Hearing Instruments</li> <li>• Stryker Orthopaedics</li> </ul> |
|---|--|---|

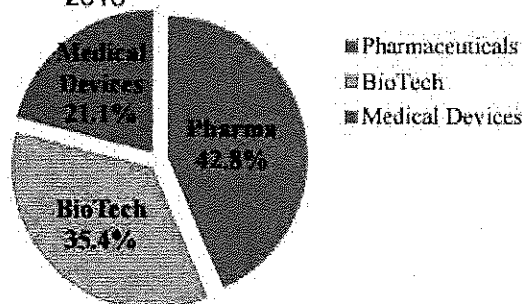


## NEW JERSEY BIO-PHARMACEUTICAL LIFE SCIENCES CLUSTER Employment



### Cluster Employment

2013



(SOURCE: New Jersey Department of Labor & Workforce Development, Quarterly Census of Employment and Wages, 2013 Annual Averages; 4-digit NAICS)

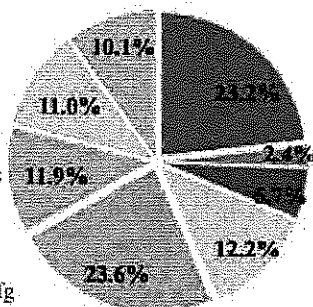
In 2013, there was an average of 115,046 jobs in New Jersey's Life Sciences cluster. The concentration was as follows:

**Pharmaceuticals:** Two sectors accounted for most of the (81.4%) employment within this component: pharmaceutical preparation manufacturing (53.4%) and drugs & druggists sundries wholesales (28.0%).

**BioTech:** R&D bio-life sciences related employment accounted for an average of 26,336 of the nearly 40,779 jobs within this component. R&D in physical, engineering & life science led the sector's employment (64.6%) followed by jobs in medical & diagnostic labs (33.4%).

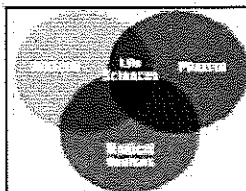
### Sector Employment

- Pharma & Medicine Mfg.
- Soap & Compound Mfg.
- Toilet Prep Mfg.
- Drugs & Druggists Sundries W/S
- R&D; Life Sciences & Social Svcs
- Medical & Diagnostic Labs
- Measuring & Cont'l Inst Mfg.
- Medical Equipment & Supplies Mfg.



(SOURCE: New Jersey Department of Labor & Workforce Development, Quarterly Census of Employment and Wages, 2013 Annual Averages; 5-digits NAICS)

**Medical Devices:** Employment was closely divided in this component between navigational, measuring, electromedical & controlling instruments manufacturing (52.0%) and medical equipment & supplies manufacturing (48.0%).



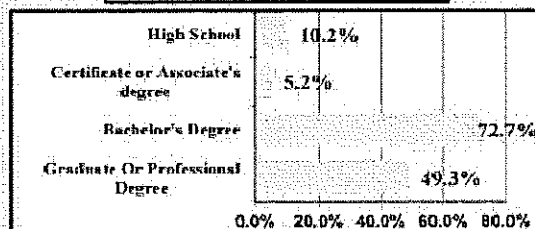
# NEW JERSEY BIO-PHARMACEUTICAL LIFE SCIENCES CLUSTER

## Cluster 's Top Requirements in Demand



**In addition to  
education...**

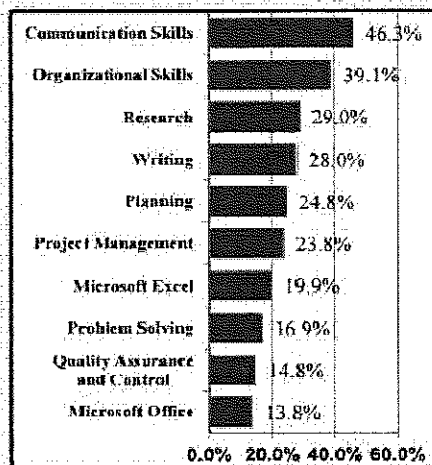
### Educational Attainment



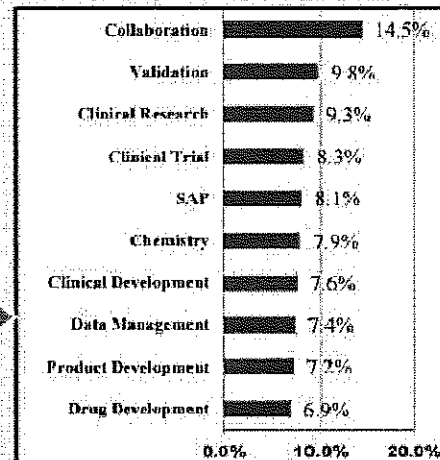
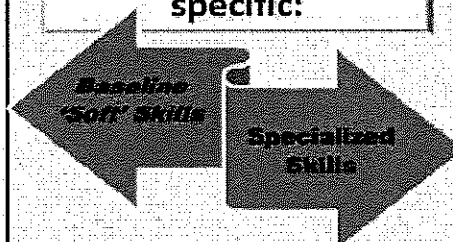
### Job Postings:

**January-December 2013**

*NOTE: This chart provides information on both the preferred and required education levels listed in job postings. For this reason, a job posting may be counted in more than one of the educational categories shown to the left.*

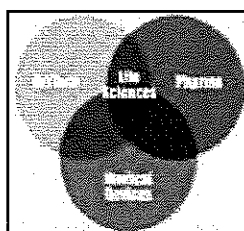


**N.J. Employer's are  
also focused on  
workers having  
specific:**

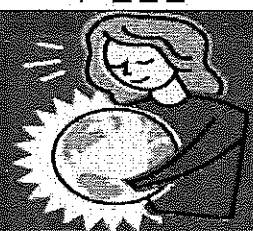


(SOURCE: Labor Insight-Burning Glass Technologies, December 2014)

NOTE: Data was obtained from January-December 2013 filtered job Postings: 23,423



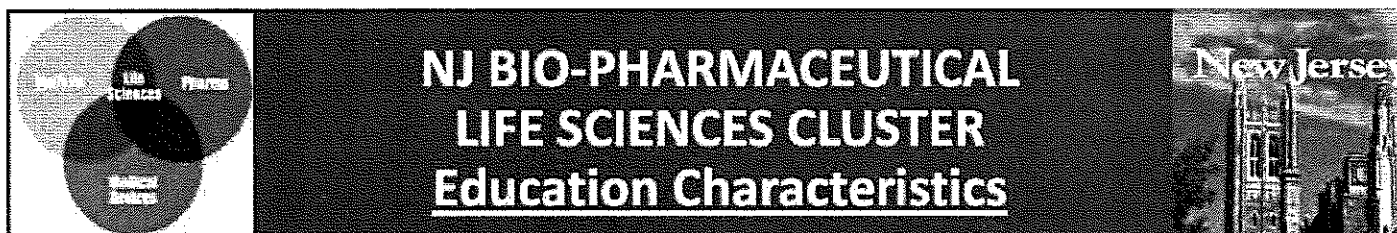
## NEW JERSEY BIO-PHARMACEUTICALS LIFE SCIENCES CLUSTER 'Fast Facts'



### ***New Jersey's biopharmaceutical life sciences cluster...***

- ❖ Had total **employment that averaged over 115,000 in 2013**, or 3.6 percent of all private sector workers in the state. -- *Nationally, the proportion was just 1.9 percent!*
- ❖ Even with all the pharmaceutical mergers, acquisitions, and consolidations that took place between 2008-2013, New Jersey's Drugs & Pharmaceutical establishment component continued to expand grew (+9.4%) outpacing the nation (+7.0%).
- ❖ Employers paid **over \$15 billion in wages** during 2013; 7.9% of the state's total wages.
- ❖ **Consist of a highly well-educated workforce** with nearly two thirds (65.5%) holding at least a bachelor's (33.8%) and with many holding more advanced degrees: Master's/Professional (22.1%), or Doctoral (9.6%) degree.
- ❖ Has been responsible for **contributing towards the State's 5,257 patents** in 2013.
- ❖ **Over the five years (2009-2013) added significantly** towards the total of New Jersey's 19,504 patents. It also **added towards the nation's total** industry related patents such as: 26 in perfume compositions (**ranked 1<sup>st</sup>**); 2,082 in drug, bio-affecting and body treating compositions (**ranked 3<sup>rd</sup>**); 552 in organic compounds (**ranked 3<sup>rd</sup>**); 498 in image analysis (**ranked 4<sup>th</sup>**); 123 in chemistry of inorganic compounds (**ranked 4<sup>th</sup>**); 340 in molecular biology and microbiology (**ranked 6<sup>th</sup>**); and 271 surgery - medicaments and receptors (**ranked 6<sup>th</sup>**).
- ❖ **By industry group**, New Jersey's Pharmaceutical and Medicines is credited with 1,237 utility patents (fractional count) between 2008-2012: ranked **3<sup>rd</sup> highest** in the nation.

