

HARTZ MOUNTAIN INDUSTRIES, INC.

400 Plaza Drive, P.O. Box 1515, Secaucus, New Jersey 07096-1515

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September 6, 2017

Via Electronic and Regular Mail

Ryan J. Cooper, Esq. 600 Linden Place Cranford, New Jersey 07016

Re: 750 Walnut Avenue, Cranford

Dear Mr. Cooper,

We are in receipt of your letter of August 30 with reference to Hartz Mountain's application for redevelopment designation of its property at 750 Walnut Avenue. While we disagree with several of the statements in your letter, we do not presently wish to address these or the pending litigation.

Instead, we draw your attention to a recent court order from Judge Toskos in Bergen County, in which he ruled that a developer need not produce information of the type the Township of Cranford has requested from Hartz Mountain including, by way of example, documents pertaining to demand for particular uses and the property owner's efforts to market the property for permitted uses. We enclose Judge Toskos' Order as well as the moving party's motion papers to provide context.

Nonetheless, while reserving our rights with respect to the Township's request for such information, we continue to be desirous of working cooperatively with the Township toward redevelopment of the property on terms beneficial to both Hartz and the public. In that spirit, we are providing the additional information you requested on behalf of the Township Committee.

Thus, we enclose the following:

- Updated fiscal impact report of Phillips Preiss & Grygiel LLC
- Miscellaneous documents illustrating Hartz Mountain's efforts to market and lease vacant space at the property

With respect to the request for information to support the notion that Hartz Mountain's proposed multi-family inclusionary project would be attractive to millennials, we presently have no reports or studies other than professional experience and anecdotal evidence. More to the

Ryan J. Cooper, Esq. September 6, 2017 Page 2

point, though, is the fact that three recent multi-family projects in Cranford indicate that at least 85% of households in similar projects have no children, and we expect that data and experience to carry over to the Hartz Mountain project as well. These households are comprised largely of millennials, empty-nesters and couples or single persons who have never had children. If the Township's consultants have contrary information, we invite them to share it with us.

Finally, we are somewhat surprised by your request for an explanation about the timing of the redevelopment hearing relative to the rezoning hearing. You were in the room at the May 30 meeting when the Mayor suggested that the rezoning hearing be adjourned so that the Township Committee's review of the redevelopment opportunity would not "step on the toes" of the Planning Board. The decision to proceed first with the redevelopment process was a joint decision with representatives of the Township in avoidance of a waste of the Planning Board's time and resources. We continue to believe that proceeding with the redevelopment process first is prudent for the reasons discussed at that meeting. More importantly, the proofs required to support a redevelopment designation pursuant to N.J.S.A. 40A:12A-5 are distinct from the proofs required by the Township's ordinance to support a rezoning, so proceeding first with a rezoning hearing will not fully inform the Township Committee's analysis on redevelopment.

We believe that the Township Committee has ample information available to refer the matter to the Planning Board for a full investigation and public hearings into the qualification of the property for a redevelopment designation, but we renew our offer to first meet with representatives of the Township to discuss a mutually beneficial redevelopment strategy.

Thank you.

James P. Rhatican

Enc.

Cc: Terence M. Wall (via email and regular mail) (w/ enc.)

Stephen Eisdorfer, Esq. (via email) (w/ enc.)



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FISCAL IMPACTS OF THE PROPOSED REZONING OF 750 WALNUT AVENUE CRANFORD, NJ SUMMARY OF KEY FINDINGS

PREPARED BY PHILLIPS PREISS GRYGIEL LLC AUGUST 2017

Overview

This memo summarizes the results of our revised fiscal impact analysis of the proposed rezoning of the 750 Walnut Avenue property in Cranford Township. This analysis incorporates new information that was unavailable at the time of our initial study in March 2017, including 2017 budget, tax rate and equalization ratio data. In addition, we obtained data from the Cranford Public School District on the number of public school children residing in three recent multifamily developments in Cranford.

Our analysis is based on the proposed phased build-out of the overall development program as summarized in Tables 1 and 2.

Table 1: Summary of Phased Development Program

		Unit Type	Number of Units
		1 BR	210
	MARKET RATE	2 BR	155
		Sub-Total	365
PHASE 1		1 BR	14
	A 5.5	2 BR	40
	AFF.	3 BR	14
		Sub-Total	68
	PHAS	E 1 TOTAL	433
	OFFICE-	INDUSTRIAL	200,000 sq. ft.
works.E.		1 BR	170
	MARKET RATE	2 BR	231
		Sub-Total	401
PHASE 2		1 BR	14
	455	2 BR	42
	AFF.	3 BR	15
		Sub-Total	71
	PHAS	E 2 TOTAL	472
	TOTAL	BUILD-OUT	905



Methodology

A fiscal impact analysis evaluates the revenues and costs generated by a proposed development in terms of the anticipated impacts on the budgetary finances of the municipality and the local school district. If new revenues exceed new costs, the development has a positive fiscal impact. On the other hand, the fiscal impact is negative if new costs exceed the new revenues generated by the project.

There are a number of methods for fiscal impact analysis. We have utilized an average cost analysis, also often called the "per capita multiplier method," which attributes costs of new development according to the average cost per unit of existing services, multiplied by the number of units the development is estimated to create, based on multipliers derived from the Census and other similar sources. It assumes that current per capita service costs serve as a reasonable estimate of future per capita service costs. The estimates of the anticipated tax revenues as well as the per capita costs to serve the new residential, public school children and employee populations were developed in accordance with the methodology set forth in the *Development Impact Assessment Handbook*, by Burchell, Listokin, et al.

Value Assumptions

The anticipated market-rate and mandated affordable rents for each unit type are listed in Table 2.

Table 2: Monthly Rents for Residential Units

		Unit Type	Number of Units	Monthly Rent
		1 BR	198	\$2,374
	MARKET	1 BR w/ den	12	\$2,690
	RATE	2 BR	155	\$2,840
PHASE 1		Sub-Total	365	
PHASE 1		1 BR	14	\$899
	AFF.	2 BR	40	\$1,060
	Arr.	3 BR	14	\$1,240
		Sub-Total	68	
	PHAS	E 1 TOTAL	433	
		1 BR	154	\$2,374
	MARKET	1 BR w/ den	16	\$2,690
	RATE	2 BR	231	\$2,840
DUACES		Sub-Total	401	
PHASE 2		1 BR	14	\$899
	A 5.5	2 BR	42	\$1,060
	AFF.	3 BR	15	\$1,240
		Sub-Total	71	
	PHAS	E 2 TOTAL	472	
	TOTAL	BUILD-OUT	905	



The above values were used to estimate a gross market value for the residential components of the project.¹ In Phase 1, the total estimated market value of the residential component is approximately \$125,337,433. Based on Cranford's equalization ratio of 39.14%, the assessed value of the Phase 1 residential is approximately \$49,057,071.28. The approximately 200,000 square feet of industrial space that will be retained in Phase 1 has an assessed value of \$6,710,500. Thus, the total assessed value for Phase 1 is approximately \$56 million. The full build-out of the project (Phase 2) consists of 905 multifamily residential units. The total market value for the full build-out is \$266,174,610; the assessed value is \$104,180,742.35. The attached worksheets illustrate the annual revenues that would be generated by adding the proposed development to the tax rolls.

Cost Assumptions

The budgetary finances, tax base, resident and non-resident populations were researched for Cranford in order to estimate current per capita spending levels. For example, according to Cranford Township's adopted 2017 municipal budget, the total appropriations funded by local property taxes was \$24.14 million. The residential tax base represents approximately 89% of the total tax base. Thus, approximately \$21.55 million of the total budgetary appropriations raised by local taxes are allocated to provide services to the Township's resident population. Meanwhile, since non-residential uses constitute approximately 11% of the tax base, it is assumed that approximately \$2.29 million of the total appropriations are allocated to services which support the non-residential tax base. Those assumptions are based on what is known as the "proportional valuation" method which assumes that the allocation of municipal services is roughly proportional to the share of the total tax base represented by residential and non-residential uses in the community.²

Given the current population of 23,328, it is estimated that Cranford Township currently spends approximately \$924 per capita from its budgetary appropriations raised by property taxes (\$24.14 million).³ This represents the average per capita cost for residents. However, this average cost reflects many sunk costs that will not be impacted by the added renter population in Cranford. Examples include general government staffing, operations (e.g., the Planning Board budget) and street lighting. It is also true that compact multifamily residential developments generate lesser demands on municipal services than typical residential properties, because many services, such as on-site snow removal, road maintenance and sanitation, will be provided by the property owner. Therefore, it is appropriate to refine the average per capita cost to account for the marginal costs associated with the added population.

Based on a review of the 2017 adopted municipal budget, it is assumed that the project would generate impacts in the service categories of public safety, health and welfare, construction code, insurance, library and sewerage authority (as enumerated in the attached summary). The total budget appropriations for those service categories total approximately \$19.99 million of which 64% are supported by local property taxes. This

 $^{^{}f 1}$ Assumptions included a vacancy rate of 5%, operating costs of 35% of gross annual rents and a cap rate of 6%

² The proportional valuation method is described in the <u>Development Impact Assessment Handbook</u>, by Burchell, Listokin, Dolphin, et al. (Urban Land Institute, 1994), p. 129.

³ Population estimate from American Community Survey (2011-2015).



translates to a local tax – supported appropriation of \$12.8 million. Therefore, based on the current Township population of 23,328, it is estimated that a more realistic per capita cost for the renter population residing in the proposed development is approximately \$549.4 Finally, the municipality's service expenditures per employee are approximately \$162 based on the 14,102 total jobs in Cranford Township.⁵

The State of New Jersey's Taxpayers' Guide to Education Spending for 2017 indicates that the "total spending per pupil" for the Cranford Public School District is \$17,607. Of the total amount, 77.3% is supported by local property taxes. This translates to a local tax-supported per pupil cost of \$13,610. It must be emphasized that "total spending per pupil" factors all students for which the district is financially responsible. It includes all types of district spending, including transportation, pensions and social security costs, food services, special needs services, capital outlay budgeted in the general fund, debt service, etc. It is considered by the New Jersey Department of Education to be a "comprehensive representation of school district expenditures."

Demographic Multipliers

Demographic multipliers developed by the Center for Urban Policy Research at Rutgers University in 2006 were utilized to estimate the total population that would reside in the proposed residential community. The Rutgers study provides per unit multipliers for various housing types for the entire state and three regions (i.e., North, Central and South). For this analysis, the North Region multipliers were used in lieu of the statewide set to estimate the total population generated by the project. The Rutgers Multipliers also include a specific set for affordable housing units, which we have applied to the affordable components for the purposes of calculating the total population.

In order to estimate the number of public school children that will be generated by the proposed development, data was obtained from the Cranford Public School District for three relatively recent multifamily developments in Cranford.

Public School Children in Existing Multifamily Developments

	Total Units	Affordable Units (set aside %)	Public School Children	Public School Children per Unit
Riverfront	127	19 (15%)	7	0.055
Woodmont	163	24 (15%)	35	0.215
Cranford Crossing	50	0	8	0.16

Source: Cranford Public School District, August 2017

Since the proposed development includes a 15% set aside for affordable units, the Riverfront and Woodmont projects were considered good comparables because both are inclusionary multifamily projects with the identical set-aside of affordable housing. Those two developments represent a multiplier of 0.144 public school children per unit. This is the multiplier that was utilized in our analysis to estimate the total number of public school children in the proposed development.

⁴ Population estimate from American Community Survey (2011-2015).

⁵ US Census Bureau, Center for Economic Studies, Longitudinal Employment Household Dynamics, 2013.



Comparable Projects Utilized to Generate PSC Multiplier

	Total Units	Affordable Units (set aside %)	Public School Children	Public School Children per Unit
Riverfront	127	19 (15%)	7	0.055
Woodmont	163	24 (15%)	35	0.215
TOTAL	290	43 (15%)	42	0.144

Source: Cranford Public School District, August 2017

Key Findings

The main conclusions of the analysis are shown in Table 3. In terms of total net annual revenues, the development is estimated to generate an annual net positive benefit of approximately \$1.3 million in Phase 1 and \$2.2 million at full build-out. The fiscal impact calculations for each phase are reflected in the attached worksheets. This analysis assumes that the project would be subject to conventional ad valorem taxation. If a redevelopment designation and long term tax abatement are pursued, the fiscal impact to the municipality would substantially increase to approximately \$3.34 million.⁶

Table 3: Summary of Fiscal Impact Analysis

	PHASE 1	FULL BUILD-OUT
Annual Net Benefit to Municipality	\$292,720	\$506,543
Annual Net Benefit to School District	\$1,025,509	\$1,722,839
Annual Net Benefit to Municipality and School District	\$1,318,229	\$2,229,382
Total Residential Population	831	1,846
Number of Public School Students	62	130

⁶ Based on a 95% capture of total tax revenues (per the Long-Term Tax Abatement statute) generated by the development at full build-out, minus the costs of serving the new residents and public school children.

FISCAL IMPACT ANALYSIS - PHASE 1			
ANNUAL NET FISCAL IMPACT ON MUNICIPALITY AND REGIONAL SCHOOL DISTRICT	\$1,318,229		
JNIT MIX- PHASE 1			
Market Rate			
	210		
	155		
Control of the contro	365		
JOD-TOTAL			
Affordable			
	14		
	40		
	14		
SUB-TOTAL	68		
TOTAL UNITS	433	-	
TOTAL POP	A.A. diinline	# of Linita	Don
The state of the s	<u>Multiplier</u>	# of Units	Pop
MARKET-RATE	1_597	210	335.37
	1.996	155	309.38
2 BR Multifamily	1,580	SUB-TOTAL	644.75
AFFORDABLE		OOB-TOTAL	O-141.7 O
	1.61	14	22,54
	2.76	40	110.40
	3.82	14	53.48
		SUB-TOTAL	186.42
		TOTAL POPULATION	
		ROUNDED	831.00
TOTAL PUBLIC SCHOOL CHILDREN			_
	<u>Multiplier</u>	# of Units	<u>Pop</u>
MARKET-RATE			
n	0.144	210	30,24
2 BR Multifamily	0.144	155	22.32
		SUB-TOTAL	52.56
<u>AFFORDABLE</u>			
,	0.144	14	2.02
	0.144	40	5.76
3 BR Multifamily	0.144	14	2.02
		SUB-TOTAL	9.79
		TOTAL PSC ROUNDED	62.35 62.00
		ROUNDED	02.00
ASSESSED VALUE			
	Equalization Ratio		
\$125,337,433	39.14%	\$49,057,071.28	
		Phase 1 industrial	
		\$6,710,500.00	
		Total Assessed Value	
		\$55,767,571.28	
TAX REVENUES	Dete	T-1-1 A	A-muel Terr Davis
	Rate	Total Assessed Value	
School District	3.352	\$55,767,571,28 \$55,767,571,28	\$1,869,328,99 \$813,648,86
Municipality County	1.459	\$55,767,571,28 \$55,767,571,28	\$813,648.86 \$764,573.40
County Total	1.371 6.182	\$55,767,571.28 \$55,767,571.28	\$3,447,551.26
rottii	0.102	400,101,011.40	\$5,441,00 I.ZO
costs			
energe-extra A			
	Number of	Annual Municipal Costs	
Annual Municipal Expenditure Per Resident		for Project Residents	
\$549	831	\$456,219	
	Number of		
Annual School Expenditure Per Student	Students	Annual School Costs	
\$13,610	62	\$843,820.00	
Annual Municipal Expenditure Per	Number of	Annual Municipal Costs	
Employee	Employees	for Project Employees	
\$162	399	\$64,710	
WET FIGURE INDAGE	TOTAL COSTS	\$1,364,749	
NET FISCAL IMPACT	Appual Tay		
	Annual Tax		
	Revenues Generated	Appunt Costs	Not Eigent Ironact
	Gerrerateu	Annual Costs	Net Fiscal Impact
Municipality		\$520 928 82	\$292 720.04
Municipality School District	\$813,648.86 \$1,869,328.99	\$520,928.82 \$843,820.00	\$292,720.04 \$1,025,508.99

