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X

THE NON-PROFIT AFFORDABLE HOUSING NETWORK OF NEW JERSEY, a Non-Profit Corporation Organized Under the Laws of New Jersey,
Plaintiff,
-vs.-
CHRISTINE WHITMAN, in her capacity: as Governor of the State of New Jersey, BRIAN CLYMER, in his capacity as Treasurer of the State of New Jersey, and the NEW JERSEY DEPARTMENT OF THE TREASURY,
Defendants.

: SUPERIOR COURT OF NEW JERSEY
: MERCER COUNTY: CHANCERY DIV.
: Docket No. MER-Ch-
:
: Civil Action
: VERIFIED COMPLAINT
: FOR DECLARATORY AND
: INJUNCTIVE RELIEF
:
:

Plaintiff THE NON-PROFIT AFFORDABLE HOUSING NETWORK OF NEW JERSEY, a non-profit corporation located at 1 West State Street, Trenton New Jersey, as for its Complaint against defendants CHRISTINE WHITMAN, BRIAN CLYMER and the NEW JERSEY DEPARTMENT OF THE TREASURY, alleges as follows:

I. Nature of the Proceedings

1. Plaintiff, The Non-Profit Affordable Housing Network (the "Affordable Housing Network" or the "Network"), an association of non-profit organizations and individuals involved in the construction and rehabilitation of low and moderate income housing in New Jersey, brings this action against the Governor and the Treasurer of the State of New Jersey, defendants Christine Whitman and Brian Clymer respectively, and defendant

the New Jersey Department of the Treasury to compel these defendants to restore to the Neighborhood Preservation Nonlapsing Revolving Fund (the "Fund") all monies appropriated by the Legislature for the fiscal year 1994 that have been unlawfully frozen or transferred from the Fund to other government accounts for purposes other than those authorized by the Fair Housing Act of 1985 ("FHA"), L. 1985, c. 222, sec. 20.

2. Specifically, plaintiff alleges that in 1985, the Legislature created the Neighborhood Preservation Nonlapsing Revolving Fund for the sole purpose of assisting municipalities in meeting their constitutional obligation to provide "a realistic opportunity for a fair share of [their] region's present and prospective needs for housing for low and moderate income families." FHA, L. 1985, c. 222, sec. 2. Simultaneously, the Legislature enacted legislation amending the realty transfer tax to require that a specific portion of the fees collected by the county recording officer be remitted to the State Treasurer to be credited to the Fund. L. 1985, c. 225, sec. 4. In the 1994 Fiscal Year Appropriations Act, L. 1993, c. 155 (the "Appropriations Act"), the Legislature duly appropriated to the Fund: (a) the unexpended balances in the Fund as of June 30, 1993, (b) \$13,925,000 anticipated tax revenue, and (c) any monies received by the Fund during fiscal year 1994 in excess of that anticipated revenue.

3. Plaintiff further alleges that in reliance on this appropriation, municipalities and non-profit housing development

corporations, including organizational members of the plaintiff, applied for grants and loans from the Fund to construct or rehabilitate affordable housing. Some of said applicants received written commitments from the Commissioner of the Department of Community Affairs ("DCA") to fund their proposed housing projects and undertook, in reliance on those commitments, various actions to further those projects. However, as of February 14, 1994, on the order of the Governor, State Treasurer Clymer froze approximately \$4,000,000 of the Fund's revenue with the intention to transfer such monies to other governmental accounts. As a direct result of this unlawful action, the DCA was required to notify certain municipalities and non-profit housing development groups that it was canceling their previously committed funding.

II. Parties

4. Plaintiff The Non-Profit Affordable Housing Network of New Jersey is an association of non-profit housing development corporations, individuals, and other organizations that support the construction and rehabilitation of low and moderate income housing in New Jersey.

5. Its membership includes non-profit organizations that received commitments of grant or loans from the Fund that were canceled as a result of the actions challenged herein.

