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March 11, 2016

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VIA HAND DELIVERY

Gregory J. Bonin, Administrator
Branchburg Municipal Complex
1077 US Highway 202 North
Branchburg, New Jersey 08876

**Re: Affordable Housing Development Proposal
Sycamore Developers, LLC/Premier Development
Block 9, Lots 18-21 and Lot 24 – Township of Branchburg**

Dear Mr. Bonin:

This firm represents Sycamore Developers, LLC (“Sycamore Developers” or “Sycamore”), an affiliate of Premier Development. We are in receipt of your “request for affordable housing development proposals” and provide this proposal in response thereto. In accordance with your instructions, we are providing one (1) paper copy and one (1) PDF copy (on the enclosed CD) of each of the following documents:

- Concept Plan entitled “North Branch Walk” prepared by David J. Minno, AIA, P.P.
- “Professional Planning Report” prepared by James T. Kyle, P.P., AICP
- Packet entitled “[h]elping municipalities meet their affordable housing obligations” from Premier Development & Affiliates.

In addition, each of the items identified in the “request for affordable housing development proposals” is addressed below.

Required Information

I. Zoning Information (See Attached Planning Report)

Sycamore Developers is the contract purchaser of two adjacent parcels in the Township of Branchburg situated along Route 22 East, specifically Block 9, Lots 18-21 and Block 9, Lot 24 on the Township of Branchburg Tax Map (together, the “subject properties”). Block 9, Lots 18-21 are an approximately 11.76 acre parcel along Route 22 East. Block 9, Lot 24 is an adjacent parcel comprising approximately 23.54 acres also located along Route 22 East.

Please refer to the Planning Report submitted with this proposal for further discussion and explanation of the current zoning/development status of the subject properties.

II. Statement of Ownership (See Attached Planning Report)

As noted above, Sycamore Developers is the contract purchaser of the subject properties. It has contracted with Spaden Associates, LLC for the purchase of Block 9, Lots 18-21 and has contracted with Herman Pfauth, Audrey Pfauth, and Richard Pfauth, Jr. for the purchase of Block 9, Lot 24. The contracts are contingent upon Sycamore receiving sufficient residential yield to ensure the viability of the development of the subject properties. Sycamore Developers has through November 2019 under each contract to gain approvals for the subject properties. Therefore, Sycamore Developers has sufficient time to proceed with the development of the subject properties. Please refer to the Planning Report submitted with this proposal for further identification of the ownership of the subject properties.

III. Nature of Development Proposal (See Attached Planning Report)

Sycamore Developers proposes the construction of a 344-unit residential community with a 25% affordable set-aside at a density of 9.9 units/acre in accordance with the enclosed Concept Plan and consisting of the following:

- 124 market rental townhomes
- 134 market rental apartments
- 86 affordable rental apartments

Please refer to the Planning Report submitted with this proposal for further discussion and explanation of the nature of the development proposed by Sycamore Developers for the subject properties.

IV. Developer's Resources

Sycamore Developers is an affiliate of Premier Development, one of the largest and most successful development companies in the State of New Jersey. Premier Development and its affiliates have developed and continue to develop thousands of market and affordable residential units in both residential and mixed use developments throughout New Jersey, including Summerfields and Canal Walk in Franklin Township, Green Village and Sunnymeade Run in Hillsborough Township, Aspen Court in Piscataway, and Stone Bridge in Raritan Borough.

In addition, Premier Development has been especially active in helping municipalities meet their affordable housing obligations, and has provided more affordable units during the past decade than any other developer in Somerset County. Sycamore Developers has assisted Franklin Township, Hillsborough Township, Piscataway Township, and Raritan Borough, among others, with meeting significant portions of their affordable housing obligations for the Third Round. In recognition of its dedication to the provision of affordable housing, Premier Development received the 22nd Annual (2014) Award for Leadership & Vision in Affordable Housing from the Central Jersey Housing Resource Center. Furthermore, Premier Development builds all of the projects for which it receives approvals. It does not sell its sites to other companies, developers or investors. Premier follows through on all projects to completion, including all construction work and the long term professional management of the rental communities that it builds.

