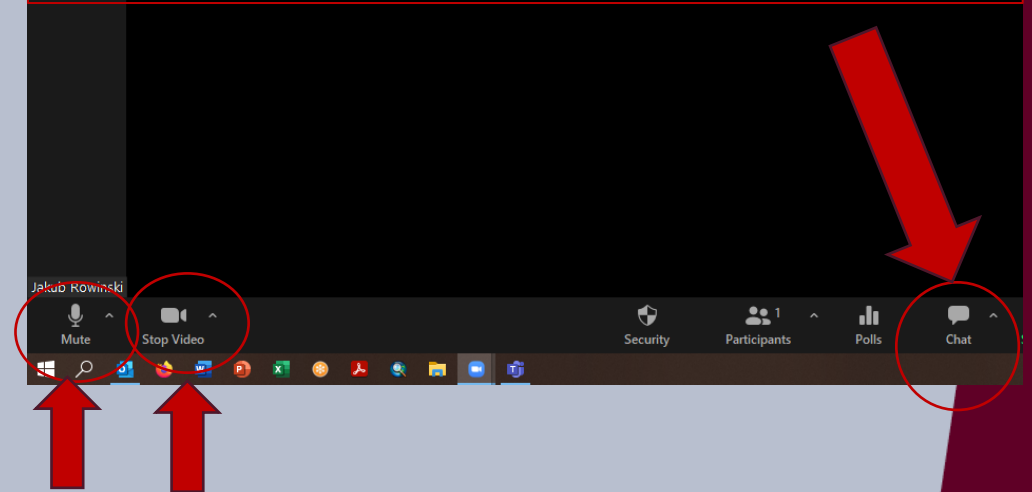


February 18 Freight Initiatives Committee Agenda

- Roll Call
- Approval of Minutes
- Update on NJTPA Freight Division Activities
- Presentations: Industrial Real Estate Update
 - Bill Waxman, Vice Chair, Cushman and Wakefield
 - Ryan Conklin, Assistant Planning Director, Warren County
- Two-Minute Reports on Freight Activities from Committee Members
- Next Meeting: Monday, April 21, 2025
- Adjournment

Please use the Chat box to ask questions during the presentations and if requesting credits, please post your name and email, followed by either AICP or PE with your NJ PE license number



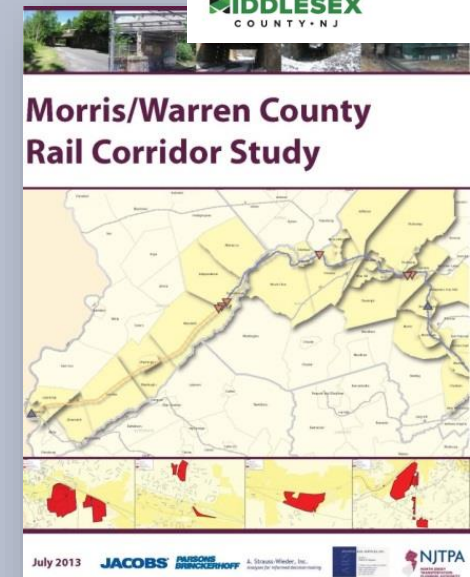
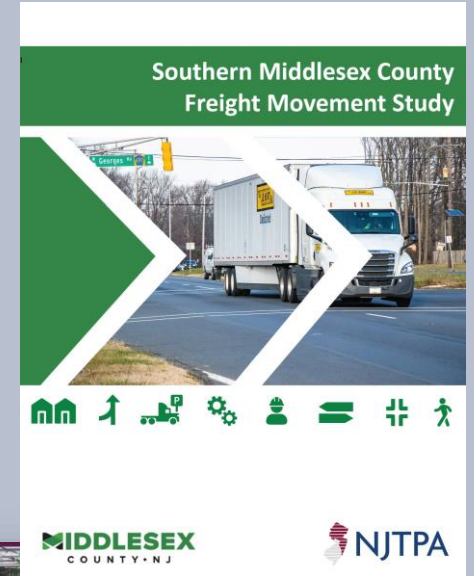
Please mute and turn off your video when not speaking.

2050 Freight Industry Level Forecasts Update

- Completed Tasks
 - Methodological Framework (Task 1)
 - Data Acquisition (Task 2)
 - FAF Disaggregation (Task 3)
- Tasks Underway
 - E-commerce Analysis (Task 4)
 - Freight Forecasting Tool Update (Task 5)
- Subregional Outreach Upcoming
- June 2025 Completion

Freight Concept Development Program

- FY 2025 FCDP Studies
 - Southern Middlesex County North-South Truck Corridor Project in Cranbury and Monroe, Middlesex County
 - East Hanover Avenue Bridge Catenary Rail Clearance Project in Morris Plains and Morris Township, Morris County
 - Preliminary Screening for Plate F Vertical Rail Clearance in Perth Amboy
 - FCDP Support
- Drafting Public Involvement Action Plans
- Initiated Data Collection

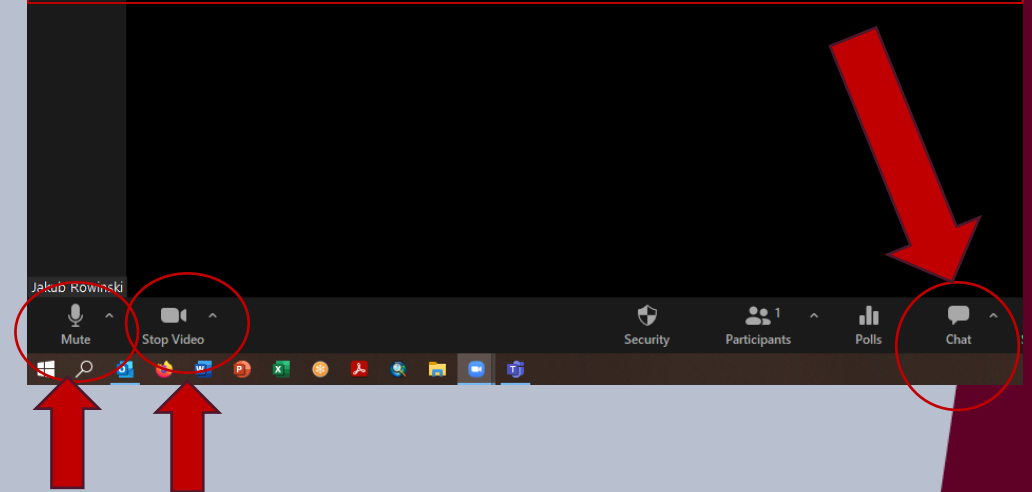


Presentations

Industrial Real Estate Update

- Bill Waxman, Vice Chair, Cushman and Wakefield
- Ryan Conklin, Assistant Planning Director, Warren County

Please use the Chat box to ask questions during the presentations and if requesting credits, please post your name and email, followed by either AICP or PE with your NJ PE license number



Please mute and turn off your video when not speaking.