FISCAL IMPACT ANALYSIS - TOTAL I	BUILD-OUT (PHA	SE 1 + PHASE 2)	
ANNUAL NET FISCAL IMPACT ON			
MUNICIPALITY AND REGIONAL SCHOOL	\$2,229,382		
UNIT MIX- PHASE 1			
Market Rate			
1 BR Multifamily 2 BR Multifamily	380 386		
SUB-TOTAL	766		
Affordable 1 BR Multifamily	28		
2 BR Multifamily	82		
3 BR Multifamily SUB-TOTAL	29 139		
TOTAL UNITS	905	70	
TOTAL POP			
Unit Type MARKET-RATE	<u>Multiplier</u>	# of Units	<u>Pop</u>
1 BR Multifamily	1.555	380	590 90
2 BR Multifamily	2,262	386 SUB-TOTAL	873.13 1464.03
AFFORDABLE		ODD TOTAL	04,00
1 BR Multifamily	1.61	28	45.08
2 BR Multifamily 3 BR Multifamily	2.76 3.82	82 29	226,32 110,78
,		SUB-TOTAL	382 18
		TOTAL POPULATION ROUNDED	1846.21 1846.00
TOTAL PUBLIC SCHOOL CHILDREN			
Unit Type	Multiplier	# of Units	Pop
MARKET-RATE	0.444	200	54.72
1 BR Multifamily 2 BR Multifamily	0.144 0.144	380 386	55.58
n. Har sandraman Harrie.		SUB-TOTAL	110.30
AFFORDABLE 1 BR Multifamily	0.144	28	4.03
2 BR Multifamily	0.144	82	11.81
3 BR Multifamily	0.144	29	4.18
		SUB-TOTAL TOTAL PSC	20.02 130.32
		ROUNDED	130.00
ASSESSED VALUE			
Total Market Value	Equalization Ratio		
\$266,174,610	39.14%	\$104,180,742.35	
TAX REVENUES			
Source	<u>Rate</u>	Total Assessed Value	
School District Municipality	3.352 1.459	\$104,180,742,35 \$104,180,742,35	\$3,492,138 48 \$1,519,997 03
County	1.371	\$104,180,742.35	\$1,428,317.98
Total	6.182	\$104,180,742.35	\$6,440,453.49
costs			
	Number of	Annual Municipal Costs	
Annual Municipal Expenditure Per Resident		for Project Residents	
\$549	1,846	\$1,013,454	
Annual School Expenditure Per Student	Number of Students	Annual School Costs	
\$13,610	130	\$1,769,300.00	
Annual Municipal Expenditure Per Employee	Number of Employees	Annual Municipal Costs for Project Employees	2
\$162	0	\$0	
	TOTAL COSTS	\$2,782,754	
NET FISCAL IMPACT		V=,1 0=,1 0=	
	Annual Tax Revenues		
	Generated	Annual Costs	Net Fiscal Impact
Municipality	\$1,519,997.03	\$1,013,454,00	\$506,543.03
School District TOTAL	\$3,492,138,48	\$1,769,300,00	\$1,722,838.48 \$2,229,381.51
150.00			**Innales us 1

2017 Adopted Budget - Municipal Service Categories Impacted by Proposed Development

Public safety: \$10,180,483

Health & welfare: \$943,295

Construction code: \$627,053

Insurance: \$5,209,243

Library: \$1,411,372

Sewerage Authority: \$1,626,631

TOTAL: \$19,998,077

750 Walnut Avenue, Cranford, NJ

Date Posted

Website: 3/24/2016

<u>CoStar:</u> 3/24/2016

<u>LoopNet:</u> 3/24/2016

Email Blast:	<u>Date</u>	# of Brokers
	3/29/2016	545
	4/19/2016	543
	4/27/2016	543
	5/5/2016	544
	5/17/2016	544
	6/22/2016	535
	7/12/2016	535
	8/24/2016	532
	9/15/2016	530
	10/20/2016	529
	11/10/2016	529
	12/7/2017	536
	1/11/2017	533
	1/23/2017	534
	2/23/2017	531
	3/23/2017	528
	4/25/2017	527
	6/28/2017	520



> SEARCH AVAILABLE SPACE

- SEARON AVAILABLE OF A
 - > Office
 - > Industrial
 - > Build-To-Suit
 - > Retail
- > OTHER ASSET CLASSES
 - > Residential
 - > Hotels
- > ECONOMIC INCENTIVES

HOME ABOUT ▼

AVAILABLE SPACE

FINANCE

CONTACT

OFFICE

750 Walnut Avenue, Cranford, New Jersey

Property Home

Мар

Print Brochure

Contact

CURRENT AVAILABILITIES

750 Walnut Avenue

28,554 - 276,728

Floor Plan View

BUILDING PROFILE

Total Square Feet: 276,728

Stories: Varies 1 - 2

Transportation:

This centrally located office space is only 8 miles from Newark Liberty International Airport and close to major highways including the NJ Turnpike, I-78, and the Garden State Parkway.

Location & Directions

Rental: Upon Request

Term: Upon Request

Property Info



Comments:

It is attractively situated in a neighborhood of golf courses and tree-lined suburbia.

Headquarters: Hartz Mountain Industries, Inc. - 400 Plaza Drive - P.O. Box 1515 - Secaucus NJ 07096-1515 Phone: 201-348-1200 Fax: 201-348-4358
New York Office: The Hartz Group, Inc. - 667 Madison Avenue - New York, NY 10021 Phone: 212-308-3336 Fax: 212-838-8845

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750 Walnut Ave - Labcorp Facility

Cranford Twp Cranford, NJ 07016 - Central Union Ind Submarket 276,728 SF Available for lease 602,054 SF Class B Industrial Warehouse Building Built in 1967

Vvalk Score® Transit Score®	Taxes	Parking	Litilities	Property Mix		Truck Wells	Construction	Levelators	Cross Docks	Docks	Class	Typical Floor	Stories	RBA	Туре
Car-Dependent (43) Some Transit (25)	\$1.92/SF (2016-Est); \$1.85/SF (2013)	200 Covered Spaces are available; 881 free Surface Spaces are available; Ratio of 4.00/1,000 SF	Gas, Heating, Lighting, Sewer, Water	Office 220,000 SF 36.5%	Cranes	None Rail Spots	Masonry Sprinklers	None Elevators	None Columns 30'	8 ext Ceiling Ht	В	413,573 SF Owner Occup	2 Tenancy	602,054 SF Year Built	3 Star Industrial Warehouse
					None	None	Wet	None	30'w x 35'd	22'		N _o	Multi	1967	
6 OC 0 OC	Dec	Mar Feb	Sigr	Le	P 16	Floc	!	Sp		Aski CAN	%	Vac		# 30 Of 05	Sma

For Lease

Smallest Space 28,554 SF	28,554 SF	Office Avail	276,728 SF
Max Contiguous 276,728 SF	276,728 SF		
# of Spaces	-		
Vacant	276,728 SF		
% Leased	54.0%		
Asking Rent	Withheld		
CAM	None		
Space			

8 1st

28,554 - 276,728 SF	SF Available	
Office	Use	

Withheld Rent

easing Activity

Sign Date	SF Leased	Use	Rent	Rent Type
Nov 2011	3,754 SF	Office	\$15.00/TE	Asking
Mar 2009	7,044 SF	Office	\$14.29/TE	Effective
eb 2009	40,044 SF	Industrial		(i
Эес 2007	17,036 SF	Office	•	*
Oct 2006	70,000 SF	Office		*
6 Other Lease Comps				

Market Conditions

Farcel Zoning

00002-0000-C07

Ind

03-00541-0000-00002-0000-C01, 03-00541-0000-00002-0000-C02, 03-

0000-00002-0000-C05, 03-00541-0000-00002-0000-C06, 03-00541-0000-00541-0000-00002-0000-C03, 03-00541-0000-00002-0000-C04, 03-00541Bldg FAR Land Acres

0.45

30.50 AC

Land SF

1,328,580 SF

Land

			John F. Kennedy International Airport		l a Guardia Aimort	Newark Liberty International Airport	Airport	Carry Con Commission I was (1 series - 1 series)	Garwood Commuter Rail (Raritan Valley Line)	Cranford Commuter Rail (Raritan Valley Line)	Commuter Rail		Dublic Transportation	suburbia.	golf courses and tree-lined	situated in a neighborhood of	State Parkway. It is attractively	Tumpike, I-78, and the Garden	highways including the NJ	Airport and close to major	Newark Liberty International	space is only 8 miles from	This centrally located office	Building Notes	Bio-Tech/ Lab Space	Features	2 Other Tenants	Cranford Dacor Repair	CBRE	Accent Trucking	Jargo Custom Brokers	Jagro Customs Brokers and International Freight Fo	Name	Tenants
			53 1111	75	48 min	16 min	Drive		7 min	3 min	Drive																					t Fo	SF	
			07.0	34 0	34.0 mi	13.2 mi	Distance		2.5 mi	1.3 mi	Distance																	ü		*	500 SF	7,044 SF	SF Occupied	
	Raritan Rd	Raritan Rd	Raritan Rd	Walnut Ave	Walnut Ave	Collection Street	Traffic	Household Growth '17-'22	Population Growth '17-'22	Daytime Employees	Median HH Income	Average Age	Households	Population			Demographics		Total		Improvements	2017 ASSESSITER	2017 Acces	Assessment_	Marketing 6.7.2016	Property	Documents	Primary Leasing		Property Manager	Developer	Character Cwile	True Owner	Property Conta
	Wal	Wal	Wal	Rar	Mito	Cro		7-'22	7-'22										Value	Land	ments	SHER	c ment		2016			Hartz Moun		Hartz Moun	Hartz Moun	Developer/Owner-NTI	Hartz Moun	acts
	Walnut Ave NE	Walnut Ave NE	Walnut Ave SW	Raritan Rd S	Mitchell PI S	Cross Street													\$19,364,300	\$12,103,800	\$7,260,500							Hartz Mountain Industries, Inc.		Hartz Mountain Industries, Inc.	Hartz Mountain Industries, Inc.		Hartz Mountain Industries, Inc.	
	14,809	23,166	16,279	14,219	13,943	Traffic Vol		+											\$14.58/SF	\$9.1	\$12.06/SF))												
Made with To	2012	2016	2011	2015	2016	Year		3.3%	3.4%		\$105,317 7 383	40.70	5,508	14,388					8/SF	\$9.11/SF	16/SF)												
Made with TrafficMetrix® Products	0.34 mi	0.29 mi	0.28 mi	0.25 mi	0.12 mi	Distance		3.1%	3.2%		\$87,037 69.820	39.70	61,861	165,775	3 M																			

Location

Zip 07016

Submarket Cluster Union Ind

Submarket Cluster Union Ind

Market Northern New Jersey

County Union

State New Jersey

CBSA New York, NJ-PA-CT

New York, NY-NJ-PA-CT

Property ID: 175689



Primary Photo



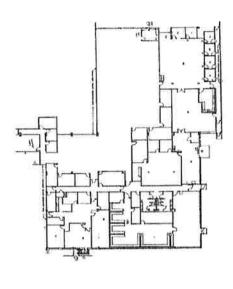
Typical Floor Plan



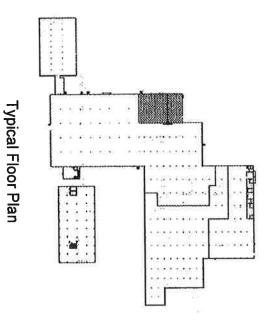
Building Photo



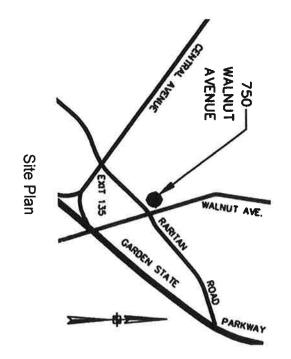
Building Photo

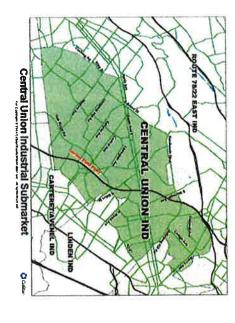


Floor Plan 1st Floor Space

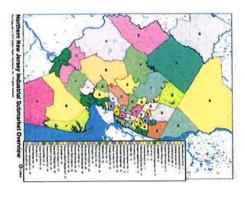


First Floor Annex Plan

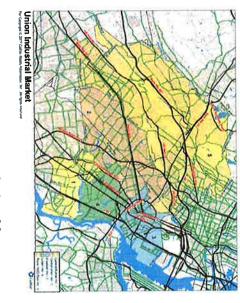




Central Union Industrial Submarket Map



Northern New Jersey Industrial Submarket O...



Union Industrial Market Map



Northern New Jersey Industrial Market Overvi...

