

CA - Old Bridge

12/16/87

letter brief → Civic League TP's joining

in points I - III of Brief of N Woodhaven

Village, in support of its motion for ~~recess~~

Reconsideration of ct's vacation of order +

judgment of repose dated 1/24/86

P 28

CA 002418 B

THE STATE UNIVERSITY OF NEW JERSEY
RUTGERS
Campus at Newark

School of Law-Newark • Constitutional Litigation Clinic
S.I. Newhouse Center For Law and Justice
15 Washington Street • Newark • New Jersey 07102-3192 • 201/648-5687

December 16, 1987

VIA LAWYERS SERVICE

The Honorable Eugene D. Serpentelli
Judge, Superior Court
Ocean County Court House
CN 2191
Toms River, New Jersey 08754

RE: Urban League, et al. v. Carteret, et al.

Dear Judge Serpentelli:

The Civic League plaintiffs hereby join in points I through III of the Brief of plaintiff Woodhaven Village, Inc. in support of its Motion for Reconsideration of this Court's vacation of the Order and Judgment of Repose dated January 24, 1986 (the "Judgment"). The Civic League plaintiffs urge the Court to reject the argument set forth at point IV of Woodhaven's brief, in which it contends that "the remainder" of the matter can and should be transferred to COAH, where Woodhaven hopes for a reduction of its Mount Laurel obligation. As Woodhaven argued so persuasively in the first 37 pages of its Brief, since Old Bridge received the benefit of its bargain, it would be unjust to deprive Woodhaven of its equally bargained for benefit. It would be even more unjust to deprive the public interest plaintiffs of their bargained for Mount Laurel component, especially since there would have been no settlement without it.

Unless this Court reconsiders its vacation of the Old Bridge Judgment, however, the Civic League will be the only party deprived of its bargained for benefit. Vacation of the Judgment provides a powerful incentive for the developer plaintiffs to approach the Township and negotiate new scaled-down developments essentially comporting with the plans previously submitted. The main difference between the new plans and those set forth in the Judgment may simply be the omission of any Mount Laurel component in the former. Indeed, O&Y's sudden departure from this litigation is consistent with this scenario.

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This Court, as well as the Appellate Division, has firmly rejected demands by towns to transfer their matters to COAH on the basis of COAH's lower fair share numbers. See, e.g., Haueis v. Far Hills (decided October 9, 1986). In rendering its decision in connection with the instant motion, the Court reiterated its refusal to condone such ploys. By granting Old Bridge's motion to vacate the Judgment, however, this Court has effectively permitted the Township to do precisely that which it has criticized other towns for even attempting.

It is respectfully submitted that the wholesale vacation of the Judgment is tantamount to an endorsement of scaled-down development without a Mount Laurel component. The transfer itself thus becomes the cause of a compound injustice; i.e., the loss of affordable units for lower income families, a windfall to developers who but for the vacation would have been responsible for the provision of those units, and a transfer to COAH for Old Bridge, even though the Township may well permit the development decried as "impossible" in its motion papers. This is a blatant and "exceptional" injustice, and no one could argue that it was foreseen by the legislature when it enacted the transfer provisions of the Fair Housing Act. In short, what the Court has before it is the clearest case of "manifest injustice" since the New Jersey Supreme Court defined the term in Hills Development Co. v. Township of Bernards, 103 N.J. 1, 49 (1986). At the very least, plaintiffs should be given the opportunity for a hearing, at which the testimony of the Court-appointed Master, George Raymond, may be heard regarding the scaled-down developments proposed by O&Y and Woodhaven in their briefs in opposition to Old Bridge's motion.

Second, the Civic League urges the Court to reconsider its perfunctory denial of plaintiffs' crossmotion. As the Court will recall, plaintiffs requested that defendant Old Bridge be required to comply with certain provisions of the Judgment pending decision of the Township's motion. Specifically, as Old Bridge conceded in its Reply Letter Brief dated August 11, 1987, the Township failed to collect at least \$15,000 which should have been paid to the Affordable Housing Trust Fund. Even if the Court affirms its vacation of the Judgment, the Township should not be retroactively relieved of obligations incurred during the existence of that Judgment. This is especially egregious since those obligations existed independently of the Judgment, by virtue of the as yet unrepealed ordinance. Old Bridge should be required to account for the entire shortfall, and to deposit immediately the appropriate amount in the Fund with an additional sum representing the interest already lost as a result of its failure to administer the Fund properly, as well as any monies due under paragraph 7(f) of the Judgment.

