

Ul. v. Carteret, Old Bridge

December 23, 1986

Certification of Jerome J. Convery

pgs. 14

CA 002367V

JEROME J. CONVERY, ESQ.
151 Route 516
P.O. Box 642
Old Bridge, NJ 08857
(201) 679-0010
Attorney for Defendants

URBAN LEAGUE OF GREATER NEW
BRUNSWICK, et al.,

Plaintiffs,

v.

THE MAYOR AND COUNCIL of the
BOROUGH OF CARTERET, et al.,

Defendants,

and

O & Y OLD BRIDGE DEVELOPMENT
CORPORATION, a Delaware
Corporation,
and

WOODHAVEN VILLAGE, INC., a
New Jersey Corporation,

Plaintiffs,

v.

THE TOWNSHIP OF OLD BRIDGE in
the COUNTY OF MIDDLESEX, a
Municipal Corporation of the
State of New Jersey, THE TOWNSHIP
COUNCIL OF THE TOWNSHIP OF
OLD BRIDGE, THE MUNICIPAL
UTILITIES AUTHORITY OF THE
TOWNSHIP OF OLD BRIDGE, THE
SEWERAGE AUTHORITY OF THE
TOWNSHIP OF OLD BRIDGE and
THE PLANNING BOARD OF THE
TOWNSHIP OF OLD BRIDGE,

Defendants.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
MIDDLESEX COUNTY/
OCEAN COUNTY

(Mount Laurel II)

DOCKET NO. C-4122-73

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION
MIDDLESEX COUNTY/
OCEAN COUNTY
(Mount Laurel II)

DOCKET NO. L-009837-84 P.W
and No. L-036734-84 P.W.

Civil Action

CERTIFICATION OF
JEROME J. CONVERY



1. I am the attorney for the Township of Old Bridge and am fully familiar with the facts of the within matter.

2. On January 24, 1986, the Township of Old Bridge entered into a settlement concerning this Mount Laurel matter, which is more fully indicated in the document known as "Settlement Agreement". This Settlement Agreement was the basis for the Order and Judgment of Repose for the Township of Old Bridge, dated January 24, 1986. The Settlement Agreement was incorporated by reference and deemed to be a part of the Order and Judgment. The Order and Judgment also encompassed the overall development plans for O & Y and Woodhaven known as Plats A and B, which were the subject matter of hearings before the Old Bridge Township Planning Board. Pursuant to the Order and Judgment, the Old Bridge Township Planning Board was to complete hearings on the Plats and forward its recommendations to the Court no later than March 14, 1986. The Settlement Agreement included a "proposed mechanism" indicating that it was the intention of the parties that the Affordable Housing Units be provided in part through the development of five hundred (500) units of Affordable Housing to be provided via the O & Y project, and two hundred sixty (260) units to be provided via the Woodhaven project. On behalf of the Township of Old Bridge, it is respectfully submitted that it is now clear that the facts upon which the Final Judgment and Order were based were incorrect and constituted, at the very least, a mutual mistake of fact. Furthermore, it is now clear that newly discovered evidence which was not known to the Township of Old Bridge on January 24, 1986, clearly reveals that two of the parties, namely, O & Y and Woodhaven can not comply with the terms of the Judgment and Order in very substantial aspects, thereby causing irreparable harm to the interest of the Township of Old Bridge in this matter. Although it is submitted that, at the present

time, there is no indication that there has been fraud, misrepresentation, or other misconduct by any adverse party in this matter, the Township of Old Bridge reserves its right to allege such facts, if same were to be discovered in this matter. This Certification is hereby submitted in support of a Motion for relief from said Judgment and Order, with the request that said Judgment and Order be set aside by the Court at this time.

3. The facts in this matter will indicate that after approximately one year of diligent negotiations by all parties, a settlement was proposed whereby O & Y Old Bridge Development Corp., hereafter O & Y, would develop ten thousand five hundred sixty (10,560) units on its holdings of two thousand six hundred forty (2,640) acres within the Township of Old Bridge. The Settlement further provided that Woodhaven would build five thousand eight hundred twenty (5,820) units on its holdings of one thousand four hundred fifty-five (1,455) acres within the Township of Old Bridge. The Settlement called for ten percent (10%) of said units to be set aside for Affordable Housing, namely, One Thousand Fifty-Six (1,056) units for O & Y; five hundred eighty-two (582) units for Woodhaven. It was implicit in this Settlement that the holdings of O & Y and Woodhaven were vacant developable land which was available for Mount Laurel development. Therefore, the Judgment and Order of Repose provided a proposed mechanism whereby five hundred (500) units of Affordable Housing was to be provided by O & Y and two hundred sixty (260) units were to be provided by the Woodhaven project within the six-year period, dated from January 24, 1986. Based upon information that has now come to light concerning the amount of wetlands within the property of O & Y and Woodhaven, it is now clear that the terms of the Settlement Agreement can not be met by O & Y and Woodhaven.