6. The Network is organized as a non-profit corporation under the laws of New Jersey, and has its principal place of business in the City of Trenton, Mercer County, State of New

Jersey.

7. Defendant Christine Whitman (hereinafter "Whitman" or the "Governor") is the Governor of the State of New Jersey. Pursuant to Art. V, sec. 1, par. 1 of the New Jersey Constitution, she is, and was at all times relevant to this complaint, the chief executive officer of the executive branch of the State of New Jersey.

8. In her capacity as Governor, she exercises supervisory authority over defendants Clymer and Department of the Treasury, and over the Department of Community Affairs, N.J. Const. (1947), Art. V, sec. ; and she is responsible for ensuring that the laws of the State are "faithfully executed." N.J. Const. (1947), Art. V, sec. 1, par. 11.

9. Defendant Whitman is being sued in her official capacity.

10. Defendant Brian Clymer (hereinafter "Clymer" or the "State Treasurer") is the Treasurer of the State of New Jersey. Pursuant to N.J.S.A. 52:18-11 and 52:18A-30, he is, and was at all times relevant to this complaint, the head of the Department of the Treasury responsible for all of its operations.

11. In his capacity as Treasurer, he is obligated to disburse all state revenues according to the law, and is directly supervised by and accountable to the Governor.

12. Defendant Clymer is being sued in his official capacity.

13. Defendant the New Jersey Department of the Treasury (hereinafter the "Department of the Treasury") is a principle

department of the executive branch. Created by N.J.S.A. 52:18A-1, the Department of Treasury oversees the collection of State taxes and is responsible for the budgeting and disbursement of all duly appropriated state funds according to the law.

FIRST COUNT

14. There exists in New Jersey a severe shortage of safe, decent housing that is realistically affordable to low and moderate income families.

15. As a result of this shortage, many low and moderate income families must live in housing that is physically substandard, overcrowded or excessively expensive. Due to the affordable housing shortage, rents remain high even in deteriorated buildings and neighborhoods.

16. Pursuant to the FHA, L. 1985, c. 222, sec. 20, the Legislature created the Neighborhood Preservation Nonlapsing Revolving Fund for the sole purpose of providing state financial grants and loans to municipalities and non-profit development organizations for the creation and rehabilitation of safe, decent housing for low and moderate income families in the State of New Jersey.

17. In 1985, the Legislature amended the statute governing the realty transfer tax to require that a specified portion of the fees collected by the county recording officers be remitted to the State Treasurer to be credited to the Neighborhood Preservation Nonlapsing Revolving Fund. L. 1985, c. 225.

18. In the Appropriations Act for the fiscal year 1994, the

Legislature appropriated to the Fund: (a) the unexpended balances in the Fund as of June 30, 1993, (b) \$13,925,000 anticipated tax revenue, and (c) any monies received by the Fund during fiscal year 1993-94 in excess of that anticipated revenue. L. 1993, c. 155.

19. In reliance on said appropriations and in accordance with regulations and procedures promulgated by the DCA, many municipalities and non-profit housing development corporations, including member organizations of the plaintiff, applied to the Commissioner of DCA, for grants or loans from the Fund to build or rehabilitate affordable housing in the State of New Jersey.

20. The DCA gave some of these applicants, including member organizations of the plaintiff, written commitments for grants or loans from the Fund.

21. On information and belief, defendant Whitman directed defendant Clymer to transfer monies from the Fund to other government accounts for purposes other than those designated in the FHA.

22. Defendants Clymer and the Department of the Treasury froze approximately \$4,000,000 from the Fund for the purpose of transferring these monies to other government accounts.

23. Defendants did so despite the fact that these monies could only be spent lawfully for the purposes specified in L. 1985, c. 222, sec. 20, and DCA had already committed or earmarked some or all of these funds to specific housing projects or programs.