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In the voluminous papers submitted on behalf of the Township in its efforts to avoid its Mount Laurel obligation, neither facts nor argument were presented regarding these provisions. Old Bridge merely suggested in a letter that litigation involving similar funds was pending. The Township, however, has an affirmative obligation to defend its Ordinance and to distinguish it, if possible, from any which may be found objectionable.

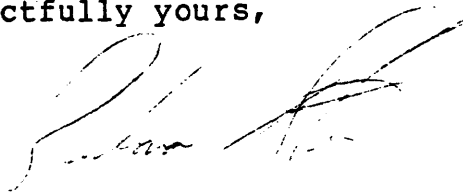
Nor do the alleged wetlands justify Old Bridge's evasion of this obligation. Indeed, the Court's determination with respect to the wetlands renders enforcement of these provisions even more important. Unless Old Bridge is required to abide by the Judgment, the Affordable Housing Trust Fund may well be the only source of any low income housing in Old Bridge.

Under Hills, Court orders entered prior to transfer may be modified by the Court or COAH. Id. at 61. It is respectfully submitted that in the absence of any argument from Old Bridge justifying relief from these provisions, they should remain in effect even if the other provisions of the Judgment do not, pending action by COAH.

Finally, if the provisions of the Judgment regarding Woodhaven are reinstated, and the Civic League plaintiffs agree that they should be, it is respectfully submitted that equity requires that the Mount Laurel component of Woodhaven's plan remain in place. Indeed, reinstatement of the entire Judgment is the only means of preventing the Township and developer plaintiffs from agreeing to precisely the kind of scaled-down development provided for in that Judgment -- lacking only the affordable housing which was the point of the litigation.

For all of the foregoing reasons, it is respectfully requested that the Court reconsider its vacation of the Judgment and its denial of plaintiffs' crossmotion, and schedule a hearing at which the Court-appointed Master may testify.

Respectfully yours,



cc/Old Bridge Service List
C. Roy Epps, President
Civic League of Greater New Brunswick
George Raymond, Court-Appointed Master

1 the presettlement negotiations that only 14 acres of
2 its property was wetland.

3 I should refer also to defendant's exhibit A-21
4 which is a letter dated December 10th, 1985 from
5 Richard Tomer of the U. S. Corps of Engineers to
6 William Iafe, who is the project engineer, I believe,
7 for O & Y wherein Mr. Tomer states, "Your environ-
8 mental impact report" -- and I will insert the word
9 "indicates" to make it read grammatically -- "there
10 are approximately 14 acres of wetland on site."

11 So, while clearly the parties were aware of the
12 existence of wetland, it's just simply not accurate
13 to say that it was an issue at the time of settlement.

14 It certainly was not central to the settlement
15 agreement. It would be absurd to argue that the
16 parties, especially the Township, recognized a
17 potential for sizable amounts of wetland and then
18 settled the case in the face of that risk.

19 Yet, while the existence or non-existence of
20 wetland was not in issue at the time of settlement
21 and therefore cannot be said to have been material to
22 the settlement at that time, therefore fitting neatly
23 into the cases regarding mistake under Rule 4:50, the
24 extent of the wetland of which the parties now are
25 aware does affect a material aspect of the settlement,

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1 that being the ability of O and Woodhaven to build
2 the planned development as depicted in the plates or
3 at least some reasonable facsimile thereof.

4 Defendant also cites Rule 4:50-1B regarding newly
5 discovered evidence and argue this as another basis
6 for relief.

7 The facts may fit even more neatly under B than
8 A.

9 Rule 4:50-1B provides for relief if the newly
10 discovered evidence would probably alter the judgment
11 or order and which, by due diligence, could not have
12 been discovered in time to move for a new trial under
13 Rule 4:49.

14 In the case of Quick-Chek Food Stores v. Spring-
15 field Twp. 83 N.J. 438 (1980), the plaintiff moved
16 for a new trial citing newly discovered evidence.

17 The Court said, "The law governing motions for a
18 new trial, based on newly discovered evidence, is the
19 same as a motion to vacate, based on newly discovered
20 evidence under Rule 4:50-1B."

21 The Court said, and I quote: "It is well
22 established that it must appear that the evidence
23 would probably change the result that it was un-
24 obtainable by the exercise of due diligence for its
25 use at trial and that the evidence was not merely

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1 cumulative."

