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January 9, 2014

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Mayor
Township of Nutley
228 Chestnut Street
Nutley, NJ 07110

James Anzaldi
Mayor
City of Clifton
Clifton City Hall
900 Clifton Avenue
Clifton, NJ 07013

Re: Project Name: Nutley-Clifton Hoffmann-La Roche Campus
Project Number: 53240.00
Summary of Work Completed by Perkins-Eastman-RESGroup

The consultants were hired jointly by Nutley and Clifton to analyze the options for potential redevelopment of the vacated Roche site to enable the towns to prepare for the re-purposing of the site. Market analysis was completed to understand the potential for re-use, the amount of time it would take to fully redevelop the site, and the potential economic impact on each community.

After careful consideration, three redevelopment schemes were developed with Clifton and Nutley representatives that contained a mix of potential uses suitable to both communities. For the most part, uses included re-use and newly constructed R&D lab space; re-use and newly constructed office space, light industrial use ranging from data centers to warehouse and light manufacturing, hotel; high end residential, senior living and neighborhood retail. A traffic analysis, assessing the effect of proposed development concluded that the increase in traffic generated would be no greater than traffic as it existed during Roche's peak years. The traffic report contained recommendations, strategies and the estimated costs for the proposed improvements to support the minor level of impact that was identified in the study.

The officials from the two towns agreed upon criteria to guide the selection of a preferred redevelopment scheme, which would provide a basis for rezoning. Criteria included items such as facilitating early-on and final completion of development, maximizing the potential for private reuse of the existing commercial buildings, minimizing negative impacts on existing retail, adapting to future market demand, minimizing traffic impacts and the impact on public schools. In addition, there were criteria relating to generation of tax ratables and creation of jobs.

While each of the three scenarios varied in the estimated timeframes for completion of full redevelopment (e.g. 15-25 years plus, all were projected to eventually provide higher real estate tax revenue and more job creation than when the site was occupied by Roche. The study found that as many as 13,000 to 18,000 jobs could be created by the three schemes, which is far more than the peak employment at Roche of 8,500. Real estate taxes upon the

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completion of development could reach over \$20 million, depending upon success of the project and the mix of uses allowed.

The next step is for the towns to build upon the information provided by this report and prepare modifications to existing zoning regulations that will allow and encourage the desired development specific to the Roche site. The resulting zoning changes should reflect the preferred development scenario that the municipalities determine is best for their needs. A successful process should allow a more expeditious approval process and hopefully, minimize development delays that hinder the ability of each municipality to replace lost tax revenue. It is anticipated that a developer will prepare their own design for repurposing the site when purchasing the site from Roche. The redevelopment process by the redeveloper is expected to begin in 2015.

The plans that follow provide an illustration of the types of uses and densities that appear suitable for redevelopment of the Roche campus.

Respectfully submitted,

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