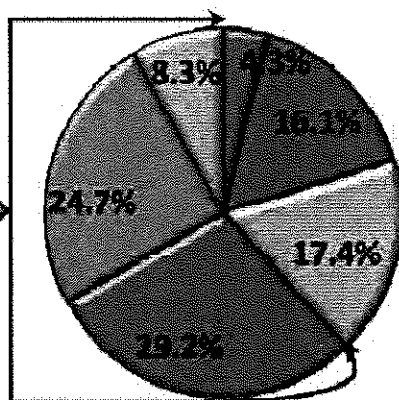




It's often mentioned that life sciences related employers require a well-educated and highly skilled workforce to meet the high level and technical demands of many of the occupations they need to fill.

### Educational Breakdown (2012)

62.2% of this workforce holds at least a Bachelor's Degree.



■ Less than High School      ■ High School diploma  
 ■ Some college-Associate degree      ■ Bachelor's degree  
 ■ Master's/Professional degree      ■ Doctoral degree

This chart highlights the fact that employers in the life sciences related establishments utilized New Jersey's highly well-educated workforce. In fact, more than three-fifths of New Jersey's workforce employed in this cluster holds at least a bachelor's degree, with many holding even more advanced degrees.

- ❖ Bachelors: 29.2%
- ❖ Master's/Professional: 24.7%
- ❖ Doctoral: 8.3%

# 1/3 of US Households are Renters

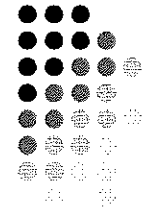


U.S. Households- Renters & Owners				
Type of Household	Households	% of U.S. Total	Residents	% of U.S. Total
Renter-Occupied	42,357,512	36%	107,573,870	35%
Owner-Occupied	73,933,462	64%	200,525,299	65%
<b>Total</b>	<b>116,290,974</b>	<b>100%</b>	<b>308,099,169</b>	<b>100%</b>
Source: NIMHC tabulations of 2015 American Community Survey microdata. Updated 2/2014. Note: Does not include non-housing units.				

Tenure by Age of Population				
Age Distribution	People in Rental Housing	Share	People in Owner-Occupied Housing	Share
Under 30 Years Old	55,216,242	51%	67,195,176	34%
30 to 44 Years Old	24,716,015	23%	36,042,790	18%
45 to 64 Years Old	19,562,510	18%	62,207,298	31%
65 Years and Older	8,079,103	8%	35,080,135	17%
<b>Total</b>	<b>107,573,870</b>	<b>100%</b>	<b>200,525,299</b>	<b>100%</b>
Source: NIMHC tabulations of 2015 American Community Survey microdata. Updated 2/2014. Note: Does not include non-housing units.				

# Apartments “R” Us

*55% of those under 45 are renters*

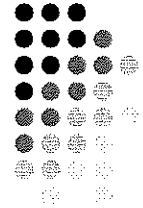


**Nearly  $\frac{3}{4}$  of owners are over 45 years old**

Tenure by Age of Householder				
Age Distribution	Renter-Occupied Households	Share	Owner-Occupied Households	Share
Under 30 Years Old	9,619,626	22.71%	2,910,331	3.94%
30 to 44 Years Old	14,243,341	33.63%	16,338,573	22.10%
45 to 64 Years Old	12,622,613	29.80%	33,343,219	45.10%
65 Years and Older	5,871,932	13.86%	21,341,339	28.87%
Total	42,357,512	100.00%	73,933,462	100%
Source: NIMHC tabulations of 2013 American Community Survey. Updated 10/2014. Note: Does not include non-housing units.				

Only  $\frac{1}{4}$  of owners are under 45

## 2/3 of Renters Live in Apartments



What Type of Structure Do Renter Households Live In?				
Structure Type	Households	Percent	Residents	Percent
Single Family	14,893,351	35%	43,356,219	43%
2 to 4 Units	7,696,087	18%	17,619,289	17%
5 or More Units	17,899,088	42%	34,859,643	35%
Mobile Homes	1,897,954	4%	5,041,499	5%
Other	41,032	0%	75,633	0%
Total	42,357,512	100%	100,952,283	100%
Note: Excludes group quarters. Source: NIMHC tabulations of 2013 American Community Survey microdata. Updated 11/2014.				

35% of households rent single family homes

# Somerset County Housing in 2010

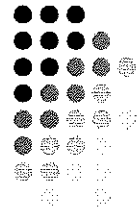


## EXISTING HOUSING STOCK

Countywide the total number of housing structures is 122,637 with the following is the percentage breakdown

* 1 unit detached	59.3%
* 1 unit attached	15.1%
* 2-4 Units	9.5%
* 5-9 units	4.4%
* 10 units or more	11.7%
* Mobile homes	0.14%

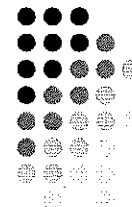
# More Young Adults Live with Their Parents in New Jersey



<b>NEW JERSEY at the Bottom</b>	<b>Rank</b>
Worst State for Retirement	1 <sup>st</sup>
Highest Property Taxes	1 <sup>st</sup>
Most Restrictive Land Use Controls	1 <sup>st</sup>
Highest Domestic Outmigration	1 <sup>st</sup>
Highest Share of Young Adults Living w/ Parents	1 <sup>st</sup>
Worst Business Tax Climate	2 <sup>nd</sup>
Worst State for Business	4 <sup>th</sup>
Weakest Job Recovery	3 <sup>rd</sup>
Residents Want to Leave the State	6 <sup>th</sup>

***High rents and lack of rental units compound the problem***

## Rentals comprise over 1/3 of New Jersey housing units and 1/4 of Somerset County units



Somerset New  
County Jersey

① Housing units, 2013	125,077	3,578,141
① Homeownership rate, 2009-2013	78.0%	65.6%
① Housing units in multi-unit structures, percent, 2009-2013	25.3%	36.0%
① Median value of owner-occupied housing units, 2009-2013	\$398,800	\$327,100
① Households, 2009-2013	115,531	3,186,418
① Persons per household, 2009-2013	2.79	2.71
① Per capita money income in past 12 months (2013 dollars), 2009-2013	\$47,803	\$36,027
① Median household income, 2009-2013	\$99,020	\$71,629
① Persons below poverty level, percent, 2009-2013	5.0%	10.4%

# Bridgewater Has Limited Rental Housing Stock

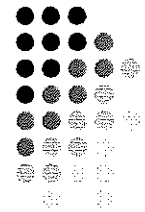


Subject	Number	Percent
<b>HOUSING OCCUPANCY</b>		
Total housing units	16,657	100.0
Occupied housing units	16,111	96.7
Vacant housing units	546	3.3
For rent	153	0.9
Rented, not occupied	11	0.1
For sale only	108	0.6
Sold, not occupied	32	0.2
For seasonal, recreational, or occasional use	66	0.4
All other vacants	176	1.1
Homeowner vacancy rate (percent) [8]	0.8	(X)
Rental vacancy rate (percent) [9]	6.0	(X)
<b>HOUSING TENURE</b>		
Occupied housing units	16,111	100.0
Owner-occupied housing units	13,706	85.1
Population in owner-occupied housing units	38,676	(X)
Average household size of owner-occupied units	2.82	(X)
Renter-occupied housing units	2,405	14.9
Population in renter-occupied housing units	5,189	(X)
Average household size of renter-occupied units	2.16	(X)

**Less than  
15% of  
housing units  
in Bridgewater  
are rental  
units**

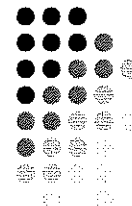


# **Apartments are in Short Supply**



- Fewer than 1,000 apartments are in buildings with 4 or more units
- Millennials are interested in renting for a variety of reasons (down payment to own, college loans, mobility in job market, etc.)
- An ample supply of apartments makes the market fluid and apartments readily accessible
- Modern professionally managed apartments make a community attractive to Millennials