24. Pursuant to Art. 8, sec. 2, par. 2 of the New Jersey Constitution and N.J.S.A. 52:18-27, defendants Clymer and the Department of Treasury are prohibited from drawing any monies from the State Treasury unless expressly appropriated.

25. As a result of defendants' placement of a freeze on monies appropriated to the Fund with the intention of transferring such funds to other government accounts, DCA was compelled to withdraw some of the commitments it had made to certain municipalities and non-profit housing development groups.

26. By unlawfully refusing to release for expenditure by the Neighborhood Preservation Nonlapsing Revolving Fund the full amount of money appropriated by the Legislature to the Fund and/or by unlawfully transferring a portion of said appropriated revenues to other government accounts, defendants Clymer and the Department of the Treasury have violated Chapters 222 and 225 of the Laws of 1985, the 1994 Fiscal Year Appropriations Act, N.J.S.A. 52:18-27, and N.J. Const.(1947), Art. 8, sec. 2, par. 2.

Prayer For Relief

WHEREFORE plaintiff demands that the Court:

- 1) declare that the actions of defendants Clymer and the Department of the Treasury are unlawful;
- 2) grant interlocutory restraints to bar the expenditure of any monies transferred from the Fund to other government accounts pending final determination of the merits of this case;
- 3) enjoin defendants from transferring monies appropriated by the Legislature to the Fund to other government accounts and

compelling them to restore any monies already transferred;

4) compelling defendants to release for expenditure by the Fund any appropriated monies frozen with the intent to transfer from the Fund to other government accounts;

5) grant the costs and expenses of this litigation and reasonable attorney's fees; and

6) grant any and all other equitable relief that this court deems appropriate.

SECOND COUNT

27. Plaintiff repeats and restates each and every allegation contained in Paragraphs 1-26 as set forth herein.

28. Pursuant to Art. III, par. 1 of the New Jersey Constitution, the powers of the government are divided among three distinct branches, and no person "belonging to or constituting one branch shall exercise any of the powers properly belonging to either of the others,..."

29. The power and authority to appropriate funds rests exclusively with the legislative branch of government.

N.J. Const. (1947), Art. 4, sec. 1, par. 1; Art. 4, sec. 6, par. 1; Art. 8, sec. 2, par. 2.

30. It is the obligation of the Governor and all agents of the Governor in the executive branch to ensure that the laws of the State, including the 1994 Appropriation Act, are "faithfully executed." N.J. Const., art. 5, sec. 1, para 11.

31. By unlawfully refusing to release for expenditure by the Neighborhood Preservation Nonlapsing Revolving Fund the full

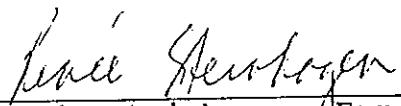
amount of money appropriated by the Legislature to the Fund and/or by unlawfully transferring a portion of said appropriated revenues to other government accounts, defendants Whitman, Clymer and the Department of the Treasury have violated their duties to faithfully execute the laws of the State and the principle of separation of powers as embodied in the New Jersey Constitution.

Prayer For Relief

WHEREFORE plaintiff demands that the Court:

- 1) declare that the actions of defendants Clymer and the Department of the Treasury are unlawful;
- 2) grant interlocutory restraints to bar the expenditure of any monies transferred from the Fund to other government accounts pending final determination of the merits of this case;
- 3) enjoin defendants from transferring monies appropriated by the Legislature to the Fund to other government accounts and compelling them to restore any monies already transferred;
- 4) compelling defendants to release for expenditure by the Fund any appropriated monies frozen with the intent to transfer from the Fund to other government accounts;
- 5) grant the costs and expenses of this litigation and reasonable attorney's fees; and
- 6) grant any and all other equitable relief that this court deems appropriate.

Dated: June 28, 1994




Renée Steinhagen, Esq.
Attorney for Plaintiff

DESIGNATION OF TRIAL COUNSEL

Pursuant to the provisions of R.4:25-4, the Court is advised that Renée Steinhagen, Esq. is hereby designated trial counsel on behalf of plaintiff Affordable Housing Network.