750 Walnut Ave - Labcorp Facility

Cranford Twp Cranford, NJ 07016 - Central Union Ind Submarket 276,728 SF Available for lease 602,054 SF Class B Industrial Warehouse Building Built in 1967

Meets Criteria (1)

All Spaces (1)

Floor Info/Docs Use Type

SF Avail 28,554 - 276,728 FIr Contig

276,728

Bldg Contig 276,728 Rent Withheld Vacant

Occupancy

Listing Company

Hartz Mountain Industries

Timeframe 10 Years

Remove Selected Remove Unselected

□ P 1st

Office

Relet

Lease Comps

4 Lease	
Comps	
•	

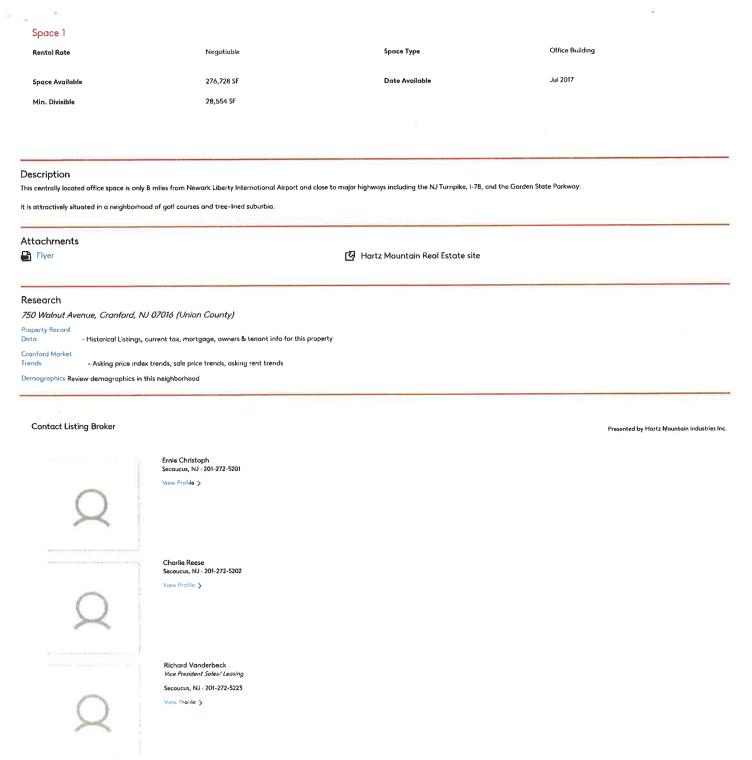
Property ID: 175689







750 Walnut Avenue, Cranford, NJ, 07016 - Office Building Property For Lease o... Page 2 of 2



From:

Leasing Dept @Hartz Mountain.com

Sent:

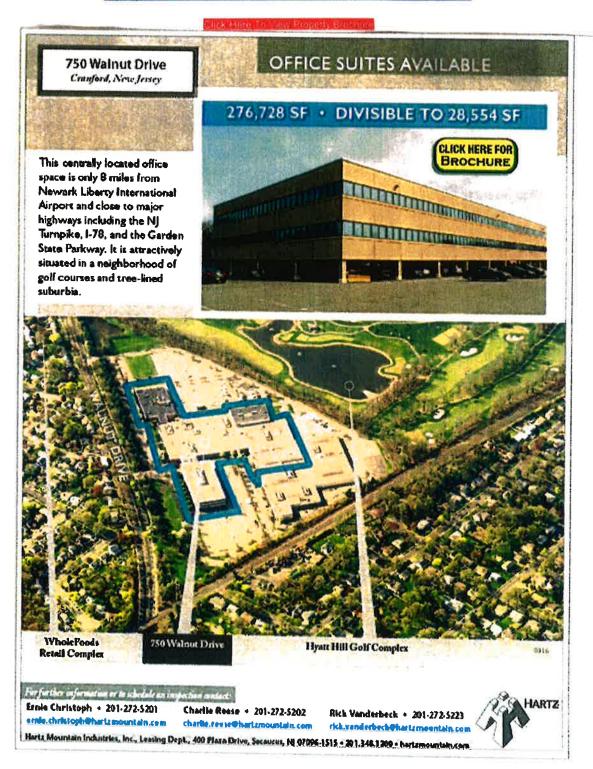
Tuesday, March 29, 2016 10:45 AM

To:

Jerkovich, Rosemary

Subject:

NEW TO THE MARKET | 750 Walnut Drive, Cranford, NJ | Office Space Available

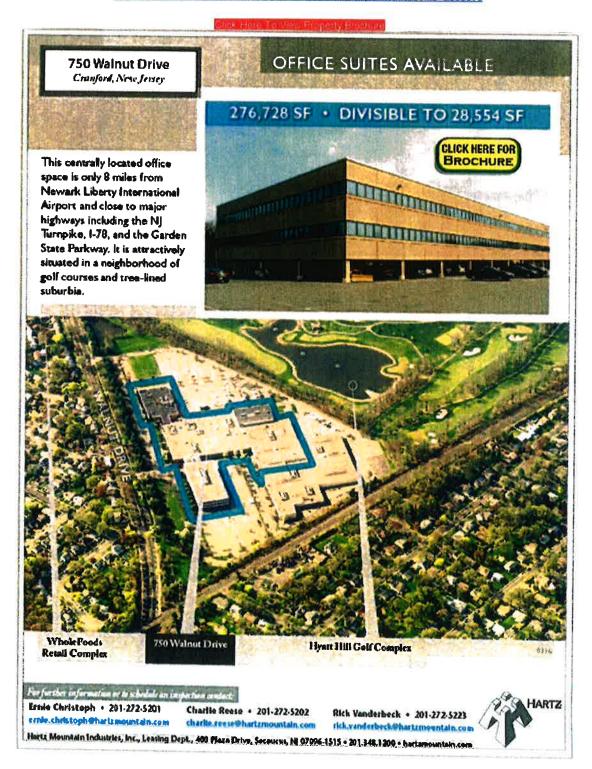


From: LeasingDept@HartzMountain.com
Sent: Tuesday, April 19, 2016 9:30 AM

To: Jerkovich, Rosemary

Subject: NEW TO THE MARKET | 750 Walnut Drive, Cranford, NJ | Office Space Available

If you can't see the image below, please go to http://filyers.hartzmountain.com/GetNotificationMailer.aspx?notificationid=2030576

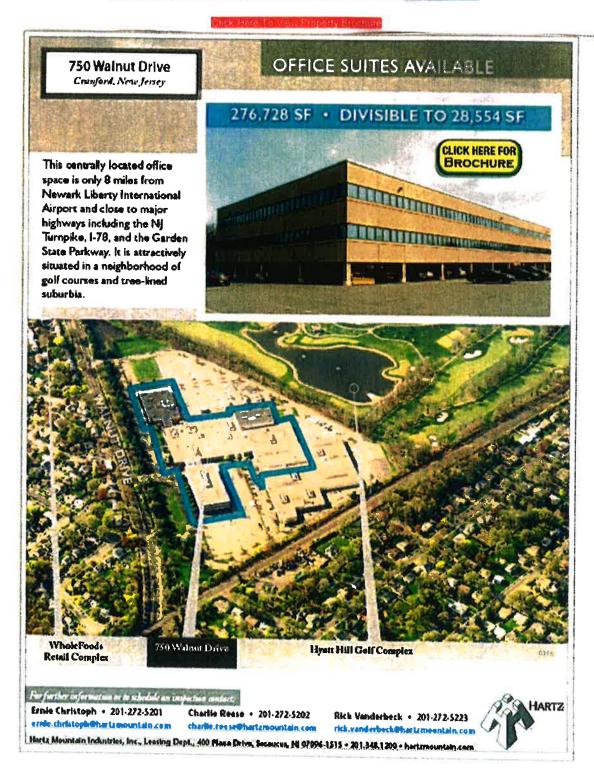


From: Sent:

LeasingDept@HartzMountain.com Wednesday, April 27, 2016 11:29 AM

To: Jerkovich, Rosemary

Subject: NEW TO THE MARKET | 750 Walnut Drive, Cranford, NJ | Office Space Available



From:

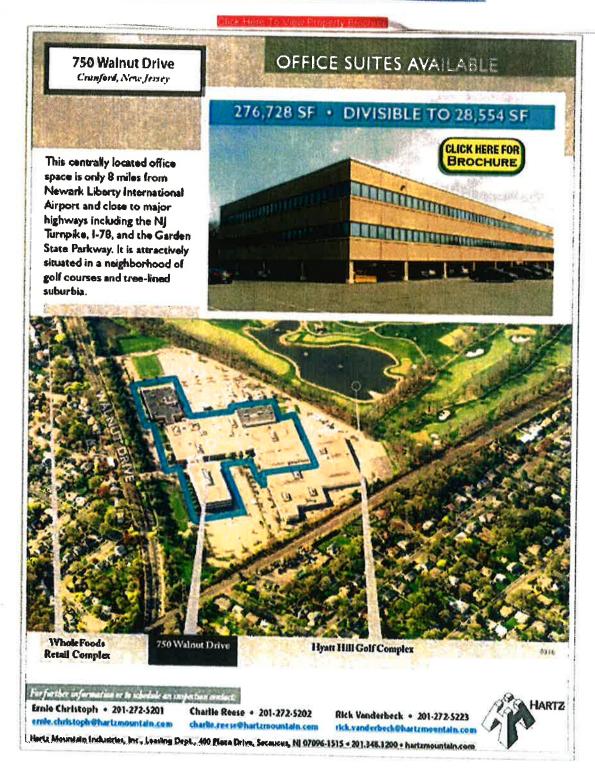
LeasingDept@HartzMountain.com Thursday, May 05, 2016 8:54 AM

Sent: To:

Jerkovich, Rosemary

Subject:

NEW TO THE MARKET | 750 Walnut Drive, Cranford, NJ | Office Space Available



From:

Leasing Dept @Hartz Mountain.com

Sent:

Tuesday, May 17, 2016 10:17 AM

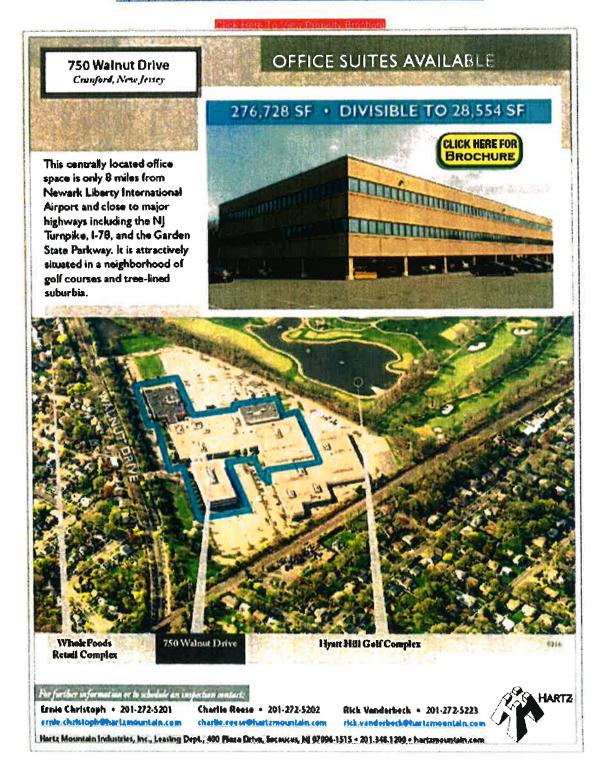
To:

Jerkovich, Rosemary

Subject:

NEW TO THE MARKET | 750 Walnut Drive, Cranford, NJ | Office Space Available

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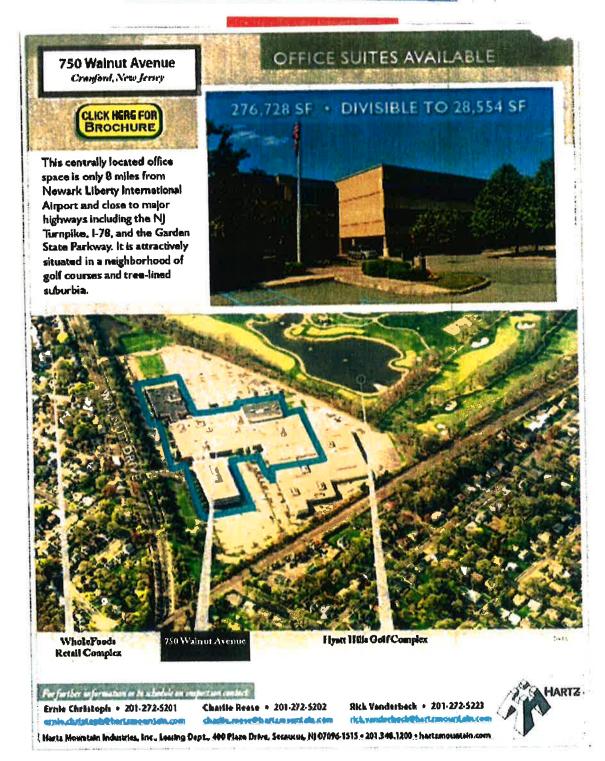
From: Sent: LeasingDept@HartzMountain.com Wednesday, June 22, 2016 11:17 AM

To:

Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available



From: Sent: LeasingDept@HartzMountain.com Tuesday, July 12, 2016 10:30 AM

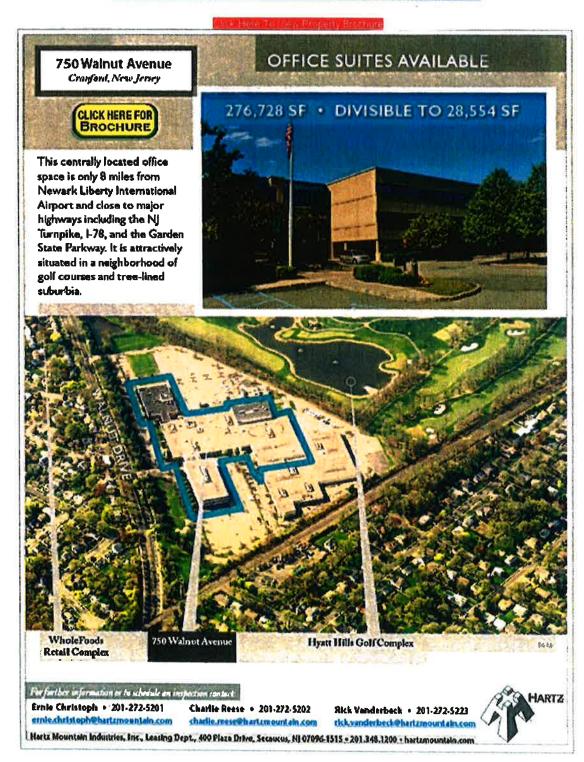
To:

Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available

If you can't see the image below, please go to http://fivers.hartzmountain.com/GetNotificationMailer.aspx?notificationid=2176698



From:

LeasingDept@HartzMountain.com

Sent:

Wednesday, August 24, 2016 10:54 AM

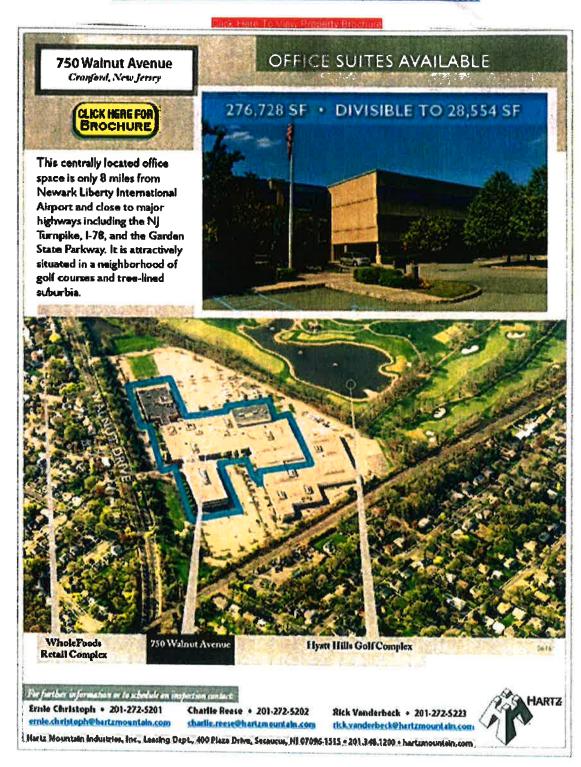
To:

Jerkovich, Rosemary

Subject:

Shipping !