4. After the Judgment and Order was signed on January 24, 1986, the parties made arrangements for O & Y and Woodhaven to go before the the Old Bridge Township Planning Board in Public Session for a review of Plat A and Plat B in accordance with the Agreement. It was proposed that the Planning Board would review the Plats in question with public input and same would be approved as part of the Settlement Agreement. Once it became clear that O & Y and Woodhaven had substantial wetlands which would severely hamper development on holdings, both O & Y and Woodhaven withdrew their proposed developments from review by the Old Bridge Township Planning Board, thereby making it impossible for the Planning Board to approve the proposed developments by March 14, 1986. Furthermore, by removing their plans from consideration, these parties have made it impossible for the Court to review the findings of the Planning Board, pursuant to the Judgment and Order.

5. After it became known that both O & Y and Woodhaven had substantial wetlands which would prevent the proposed development intended by the Settlement Agreement, the Township of Old Bridge and the Township of Old Bridge Planning Board met with the parties and the Court at a status conference wherein it was determined that O & Y and Woodhaven would submit to the Planning Board and the Township, copies of any wetlands delineation so that the parties would all be fully informed prior to any Motion or other legal action being filed with the Court. It was agreed at said Status Conference that the developers would submit their wetlands delineations to the other parties shortly, and it is submitted that the Township of Old Bridge expected to have these wetlands delineations by September 30, 1986. When that date had passed, this attorney contacted the attorneys for O & Y and Woodhaven and received indications that the documents would be submitted by the end of October 1986. On or about October 30, 1986, Thomas J. Hall, Esq. indicated to

me that the materials would be received during the first week of November. Thereafter, it was indicated that the materials would be supplied to the Township of Old Bridge by the end of November 1986. After the materials were not forthcoming, I indicated to Thomas J. Hall, Esq. that if the materials were not submitted to the Township by December 15, 1986, that I would file the within Motion to set aside the Judgment. As of this date, no materials have been received from O & Y concerning the wetlands delineation. (See letter dated October 30, 1986 from Thomas J. Hall, Esq. attached hereto as Exhibit A.) As the attorney for the Township of Old Bridge, I withheld filing this Motion pending receipt of the wetlands delineation material, obviously the Township of Old Bridge has been patient, but can not wait any longer to seek legal action in this matter.

6. Based upon information and belief, it has been indicated that the O & Y property contains fifty to sixty percent wetlands. Furthermore, this has been described as a "swiss cheese" configuration, which may have an extremely negative impact upon the development of a road network within the proposed development site. According to published reports, the Army Corps of Engineers has indicated that it has wetlands jurisdiction over more than one thousand three hundred sixty-two (1,362) acres. Furthermore the Army Corps of Engineers, based upon a published report, has indicated that the "development in wetlands area owned by O & Y could have considerable environmental impact". (See Exhibit B - Asbury Park Press Article dated December 14, 1986 attached hereto)

7. Based upon discussions with Carl Hintz, Old Bridge Consultant concerning Mount Laurel matters, it would appear that, due to the vast amount of wetlands on the O & Y and Woodhaven property, the viability of building the Trans Old Bridge Expressway through the property is very slim. Furthermore, Mr. Hintz indicates that the configuration of

the wetlands on the O & Y property makes it extremely questionable as to producing a reasonable road network, and utility network. Furthermore, according to Mr. Hintz, the site proposed for commercial development along Route 18 is entirely wetlands, thereby eliminating this commercial development which would provide jobs for the residents in the housing units. It has been previously indicated to the Court that the Agreement to build commercial properties along Route 18, near Route 9, was extremely important to the Township Council of the Township of Old Bridge in reaching a decision to settle this matter.