Dated: June 28, 1994



Renée Steinhagen, Esq.
Attorney for Plaintiff

CERTIFICATION UNDER R. 4:5-1(b)(2)

I hereby certify to the best of my knowledge and as advised by plaintiff Affordable Housing Network that no other parties should be joined in this action. I further certify that the matter in controversy is not the subject of any other action pending in any court or of a pending arbitration proceeding.

Dated: June 28, 1994



Renée Steinhagen, Esq.

VERIFICATION OF DIANE STERNER

STATE OF NEW JERSEY)
) ss.:
COUNTY OF MERCER)

I, DIANE STERNER, the Executive Director of the plaintiff above named, being sworn, says, as follows:

I have read the foregoing Complaint and know the contents thereof, and the contents are true of my own knowledge except as to the matters stated therein on information and belief; and as to those matters, I believe the contents to be true.

Diane Sterner
DIANE STERNER

Sworn to before me on
this 29 day of June, 1994

Susan A. Johnson
Notary Public

Susan A. Johnson
My Commission expires March 19, 1997

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THE NON-PROFIT AFFORDABLE HOUSING	:	
NETWORK OF NEW JERSEY, a Non-	:	SUPERIOR COURT OF NEW JERSEY
Profit Corporation Organized	:	MERCER COUNTY: CHANCERY DIV.
Under the Laws of New Jersey,	:	
	:	Docket No. MER-Ch-
Plaintiff,	:	
	:	Civil Action
-vs.-	:	
	:	
CHRISTINE WHITMAN, in her capacity:	:	
as Governor of the State of New	:	
Jersey, BRIAN CLYMER, in his	:	<u>AFFIDAVIT OF</u>
capacity as Treasurer of the State:	:	<u>DIANE STERNER IN SUPPORT</u>
of New Jersey, and the NEW JERSEY	:	<u>OF ORDER TO SHOW CAUSE</u>
DEPARTMENT OF THE TREASURY,	:	
	:	
Defendants.	:	
_____	:	

STATE OF NEW JERSEY)
) ss.:
 COUNTY OF MERCER)

I, DIANE STERNER, of full age, being duly sworn, deposes and says, of her own personal knowledge:

1. I submit this affidavit in support of plaintiff's application for an order to show cause seeking to restrain defendants Christine Whitman (the "Governor"), Brian Clymer (the "State Treasurer"), and the New Jersey Department of the Treasury ("Department of the Treasury") from 1) transferring to any other government account funds appropriated by the Legislature to the Neighborhood Preservation Nonlapsing Revolving Fund (the "Fund" or the "Balanced Housing Program") for the fiscal year 1994; and 2) spending such appropriated funds for any purpose other than

those authorized in the Fair Housing Act (FHA), L. 1985, c.222, sec. 20.

The Non-Profit Affordable Housing Network

2. I have been the executive director of plaintiff the Non-Profit Affordable Housing Network of New Jersey (the "Affordable Housing Network" or "Network") since June, 1990, and in this capacity, I am familiar with the operation and purposes of both the Network and the State's Balanced Housing Program.

3. The Affordable Housing Network is a state-wide association of 97 non-profit housing development corporations, individuals and other organizations that support and are involved in the construction and rehabilitation of low and moderate income housing in New Jersey. It is a membership organization, and was established in 1989 to provide training and technical assistance to its members, and to help preserve and/or increase the resources available to these organizations to carry out their work. The Network's advocacy activities include, among other things: working with state officials to make state housing programs more efficient and user-friendly; assisting the State in the design of new programs and in the improvement of existing ones; and lobbying members of the state legislature to appropriate more financial resources for the development of affordable housing.

