

BOROUGH OF MONTVALE

# 2017 MASTER PLAN AMENDMENT

For Block 3302, Lot 1 & Block 1903, Lot 7

Known as 12 Van Riper Road & 2 Paragon Drive

Adopted by the Planning Board on December 5, 2017

November 22, 2017



# 2017 Master Plan Amendment

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For Block 3302, Lot 1 & Block 1903, Lot 7

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# Borough of Montvale

Bergen County, New Jersey

November 22, 2017

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## CONTENTS

l.	Introduction	3
II.	History of Subject Sites	3
III.	Need to Modify the 2008 Master Plan	5
IV.	Planning Justifications for Multi-family Residential	7
٧.	Zoning Recommendations	.10
VI.	Conclusion	.11

### I. INTRODUCTION

The purpose of this <u>2017 Master Plan Amendment</u> is to set forth a proposed framework to guide the rezoning of two specific parcels within the community. The first site is Block 3302, Lot 1, known as 12 Van Riper Road and comprising approximately seven acres ("Sony"). This site is part of the former Sony campus, which straddles the municipal boundaries of Park Ridge, Woodcliff Lake and Montvale.

The second site is Block 1903, Lot 7, known as 2 Paragon Drive. This property contains 19.89 acres according to its tax card. Historically, 2 Paragon Drive served as the corporate headquarters for A&P since the building was constructed in the 1970s ("A&P").

This Amendment to the Borough's 2008 <u>Master Plan</u> contemplates rezoning the properties to permit multi-family residential uses. The following chapters of this Amendment detail the history of the subject sites, the need to modify the Borough's 2008 <u>Master Plan</u>, the planning justifications for a multi-family residential use of the properties and the zoning recommendations to facilitate said use.

### II. HISTORY OF SUBJECT SITES

### SONY

The seven-acre Sony site is located on the southern edge of Montvale, with the greater campus encompassing portions of Park Ridge (approximately 30 acres), Woodcliff Lake (less than one acre) and Montvale (see map on page 4). Within Montvale, Sony is located in the Borough's OR-4 District. The office building was constructed in 1981, according to online tax cards.<sup>1</sup>

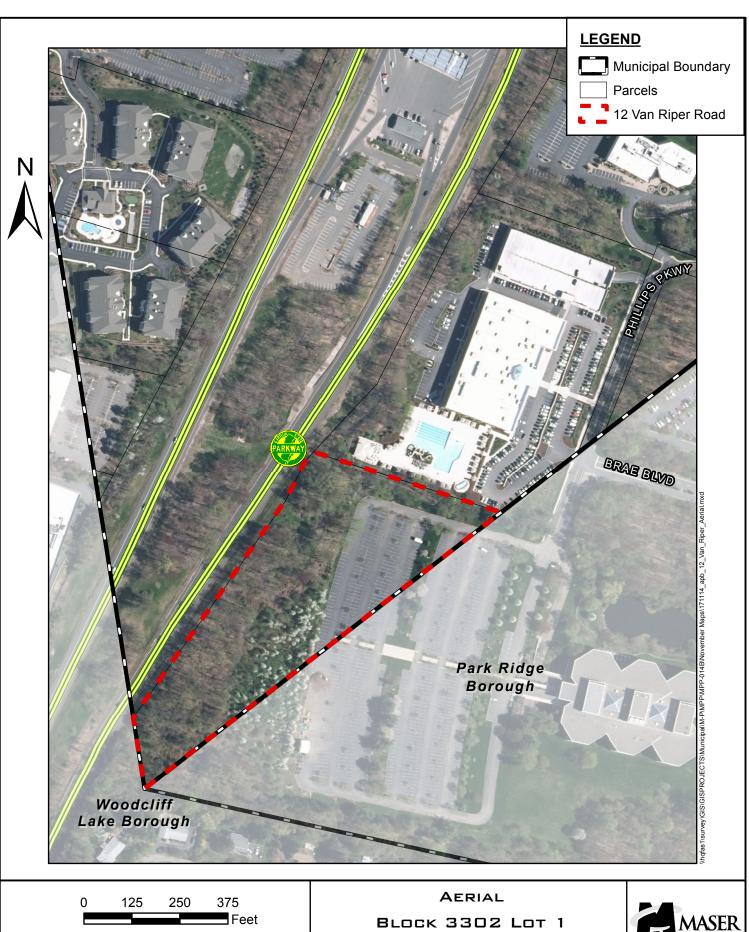
Sony was the sole tenant of the 220,000+ square foot building<sup>2</sup> from its construction until November of 2014, when the Sony Corporation of America placed the office building on the market. In March of 2015 Sony sold the campus, including the office building in Park Ridge, to Hornrock Properties.<sup>3</sup>