8. Mr. Hintz had indicated that his approval of the proposed Settlement, on behalf of the Township of Old Bridge, was based upon his understanding of the amount of vacant developable land owned by O & Y and Woodhaven, which would contribute to the building of Affordable Housing. Mr. Hintz had indicated to me that the "Fair Share" number should be reduced if over two thousand (2,000) acres of land owned by O & Y and Woodhaven is not available for development. Furthermore, Mr. Hintz had indicated to me that if he had known that this amount of land was not available for development by O & Y and Woodhaven, he never would have agreed to a ten (10%) percent set aside for these developers. The ten (10%) percent set aside was primarily based upon the fact that O & Y and Woodhaven had so much land available that ten (10%) percent would produce over fifteen hundred (1,500) Mount Laurel units. It has been indicated in the news media that O & Y is prepared to propose a development of approximately twenty-five hundred (2,500) units. Obviously, at a ten (10%) percent set aside, this would produce two hundred fifty (250) Affordable Housing Units. According to Mr. Hintz, under no circumstances could this have been acceptable to him as Consultant for Old Bridge Township, if these facts were known prior to January 24, 1986. Mr.

Hintz has indicated to me that he is preparing a Certification on behalf of Old Bridge Township and the Old Bridge Township Planning Board in this matter, and will more fully delineate his opinions in that document. However, based upon his representations to me, this information is being submitted to the Court in support the Motion to set aside the Judgment and Order on behalf of the Township of Old Bridge.

9. It is my understanding that Thomas Norman, Esq., Carl Hintz, and Henry Bignell will be meeting within the next week to prepare documents for submission to the Court concerning this matter. Furthermore, it is my understanding that Mr. Norman will be preparing a Motion to Set Aside the Settlement on behalf of the Township of Old Bridge Planning Board.

10. The Township of Old Bridge and the Township of Old Bridge Planning Board have waited patiently to receive all the data before filing this Motion, but same has been unsuccessful in regard to O & Y. (See letter, dated September 9, 1986 to attorneys for developers, from Thomas Norman, Esq. attached as Exhibit C) Therefor, Mr. Norman has contacted James W. Haggerty, Area Manager, for the Army Corps of Engineers concerning the status of these matters. (See letter, dated December 12, 1986 attached hereto as Exhibit D) Furthermore, Mr. Norman has been in contact with Dr. Norbert Psuty of Rutgers University concerning the preparation of a report on behalf of the Township of Old Bridge regarding the amount of vacant developable land on the O & Y and Woodhaven tract, as well as the amount of wetlands, buffer area for wetlands protection and marginal lands which may or may not qualify as wetlands.

11. The Township of Old Bridge is also seeking a Court Order permitting a transfer of this matter to the Council on Affordable Housing. It is the position of the Township of Old Bridge that once the Settlement

is set aside, that this matter should be within the jurisdiction of the Council on Affordable Housing, since the legislature has specifically set up this body to review Mount Laurel requirements and implementation of same. Thomas Norman, Esq., on behalf of the Township of Old Bridge, has advised the Council on Affordable Housing that the Township of Old Bridge intends to file a Motion seeking a transfer to the Council.

Furthermore, Mr. Norman has advised the Council on Affordable Housing that the Township of Old Bridge will be in an immediate position to file for Certification of a Housing Element and Fair Share Plan. (See letter, dated September 8, 1986, from Thomas Norman, Esq. to Arthur Kondrup concerning said transfer, attached as Exhibit E) Mr. Norman has indicated to the Council on Affordable Housing that said letter constitutes a "letter of intent" on behalf of the Township of Old Bridge to comply with the requirements of the Council on Affordable Housing.

12. The Judgment and Order in this matter indicated that the parties shall conclude an Agreement concerning the provision of an adequate supply of potable water for the O & Y and Woodhaven Developments no later than March 15, 1986. On information and belief, it is my understanding that no such Agreement has been reached by the parties. Furthermore, based upon my conversations with Carl Hintz, Consultant to the Township of Old Bridge, it would appear that the amount and configuration of wetlands within the O & Y property make it extremely unlikely that proper utilities can be built throughout the development. It would appear that it is impossible for the parties to reach an agreement concerning this aspect of the case within the immediate future, and that the agreement should be set aside due to impossibility of performance. The facts regarding this particular aspect of the agreement will be amplified by

the Certifications of Carl Hintz and Henry Bignell.