MAURO, SAVO, CAMERINO, GRANT & SCHALK, P.A.

There is no question, therefore, that Sycamore Developers has the financial resources sufficient to demonstrate that the proposal can reasonably be developed. Sycamore Developers and affiliate Premier Development have developed and are currently developing many larger projects through the State of New Jersey. We are willing to provide further financial information should the Township so require. In addition, please see the enclosed packet entitled "Helping municipalities meet their affordable housing obligations" for further information about Premier Development and its affiliates.

V. Explanation of Benefits (See Attached Planning Report)

Please refer to the Planning Report submitted with this proposal for discussion and explanation of the benefits of the development proposed by Sycamore Developers for the subject properties.

VI. Contributions from Branchburg

Sycamore Developers will not require any type of contribution from the Township of Branchburg in order to develop the proposed project.

VII. Timing of Proposed Development

Sycamore Developers is prepared to move forward with the proposed project as soon as the Township permits. Should the property be rezoned, Sycamore would be able to file an application for preliminary and final site plan approval shortly thereafter.

VIII. Rental/For-Sale Status

All units (both townhome and apartment) proposed for North Branch Walk will be rental units. There are no "for-sale" units proposed as part of the project.

Conclusion

Sycamore Developers remains flexible and looks forward to the opportunity to work with and help Branchburg meet its affordable housing obligations, just as it helped Hillsborough Township, Franklin Township, Piscataway Township, Raritan Borough and others do the same. We thank the Township for its attention to and review of this proposal. Please do not hesitate to contact me at the number above if you have any questions or concerns regarding this matter.

Very truly yours,



Alexander G. Fisher

cc: Sycamore Developers, LLC
Lloyd Tubman, Esq.
William Shurts, Esq.

RECREATION AREA

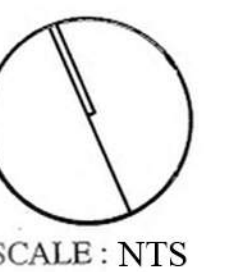
- 5,500 SF CLUBHOUSE / LEASING OFFICE
- OUTDOOR POOL, SPA & DECK
- AREA FOR LAWN SPORTS
- PARKING FOR 48 CARS

NEW JERSEY STATE HIGHWAY U.S. ROUTE 22



DEVELOPMENT PROGRAM

PROPOSED USES	APARTMENTS & RENTAL TOWNHOMES
TOTAL TRACT AREA	34.717 ACRES
TOTAL NO. DWELLING UNITS	344 DU
• Rental Townhomes	124 DU
• Apartments	220 DU
APARTMENT MIX	
• Type "A" (2-3 Story / 20 DU per Bldg.)	200 DU
• Type "B" (2-3 Story / 10 DU per Bldg.)	20 DU
RESIDENTIAL DENSITY	9.9 DU per ACRE
TOWNHOME UNIT SIZE	18' x 45'
MINIMUM NO. PARKING SPACES	767 SPACES
• Rental Townhomes @ 2.25 SP. per DU	279 SPACES
• Apartments @ 2.0 SP. per DU	440 SPACES
• Club / Leasing Office	48 SPACES
APARTMENT PARKING ALLOCATION	
• Detached Garage Parking	64 SPACES
• Surface Parking	376 SPACES
MAXIMUM BUILDING HEIGHT	3 STORIES
AFFORDABLE HOUSING UNITS	86 DU



SCALE: NTS

NORTH BRANCH WALK: Concept Plan

Branchburg Township, Somerset County, New Jersey
DATE: 03/11/16



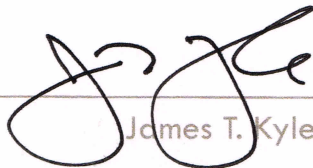
MINNO WASKO
ARCHITECTS AND PLANNERS

PLANNING REPORT

PREPARED FOR SYCAMORE DEVELOPERS, LLC
AND PREMIER DEVELOPMENT FOR
"NORTH BRANCH WALK"