NEW JERSEY INDUSTRIAL MARKET OVERVIEW

FEBRUARY 2025

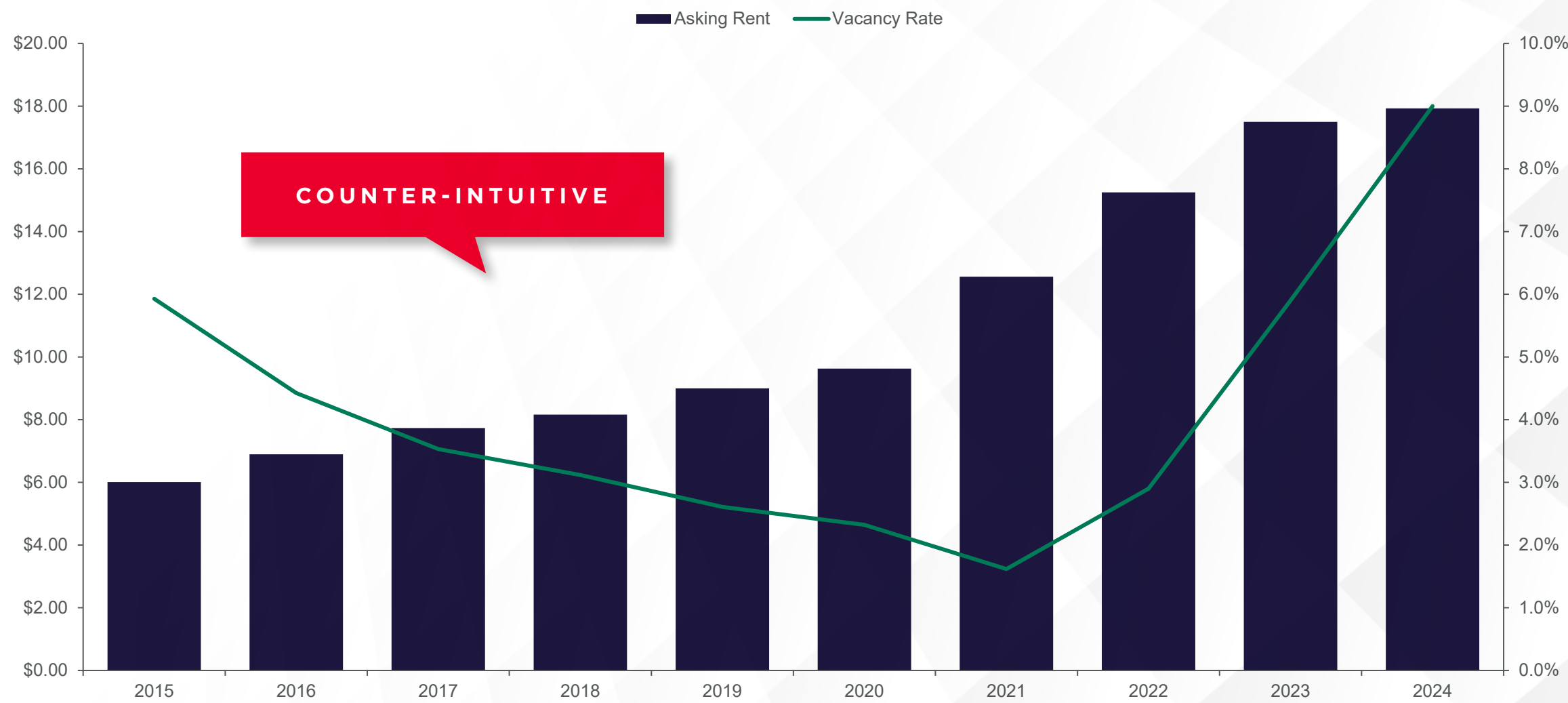




INDUSTRIAL TRENDS

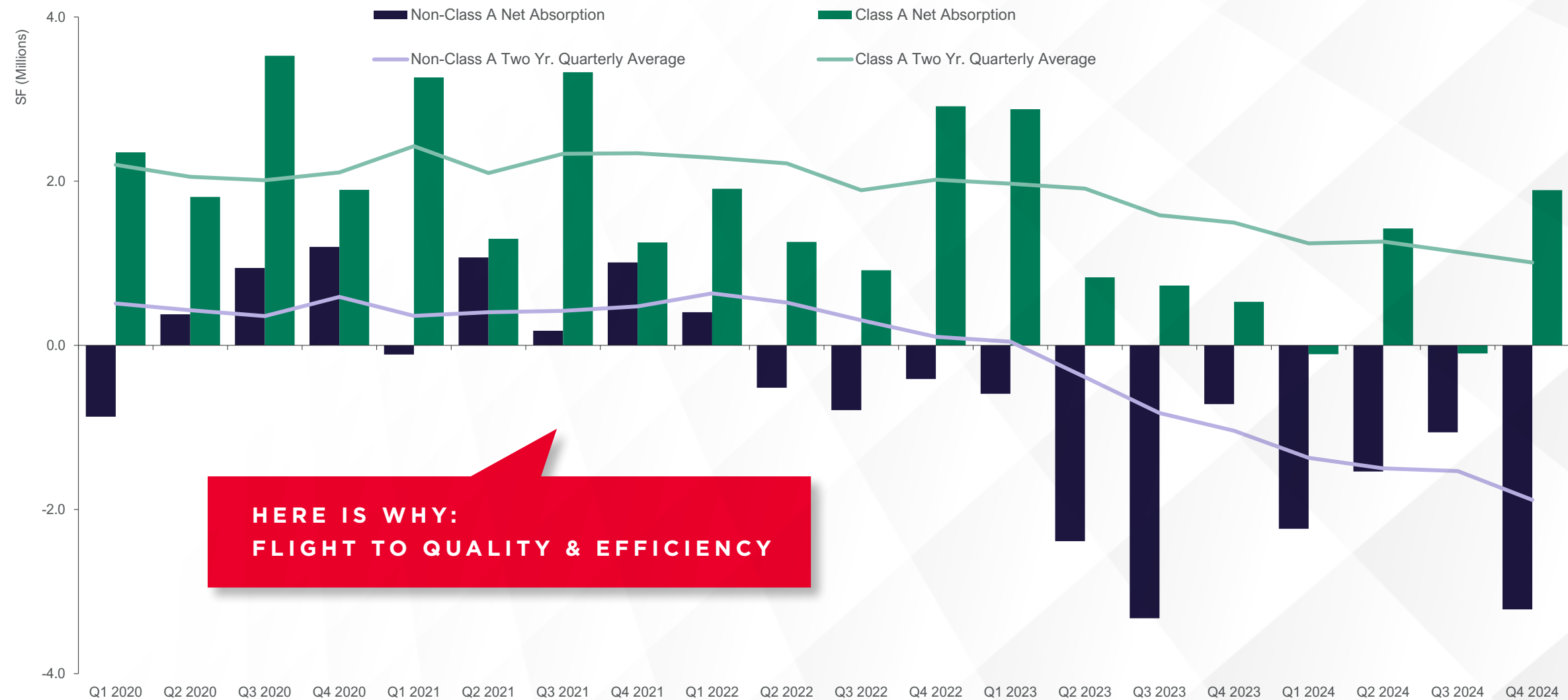
WAREHOUSE/DISTRIBUTION VACANCY RATE & AVG. ASKING RENT

VACANCY RATE INCREASES AS VACANT DELIVERIES ARE ADDED TO INVENTORY



WAREHOUSE/DISTRIBUTION CLASS A NET ABSORPTION

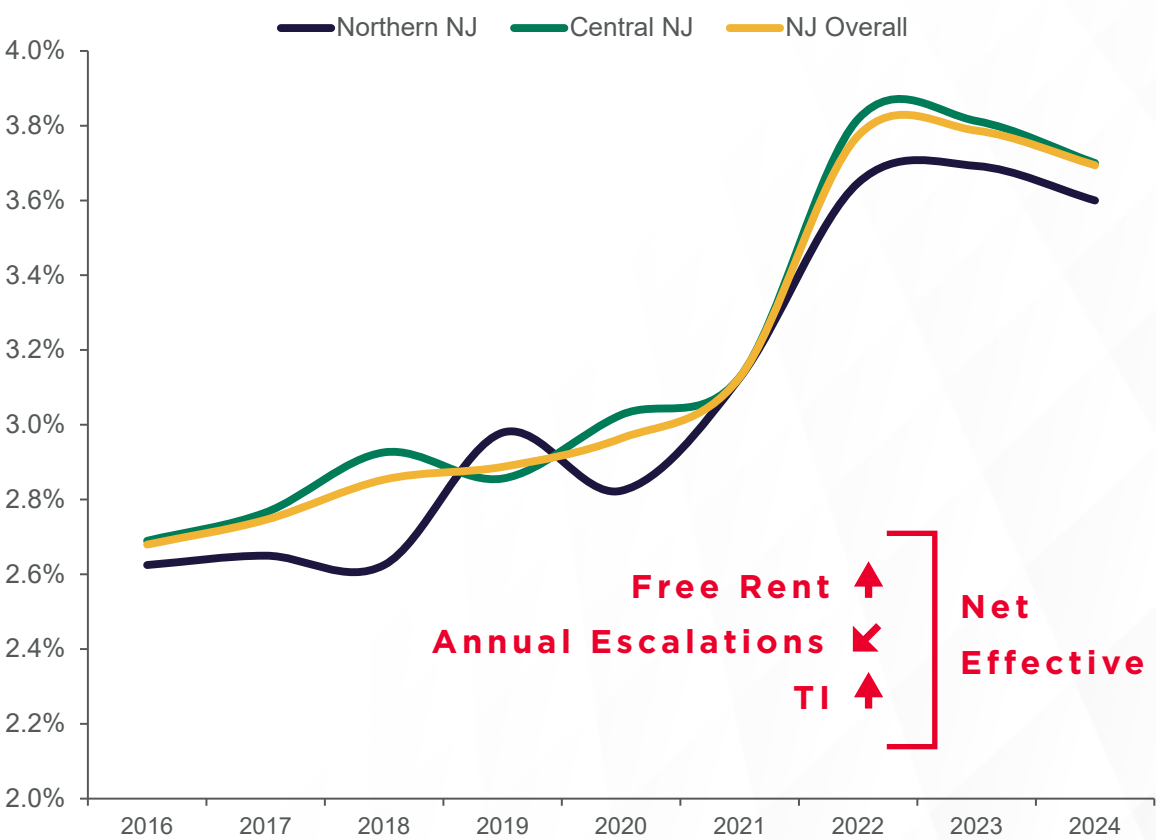
NEGATIVE ABSORPTION DRIVEN BY NON-CLASS A SPACE



WAREHOUSE/DISTRIBUTION DEAL TERMS

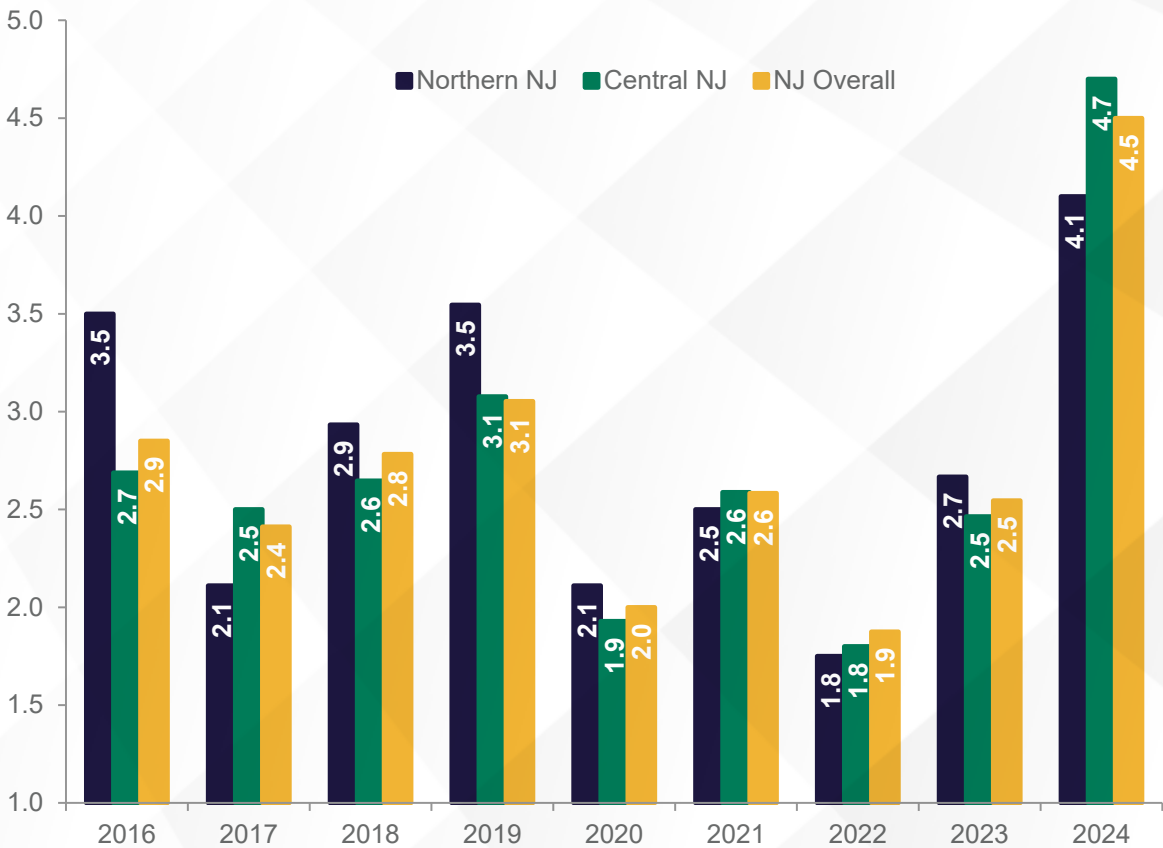
ANNUAL ESCALATIONS & FREE RENT TRENDS

Historical Average Annual Escalations – Class A Leases Only



AVERAGE ANNUAL ESCALATIONS IS ↓ 3.5%

Historical Average Free Rent (Months) – Class A Leases Only

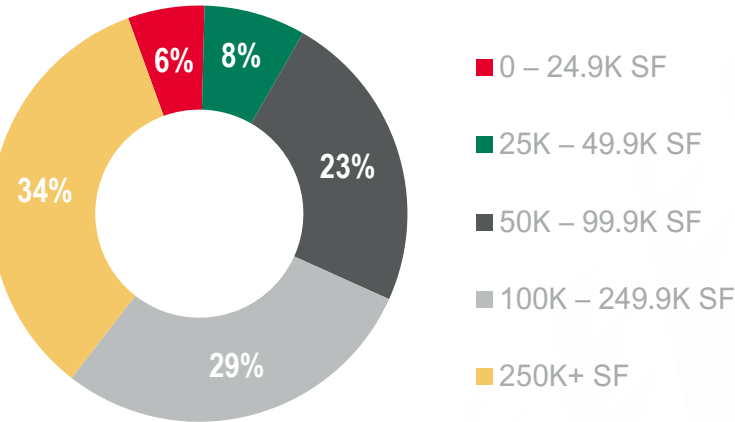


AVERAGE FREE RENT:
2022: 2 Months | 2023: 2.5 Months | 2024: 4.5 Months
9 months not unusual for Longer term

WAREHOUSE/DISTRIBUTION SUBLEASE OVERVIEW

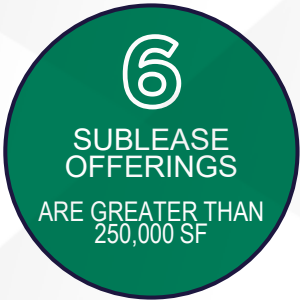
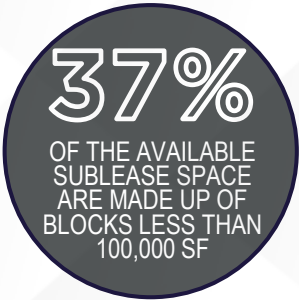
SUBLEASE AVAILABLE SPACE TICKS HIGHER

SIZE SEGMENT ANALYSIS:

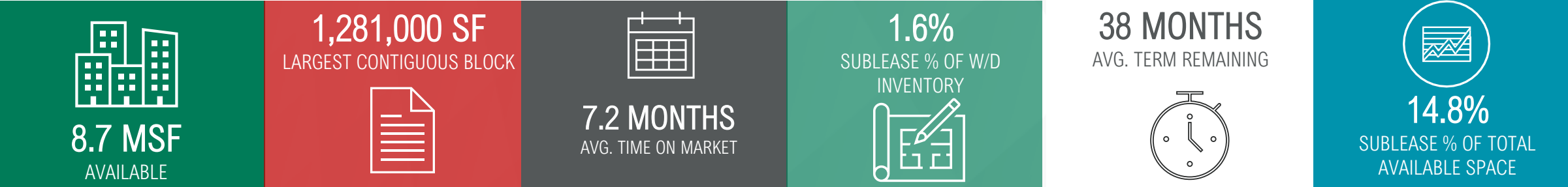


CONSOLIDATIONS & ACQUISITIONS MOVES OUT OF STATE BANKRUPTCIES & CLOSURES

By Size Segment	# of Listings	Total SF Avail.	Avg. Months on Market	Avg. Months of Term Remaining
0 – 24.9K SF	40	521,220	6.7	29.8
25K – 49.9K SF	18	690,402	7.6	37.6
50K – 99.9K SF	31	2,051,259	6.4	43.4
100K – 249.9K SF	18	2,518,256	7.5	38.3
250k+ SF	6	2,967,666	13.5	62.4
Total	113	8,748,803	7.2	38.3



SUBLEASE QUICK FACTS:



WAREHOUSE/DISTRIBUTION VACANCY RATE BY BUILDING SIZE

NEWLY DELIVERED PRODUCT IS DRIVING UP VACANCY RATE



HISTORICAL CONSTRUCTION STARTS

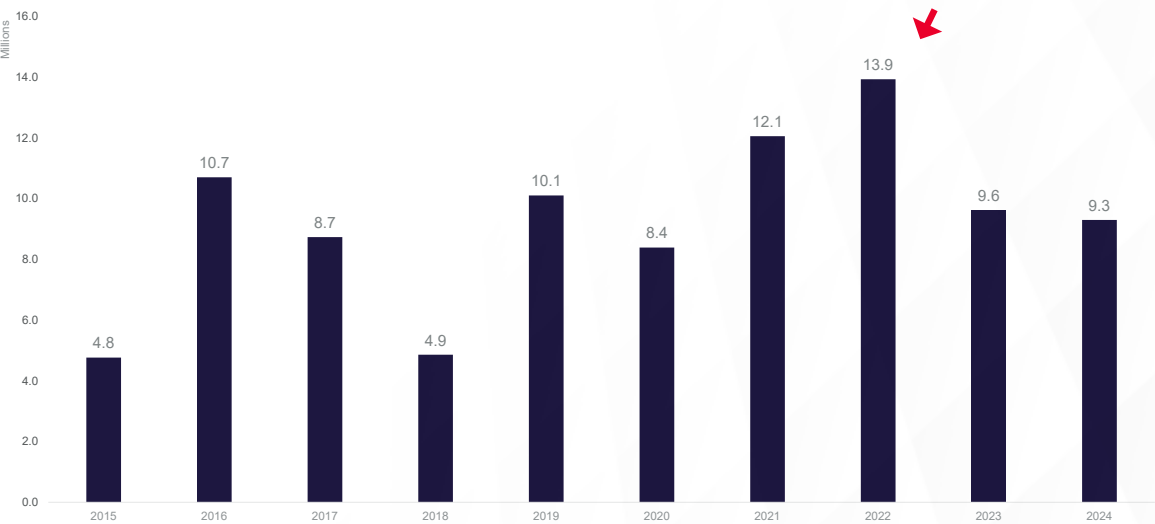
Planned projects continued to break ground, but future pipeline is anticipated to slow

HISTORICAL SQ FT UNDER CONSTRUCTION

Construction Reached Lowest Level Since 2018

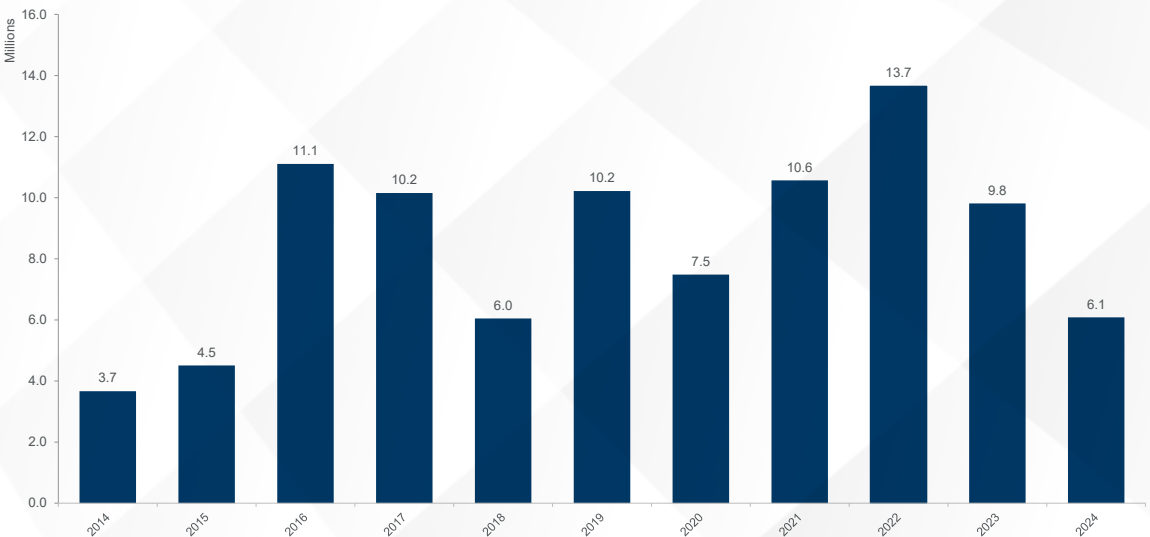
NEW CONSTRUCTION SLOWING
A LOT OF AVAILABILITY
DIFFICULT TO GET PERMITS

Reaction
to Past Year



CONSTRUCTION STARTS SLOWING
TREND IS ↓

OWNERS RELUCTANT TO SPEC

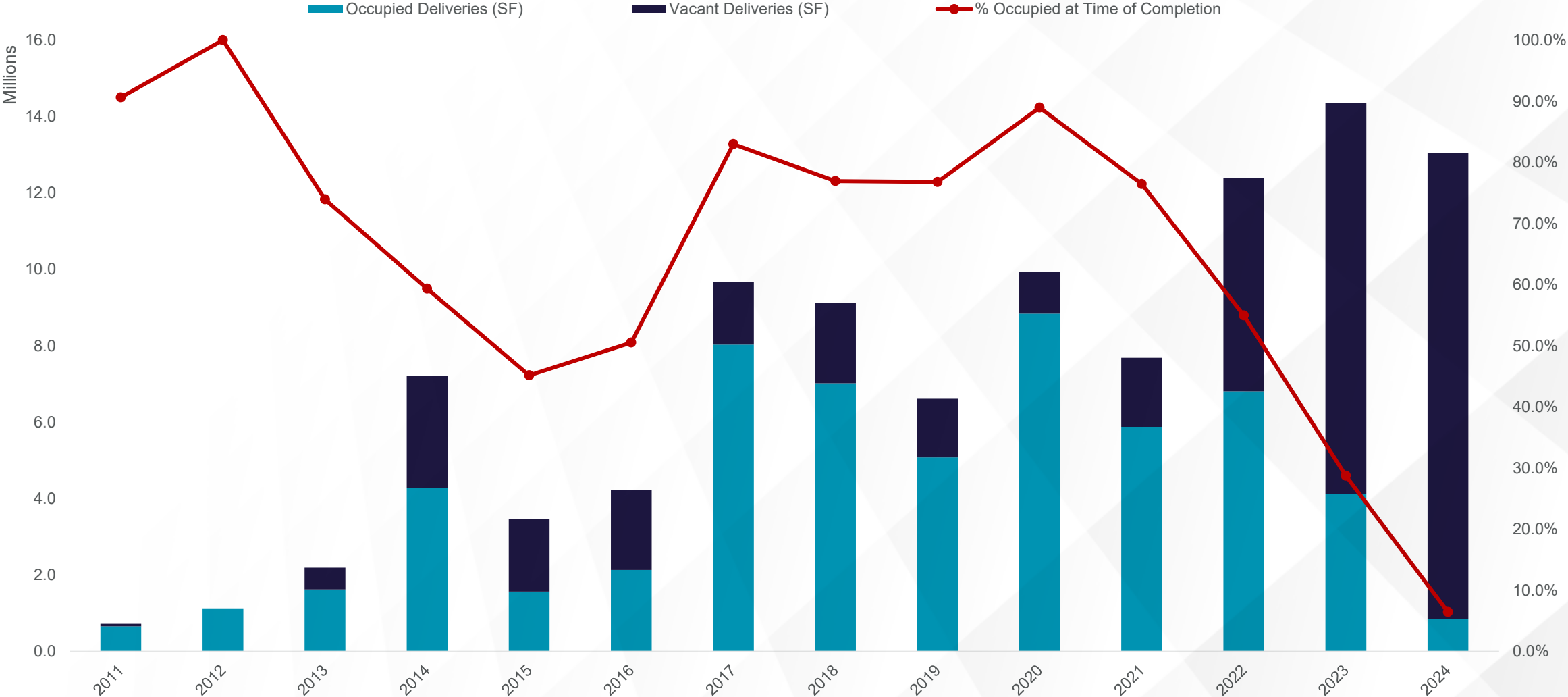


NEW CONSTRUCTION DOWN
7.7 MSF Completed in 2024 | 6.1 MSF Under Construction
RELEASED WAY DOWN AT 8% (NOT GOOD)