13. It should be noted that the Settlement Agreement included a paragraph known as "Reopening Clause" (Section III-A.3). This provision of the agreement indicated that upon good cause shown, any party to the agreement may apply to the Court for modification of this agreement, based upon "no reasonable possibility of performance". It is respectfully submitted that the agreement in question can not possibly be performed and that the Settlement Agreement and the Judgment should be set aside. In the event that the Court believes that the Judgment should not be set aside, it is the position of the Township of Old Bridge that the "Reopening Clause" provides for substantial modification of the agreement, based upon no reasonable possibility of performance of the agreement in its present context. Although the Township of Old Bridge believes that the Judgment must be set aside, based upon the facts of this case, and further believes that the matter should be thereafter transferred to the jurisdiction of the Council on Affordable Housing, the Township of Old Bridge reserves its rights to address the issue of modification of this Agreement, pursuant to the "Reopening Clause", in the event that the Court denies the within Motion.

I certify that the foregoing statements by me herein are true.

I am aware that if any of the foregoing statements made by me are wilfully false, I am subject to punishment.

DATED: December 23, 1986



JEROME J. CONVERY,
Attorney for Deft. Township of Old Bridge

10/31/86
t h

BRENER WALLACK & HILL
ATTORNEYS AT LAW
BIO CARNEGIE CENTER
PRINCETON, NEW JERSEY 08540-5226

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ROBERT W. SACSO, JR.
MARILYN S. SILVIA
THOMAS JAY HALL
ROCKY L. PETERSON
MICHAEL J. FEEHAN
MARY JANE NIELSEN
THOMAS F. CARROLL, III
MARTIN J. JENNINGS, JR.
EDDIE PAGAN, JR.
JOHN O. CHANG
JOSEPH A. VALES
DANIEL J. SCAVONE
DANIEL J. SHERIDAN
MATTHEW H. LUBART
L. STEPHEN PASTOR
GUY P. LANDER
RUSSELL U. SCHENKMAN
MITCHELL NEIDER
JOEL D. ROSEN*
TYONNE MARCUSE

*MEMBER OF PA BAR

CABLE "BWH" PRINCETON
TELECOPIER: (609) 452-1866
TELEX: 271344

October 30, 1986

FILE NO.

Jerome Convery, Esquire
Township Attorney
151 Route 516
Box 872
Old Bridge, New Jersey 08857

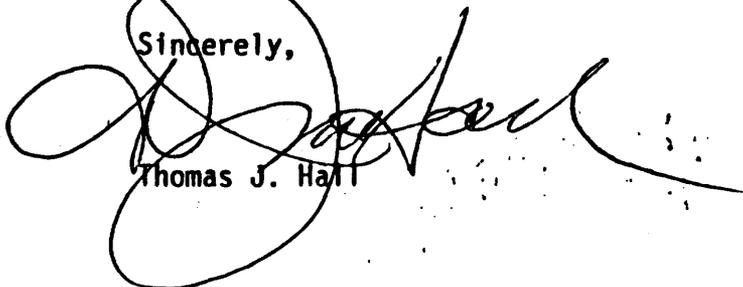
Dear Jerry:

This is in response to your letter to me of October 23rd, and Tom Norman's letter to me of October 17th.

I will be meeting with Lloyd Brown on Friday, October 31st, and assembling appropriate material to transmit to you, the Planning Board, and Tom Norman with respect to O&Y's wetlands delineation and related materials. As you may know, O&Y has been diligently pursuing this matter with the Army Corps of Engineers, and has had a meeting with the Chief, Regulatory Section, New York District, during the latter part of October. We would like to share the results of those meetings, and O&Y's current thinking with respect to the development of its properties in Old Bridge with you and the Planning Board, and have appreciated the fact that the Township has not pressed us, via legal motions, while we are in negotiations with the Corps.

I would appreciate it if you would give me a telephone call after you've received the material next week, and we can review the next steps in this process.

Sincerely,



Thomas J. Hill

TJH/ss

cc: All parties on the attached list

EXHIBIT A

B
EXHIBIT

Sun., Dec. 14, 1986

Asbury Park Press

H 8 Mortgage rates
9 Classified
31 Garden

REAL ESTATE

CONSUMER
PAGE 28

KENNETH HARNEY



Old Bridge development stymied

By BARRY KIPNES
Special to The Press

Accurate appraisals thwarted

Congressional investigators, major mortgage lenders and home real estate appraisers are expressing growing concern over what they see as a multi-billion-dollar federal problem: a nationwide curtailment of accurate property appraisals.