2 That is at page 445, citing cases which I have
3 omitted.

4 It may be important to point out at this point
5 that a motion to vacate is addressed to the sound
6 discretion of the trial court guided by equitable
7 principles. See Hodgson v. Applegate 31 N.J. 29 at
8 page 37 (1959) citing Shammas v. Shammas 9 N.J., 321
9 (1952).

10 Furthermore, the trial court's decision will
11 generally be upheld in the absence of an abuse of
12 discretion. See Hodgson at page 37, Quick-Chek and
13 State v. Speare 86 N.J. Super 565 (App. Div. 1965.)

14 Rule 4:50-1B requires that the newly discovered
15 evidence be such as it would probably have changed the
16 result.

17 The Court must use its discretion and attempt to
18 determine if this discovery of vast amounts of wet-
19 land would have changed the result of the settlement.

20 Clearly, defendants claim they would not have
21 settled for the new proposal. They claim that the
22 present package or any alternative that's been given
23 to them constitutes poor planning and the benefits
24 which induced them to settle are gone.

25 The plaintiffs admit that the plates are no longer

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1 viable, but they argue that the plates will not guar-
2 antee to the Township, and even if the plates were
3 approved, that they were not obligated to build them.

4 They also argue that their alternative will con-
5 stitute a sound, appropriate approach to the satis-
6 faction of the Mount Laurel fair share obligation,
7 and as well constitute good planning.

8 The Court accepts the fact that the plans were
9 not a guarantee to the letter.

10 There can be little doubt that the full build-
11 out with all the details shown on the plates, however,
12 was something that was contemplated with some modi-
13 fication in location, size and so forth, and that is
14 what the parties envision.

15 While the so-called Blue Book is clearly a com-
16 prehensive document, the plaintiffs cannot argue that
17 it was a fully integrated agreement wherein parole
18 evidence would not be allowed to explain its meaning.

19 If they argue that the plates are not guaranteed
20 but are subject to change, it cannot be said to be a
21 complete document, because the development itself is
22 not a part thereof.

23 It is, therefore, appropriate to consider the
24 present, rather the presettlement negotiations as
25 set forth by Eugene Dunlop in his affidavit and Joan

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1 George in her affidavit.

2 It is also helpful to look at the planning re-
3 ports for each development, because although sub-
4 mitted in February, 1986, they merely explain what is
5 depicted on the plates and were probably prepared in
6 conjunction therewith.

7 Clearly, the plaintiffs' planners were in-
8 tricately involved with the settlement negotiations,
9 and finally it's not inappropriate for the Court to
10 acknowledge its own involvement to the extent that
11 they are matters of record or at least matters un-
12 disputed.

13 It's evident that the parties involved throughout
14 thought and planned with an expectation that there
15 would be a full 20-year build-out.

16 Everyone expected that that was the result of
17 the settlement with some recognition of future un-
18 knowns.

19 For example, Mr. Brown, vice-president of O & Y,
20 stated in his October 6th, 1987 certification at para-
21 graph 30, and I quote, "In alleging that the settlement
22 agreement is no longer valid, the affidavits filed by
23 Eugene Dunlop, Council President and Joan George,
24 Chairperson of the Planning Board, expressed the
25 Township's loss of expectation from the development in

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1 essentially the same context as the alleged inability
2 of O & Y to perform its obligations under the terms of
3 the settlement agreement.

4 "Since O & Y shared these grand expectations for
5 its development, we also share to an even greater
6 degree the significant disappointment ensuing from the
7 realization that due to the impact of the Federal
8 Wetlands, the full potential of the development will
9 never be realized."

10 Mr. Brown goes on to say that what was the
11 ultimate potential and what was actually agreed upon
12 are very different.

13 Picking up the argument that the parties only
14 bargained for what is spelled out in the Blue Book,
15 which does not include the plates at least in that
16 form.

17 So, we see that O & Y at least shared defendants
18 views as to what was initially to be produced.

19 Additionally, the Planning Board reports of both
20 developers are written in terms of full build-out of
21 10,560 units by O & Y and 5,820 units by Woodhaven.

22 The plaintiffs refer to the Trans Old Bridge
23 Connector as the major circulation spine for the new
24 development providing excellent internal access to the
25 Town's center. That is in the O & Y report of February

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1 28, 1986 at page 3.

