



ROCHE CAMPUS REPURPOSING

FINAL JRC PRESENTATION

Site Access Opportunities



- Maximize ingress and egress to support stand-alone development parcels



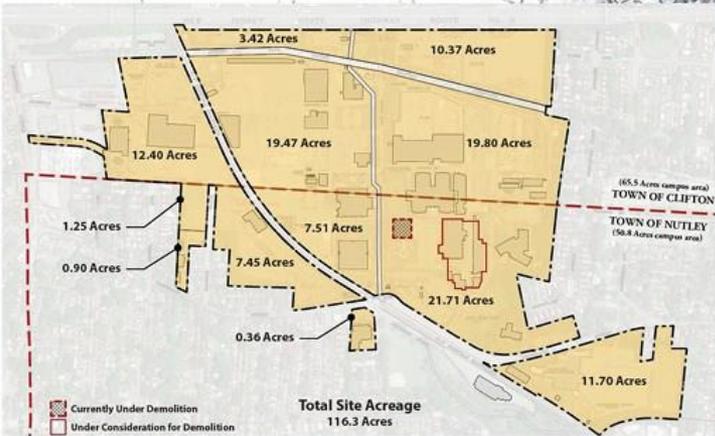
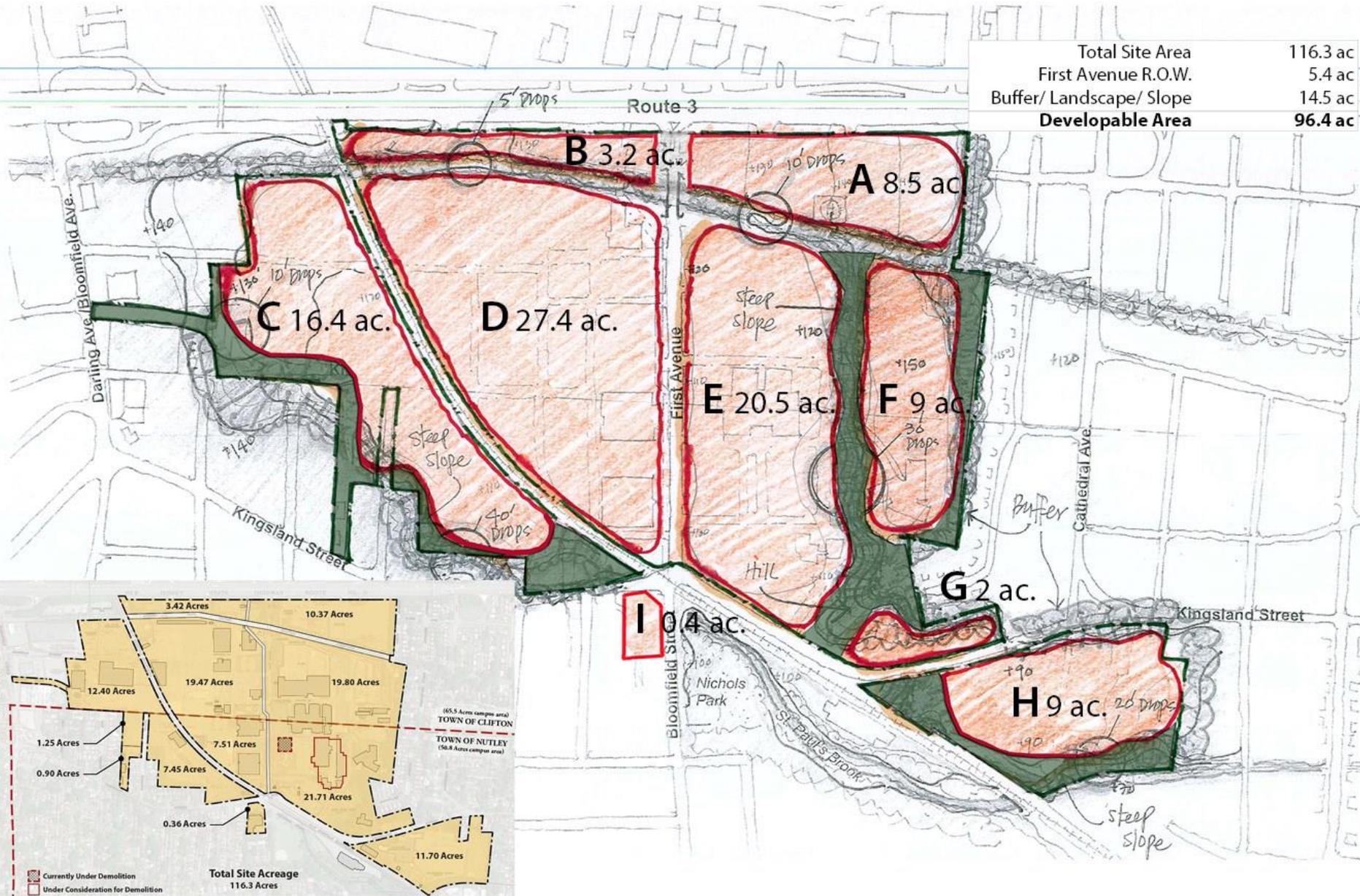
Slopes and Buffers



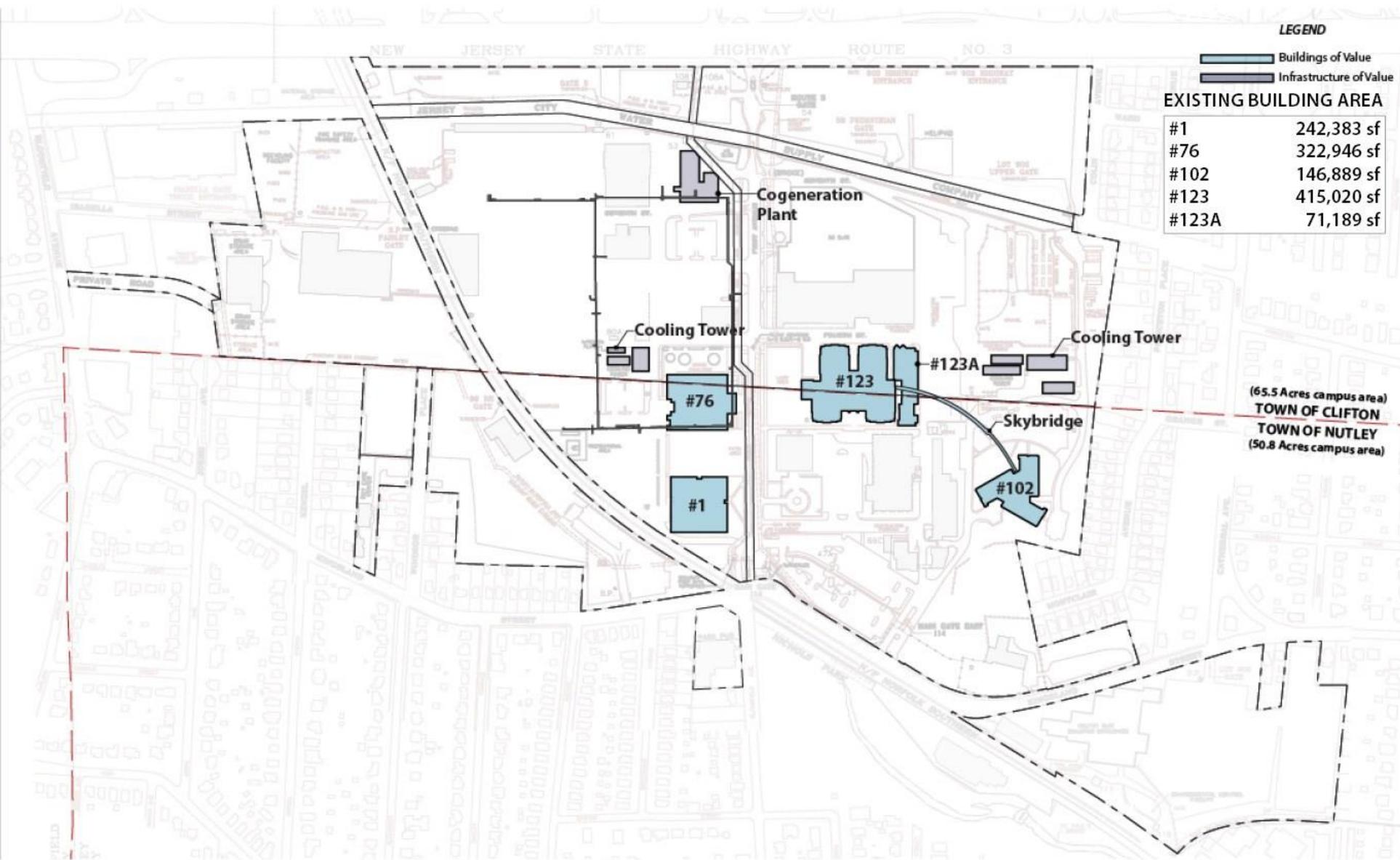
- Work with natural topographic and landscape features

Development Zones

Total Site Area	116.3 ac
First Avenue R.O.W.	5.4 ac
Buffer/ Landscape/ Slope	14.5 ac
Developable Area	96.4 ac



Buildings and Infrastructure of Value



Development & Design Principles

Develop
a "Place"---a mix of
uses that sponsors a
community

1

Leverage
the existing high
value science and
office facilities for
repurposing

2

Attract
a younger work
force/talent pool to
the site

3

Design
a flexible plan that
accommodates
higher tax ratable
uses, and is
responsive to the
market

4

Make
First Avenue
the "Address"
and the hub of the
community

5

Create
public gathering
spaces

6

Plan
a walkable
community

7

Maximize
points of entry
to the site,
including a major
access point from
Bloomfield Avenue

8

Bring
public bus
transportation
through the site

9

Enhance
express commuter
bus service from
the site/Route 3
to NYC, Hoboken,
and Jersey City