# Our Community



## Residents

- 76% of tax burden
- Home owners
- Aging

## Commercial Base

- 24% of tax burden
- High quality employers
- Shrinking footprints

*Need buyers for homes*

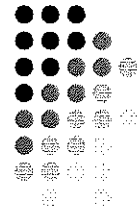
*Willing to follow workforce*

## The Under 40 Cohort

- Less of them compared to Baby Boomers
- Renters

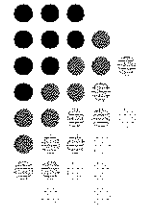
**\*\* Our 45-25 population has decreased by 25 %**

# Domestic Outmigration



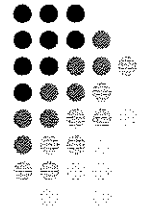
- The local area is losing its ability to compete for job retention and attraction.
- Our state continues to lose population
- People are leaving New Jersey at one of the highest rates in the nation.
  - New Jersey is experiencing a net loss of 90,000 in population per year. (excluding population gains from foreign immigration and birth rates.
  - New Jerseyans moving away - United Van Lines reports that 67% of all household goods shipments crossing the NJ state line are outbound – moving to another state. *This ranks as the **worst** in the nation.*

# Tomorrow



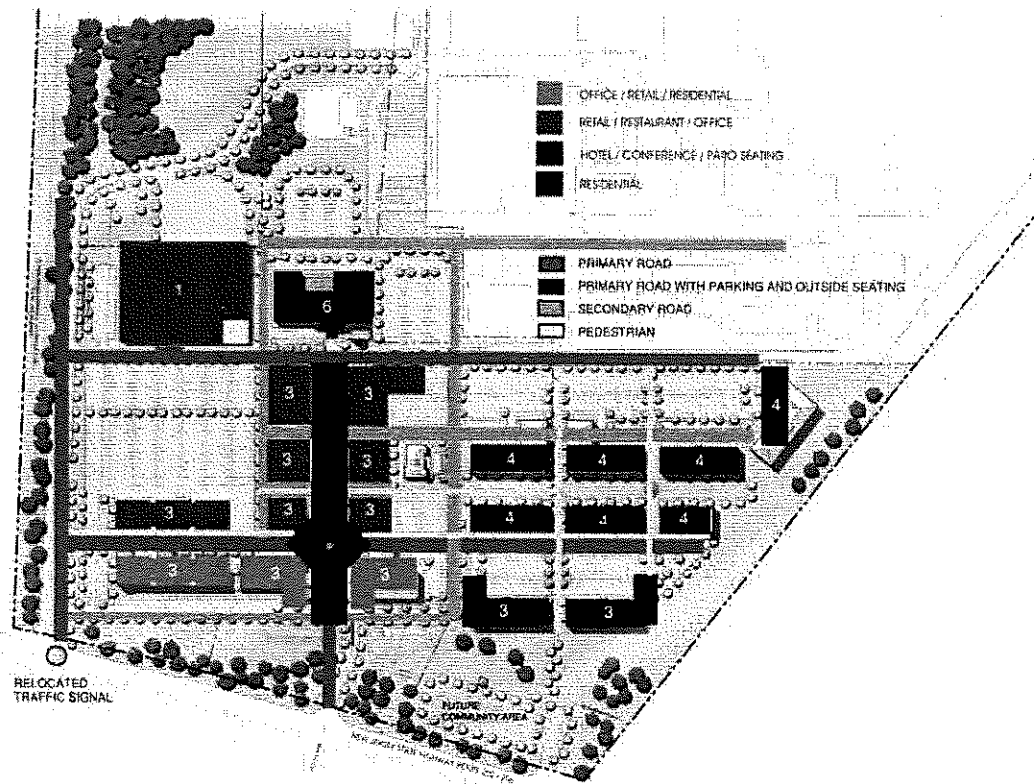
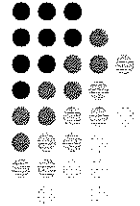
- The Center of Excellence is enhancing its research facilities by introducing a web of complimentary uses
- Bridgewater is enhancing its reputation by attracting the office and research uses that will fuel future growth (Nestle, Valeant)
- Mixed use walkable places are now preferred over the “single user” campus, with a more holistic approach to physical and economic health
- Millennials will become the home buyers that will help keep housing values high and taxes low

# COE Redevelopment Building Elements

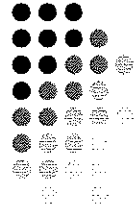


- The COE Redevelopment will consist of:
  - A mixed use core containing:
    - Retail
    - Restaurants
    - Apartments
    - Offices
  - A hotel
  - A health/wellness center
  - A residential neighborhood of multi-family units
  - A supermarket

# Conceptual Site Development



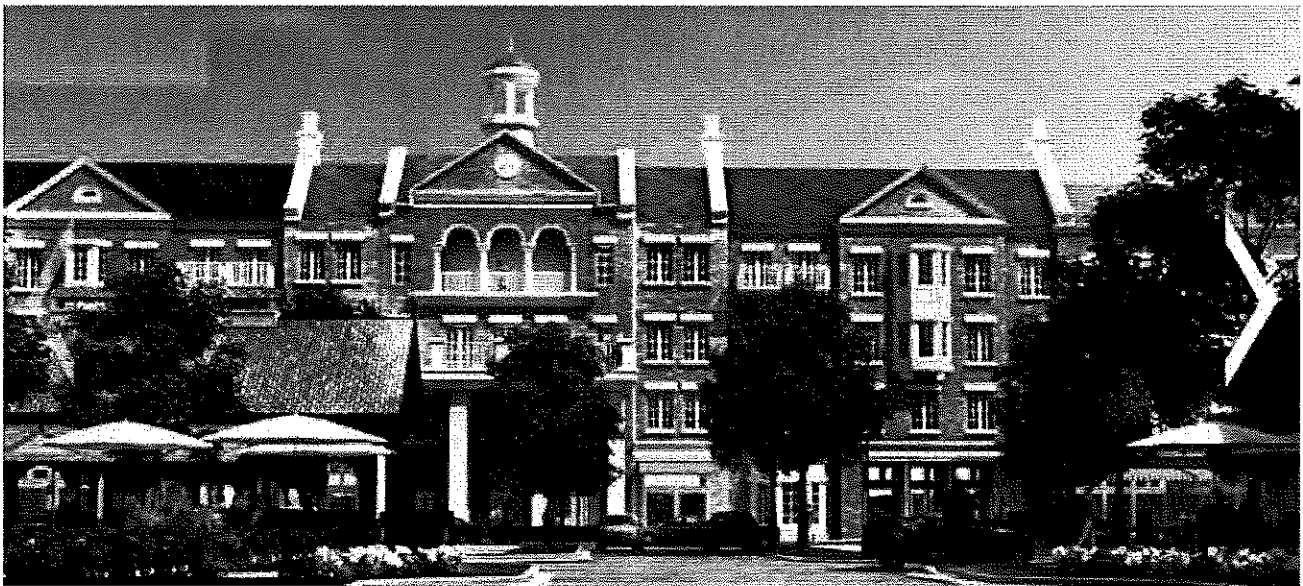
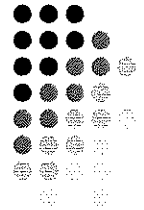
# Why Mixed Use?



- A mixed use community offers:
  - Mixed and multiple uses
  - Walkable destinations close to home
  - Reduced peak hour traffic
  - Mix of housing types and costs
  - Better fiscal balance
  - Better traffic/transit balance
  - Opportunities for shared parking
  - A more balanced community – on and off site