2 As a major element of a circulation system which
3 will serve not only the residents of Woodhaven, but
4 also the Township at large. That's in the Woodhaven
5 report of February 28, 1987 at page 7.

6 The O & Y planning report further describes the
7 circulation system at page 14, and I quote, "The
8 circulation system connects the villages into a co-
9 hesive community. It has been designed based on the
10 existing road network with the goal of maintaining
11 as much independence from the local roads in the area
12 as possible.

13 "The result is a system comprised of new roads
14 which, not only serve the proposed development, but
15 also enhance circulation in the Township as a whole.
16 Each of these roads is an important component in the
17 overall circulation system."

18 The report then goes on to describe the Trans
19 Old Bridge Connector and other roads as shown in
20 Plate A, and it is further stated, and I quote,
21 "The traffic network was designed to operate
22 essentially independent of existing local roadways
23 to preserve these 'country roads' in their present
24 state while providing a higher quality of access to
25 all areas of the development."

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1 A review of the most recent planning report sub-
2 mitted on May 26, 1987 by O & Y shows among other
3 changes a greatly changed circulation system.

4 It provides, and I quote: "Both of the land use
5 alternatives relied primarily on the existing roads --
6 existing road network, with necessary improvements
7 and the addition of some minor arterial roads.

8 "While neither of the alternatives is dependent
9 upon the Trans Old Bridge Connector, alternative B
10 includes the Trans Old Bridge alignment because this
11 was a requirement of the settlement."

12 That quote really has two significant meanings.
13 It says gone are the country roads which were bar-
14 gained for, and secondly, that indeed the Trans Old
15 Bridge Connector was a bargain for inducement to
16 settlement as O & Y candidly admits.

17 While the initial circulation system as proposed
18 may no longer be required because of the proposed
19 down-scale in the development, clearly the plans that
20 form the basis of the settlement negotiations are
21 dramatically changed.

22 It is also interesting to note that O & Y's
23 planner perceived the Trans Old Bridge Connector to
24 be a requirement of the settlement. This simply
25 illustrates that even though the plaintiffs may argue

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1 that there were no guarantees, these benefits were
2 clearly the incentive that the defendants argue about.

3 A review of the February 1986 plans and the
4 May '87 plans gives a pretty good insight into the
5 magnitude of the changes and just what benefits are
6 lost.

7 Woodhaven did not submit for the Court's review
8 a new proposal, but clearly even though they state
9 they will still provide the full build-out.

10 Due to the fact that they have at least twice the
11 amount of wetland they believed they had, they must
12 be proposing a significant modification of their plan.

13 This review of the various changes was undertaken
14 to illustrate the extent of change now proposed and
15 to consider the same in light of the requirements of
16 the rule under which the defendants move, that the
17 new evidence be such as would have changed the result.

18 It is clear that the plans are greatly changed.

19 Mr. Raymond indicated in our brief discussion
20 on the record that this is a very different plan, and
21 in the Court's judgment it appears to be of such a
22 magnitude as would compel the Court to conclude that
23 it could have and would have changed the result.

24 The plaintiffs' argument that all the defendants
25 are entitled to is residential development, if it

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1 occurs, being lock stepped with commercial development
2 is simply not persuasive.

3 The defendants bargained for much more than that,
4 and the concept plans were clearly without any
5 question in the Court's mind, the inducement to
6 settle even if the parties did not contemplate that
7 there would be no change. The parties certainly
8 understood that there would be some.

9 The parties contemplated that there could be a
10 reduction, but they didn't contemplate that there
11 would be a reduction in half the proposed development
12 which would result in a wholesale modification of the
13 plan even before, by the way, the first approval was
14 granted.

15 The plaintiffs' argument that the Township could
16 not rely in any way on the concept plans is very
17 troublesome.

18 The plaintiffs state approval of these plans
19 permits but does not obligate the plaintiffs to build
20 one unit.

21 The defendant is said to be protected by this
22 arrangement from overdevelopment by the maximums set
23 forth, and, of course, there is an argument to be made
24 that I alluded to in oral argument, if anything that
25 the parties anticipated that the plaintiffs would

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1 build even more than is set forth in the plan if they
2 could, because the settlement agreement provides that
3 the plaintiff may acquire additional lands, the in-
4 fill or out-parcels and that these lands would be
5 treated as a part of the plaintiffs' initial holdings
6 and may be developed as the land would be at the time
7 of settlement.