10

Manage
storm water/surface
water run-off on site;
make this a
natural feature

11

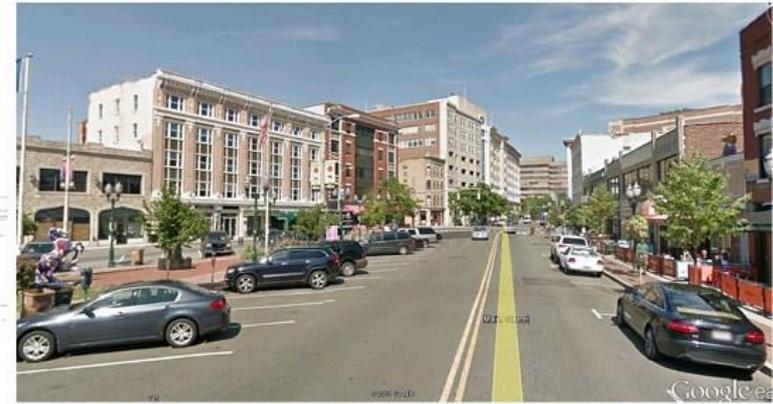
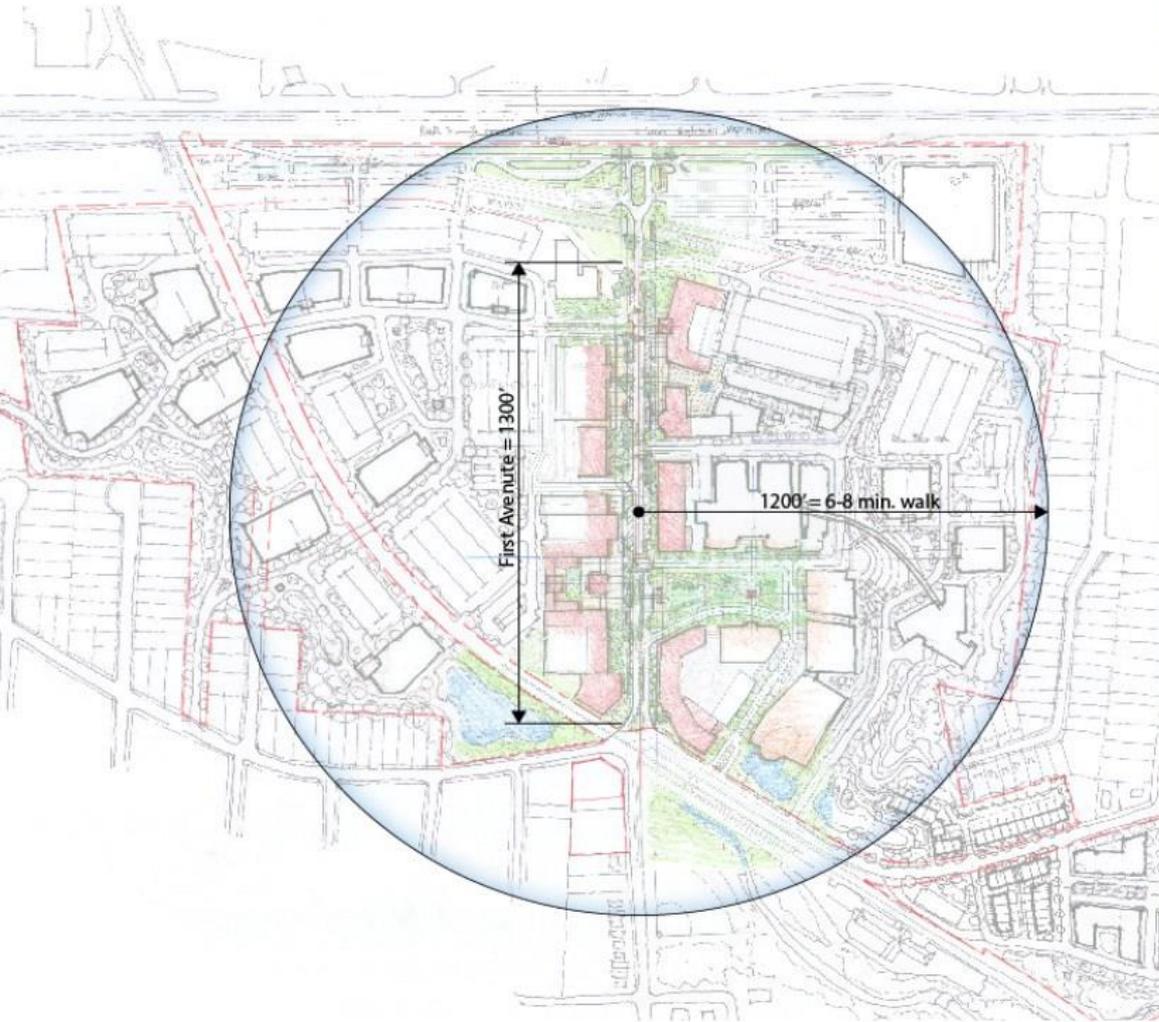


Creating the "Place"

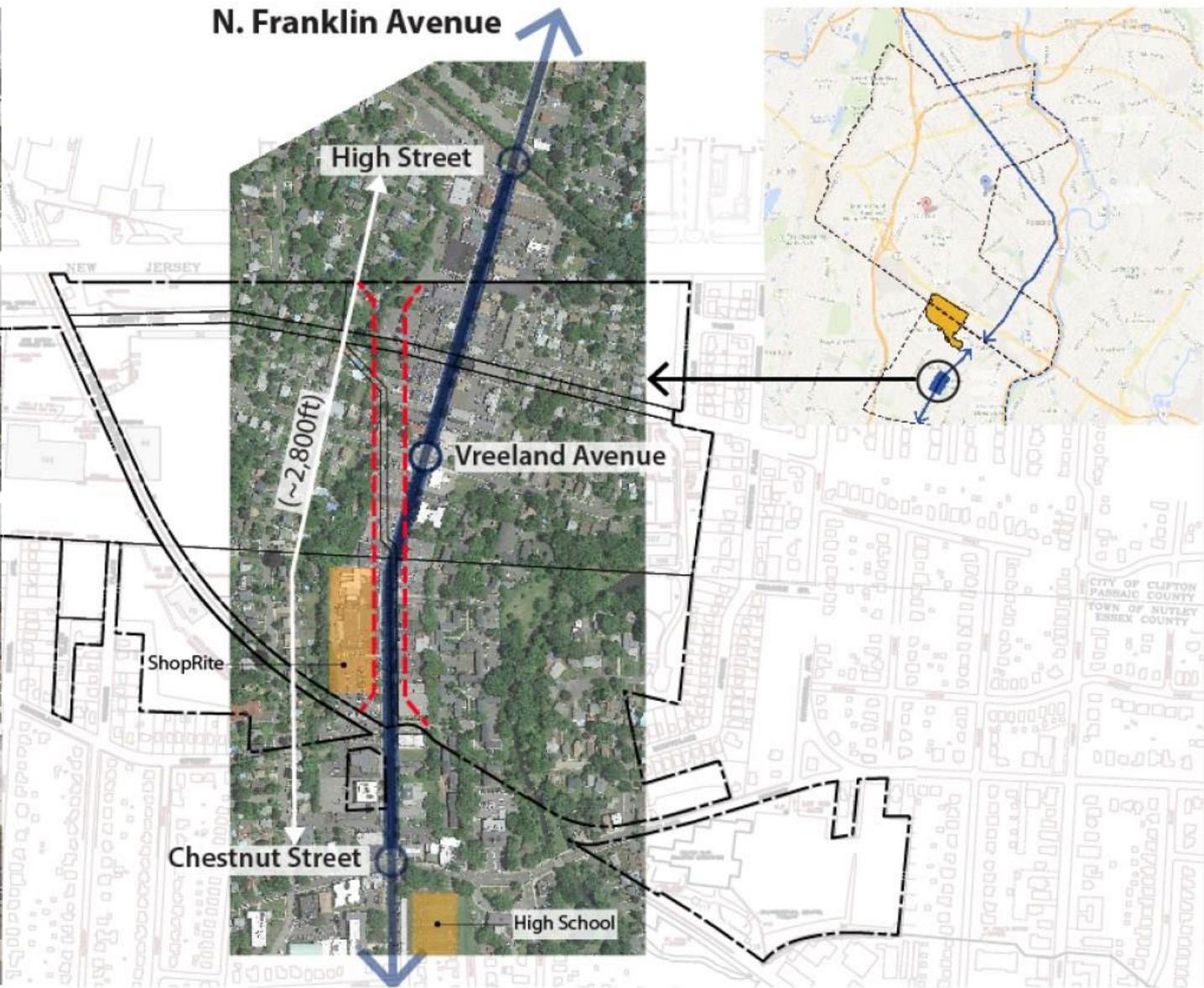


- Make First Avenue the "Address"