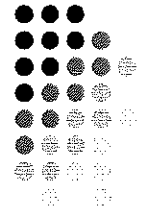
# A Hotel Creates A Destination

*...As It Serves Residents and Businesses*

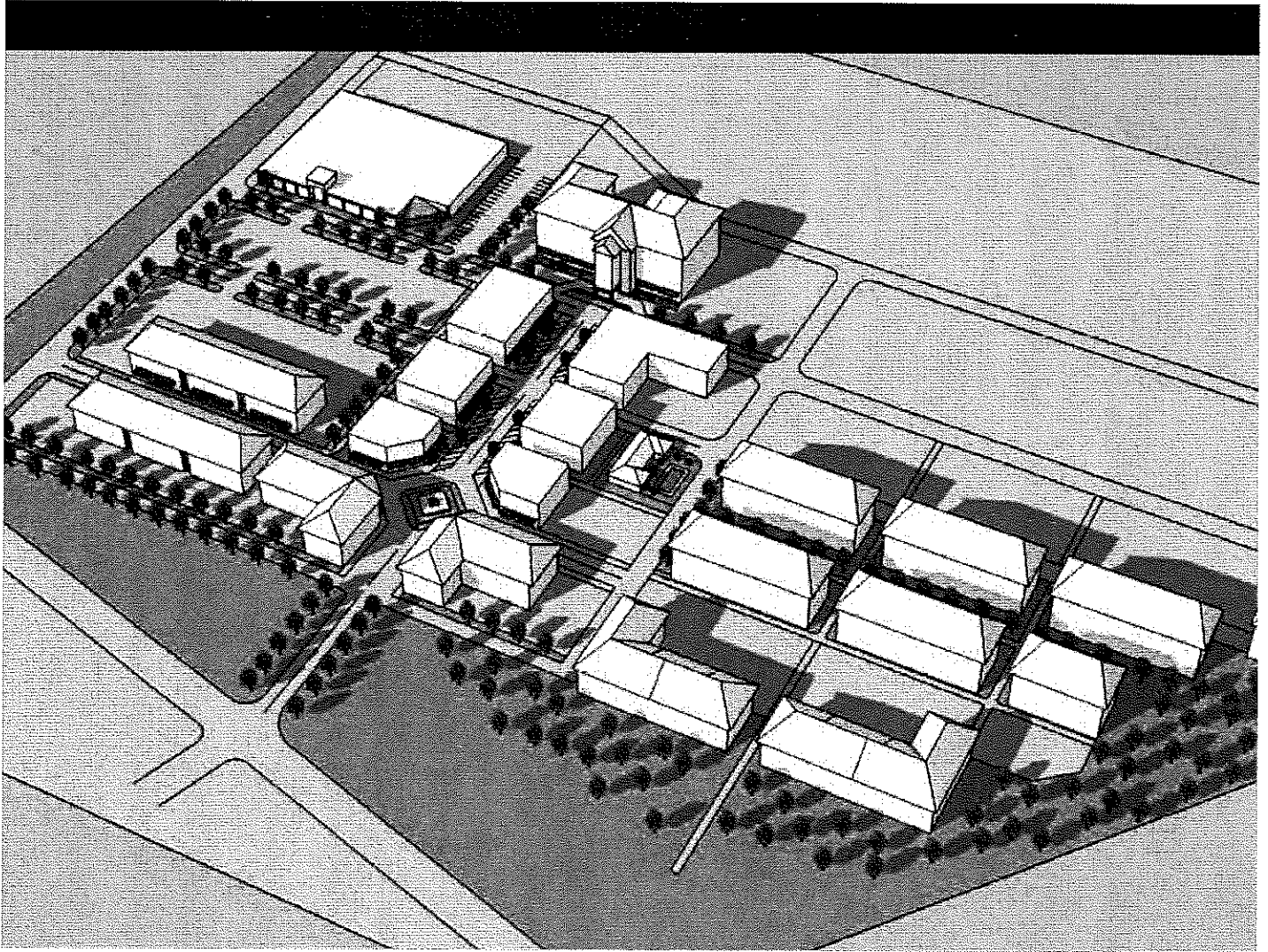




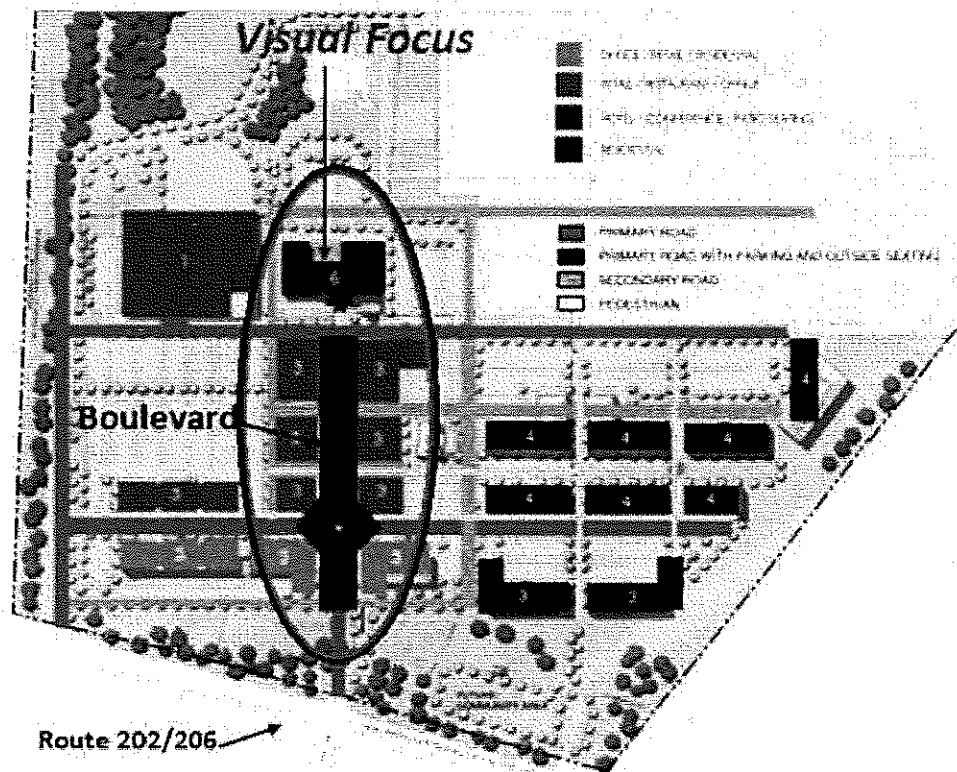
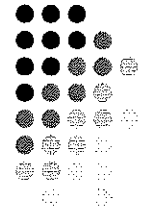
# **COE Redevelopment Scale of Elements**



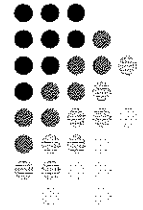
- mixed uses along the Boulevard - 3 & 4 stories
- hotel - 4 to 6 stories
- residential multi-family units – 3 and 4 stories
- supermarket – 1 story
- wellness center – 2 or 3 stories



# Create a Focus for the Boulevard



## Why a supermarket?



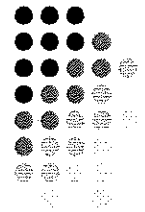
- Valuable for shoppers in the Bridgewater community
- Creates a destination use that will bring foot traffic to the Boulevard
- Provides a Food Court to replace the corporate cafeteria with diversified prepared foods
- Food Court services both on-site and community needs
- Supermarket has benign traffic impacts on morning peak hour traffic





