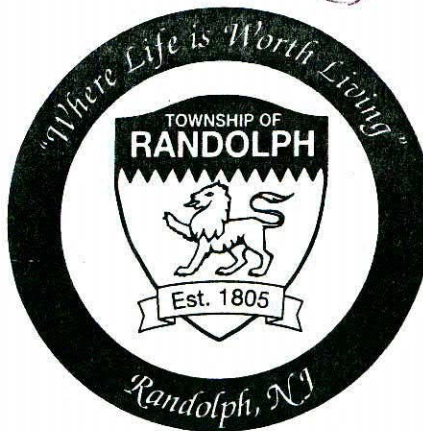


Mayor
Allen M. Napoliello

Deputy Mayor
Edward A. Metz

Council Members
Gary C. Algeier
Jay Alpert
Trina Ruane Mitsch
Michael Obremski
Arlene R. Price

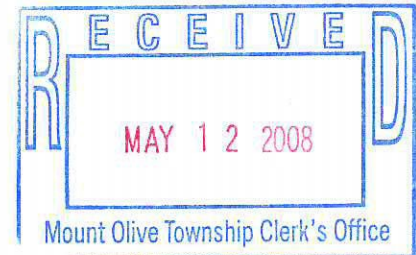


Township Manager
John C. Lovell

Township Clerk
Donna Marie Luciani

Telephone (973) 989-7100
FAX (973) 989-7076

502 Millbrook Avenue
Randolph, N.J. 07869-3799



May 1, 2008

Governor Jon S. Corzine
Office of the Governor
PO Box 001
Trenton, NJ 08625
(609) 292-6000

**Re: State Budget - Shifting of Costs
COAH Obligations**

Dear Governor Corzine:

This letter is presented to you by the Township Council, and the people of Randolph Township. We wish to express our concern regarding current state policies concerning low-income housing and the shifting of state obligations to municipal governments.

First, allow me to tell you a little bit about Randolph Township. Situated in the eastern edge of the New Jersey Highlands, the people of Randolph have established a family oriented community here in Morris County. Our town is consistently highly rated both in regard to education and in regard to quality of life. In MONEY MAGAZINE's latest rating of "hottest towns in the United States", Randolph was rated No. 4 in the entire East. In 2003, our beautiful Freedom Park was honored as the best new park in the State of New Jersey.

Unfortunately, recent taxing, budget shifting, and housing policies threaten our way of life. We call upon you, Senate Majority Leader Codey, and Assembly Speaker Roberts to reverse these policies. We face destruction of our quality of life, and our high level of educational progress.

Allow us to be specific. Under the label of budget cutting, many costs have merely been shifted from the State to the municipalities, with no corresponding revenue, other than to increase taxes on our residents. In the current State's budget scheme, the State transferred approximately \$1 million in additional costs from the State budget to our town. This represented increased pension

obligations of approximately \$465,000, a cut in state aid of approximately \$260,000, and a cut in transportation discretionary aid of \$135,000. Therefore, these actions alone by you and the State Legislature have imposed an increase in our local rate of approximately 3 cents , or over \$100 for each family in town living in an “average” house. Had the state not shifted its financial burden to the township, Randolph could have held the local rate at the 2007 level. In other words – despite rising fuel, insurance and other direct costs, we held the line – no tax increase caused by the Council! We truly cut spending and did not simply “shift it”. Meanwhile, aid to Union City (as one example) increased by \$20 million, including six hours of mandatory overtime each month so that bus drivers can be paid overtime rates to “charge their cell phones”.

The combination of these actions is unconscionable. We are being told to “do more with nothing” while Trenton points an accusing finger suggesting that town government is somehow the cause of the state’s fiscal woes.

On top of all of that, the new COAH regulations are outrageous. Randolph has not shirked its obligations. In the past, we have cooperated and worked hand-in-hand with the Housing Partnership for Morris County and Habitat for Humanity, among others and had achieved a surplus of affordable units well in excess of COAH’s assigned obligation. However, the new regulations have turned everything upside down. As they are now structured, we have a housing obligation of almost 500 new units of low-moderate income housing. At the ratio of four market units for every low-income unit created, developers will be allowed to construct an additional 2,500-2,600 market rate units in Randolph. This will give us a total of almost 3,500 new families in Randolph. Where do you suggest that we get the water for them to drink, the roads for them to drive on, and most importantly, the new schools for the children that will be moving into town? We are already restricted by the Highlands, and the DEP. The State DOT also recently withdrew funding to improve our most congested road.

Our average number of residents per household is 3.2. Therefore, this additional **forced** development will add almost 11,000 people to our population – an increase of approximately 40 percent! Our roads will be strangled, and our schools will be overflowing. We understand, (on average) costs are approximately \$25 million per new school. This forced development will necessitate at least two if not three new building projects to meet the associated demand for classroom space to accommodate the school population, or a total of \$75 million plus interest costs, additional personnel, transportation, etc.

Your policies are a budget buster to our community. Even with increased health care costs, fuel costs, and personnel expenses, our budget increase this year would have only been 1.9 percent, and no tax increase! However, the State’s actions have effectively doubled the increase and in turn shifted the state’s financial burden to local property taxes.

When you took office, there was a promise of “property tax reform”. Just the opposite is occurring, and taxpayers are being used and abused by the State as never before. New Jersey has simply transferred the current fiscal crisis to the backs of municipal governments. More frightening however is that low-income housing policies will create a spike in our property tax burden for generations to come.

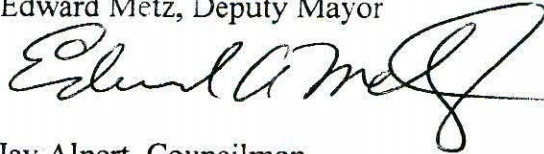
Governor Corzine, Senator Codey, and Assemblyman Roberts. please rethink and revise your policies. Otherwise, you will destroy not only our town, but hundreds of others.

Very truly yours,

Al Napoliello, Mayor



Edward Metz, Deputy Mayor



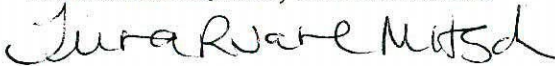
Gary Algeier, Councilman



Jay Alpert, Councilman



Trina Ruane Mitsch, Councilwoman



Michael Obremski, Councilman



Arlene Price, Councilwoman



cc: Senate Majority Leader Richard Codey, Assembly Speaker Joseph Roberts

lap/gary/Randolph Township/Corzine