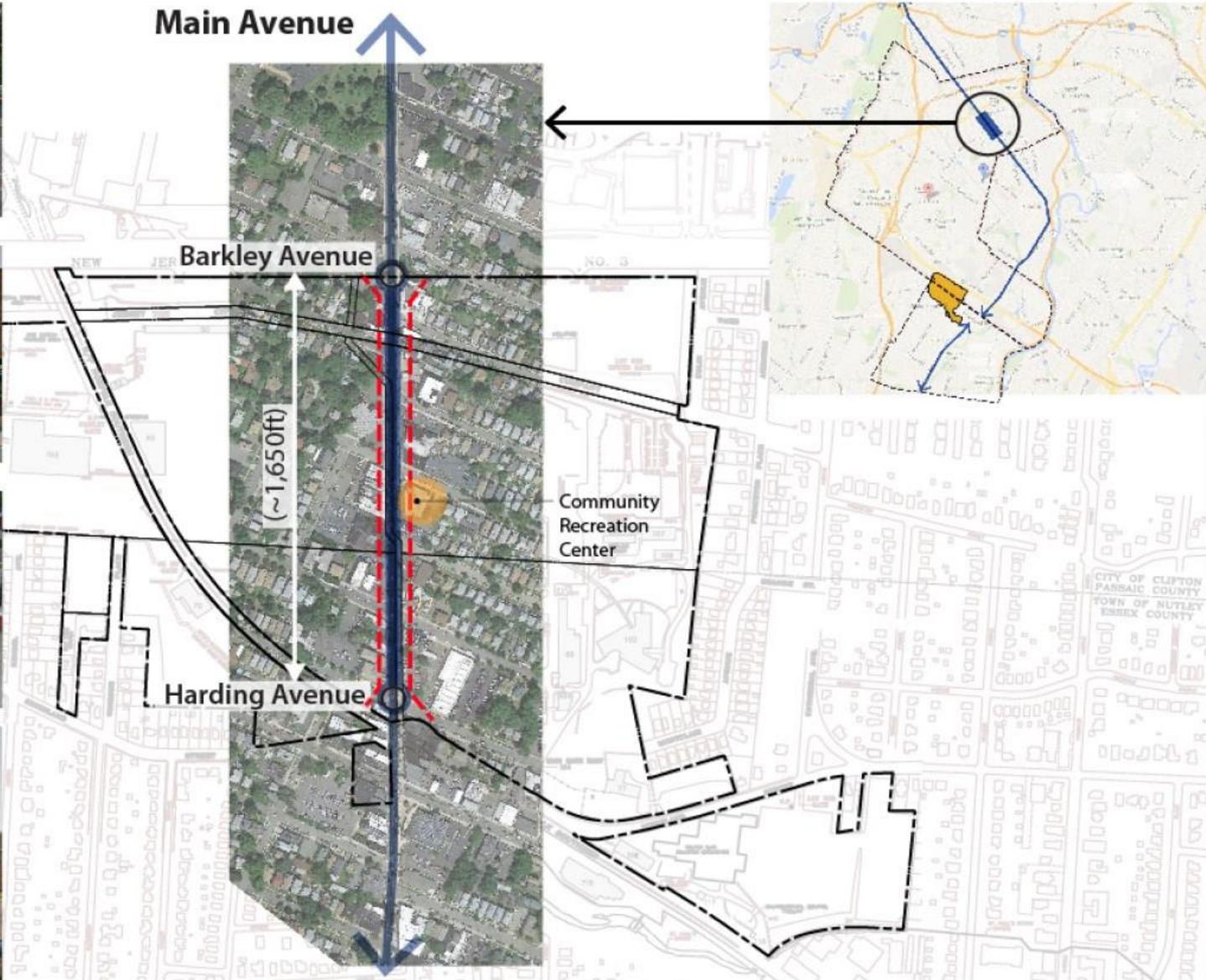
First Avenue



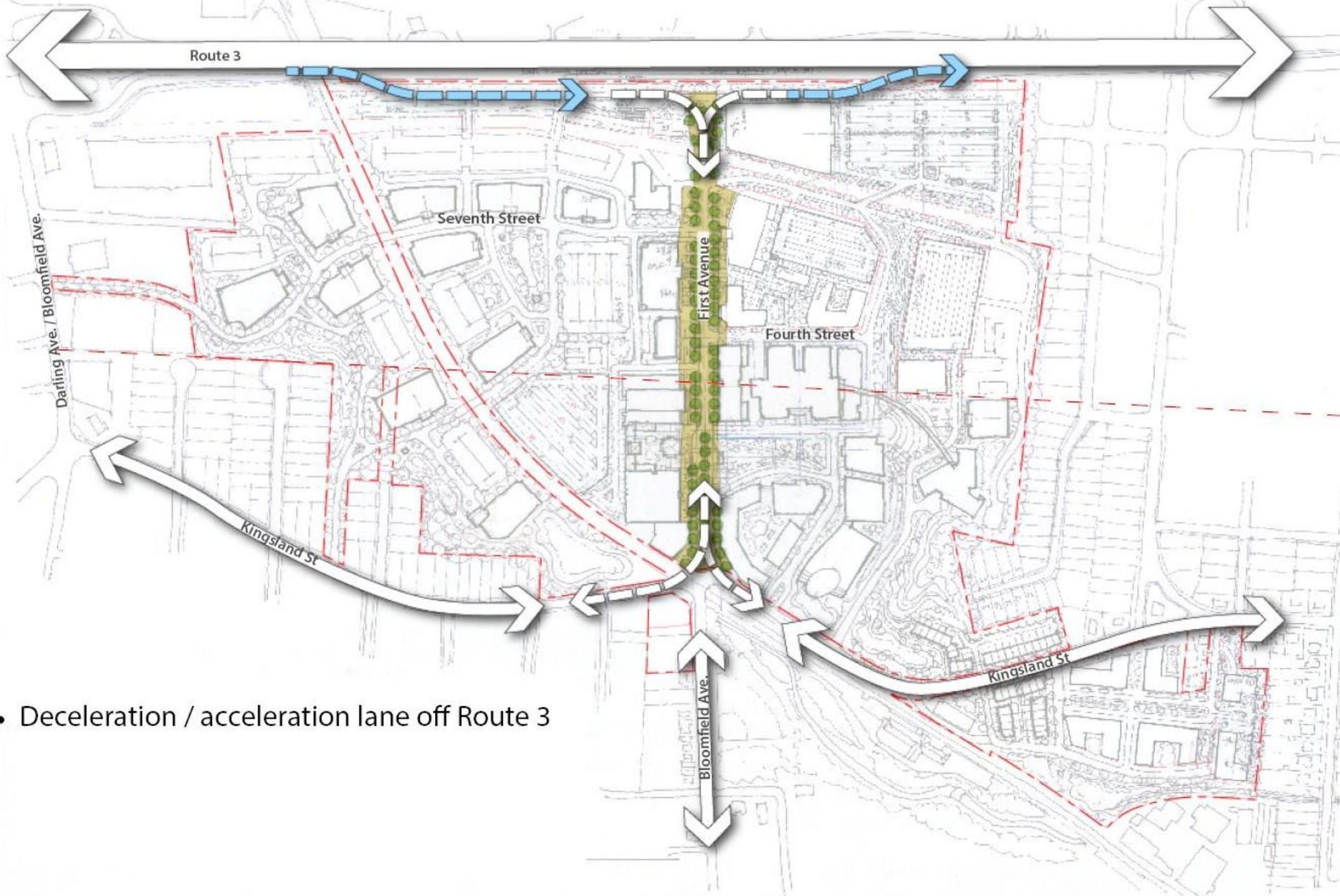
Scalar Overlay - Nutley - Franklin Avenue



Scalar Overlay - Clifton - Main Avenue



Accessing the Site



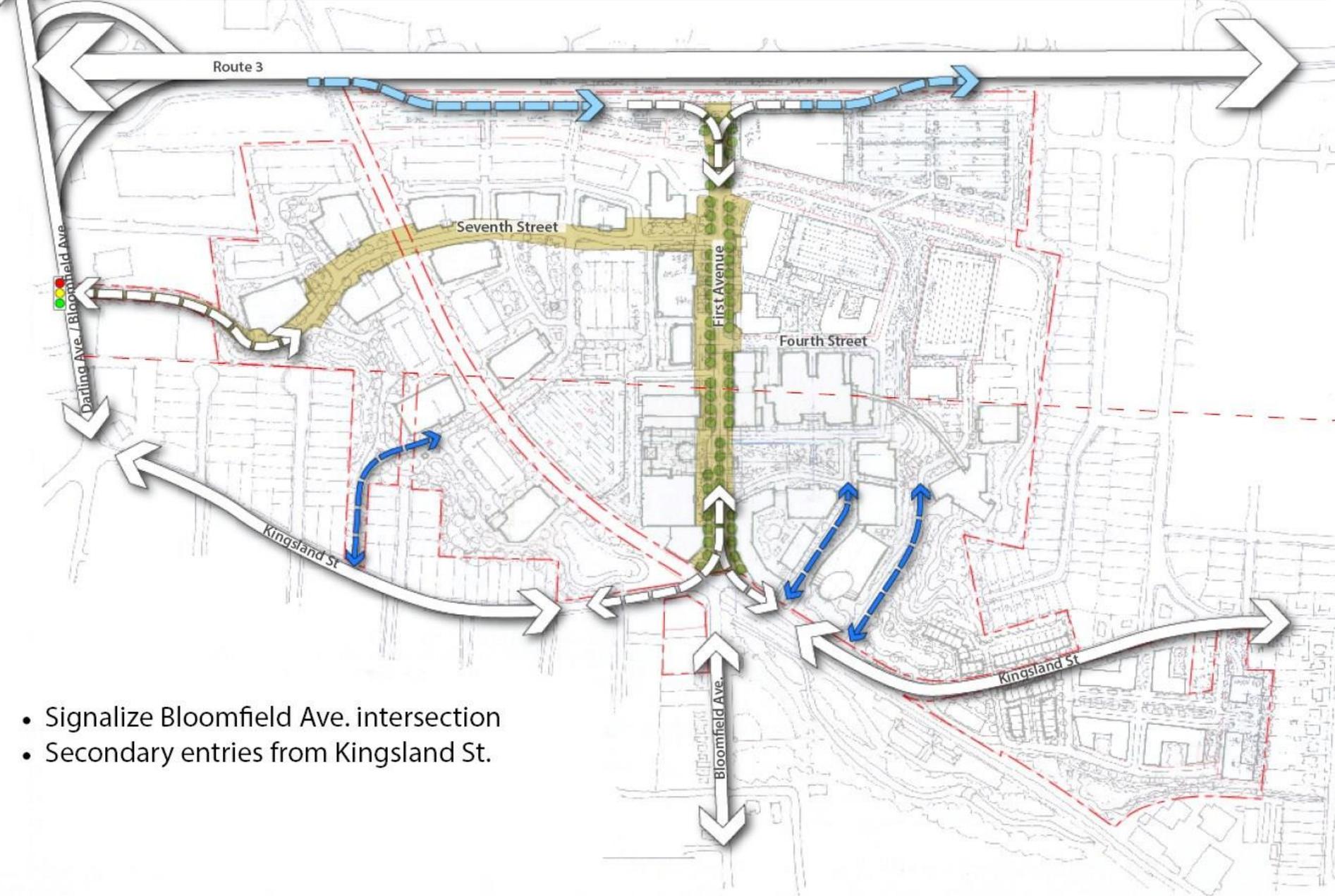
- Deceleration / acceleration lane off Route 3

Accessing the Site



- Major East-West Street accessing Bloomfield Ave.