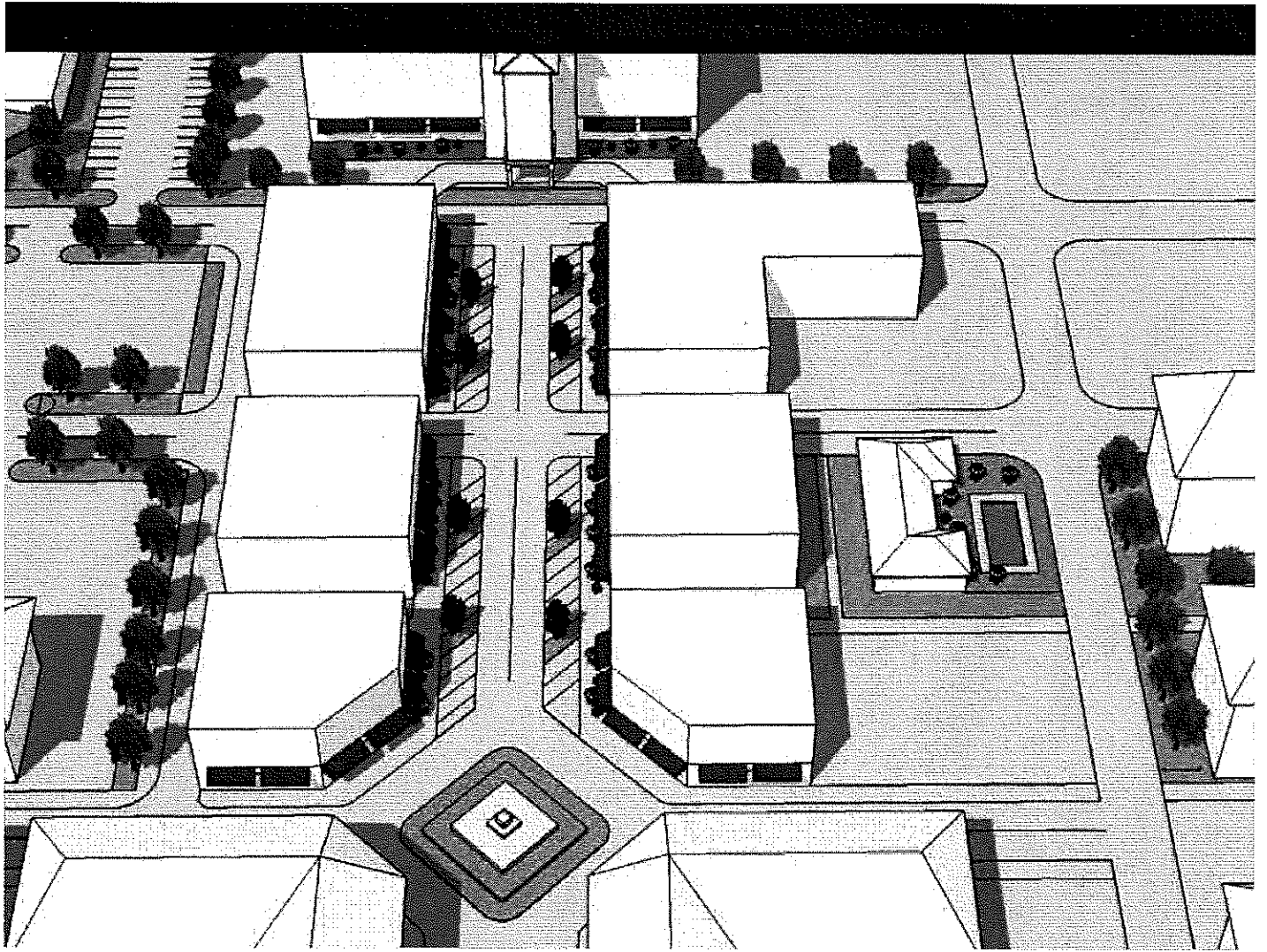


## Why a Mixed Use Village?



- Walkable traditional downtown village settings appeal to Millennials and Baby Boomers
- Employers are seeking out this type of mixed use setting, which is attractive to employees
- Millennials want Amenities, Affordability and Accessibility according to Rutgers
- Nestle was attracted here because of the mixed use redevelopment approach

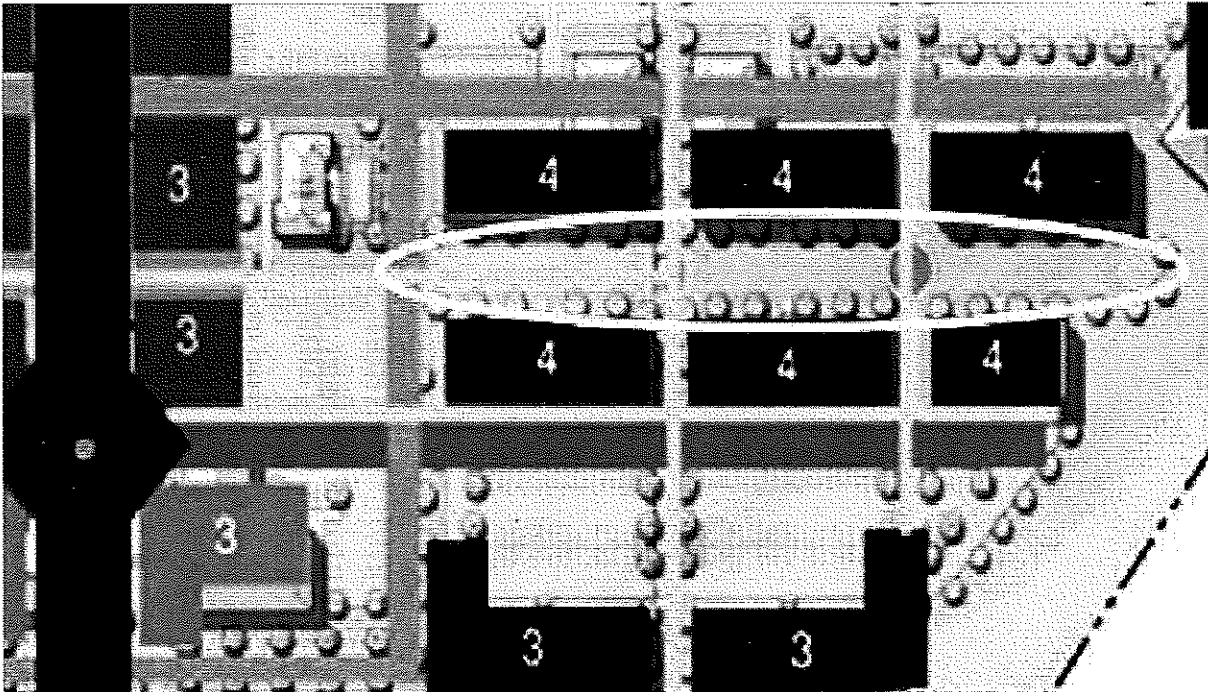
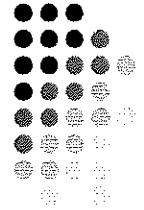




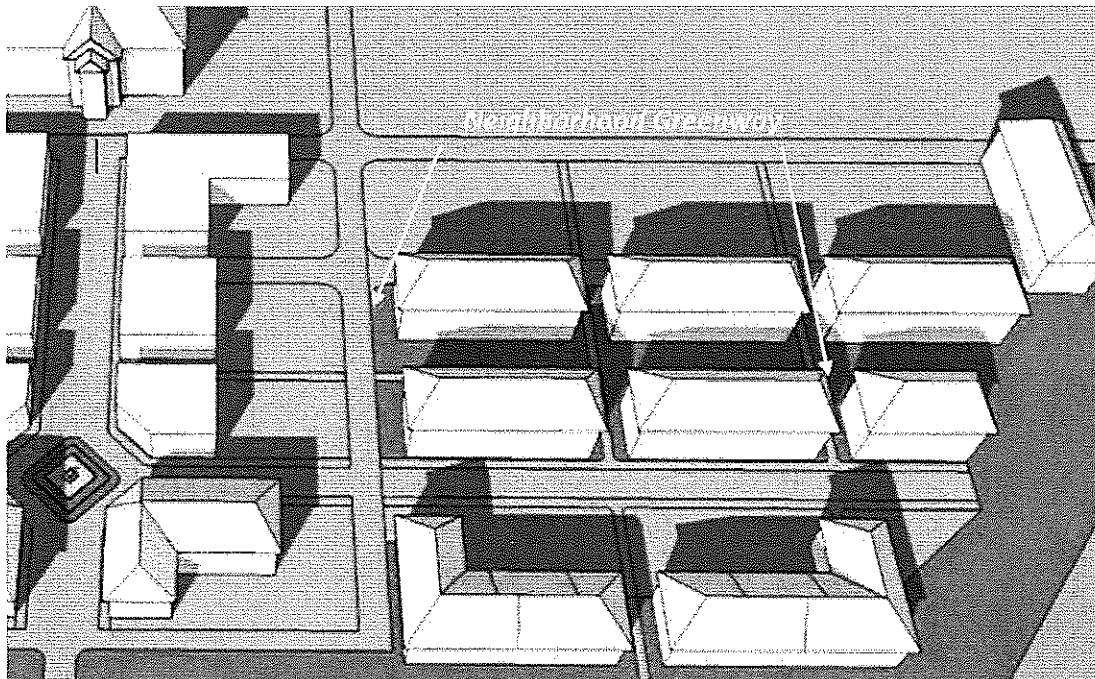
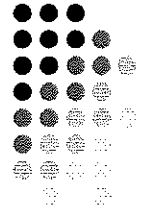