750 Walnut Avenue, Cranford, NJ | Office Space Available



From:

LeasingDept@HartzMountain.com

Sent:

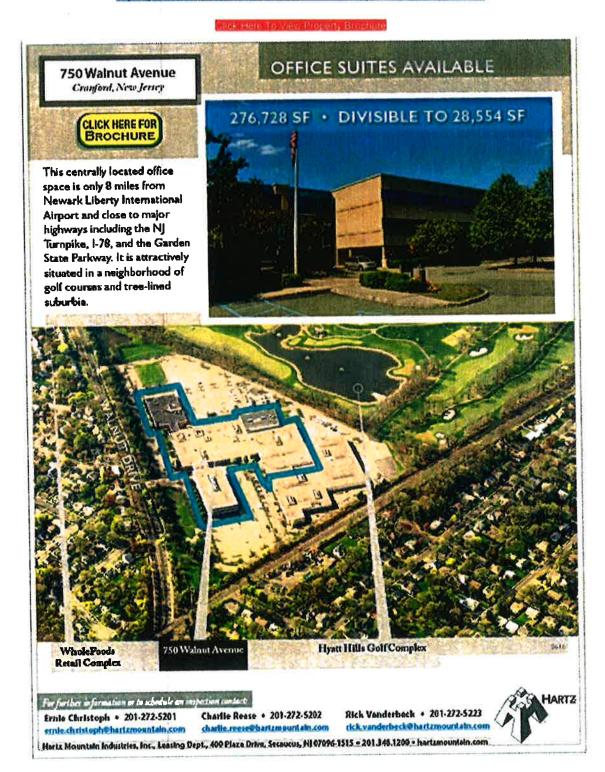
Thursday, September 15, 2016 10:25 AM

To:

Jerkovich, Rosemary

Subject:

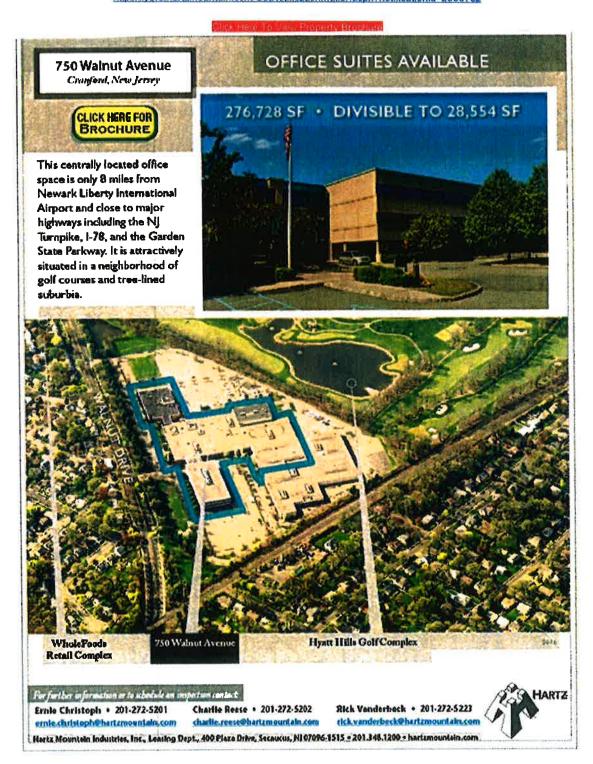
750 Walnut Avenue, Cranford, NJ | Office Space Available



From: LeasingDept@HartzMountain.com
Sent: LeasingDept@HartzMountain.com
Thursday, October 20, 2016 11:00 AM

To: Jerkovich, Rosemary

Subject: 750 Walnut Avenue, Cranford, NJ | Office Space Available



From:

LeasingDept@HartzMountain.com

Sent:

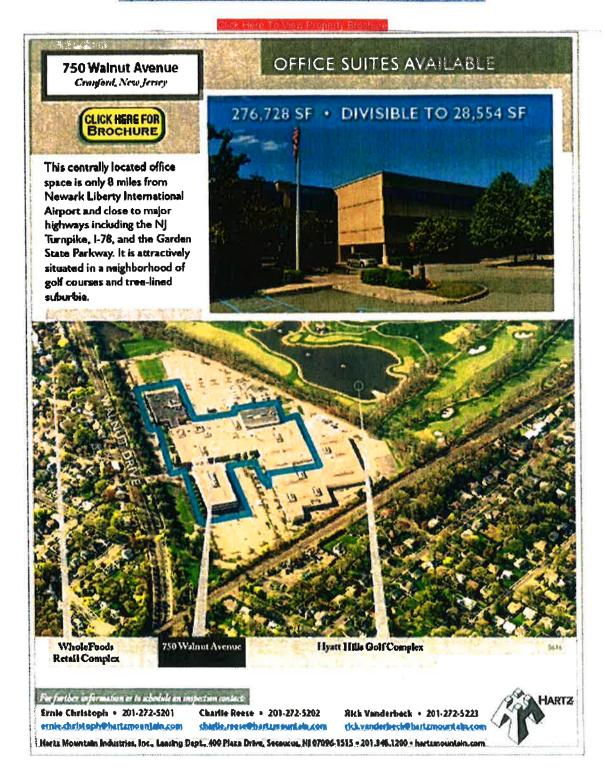
Thursday, November 10, 2016 8:52 AM

To:

Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available

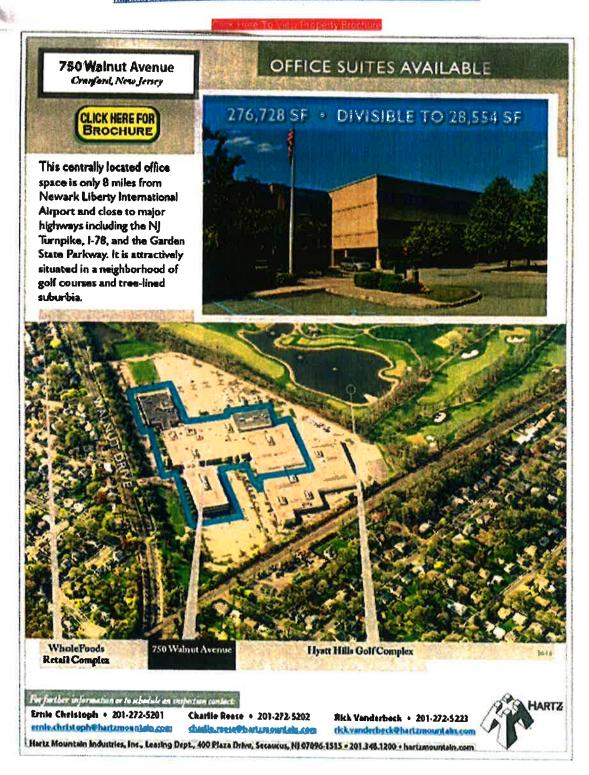


From: LeasingDept@HartzMountain.com

Sent: Wednesday, December 07, 2016 10:43 AM

To: Jerkovich, Rosemary

Subject: 750 Walnut Avenue, Cranford, NJ | Office Space Available



From:

LeasingDept@HartzMountain.com

Sent:

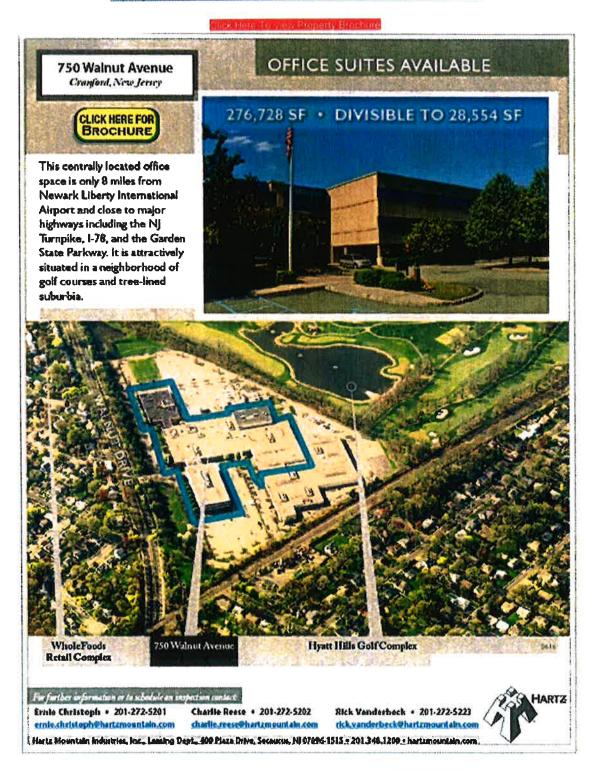
Wednesday, January 11, 2017 10:06 AM

To:

Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available



From:

LeasingDept@HartzMountain.com Monday, January 23, 2017 10:59 AM

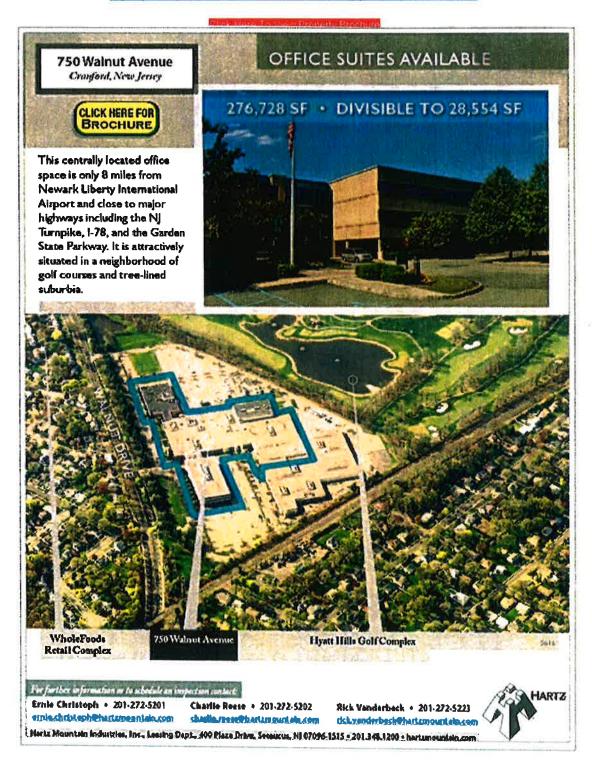
Sent: To:

Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available

If you can't see the image below, please go to http://flyers.hartzmountain.com/GetNotificationMailer.aspx?notificationid=2367867



From: Sent: LeasingDept@HartzMountain.com Thursday, February 23, 2017 9:14 AM

To:

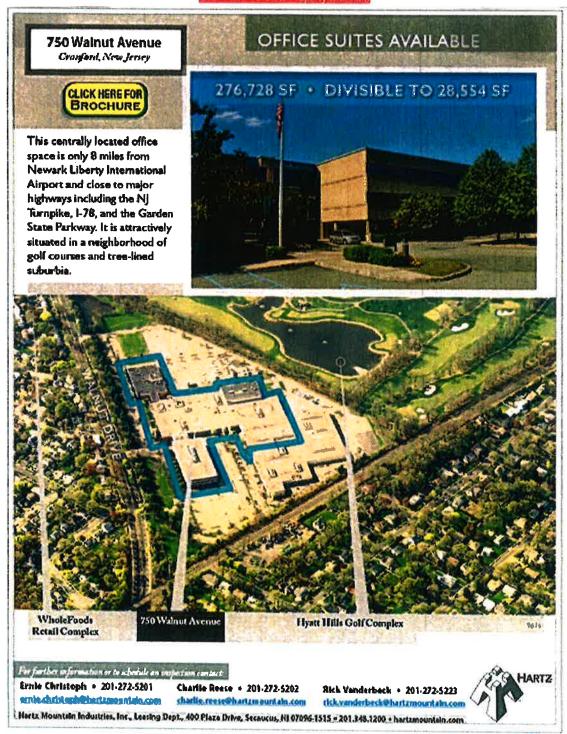
Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available

If you can't see the Image below, please go to http://flyers.hartzmountain.com/GetNotificationMailer.aspx?notificationid=2388454

Click Here To View Broperty Brochurs



Jerkovich, Rosemary

From:

LeasingDept@HartzMountain.com Thursday, March 23, 2017 8:43 AM

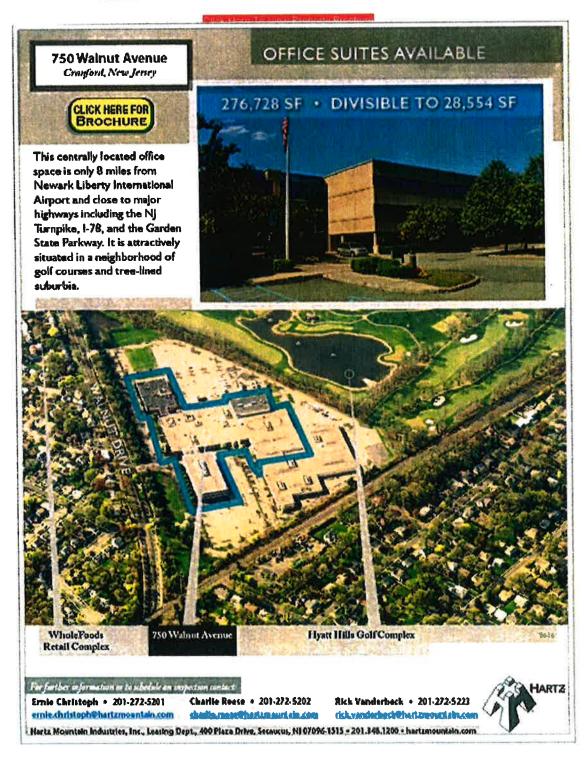
Sent: To:

Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available

If you can't see the image below, please go to http://filyers.hartzmountain.com/GetNotificationMailer.aspx?notificationid=2405014



Jerkovich, Rosemary

From:

LeasingDept@HartzMountain.com Tuesday, April 25, 2017 9:22 AM

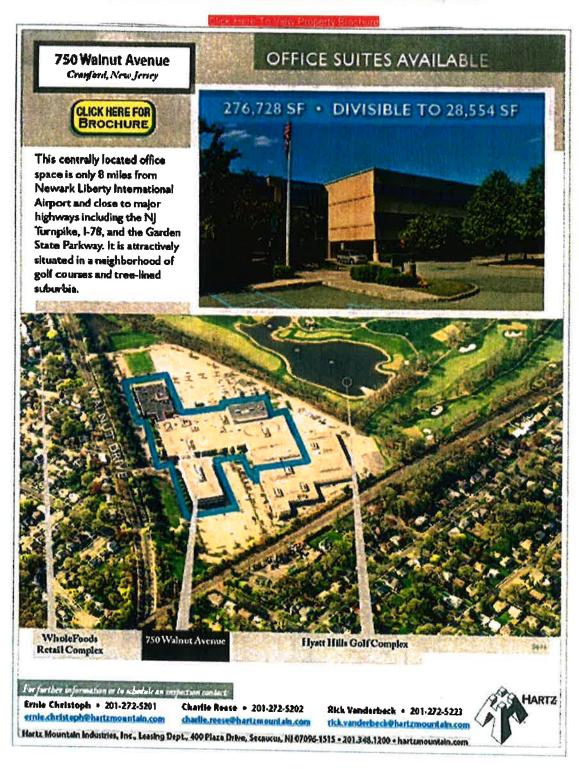
Sent: To:

Jerkovich, Rosemary

Subject:

750 Walnut Avenue, Cranford, NJ | Office Space Available

If you can't see the image below, please go to http://flyers.hartzmountain.com/GetNotificationMailer.aspx?notificationid=2420718



Jerkovich, Rosemary

From: Sent:

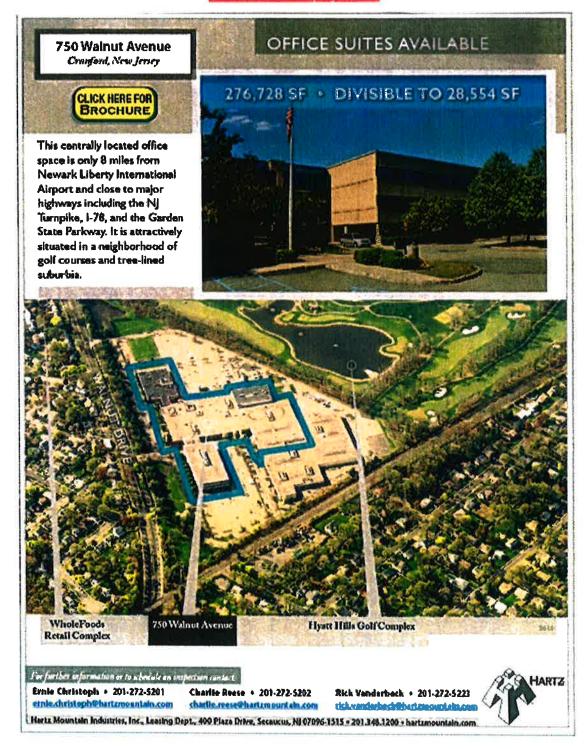
LeasingDept@HartzMountain.com Wednesday, June 28, 2017 9:27 AM

To: Jerkovich, Rosemary

Subject: 750 Walnut Avenue, Cranford, NJ | Office Space Available

If you can't see the image below, please go to http://flyers.hartzmountain.com/GetNotificationMailer.aspx?notificationid=2450988

Ohrs, Here To View Emperty Brochure



750 Walnut Avenue Cranford, New Jersey

This centrally located office space is only 8 miles from Newark Liberty International Airport and close to major highways including the NJ Turnpike, I-78, and the Garden State Parkway. It is attractively situated in a neighborhood of golf courses and tree-lined suburbia.