Accessing the Site



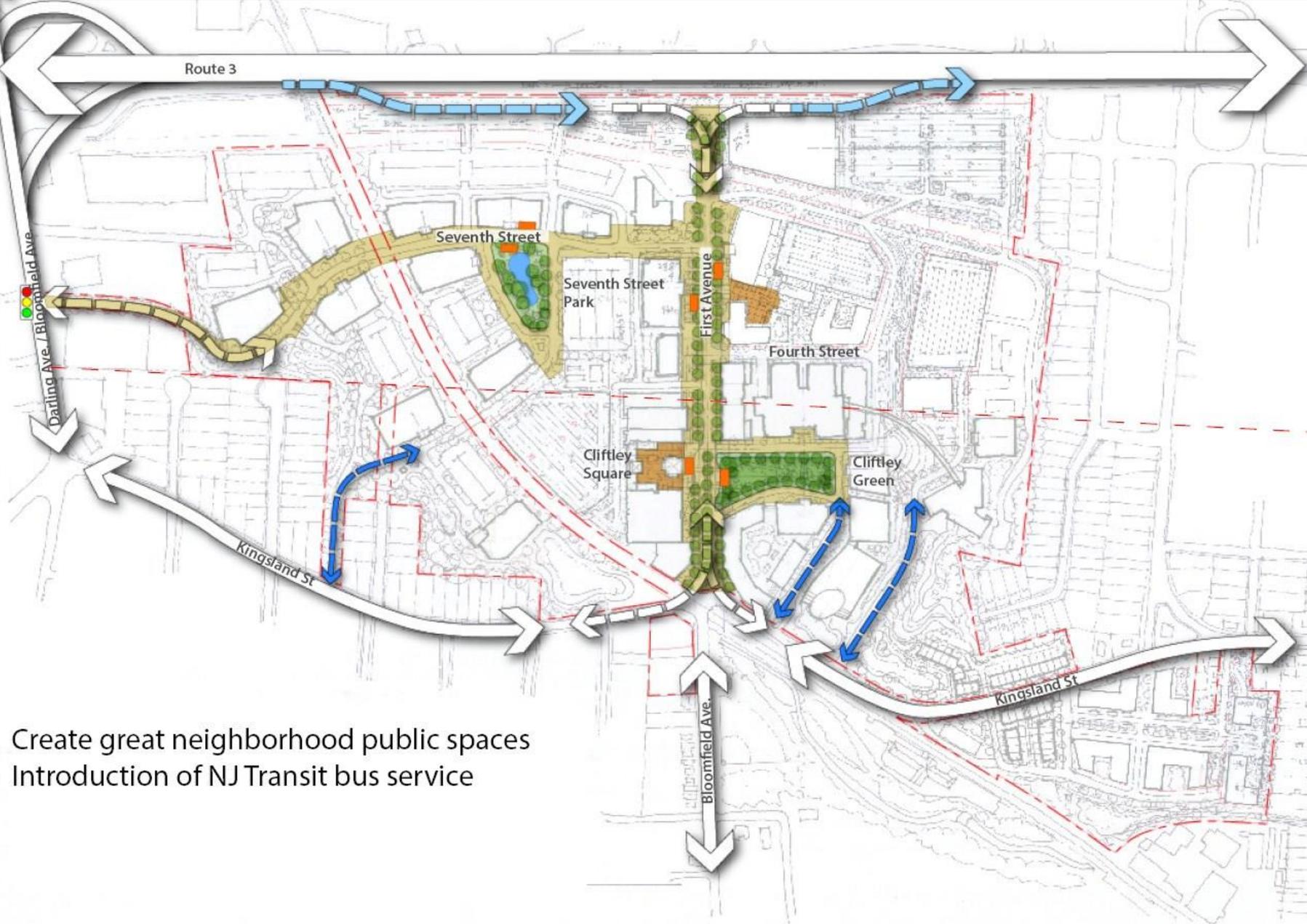
- Signalize Bloomfield Ave. intersection
- Secondary entries from Kingsland St.

Neighborhood Parks and Spaces



- Create great neighborhood public spaces

Neighborhood Parks and Spaces

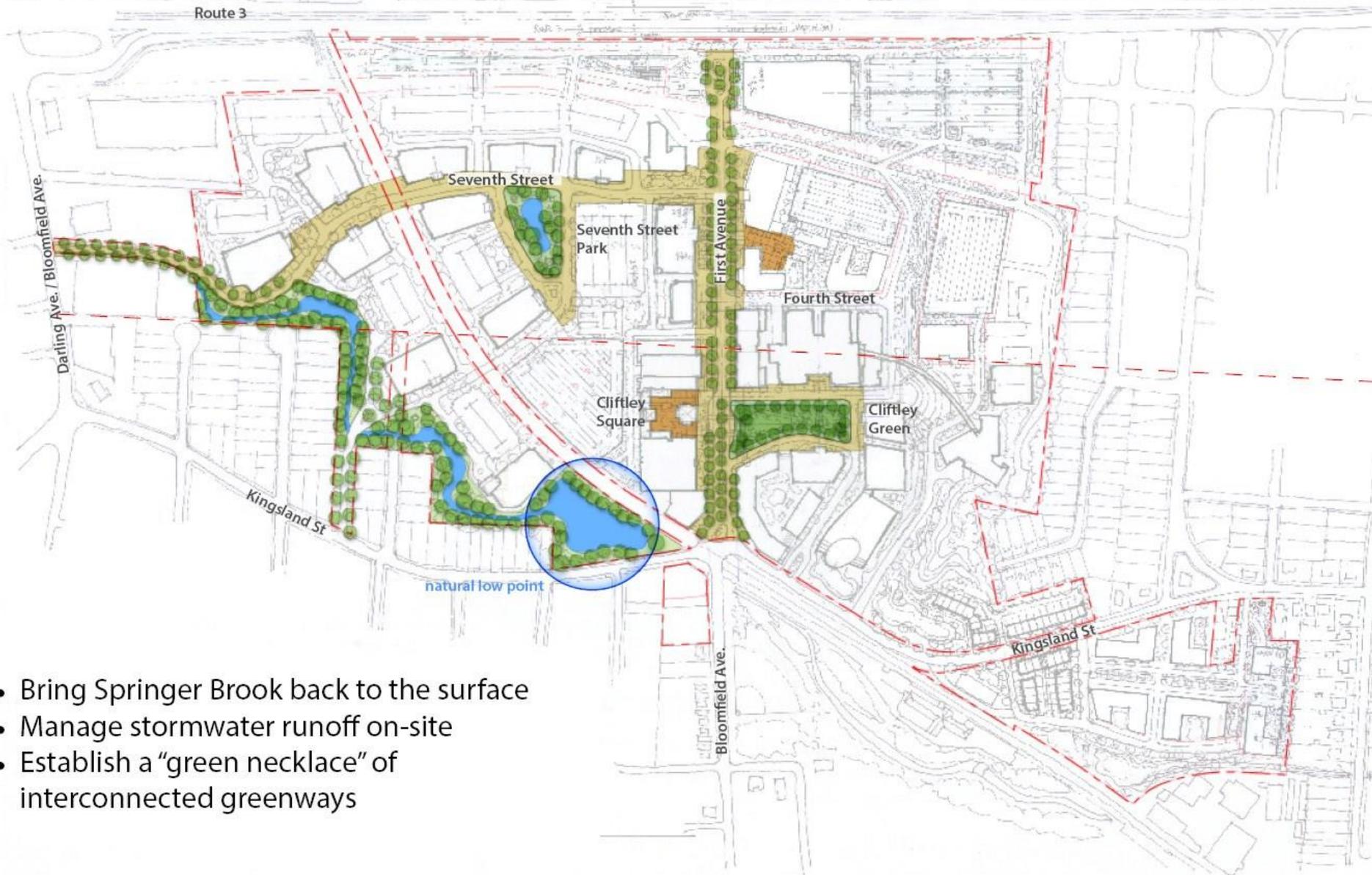


- Create great neighborhood public spaces
- Introduction of NJ Transit bus service

