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How patience paid off for Advance in Bridgewater

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Advance Realty CEO Peter Coccoziello on zoning change: “It’s monumental.” - (PHOTOS BY AARON HOUSTON)

A recent zoning change in Bridgewater may look like another incremental step for Advance Realty, given the long list of approvals needed for its ambitious redevelopment plans there.

But Peter Coccoziello knows it’s far more than that, and he sums it up quite simply.

“It’s monumental,” said Coccoziello, founder and CEO of the firm.

It is, in fact, a breakthrough for Advance Realty and for New Jersey’s development community. In a state that’s rife with hulking, obsolete office parks, few towns have accepted plans to replace those buildings with new mixed-use development.

But a vote last month by the Bridgewater Township council has cleared the way for the firm to do just that at the former Sanofi U.S. research campus on Route 202/206.

The “as of right” zoning allows Advance and CrossHarbor Capital Partners, the joint venture that acquired the site in 2013, to redevelop more than half of the 110-acre campus as an urban-style environment, complete with 400 apartments, restaurants and a host of other amenities.

“You can see how much time has gone by,” Coccoziello said. “It wasn’t (due to) sitting around and waiting. It’s just that, in New Jersey, that’s the kind of time it takes to create some of these projects, develop them and get a consensus within the community that this is the right thing — and to get the buy-in from the political officials to, for lack of a better word, bless it.”

Advance is now preparing to move full steam ahead with its plans, starting with the razing of some 400,000 square feet of older office space that will make way for the mixed-use component. Coccoziello sat down with NJBIZ last week to discuss the milestone and his future plans for what’s known as the New Jersey Center of Excellence.

NJBIZ: *Three years might seem like a long time to an outsider, but developers know that just reaching this point is an achievement in itself. Did you come to Bridgewater knowing the local government would be willing to at least entertain your idea?*

Peter Coccoziello: *I think there was always an expectation that the ability to get this site approved was there, because there was generally support from everyone. But the famous saying is, ‘The devil is in the details,’ so once you get into the details, it just didn’t move as fast as we thought it would. But having the success is important, so even if it took a little bit longer, at least we’re at the goal line.*

The way forward

Advance Realty has its share of projects in transit hubs such as Hoboken and Harrison. But Peter Coccoziello believes his prized redevelopment site in suburban Bridgewater, with its superior highway access, is a path to the future.

Just look at the trend lines in automobiles, he said.

“I’m a believer today that, certainly in the lifetime of this project, autonomous vehicles are going to become absolutely important,” said Coccoziello, founder and CEO of Advance Realty.

It’s not just the highways, he said. It’s the other amenities in the area that are drivable to and from the site, such as the affluent neighborhoods, Bridgewater Commons and the vast parks and recreation system in Somerset County.

“This becomes almost like a little city,” he said. “And with the impact from traffic or the impact from the environmental aspects ... if you look out five, seven years, I think this becomes one of the premier locations in New Jersey.”

NJBIZ: *What types of delays did you face over those three years?*

PC: I think it's just a matter of getting the consensus of all the constituents. And I think today in New Jersey and other communities, it's difficult to get these zone changes approved, and it's difficult to go through the process — even in communities that want to embrace it. You're always going to have that faction group that comes and says, 'This is something we should take a long and hard look at. Or, it's always, 'We don't have enough detail,' or, 'We'd like to see the buildings go this way or we'd like to see the buildings go that way.' ... I could just give you a number of variables that are probably in the hundreds, but it just takes patience and perseverance by any developer to be able to manage that process and get through it. And Advance over the years has gone through this many times, and we have patience. So, eventually, we succeeded.



More than half of the 110-acre campus in Bridgewater will be redeveloped as an urban-style environment, complete with 400 apartments and numerous restaurants.

NJBIZ: *You already had two large tenants lined up when you acquired this site in 2013, but your big splash came last year with announcement that Nestlé Health Science has signed on as a tenant. How important was that — from a viability and a psychological standpoint — as you pushed for the zoning changes?*

PC: Having this happen and seeing that New Jersey is viable, seeing that Bridgewater is viable and seeing that this location is viable was really important. That was really huge for us. ... And I say this over and over again: Every one of these communities is always looking for a ratable. Everybody would say, 'I'd like to have this company or that company,' ... but many of these communities just don't understand the type of amenities that are necessary to be here.

Everybody is searching for these global companies, but nobody wants to provide global-like amenities. If you're a research center and you're global, you know what? You need a hotel. You need apartments, because what happens is they're going to bring 30, 40, 50 people — whatever the numbers are going to be — that are international that are going to need to a place to occupy themselves. And nothing better than to have apartments that they can live in while they're going through research training, because if this is a global center, then global-type education is going to be transferred here to others around the space. And I think that was one of the big things with Nestlé.

NJBIZ: *Do you think the town would have bought in without first having these commercial tenants here to support the residential, retail and mixed-use components?*

PC: I think so. They saw the path we were down. When some of these users were zeroing in on coming to our campus, I had them meet with some of the town officials because I wanted them to become acquainted and become welcomed. That's just the way it works — if you have a corporate user like Nestlé, they want to know they're welcomed in the community. So I think it's a combination of both, that they saw that this was for real and that a lot of effort went in to make this happen.

NJBIZ: *Would things have been different if you didn't have this relatively new lab and office space that was in good condition? What about if you just had 1 million square feet of old space that you'd have to knock down eventually, like you have all over New Jersey?*

PC: That's like saying, 'Would I be better-looking with hair?' — I don't know. The real issue is that it was here. And life in development is about, 'These are the cards in the deck — I need to play them as best as I possibly can.'

NJBIZ: *Along with Nestlé, you have tenants such as Ashland Specialty Ingredients and Amneal Pharmaceuticals that have absorbed much the space that you're keeping. What's your outlook for that remaining 200,000 square feet?*

PC: We're actively marketing it. It is the absolute best lab space possibly in New Jersey and ... we've had a couple of opportunities to break up the space, so we're going to have to make that decision. But I think, ultimately, there is a major corporate user out there, because to reconstruct that space would cost you literally thousands of dollars per square foot. So, if you're a company that is in old lab space, why should you do that when you have the opportunity to come here, in this environment? On campus, ultimately we're going to have the restaurants, a supermarket, a wellness center and apartments. Wouldn't they want to be here? So ultimately, that's what we're really working toward. And we've been blessed because we've leased over 600,000 square feet, and now we're down to 'Let's see how much better we can make this.'

NJBIZ: *You've come this far — are there still any unknowns or uncertainty about this project?*

PC: Real estate always has unknowns, but I'm feeling really good about this. I think that we've uncovered everything we need to, and I think that we're on the path here toward getting this project completed. There's a famous saying — 'A beginning with the end in mind.' I have the end in sight here. I know what this is going to look like, so it's just a matter of us having to execute toward it.

Key tenants

Even before a critical zoning approval last month, landing Nestlé Health Science as an anchor tenant was another pivotal event for Advance Realty’s New Jersey Center of Excellence in Bridgewater. The proof is in those who have followed suit.

“As soon as Nestlé signed, we signed on several other tenants that were smaller and larger in nature that wanted to be at this site,” Advance Realty CEO Peter Coccoziello said. “And, in fact, we’re in discussions with others because they realize what Nestlé is going to do with clinical trials and so forth. It just becomes a community that can be research and those words that are always used too much — live, work and play. But that’s what we’re creating here.”

These are the recently signed tenants at the Advance property:

- Nestlé Health Science
- Nevekar
- 3D Biotech
- Unionmed
- GSG Scientific
- Clinical Geonomix
- Solaris Pharma
- Matinas