OFFICE SUITES AVAILABLE





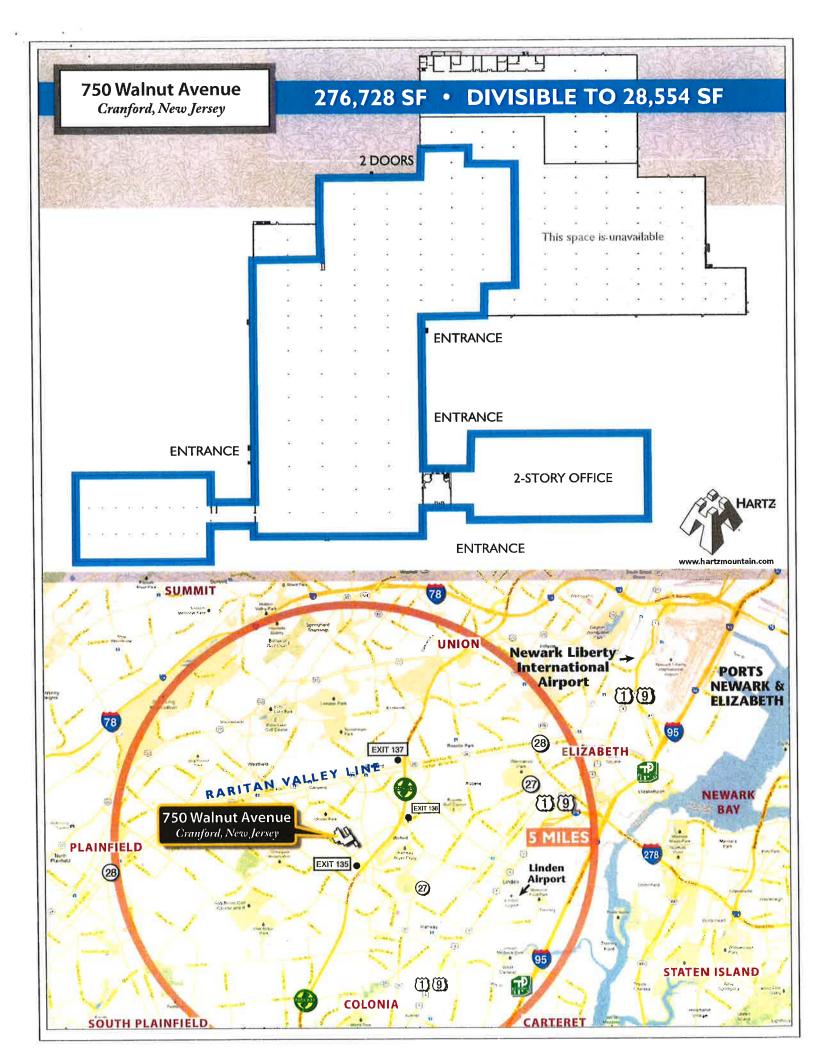
For further information or to schedule an inspection contact:

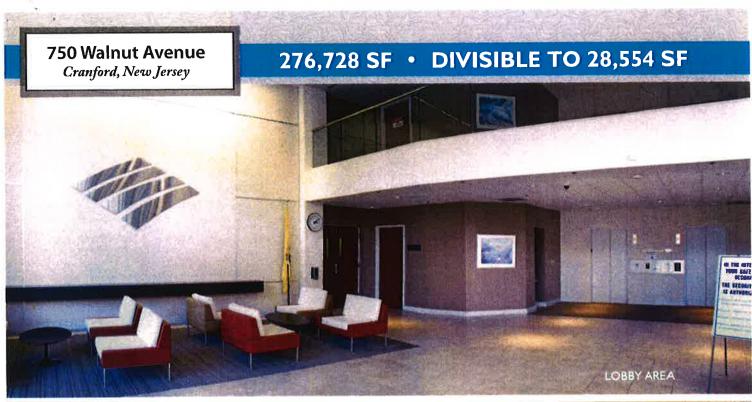
Ernie Christoph • 201-272-5201 ernie.christoph@hartzmountain.com

Retail Complex

Charlie Reese • 201-272-5202 charlie.reese@hartzmountain.com Rick Vanderbeck • 201-272-5223 rick.vanderbeck@hartzmountain.com

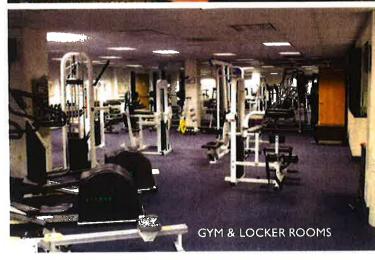














For further information or to schedule an inspection contact:

Ernie Christoph • 201-272-5201 ernie.christoph@hartzmountain.com Charlle Reese • 201-272-5202 charlie.reese@hartzmountain.com Rick Vanderbeck • 201-272-5223

rick.vanderbeck@hartzmountain.com



REYNOLDS LAW GROUP LLC 94 South Finley Avenue Basking Ridge, NJ 07920 (908) 367-9060 Scott E. Reynolds (Attorney ID #026621999)

FILED

SEP 0 1 2017

WENELAUS W. TÜSKOS J.S.C.

Attorneys for plaintiff, Borough of Park Ridge

IN THE MATTER OF THE APPLICATION OF THE BOROUGH OF PARK RIDGE, A Municipal Corporation of the State of New Jersey,

Plaintiff/Petitioner.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: BERGEN COUNTY
DOCKET NO.: L-6030-15

CIVIL ACTION

MOUNT LAUREL

ORDER DENYING MOTION TO OBTAIN DISCOVERY FROM DEFENDANT-INTERVENER HORNROCK PROPERTIES, MPR, LLC

THIS MATTER having been opened to the Court by plaintiff, Borough of Park Ridge ("Borough" or "Park Ridge"), by way of Motion (the "Motion") to Obtain Discovery from Defendant-Intervener, Hornrock Properties, MPR, LLC ("Hornrock"), on notice to all counsel of record in this proceeding; and the Court having considered the moving papers and any opposition submitted thereto, and for good cause having been shown; and for the reasons set forth on the record,

IT IS ON THIS 1 day of September, 2017,

ORDERED that the Motion be and hereby is densed and it is further

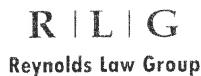
ORDERED that a copy of this Order shall be served on all counsel of record in this

proceeding within _____ days of the date of this Order.

Menelaos W. Toskos, J.S.C.

Opposed:

Unopposed: ____



Scott E. Reynolds Member sreynolds@reynolds-lawgroup.com <u>Direct:</u>

t: 908.367.9060 f: 908.367.9062

August 1, 2017

VIA FEDERAL EXPRESS

Clerk, Civil Division
Superior Court of New Jersey
Justice Center, Room 115
10 Main Street
Hackensack, New Jersey 07601

Re: In The Matter of The Application of the Borough of Park Ridge, A Municipal Corporation of the State of New Jersey

Docket No. BER-L-6030-15

Dear Sir/Madam:

This firm represents plaintiff, Borough of Park Ridge ("Borough" or "Park Ridge") in the above-referenced matter. On behalf of the Borough, enclosed for filing please find an original and two copies of the following:

- Notice of Motion to Obtain Discovery from Defendant-Intervener, Hornrock, Properties, MPR, LLC and Certification of Service;
- 2. Letter Brief In Support of Motion to Obtain Discovery from Defendant-Intervener, Hornrock Properties, MPR, LLC;
- 3. Certification of Scott E. Reynolds In Support of Motion to Obtain Discovery from Defendant-Intervener, Hornrock Properties, MPR, LLC; and
- 4. Proposed form of Order Granting Motion to Obtain Discovery from Defendant-Intervener, Hornrock Properties, MPR, LLC.

Kindly file the originals and return a copy of each document stamped "filed" to this office in the self-addressed, postage paid envelope enclosed herewith. Also, enclosed herewith is a check in the amount of \$50.00 for the filing fee associated with the aforementioned motion.

Main Office: 94 South Finley Avenue Basking Ridge, New Jersey 07920 New York Office: 21 Rock Ridge Drive, Suite A Rye Brook, New York 10573 Page 2 August 1, 2017 Clerk, Civil Division

Very truly yours,

Scott E. Reynolds

SER/me Encls.

cc:

Honorable Menelaos W. Toskos, J.S.C. (w/ encls. via Federal Express)
Brett E. Tanzman, Esq. (w/ encls. via e-mail and Federal Express)
Richard J. Hoff, Jr., Esq. (w/ encls. via e-mail and Federal Express)
Joshua Bauers, Esq. (w/ encls. via e-mail and Federal Express)
Ronald Shimanowitz, Esq. (w/ encls. via e-mail and Federal Express)
Francis J. Banisch, III, PP, AICP (w/ encls. via e-mail only)
Kevin D. Walsh, Esq. (w/ encls. via e-mail only)

REYNOLDS LAW GROUP LLC 94 South Finley Avenue Basking Ridge, NJ 07920 (908) 367-9060 Scott E. Reynolds (Attorney ID # 026621999)

Attorneys for plaintiff.

Borough of Park Ridge

IN THE MATTER OF THE APPLICATION OF THE BOROUGH OF PARK RIDGE, A Municipal Corporation of the State of New Jersey.

Plaintiff/Petitioner.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION: BERGEN COUNTY DOCKET NO.: L-6030-15

CIVIL ACTION

MOUNT LAUREL

NOTICE OF MOTION TO OBTAIN DISCOVERY FROM DEFENDANT-INTERVENER, HORNROCK PROPERTIES, MPR, LLC

TO: All Counsel/Parties per Attached Service List

PLEASE TAKE NOTICE that on Friday, August 18, 2017, at 9:00 a.m., or as soon thereafter as counsel may be heard, Reynolds Law Group LLC, attorneys for plaintiff, Borough of Park Ridge ("Borough" or "Park Ridge"), shall move before the Honorable Menelaos W. Toskos, J.S.C. at the Bergen County Courthouse. 10 Main Street, 4th Floor, Hackensack. New Jersey 07601, for an Order Granting Park Ridge's Motion ("Motion") to Obtain Discovery from Defendant-Intervener, Hornrock Properties. MPR, LLC ("Hornrock").

PLEASE TAKE FURTHER NOTICE that, in support of this Motion, the undersigned will rely on the accompanying Certification of Scott E. Reynolds, dated August 1, 2017, and letter brief in support of this Motion.

PLEASE TAKE FURTHER NOTICE that pursuant to \underline{R} . 1:6-2, the undersigned requests oral argument.

PLEASE TAKE FURTHER NOTICE that a proposed form of Order has been attached

herewith in accordance with R. 1:6-2.

REYNOLDS LAW GROUP LLC

Attorneys for plaintiff, Borough of Park Ridge

By:

Dated: August 1, 2017

CERTIFICATION OF SERVICE

1, SCOTT E. REYNOLDS, do hereby certify as follows:

- 1. I am an attorney-at-law of the State of New Jersey and a member of Reynolds Law Group LLC, attorneys for plaintiff, Borough of Park Ridge ("Borough" or "Park Ridge").
- 2. On August 1, 2017, I caused to be filed with the Clerk, Superior Court of New Jersey, Bergen County Justice Center, 10 Main Street, Hackensack, New Jersey 07601, via overnight courier, an original and two (2) copies of the following:
 - a. Notice of Motion (the "Motion") to Obtain Discovery From Defendant-Intervener, Hornrock Properties MPR. LLC ("Hornrock") and Certification of Service:
 - b. Certification of Scott E. Reynolds, dated August 1, 2017. In Support of Motion;
 - c. Letter Brief In Support of Motion, dated August 1, 2017; and
 - d. Proposed form of Order (collectively, the "Documents").
- 3. On August 1, 2017. I served one (1) courtesy copy of the Documents via overnight courier on:

Honorable Menelaos W. Toskos, J.S.C. Bergen County Courthouse 10 Main Street, 4th Floor Hackensack, New Jersey 07601.

4. On August 1, 2017, 1 served one (1) copy of the Documents via overnight courier and e-mail on:

Brett E. Tanzman. Esq.
Wilf Law Firm, LLP
820 Morris Turnpike, Suite 201
Short Hills, New Jersey 07078
Counsel for Intervener/Defendant Bear's Nest Developers, LLC;

Richard J. Hoff, Jr., Esq. Bisgaer Hoff, LLC 25 Chestnut Street, Suite 3 Haddonfield, New Jersey 08033 Counsel for Intervener/Defendant, Hornrock Properties, MPR, LLC;

Joshua Bauers, Esq.
Fair Share Housing Center
510 Park Blvd.
Cherry Hill, New Jersey 08002
Counsel for Intervener/Defendant, Fair Share Housing Center;

-and-

Ronald Shimanowitz, Esq.
Hutt & Shimanowitz, PC
459 Amboy Avenue
Woodbridge, NJ 07095
Counsel for Intervener/Defendant, The Metropolitan Home Development at
Werimus, LLC.

5. On July 13, 2017, I served one (1) copy of the Documents via e-mail on:

Francis J. Banisch, III, PP, AICP Banisch Associates, Inc. 111 Main Street Flemington, NJ 08822 Special Master

-and-

Kevin D. Walsh, Esq.
Fair Share Housing Center
510 Park Blvd.
Cherry Hill, New Jersey 08002
Counsel for Intervener/Defendant. Fair Share Housing Center.