4. Although most of the Network's organizational members are engaged in the construction, rehabilitation and/or management of housing for low and moderate income residents of the state, many

of them also provide a range of social services to lower income individuals or communities. To carry out all these activities, Network members rely heavily on State and Federal grant programs, as well as on bank loans, and in some cases donations of property from municipalities, sweat equity from community residents, etc.

The Balanced Housing Program

5. In 1985, the Legislature created the Neighborhood Preservation Nonlapsing Revolving Fund for the purpose of assisting municipalities in meeting their constitutional obligation to provide "a realistic opportunity for a fair share of [their] region's present and prospective needs for housing for low and moderate income families." FHA, L. 1985, c.222, sec. 2.

6. This Fund is the only state financed program that provides money to support the creation and rehabilitation of New Jersey's permanent affordable housing stock. Therefore, the existence of the Balanced Housing Program has proved critical to the viability and effectiveness of members of the Affordable Housing Network; Network members have relied on this program to help produce more than three (3) quarters of the affordable homes or apartments that they have built since the establishment of the Fund.¹

7. The Balanced Housing Program operates by helping to fund the difference between what housing costs to produce in New

¹ Since 1985-86, Network members have developed more than 8,000 units of housing, and as of November, 1993, had approximately 4,200 additional units in planning or under construction.

Jersey (i.e., \$85,000 per unit, according to the Department of Community Affairs ("DCA")) and what low and moderate income people can afford to pay for housing (i.e., about \$350/month for a family with a household income of \$15,000). The average grant given to any one housing project by the Fund is approximately \$18,500 per unit.

8. The Balanced Housing Program is designed to be flexible insofar as it provides financial assistance to a variety of types of affordable housing projects with a number of different ownership situations. The Fund is authorized to provide grants or loans for new construction, and moderate and gut rehabilitation projects; it can fund homeownership, rental, and co-operatives projects, land trusts, etc; and, it is authorized to provide funds to assist in the upgrading of substandard units occupied by low income owners or renters.

9. Since its inception, the Balanced Housing Program has funded approximately 8,500 units, and it is limited only by the amount of revenue it receives from its sole revenue source: a portion of the realty transfer tax. L. 1985, c. 225.

Process for Obtaining Funds From the Program

10. In order for a non-profit development organization to receive monies from the Fund, it has to submit an application through the a municipality; municipalities are the only entities that are permitted to apply directly to the Fund. Nonetheless, once an application is submitted, the contact person from the non-profit organization sponsoring the project is often the

person who works directly with DCA to process the application.

11. After the application is submitted to the Fund, a Balanced Housing Program staff person is typically assigned to review the application to check that it is complete and that the proposed project fits within the guidelines of the Fund. When the proposal application is deemed complete and appropriate, it is presented in a Balanced Housing Program staff meeting, where it is weighed against other projects requesting funds in the context of the total amount of money in the Fund at the time. The staff then recommends projects for funding to the Commissioner of DCA, who in turn gives or denies his final approval. Once a project is approved, DCA commits the funds to that project, although it often takes a sponsor several months to get a contract processed and to get the funds released.

Commitments Made and Later Withdrawn

12. In and during the last week in February, 1994, through the second week in March, 1994, I was informed by certain DCA employees that the State Treasurer had removed approximately \$4 million from the Fund with the intention of transferring it to other government accounts to help fill a budget gap that was created by the Governor's 5% retroactive income tax cut. Contemporaneously, I was informed by some of the Network's members that they had been notified by DCA, that monies formerly available to them were no longer available.

13. The organizational members of the Network that have been affected by this executive action are New Community Corporation

(NCC) of Newark, Isles, Inc. of Trenton, and Volunteers of America of Delaware Valley. NCC is the sponsor of a rehabilitation project involving the conversion of the Orange YMCA into 128 units of affordable housing for homeless senior citizens, and Isles, Inc. and Volunteers of America are involved in the rehabilitation of 40 vacant, city-owned, single family homes located in Trenton which are to be sold to low and moderate income households upon completion. The latter project is also being funded by the federal HOPE III program.