HISTORICAL PRELEASING ACTIVITY

PRE-LEASING ACTIVITY CONTINUED TO FALL, GIVING WAY TO RISE IN VACANT DELIVERIES

PALTRY 8% BUT WILL CHANGE IN ABOUT 1 YEAR

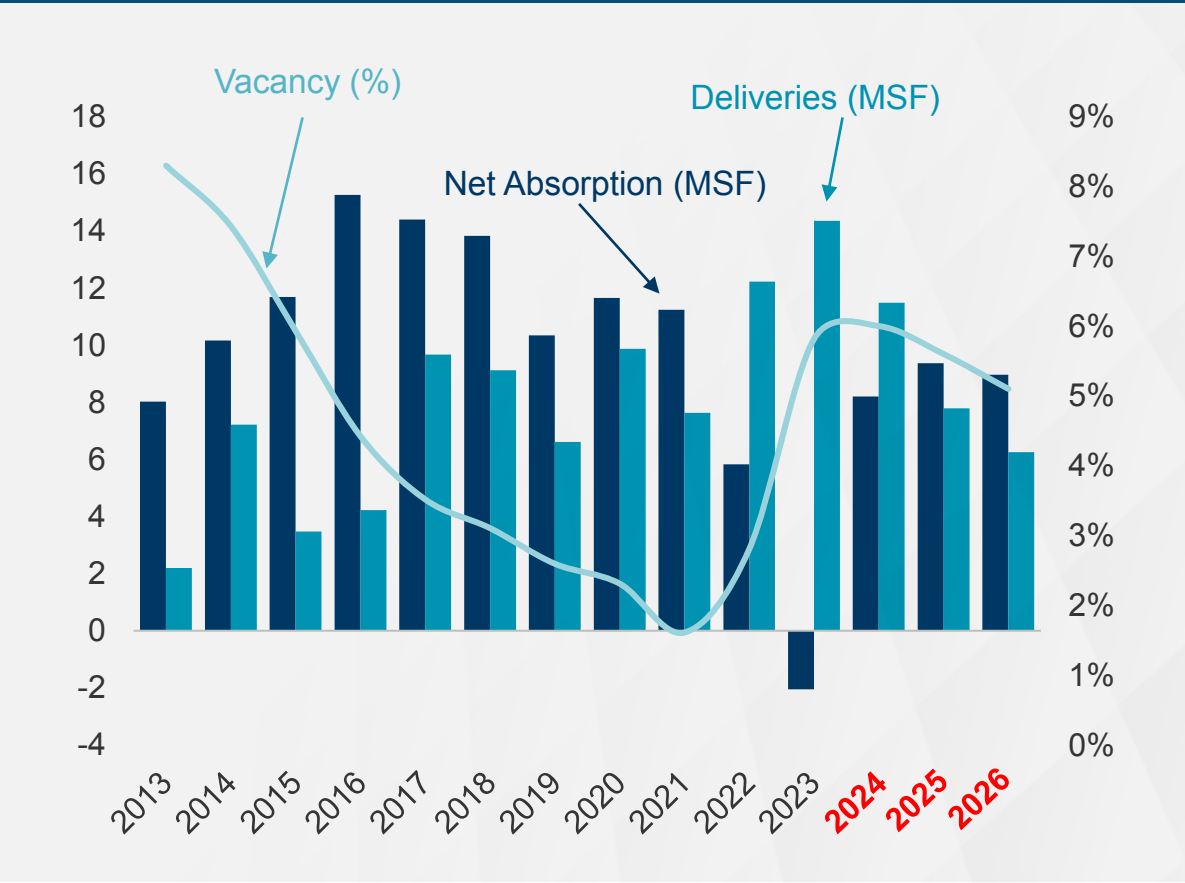


MARKET WILL FAVOR LANDLORDS IN 2025 AND BEYOND

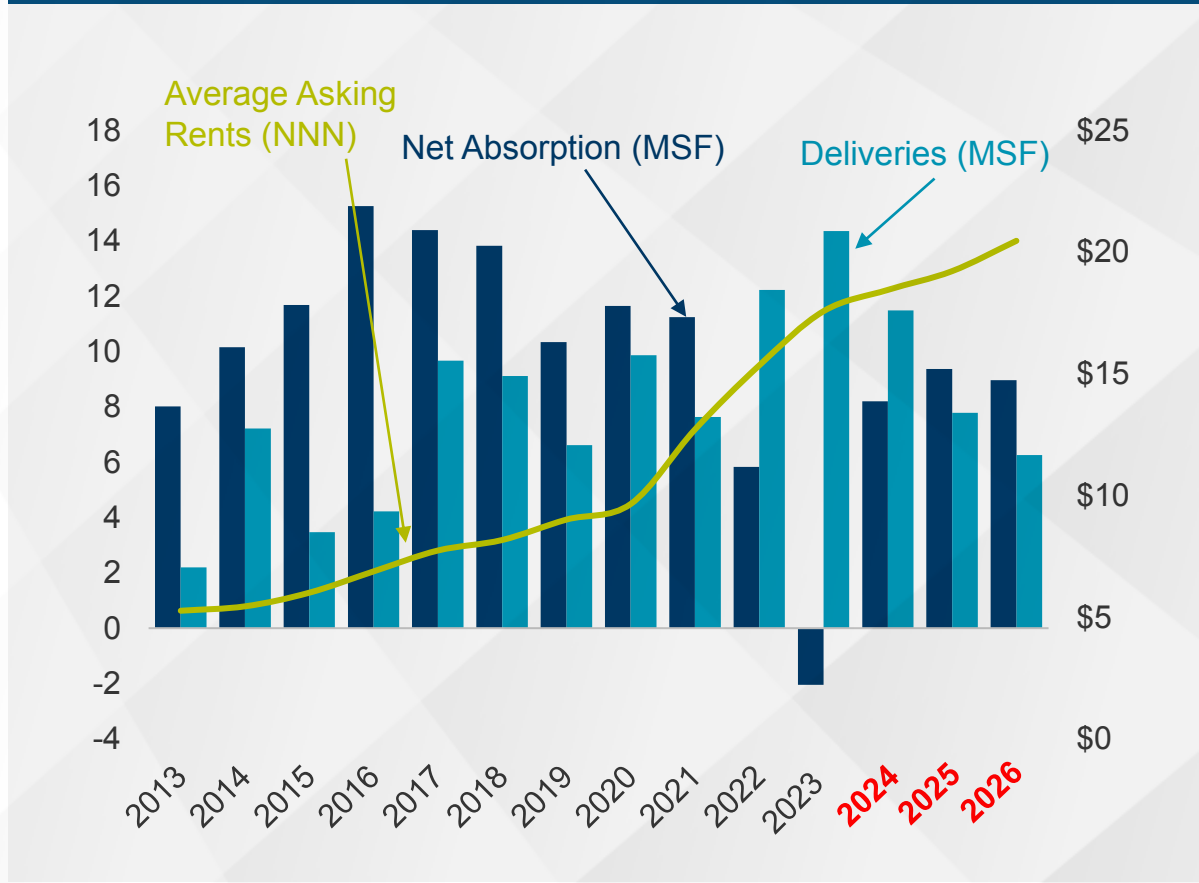
NEW JERSEY FORECAST

NJ STILL THE BEST LOCATION FOR THE #1 CONSUMER ZONE | PREDICTING STRONG DEMAND

Market Conditions Will Remain Tight



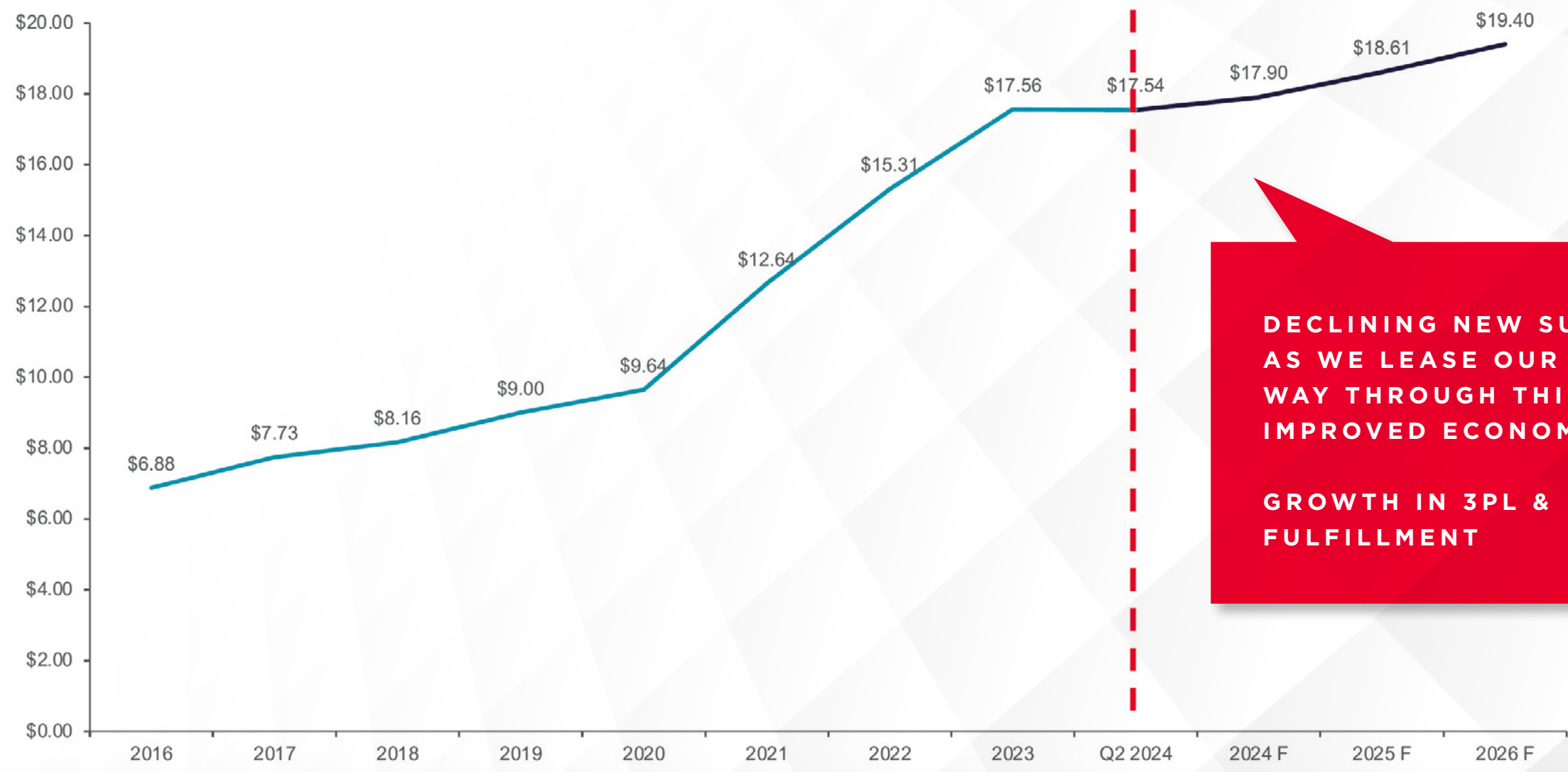
Tight Market Will Support Rent Growth



Source: Cushman & Wakefield Research

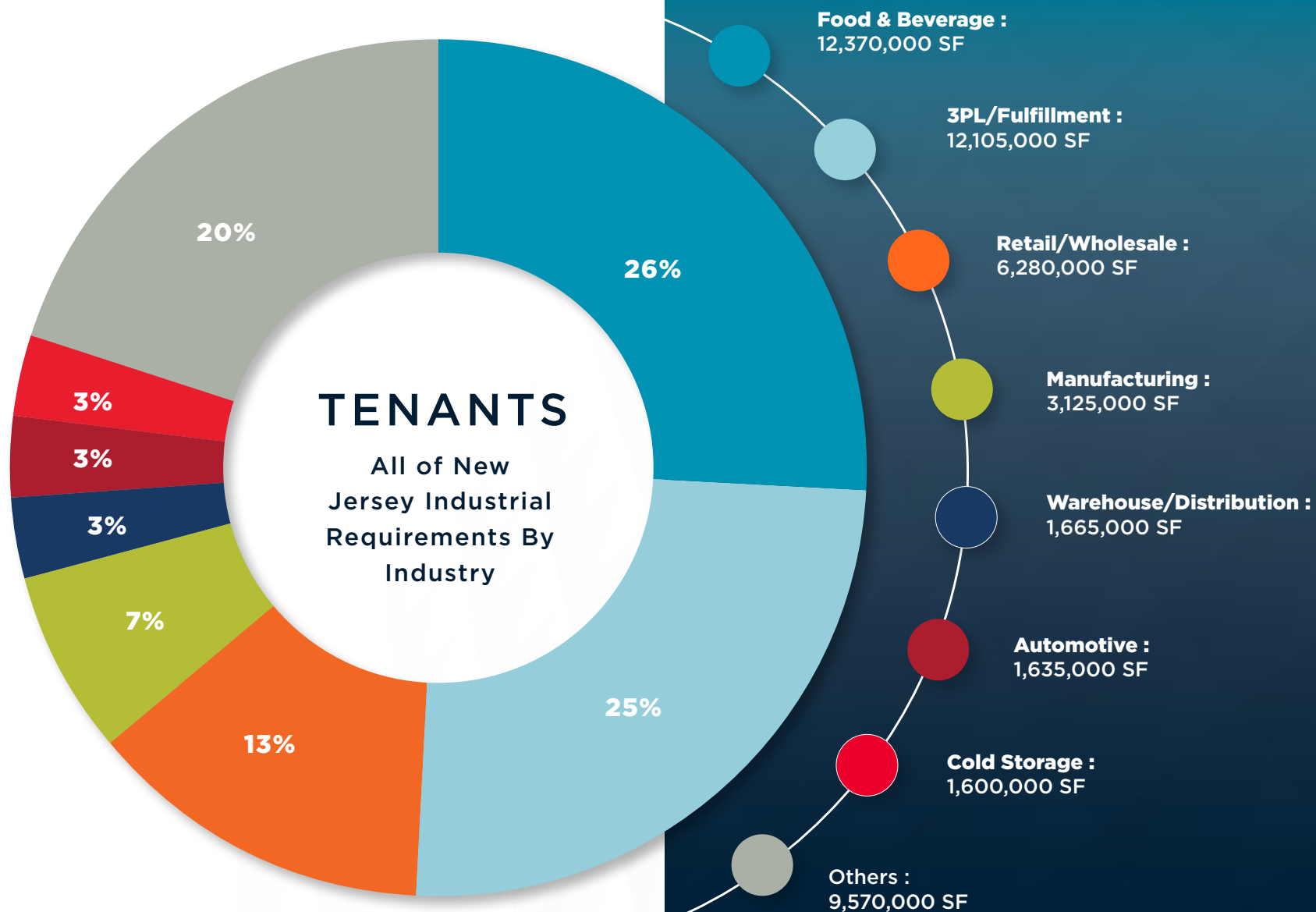
WAREHOUSE/DISTRIBUTION AVG. ASKING RENT & FORECAST

NEW JERSEY



**DECLINING NEW SUPPLY
AS WE LEASE OUR
WAY THROUGH THIS
IMPROVED ECONOMY**

**GROWTH IN 3PL &
FULFILLMENT**



ASIAN-SUPPLIED 3PLS

50% of 3PL Business

38% of Class A Absorption

7.1 MSF

- Huge growth in this sector
- Changes in exemptions coming
- Faster delivery
- Less safety stock
- Using USPS & Fed Gov't to subsidise costs

INDUSTRIAL TRENDS

WHAT DIRECTION IS INDUSTRIAL HEADED?