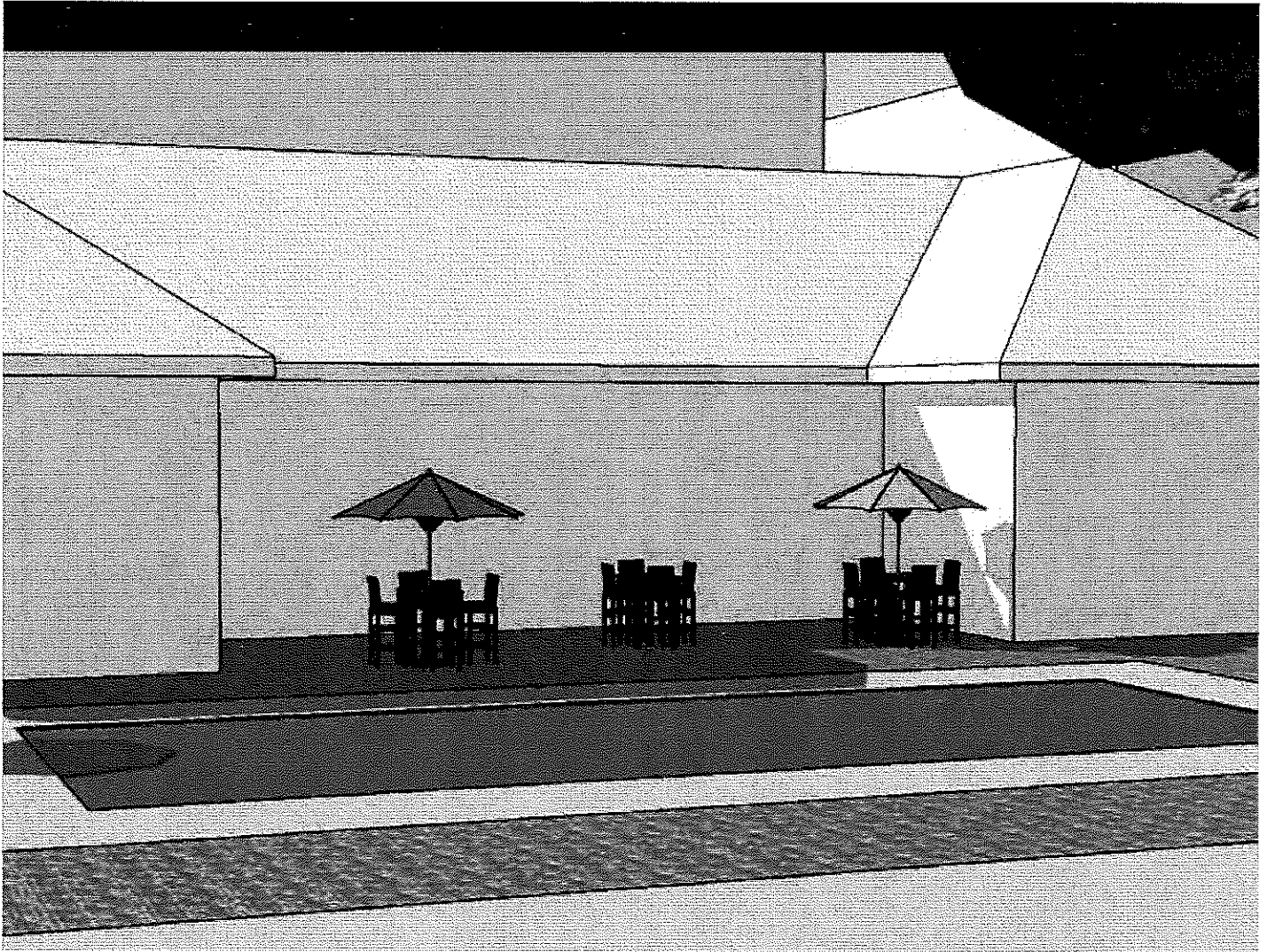
# Greenway Elements

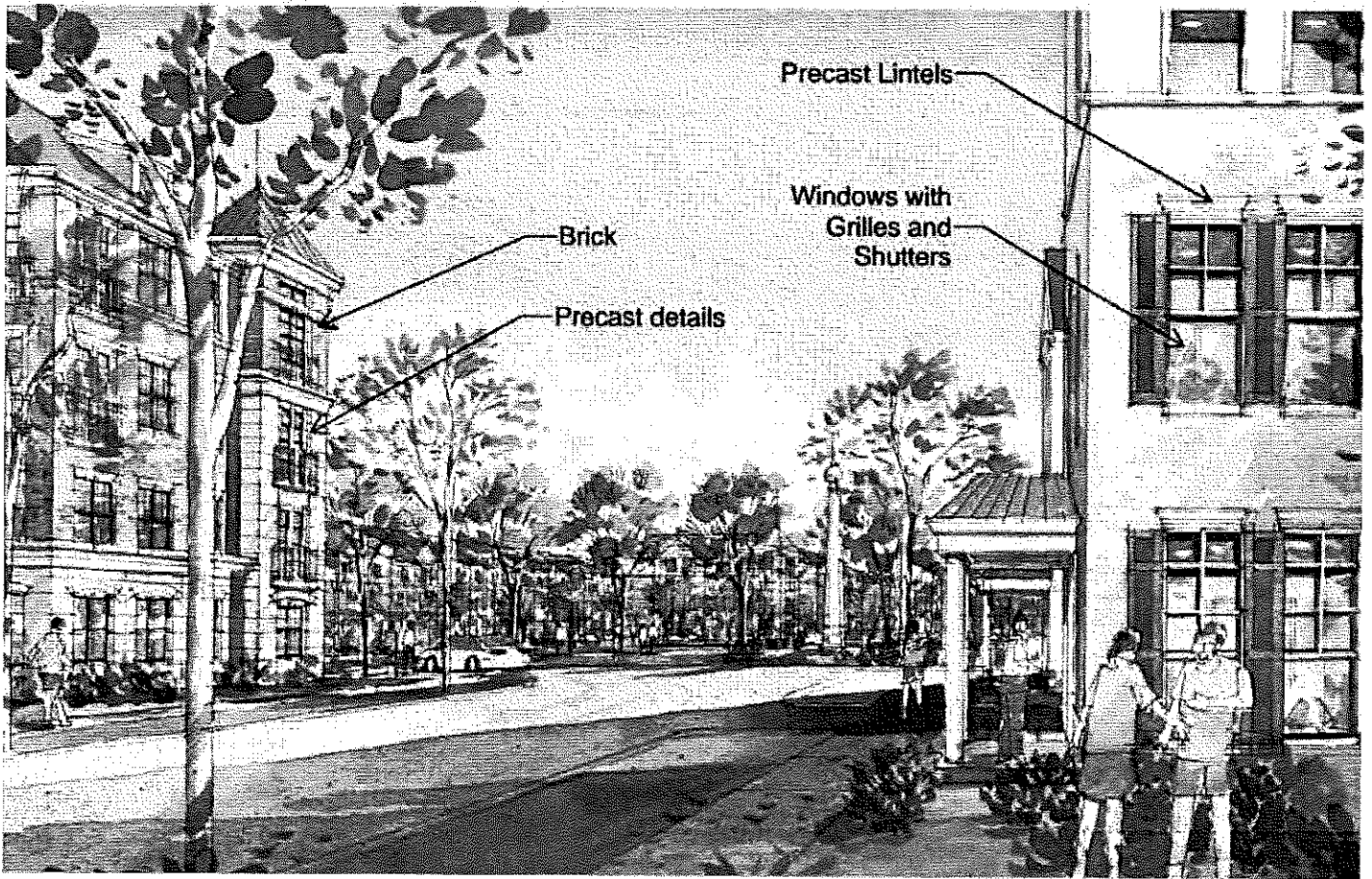


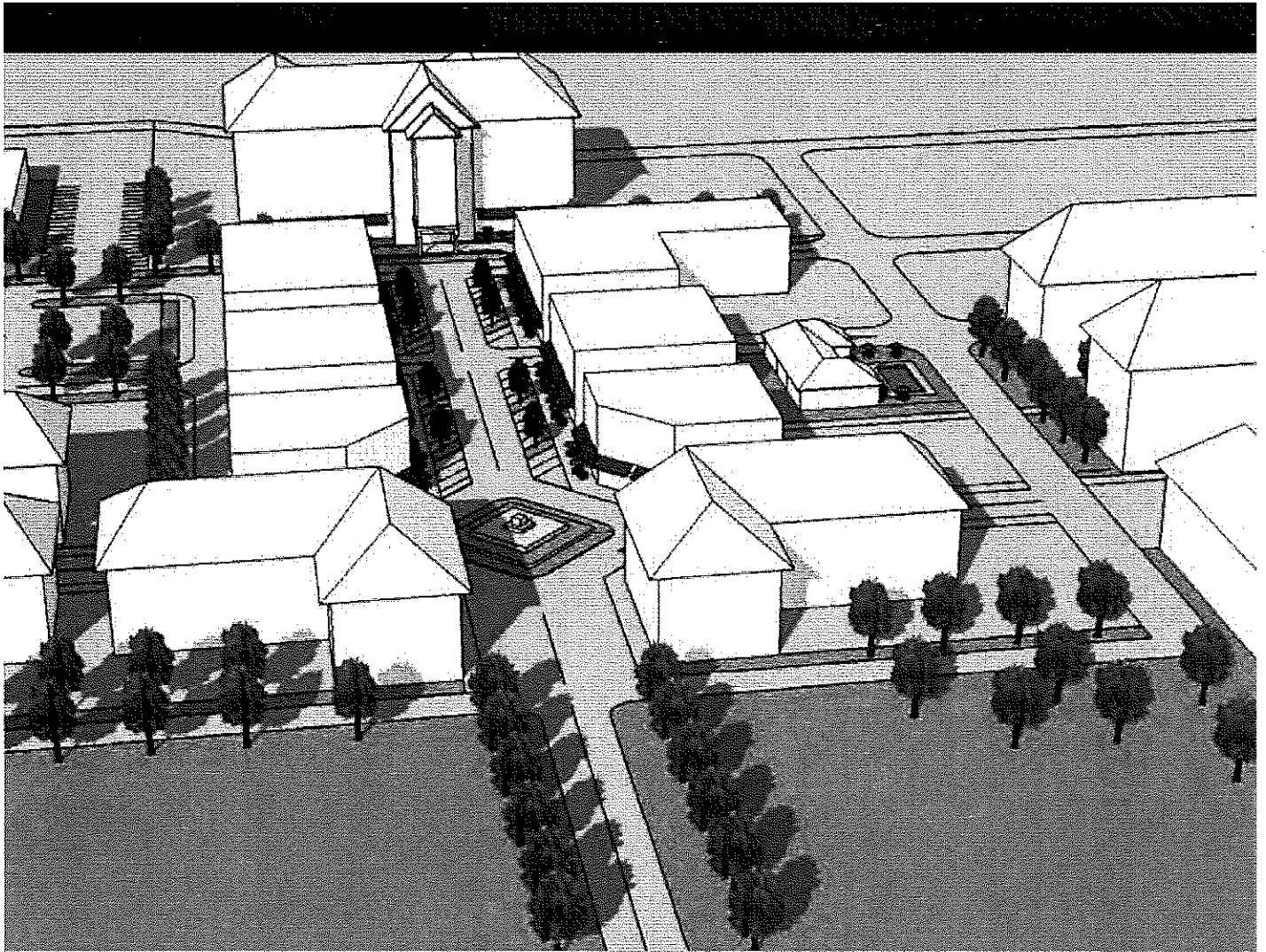
# Bringing Green into View













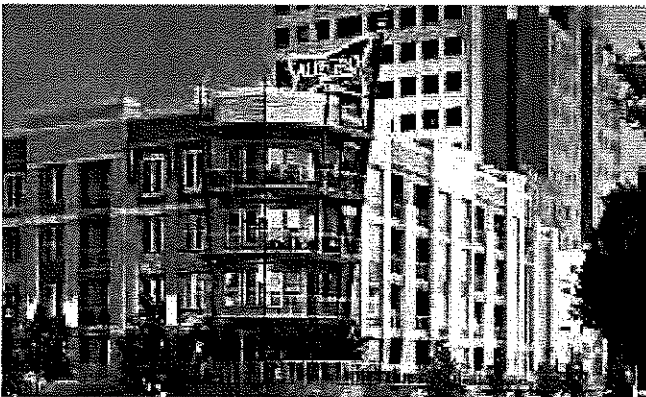
