
Public Hearing

before

SENATE URBAN POLICY AND PLANNING COMMITTEE

SENATE BILL No. 1977

*(Makes owner of residential rental premises criminally liable
for consequences of certain housing violations)*

SENATE BILL No. 2074

(Sets forth procedure for forfeiture of abandoned property)

LOCATION: Committee Room 1
State House Annex
Trenton, New Jersey

DATE: May 15, 1997
7:00 p.m.

MEMBER OF COMMITTEE PRESENT:

Senator Dick LaRossa, Chairman

ALSO PRESENT:

Hannah Shostack
*Office of Legislative Services
Committee Aide*

Laurine Purola
*Senate Majority
Committee Aide*

Pat Gillespie
*Senate Democratic
Committee Aide*



Hearing Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, CN 068, Trenton, New Jersey

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SENATOR DICK LaROSSA (Chairman): Ladies and gentlemen, good evening. This is a public hearing of the Senate Urban Policy and Planning Committee. If there are people who have not signed in, who would like to testify on any of the bills, there is a pad up here at the testimony desk, and if you would just simply sign that and let us know which bills you are interested in. We're hearing two bills tonight, S-1977 and S-2074. If you would just give us your name and address, or whatever is on the sheets there, we'd like to have your comments.

What we'll do first is-- Let me see, I think everybody is here. Inasmuch as the other people who are here to testify, we wanted to testify on both bills. What we'll do then is, when Sheila is here for the one bill-- What we'll do is we'll ask Sheila Walker to come forward first. We'll take Hannah Shostack, OLS Committee Aide, on Senate Bill No. 2074, a brief explanation of what the bill is and what it is designed to do.

MS. SHOSTACK (Committee Aide): The bill, Senate Bill No. 2074, basically provides for the forfeiture of abandoned property. Trying to be brief here, the bill defines abandoned property as any building of 15,000 square feet or less which has been unoccupied or unused by the owner or lessee for five years or longer; is a site of toxic or environmentally dangerous hazard; has suffered structural damage or deterioration to render it uninhabitable and a danger to the public; or otherwise presents an imminent and substantial hazard to the public health. Upon the complaint of any person, including a municipal officer, the municipality may cause to be investigated in the abandoned property, and upon the showing of probable cause that the property represents a danger to the public health or welfare, the municipality

can obtain an order from the Superior Court to declare it a major public hazard. And, basically, it provides for the forfeiture of the abandoned property ultimately. So it supports the procedure that has to be followed and recognizes the property rights of the individuals then to only abandoned property as set forth in the appeal procedure. Ultimately an owner is guilty of the crime of the third degree for any subsequent offense. Their property is then subject to forfeiture according to the procedures set forth in the bill. And that's it.

SENATOR LaROSSA: Sheila, how are you? Good evening.

SHEILA WALKER: How are you? Good evening, everyone.

SENATOR LaROSSA: And just so that you know, the microphone in front of you-- If you just hit the button and when it lights, your microphone is on.

MS. WALKER: Okay.

SENATOR LaROSSA: Just hit it-- Any light that comes on.

MS. WALKER: Okay.

SENATOR LaROSSA: Red means go. Only in New Jersey.

MS. WALKER: Oh, red means go. (laughter) Okay, it's on.

SENATOR LaROSSA: Don't ask me why, it's-- Had nothing to do with wiring, but that's what happens.

Sheila Walker, Oakland Street Civic Association, on S-2074.

MS. WALKER: Yes, good evening, everyone.

My question is bill S-2074 -- with the Governor just signing into law a bill that allows private collection agencies to collect unpaid taxes to certain counties or all counties throughout the State, how did this bill-- Would it be a conflict within those two bills with this one passing the floor?

SENATOR LaROSSA: No.

MS. WALKER: No. Okay. That's the only question I had.

MS. PUROLA (Majority Aide): This really just deals with the condition of the property, and if taxes are due, that's incidental.

MS. WALKER: Okay.

MS. PUROLA: Our municipality would collect it or get a collection agency. This bill really speaks to the condition of the structure.

MS. WALKER: Condition of the structure.

MS. PUROLA: Right.

MS. WALKER: Okay.

SENATOR LaROSSA: Right. Because it is the condition of the structure which invites drug infestation, roaches, disease, vermin, etc., and as it deteriorates, the community tends to deteriorate around it.

MS. WALKER: It effects the quality of life--

SENATOR LaROSSA: Absolutely.

MS. WALKER: --in the community.

SENATOR LaROSSA: And the idea is that for those people who are going to sit and just maintain property, waiting for what I refer to as the big bang theory -- that they want to speculate and do nothing about it other than wait for it to become available on the market and to be at an appropriate place at a given point in time -- is-- We're not going to let them continue to speculate on this and then, again, have the quality of life deteriorate in the communities. We're going to say, in essence, "use it or lose it." If you're not going to maintain it, we're going to do something about it rather than allowing that condition to continue to exist.

MS. WALKER: Okay. I just wanted to make sure I was in approval of the bill. I'm supportive of it, but I just wanted to know how was that a conflict or was there any, but you had clarified it for me.

Thank you.

SENATOR LaROSSA: That's fine.

We have had a little background on S-2074. The other three people have signed up to testify on both bills. So, Hannah, if you would just give us the background of the other bill, which is Senate Bill No. 1977.

