

Search

All of NJ

Submit

[Home](#)[Newsroom](#)[Media](#)[Administration](#)[NJ's Priorities](#)[Contact Us](#)[Press Releases](#)[Public Addresses](#)[Executive Orders](#)[Press Kit](#)[Reports](#)[Home](#) > [Newsroom](#) > [Press Releases](#) > 2016

Governor Christie: This Is About Making The Economy Work For The People Of Atlantic City

Tuesday, January 26, 2016

Tags: [Other](#)

Governor Christie: This Is About Making The Economy Work For ...



<https://www.youtube.com/watch?v=uCdIPsEnzUA>

Transcript:

Governor Christie: Well good afternoon everybody. Thank you for being here. Since the earliest days of the administration, the Senate President and I have invested a great deal of energy, a lot of our own personal time and resources, funding, and our own private sector relationships to assist the Atlantic City government in the unavoidable transition that it was going through. We all know what this was about, going from twelve casinos to eight and having the resulting decline of nearly 65% in the city's property tax base is a challenge that no other city has endured in as short a time frame as Atlantic City did. The city has experienced a 50% increase in outstanding debt over the past five years as a result of that and other problems. Our reform effort set out not only to adjust to this new reality but to put the city on the right path. That was about making the economy work for the people who live there and the families throughout the region who depend on its jobs and its opportunities. Our efforts have produced important progress in reestablishing Atlantic City in that way, but the scars and trophies alike that go along with a difficult transition. Atlantic City's eight casinos' financial performance is strengthening by all reports in their roughly 2 to 2 ½ billion dollar gaming industry, and it's beyond time that the city government display the leadership and the tough decision making that's essential to stabilize its finances and to provide services in the long run not only to its businesses but to its residents as well. You make recall that when I signed Executive Order appointing an emergency manager in January of 2015 I asked for an unvarnished assessment of the city's financial situation and to receive recommended steps to place the finances of the city of Atlantic City in stable condition on a long term basis. The emergency manager's report, issued January 15th, revealed a structural deficit of over \$100 million in 2015 and hundreds of millions more over the next few years. The bottom line is Atlantic City's municipal finances are now the greatest threat to the city's wellbeing, and to eliminate the remaining forecasted deficits and to bring its budget into structural balance means making tough choices for everybody. Prior to this report, we've only had partial solutions. These efforts were done in good faith by bipartisan

Stay Connected
with Social Media

Stay Connected
with Email Alerts

**LIKE THIS PAGE? SHARE IT
WITH YOUR FRIENDS.**



leaders who sought to deliver an answer to the city, but they simply don't represent the multipronged solution needed to address the complexities of the city's financial challenges. For exactly this reason I didn't sign the PILOT legislation on my desk earlier this month. Atlantic City government was given a five-year period and two different city administrations to deal with these structural budget deficits and I wanted to make sure that we started to deal with those before we signed any legislation that only addressed partial solutions to this problem. I want to commend the Senate President for having been receptive to this challenge and he has really helped to lead the efforts to get a real solution going over the past few weeks and I thank the Mayor and the Senate President for engaging in that. So last Thursday I placed a telephone call to the Mayor, and I told him that my view was the city needed help and I wanted to help the city and that we needed to work together to get to a solution and not have conflict and strife between the two of us. I thanked him for putting his residents and his city first and the Mayor and I had a very good conversation. We then agreed to talk with the Senate President about coming to an agreement about how we could move forward together, so there's alignment that's rarely seen at this time among so many previously irreconcilable factions. Now greater state involvement makes sense and all three of us up here agree to that. In addition to the Senate President, Senators Sarlo and O'Toole support this approach as well. The casino workers union Local 54 leadership supports it and the time to act is now. So today along with the Senate President we've committed to swiftly develop comprehensive legislation which incorporates the PILOT and related elements but will most importantly enable the state to stabilize Atlantic City's financial future now and for the long term. We all agree that the legislation must and will include the following elements:

- Expanding the responsibility and decision-making authority of the Division of Local Government Services and the Local Finance Board so that the state can do what the city has thus far been unable to do regarding its finances.
- The authority to be exercised by the Director of Local Government Services will include the following:
- Restructuring the municipal debt;
- Amending or terminating any municipal contracts, including collective bargaining agreements;
- Dissolving or transferring any municipal board, authority, department, or commission;
- Consolidating or sharing municipal services with the county or other municipalities;
- Privatizing municipal services or selling or leasing city-owned assets or services; and
- The council and mayor would be required to pass ordinances as needed to aid in the financial stability and recovery of the city.

The period of this expanded responsibility should be for no more than the next five years. While there's been much rumored about bankruptcy, that is clearly not my preference. It's not the Senate President's preference, and it's not the Mayor's goal. We're committed to using every tool that will now be available to us to restructure the city's debt as well as reengineer city services to be delivered at an affordable cost to their taxpayers. I expect collaboration among the Mayor, the City Council, Atlantic County officials, and the school district, and I'm committed and will make the tough decisions that are required to ensure the city's long-term economic stability. My office will work with the Senate President on developing legislation along with the Speaker and the Assembly. I expect this legislation to be introduced and ultimately passed during the month of February. Let's make no mistake about this though: the urgency of the city's current financial predicament cannot be understated. We will move swiftly to pass this comprehensive legislation and I will sign it so we can get on with Atlantic City's next and most important phase of the restructuring.

###

Press Contact:
Brian Murray
609-777-2600



Statewide: [NJ Home](#) | [Services A to Z](#) | [Departments/Agencies](#) | [FAQs](#)
Office of the Governor: [Home](#) | [Newsroom](#) | [Media](#) | [Administration](#) | [NJ's Priorities](#) | [Contact Us](#)

Copyright © State of New Jersey, 1996-2017
Office of the Governor
PO Box 001
Trenton, NJ 08625
609-292-6000

[Contact Us](#) | [Privacy Notice](#) | [Legal Statement & Disclaimers](#) | [Accessibility Statement](#) | 