The net results of the silence, they charge, are inflated real estate valuations, excessive commissions to realty brokers, unnecessarily large loan losses to lenders through foreclosures, and rising losses for agencies like the Federal Home Loan Insurance Corporation.

One key congressional panel, a House government operations subcommittee, already has called for correction of the problem. Now professional and trade groups are joining the effort.

The shroud of silence, they say, works like this. Real estate appraisers across the country have come under increasing pressure by mortgage lenders to provide scrupulously accurate valuations of homes. Lenders use these appraisals to determine how large a mortgage the property can support. The higher the estimated market value, the bigger the potential mortgage. The more inflated the appraisal, the larger the lender's risk of loss.

If a federal agency has either insured the mortgage or insured the lending institution, the loss ultimately may be borne by taxpayers. If a private mortgage insurer underwrites the loan, the costs are paid through higher premiums charged against all new home buyers.

OLD BRIDGE TOWNSHIP — After 13 years of litigation with the township's Planning Board, Canadian real estate developer Olympia & York's efforts to build the largest residential development ever proposed in New Jersey — and one of the largest ever planned in the Northeast — has reached a stalemate since the Army Corps of Engineers ruled that more than half of O&Y's property rests on protected wetlands.

The site in question concerns 2,640 acres in the southwestern section of the township, between Routes 9 and 18 and the Matchaponix River above Texas Road, where O&Y proposed construction of 10,560 residential units, including townhouses, single-family homes and condominiums.

The corps' determination that it has wetlands jurisdiction over more than 1,362 acres, half of O&Y's property, greatly reduces the amount of buildable land available to O&Y. While regulations do not explicitly prohibit development of wetlands areas, acquiring permission to do so can be a lengthy and difficult process.

As the agency responsible for administering federal laws designed to protect coastal areas, the corps must evaluate if the public interest would be served by development of the wetlands and whether these benefits outweigh the loss of the wetlands.

According to Barbara Cannon, Old Bridge Township councilwoman for Ward Two, O&Y has responded to the corps' ruling by submitting for municipal review a proposal to build 2,500 housing units on 500 acres.

The developer also intends to seek approval to build commercial buildings on 300 acres near the junction of Routes 9 and 18.

Ms. Cannon said she has doubts that the latest proposal will receive township approval. She indicated that many townspeople are unhappy and feel they only narrowly averted a disaster with the help of the corps' ruling.

"They were proposing what amounts to building a good-sized town, or small city, within a town," Ms. Cannon said about development plans. "My constituents were not thrilled with the prospects of seeing their town turned into a congested city with high traffic volume and losing its rural character. I don't think O&Y recognized the needs of residents here. They were insensitive."

Reputed to be one of the largest real estate development firms in North America, the Toronto-based O&Y is a conglomerate with assets in excess of \$15 billion and diversified holdings in oil, paper products and distilleries. Its main U.S. office is on Park Avenue in New York and its subsidiary, O&Y Development Corporation, has an office on Route 18 in East Brunswick.

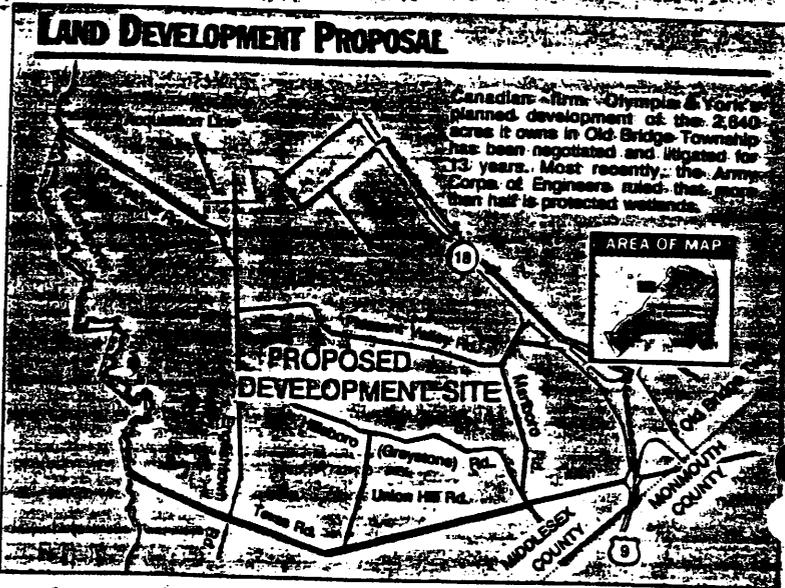
Last Jan. 24, the corps issued an exempt permit preventing O&Y from developing its property here pending completion of an in-depth study. Responding to the ruling, Lloyd Brown, executive vice president of O&Y Development Corporation, protested that the corps' action was unfair.