Neighborhood Parks and Spaces

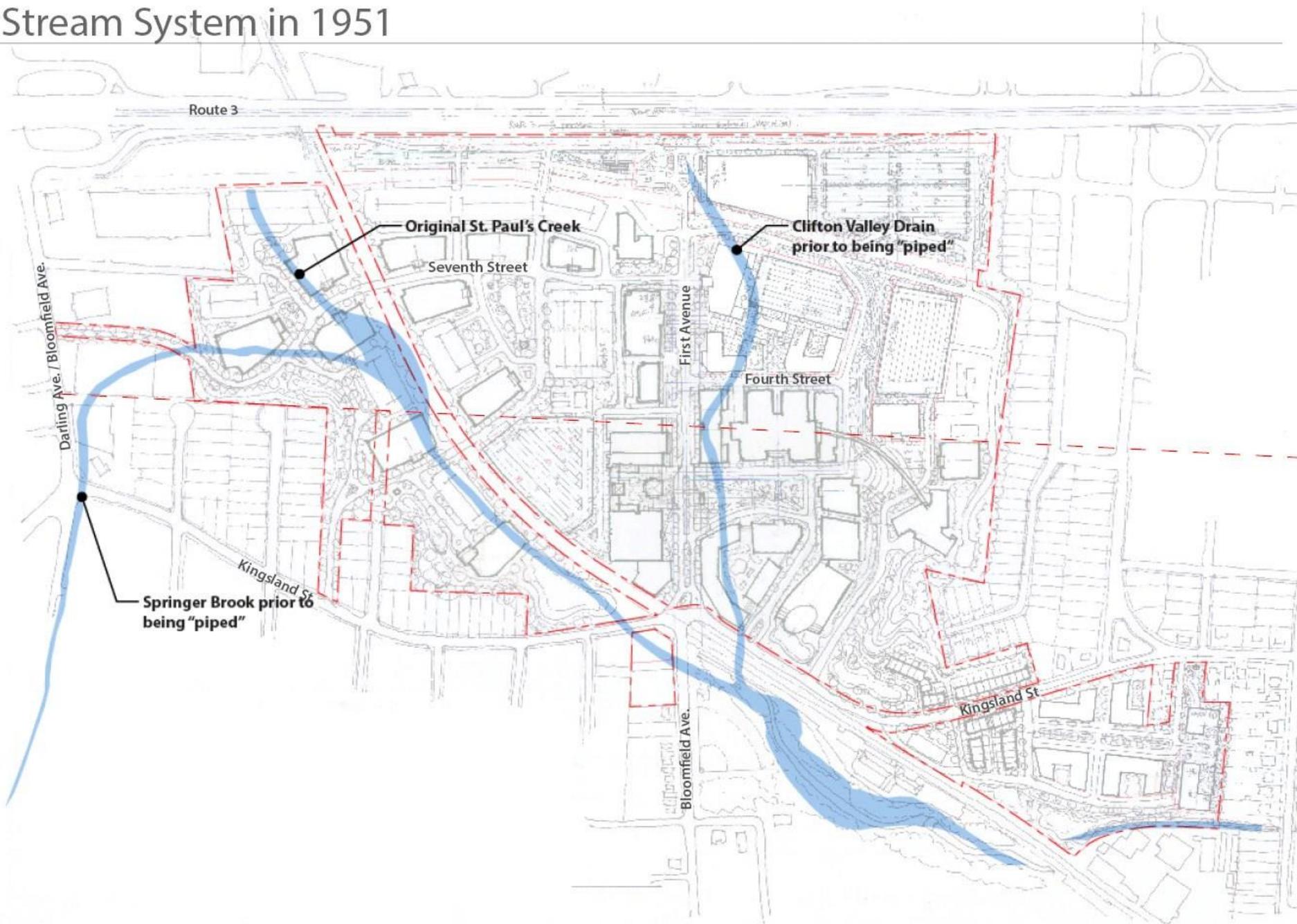


Water Strategies

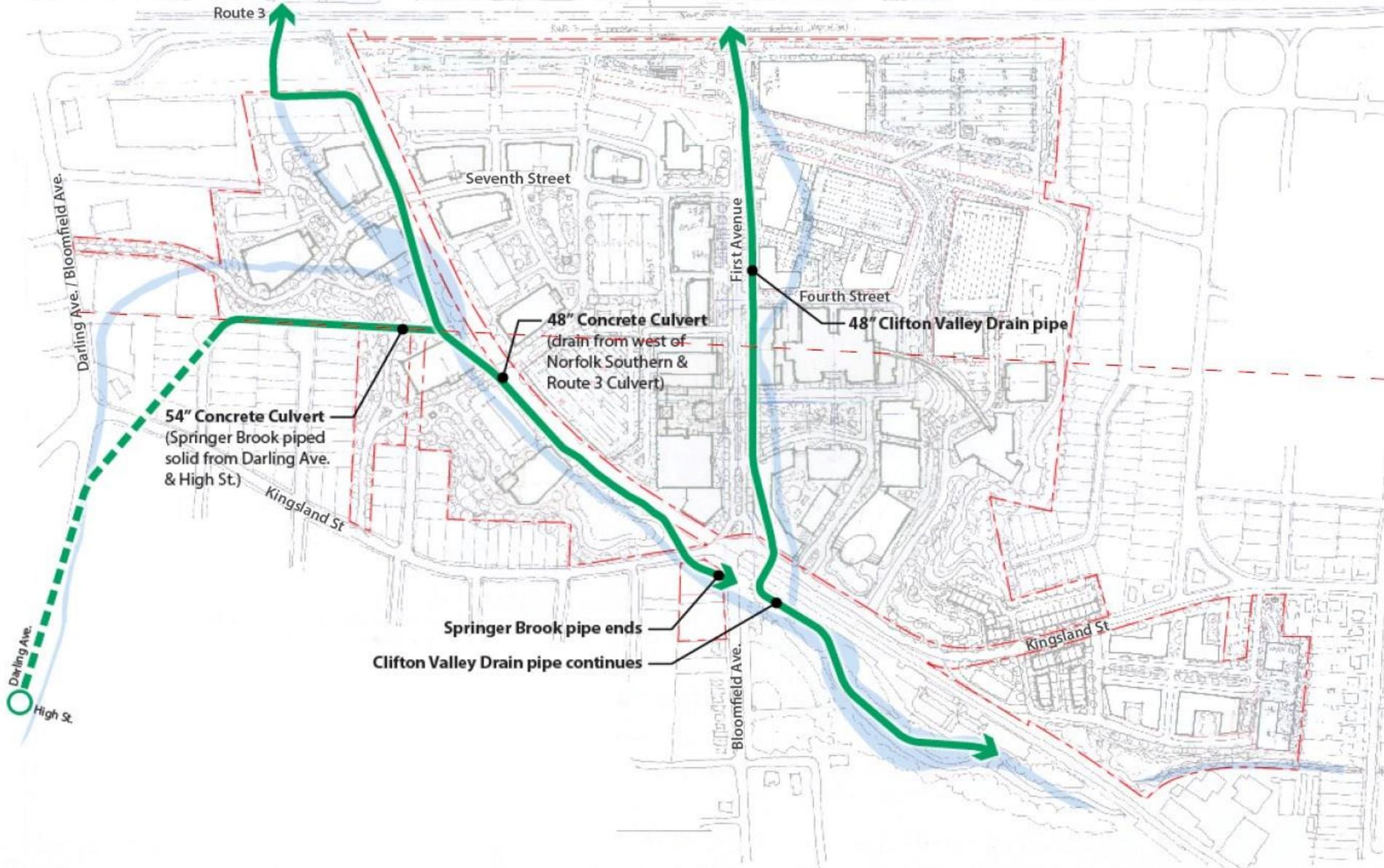


- Bring Springer Brook back to the surface
- Manage stormwater runoff on-site
- Establish a “green necklace” of interconnected greenways

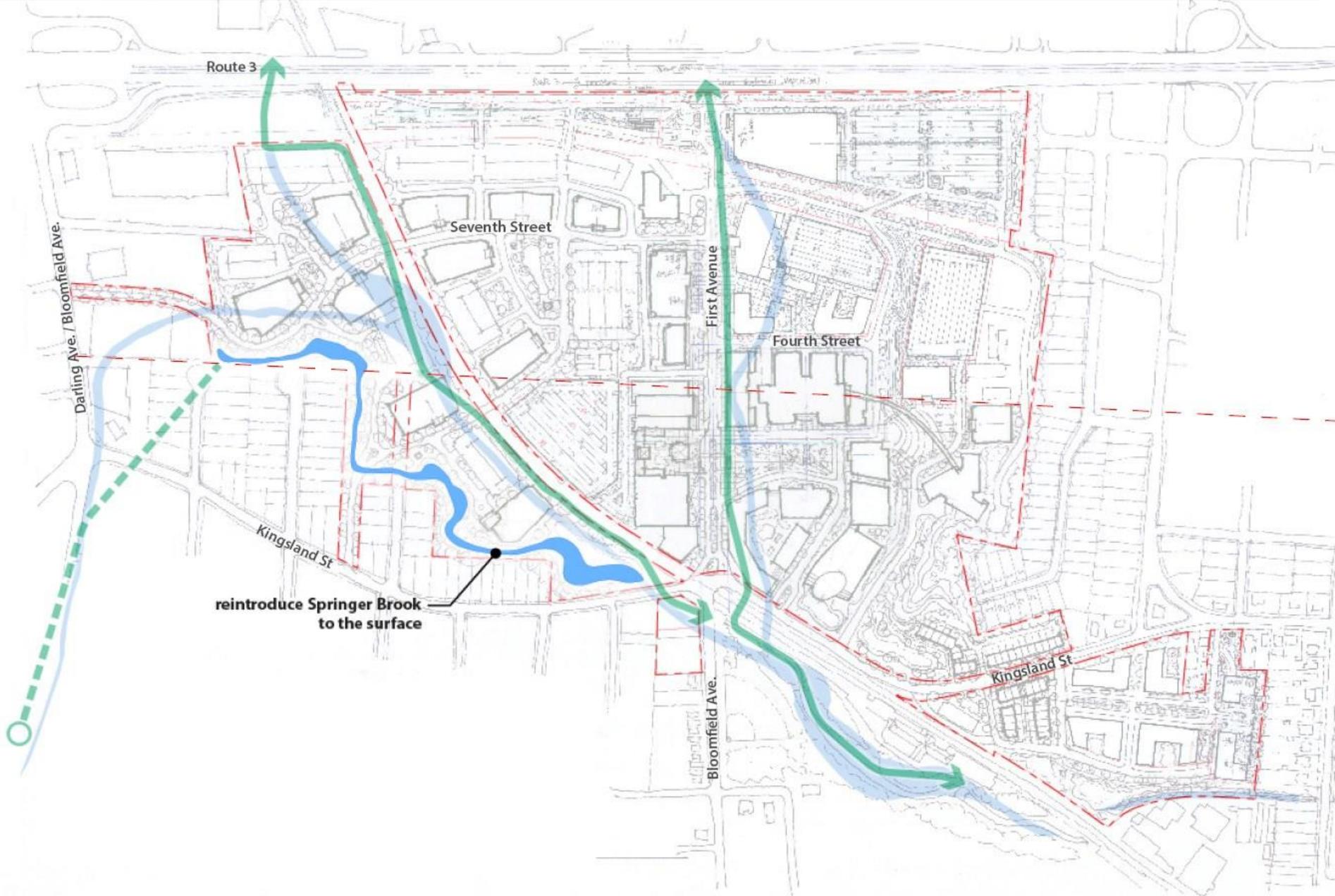
Stream System in 1951



Drainage Piping System



Bringing back Springer Brook



Creating a "Green Necklace"



- **Phase I**

- Kick-off / site visit / building & site assessment, base-line infrastructure capabilities, environmental status
- Identified client Redevelopment Criteria
- Completed market overviews for insight into market demand
- Developed 3 master plan options in response to the market overviews and compared them to the Redevelopment Criteria
- Completed Base-line traffic study

- **Phase II**

- Revised the 3 master plan options to meet municipality requirements
- Estimated development density for each plan option (SF, # of stories, & parking)
- Obtained construction cost estimates from outside consultant (Sordoni)