INDUSTRIAL TRENDS

- Flight to quality
- Tenants relocation from high cost corridors
- Increased concessions such as free rent and TI dollars
- Smaller units in demand
- Deals taking longer to get done
- User buyers
- Power ↑



RETAIL/
CONSUMER GOODS

PORT RELATED



NY MIGRATION



3PL
FULFILLMENT
E-COMMERCE



SPECIALTY
FOOD & BEVERAGE
COLD STORAGE

ASIAN- SUPPLIED
3PLS



DATA CENTER

TRENDS

NEW JERSEY

KEY LEASING TRENDS



Industrial fundamentals are **normalizing** amid softening demand and robust new supply



Expect **vacancy to peak in 2024** and **rent growth to slow**



Construction deliveries have/will **fall off significantly**; markets will be supply constrained by 2025



Subleases remain the wildcard— sublease vacancy rate has remained below previous downturns



Demand has slowed as deals are taking longer to close; **3PLs** continuing to **drive leasing activity**



Location, size and building class continue to **matter**; Flight to quality will continue

TRENDS TO WATCH



Increased Free Rent



Larger TI Packages



Window of Opportunity



Pressure on Rent Escalations



Preference for Occupancy



Willingness to Demise



THANK YOU

Bill Waxman, SIOR
Vice Chair
+1 201 394 9989
bill.waxman@cushwake.com

Warren County Transportation Master Planning Activities for Freight and Truck Management



RYAN CONKLIN PP AICP GISP

ASSISTANT DIRECTOR OF PLANNING
WARREN COUNTY

Efforts Timeline since 2019

1. 2019-2020 Light Industrial Study- completed to alert municipalities of the regional development potential in the existing zoning that could translate to traffic and truck traffic issues on county roadway infrastructure
2. 2021 Comprehensive Transportation Master Plan- developed comprehensive multimodal transportation strategies and recommendations throughout the county freight movement and truck traffic suggestions included as a component
3. 2022 Conducted forecasted traffic increase analysis of 519 corridor to assess traffic increased in the future
4. 2022 Municipal meeting- put a county wide municipal official meeting together to discuss truck traffic related issues
5. 2022 102 Restriction Request made to DOT for all 500 series roadways and DOT Meeting to address DOT transportation improvement projects throughout the County

Efforts Timeline since 2019

-
6. 2022 Road Safety Audit 519 between 57 and 22 - to address the crash hotspots in this area focused on the Strykers Road intersection
 7. 2023 Transportation Master Plan Amendment- analyzed zoning, crash data, land use trends, and other traffic related issues to develop a preferred truck routing map to guide policy locally and to empower the development review process at the county level to suggest preferred truck routes with integration with local level developer agreements and county level developer agreements
 8. 2023 Hope Traffic calming engineering analyze starting to look at engineering traffic calming and truck issue calming solutions through Hope township like a road diet
 9. 2024-2025 LSAP and Countywide Complete Streets planning activities with freight considerations
 10. 2025 Technical Highway and Bridge Standards update

State and Regional Guidelines on Warehousing Development

2022 State Office of Planning Advocacy issues Warehousing Siting Guidance: <https://nj.gov/state/planning/assets/pdf/warehouse-guidance.pdf>

2023 NJ Highlands Council issues Policy of Warehousing in Highlands: https://www.nj.gov/njhighlands/planconformance/guidelines/warehousing/warehouse_policy.pdf

Warren County Transportation Master Plan Amendment 2023

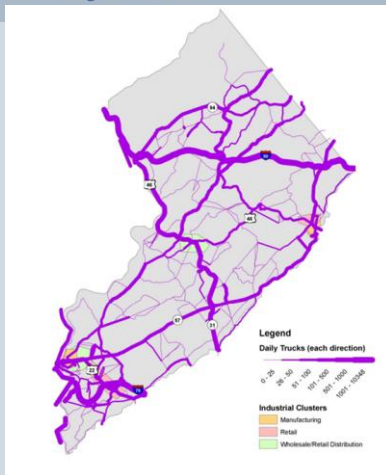
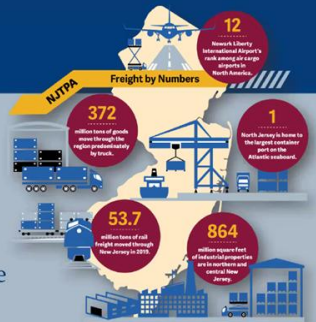


This Transportation Master Plan amendment was developed to address truck traffic issues by identifying and implementing a truck route map that will be part of a larger truck routing strategy. This map is the first step and has identified suitable routes for heavy vehicles. Next steps may include developing signage and communication strategies to direct truck traffic to these routes, and potentially implementing physical improvements or restrictions or regulations to discourage trucks from using inappropriate roads. Effective truck routing can help to reduce congestion, improve safety, and protect the integrity of local roads and infrastructure.

Industrial and Traffic Trends

2022 Industrial Market

- Over 864 million SF in the region
- More than 12 million SF under construction
- 33 buildings delivered in 2022
 - 152 new buildings since the start of 2017
- Leases/renewals: 40% retail/wholesale and 39% 3PL
- Home Depot, 1.3 million SF in Monroe, NJ
- Spec buildings coming to market



I-81/I-78 MARKET

MIDYEAR TRI-STATE INDUSTRIAL REPORT



441.5 MSF
INVENTORY



5.6%
VACANCY RATE



7.3 MSF
YTD NET ABSORPTION



\$8.51 PSF
ASKING RENT



11.7 MSF
YTD NEW LEASING ACTIVITY

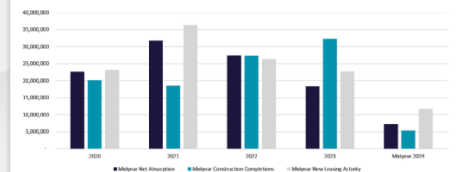
Encompassing a significant area of land spanning from northeast Pennsylvania down to northern Maryland and northeast West Virginia, **THE I-81/I-78 CORRIDOR** represents a thriving and supply-rich industrial market with access to vast segments of the Eastern Seaboard.

The region has expanded due to the powerful transportation arteries which run through its core. Granting the geography convenient access to the labor force and customer base of three states, the Corridor is one of the top industrial markets in the country.

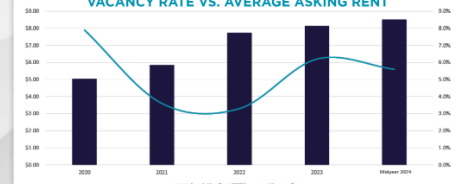
Leasing activity in the region as of 2024's halfway point was half of the 2023 annual total, indicating a possibility that, given relative equal performance throughout the rest of the year, 2024 could match or even surpass its predecessor's leasing totals.

As the supply shock of the previous year drastically wanes, vacancy rates are expected to moderate throughout the course of 2024, as has already been observed in the year's first half - the mid-year vacancy rate has dropped 60 basis points from year-end 2023. Construction starts have slowed this year and will likely to continue that trajectory over the next 12-24 months, helping to level out the region's construction pipeline and prevent further disruption and supply shock coming into 2025.

I-81/I-78: NET ABSORPTION & COMPLETIONS



I-81/I-78: VACANCY RATE VS. AVERAGE ASKING RENT

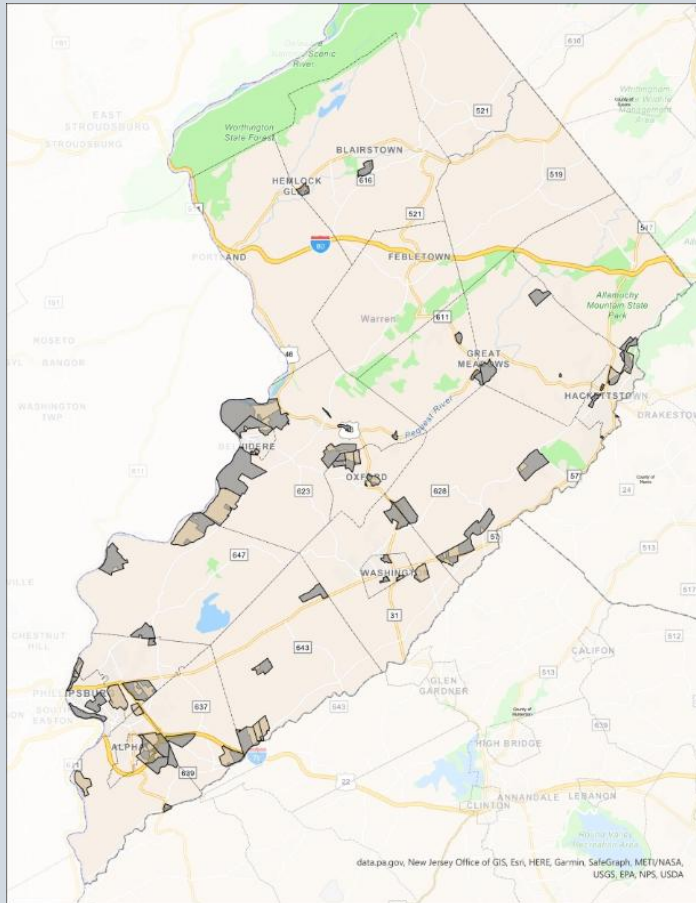


SUBMARKET STATISTICS MIDYEAR 2024

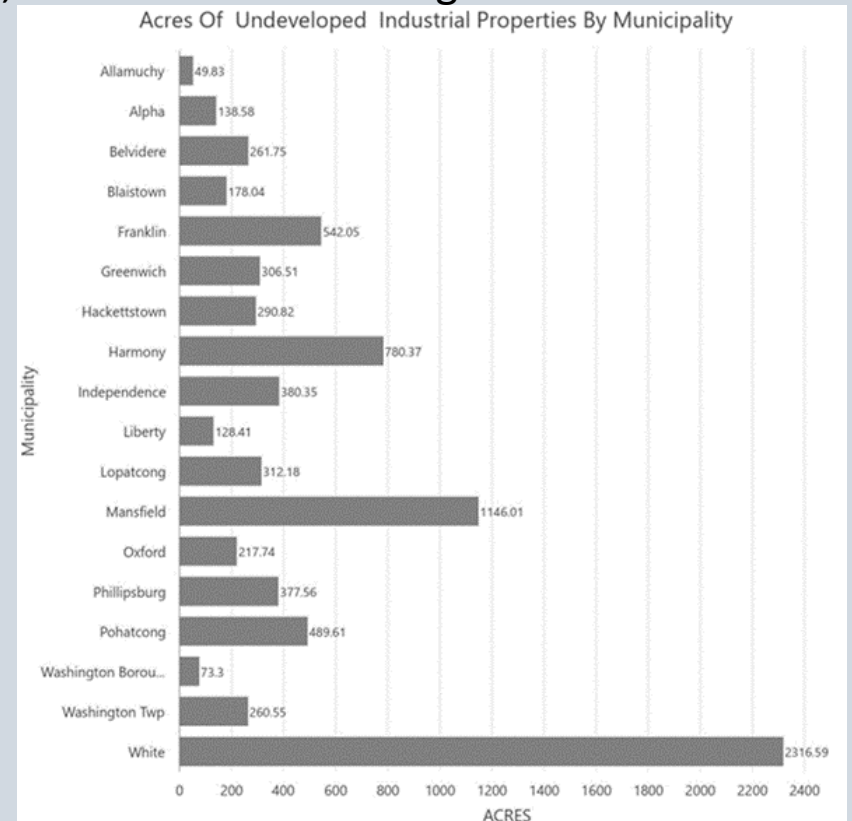
[VIEW MORE DATA](#)