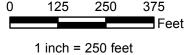
On September 23, 2015 a Motion to Intervene in the Borough's ongoing affordable housing litigation was filed by Hornrock Properties MPR, LLC ("Hornrock"). The motion was granted by Judge Toskos on October 13, 2015, which gave Hornrock "intervenor" status. The Borough met with Hornrock in January of 2016 to discuss the site and their intervenor status. During 2016 and 2017 several meetings and mediation sessions were held with Hornrock to discuss the Borough's affordable housing obligation and the developer's desire to construct multi-family housing that would contain a certain percent of affordable housing.

<sup>&</sup>lt;sup>1</sup> http://oprs.co.monmouth.nj.us/oprs/

<sup>&</sup>lt;sup>2</sup>http://www.njbiz.com/article/20150317/NJBIZ01/150319815/sony-sells-leases-back-park-ridge-office-building-for-reported-168m

<sup>&</sup>lt;sup>3</sup> <a href="http://www.northjersey.com/news/business/sony-sells-park-ridge-building-to-paramus-real-estate-firm-1.1290215">http://www.northjersey.com/news/business/sony-sells-park-ridge-building-to-paramus-real-estate-firm-1.1290215</a>





BOROUGH OF MONTVALE BERGEN COUNTY, NEW JERSEY



On November 14, 2017 the Mayor and Council approved Resolution 215-2017 entitled "Resolution Approving a Settlement Agreement with Intervenor Hornrock Properties MPR, LLC in Connection with the Borough's Affordable Housing Declaratory Judgment Action, and Authorizing a Request to the Trial Court to Hold a Fairness Hearing Concerning the Settlement Agreement". On November 21, 2017, the Planning Board authorized the execution of the same Settlement Agreement. This agreement permits a maximum of 185 multi-family residential units on the site with a 20% affordable housing set-aside.

### A&P

The former A&P headquarters site is located at the intersection of Summit Avenue and Paragon Drive, in the OR-3 District. (See map on page 6.) The office building was constructed in two phases – the first phase in 1974 and the second phase between 1974 and 1979.<sup>4</sup> A&P was the sole tenant of the 200,000+ square foot building.

On January 12, 2015 *The Record* reported that the A&P headquarters building was for sale. The grocery giant had filed for bankruptcy in 2010 and emerged from Chapter 11 bankruptcy protection in March of 2012 as a private company.<sup>5</sup> A&P again filed for bankruptcy in July of 2015.<sup>6</sup> A&P vacated the building in 2015.

In 2016 the owner of the A&P site approached the Borough about the possibility of rezoning the property for multi-family housing. Numerous discussions ensued that culminated in the execution of a settlement agreement. On November 14, 2017 the Mayor and Council approved Resolution 216-2017 entitled "Resolution Approving the Settlement Agreement with Prospective Intervenor 2 Paragon Drive, LLC to Partially Resolve the Borough's Affordable Housing Declaratory Judgment Action". On November 21, 2017, the Planning Board authorized the execution of the same Settlement Agreement. The agreement permits a maximum of 80 townhomes on the site with a 20% affordable housing set-aside.