- **Phase II (Continued)**

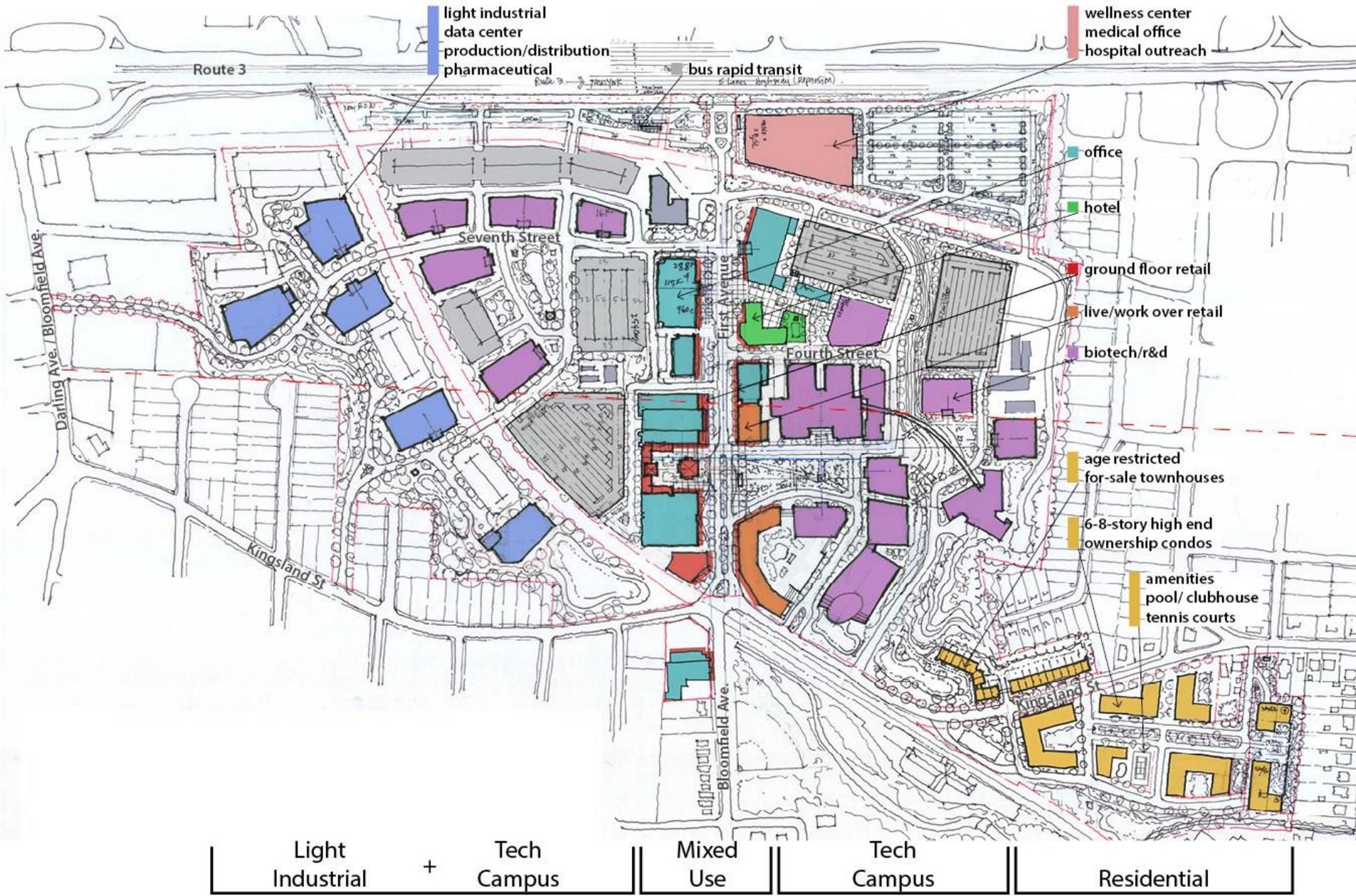
- Obtained market data to estimate revenue/sale prices, absorption, and vacancy rates
- Developed a financial pro forma to estimate sale price and timeline for full occupancy of each option
- Completed an economic impact analysis for each option
- Estimated # of public school children from each plan option
- Measured plan option against all Redevelopment Criteria identified in Phase I
- Provided a summary report
- Met with SPOC to discuss findings
- Met with the JRC to discuss the findings

The Three Master Plan Scenarios presented represent a range of prospective development possibilities that are generally acceptable to the communities of Clifton and Nutley.

Because of the selective constraints identified by each community none of these development scenarios reflect what current market demands suggest. Specifically, the constraint restricting general retail development along Route 3 and the constraint eliminating any type of housing in Clifton and limiting housing in Nutley to age restricted and high end condos development will eliminate a portion of development potential.

The immediate result is that each of the development scenarios will take longer to develop. How much longer is unknown and is dependent upon future market conditions.

Scheme 1



Scheme 1 - Program

OVERALL PROGRAM

*Total	3,884,000 GSF	100%
Lt. Industrial + Office + BioTech	2,756,600 GSF	71.0%
Hotel (avg. 800 sf/key)	160,000 GSF	4.1%
Residential (avg. 1200sf/unit, 2000sf/townhouse)	752,400 GSF	19.4%
Commercial / Retail	215,000 GSF	5.5%
*FAR	0.77	

*Note: Overall program may range from approximately 0.6 - 0.77 FAR (3.0 - 3.9 million sq. ft.)

MIXED USE PROGRAM

Light Industrial	300,000 GSF
Data Center	
Production/Distribution	
Pharmaceutical	

Office	839,600 GSF
#1 #76 #120 Existing Buildings	583,000 GSF
New Buildings	256,600 GSF

BioTech / R&D	1,617,000 GSF
Existing Buildings	633,000 GSF
New Buildings	984,000 GSF

Total Office + BioTech	2,456,600 GSF
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Full Service Hotel	200 keys
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Residential	613 units
Age-restricted Townhouses	21 units
6-8-story High-End Condos	484 units
Live/Work Over Retail	108 units



PARKING (required/provided)

*Total	10,096	100%	
Light Industrial	1.25/1,000sf	469	4.6%
Office/Commercial	5/1,000sf	4,198	41.6%
BioTech / R&D	2/1,000sf	3,234	32.1%
Hotel	1/key	200	2.0%
Residential	1.5/unit	920	9.1%
Commercial / Retail	5/1,000sf	1,075	10.6%

*Note: Surface and street parking account for approx. 1656 spaces.



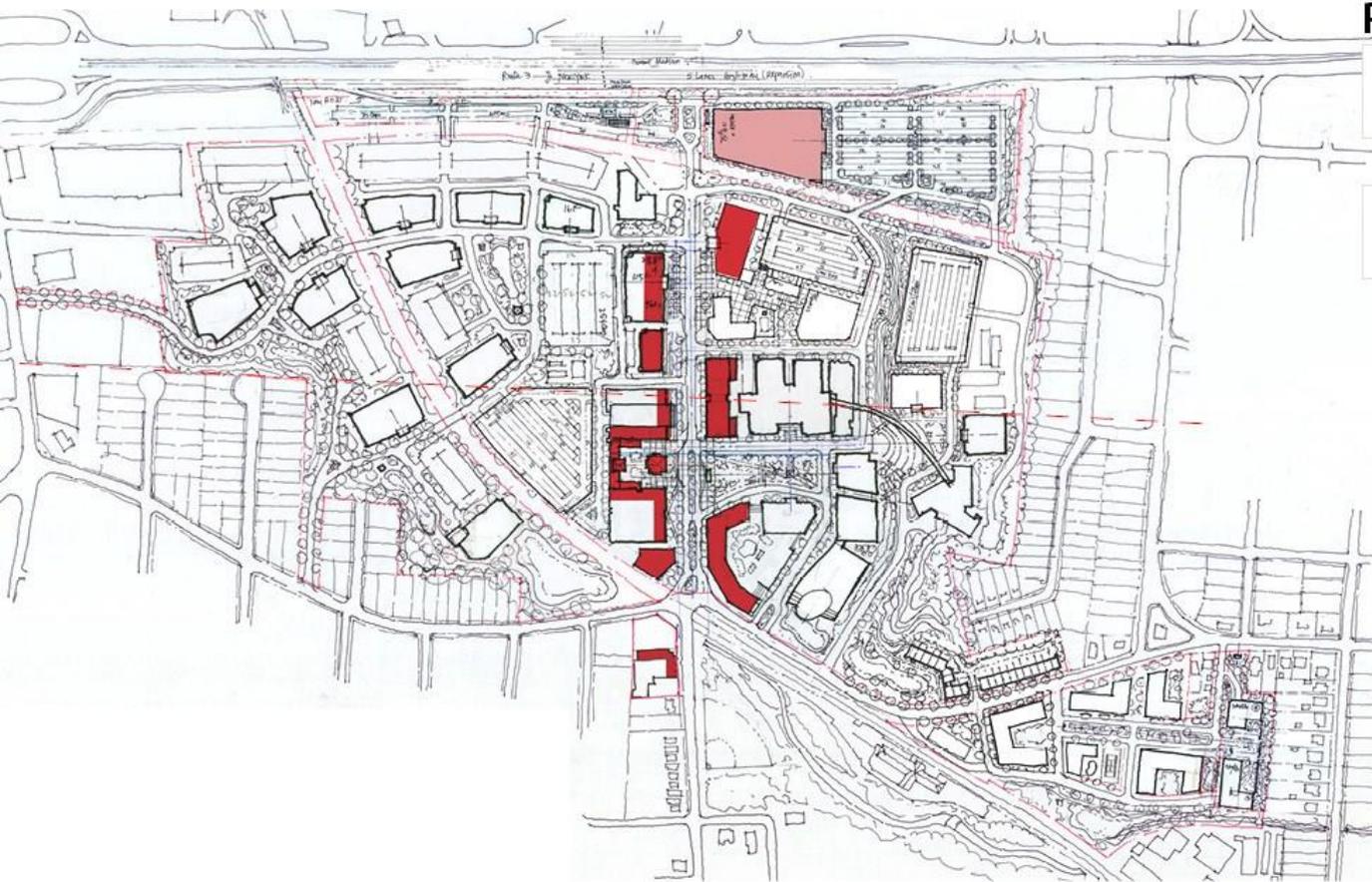
Scheme 1 Retail & Commercial, Schemes 2 & 4 Similar (There is no scheme 3)