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Lehigh Valley	104,893,249	5.3%	\$11.59
Northeastern PA	80,837,095	3.3%	\$7.64
Central PA	134,572,567	2.3%	\$8.34
Split	56,726,008	8.9%	\$8.31
I81-S	64,508,542	13.1%	\$6.89
Totals	441,537,461	5.6%	\$8.51

Industrial Zoning and Land Use



8,250 acres of remaining industrial zoned land



Potential for 40-50 million sq. ft. of additional gross floor area of warehousing

Crash Trends



Over the last decade, New Jersey's truck accident fatalities increased by 50%

According to the NHTSA, there were 54 fatal truck accident collisions in New Jersey in 2020. This is up from 32 crashes and 35 deaths in 2018 and 30 crashes and 36 deaths in 2019. The most common factor resulting in New Jersey and nationwide truck accidents was driver inattention.



of large commercial truck crashes occur in rural areas



of large commercial truck crashes occur on highways

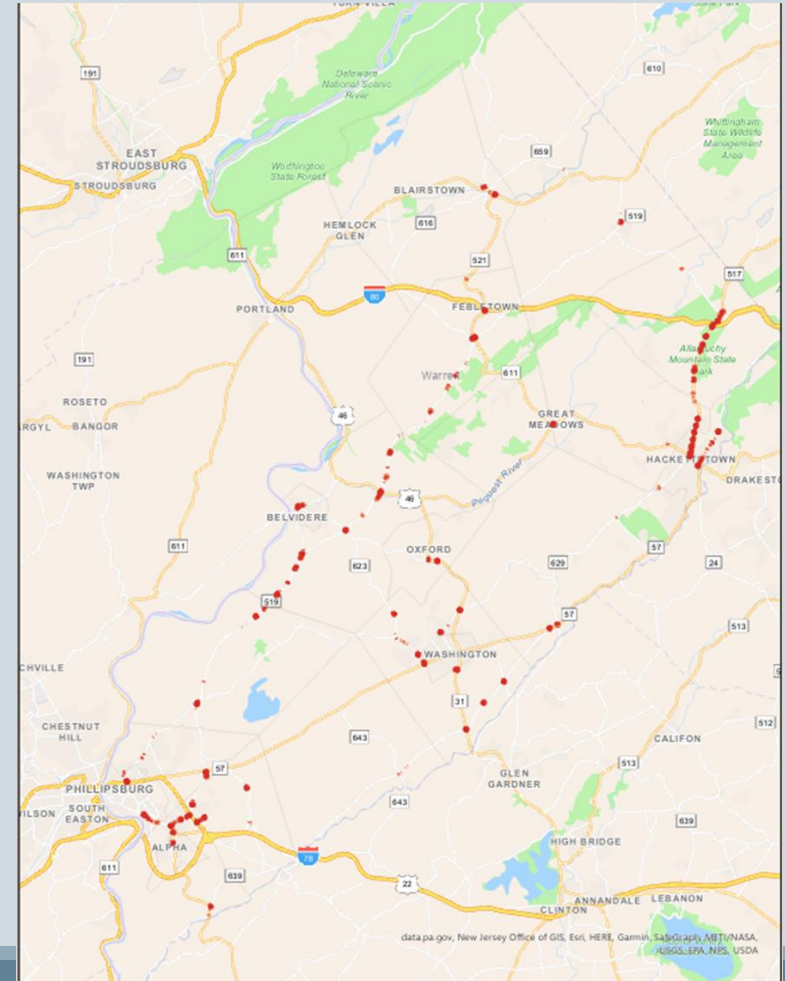
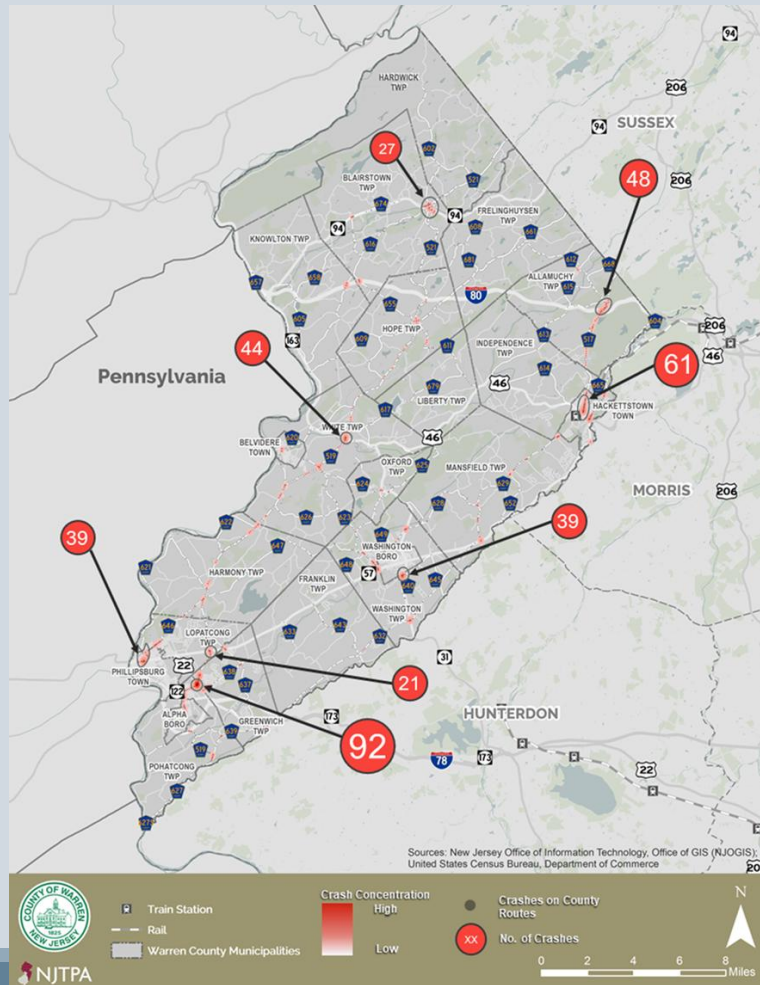


of fatal big rig crashes occur between 6 pm to 6 am

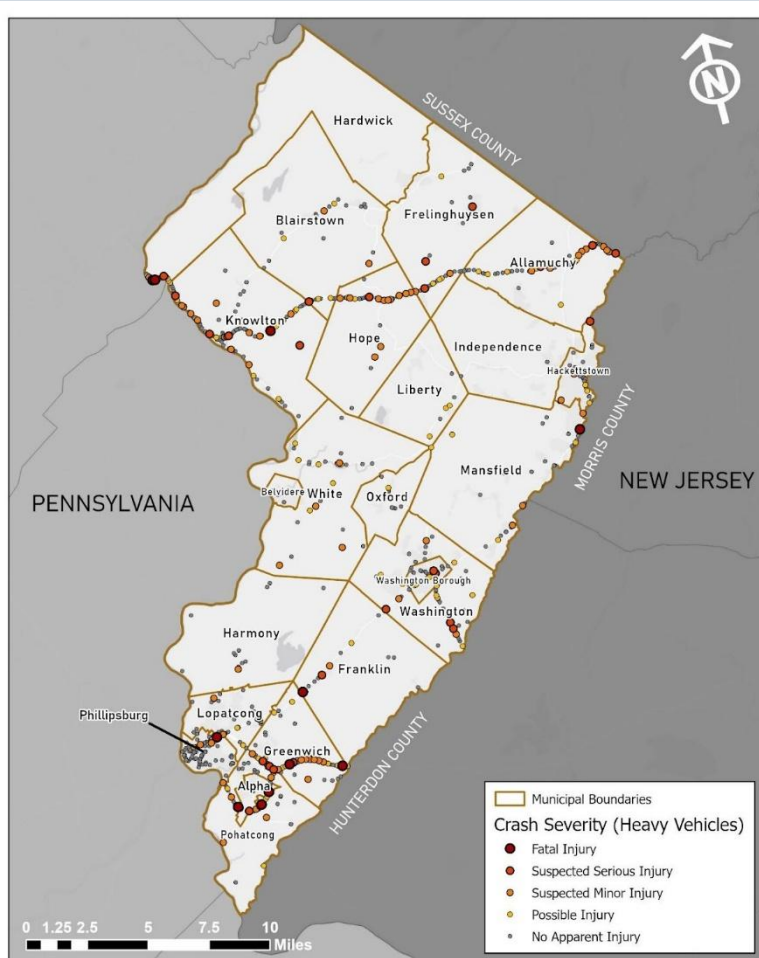


of non-fatal big rig crashes occur between 6 pm to 6 am

Crash Hotspot Analysis 2021



Heavy Vehicle 2015-2021



Layer Credits: NJGIS, NJDHTS
Basemap Credits: State of New Jersey, Esri, HERE, Garmin, USGS, EPA, NPS

General Summary 2015-2021 Crashes:

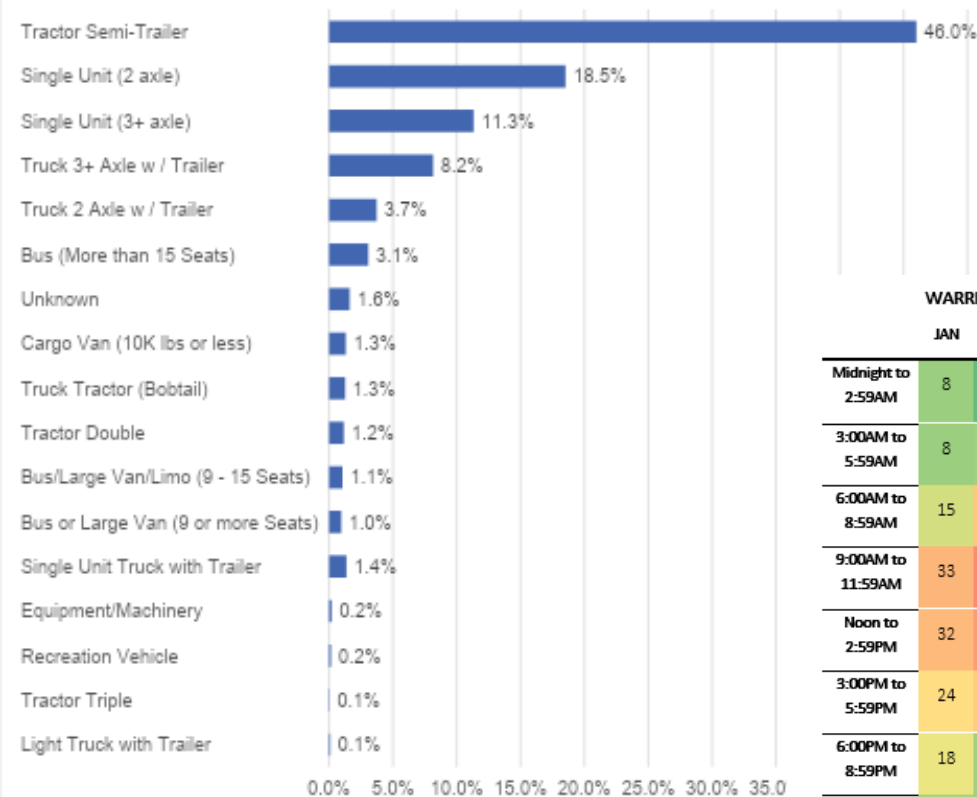
- » 2,042 Total Crashes
- » 1,564 Geocoded Crashes (77%)
- » 347 Persons Injured