14. In addition to the above three non-profit development corporations, certain municipalities were also informed that monies once available to fund certain rehabilitation programs were no longer available. Specifically, in early 1994, DCA mailed out a request for proposals to a large number of municipalities advising them of the availability of funds to be used for neighborhood rehabilitation programs, under which low income homeowners would receive small grants or loans to remove code violations and to upgrade their homes. Relying on this request for proposals, several towns, including Irvington, Vineland, Millville, Plainfield and East Orange began to prepare applications. At the time that these municipalities were advised that monies once available for such programs had been removed by the State Treasurer, they had already completed their applications or were almost ready to submit their applications to DCA.

15. In response to the aforementioned information that I

received from DCA staff employees, member organizations of the Network, and certain municipalities, the Affordable Housing Network initiated an advocacy campaign requesting the restoration of the \$4 million to the Fund. Our efforts were directed at both the Governor's office and members of the state legislature. Despite the fact that numerous legislators have told us that they believe that these appropriated revenues should be restored to the Fund to be used for affordable housing projects as the Legislature intended, I have been advised by certain employees at DCA that the \$4 million has not been restored to the Fund to date.

Irreparable Harm

16. The potentially devastating impact of permitting defendants to transfer to other government accounts revenues appropriated by the Legislature to the Balanced Housing Program cannot be underestimated. First, if said funds are not restored, approximately 170 vacant housing units will not be rehabilitated and occupied, and another several hundred homes currently owned by low-income residents will not be rehabilitated. Although it is possible that these specific projects could be financed with revenues appropriated in Fiscal Year 1995, such a scenario would certainly result in the denial of monies to projects now awaiting funding from that appropriation. In either case, the result is that about 400 units of desperately needed affordable housing will not be created or rehabilitated.

17. According to the State of New Jersey Comprehensive

Housing Affordability Strategy ("CHAS"), FY 1994, prepared by DCA, one in three New Jersey households is living in housing that is either substandard, overcrowded or excessively expensive in relation to income; and approximately 900,000 New Jersey households pay more than 30% of their income for housing. CHAS at p. 61. And, according to the New Jersey Council on Affordable Housing (COAH), which was established pursuant to the FHA, New Jersey needs about 86,000 more low and moderate income units between now and 1999. Given these statistics and the persistence of homelessness, the loss of about 400 affordable housing units must be deemed significant.

18. Second, the Affordable Housing Network is concerned that the transfer of these funds from the Balanced Housing Program to other government accounts may trigger the "poison pill" enacted in the Shore Protection Act, L. 1992, c. 148. If such pill is triggered, the State would no longer be able to impose and collect its share of the realty transfer tax thus depriving the Balanced Housing Program of its sole source of revenue. If this were to happen, many of the Network's members would probably go out of business, because their primary source of funding would no longer exist.

19. Finally, the Affordable Housing Network believes that if defendants succeed this year in transferring to other government accounts the \$4 million appropriated by the Legislature to the Fund, they will continue in future years to redirect appropriated funds for uses not authorized under the FHA. Because the Governor

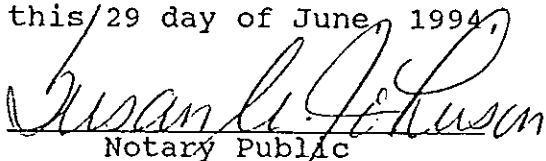
intends to continue reducing income tax revenues, it is likely that she will be looking for other revenue streams to decrease the deficit, if any.

20. It is my understanding that since the fiscal year ends June 30, 1994, defendants' refusal to credit to the Neighborhood Preservation Nonlapsing Revolving Fund the full amount of money appropriated by the Legislature to the Fund for the fiscal year 1994, may become irreversible tomorrow. Accordingly, the Affordable Housing Network respectfully requests that this court grant plaintiff's application for an Order to Show Cause with temporary restraints enjoining defendants from transferring or spending any of the monies appropriated by the Legislature to the Fund except for the purposes set forth in the FHA. Unless restrained, defendants will dissipate said revenues and thereby cause immediate and irreparable harm to the plaintiff.