"This abeyance came out of the blue," claimed Brown. "The whole issue over these so-called wetlands is absurd. The Corps of Engineers made an overly broad interpretation we consider outside the law and beyond all reason and fairness."

According to Richard Tomer, chief of the western permits section of the corps, the corps acted within its established jurisdiction.

"Contrary to what Olympia & York may believe," said Tomer, "the corps did not reach this decision independently. We are required to consult with the U.S. Fish and Wildlife Service, the National Marine Fisheries Service and the U.S. Environmental Protection Agency on any proposals to develop or alter specific wetlands areas."

The developers were puzzled by the corps' action since it had obtained a permit to build from the corps in 1979. O&Y officials claim they were never



property informed of their rights or the intentions of the corps.

"We were aware of the wetlands in that area since 1976, when aerial mapping of all coastal areas was carried out," said Tomer. "Regulations became much stricter by 1985. It took some time for us to become aware of the proposed development in that area and assess its potential impact. During the process of determining the boundaries of the wetlands we had several meetings with the people from Olympia & York."

"Development in the wetlands as owned by O&Y could have considerable environmental impact. We took the time to gather and evaluate all the

Canadian firm Olympia & York's planned development of the 2,640-acre site in Old Bridge Township has been negotiated and litigated for 13 years. Most recently, the Army Corps of Engineers ruled that more than half is protected wetlands.

necessary data before we made our determination."

Officials explained that the wetlands play a crucial environmental role of direct value to the lives and property of area residents. The wetlands protect the mainland by acting as a storm buffer and a flood water storage area. In addition, wetlands serve as a trap for sediments and pollutants. They also are a valuable habitat for wildlife.

Olympia & York originally purchased the property here in 1973. In 1978, O&Y began what it views as a series of frustrating efforts to develop its property. To O&Y's surprise, it met with resistance from the township Planning Board, despite that body's publicity

expressed desire to bring in rentals and lower its high residential tax rate. When the firm submitted its first proposal to the Planning Board in 1979, the township responded by passing a series of ordinances O&Y found too restrictive. O&Y took the township to court in 1981.

According to Ms. Cannon, the relationship between O&Y and the Planning Board began as a cooperative one but deteriorated over the 13-year period of negotiations. She indicated that Old Bridge sought low- and moderate-income housing that would comply with the Mount Laurel II ruling.

See PROPOSAL, page H6

9-11-86
T.N.

NORMAN AND KINGSBURY

ATTORNEYS AT LAW
JACKSON COMMONS
SUITE A-2
30 JACKSON ROAD
MEDFORD, NEW JERSEY 08055

September 9, 1986

THOMAS NORMAN
ROBERT E. KINGSBURY

T. N. (609)654-5220
R. E. K. (609)654-1778

Stewart M. Hutt, Esq.
Hut Berkow & Jankowski
Park Professional Bldg.
459 Amboy Ave.
Woodbridge, NJ 07095

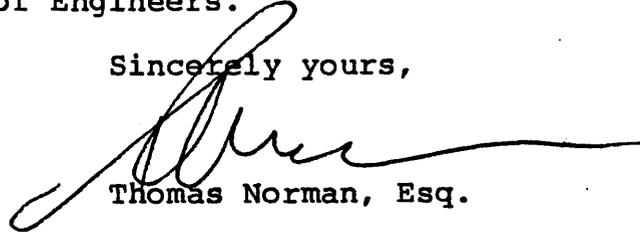
Thomas Hall, Esq.
Brener, Wallack & Hill
204 Chambers St.
Princeton, NJ 08540

Re: Wetlands Delineation-Olympia &
York Tract and Woodhaven Tract

Gentlemen:

This is to confirm my phone call this day in which I requested that you indicate to this office, in writing, when you will finish delineation of wetlands on the tracts of your respective clients for submission to the Army Corps of Engineers.

Sincerely yours,



Thomas Norman, Esq.