8 Had the Court not believed that this settlement
9 represented a binding promise exchanged by the parties,
10 it may not have approved the settlement.

11 The case law which I will discuss in a minute
12 does not support the plaintiffs' argument in this re-
13 gard.

14 Plaintiffs' argument with respect to the non-
15 binding nature of the concept plans is somewhat be-
16 lied by the various provisions in the settlement
17 agreement itself.

18 I pointed already to A-13, concept plan approval
19 hearings which provides, and I quote: "The Planning
20 Board Attorney shall instruct the Board as to the
21 limited nature of the Board's jurisdiction and the
22 nature of the plans to be reviewed and shall indicate
23 that the plates are at the master plan concept level
24 and are part of the settlement of litigation and
25 cannot be changed without sound reasons."

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1 Additionally, Appendix C beginning at C200 illus-
2 trates that the parties were relying on the concept
3 plans more than the plaintiffs will admit.

4 Thus, I believe, that the parties have relied
5 on plans to a very great degree making allowance for
6 minor variations due to planning considerations and
7 minor unknown conditions.

8 Therefore, the existence of wetlands which re-
9 duce development, this substantially would in all
10 likelihood have changed the outcome of the settlement.

11 Additionally, the plaintiffs argue that the
12 defendants could have discerned the existence of the
13 wetland with the exercise of due diligence. As I have
14 already indicated in oral argument, perhaps, more
15 cryptically this is totally without merit.

16 The plaintiffs themselves state that until they
17 received some preliminary approval, they did not know
18 the type of, or they did not engage in the type of
19 investigation so as to waste money and time on it.
20 That's the plaintiffs' reasoning, although the Court
21 finds it somewhat difficult given the magnitude of
22 the investment in this case.

23 It wasn't the defendants' responsibility to dis-
24 cover the extent of the wetland by going out into
25 the field and surveying four and a half miles of

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1 property. That burden is on the developer.

2 Clearly, the defendants had some obligation, and
3 their master plan, indeed, mapped wetland area in
4 accord with the data available to them.

5 It is certainly not the standard in the market-
6 place to have municipalities survey all of the
7 property within its town or with regard to any appli-
8 cation before it, before it approves a plan, because
9 had the Town approved the plan, the plaintiffs were
10 still subject to State and Federal regulations either
11 implicitly or by operation of law which would have
12 meant approval by all agencies having appropriate
13 jurisdiction in the matter.

14 Thus, it appears that the defendant is entitled
15 to a vacation of the final judgment, based on mistake
16 and/or newly discovered evidence.

17 Yet, due to the magnitude of this case and the
18 magnitude of the defendants' request, it is appro-
19 priate to discuss some of the other relevant con-
20 siderations in a little more detail.

21 The Court is, in light of the fact that the
22 Township also seeks to transfer this case to the
23 Council on Affordable Housing because of a greatly
24 reduced fair share number. If that was not one of
25 its motivations, it could simply enter into a

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1 modification of this plan with the plaintiff.

2 The defendants have even indicated that they
3 believe that they may be able to reduce their fair
4 share number to zero which certainly didn't help this
5 Court in its subjective analysis of this case.

6 Plaintiffs argue that to allow such a result
7 would be an injustice to the Mount Laurel doctrine.

8 Clearly, if the defendants sought to transfer
9 it, based solely on the Council's fair share number,
10 the Court would reject such a motion similarly.

11 As I have suggested, the fact that they even
12 argue is disturbing.

13 While the reopener clause may appear to support
14 such an argument, the colloquy on the record at the
15 compliance hearing would preclude any relief of that
16 type.

17 The Court specifically inquired whether the fair
18 share number was solid and there was no dispute that
19 it was.

20 Yet, if the defendant is entitled to a vacation
21 of the judgment as opposed to a modification due to
22 impossibility of performance in accordance with the
23 reopener clause, clearly then they are entitled to
24 a transfer to the Council pursuant to the language
25 in Hills Development v. Bernards 103 N.J. 1 (1986),

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1 that point was virtually conceded by the plaintiffs
2 with some hesitation.

3 So, the question becomes whether the defendants
4 should be allowed to vacate or does the reopener
5 clause cover this situation, and must the defendants
6 abide by that agreement as plaintiffs argue?

