2016 REGIONAL PLANNING SUMMIT

June 7, 2016
The War Memorial
Trenton, NJ

Repurpose
Reuse
Revitalize

plansmart.nj
The Stranded Assets Problem: How Big Is It?

Sam Brookham
PlanSmart NJ
Why Stranded Assets?

As Pharma Jobs Leave NJ, Office Space Ghost Towns Remain
Lawmakers want to know why businesses are leaving N.J.

US New Jersey USA Jobs Move From Montvale to Atlanta
Companies Move Back to Cities, Abandon Suburban Office Parks
Why Stranded Assets?

1 out of 5 large retail/office assets are stranded in NJ

1 in 3 municipalities possess stranded assets

1 in 10 stranded assets are completely vacant
How did this happen?

Single-use lots and auto-dependent lifestyles are no longer in high demand.
Economic Impacts

Loss in commercial land value more than 5%

584 lost jobs = $14,000 lost a week in lunches alone
Economic Impacts

$222 per sf

Walkable areas average nearly TWICE the value of suburban areas

$398 per sf
Changing Demands: Walkability

50% want walkability

2 out of 3 want access to bike paths
Cost of Car Dependence

The Transportation Trust Fund goes BANKRUPT July 1

NJ: $596

US: $335
Transportation Costs to Society

- Car Commute: $2.78
- Mass Transit: $0.38
- Biking: $0.75
Meeting Housing Demands

- NJ is the most exited state in the nation
- 10,000 baby boomers retire every day, many look to downsize
- Baby boomers outpace millennials in the rental market
Meeting Housing Demands

Owner-occupied home ownership has dropped by **100,000**

But the population has grown by **400,000**

5 new renters for every 3 new homeowners
Ignoring Demands

- Higher density = **$160M** in annual cost savings
- Feeding outmigration
- Ignoring shifts in how people are spending their money
Changing Faces of Work & Shop

- Telecommuting doubled between 2005 and 2014
- Car trips to big box stores and malls down by more than 20%
- E-commerce projected to grow by 44% by 2019

For every 1 innovation job → 5 non-innovation jobs created
Planning for the Future

- Isolated development patterns cannot meet these demands
- But we have an excellent opportunity to address these issues....
So Much Potential

14M Sf
Empty office space

7,100 Acres
or 8 Central Parks
So Much Potential

7M Sf
Empty retail space

410 Football fields
of surface parking
Potential for Big Solutions

Hector Urban Design, Planning & Civic Arts

Detroit Riverfront Conservancy

Michigan Municipal League