Of the 2,042 crashes:

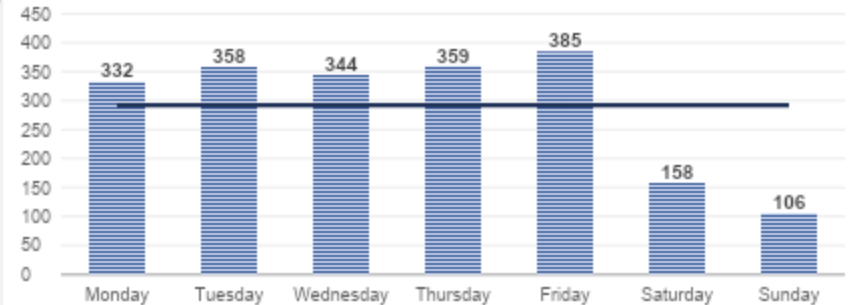
- » 13% Occurred within Intersection
- » 51% Involved a Distracted Driver
- » 27% Occurred between 8am and Noon
- » 15.3% Involved a driver age 65+
- » 4.5% Involved a driver age 16-20
- » 8 Involved Pedestrians
- » 3 Involved Cyclists
- » 5.5% Involved Unsafe Speed
- » 1.2% Involved Alcohol or Drug Impaired Driver

Heavy Vehicle 2015-2021

TYPES OF HEAVY VEHICLES INVOLVED, 2015-2021



HEAVY VEHICLE CRASHES BY DAY OF WEEK, 2015-2021



WARREN COUNTY – HEAVY VEHICLE CRASHES TIME OF DAY, TIME OF YEAR 2015 - 2021

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL	
Midnight to 2:59AM	8	1	3	1	2	5	7	6	8	7	7	6	61	3%
3:00AM to 5:59AM	8	9	8	8	11	8	18	13	18	12	7	11	131	6%
6:00AM to 8:59AM	15	29	27	24	22	26	19	23	23	34	27	33	302	15%
9:00AM to 11:59AM	33	43	41	26	22	44	27	44	36	41	31	34	422	21%
Noon to 2:59PM	32	39	42	30	30	38	45	51	26	37	35	30	435	22%
3:00PM to 5:59PM	24	28	22	30	20	24	32	32	33	26	23	31	325	16%
6:00PM to 8:59PM	18	9	18	17	12	11	19	17	25	7	22	16	191	9%
9:00PM to 11:59PM	10	9	14	12	9	10	5	18	13	21	20	11	152	8%
TOTAL	148	167	175	148	128	166	172	204	182	185	172	172	2,019	100%
	7.3%	8.3%	8.7%	7.3%	6.3%	8.2%	8.5%	10.1%	9.0%	9.2%	8.5%	8.5%		

Existing Truck Restriction

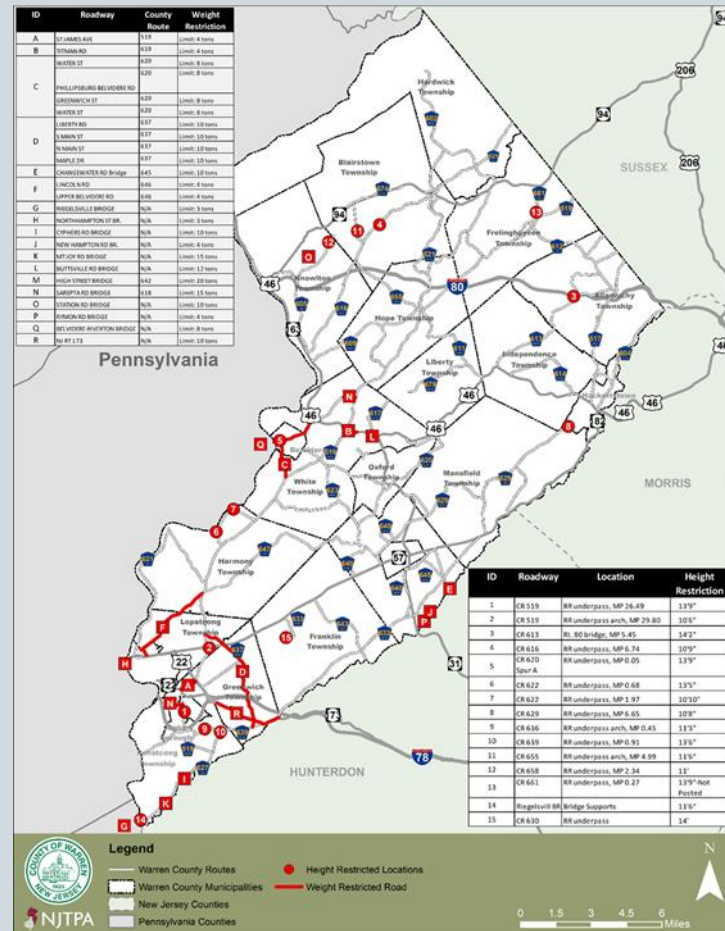
Legend :

Designated Travel Routes For 102-inch Wide Trucks and Double-Trailer Truck Combinations

- N.J. Access Network
- National Network
- Trucks Prohibited

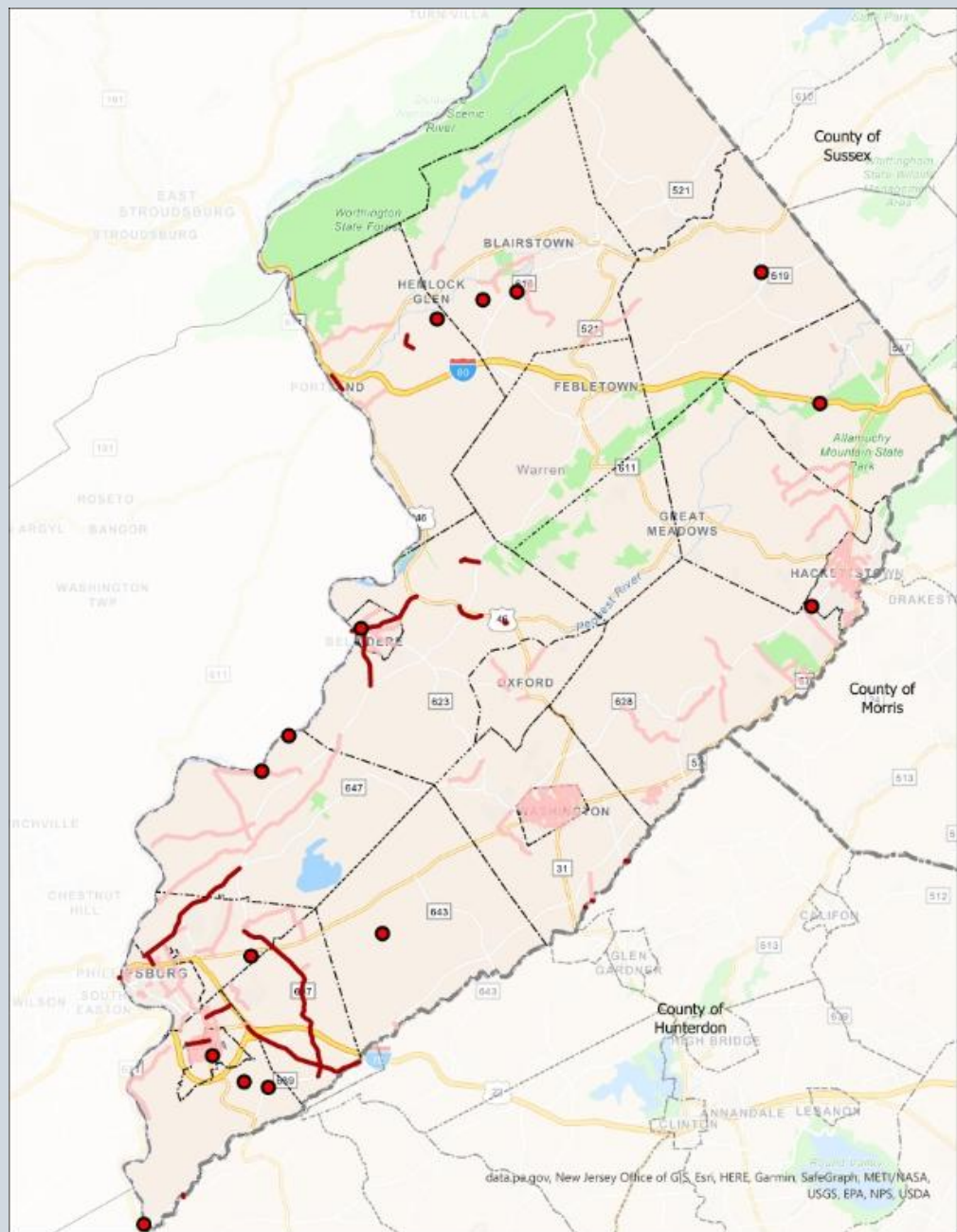
The large truck route designations depicted on this map are for illustrative purposes and pertain to permissible weight only. A complete description of the Large Truck Networks and the proposed applicable restrictions may be found in the New Jersey Access Code at N.J.A.C. 16-22.

Notes: Designations within the regulations and/or as depicted on the map does not always guarantee free movement of all double-trailer truck combinations and 102-inch wide standard trucks on a road. Some double-trailer truck combinations and 102-inch wide standard truck movements may be restricted on a route because of route or bridge weight restrictions and/or vertical clearance restrictions.