PROGRAM

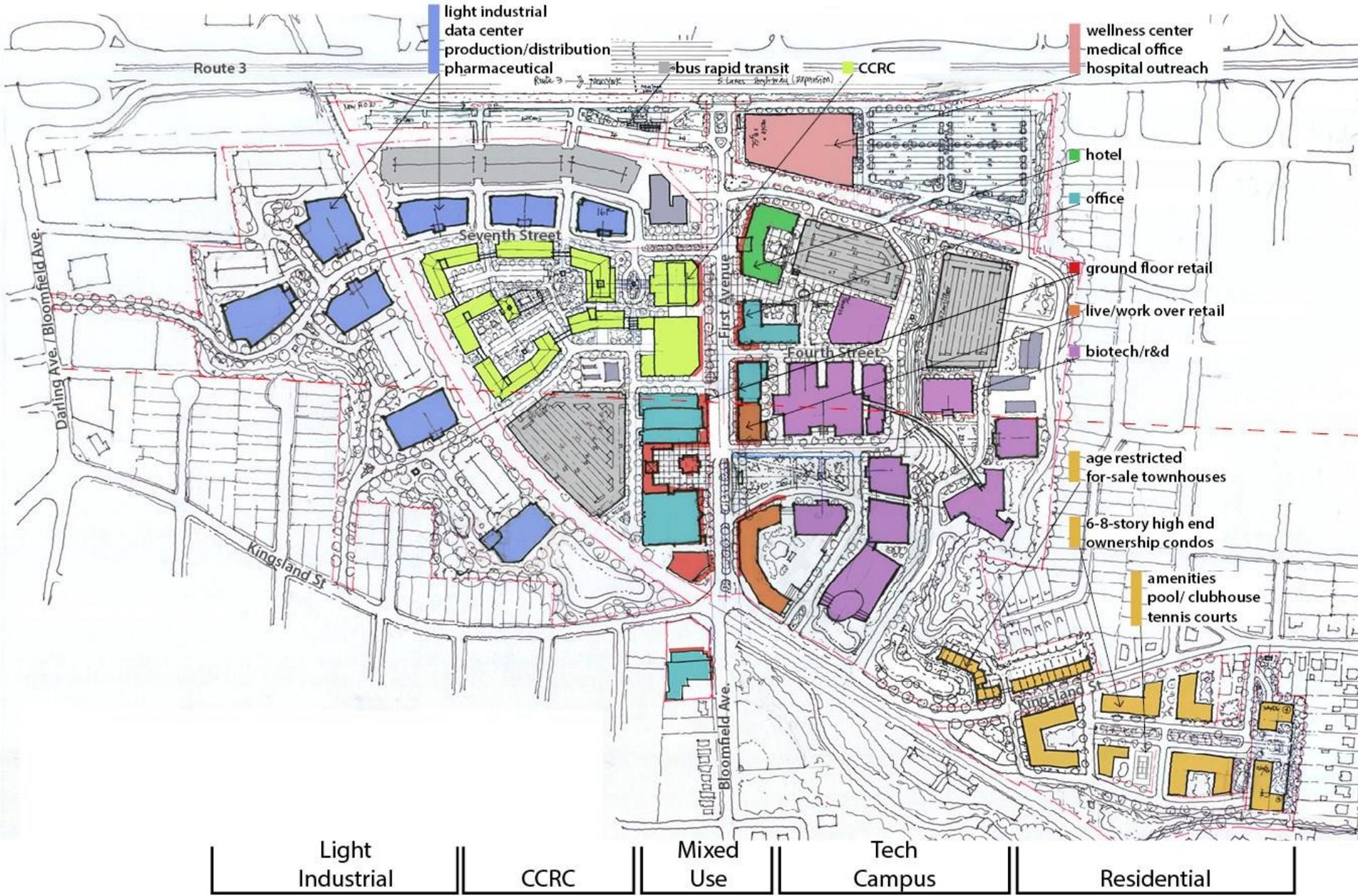
Wellness Center	150,000 GSF 2 floors
Medical Office Hospital Outreach	75,000 GSF 1 floor
First Avenue Retail	80,000 - 150,000 GSF

PARKING (required/provided)

Total (with Wellness Center)	1150 - 1,500
Wellness Center	5/1,000sf 750
First Avenue Retail	5/1,000sf 400 - 750
Total (with Medical Office)	775 - 1,125
Medical Office	5/1,000sf 375
First Avenue Retail	5/1,000sf 400 - 750



Scheme 2



Scheme 2 - Program

PROGRAM TOTALS

*Total	3,974,250 GSF	100%
Lt. Industrial + Office + BioTech	2,551,000 GSF	64.2%
Hotel (avg. 800 sf/key)	120,000 GSF	3.0%
Residential (avg. 1200sf/unit, 2000sf/townhouse)	723,600 GSF	18.2%
CCRC (avg. 1100 sf/unit)	364,650 GSF	9.2%
Commercial / Retail	215,000 GSF	5.4%
*FAR	0.78	

*Note: Overall program may range from approximately 0.6 - 0.78 FAR (3.0 - 4.0 million sq. ft.)

MIXED USE PROGRAM

Light Industrial	510,000 GSF
Data Center	
Production/Distribution	
Pharmaceutical	

Office	784,000 GSF
#1 #76 #120 Existing Buildings	583,000 GSF
New Buildings	96,000 GSF
New Medical Office	105,000 GSF

BioTech / R&D	1,257,000 GSF
Existing Buildings	633,000 GSF
New Buildings	624,000 GSF

Total Office + BioTech	2,041,000 GSF
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Select Service Hotel	150 keys
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Residential	589 units
Age-restricted Townhouses	21 units
6-8 story High-End Condos	484 units
Live/Work Over Retail	84 units

CCRC	332 units
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PARKING (required/provided)

*Total	9,740	100%
Light Industrial	1.25/1,000sf	732 7.5%
Office/Commercial	5/1,000sf	3,920 40.2%
BioTech / R&D	2/1,000sf	2,514 25.8%
Hotel	1/key	150 1.5%
Residential	1.5/unit	884 9.1%
CCRC	1.4/unit	465 4.7%
Commercial / Retail	5/1,000sf	1,075 11.2%

*Note: Surface and street parking account for approx. 1656 spaces.



Scheme 4



Scheme 4 - Program

PROGRAM TOTALS

*Total	3,736,200 GSF	100%
Lt. Industrial + Office + BioTech	2,101,600 GSF	56.2%
Hotel (avg. 800 sf/key)	80,000 GSF	2.1%
Residential (avg. 1200sf/unit, 2000sf/townhouse)	996,400 GSF	26.7%
CCRC (avg. 1100 sf/unit)	343,200 GSF	9.2%
Commercial / Retail	215,000 GSF	5.8%
*FAR	0.74	

*Note: Overall program may range from approximately 0.6 - 0.74 FAR (3.0 - 3.7 million sq. ft.)

MIXED USE PROGRAM

Light Industrial	510,000 GSF
Data Center	
Production/Distribution	
Pharmaceutical	

Office	548,600 GSF
#1 #120 Existing Buildings	260,000 GSF
New Buildings	183,600 GSF
New Medical Office	105,000 GSF

BioTech / R&D	1,043,000 GSF
Existing Buildings	633,000 GSF
New Buildings	410,000 GSF

Total Office + BioTech	1,591,600 GSF
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Limited Service Hotel	100 keys
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Residential	798 units
#76 Converted Condos	268 units
Age-restricted Townhouses	21 units
6-8 story High-End Condos/Rentals	417 units
Live/Work Over Retail	92 units

CCRC	312 units
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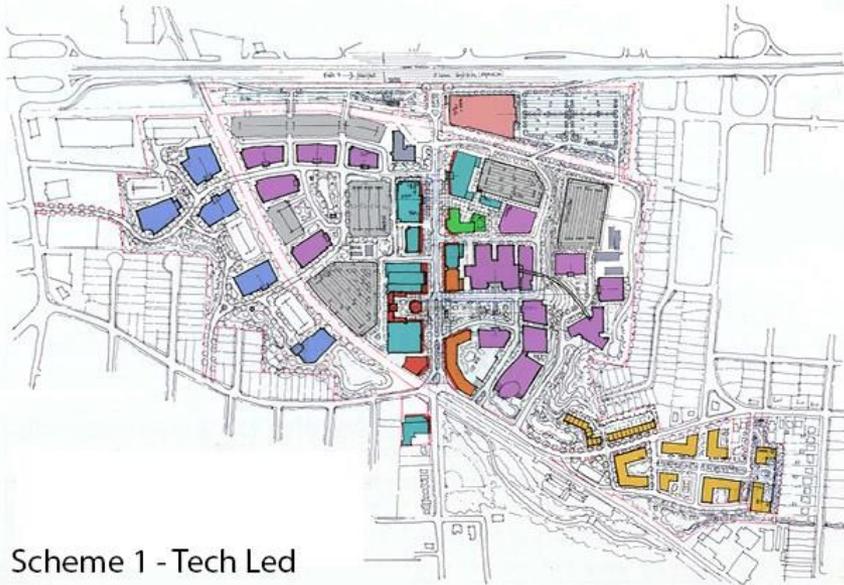
PARKING (required/provided)

*Total	8,162	100%
Light Industrial	1.25/1,000sf	732 8.9%
Office/Commercial	5/1,000sf	2,743 33.6%
BioTech / R&D	2/1,000sf	2,086 25.6%
Hotel	1/key	100 1.3%
Residential	1.5/unit	989 12.2%
CCRC	1.4/unit	437 5.3%
Commercial / Retail	5/1,000sf	1,075 13.1%

*Note: Surface and street parking account for approx. 1656 spaces.



Overview of Schemes (There is no scheme 3)



Scheme 1 - Tech Led



Scheme 2 - Hybrid



Scheme 4

Comparison of Scheme Data (There is no scheme 3)



Scheme 1



Scheme 2



Scheme 4

OVERALL PROGRAM

	Scheme 1	Scheme 2	Scheme 4
FAR	0.77	0.78	0.74
Total	3,884,000 GSF 100%	3,974,250 GSF 100%	3,736,200 GSF 100%
Lt. Industrial + Office + BioTech	2,756,600 GSF 71.0%	2,551,000 GSF 64.2%	2,101,600 GSF 56.2%
Hotel	160,000 GSF 4.1%	120,000 GSF 3.0%	80,000 GSF 2.1%
Residential	752,400 GSF 19.4%	723,600 GSF 18.2%	996,400 GSF 26.7%
CCRC	-	364,650 GSF 9.2%	343,200 GSF 9.2%
Commercial / Retail	215,000 GSF 5.5%	215,000 GSF 5.4%	215,000 GSF 5.8%

MIXED USE PROGRAM

Light Industrial	300,000 GSF	510,000 GSF	510,000 GSF
Office	839,600 GSF	784,000 GSF	548,600 GSF
Existing + New Buildings	839,600 GSF	679,000 GSF	443,600 GSF
New Medical Office	-	105,000 GSF	105,000 GSF
(existing + new) BioTech / R&D	1,617,000 GSF	1,257,000 GSF	1,043,000 GSF
Hotel	200 keys	150 keys	100 keys
Residential	613 units	589 units	798 units
Converted Condos	-	-	268 units
Age-restricted Townhouses	21 units	21 units	21 units
6-8-story High-End Condos	484 units	484 units	417 units
Live/Work Over Retail	108 units	84 units	92 units
CCRC	-	332 units	312 units
Parking	10,096 cars	9,740 cars	8,162 cars

Program Allocation by Municipality (There is no scheme 3)