7 The Court has made it clear, I hope, that the
8 concept plans were more integral to the agreement than
9 the plaintiffs will admit. In fact, the plans pro-
10 vided the basis for the settlement. That is not to
11 say that any rights vested pursuant to the plans,
12 because the Municipal Land Use Law provides to the
13 contrary. See N.J.S.A. 40:55D-10.1.

14 However, they are strong evidence of what the
15 parties agreed to. Granted there was room for some
16 flexibility, some unknowns, to find that the plates
17 were practically irrelevant as to -- as the plaintiffs
18 seem to argue would be to find that the defendants
19 were bound by the terms of agreements to which the
20 plaintiffs were not bound.

21 The plates were said to bind the Planning Board,
22 but not the defendants.

23 In fact, Woodhaven states in its brief, "It is
24 not as though defendants have a right to specific
25 performance from the plaintiffs with regard to

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1 construction. Woodhaven states that all the Blue Book
2 guaranteed was proportionality.

3 It says the Blue Book only requires that if there
4 is to be any residential development, then the
5 commercial development must be lock-stepped with any
6 residential development pursuant to the staging per-
7 formance schedule. This lock-step development is
8 all the Township has been promised and is exactly
9 what the Township will get. That's at page 26 of the
10 brief.

11 If the proposals as set forth on the plates
12 were not seen as integral to the settlement, it's
13 doubtful whether all the essential ingredients of
14 the contract would be present.

15 The duties of the parties must be to set forth
16 with enough specificity that the Court can determine
17 what performance was to be rendered.

18 See Heim v. Shore 56 N.J. Super 62 at page 72
19 (App.Div. 1959.)

20 While the mechanism for dealing with the applica-
21 tion is present and certain necessary ordinances, a
22 major element is missing, and that is what, in fact,
23 is being proposed if it is not the plates as attached.

24 A concept judgment -- I am sorry -- a consent
25 judgment is a form of contract as stated in Stonehurst

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1 Freehold v. The Township Committee of Freehold 139

2 N.J. Super 311, 313 (Law Division) and I quote:

3 "While a consent judgment is of the nature of both
4 a contract and a judgment, it is not strictly a
5 judicial decree, but rather in the nature of a con-
6 tract entered into with the solemn sanction of the
7 Court.

8 "A consent judgment has been defined as an agree-
9 ment of the parties under the sanction of the Court
10 as to what the decision shall be."

11 I have omitted citations.

12 In the case of -- and I will spell it:

13 G-i-u-m-a-r-r-a v. Harrington Heights 33 N.J. Super
14 178, 190 (App. Div. 1954) affirmed 18 N.J. 548 (1955),
15 the Appellate Division stated, "The modern concept is
16 that in the case of bilateral contracts not only are
17 the promises consideration for one another, but the
18 parties also contemplate that the performances
19 promised shall be exchanged one for the other.

20 "Failure of consideration exists wherever one,
21 who has promised to give some performance, fails with-
22 out his fault to receive in some material respect the
23 agreed exchange for that performance.

24 "Where the counter promise to perform relates to
25 a material matter, the disappointed party has the right

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1 to rescind the contract."

2 Plaintiffs argue that they are permitted, but
3 not required, to build one thing. If this was the
4 case, clearly there would be a failure of considera-
5 tion.

6 Lock-stepping is not all that the defendants
7 bargained for. The concept plans are representing
8 of the presettlement negotiations and evidence of
9 what induced the defendants to settle.

10 The parties contemplated and planned for one of
11 the largest, if not the largest development in the
12 State of New Jersey.

13 The magnitude of the change, and particularly at
14 the very initial step of development in the Court's
15 opinion results in a totally new plan, be it appro-
16 priate, be it sound planning, it is not what we have
17 when we began and it is not in any sense truly
18 comparable to what we have when we began.

19 Plaintiffs' return promise was to develop a
20 project such as depicted in Plates A and B.

21 An essential characteristic of an enforceable
22 contract is that its obligations be specifically
23 described in order to enable a court to know what was
24 promised and what was undertaken.

25 See the Malaker Corporation v. First Jersey

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1 National Bank 163 N.J. Super 193, 474 (App. Div. 1978).

2 As Woodhaven itself put it: If the developers
3 were able to prove to the Planning Board that the
4 plates work in a planning sense, and in accordance
5 with the standards set forth in the Blue Book
6 appendices, then the Planning Board could not have
7 required something else. That's at page 5 of the
8 brief.