State of New Jersey
County of Mercer


DIANE STERNER

Sworn to before me on
this 29 day of June, 1994.


Notary Public

Susan A. Johnson

My Commission expires March 19, 1997

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THE NON-PROFIT AFFORDABLE HOUSING	:	
NETWORK OF NEW JERSEY, a Non-	:	SUPERIOR COURT OF NEW JERSEY
Profit Corporation Organized	:	MERCER COUNTY: CHANCERY DIV.
Under the Laws of New Jersey,	:	
	:	Docket No. MER-Ch-
Plaintiff,	:	
	:	Civil Action
-vs.-	:	
	:	
CHRISTINE WHITMAN, in her capacity:	:	
as Governor of the State of New	:	
Jersey, BRIAN CLYMER in his	:	
Capacity as Treasurer of the State:	:	<u>ORDER TO SHOW CAUSE</u>
of New Jersey, and the NEW JERSEY	:	<u>WITH TEMPORARY RESTRAINTS</u>
DEPARTMENT OF THE TREASURY,	:	
	:	
Defendants.	:	
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This matter being opened to the Court by Renée Steinhagen, attorney for plaintiff The Non-Profit Affordable Housing Network of New Jersey, and the complaint duly verified having been filed with the affidavit of Diane Sterner, whereby and wherefrom it appearing that the defendants are now engaged in acts and practices which fail to comply with the provisions of the 1994 Fiscal Year Appropriations Act, L. 1993, c. 155, Chapters 222 and 225 of the Laws of 1985, N.J.S.A. 52:18-27, and the New Jersey Constitution; and it appearing that timely notice of this application has been given to defendants through their counsel, the Attorney General of New Jersey, and that unless restrained forthwith, defendants will continue to engage in said acts and practices and thereby causing immediate and irreparable damage to the plaintiff by dissipating

the funds appropriated to the Neighborhood Preservation Nonlapsing Revolving Fund for the fiscal year 1994.

It is on this day of June, 1994, Ordered that the defendants, their officers, agents, servants, employees, attorneys and all parties in active concert or participation with any of them, be and are hereby enjoined and restrained from transferring or spending any of the monies appropriated by the Legislature to the Neighborhood Preservation Nonlapsing Revolving Fund for the fiscal year 1994 except for the purposes set forth in the Fair Housing Act, L. 1985, c. 222, sec. 20 until further order of this Court.

And it is further Ordered that the defendants Christine Whitman, Brian Clymer, and the New Jersey Department of the Treasury show cause before the Superior Court, Law Division, Mercer County, at the Court House, 209 Broad Street, Trenton, on day of June, 1994, at 10:00 a.m. or as soon thereafter as counsel may be heard, why said defendants should not be enjoined according to the demands of the complaint herein restraining them from transferring to any other government account any of the monies appropriated by the Legislature to the Neighborhood Preservation Nonlapsing Revolving Fund for the fiscal year 1994 and requiring them to restore to that Fund the full amount of appropriated monies frozen or already transferred.

And it is further Ordered that this order may be dissolved, enlarged or modified upon days notice given by any of said parties to all others.

And it is further Ordered that defendants should serve on counsel for the plaintiff an Answer and any papers in opposition to plaintiff's application for an injunction _____ days prior to the return date set forth above, and plaintiff should serve its Reply on counsel for the defendant _____ days thereafter.

Service of the within order shall be deemed proper if a true but unverified copy of this order and the verified complaint together with the supporting papers filed herein be served upon the defendants by delivering said copies to the Attorney General, Richard Hughes Justice Complex, Trenton, New Jersey 08625-0081, within _____ days from the date hereof.

Hon.

J.S.C