	Scheme 1			
	Clifton	Nutley	Total	
Light Industrial	150,000 GSF	150,000 GSF	300,000 GSF	
Office	Existing Buildings	32,360 GSF	550,640 GSF	583,000 GSF
	New Buildings	256,600 GSF	0 GSF	256,600 GSF
BioTech / R&D	Existing Buildings	291,230 GSF	341,770 GSF	633,000 GSF
	New Buildings	541,200 GSF	442,800 GSF	984,000 GSF
Hotel	200 keys	0 keys	200 keys	
Residential	Converted Condos	-	-	-
	New Buildings	0 units	613 units	613 units
CCRC	-	-	-	

	Scheme 2			
	Clifton	Nutley	Total	
Light Industrial	360,000 GSF	150,000 GSF	510,000 GSF	
Office	Existing Buildings	32,360 GSF	550,640 GSF	583,000 GSF
	New Buildings	201,000 GSF	0 GSF	201,000 GSF
BioTech / R&D	Existing Buildings	291,230 GSF	341,770 GSF	633,000 GSF
	New Buildings	405,600 GSF	218,400 GSF	624,000 GSF
Hotel	150 keys	0 keys	150 keys	
Residential	Converted Condos	-	-	-
	New Buildings	0 units	589 units	589 units
CCRC	332 units	0 units	332 units	

	Scheme 4			
	Clifton	Nutley	Total	
Light Industrial	360,000 GSF	150,000 GSF	510,000 GSF	
Office	Existing Buildings	0 GSF	260,000 GSF	260,000 GSF
	New Buildings	288,600 GSF	0 GSF	288,600 GSF
BioTech / R&D	Existing Buildings	291,230 GSF	341,770 GSF	633,000 GSF
	New Buildings	330,000 GSF	80,000 GSF	410,000 GSF
Hotel	100 keys	0 keys	100 keys	
Residential	Converted Condos	0 units	268 units	268 units
	New Buildings	0 units	530 units	530 units
CCRC	0 units	312 units	312 units	

COMMON TO ALL SCHEMES

Wellness Center / Medical Center	Clifton	75,000 to 150,000 GSF : assumed average = 115,000 GSF	
First Avenue Retail	Clifton	32,000 to 60,000 GSF : assumed average = 40,000 GSF	Nutley 48,000 to 90,000 GSF : assumed average = 60,000 GSF

Parking Requirements

	Reference website http://ecode360.com/12136269 Chapter 700. Zoning (700-91) Article XIII. Parking Spaces and Loading Berths Based on Township of Nutley Zoning (Wednesday, 7/31/2013)	Reference website http://ecode360.com/8523049 Chapter 461. Zoning (461-60.1) Article X. Off-Street Parking and Loading Sapces Based on City of Clifton Zoning (Friday, 7/26/2013)	shown in drawings
Type of Use	# of spaces	# of spaces	# of spaces
Multifamily dwelling	1.5 per 1 unit 2 per 1 two-bedrm unit	0.5 per 1 unit	1.5 per 1 unit
Age-restricted townhouses	1 per 2 units	1 per 1 unit	
CCRC	1 per 2 units	1 per 2.5 units	*1.2 per 1 unit
Retail stores	5 per 1,000 sf.	4 per 1,000 sf.	***5 per 1,000 sf.
Office and Commercial	***5 per 1,000 sf.	5 per 1,000 sf.	****5 per 1,000 sf.
Laboratories, manufacturing	1 per 1,000 sf.	0.5 per 1,000 sf.	***2 per 1,000 sf.
Warehouses	0.33 per 1,000 sf.	0.5 per 1,000 sf.	
Light Industrial		0.5 per 1,000 sf.	**1.25 per 1,000 sf.

*Suggested based on user demand

**1.25/1000sf is used as a blended average of multiple possible uses (data centers, warehouses, pharmaceutical, production, distribution facilities)

*** For the purpose of this report we will assume the higher requirement

**** From Article XIII. Parking Spaces and Loading Berths requirement

Scheme Evaluation by Criteria

Generation of School Children

Location	Year Built	# of Units	# of Students	% 1 Bed or less	% 2 Bed	% 3 Bed or More	Students / Unit
57 East Centre Street	2011	120	11	77%	23%	0%	0.092
65 River Road Riverview Court	2009	71	15	10%	90%	0%	0.211
101-113 River Road Sleepy Hollow	1981	91	8	46%	52%	2%	0.088
25 River Road Gateway Condominiums	1968	92	24	30%	58%	12%	0.261
181 River Road	1962	108	22	71%	29%	0%	0.204
1-21 River Road Arbor Hills	1970	216	23	81%	19%	0%	0.106
174 Bloomfield Ave	2008	25	0	92%	8%	0%	0.000
Average	1987	103	15	58%	40%	2%	0.142

- Those of most recent construction and with the highest percentage of 1 bedrooms generate the smallest number of students per unit.
- Older projects or those with more 2- and 3- bedroom units generate more students.

- Students per unit, living in structures with 5 or more units

	Rental	Ownership
1 Bedroom or less	0.07	0.11
2 Bedroom	0.30	0.11
3 Bedroom or more	0.88	0.47

Source:

http://policy.rutgers.edu/cupr/otherreports/Multipliers_QuickGuide.pdf

- Estimated public school students generated by each scheme
- Assumed the higher of local school or State-wide data
- Only condominium, rental and live/work units were assumed to generate school children (not age-restricted housing or CCRC)

Unit Type	Per Unit	Scheme 1		Scheme 2		Scheme 4	
		Units	Students	Units	Students	Units	Students
1 Bedroom Condo	0.147	363	54	363	54	201	30
2 Bedroom Condo	0.147	121	18	121	18	67	10
1 Bedroom Rental	0.147	0	0	0	0	313	47
2 Bedroom Rental	0.300	0	0	0	0	104	32
1 Bedroom Loft	0.147	81	12	63	10	69	11
2 Bedroom Loft	0.300	27	9	21	7	23	7
Total			93		89		137

Note: If Scheme 4 Rentals are Condos, the student estimate would be lower.

Estimated Relative Campus Values and Real Estate Taxes by Scheme

-
- Flexible Overlay Zoning in place prior to sale
 - Obsolete buildings demolished prior to sale
 - Underground utilities and infrastructure remain in place

- All remaining existing buildings are vacant
- Environmental remediation of soil complete
- Sold to a single developer in 2015

-
- Based on absorption trends and market activity, the schemes are estimated to reach full absorption in the following approximate timeframes:
 - Scheme 1: More than 25 years
 - Scheme 2: 20 to 25 years
 - Scheme 4: 15 to 20 years
 - The BioTech/R&D is projected to take the longest to absorb in each scheme.

**Estimated Real Property Tax Revenues
at Full Build-Out (\$ millions – 2013 dollars)**

	Clifton	Nutley	Total
Scheme 1	\$9.9	\$13.9	\$23.8
Scheme 2	\$10.9	\$12.4	\$23.3
Scheme 4	\$8.7	\$14.1	\$22.8

Estimated real property tax revenues at full build-out in 2013 dollars.

Economic Impact

	Construction			Operations (at full build-out)		
	Direct	Indirect/ Induced	Total	Direct	Indirect/ Induced	Total
Scheme 1	6,811	4,688	11,499	9,332	9,105	18,437
Scheme 2	6,224	4,241	10,465	8,339	8,357	16,696
Scheme 4	5,482	3,737	9,219	6,736	6,660	13,396

Construction employment in person-years; operating employment in FTE jobs.
 Construction and operating impacts both assume full build-out of the proposed program.

- Peak employment at Roche was 8,500

	Construction			Operations (at full build-out)		
	Direct (\$ Millions)	Indirect/ Induced (\$ Millions)	Total (\$ Millions)	Direct (\$ Millions)	Indirect/ Induced (\$ Millions)	Total (\$ Millions)
Scheme 1	\$524	\$288	\$812	\$907	\$554	\$1,461
Scheme 2	\$472	\$259	\$731	\$796	\$521	\$1,318
Scheme 4	\$413	\$227	\$640	\$653	\$422	\$1,075

Wages in millions of 2013 dollars. Construction and operating impacts both assume full build-out of the proposed program.

- Includes increased revenues on & off-site at existing & future local businesses

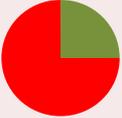
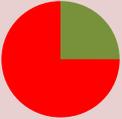
	Construction			Operations		
	Direct (\$ Millions)	Indirect/ Induced (\$ Millions)	Total (\$ Millions)	Direct (\$ Millions)	Indirect/ Induced (\$ Millions)	Total (\$ Millions)
Scheme 1	\$1,253	\$803	\$2,056	\$2,022	\$1,609	\$3,631
Scheme 2	\$1,124	\$723	\$1,847	\$1,929	\$1,527	\$3,456
Scheme 4	\$986	\$635	\$1,621	\$1,614	\$1,246	\$2,859

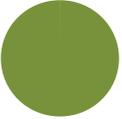
Output in millions of 2013 dollars. Construction and operating impacts both assume full build-out of the proposed program.

Redevelopment Criteria Evaluation

Facilitates earliest start of development			
Facilitates earliest completion of development			
Maximizes potential commercial reuse of existing facilities by private tenants			
Minimizes negative impact on existing retail businesses in the two community's CBDs			
Accommodates Roche selected environmental remediation strategies which minimize Roche long-term liability			

Key:  Meets the Criteria:  Does Not Meet the Criteria:

Preserves and respects Roche corporate values and reputation			
Is a plan that will adapt to future market demand			
Minimizes negative traffic impact			
Provides Fair Market Value to Roche			
Minimizes impact on public schools (Nutley only – no impact on Clifton)			

Key:
 Meets the Criteria:  Does Not Meet the Criteria: 

Maximizes generation of real estate tax ratables			
Maximizes level of job creation including temporary construction jobs and permanent jobs			
Summary	 	 	

Key:
 Meets the Criteria: Does Not Meet the Criteria:

In order to create an opportunity for Roche to dispose of its property to potential developers, the City of Clifton and the Township of Nutley will prepare modifications to their respective current zoning that will allow the uses described in the proposed development scenarios.

The likely device they will use will be to create a “Special Zoning District” for each community that encompasses their respective portion of the Roche campus.

The Special Zoning District will need to be flexible enough to allow for market demand to be accommodated for each identified proposed use, Light Industrial and Manufacturing, Bio Tech Research, Commercial Office and Continuous Care Retirement Community (CCRC). The zoning will also have to be specifically developed to limit the types of retail and residential development based upon the municipalities’ requirements.

The goal of each community should be to have this zoning legislation in place by June 2014 to coincide with Roche site divestiture.