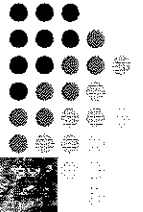


Shopping and Dining in Pier Village in Long Branch

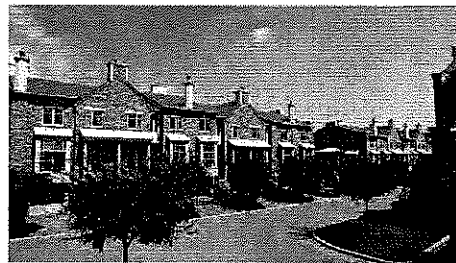
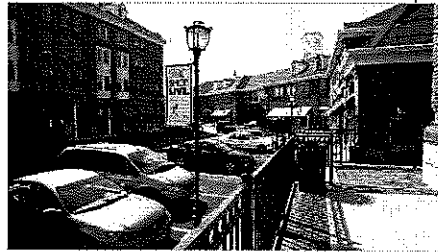
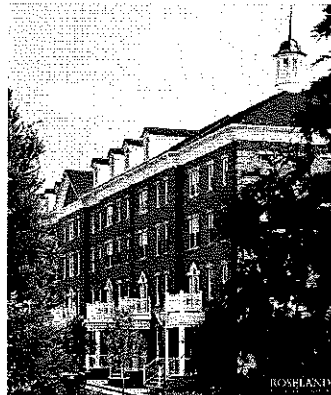
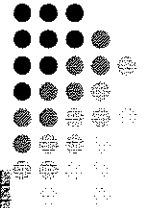