BY:

KYLE PLANNING AND DESIGN
PO BOX 236, HOPEWELL, NJ 08525



James T. Kyle, PP, AICP

License NJ Professional Planner Number 05667

The original of this document was signed and sealed

in accordance with N.J.S.A. 45:14A-12

3/11/2016

Sycamore Developers, LLC and
Premier Development



929 Route 202, Raritan, NJ, 08869

INTRODUCTION

Sycamore Developers, LLC (hereafter Sycamore) is an affiliate of Premier Development, a leader in the construction and management of residential communities and affordable housing in New Jersey. Premier has assisted a number of municipalities in the State, particularly in Somerset County, with meeting their affordable housing obligations. With successful projects in Hillsborough Township, Raritan Borough and Franklin Township, Premier has a proven record of developing and managing residential projects that include affordable housing. In 2014 they received the 22nd Annual Award for Leadership & Vision in Affordable Housing from the Central Jersey Housing Resource Center, a testimony to their dedication to the provision of affordable housing opportunities in New Jersey.

Sycamore is the contract purchaser of approximately 34.8 acres of land located in the heart of the northern half of Branchburg Township. The subject properties, designated as Block 9, Lots 18, 19, 20, 21 and 24, front on State Route 22 to the north and Meister Avenue to the south.

This report has been prepared to highlight the beneficial aspects of a development proposal for North Branch Walk, a project put forth by Sycamore and Premier Development that will assist Branchburg in meeting its constitutional obligation to provide its fair share of the region's affordable housing. North Branch Walk is designed to provide the maximum affordable housing setaside (25%) for a project of this type in a rental community that will allow the Township to capitalize on bonus credit opportunity while limiting potential impacts to the Township.

Overall the site proposed for development enjoys excellent access to surrounding roadways, is within close proximity to abundant employment opportunities and retail goods and services and has reasonable access to public transit opportunities, with bus stops and North Branch Station in the immediate area. It is also located within close proximity to Raritan Valley Community College.

SUBJECT PROPERTIES

Sycamore proposes development of North Branch Walk, a rental community consisting of luxury townhomes and apartments on property designated as Block 9, Lots 18, 19, 20, 21 and 24 in the Township of Branchburg. All together, these 5 properties total approximately 34.8 acres. Table 1, below, indicates the individual acreage of each property by block and lot, along with the current property tax class designation, owner and zoning classification.

Table 1

Block	Lot	Acreage	Property Tax Class	Owner	Zoning Classification
9	18	1.02	4A (commercial)	Spaden Associates, LLC	I-1 Industrial (3 acre), PO Planned Overlay
9	19	0.64	2 (residential)	Spaden Associates, LLC	I-1 Industrial (3 acre), PO Planned Overlay
9	20	2.02	2 (residential)	Spaden Associates, LLC	I-1 Industrial (3 acre), PO Planned Overlay
9	21	7.58	3B (farm qualified)	Spaden Associates, LLC	I-1 Industrial (3 acre), PO Planned Overlay
9	24	23.54	3B (farm qualified)	H&A Pfauth & R Pfauth Jr.	I-1 Industrial (3 acre), PO Planned Overlay
Total		34.8			

At present, Lot 18 contains a single story structure that is home to an office use while Lots 19 and 20 contain single-family detached dwelling units. Lot 21 is vacant while Lot 24 contains a number of structures including a single-family detached dwelling and three accessory structures. Surrounding land uses include Vollers Recycling to the west, AZ Electronic Materials USA Corp and AGFA Graphics on the south side of Meister Avenue, WJ Casey Trucking and Rigging and the Marriott Residence Inn to the east and commercial and office development on the north side of Route 22 north of the site. Figure 1, at the end of this report, presents an aerial photo basemap depicting the subject properties and surroundings.