I certify that the foregoing statements made by me are true. I am aware that if any

of the foregoing statements made by me are willfully false. I am subject to punishment.

SCOTT E. REYNOLDS

Dated: August 1, 2017

$R \mid L \mid G$

Reynolds Law Group

Scott E. Reynolds

Member

sreynolds@reynolds-lawgroup.com

Direct:

t: 908.367.9060 f: 908.367.9062

August 1, 2017

VIA FEDERAL EXPRESS

Honorable Menelaos W. Toskos, J.S.C. Superior Court of New Jersey Justice Center, Room 115 10 Main Street Hackensack, New Jersey 07601

Re:

In The Matter of The Application of the Borough of Park Ridge, A Municipal Corporation of the State of New Jersey

Docket No. BER-L-6030-15

Dear Judge Toskos:

This firm represents the Borough of Park Ridge ("Borough" or "Park Ridge") in the above-referenced proceeding. Please accept this letter brief in lieu of a more formal brief in support of Park Ridge's Motion ("Motion") to Obtain Discovery from Defendant-Intervener Hornrock Properties, MPR, LLC ("Hornrock"). During the June 14, 2017 case management conference, Park Ridge was instructed to file this Motion so that it would be heard on or before August 18, 2017.

STATEMENT OF FACTS AND PROCEDRUAL HISTORY

In March 2015, Hornrock purchased from Sony Electronics, Inc. ("Sony") a 37-acre parcel of real property, geographically straddling portions of Park Ridge (30 acres) and the Borough of Montvale (7 acres), commonly known as One Sony Drive, Park Ridge, with a 221,000 square foot office building erected thereon (the "Sony Property"). At the time of the purchase, David Hornblass, a principal of Hornrock, touted the "appeal" the building would have to corporate clients seeking office space in Northern New Jersey:

This is a Class A commercial property with <u>tremendous appeal to</u> <u>new corporate tenants</u> while also offering substantial prospective redevelopment opportunities. We look forward to implementing our strategy to unlock the full value of the property.

(Certification of Scott E. Reynolds, dated August 1, 2017 ("Reynolds Cert."), Exhibit ("Ex.") A) (emphasis added).

Main Office: 94 South Finley Avenue Basking Ridge, New Jersey 07920 New York Office: 21 Rock Ridge Drive, Suite A Rye Brook, New York 10573 At the time of purchasing, another principal of Hornrock, Maurice Hornblass, was also quoted as saying:

The asset is one of the most recognizable business addresses in northern New Jersey and its location in an affluent, business-friendly area will be extremely attractive to commercial tenants. Utilizing our extensive network of industry resources and relationships, we completed this transaction in a timely manner that was beneficial to both buyer and seller.

(Id.) (emphasis added).

The Sony Property was approximately 90% occupied at the time Hornrock purchased it in or around March of 2015 and, upon Information and belief, it remains approximately 90% occupied today. Recent news articles suggest that Hornrock intends to cause the Sony Property to become 100% vacant in or around September 2017.

Hornrock intervened in this proceeding on the purported grounds that it is interested in "constructing a multifamily, inclusionary project on the Property, which will include a substantial amount of units reserved for occupancy by low and moderate income households." (Reynolds Cert., Ex. B (Certification of Maurice Hornblass, In Support of Hornrock Properties, MPR, LLC's Motion for Intervention Pursuant to Rule 4:33-1 or Rule 4:33-2), ¶3). In support of Hornrock's motion to intervene, it relied on a letter dated July 6, 2015, authored by Richard J. Hoff, Esq., in which Hornrock requested that the Borough consider the Sony Property for inclusionary development, pursuant to N.J.S.A. §52:27D-310(f). N.J.S.A. §52:27D-310(f) governs a municipality's obligation to consider the development of low- and moderate-income housing on real property offered by a developer as a potential site for the construction of low- and moderate-income housing. Specifically, the statute, in relevant part, provides:

A municipality's housing element shall be designed to achieve the goal of affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing, and shall contain at least:

* * *

f. A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing.

N.J.S.A. §52:27D-310(f).

In connection with Hornrock's motion to intervene, it also represented that the Sony Property "is clearly available, suitable, approvable and developable as an inclusionary development as proposed." (Id.). Hornrock subsequently filed an Answer to the Borough's Declaratory Judgment Complaint, denying all affirmative relief sought by the Borough and seeking a judgment declaring that the Borough is in violation of its constitutional obligation to provide affordable housing and requesting permission to file a builder's remedy proceeding. (Reynolds Cert., Ex. C).

After this Court granted Hornrock's motion to intervene, on December 3, 2015, Hornrock contacted Park Ridge -- taking a position diametrically opposed to representations made by Hornrock when it purchased the Sony Property:

The [Sony] Property is currently zoned for office use, but Hornrock has found that there is little demand for long-term office space and it has only been able to lease portions of the building on a short-term basis. In order to bring the Property back to productive use, and to resolve pending tax appeals, to assist the Borough in meeting its constitutional obligation to provide its fair share of affordable housing, and to support the Park Ridge electric and water utilities, Hornrock is requesting that the Property be rezoned to include an overlay zone which would allow for high density residential development. Consistent with this request, recent correspondence from the Borough Attorney suggests that the Council proposes to include the Property as part of its Mount Laurel compliance plan. Enclosed is a concept plan detailing Hornrock's vision for the redevelopment of the Property.

(Reynolds Cert., Ex. D) (emphasis added).

Hornrock has not provided an explanation for what sudden and unforeseen market conditions, or any other potential reason, prompted its sudden change in opinion concerning the positive economic outlook of the Sony Property only nine (9) months after purchasing it from Sony.

On July 25, 2017, Hornrock filed a request pursuant to the Open Public Records Act, N.J.S.A. §47:1A-1, et seq. ("OPRA"), with the Borough to obtain documents it could have similarly requested from the Borough in this proceeding through the discovery procedures authorized by the New Jersey Court Rules, but for obvious reasons did not. (Reynolds Cert., Ex. E). In particular, Hornrock requested documents, such as text messages, emails and other communications, by and among members of the Mayor and Council and David O'Sullivan, an outspoken resident of Park Ridge and the President of the Park Ridge Citizens for Responsible Development, Inc. (the "Citizens Group") and other developers in Park Ridge. The focus of the OPRA request is on any communications the individuals had concerning competing projects involving the development of affordable housing in Park Ridge.

LEGAL ARGUMENT

PARK RIDGE IS ENTITLED TO DISOVERY FROM HORNROCK

There are two essential areas in which Park Ridge requires discovery from Hornrock. First, Hornrock has taken the position that the Sony Property should be rezoned from a commercial/office use to a residential use to allow for the development of high-density residential and affordable housing because "there is little demand for long-term office space" and, consequently, the Sony Property must be rezoned to return it to "productive" use, notwithstanding that only months earlier Hornrock publicly represented that the Sony Property has "tremendous appeal to new corporate tenants." Second, Park Ridge is entitled to documents and information from Hornrock relating to whether the Sony Property constitutes "vacant land" as defined by regulations promulgated by the Council on Affordable Housing ("COAH"). This information is necessary to determine if the Sony Property should be included in a potential vacant land analysis.

At this stage of the proceeding, it is unclear whether inclusion of the Sony Property, or any other property that may potentially be considered part of the Borough's affordable housing plan, will necessitate (i) a "D" Variance, in accordance with N.J.S.A. §40:55D-70, et seq.; (ii) an application under the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1, et seq.); and/or a zoning amendment. These issues may not be known until such time as the case is resolved by way of a trial or through a negotiated settlement. What is certain, however, is that the Borough is entitled to documents and information relating to these matters, which cannot be legitimately disputed are likely to lead to the discovery of admissible evidence.

As a threshold matter, New Jersey's discovery rules should "be construed liberally in favor of broad pretrial discovery." Payton v. New Jersey Turnpike Authority, 148 N.J. 524, 535 (1997). Generally, R. 4:10-2(a) authorizes a litigant to obtain discovery from parties and non-parties concerning any non-privileged matter that is reasonably calculated to lead to the discovery of admissible evidence. R. 4:10-2(a); see also MFC Res., Inc. v. Homann, 2017 N.J. Super. Unpub. LEXIS 1734, *26-27 (App. Div. July 11, 2017). There can be no question that in developing the framework through which trial judges are to resolve Mt. Laurel proceedings, the New Jersey Supreme Court envisioned that participating municipalities shall be entitled to discovery from defendants-interveners. See S. Burlington County NAACP v. Mt. Laurel, 92 N.J. 158, 166 (1983) ("Mt. Laurel II") (recommending that trial courts establish limits and schedules for discovery in Mt. Laurel proceedings).

A. Discovery Relating to Whether the Sony Property Is A Viable Office Use

Neither N.J.S.A. §52:27D-310(f), specifically, nor the Fair Housing Act ("FHA"), N.J.S.A. §52:27D-301, et seq., generally, obligate a municipality in its housing element to consider "lands of developers who have expressed a commitment to provide [affordable housing]." (Id.). Rather, where a developer represents that a site is available for the development of affordable housing, the municipality should "consider" whether the site presents a "realistic and/or appropriate" site

for the development of affordable housing. In making that determination, a municipality shall, inter alia, determine whether the proposed site is "surrounded by incompatible land uses," in which case it will generally not be deemed to provide a "realistic and/or appropriate" site for the development of affordable housing. Id.; see also In re Council on Affordable Housing's Grant of Substantive Certification to Southampton, 2006 N.J. Super. Unpub. LEXIS 1640, *15 (App. Div. July 21, 2006) (recognizing COAH's requirement that proposed site "present realistic opportunity" for affordable housing; and where proposed site was not in "a designated center" the site did not qualify).

A proposed site that is inconsistent with sound planning methodology and the purpose of the zoning and redevelopment law is generally not considered to be suitable for the development of affordable housing. In this regard, the FHA instructs COAH to carry out its function "in accordance with sound regional planning considerations in this State." N.J.S.A. §52:27D-304a; see also Elon Assoc., LLC v. Twp. of Howell, 370 N.J. Super. 475, 481 (App. Div. 2004).

The Sony Property is an integral part of the corporate park, which is a central component of Park Ridge's master plan, which was implemented decades ago and is designed to provide a balance among different uses -- including commercial, retail and residential -- located throughout the community. Hornrock contends that the Sony Property should be rezoned from a commercial/office use to a high-density, residential use and the building repurposed and/or demolished to accommodate high-density, residential housing with an affordable housing component. The sole, purported basis for Hornrock's position is that "there is little demand for long-term office space and it has only been able to lease portions of the building on a short-term basis." (Reynolds Cert., Ex. D). Notably, this statement, which portrays a dire assessment of the commercial real estate rental market in northern New Jersey, is directly at odds with representations made by principals of Hornrock only a few months earlier. (Compare, Reynolds Cert., Exs. A & D).

Park Ridge is entitled to discovery relating to Hornrock's purported basis for replacing an enduring, existing use and upsetting decades of settled municipal, master planning. Indeed, Park Ridge should be entitled to, *inter alia*, all documentation relating to the marketability of the Sony Property, Hornrock's efforts to rent the space and seek out long-term tenants and whether the Sony Property, in its current form, is a "realistic and/or appropriate" existing use. In the end, whether the Sony Property presents a "realistic and/or appropriate" opportunity for the future development of affordable housing depends on a multitude of factors. Hornrock should not be permitted to avoid producing documents that are likely to lead to the discovery of admissible evidence on the issue of whether the site presents a "realistic and/or appropriate" location for affordable housing. Both Hornrock and Park Ridge are in agreement that the Sony Property should be returned to "productive use." However, sound municipal planning does not mandate that the only "productive use" to be considered shall be the non-conforming use proposed by Hornrock, and Hornrock's conflicting statements relating to the viability of the existing, office use raise doubts concerning the honesty of the representations made by Hornrock's principals, which is plainly discoverable on the grounds of credibility. See N.J.R.E. 607.

There can be little debate that discovery is appropriate in this proceeding. Not only has Park Ridge plainly demonstrated entitlement to discovery, Hornrock tacitly admits that discovery is appropriate by serving an OPRA request on the Borough seeking documents and records relating to various redevelopment projects under consideration and/or approval by the Borough. Hornrock should not be permitted to obtain whatever discovery it seeks through OPRA laws while simultaneously denying the Borough the very discovery it requires to defend against the allegations made and defenses asserted by Hornrock or to expose as false the representations made by the principals of Hornrock. Such a plainly unbalanced approach to discovery is inequitable and unfairly deprives the Borough of documents and information to which it should be entitled.

Indeed, the Borough would like to review all communications by and among the parties (including their principals and representatives) to this proceeding relating to actual or potential affordable housing developments in Park Ridge. Such documents are clearly relevant, as they go to issues such as collusion, bias and/or credibility. Also, the Borough is entitled to know what steps Hornrock has taken to market, negotiate and enter into long-term leases with prospective tenants or were Hornrock's representations that it did so knowingly false when made and designed to portray the Sony Property as having only a single, viable use -- high density residential.

B. Discovery Relating to Whether the Sony Property Is A "Realistic and/or Appropriate" Site For the Development of Affordable Housing

COAH's Second Round regulations contemplate circumstances where "there may be instances where a municipality can exhaust an entire resource (land, water or sewer) and still not be able to provide a realistic opportunity for addressing the need for low and moderate income housing as determined by the Council." N.J.A.C. §5:93-4.1(a). "Where a municipality attempts to demonstrate that it does not have the capacity to address the housing obligation calculated by the Council, the municipality shall identify sites that are realistic for inclusionary development in order to calculate the realistic development potential (RDP) of the community, in accordance with N.J.A.C. §5:93-4.2.

Additionally, COAH's regulations permit a land poor municipality to perform a vacant land analysis to determine its RDP. "Vacant land" is defined as "undeveloped and unused land area." N.J.A.C. §5:93-1.3. N.J.A.C. §5:93-4.2(e) identifies several bases on which a municipality may exclude a site from a vacant land analysis. Specifically, the regulations provide: "[i]ndividual sites that the Council determines are not suitable for low and moderate income housing may also be eliminated from the inventory described in (d) above." N.J.A.C. §5:93-4.2(e)(6). In assessing whether a particular site should be considered a "realistic and/or appropriate" site for affordable housing, "the Council shall consider the character of the area surrounding each site and the need [to provide affordable housing]." N.J.A.C. §5:93-4.2(f).

Based on information presently known to Park Ridge, it is possible that the Sony Property may not represent a "realistic and/or appropriate" site for the development of affordable housing after consideration of all the facts and circumstances. The Sony Property is one of four

commercial/office use buildings within the Park Ridge corporate park, with each building sharing the same route for ingress and egress. The Borough is in the process of engaging a traffic consultant to perform a study of the maximum number of vehicles that may be safely accommodated on the existing corporate park roadway and the resultant traffic and/or public safety impact on adjacent and nearby roadways. Further, the character of the surrounding area, i.e., the remainder of the corporate office park complex, may be incompatible with residential housing proposed by Hornrock. The proposed site is not located near public transit and is not designated as an area in need of redevelopment pursuant to N.J.S.A. 40A:12A-1, et seq.