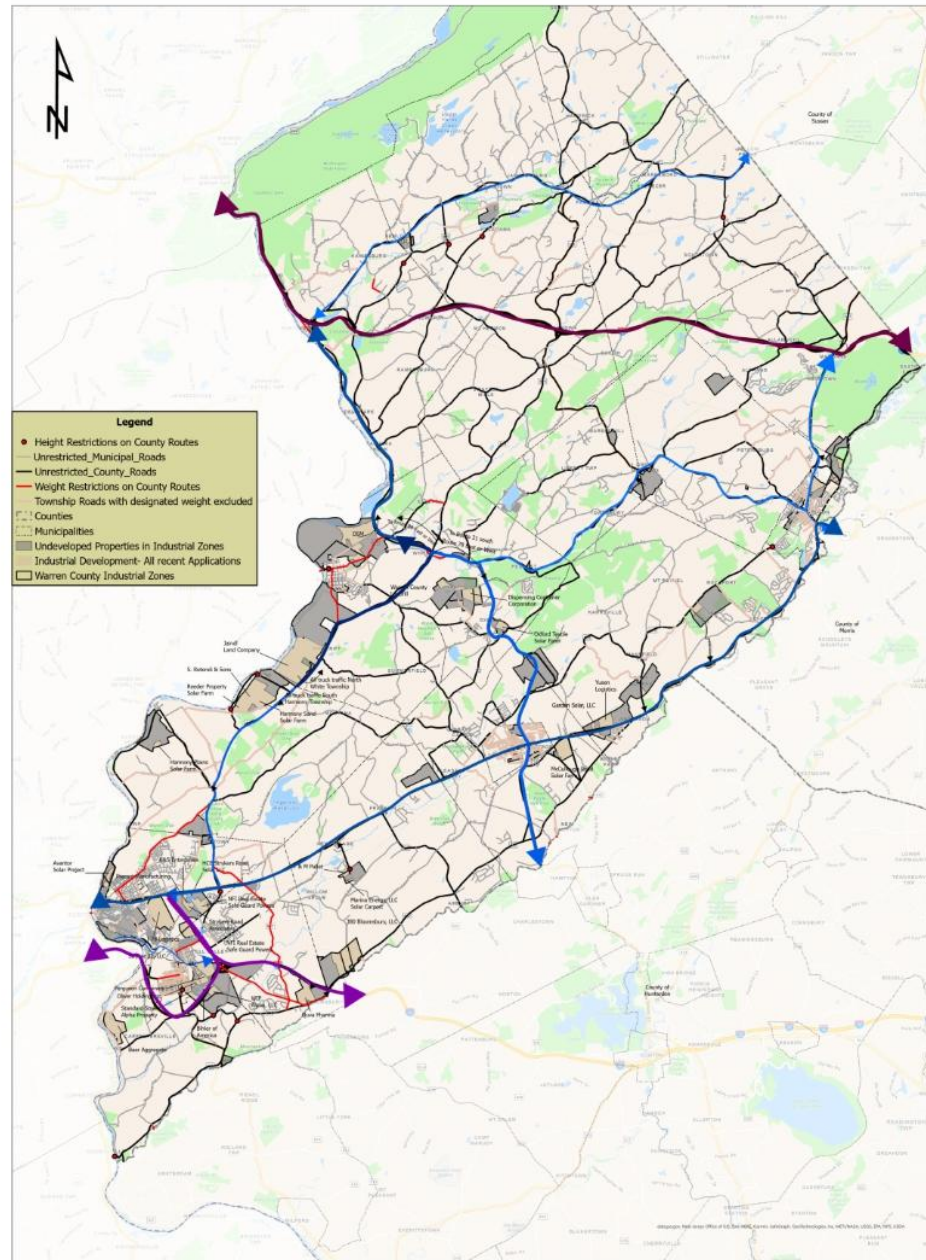
Existing Truck Restriction

Includes Municipal Restrictions as well



Truck Route Map

Identified truck routes that may be enforced through developers agreements at the Planning Board



Truck Route Map
Warren County, NJ

0.00 0.25 0.50 0.75 1.00 1.25 1.50 1.75 2.00 2.25 2.50 2.75 3.00 3.25 3.50 3.75 4.00 4.25 4.50 4.75 5.00 Miles

Date: 10/20/2010
10:20:20 AM

Folder: S:\Shoreland\GIS\Map\TruckRouteMap\TruckRouteMap_2010

Implementation Strategies

- ***Municipal Planning Guidance:*** The County Planning Act calls for the co-operation of the local municipalities with the county on matters that concern the integrity of the county master plan. The Truck Routing Map included in Appendix A can help guide the enhancement of local municipal master planning, zoning implementation, enforcement, the municipal development of enforceable truck routes, and decisions of local level planning and zoning boards.
- ***Developers Agreements:*** Municipalities and the county have the ability to enter into developers agreements with developers to manage development of site. Developer's agreements may include provisions that address; phasing, timing, performance, restoration and monitoring. Truck routing especially when dictated by municipal ordinance can be addressed and enforced locally within developer's agreements.
- ***Signage and Striping:*** The Truck Routing Map can help prioritize capital improvements, offsite developer mitigation improvements and enhancements related to signage and striping.

Implementation Strategies

- **Wayfinding Signage:** Wayfinding signage can be installed using the Truck Routing Map to guide truck traffic to utilize the desired truck routes. Municipalities can also use the Truck Routing Map to install wayfinding signage that guides trucks from municipal roadways to the desired truck routes.
- **Physical Improvements:** The truck Routing Map can help guide the installation of local, county and state capital improvements to continue to enhance and accommodate truck traffic on the desired truck routes in the county.
- **Weight Restrictions:** After conducting an engineering study pursuant to NJDOT Regulations, and if approved by the NJDOT, weight restrictions may be placed on local roadways to restrict heavy trucks from using designated road segments.

Current Initiatives and Recent Achievements

1. January 2024: 13 Ton Weight Restriction approved by DOT for portions of 519, 521 and 517 for through traffic with further study for potential additional areas along 519 for weight restrictions
2. January 2024: First Developers Agreement executed with adherence to the Truck Routing Map, pro rata share contribution towards infrastructure improvements and post occupancy study required.
3. March 2024 :LSAP- Local Safety Action Plan kicked off with TAC meeting
4. March 2024: Complete Streets Planning(SSP) kicked off and will be conducting first steering committee in April May
5. April 2024: Major developers agreement which includes major intersection reconstruction and adherence to the Truck Routing Map
6. April 2024: Two additional developers agreements are currently in negotiation.
7. April 2024: Kicked off Complete Streets Study SSP integrating recommendations for accommodations for freight in strategic locations
8. August 2024 LSAP and Complete Streets popup events and surveys conducted and recommendations in process.

Phillipsburg Road Jurisdictions

Legend

Warren County Roads

- Interstate
- Expressway
- County Road
- State Road
- Local Road
- Other (County Road, Service Road, etc.)

Development Properties (2020 to 2023)

- 2020
- 2021
- 2022
- 2023
- Other (County Road, Service Road, etc.)



Belvidere, NJ Urban Renewal Warehouse Site

Site Plan submitted to Warren Co. as 23-031-SP

Block 2 / Lot 8 / QCode Q0002



Annotations

1. Stormwater connection to County Infrastructure on CR 620
2. Safety Analysis for Truck turning at Manunkachunk Rd / CR 620 Spur Intersection
3. Safety Analysis for Truck turning at CR 620 / CR 620 Spur Intersection



Complete Streets

Complete Streets is an approach to planning, designing, and building streets that considers the travel needs of everyone, including people who are driving, walking, bicycling, taking public transportation, and making deliveries.

- Mobility
- Safety
- Health
- Sustainability & Resiliency
- Economic Vitality
- Equity

Connect Warren County



Safe, equitable, efficient, sustainable travel for all

<https://warren-county-complete-streets-nv5.hub.arcgis.com>



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Safe, equitable, efficient, sustainable travel for all

<https://warren-county-complete-streets-nv5.hub.arcgis.com>

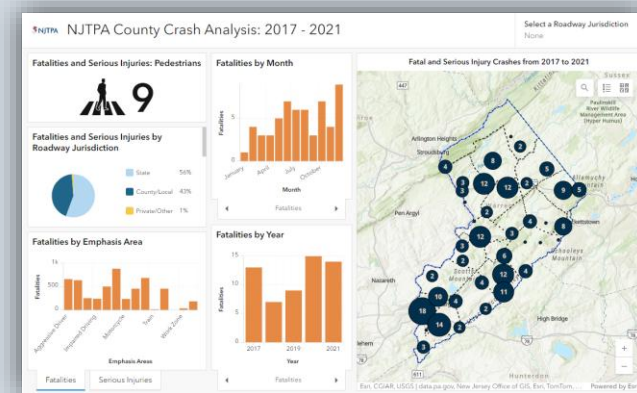


NJTPA LOCAL SAFETY ACTION PLANS (LSAP)

Data-driven, actionable framework to reduce roadway deaths and injuries

- Promote road safety awareness
- Develop lasting multi-disciplinary partnerships and collaboration
- Select Zero-based safety goal
- Identify “hot spot” crash locations
- Develop High Injury Roadway Network
- Establish implementable strategies and actions to improve safety
- Provide opportunities for implementation grants or supplemental planning grants

Local Safety Action Plan WARREN COUNTY



Warren.SafetyPlansNJ.com



Thank you!



Ryan Conklin Assistant
Director of Planning Warren
County

rconklin@co.warren.nj.us

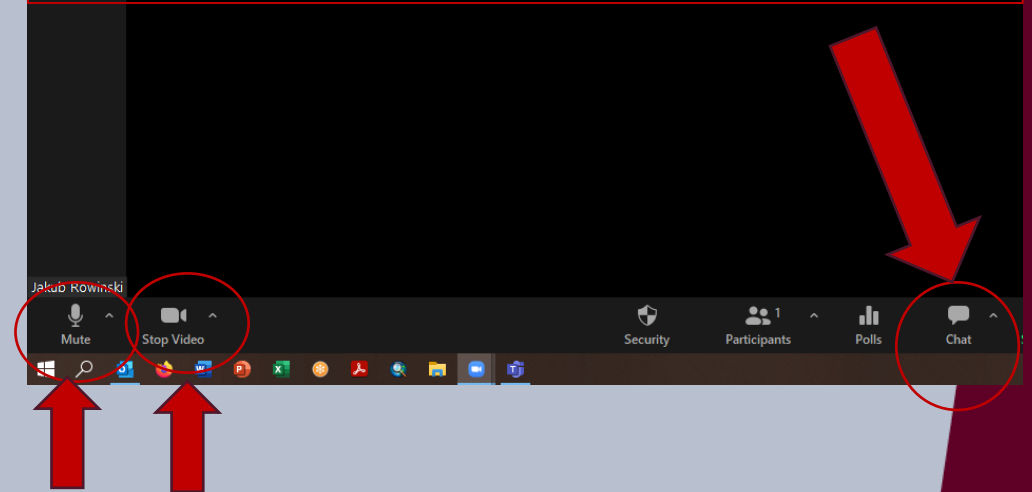
2023 Master Plan
Amendment:

<https://www.warrencountynj.gov/home/showpublisheddocument/7429/638288117162130000>

February Freight Initiatives Committee



Please use the Chat box to ask questions during the presentations and if requesting credits, please post your name and email, followed by either AICP or PE with your NJ PE license number

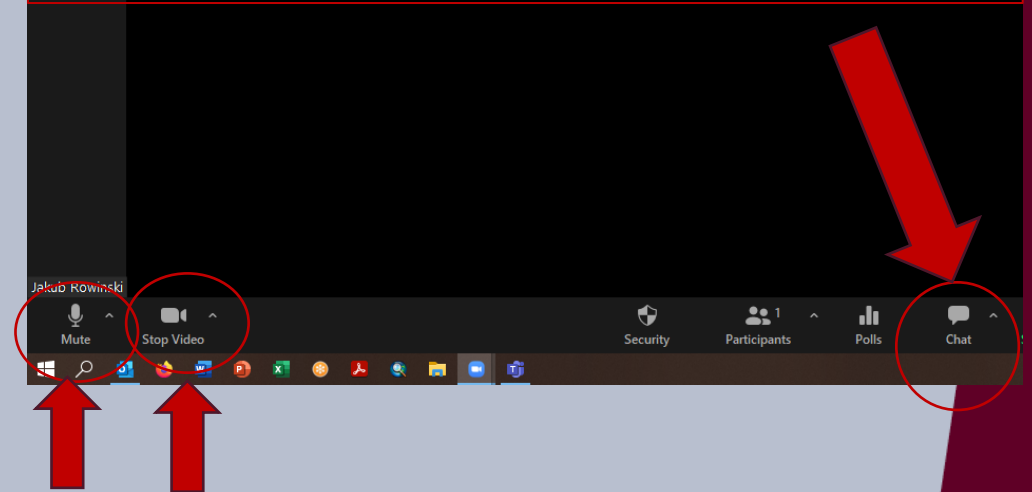


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February 18 Freight Initiatives Committee Agenda

- Roll Call
- Approval of Minutes
- Update on NJTPA Freight Division Activities
- Industrial Real Estate Update
- Two-Minute Reports on Freight Activities from Committee Members
- Next Meeting: Monday, April 21, 2025
- Adjournment

Please use the Chat box to ask questions during the presentations and if requesting credits, please post your name and email, followed by either AICP or PE with your NJ PE license number



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