The subject site slopes gently from north to south, with elevations above sea level at roughly 193' at the frontage along Route 22 down to 150' and 115' at the western and eastern ends of the property frontage along Meister Avenue, respectively. Based on study prepared by Van Cleef Engineering Associates, there are approximately 1.673 acres containing slopes greater than 25% and 2.787 acres containing slopes greater than 15% but less than 25%. The majority of these slope areas surround the state open waters on Lot 24 that channel drainage from Route 22, flowing to the southeastern corner of the property along Meister Avenue. Aside from state open waters identified on the site, there is a small wetland area (approximately 0.16 acres) in the southeastern corner of Lot 24 along Meister Avenue. All

areas of state open water on the site are subject to a 50' riparian buffer, and the wetland area requires a wetland buffer of 50'. All told the environmental characteristics of the property do not represent any significant impediment to development of the project as proposed and it is reasonable to assume that all permits required from either the New Jersey Department of Environmental Protection and the New Jersey Department of Transportation could be obtained.

CURRENT ZONING

All of the subject properties lie within the I-1 Industrial (3 acres) Zone and also within the PO Planned Overlay Zone. Principal uses permitted in the I-1 Industrial Zone include fabrication, manufacturing and packaging, warehousing and storage of materials, business office buildings for executive, engineering and administrative purposes and scientific and research laboratories and agricultural uses. The Planned Overlay Zone permits principal uses including child care centers, clinical laboratories, hotels, medical offices, business offices and services. Houses of worship, government uses, restaurants (not including drive-in or take out), retail sales, pharmacies, banks and commercial recreation (within a building) are conditionally permitted.

Based on the nature of both existing and permitted uses, particularly those anticipated by the Planned Overlay Zone, the proposed project is compatible with future land uses as expressed in the zoning ordinance. This part of Branchburg contains a strong job base in manufacturing, retail, service and hospitality uses. Locating housing in close proximity to jobs, particularly affordable housing, offers the opportunity to live close to work, an opportunity not often available in suburban New Jersey. Housing in the location proposed also offers businesses in the area access to workers who won't necessarily have to rely on a personal vehicle to make it to work.

SYCAMORE'S DEVELOPMENT PROPOSAL

Sycamore Development, LLC and Premier Development propose to develop North Branch Walk, a rental community of 344 luxury townhomes and apartment units. Twenty five percent (25%) of the apartments, totaling eighty-six (86) units will be deed restricted as affordable to low and moderate income individuals and families and will consist of one, two and three bedroom units in accordance with the bedroom distribution requirements of the Uniform Housing Affordability Controls; no more than 20% will be one bedroom units, no less than 20% will be three bedroom units and the balance will be provided as two bedroom units. Table 2, below, indicates the anticipated distribution of affordable housing units by bedroom type based on a total of eighty-six (86) affordable housing units.

Table 2 - Distribution of Proposed Affordable Rental Units

Unit Type	Number of Affordable Units	% of Total Units
1 Bedroom Affordable	17	19.8%
2 Bedroom Affordable	51	59.3%
3 Bedroom Affordable	18	20.9%
Total Units	86	100%

To accompany the luxury townhomes and apartments proposed in North Branch Walk, Sycamore and Premier Development plan for a number of amenities, which will be available to all residents of the project. As depicted on the concept plan, a 5,500 square foot clubhouse and leasing office will be situated in the northwest corner of the site. The clubhouse will include interior space for a fitness center and community room, while a pool, spa and deck and an area for lawn sports will complete the outdoor space. The conceptual plan also includes a number of open green areas throughout the project, a dog park and although not shown on the concept plan, will include a tot lot or children's play area.

There are a number of benefits derived from North Branch Walk, the luxury townhome and apartment project proposed by Sycamore and Premier Development. First and foremost, the number of affordable units envisioned represents 25% of the total number proposed, the maximum number permitted under affordable housing regulations currently in place for a rental project with a density up to 12 units per acre. It is worthwhile to note the density proposed for this project is 9.9 units per acre, providing the Township the benefit of a maximum setaside of affordable units at a density lower than that typically associated with such a setaside. In addition, the provision of affordable rental units provides the possibility to maximize rental bonus credits, which can account for up to 25% of a municipality's total obligation. Depending on the ultimate affordable housing obligation as determined by the Court, the Township could potentially realize up to 172 credits for the 86 affordable units provided by the proposed project.