### III. NEED TO MODIFY THE 2008 MASTER PLAN

### SONY

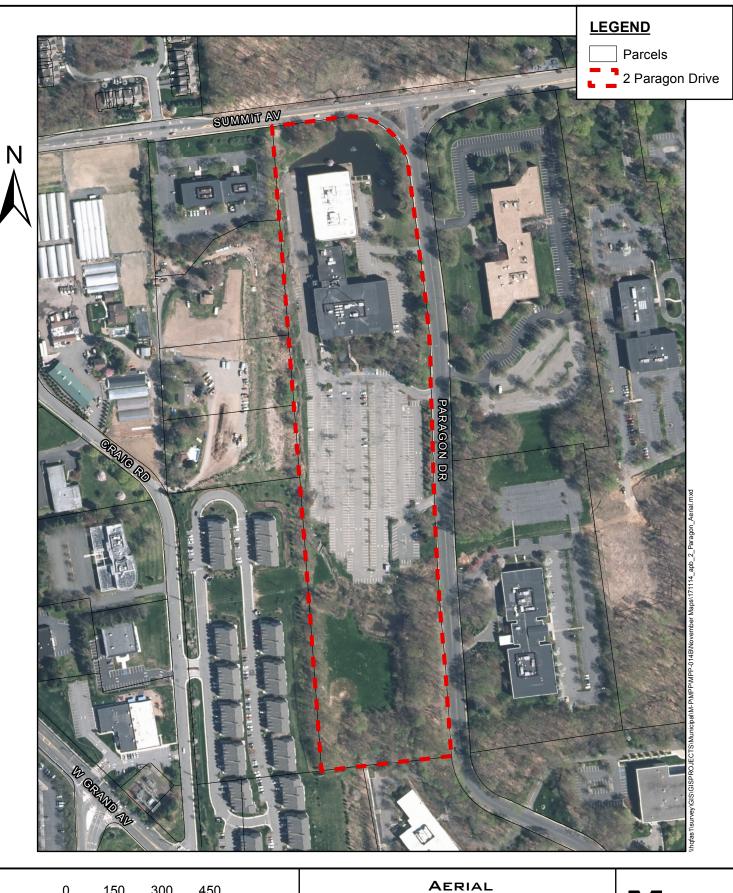
As noted in Chapter II, on November 14, 2017, the Borough and on November 21, 2017, the Planning Board authorized the execution of a settlement with Hornrock that permits the construction of 185 units of which 37 would be affordable family rental units; and further provides that if fewer than 185 units are approved the set-aside would be 20% of the number of units approved.

The agreement contemplates that the Borough would rezone the Sony property and amend the <u>Master Plan</u> consistent with the agreement and that the parties would return to litigation if, for any

<sup>&</sup>lt;sup>4</sup> https://www.historicaerials.com/viewer

<sup>&</sup>lt;sup>5</sup> <a href="http://www.northjersey.com/news/business/a-38-p-headquarters-building-in-montvale-is-for-sale-1.1191487">http://www.northjersey.com/news/business/a-38-p-headquarters-building-in-montvale-is-for-sale-1.1191487</a>

<sup>&</sup>lt;sup>6</sup> http://www.njbiz.com/article/20150720/NJBIZ01/150729997/montvalebased-ap-files-for-chapter-11-bankruptcy



0 150 300 450 Feet 1 inch = 300 feet

Вьоск 1903 Ьот 7

BOROUGH OF MONTVALE BERGEN COUNTY, NEW JERSEY



reason, the property was not rezoned. Therefore, the Settlement Agreement with Hornrock has created the need to modify the 2008 <u>Master Plan</u>.

### A&P

As noted in Chapter II, on November 14, 2017, the Borough and on November 21, 2017, the Planning Board authorized the execution of a settlement with Two Paragon Drive, LLC that permits the construction of no more than 80 units of which 16 would be affordable family for-sale units. The agreement contemplates that the Planning Board would entertain the adoption of a resolution authorizing the Amendment of the Master Plan consistent with the Settlement Agreement in conjunction with a rezoning of the A&P site. Therefore, the Settlement Agreement with A&P has created the need to modify the 2008 <u>Master Plan</u>.

### IV. PLANNING JUSTIFICATIONS FOR MULTI-FAMILY RESIDENTIAL

### SONY

Since the affordable housing litigation commenced in July of 2015, the Borough has conducted a comprehensive evaluation of parcels within the community to determine which sites are appropriate for inclusionary multi-family development. Montvale has concluded that the Sony site presents a suitable opportunity for such development.