9 Thus, while conceptual approval does not vest
10 rights, apparently these plates resulted in their
11 being incorporated into a settlement agreement, and
12 the Planning Board review was limited to sound planning
13 considerations.

14 So, it is clear that the concept plans were in-
15 deed material to the settlement, allowing the same type
16 of flexibility as one might expect in dealing with
17 nuts and bolts as opposed to major concepts.

18 With this in mind I return to the reopener
19 clause and whether it covers the present situation.

20 In the landmark case of Tessmar v. Grosner, 23
21 N.J. 193 (1957), Chief Justice Vanderbilt said, "In the
22 quest for the common intention of the parties to a
23 contract, the court must consider the relations of
24 the parties, the attendant circumstances and the
25 objects they were trying to obtain."

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1 "An agreement must be construed in the context
2 of the circumstances under which it was entered into,
3 and it must be accorded a rationale meaning in keeping
4 with the express general purpose."

5 At page 201.

6 The reopener provided in relevant part for
7 modification, based on impossibility of performance.
8 Clearly, performance is as initially contemplated,
9 is no longer possible, yet at various -- as various
10 parties have argued, modifications were contemplated
11 because of the size of the project and the fact that
12 it would take 20 years to build.

13 What might happen to the market and what regula-
14 tions might come into play which would affect its
15 ability to perform, were really what was covered by
16 the reopener agreement as has been argued by the
17 plaintiffs here.

18 It would be disingenuous to argue that the
19 parties contemplate having to totally revise the
20 plans before any approvals were received.

21 Really, what is proposed is not a modification,
22 but it is a brand new plan. Both developers admit
23 the plans designated as Plates A and B are no longer
24 viable due to the magnitude of the change and in light
25 of what the Court believes the parties reasonably

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1 intended, given the circumstances at the time the
2 reopener clause does not cover the situation.

3 Mr. Convery points out in his brief that the
4 Court denied the motion to transfer, based on moot-
5 ness but stated on the record that a change in the
6 terms of the settlement may justify a renewal of the
7 motion.

8 While the Township -- I am sorry -- while the
9 Court spoke in terms of the Township opposing the
10 modification requested by the plaintiffs, in fact,
11 this is what has happened. And, as I said earlier,
12 the plaintiffs would have had to make an application
13 to this Court for modification sooner or later.

14 The Township argues and the Court agrees that the
15 change is so significant that the Township is en-
16 titled to vacate the judgment and to have its case
17 transferred to the Housing Council.

18 I say that sentence with a great deal of re-
19 luctance with a full knowledge of the enormous
20 amount of effort and time that has gone into this,
21 and I presume in good faith from all parties.

22 The fact of the matter is the Court cannot inter-
23 pose any sense of what is just and fair in this case
24 and have it comport with what the Supreme Court has
25 felt to be just and fair in all of the cases which

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1 were in a similar posture when they were transferred.

2 Many cases were at the brink, so to speak, of
3 housing, and nonetheless, were transferred.

4 This case is now without a final judgment, and
5 the Court believes that it has no alternative but to
6 transfer the case to the Council on Affordable
7 Housing pursuant to the Hills decision.

8 The plaintiffs' motion is therefore moot. I
9 recognize there could theoretically be some obliga-
10 tion on behalf of this Township to pursue the non-
11 payment of fees that has apparently admittedly
12 occurred here. That is not something which the Court
13 need deal with at this particular juncture.

14 I also recognize that there is pending an appeal
15 with regard to the validity of the collection of those
16 fees in another setting, and the Court will not at
17 this time entertain any motion to enforce that aspect
18 of the judgment.

19 Of course, it's a substantial question whether
20 I have jurisdiction to enforce anything at this
21 point given the vacation of the judgment which I have.

22 Lastly, the plaintiff Woodhaven did argue that
23 if the settlement is vacated as to O & Y, it need not
24 be vacated as to Woodhaven for the reasons which I
25 have stated, perhaps, in too much length.

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1 The defendant is entitled to a vacation as to
2 both plaintiffs. The settlement with respect to the
3 two parties is totally inter-related and inter-
4 dependent.

5 The defendant was induced to settle with two
6 parties, based upon the total package because of what
7 each could contribute towards an integrated develop-
8 ment.

9 Therefore, the vacation will apply to both of
10 the plaintiffs.

11 All right. Counsel can submit an order.

12 MR. NORMAN: Thank you, your Honor.
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