Two River Theatre in Red Bank

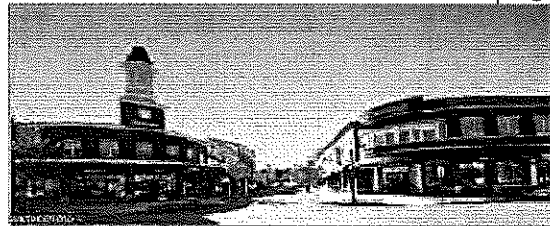
# Addison Circle



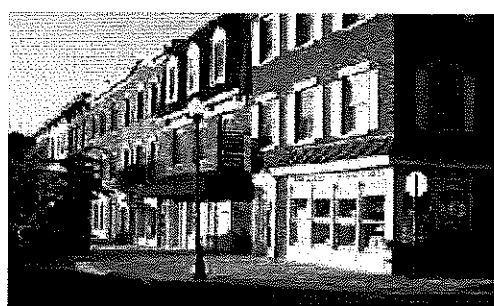
# Livingston Town Centre



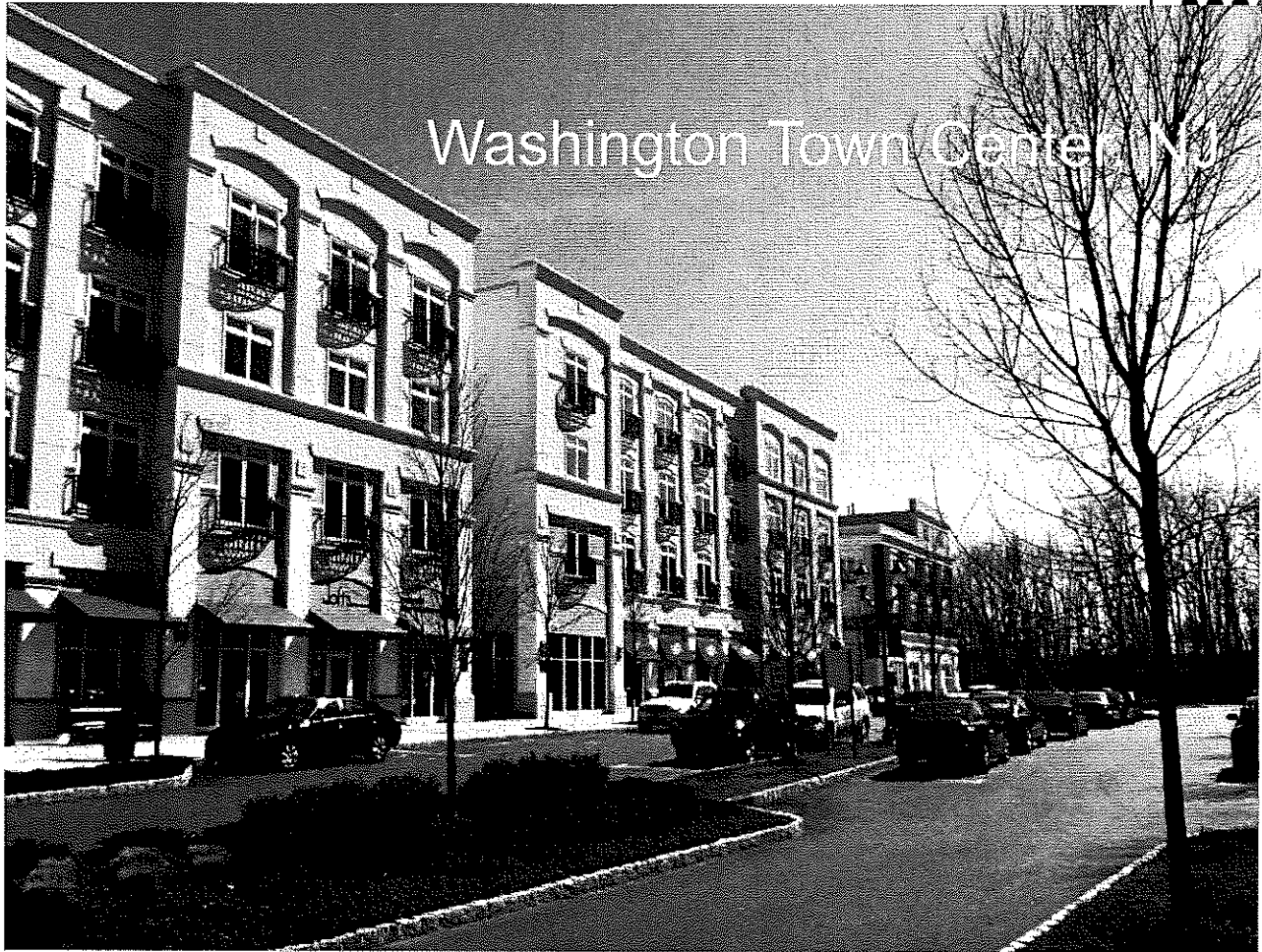
# Mashpee Commons Cape Cod MA

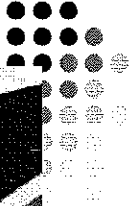


**Kentlands  
Gaithersburg MD**



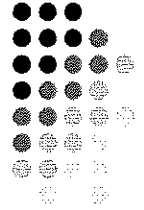




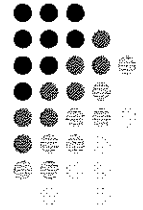






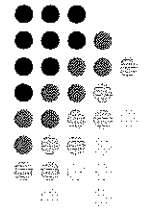


# Why Apartments?



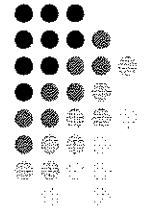
- Bridgewater's housing supply is overwhelmingly single family homes
- With 85% of units being owned, not rented, relocation is complicated by a lack of modern rental apartments
- Availability of rental units attracts millennials and other employees
- More rental units would make Bridgewater more competitive for employers
- High quality rental units are attractive to Millennials, Baby Boomers and corporate employers

# Why Apartments?



- Bridgewater is at a competitive disadvantage with an aging apartment supply and new apartments are good for business
- Apartments over stores reinforce the Boulevard and bring life to the street 24/7
- The combination of stores and housing is good for both, creating “induced demand”
- Rutgers says 2/3 of Boomers will age in place
- Of the 1/3 who move from their single family home, 2/3 of these will remain in their community

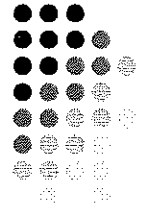
## Why Apartments?



- The ability to rent a modern apartment, where one payment covers all expenses and maintenance, is increasingly appealing to Baby Boomers
- More rental units will help keep some Boomers (and their buying power) in Bridgewater
- An adequate supply of modern rental apartments increases the appeal of the community to people during lifestyle transitions (marriage, divorce, empty nest)
- An increasing supply of modern rental apartments puts downward pressure on rents

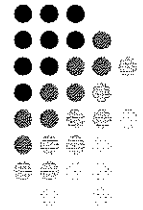
# **Apartments Matter...**

## **Especially to Tech Employers**



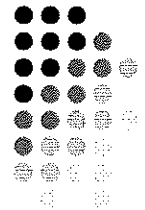
- Bridgewater has 16,111 occupied housing units, of which 2,405 (14.9%) are rental units
- Bridgewater's % of apartments is
  - less than half that of the State
  - well below that of Somerset County
- Bridgewater is at a competitive disadvantage in attracting Millennials

## Modern Apartments Matter



- Most of Bridgewater's apartment stock is older
- Newly-constructed apartments offer a contemporary standard in design, outfitting and amenities that is sought after
- Older apartments are not attractive to market rate renters when newer housing product is available

Apartments in parity with the State (36% rental) would require

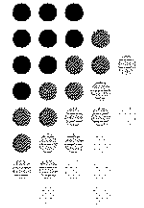


- Bridgewater's apartment housing supply to ***increase*** from 2,405 units ***to 5,800 units,*** and
- ***3,400*** (60%) of the total 5,800 ***apartments would be new, modern and highly competitive*** in the market for rental housing

Note: for comparison purposes only - not a recommendation



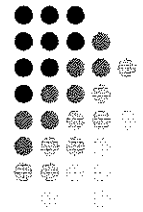
## Apartments in parity with the County (25%) would require



- Bridgewater's 16,000 unit housing supply to ***increase by 1,600 units.***
- The 2,405 apartment supply would increase to roughly 4,000 units
- Of the resulting 4,000 apartments, ***fewer than half (40%) would be new, modern and highly competitive*** in the market for rental housing

Note: for comparison purposes only - not a recommendation

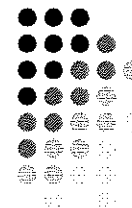
# Leading by Design



- Create a walkable community unified by common design features like building massing, style, façade treatment, materials, colors, landscape, and streetscape
- Basic design vocabulary should include:
  - Architectural style (massing, facades)
  - Building detail guidelines (windows, doors, roofs)
  - Listing of acceptable materials and colors
  - Streetscape elements
  - Landscape elements

# Redevelopment Using Sustainable Zoning Techniques

(American Planning Association Journal – Summer 2014)



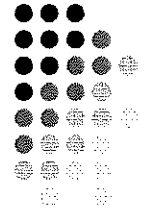
Sustainability Principles	Combined Project	Multi-family residential	"Main St" design	Retail	Hotel	Restaurants	Health Services	Green Space
Encourage higher density	X	X						
Encourage mixed use	X	X	X		X	X	X	
Encourage local food production	X	X			X	X		
Protect ecosystems and natural functions	X							X
Encourage transportation alternatives	(1)							
Preserve/create a sense of place	X	X	X	X	X	X	X	X
Increase housing diversity and affordability	X	(2)						
Reduce use of fossil fuels	?							

(1) Future bus service is likely if sufficient population and shopping/dining destination

(2) Apartments are in short supply with very low vacancy

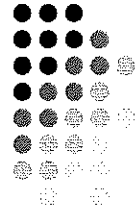
# Streetscapes:

*a visitor's first impression of place comes from Main Street*



- Establish community form and scale
- Critical elements:
  - Layout of streets in hierarchical network
  - Form of streets
  - Sense of focus and enclosure
  - Proportions/dimensions
  - Response to natural features
  - Street furniture
- Needs of pedestrians and vehicles

# Summary: Our Challenges



How do we maintain a viable commercial base?

- In the face of:
  - ⊗ shrinking physical foot print
  - ⊗ tremendous overcapacity in office space
  - ⊗ shrinking local workforce (declining 45 – 25 population)

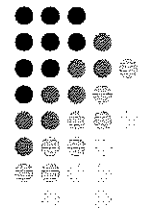
How do we maintain the desirability of our community (and homes)?

- In the face of:
  - ⊗ shrinking pool of home buyers
  - ⊗ threatened commercial base (loss of high value jobs)

How do we increase our attractiveness to young adults?

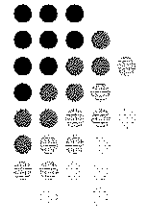
- In the face of:
  - ⊗ limited housing options
  - ⊗ threatened commercial base (source of high value jobs)

## Summary



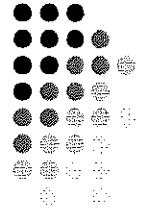
- Bridgewater can remain a leader in Bio-Pharma/Life Sciences by addressing these emerging trends
- Attracting an educated workforce to the Township will be aided by increasing the supply of rental housing
- Mixed use redevelopment will more than replace the \$1Million/year in lost revenue with a diversified ratable addition
- Modern accommodations will appeal to the Millennial and her Baby Boomer parent

# Summary



- Employers are now seeking out mixed use, walkable settings and rental housing to attract employees
- Apartments, now clustered in a few areas of town, will become better distributed
- The Center of Excellence hosts a varied group of R+D users
- The proposed mixed use has already attracted a world class employer to the site

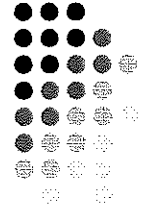
## Summary



- Bridgewater's desirable quality of life will not be protected by maintaining the regulatory status quo
- Adding mixed uses and housing offers opportunities for residents of all ages
- Balance in the land use plan is expanded with this redevelopment
- Affordable housing will be part of the required development



# Summary



- **Bridgewater's desirable quality of life will be advanced by:**
  - Improved non-residential revenue source
  - Creation of a attractive destination with a restaurant row and boutique shops
  - Expanded supply of price competitive grocery shopping and prepared food offerings
  - Expanded housing supply with ability to meet needs of residents across the age spectrum