Furthermore, it should be noted that Montvale has adopted a holistic approach to planning for affordable housing. Sound planning supports the location of inclusionary neighborhoods that are located near services and enhanced transportation access. Sound planning also involves the conservation of neighborhood character, an objective achieved in part by maintaining the existing scale, density and character of the Borough's core single-family detached neighborhoods. This can be accomplished in part through a gradation of density across the Borough, maintaining higher densities and greater building heights further away from the core single-family detached residential zones within the Borough and requiring lower densities and lower permitted building heights as the properties approach the established core single-family detached zoning districts within the Borough.

The location of the property next to Lifetime Athletic will encourage healthy lifestyles and provide an important and easily accessible fitness opportunity for residents. The location of the site next to the Garden State Parkway eliminates any concern for impacts on other residential neighbors within the Borough. As a result, there will not be any detrimental impacts on light, air flows, viewshed and traffic.

A multi-family development on the Sony site serves as an effective transitional use between the core single-family residences within the Borough and the Garden State Parkway and the office uses to the north and east. The site contains significant existing wooded areas and natural screening and berming that minimize the visual impact upon Lifetime Fitness to the north and from vehicles traversing Sony Drive from the east.

Based on these reasons, the Borough believes that this site is unique and appropriate for a higher residential density than is characteristic in the Borough.

### A&P

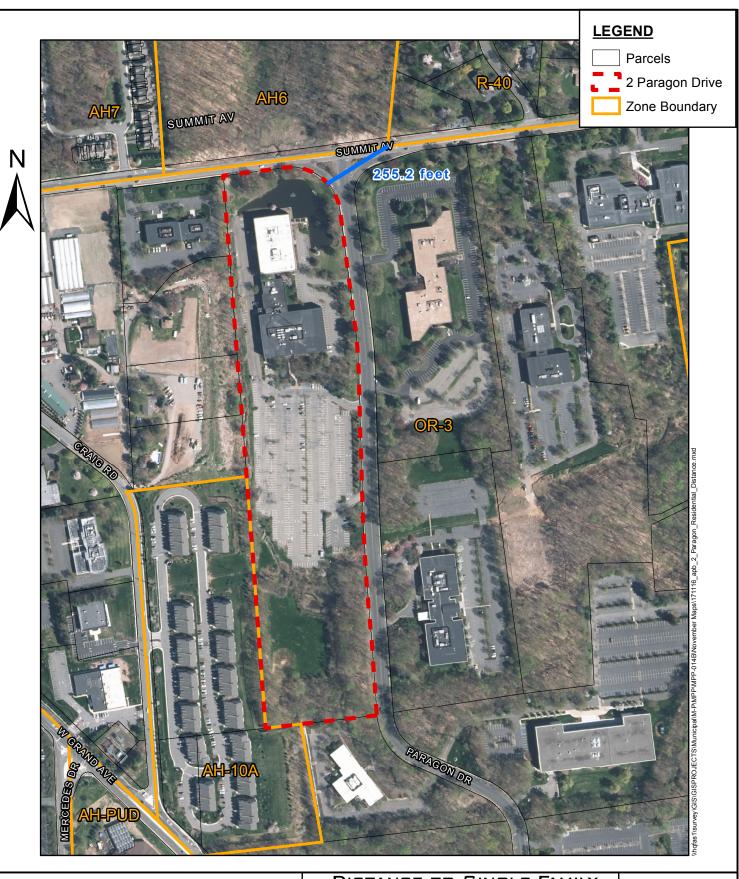
As noted above, the Borough has conducted a comprehensive evaluation of parcels within the community to determine which sites are appropriate for inclusionary multi-family development. Montvale has concluded that the A&P site presents a suitable opportunity for such development. Reasons for its suitability include the fact that is adjacent to two inclusionary residential zones. The first is the AH-10A District to the southwest, which comprises the Valley View stacked townhome development. This multi-family development contains 128 units, of which 20% are affordable. The site has a noticeable topographic change, which was taken advantage of by constructing three-story buildings on the Craig Road side, which increase to four-story buildings on the A&P-facing facade.

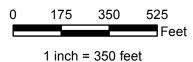
To the north, across Summit Avenue, is the AH-6 District. This property is commonly referred to as the Del Ben property. Part of the larger property has been developed with an inclusionary housing development (called The Reserve at Montvale) that fronts on Upper Saddle River Road. The remainder of the site, which faces Summit Avenue, is vacant. The AH-6 District permits townhouses, townhouse-duplex buildings and apartment buildings at a maximum of six units per acre. It is anticipated that the remainder of the Del Ben site will submit an application for inclusionary development in the near future.