Discovery from Hornrock is necessary to determine the current and historic levels of occupancy at the Sony Property. Further, if it is indeed true that Hornrock acquired the Sony Property with the intention of causing it to become vacant as a pretense to obtain a change in use to which it would otherwise not be entitled, Park Ridge has the right to obtain evidence relating to such intent. If, for example, it can be proven that Hornrock did not engage in a meaningful attempt to market the Sony Property as a long-term office use -- as it claims -- Park Ridge is entitled to discovery on that issue because it goes directly to the credibility (or lack thereof) of Hornrock and its principals who made these and other potentially false statements. Generally, extrinsic evidence tending to impair or support the credibility of a party or witness is always relevant and discoverable. See N.J.R.E. 607; State v. Parker, 216 N.J. 408, 417-18 (2014) ("In short, N.J.R.E. 607 permits the introduction of extrinsic evidence affecting a witnesses' credibility regardless of whether that evidence is relevant to any other issue in the case.").

Additionally, COAH regulations expressly define "vacant land" as land that is "unused and undeveloped." N.J.A.C. §5:93-1.3. Upon information and belief, it appears that the Sony Property may not qualify as "vacant land." According to news reports, the Sony Property is currently 90% occupied. On the other hand, additional news reports suggest that Hornrock has already taken steps to render the entire Sony Property 100% vacant by September 2017. Park Ridge requires documentation from Hornrock regarding, *inter alia*, the vacancy and occupancy rates at the Sony Property, along with documentation relating to Hornrock's plans to develop the Sony Property. This information is critical to Park Ridge complying with its constitutional obligation to provide affordable housing to low- and moderate-income individuals. Whether the Sony Property qualifies as "vacant land" and should, therefore, be included in a vacant land analysis is of primary importance in determining Park Ridge's RDP. Park Ridge should have access to all information that will assist it in making informed and knowledgeable decisions in furtherance of its obligation to ensure that there exists access to affordable housing in Park Ridge.

CONCLUSION

Based on the foregoing, Park Ridge respectfully requests that the Motion be granted in its entirety and Hornrock be required to respond to written discovery and submit for depositions, and provide such other and further relief this Court deems just and equitable.

Respectfully submitted,

Scott E. Reynolds

SER/me

Encls.

cc:

Clerk, Civil Division (via Federal Express w/ encls.)

Richard J. Hoff, Jr., Esq. (via e-mail and Federal Express w/ encls.)

Joshua Bauers, Esq. (via e-mail and Federal Express w/ encls.)

Brett Tanzman, Esq. (via e-mail and Federal Express w/ encls.)

Kevin Walsh, Esq. (via e-mail only w/ encls.)

Frank Banisch, Court Master (via e-mail w/ encls.)

REYNOLDS LAW GROUP LLC 94 South Finley Avenue Basking Ridge, NJ 07920 (908) 367-9060 Scott E. Reynolds (Attorney ID #026621999)

Attorneys for plaintiff,

Borough of Park Ridge
IN THE MATTER OF THE APPLICATION
OF THE BOROUGH OF PARK RIDGE, A
Municipal Corporation of the State of New
Jersey.

Plaintiff/Petitioner.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION: BERGEN COUNTY DOCKET NO.: L-6030-15

Civil Action

Mount Laurel

CERTIFICATION OF SCOTT E. REYNOLDS IN SUPPORT OF MOTION TO OBTAIN DISCOVERY FROM DEFENDANT-INTERVENER, HORNROCK PROPERTIES, MPR, LLC

1, SCOTT E. REYNOLDS, do hereby certify as follows:

- 1. I am an attorney-at-law of the State of New Jersey and a member of Reynolds Law Group LLC, attorneys for plaintiff, Borough of Park Ridge ("Borough" or "Park Ridge"). I submit this certification in support of the Borough's Motion to Obtain Discovery from defendant-intervener, Hornrock Properties MPR, LLC ("Hornrock").
- 2. Attached hereto as Exhibit A is a true and accurate copy of "HornRock Properties Acquires Sony Electronics US Headquarters Located In Park Ridge, NJ," https://cahnroundup.com/hornrock-properties-acquires-sony-electronics-us-headquarters-located-in-park-ridge-nj/.

- 3. Attached hereto as Exhibit B is a true and accurate copy of the Certification of Maurice Hornblass, In Support of Hornrock Properties, MPR, LLC's Motion for Intervention Pursuant to Rule 4:33-1 or Rule 4:33-2.
- 4. Attached hereto as Exhibit C is a true and accurate copy of the Answer of Defendant/Intervenor Hornrock Properties, MPR, LLC.
- 5. Attached hereto as Exhibit D is a true and accurate copy of a letter from Gregory D. Meese, dated December 3, 2015, to Kelley O'Donnell.
- 6. Attached hereto as Exhibit E is a true and accurate copy of a Borough of Park Ridge Government Records Request Form, dated July 25, 2017.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements by me are willfully false. I am subject to punishment.

SCOTT E. REYNOLDS

Dated: August 1, 2017

EXHIBIT A

HornRock Properties Acquires Sony Electronics US Headquarters Located in Park Ridge, NJ



(https://cahncomm.files.wordpress.com/2015/03/sony.jpg)
Sony will remain in a portion of the 220,877-square-foot Park Ridge building, where it has about 300 workers.

HornRock Properties Acquires Sony Electronics US Headquarters Located in Park Ridge, NJ

PARAMUS, N.J. – As part of an aggressive push to expand and diversify its portfolio of real estate properties Hornrock Properties (http://www.hornrock.com)announced today that it has acquired One Sony Drive in Park Ridge, NJ from Sony Electronics Inc. Hornrock also came to an agreement with Sony to lease back a portion of the space in the building.

The deal is indicative of the Paramus, N.J.-based privately-run real estate development firm's strategic acquisition program. The company has added a significant number of trophy residential and commercial properties in the mid-Atlantic region to its roster over the past several years. Led by Maurice and David Hornblass, Hornrock Properties has implemented a trailblazing investment approach that centers on acquiring value-added assets and executing responsible development and operational practices that fully maximize return on investment.

The acquisition brings a 220,877 square foot, class A, headquarters quality building into Hornrock's growing portfolio of real estate assets. The building sits on 37.2 acres of pristine land located in the heart of upscale Bergen County.

One Sony Drive is located approximately one mile from Exit 172 of the Garden State Parkway, approximately five miles from the New York Thruway and 20 miles from New York City. Routes 75, I-287 and 17 are also easily accessible.

"The acquisition of One Sony Drive is an excellent addition to our New Jersey portfolio and is consistent with our investment philosophy of acquiring assets that are located in distinguished towns and present value-add opportunities," said David Hornblass, a principal of Hornrock Properties. "This is a Class A

commercial property with tremendous appeal to new corporate tenants while also offering substantial prospective redevelopment opportunities. We look forward to implementing our strategy to unlock the full value of the property."

Hornrock Properties' growth plan benefits from a balance between its aggressive appetite and a calculated approach towards valuing and managing assets. It also benefits from access to capital, which means the company can opportunistically pursue a wide range of acquisitions.

"One Sony Drive is a perfect example of the type of property we look to purchase, and its acquisition was the result of our reputation as a developer and our ability to transact quickly," says Maurice Hornblass, another principal of Hornrock Properties. "The asset is one of the most recognizable business addresses in northern New Jersey and its location in an affluent, business-friendly area will be extremely attractive to commercial tenants. Utilizing our extensive network of industry resources and relationships, we completed this transaction in a timely manner that was beneficial to both buyer and seller."

In 2014 alone, Hornrock Properties added two new for sale residential projects totaling nearly 70 homes: Legacy of Mountain Lakes (www.legacyofmountainlakes.com), a luxury townhome community in Morris County, NJ, and Highpointe at Woodbury Junction (www.highpointewoodbury.com), a singlefamily home community in the historic Hudson Valley. The developer also announced the acquisition of residential real estate in Harrison, NJ that will be home to a 270-unit residential building.

Hornrock Properties' success is rooted in the Hornblass brothers' entrepreneurial spirit and their family's 50-year history in real estate development. For more information on Hornrock Properties, visit www.hornrock.com (http://www.hornrock.com).

Blog at WordPress.com

EXHIBIT B

BISGAIER HOFF, LLC

25 Chestnut Street, Sdite 3 Haddonfield, New Jersey 08033

Tel: (856) 795-0150 Pax: (856) 795-0312

By: Richard J. Hoff, Jr., Esq. Email: rhoff@bisgalerhoff.com

Attorney ID# 015811998

Attorneys for Proposed Intervenor/Defendant,

Hornrock Properties MPR, LLC

IN THE MATTER OF THE APPLICATION OF THE BOROUGH OF PARK RIDGE, A Municipal Corporation of the State of New Jersey,

Plaintiff/Petitioner.

SUPERIOR COURT OF NEW JERSEY BERGEN COUNTY LAW DIVISION

DOCKET NO. 1-6030-15

CIVIL ACTION

MOUNT LAUREL

CERTIFICATION MAURICE HORNBLASS, IN SUPPORT OF HORNROCK PROFERTIES MPR, LLC'S MOTION FOR INTERVENTION PURSUANT TO RULE 4:33-1 OR RULE 4:33-2

- 1. Maurice Hormblass, hereby certify pursuant to New Jersey Court Rule 1:4-4(b) as follows:
- 1. I am a member of Hornrock Properties MPR, LLC ("Hornrock") and, as such, am authorized to execute this Certification on behalf of Hornrock. I make this Certification in support of Hornrock's Motion for Intervention Pirsuance to Rule 4:33-1 or Rule 4:33-2 in the above-captioned matter.
- 2. Hernrock is the owner of property in the Borough of Park Ridge ("Borough"), which is identified on the tax maps of the Township as Block 301, Lot 1 (collectively, the "Property"). The Property totals approximately 30 acres.

2. Hornzock to interested in constructing a mustifemily, inclusionary project on the Property, which will include a substantial amount of units reserved for company by low and moderate income households.

I contify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements by me are willfully false. I am subject to punishment.

By: MAURICE HORNBLASS

Dated: September 🔏 2015

EXHIBIT C

BISGAIER HOFF, LLC

25 Chestnut Street, Suite 3 Haddonfield, New Jersey 08033

Tel: (856) 795-0150 Fax: (856) 795-0312

By: Richard J. Hoff, Jr., Esq. Email: rhoff@bisgaierhoff.com

Attorney ID# 015811398

Attorneys for Proposed Intervenor/Defendant,

Hornrock Properties MPR, LLC

IN THE MATTER OF THE APPLICATION OF THE BOROUGH OF PARK RIDGE, A Municipal Corporation of the State of New Jersey,

Plaintiff/Petitioner.

SUPERIOR COURT OF NEW JEFSEY BERGEN COUNTY LAW DIVISION

DOCKET NO. L-6030-15

CIVIL ACTION

MOUNT LAUREL

ANSWER OF DEFENDANT/INTERVENOR HORNROCK PROPERTIES MPR, LLC

Defendant-Intervenor, Hornrock Properties MPR, LFC ("Hornrock"), with a principal place of business located at 12 Madison Avenue, Suite 105, Paramus, New Jersey 07652, is the owner of property within the Borough of Park Ridge ("Borough") which is identified on the tax maps of the Borough as Elock 301, Lot 1. By way of Answer to the Borough's Complaint in this matter. Hornrock says that:

Jurisdiction

- 1. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced regulation is in writing and speaks for itself.
- 2. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.

Background and Prior Round Obligations

- 3. This paragraph states a legal conclusion to which no response is required. To the extent a response as required, the referenced opinion is in writing and speaks for itself.
- 4. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 5. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced regulation is in writing and speaks for itself.
- 6. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- 7. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and

the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.

8. Hornrook is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.

Third Round Obligation

- 9. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extert a response is required, the allegation is denied.
- 10. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- il. Kornrock is without intermation sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- 12. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.

- 13. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced regulations are in writing and speak for themselves.
- 14. Herntock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- 15. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced regulations are in writing and speak for themselves.
- belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.

The Transfer of Jurisdiction to the Courts

- 17. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 18. This paragraph states a legal conclusion to which ho response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 19. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and

the Borbugh is increfore left to its proofs. To the extent a response is required, the allegation is denicd.

- 20. Admitted.
- 21. Admitted.
- 22. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 23. This paragraph states a legal conclusion to which no response is dequired. To the extent a response is required, the references opinion is in writing and speaks for itself.
- 24. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 25. This paragraph states a legal conclusion to which agreesponse is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 26. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.

COUNT ONE

(DECLARATORY RELIEF, CONSTITUTIONAL COMPLIANCE)

- 27. Hornrock repeats all prior responses as if each is set forth at length herein.
- 28. This paragraph states a legal conclusion to which ho response is required. To the extent a response is required, the referenced regulation is in writing and speaks for itself.

wherefore, Hornrock respectfully requests that the Court
grant the following relief;

- a. DENYING all relief sought by the Borough in its Complaint;
- b. DECLAPING that the Borough is in violation of its constitutional duty to create sufficient realistic opportunities for the construction of safe, decent housing affordable to lower and moderate-income families to satisfy the Borough's fair share of the unmet regional need for such housing:
- c. ORDERING the Sprough to submit to the Court, within a time period to be set by the Court, a compliance plan and coning ordinances that will bring the Borough into compliance with the requirements of the Constitution?
- d. APPOINTING a Special Master, at the expense of the Borough, to oversee the implementation of the foregoing remedies:

- e. DENYING the Borough's request for immunity from exclusionary coming sales, including outlast's remain sales, and
- f. ORDERING such additional relief as the Court deems just and equitable.

COUNT TWO

(FIVE MONTHS TO PREPARE HEFSP)

- 29. Hornrock repeats all prior responses as if each is set forth at length herein.
- 30. This paragraph states a legal conclusion to which he response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 31. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 32. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- 33. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 34. Hofmrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and

the Borough is therefore loft to its proofs. To the extent a response is required, the allegation is denied.

- a. DENYING all relier sought by the Borough in its Complaint;
- constitutional duty to create sufficient realistic opportunities for the construction of safe, decent housing affordable to low- and moderate-income families to satisfy the Borough's fair share of the unmet regional need for such housing:
- c. ORDERING the Borough to submit to the Court, within a time period to be set by the Court, a compliance plan and zoning ordinances that will bring the Borough into compliance with the requirements of the Constitution;
- d. APPOINTING a Special Master, at the expense of the Borough, to oversee the implementation of the foregoing remedies:
- e. DENYING the Borough's request for immunity from exclusionary zoning suits, including builder's remedy soits; and
- f ORDERING such additional relief as the Court deems just and equipable.

COUNT THREE

(REQUEST FOR IMMUNITY)

- 35. Hornrock repouts all prior responses as =2 each is set forth at length herein.
- 36. This paragraph states a legal conclusion of which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 37. Hornfock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.

wherefore, Hornrock respectfully requests that she Court
grant the following relief:

- As DENYING all relief sought by the Borough in 105 Complaint:
- b. DECLARING that the Borough is in wiciation of its constitutional duty to create sufficient realistic opportunities for the construction of safe, decent housing afforoable to low-and moderate-income families to satisfy the Borough's fair share of the unmet regional need for such housing:
- c. ORIERING the Borough to submit to the Court, within a time period to be set by the Court, a compliance plin and zoning ordinances that will bring the Borough into compliance with the requirements of the Constitution:

- a. Appointing a Special Master, at the expense of the Borough, to oversee the implementation of the Totagoing remedies:
- e. DENYING the Borough's request for immunity from exclusionary zoning suits, including builder's remedy suits; and
- ORDERING such additional relief as the Court deems just and equitable.