North Branch Walk is located in an area of the Township characterized by a vast employment base in the retail, hospitality, service and manufacturing sectors. Affordable housing provided with this project will have access not only to a variety of service and retail uses in close proximity as a matter of convenience, but to the jobs associated with those uses. This will provide current and future employees of places like Raritan Valley Community College, Shop Rite, local hotels and manufacturing facilities with housing opportunities in a location close to their place of employment. The site proposed for development also has reasonable access to Community Access Transit bus stops at Shop Rite and Raritan Valley Community College, providing connection to Raritan and Bridgewater to the east. North Branch train station on New Jersey Transit's Raritan Valley Line is also within 1 mile of the site, providing an additional mass transit opportunity within close proximity. All things considered, the proposed project represents an incredible opportunity to provide affordable housing options in an area of the Township with direct access to a variety of employment and transportation options, something that is typically a challenge in the suburban environment.

There are characteristics of the site itself that present unique opportunities to integrate affordable housing into the Township's landscape. One of the challenges with development of this density is fitting it into the fabric of the existing community in a way that doesn't impact surrounding uses to any great degree. Here the proposed project is located away from the lower density residential districts of Branchburg, limiting the impact of higher density development on the established neighborhoods of the Township. Existing vegetation and the topography of the site present the ability to provide density that is essentially invisible, with the majority of the project hidden from view of Route 22. The size of the site and the density proposed offer the opportunity to provide adequate buffering to surrounding nonresidential uses. Premier Development has realized great success with Stone Bridge at Raritan, a project very similar to the one proposed here that received a Somerset County Planning Award in 2014. The almost identical context of Stone Bridge at Raritan, located immediately on Route 202 adjacent to Ortho Clinical Diagnostics, New Jersey Transit's Raritan Valley Line and a variety of manufacturing and

warehouse uses, illustrates that North Branch Walk can be successfully integrated amongst the existing nonresidential uses in the area with little concern.

Sycamore and Premier Development as developer/manager represent a valuable ally in the provision of housing opportunity within Branchburg. Once approved and constructed, Premier intends to manage North Branch Walk for the long term. Their successful track record of project management in other Somerset County communities is a testament to their dedication to maintain safe and decent housing, whether affordable or market rate. The Township can be confident that Sycamore and Premier offer a project that will be an asset to the community, one that will require little from the Township related to management and the provision of affordable housing opportunities.

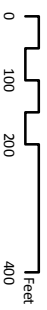
Finally, Sycamore and Premier Development intend to develop North Branch Walk as an inclusionary project, and will not seek subsidy from the Township to provide the 86 units of affordable housing proposed. This allows Branchburg to allocate affordable housing trust funds to other affordable housing endeavors.

SUMMARY OF BENEFITS

Sycamore Development, LLC proposes North Branch Walk to include affordable housing that presents enormous benefit to the community. Aside from providing safe, decent housing that will assist the Township in meeting its constitutional obligation to provide its fair share of the region's affordable housing, the project:

- Creates an attractive community of luxury townhomes and apartments with access to a wealth of retail and service uses in the immediate area
- Provides the maximum setaside of affordable units for a rental project (25%) and results in 86 affordable one, two and three bedroom apartments
- Provides the opportunity for up to 86 rental bonus credits towards the Township's affordable housing obligation, depending on Branchburg's ultimate obligation as determined by the Court
- Provides affordable housing in close proximity to an immense employment base
- Provides affordable housing with reasonable access to public transportation opportunities
- Utilizes a site that can effectively conceal the majority of the development while providing adequate buffers to surrounding uses
- Provides a management ally in Premier Development who will own and operate North Branch Walk
- Provides affordable housing opportunities that require no subsidy from the Township

Map Prepared March 10, 2016



Map Prepared by:
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Data Sources: NJOIT Office of Geographic Info. Services