Finally, it should be noted that immediately adjacent to the Del Ben site and roughly 250 feet west of the A&P property is the AH-7 District, another inclusionary multi-family residential district. This district comprises the Summit Ridge development, which contains a 59-unit condominium complex with a 20% affordable housing set-aside.

In addition to the A&P site's proximity to existing inclusionary residential districts, it also follows Montvale's holistic approach to planning for affordable housing. The A&P site is less than a tenminute walk to the Chestnut Ridge Road corridor, which contains shops and services. The potential rezoning of the site for multi-family residential also respects the planning principle of gradation of density across the Borough, maintaining higher densities and greater building heights further away from the core single-family detached residential zones within the Borough and requiring lower densities and lower permitted building heights as the properties approach the established core single-family detached zoning districts within the Borough.

The vision for this site is a townhome complex at a density of roughly four units to the acre (this includes the contemplated open space acreage), which is less dense than both adjacent inclusionary multi-family zones. As shown by the map on page 9, the closest single-family residential zone is 255 feet away. Therefore, the site acts as a transition from the AH-10A District (at ten units to the acre) to the A&P's proposed four units to the acre to the nearby R-40 District, which requires 40,000 square feet per home.





DISTANCE TO SINGLE-FAMILY
RESIDENTIAL ZONE
BLOCK 1903 LOT 7

BOROUGH OF MONTVALE BERGEN COUNTY, NEW JERSEY



### V. ZONING RECOMMENDATIONS

### SONY

A new zoning district is recommended for the Sony site to enable a multi-family residential use. Montvale currently has several multi-family inclusionary zones that range in density and unit type. These districts are called Affordable Housing District, or AH, followed by the permitted density. For example, the AH-6 District permits six units to the acre. A new AH District should be created to permit the development envisioned for the Sony site, which might be called AH-26 District.

As per the November 2017 Settlement Agreement, the AH-26 District should:

- Permit a maximum of 26.4 units to the acre, with a maximum total of 185 multi-family residential units
- Require a 20% affordable housing set-aside
- Permit a maximum of four residential stories over one level of parking
- Ensure the parking level is worked into the grade, so only a portion of the parking level is exposed when viewing the building(s)
- Measure all set back lines from the entire Sony Campus and not from the lot lines or municipal boundaries
- Establish a minimum lot size of seven acres

The new zoning district ordinance should include standards that address bulk parameters, architectural design, landscaping, signage, etc. The ordinance should also define permitted accessory uses for the zone.

### A&P

A new zoning district is also recommended for the A&P site to enable multi-family residential uses. Montvale currently has a AH-6 District that can be used as a framework to craft standards for the A&P site. A new AH District should be established to permit the townhome development envisioned for the A&P site, which might be called AH-6A.

As per the November 2017 Settlement Agreement, the AH-6A District should:

- Allow townhomes and flats as principal permitted uses
- Permit a maximum of 6 units to the acre, with a maximum total of 80 multi-family residential units
- Require a 20% affordable housing set-aside
- Establish a minimum lot size, which is less than the total tract, recognizing the donation of the southern portion of the property for open space
- Permit a maximum of 3 stories
- Limit the length of a building and cap the number of units permitted to be in one building

The new zoning district ordinance should include standards that address bulk parameters, architectural design, landscaping, signage, etc. The ordinance should also define permitted accessory uses for the zone.

### VI. CONCLUSION

This Amendment to the 2008 <u>Master Plan</u>, is necessary to implement the settlements with Hornrock and 2 Paragon Drive and to establish a foundation for rezoning the properties consistent with the Settlement Agreements. Although the zoning of the Hornrock site is atypically dense for the Borough, the site is unique and has characteristics that warrant a higher density and advances the resolution of the affordable housing litigation with Hornrock. Similarly, the lower density on the A&P site is warranted as well for the reasons set forth herein. In conclusion, the establishment of two new inclusionary multi-family residential zones (one for each site) is recommended.