TN:mk

CC: Russell Azzarello, Mayor
Dr. Joan George, Chairperson
Jerome Convery, Esq.
Hank Bignell, Planner

RECEIVED
SEP 11 1986

EXHIBIT C

12/18/86
Lcb

NORMAN AND KINGSBURY

ATTORNEYS AT LAW
JACKSON COMMONS
SUITE A-2
30 JACKSON ROAD
MEDFORD, NEW JERSEY 08055

December 12, 1986

THOMAS NORMAN
ROBERT E. KINGSBURY

T. N. (609)654-5220
R. E. K. (609)654-1778

James W. Haggerty, Area Manager
Western Permits Section
Department of the Army
New York District Corps of Engineers
26 Federal Plaza
New York, NY 10278-0090

Re: Olympia and York and Wood-
haven Village-Old Bridge
Township Applications

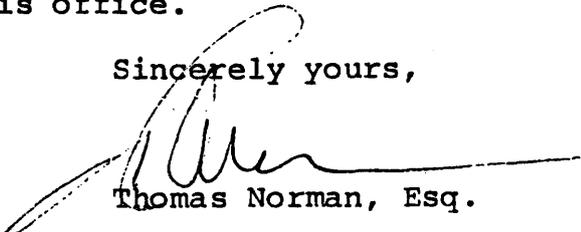
Dear Mr. Haggerty:

Would you kindly indicate the status of the Olympia and York and Woodhaven Village applications for development presently under review in your office for wetland determinations. It is the understanding of the Township that your office will notify the Township of any scheduled dates for on-site inspections to verify wetland delineations proposed by either Woodhaven Village or by Olympia and York.

Specifically, would you indicate whether Woodhaven Village or Olympia and York have submitted any plans to your office for verification and, if so, the dates the plans were submitted.

If you have any questions concerning any of the above please do not hesitate to contact this office.

Sincerely yours,



Thomas Norman, Esq.

TN.mk
CC: Russell Azzarello, Mayor
Dr. Joan George
Jerome Convery, Esq.
Hank Bignell

EXHIBIT D

NORMAN AND KINGSBURY

ATTORNEYS AT LAW
JACKSON COMMONS
SUITE A-2
30 JACKSON ROAD
MEDFORD, NEW JERSEY 08055

THOMAS NORMAN
ROBERT E. KINGSBURY

September 8, 1986

T. N. (609)654-3220
R. E. K. (609)654-1778

Arthur Kondrup, Chairman
Affordable Housing Council
375 W. State Street
CN 813
Trenton, N.J. 08625

Re: Old Bridge Township

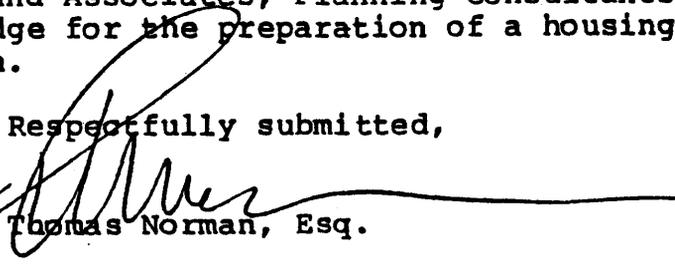
Dear Mr. Kondrup:

This is to advise you that Old Bridge Township intends to file a Motion with the Superior Court seeking transfer of Mount Laurel II litigation to the Council on Affordable Housing.

A major issue involved in the controversy concerns the certification by the Corps of Engineers of "wetlands" areas. Since this process appears to be complicated and time consuming, Old Bridge Township is not in the position at this point to indicate that it will be permitted to transfer to the Affordable Housing Council. However, in the event the Motion for Transfer is granted, the Township will be in a position to apply immediately for certification of a housing element and fair share plan consistent with COAH regulations.

In this context, this letter is also being forwarded as a "Letter of Intent". The Township of Old Bridge does not dispute the estimated fair share allocation for Old Bridge Township. The Township at this time does not intend to utilize RCAs and it will rely upon reports prepared by Hintz/Nielsen and Associates, Planning Consultants, retained by the Township of Old Bridge for the preparation of a housing element plan and revised master plan.

Respectfully submitted,


Thomas Norman, Esq.

TN:mk
CC: Russell Azzarello, Mayor
Township Council President
Planning Board Chairman
Hank Bignell
Carl Hintz.
Jerome Convery, Esq. ✓

EXHIBIT E