COUNT FOUR

(JURISDICTION OVER UNAPPROVED SPENDING PLAN)

- 38. Hornrock repeats all prior responses as if each its set forth at length herein.
- 39. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 40. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, the referenced opinion is in writing and speaks for itself.
- 41. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the excent a response is required, the allegation is denied.
 - 42. Hornrock is without information surficient to form a belief as to the allegations set forth in this paragraph, and

the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.

43. Hornrock is without information sufficient to term a belief as to the allegations set forth in this paragraph, and the Borough is therefore Term to its proofs. To the extent a response is required, the allegation is denied.

WHEREFORE, Hornrock respectfully requests that the Court grant the following relief:

- a. DENYTHS all relief sought by the Borough in its Complaint:
- b. DECLARING that the Borough as an violation of its constitutional nuty to create sufficient realistic opportunities for the construction of safe, decent housing affordable to low-and moderate-income families to satisfy the Borough's fair share of the unmet regional need for such housing:
- c. ORDERING the Borough to submit to the Court, within a time period to be set by the Court, a compliance plan and zoning ordinances that will bring the Borough into compliance with the requirements of the Constitution;
- d. APPOINTING a Special Master, at the expense of the Borough, to oversee the implementation of the foregoing remedies:
- e. DENYING the Borough's request for immunity from exclusionary zoning suits, including builder's remedy suits, and

f. ORDERING such additional rollef as the Court deers quat and equitable.

COUNT FIVE

(AMENDMENTS TO APPROVED SPENDING PLANS)

- 44. Hornrock repeats $a_{-}^{(1)}$ prior responses as if each is set forth at length herein.
- 43. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- 46. Hernrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- 47. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraps, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.
- 48. Hornrock is without information sufficient to form a belief as to the allegations set forth in this paragraph, and the Borough is therefore left to its proofs. To the extent a response is required, the allegation is denied.

wherefore, Hernrock respectfully requests that the Court
grant the following relief:

- a. DENYING all relief sought by the Egrough in the Complaint;
- b. DECLARING that the Borough is in viciation of its constitutional duty to create sufficient realistic apportunities for the construction of safe, decent housing affordable to low and moderate-income families to satisfy the Borough's fair share of the unmet regional need for such housing:
- time period to be set by the Court, a compliance plan and zoning ordinances that will bring the Borough into compliance with the requirements of the Constitution:
- d. APPOINTING a Special Master, at the expense of the Borough, to oversee the implementation of the foregoing remedies;
- exclusionary moning suits, including builder's remedy suits; and
- f. ORDERING such additional relief as the Court deems just and equitable.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

The Borough has not filed what is required by March 12.

2015 Decision to receive an award of immunity, and that requests should be denied. The Borough obes not concede it is har in compliance with its Mount Laurel obligations, does not propose any fair stare obligations it is required to meet, does not propose any procedures to establish such tair share obligations, and does not propose even the framework of any plan to meet its fair share obligations.

SECOND AFFIRMATIVE DEFENSE

because the Borough nuterly fails to propose any fair share obligations, or even propose any procedures to have such obligations established by this court, this Court should adopt expedited procedures, as proposed in Hornrock's motion seeking intervention and related rolles, guided by the principle that fair share obligations must be established at the earliest possible opportunity so that the Borough may meet the five-month (maximum) deadline set forth in the March 10, 2015 Decision 5/1 the filling of a nousing element and tair share plan addressing the Borough's full fair share obligations.

BISGAIER HOFF, LLC

Attorneys for Defendant intervence Hornrock Properties MPF, 120

Dated: September 23, 2015

DESIGNATION OF TRIAL COUNSEL

Pursuant to Rule 4:25-4, Richard Ja Hoff, Som. Esquire, as hereby designated as trial counsel on behalf of Attorneys for Defendant-Intervenor, Hornrock Properties MPR, ILM.

BISGAIER HOFF, LLC

Attorneys for Defendant-Intervenor

Hormrock Properties MFR, LLC Richard J. Hoff, yr., Esq.

Dated: September 23, 2015

RULE 4:5-1 CERTIFICATION

I hereby certify that the subject matter of the within controversy does not form the basis of any other action presently pending in any court or arbitratich procheding to the hest of my knowledge, information and belief and that no other action or arbitration proceeding is contemplated. Further, other than the parties set forth in this pleading, we know of no other parties that should be joined in this acrion at the present time.

BISGAIER HOFF, LLC

Atthoneys for Defendant-Intermental Hernicok Rioperties MPR, LLC

Richard J. Boss, Jo., Ssq.

Dated: September 23, 2015

EXHIBIT D

PRICE, MEESE, SHULMAN & D'ARMINIO

A PROFESSIONAL CORPORATION

MACK-CALI CORPORATE GENTER 50 TICE BOULEVARD, SUITE 380 WOODCLIFF LAKE NEW TERSEY 07677

> TELEPHONE (201) 391-3737 FACSIMILE (201) 391-9360 www.priconcess.com

> > GREGORY D. MEESE *

GAIL L. PRICE*+

FREDERIC M. SHULMAN*+

LOUIS L. D'ARMINIO* 4

JOHN R. EDWARDS, JR.*

MICHAEL K. BREEN*

PAUL A. CONCIATORI*#

WILLIAM D. BIERMAN •

CATHY J. POLLAK*

THOMAS C. MARTIN

RICHARD M. FRICKE*+

DAVID J. BEICH®

MARK W. GREENE*0

KAREN E EDLER

MICHAELA, OROZCO*

KATHRYN J. RAZIN*+

RICK A: STEINBERG*0

DOROTHYA, KOWAL REGINALD JENKINS, JR. JENNIFER M. KNARICH** TERENCE STEED** BRIAN J. YARZAB JENNIFER M. BERARDO*

* Also admitted in NY

Additional Offices: 4 WEST RED OAK LANE, SUITE 302 WHITE PLAINS, NEW YORK 10004 TELEPHONE (914) 251-1618 FACSIMILE (914) 251-1230

ONE CATEWAY CENTER, SUITE 2000 NEWARK, NEW JERSEY 07 102 TELEPHONE (973) 799-855.J FACSIMILE (973) 735-27 19 December 3, 2015

Via FedEx
Ms. Kelley O'Donnell
Administrator
Borough of Park Ridge
53 Park Avenue
Park Ridge, New Jersey 07656

Hornrock Properties MPR, LLC Redevelopment of Sony Property Block 3302, Lot 1

Dear Ms. O'Donnell:

Re:

Please be advised that this office represents Hornrock Properties MPR, LLC ("Hornrock"), the owner of the former Sony North American Headquarters property at One Sony Drive, known as Lot 1, Block 3302, on the Park Ridge Tax Assessment Map (the "Property").

The Property is currently zoned for office use, but Hornrock has found that there is little demand for long-term office space and it has only been able to lease portions of the building on a short-term basis. In order to bring the Property back to productive use, and to resolve pending tax appeals, to assist the Borough in meeting its constitutional obligation to provide its fair share of affordable housing, and to support the Park Ridge electric and water utilities, Hornrock is requesting that the Property be rezoned to include an overlay zone which would allow for high density residential development. Consistent with this request, recent correspondence from the Borough Attorney suggests that the Council proposes to include the Property as part of its Mount Laurel compliance plan. Enclosed is a concept plan detailing Hornrock's vision for the redevelopment of the Property.

While we understand that any rezoning must be initiated with the Planning Board, given the myriad of public benefits that the rezoning of the Property would have for the Borough, this request is being submitted to you, for review by the Mayor and Council, with the hope that the zoning of the Property can be reviewed and revised in a cooperative effort between Hornrock, the Mayor and Council and the Planning Board for the mutual benefit of all concerned.

⁺ Also admitted in DC

O Also admicted in PA

Also admitted in GT

[•] Also admitted NY Fed Gts. # Also LEED AP

PRICE, MEESE, SHULMAN & D'ARMINIO APROFESSIONAL CORPORATION ATTORNEYS AND COUNSELORS

Hornrock has assembled a team of real estate, architecture, engineering, planning, and legal experts to assist with the redevelopment of the Property and we look forward to working with the Borough and its professionals to bring the Property back to productive use.

Very truly yours,

cc:

gdm/

Ms. Julie Falkenstern Brigette Bogart, PP John TenHoeve, Esq. Mr. David Hornblass Mr. Maurice Hornblass Sam Gershwin, P.E.

EXHIBIT E

P DAY PITNEY LLP

To:

12013917130

From:

ehodgson@daypitney.com

Date:

July 25, 05:20:25 PM EDT

Subj:

Government records request form

Pages: 4

This message contains PRIVILEGED AND CONFIDENTIAL INFORMATION intended solely for the use of the addressee(s) named above. Any disclosure, distribution, copying or use of the information by others is strictly prohibited. If you have received this message in error, please notify the sender by immediate reply and delete the original message. Thank you.

This Facsimile contains PRIVILEGED AND CONFIDENTIAL INFORMATION intended only for the use of the addressee(s) named above. If you are not the intended recipient of this facsimile, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination or copying of this facsimile is strictly prohibited. If you have received this facsimile in error, please immediately notify us by telephone and return the original facsimile to us at the above address via the U.S. Postal Service. Thank you.

FAX TRANSMISSION DAY PITNEY LLP

Fax:

From: Date:

Subject:

Erin Hodgson

July 25, 2017

Government Records Form

973-966-8332 Phone #:

page(s), including cover page Pages:

NAME OF STREET	COMPANYSTACES	TAXNOL	PHONENO:
Kelley O'Donnell	Office of Borough Clerk	201-391-7130	

MEMO

*This Facsimile contains PRIVILEGED AND CONFIDENTIAL INFORMATION intended only for the use of the addressee(s) named above. If you are not the intended recipient of this facsimile, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination or copying of this facsimile is strictly prohibited. If you have received this facsimile in error, please immediately notify us by telephone and return the original facsimile to us at the above address via the U.S. Postal Service. Thank you.

Rev. 01/01/13

TimeKeeper No.

Hodgson, Erin Return To:



State of New Jersey BOROUGH OF PARK RIDGE GOVERNMENT RECORDS REQUEST FORM

OFFICE OF THE BOROUGH CLERK TEL: (201) 573-1800 FAX: (201) 391-7130 www.parkridgaboro.com

Important Notice

The reverse side of this form contains important information related to your rights concerning government records. Please read it carefully

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SCHEDULE A

Record Request Information

- 1. Copies of any and all emails sent and received from June 1, 2014 to present between Mayor Keith Misciagna (both as mayor and council member) and Michael "Mike" Dibella or David O'Sullivan regarding the Park Ridge Transit Redevelopment Project [Block 1801, Lots 3-5 (146 Kinderkamack Road, 94 Berthoud Street, Perry Street) and Block 1802, Lots 1-7 (142, 140, 138, 136, and 132 Kinderkamack Road, 87 Madison Street, 94 Perry Street)] and/or the redevelopment of the Sony site (Block 301, Lot 1, 1 Sony Drive).
- 2. Copies of any and all emails sent and received from June 1, 2014 to present between Council President Matthew Capilli and Mayor Keith Misciagna (both as mayor and council member) or David O'Sullivan regarding the Park Ridge Transit Redevelopment Project [Block 1801, Lots 3-5 (146 Kinderkamack Road, 94 Berthoud Street, Perry Street) and Block 1802, Lots 1-7 (142, 140, 138, 136, and 132 Kinderkamack Road, 87 Madison Street, 94 Perry Street)] and/or the redevelopment of the Sony site (Block 301, Lot 1, 1 Sony Drive).
- 3. Copies of any and all text messages sent and received from June 1, 2014 to present between Mayor Keith Misciagna (both as mayor and council member) and Michael "Mike" Dibella or David O'Sullivan regarding the Park Ridge Transit Redevelopment Project [Block 1801, Lots 3-5 (146 Kinderkamack Road, 94 Berthoud Street, Perry Street) and Block 1802, Lots 1-7 (142, 140, 138, 136, and 132 Kinderkamack Road, 87 Madison Street, 94 Perry Street)] and/or the redevelopment of the Sony site (Block 301, Lot 1, 1 Sony Drive).
- 4. Copies of any and all text messages sent and received from June 1, 2014 to present between Council President Matthew Capilli and Mayor Keith Misciagna (both as mayor and council member) or David O'Sullivan regarding the Park Ridge Transit Redevelopment Project [Block 1801, Lots 3-5 (146 Kinderkamack Road, 94 Berthoud Street, Perry Street) and Block 1802, Lots 1-7 (142, 140, 138, 136, and 132 Kinderkamack Road, 87 Madison Street, 94 Perry Street)] and/or the redevelopment of the Sony site (Block 301, Lot 1, 1 Sony Drive).

All records requested in email form as per O'Shea v. Township of Fredon (Sussex), GRC Complaint No. 2007-251 (April 2008).

REYNOLDS LAW GROUP LLC

94 South Finley Avenue
Basking Ridge, NJ 07920
(908) 367-9060
Scott E. Reynolds (Attorney ID #026621999)

Attorneys for plaintiff, Borough of Park Ridge

IN THE MATTER OF THE APPLICATION OF THE BOROUGH OF PARK RIDGE, A Municipal Corporation of the State of New Jersey,

Plaintiff/Petitioner.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION: BERGEN COUNTY DOCKET NO.: L-6030-15

CIVIL ACTION

MOUNT LAUREL

ORDER GRANTING MOTION TO OBTAIN DISCOVERY FROM DEFENDANT-INTERVENER HORNROCK PROPERTIES, MPR, LLC

THIS MATTER having been opened to the Court by plaintiff, Borough of Park Ridge ("Borough" or "Park Ridge"), by way of Motion (the "Motion") to Obtain Discovery from Defendant-Intervener, Hornrock Properties, MPR, LLC ("Hornrock"), on notice to all counsel of record in this proceeding; and the Court having considered the moving papers and any opposition submitted thereto, and for good cause having been shown; and for the reasons set forth on the record,

IT IS ON THIS	day of	, 2017

ORDERED that the Motion be and hereby is granted; and it is further

ORDERED that, within seven (7) days of the date of this Order, in its sole and absolute discretion, the Borough may serve on Hornrock, with a copy to each party of record in this proceeding, Requests for the Production of Documents, Interrogatories, Requests for Admissions and no more than two (2) Notices of Deposition, authorizing the taking of depositions of

representatives of Hornrock to be selected at the sole and absolute discretion of the Borough; and it is further

ORDERED that, notwithstanding any deadlines that may be otherwise established by the New Jersey Court Rules for the service of responses and objections to discovery devices, Hornrock shall provide written responses and objections, if any, and responsive documents, if applicable, on or before thirty (30) days after service of the discovery devices authorized in the second decretal paragraph of this Order; and it is further

-		
ORDERED	that a copy of this Order shall be se	erved on all counsel of record in this
proceeding within _	days of the date of this Order.	
		Menelaos W. Toskos, J.S.C.
Opposed:		
Unopposed:		

REYNOLDS LAW GROUP LLC

94 South Finley Avenue
Basking Ridge, NJ 07920
(908) 367-9060
Scott E. Reynolds (Attorney ID #026621999)

Attorneys for plaintiff, Borough of Park Ridge

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Opposed:	
Unopposed:	