MS. SHOSTACK: This bill makes an owner of rental residential premises guilty of a crime in the third degree if, by any act or failure to act of any of their agents or employees engaged in the operation or management of those premises, there results a housing code violation that results in the creation or perpetuation of a condition that endangers the safety or health of the tenants of those premises or the safety or health of the general public or which would render those premises or any portion thereof substandard. The bill is designed to make violations of the housing code which results in rental premises being unsafe or in a substandard condition punishable by criminal penalty. The bill makes the owner of the premises liable for the condition of the premises, as well as liable for the acts of any of his agents or employees. A crime in the third degree is punishable by imprisonment for a term of between three to five years, a fine not to exceed \$7500, or both.

The purpose of the bill is to put a stronger enforcement mechanism in place to deal with the problem of landlords who are perpetually ignoring housing code violations with the result that the premises are unsafe to those who are living there. These violations can range from relatively minor

ones to major ones such as dividing the premises into more units than are permitted by law with the result that there is inadequate ventilation, electrical work, and plumbing and sanitary facilities. The latter kinds of violations are particularly common in older urban areas.

SENATOR LaROSSA: And just as a point of information, the genesis for this bill was an ad hoc committee that I've been meeting with, with some degree of regularity, talking about the continued maintenance of substandard housing. The irony of it is that in the approximately 10 days after the bill was submitted, we had the tragedy in Trenton with three children that were killed in that fire in a house that the front door locks were broken off. There was no electricity in the house, and it was lighted and heated by candles. There's an appropriate example. Unfortunately, the bill preceded that by a week. I say the timing is everything, but unfortunately, I think it just points up to the need for these kinds of bills.

The next person to testify-- Anthony Davis, from Lamberton Street in Trenton.

Just remember that green means go-- Or red means go, excuse me.

ANTHONY DAVIS: The red is still on.

SENATOR LaROSSA: That's great.

MR. DAVIS: Good evening, Senator LaRossa, and the rest of the Committee. I'm here to speak in favor of, first, Senate Bill No. 1977. I'm here to support this bill. I think it's an excellent bill. I support it for several reasons. First of all, these types of properties that are in our communities, that people who don't live in our communities but rent these properties out may have no vested interest, but they come in to make money and leave town

with the money and do not fix up the property -- it only runs our property down. It decreases the value of our community, and there could be nothing better than to make them be responsible for the properties that they have in those neighborhoods.

Also, it endangers the welfare of the families who are living in those homes, mostly are women and children living in the properties of that nature. Most of them are welfare recipients and really don't have any money to put into the property themselves, and therefore, they are also endangering the lives of women and children.

Thirdly, it will allow us in our communities to help us keep our communities up, to build the communities up to make them better and make our property value go up. So I'm very supportive of this bill and I think it's long overdue.

SENATOR LaROSSA: Thank you.

And on S-2074?

MR. DAVIS: On S-2074, I'm also here to speak in support of this bill, the forfeiture of abandoned properties, for some of the same reasons. Some properties stay in our neighborhoods, and they stay there for years and years. I'm a resident of South Trenton. I've been there all my life, some 35 years. I see this time and time again. Factories that went out of business that just sit there and sit there, and nobody comes to keep the property up. It's a danger. It's a hazard. It becomes, in most cases, a hangout for vandals and drug dealers and drug users. It's definitely an eyesore to the community, and it decreases the property value of our property in those communities. So, again, I'm here to support that bill for those reasons.

SENATOR LaROSSA: Anthony, thank you very much.

In addition to supporting the bills -- any of the speakers as you come up -- if you have comments in terms of ways of restrengthening them or other ideas in the same area, we would appreciate hearing them as well. You don't need to lend your comments exclusively to these bills even though this is what we're here to hear this evening.

MR. DAVIS: Okay, well, with respect to Senate Bill No. 2074, the only thing that I would say is that when the city-- The community has already put up with this abandoned property for maybe five or six years; then we're going to talk about giving the homeowner or the property owner another three to four years court time; and then, if the property is forfeited, then the city gets the property. I think there should be some measure in the bill for the city to be able to renovate or allow that property to go to some community organization, like Habitat for Humanity or something of that nature, so that that property can be upgraded as soon as possible.

So I think that should be taken into consideration because we're talking about the building being there or that dilapidated property being there for maybe five or six years before the property owner is taken to task; then, court proceedings, that may take another two or three years the second time; another three to four years, the city gets it; and then it sits there again another five years. So I think there should be some mechanism, if this bill is to pass, to make sure that the property once forfeited is renovated as quickly as possible.

SENATOR LaROSSA: I think that we-- There's something in the bill which would be interesting.

Laurine.

MS. PUROLA: There are some time lines in the bill that try to shorten this process up. There is always the problem of due process if somebody's a property owner. In some cases, there might be a lender that has a lien on the property, but this bill attempts to set time lines within relatively short parameters within which things would have to happen. When a municipality goes to court, how much time it stays there, how much time-- The owner does not have much time to respond before action is taken.

SENATOR LaROSSA: It's been sitting long enough. We don't need to drag it out any further. That's why the time lines are as tight as they are.

MR. DAVIS: I guess the key point I'm trying to make here is that the city doesn't sit on their hands once that property becomes theirs, is the key issue. Because I think a lot of the property now may be city owned that's already marked by the fire chief that it's a hazard, it's a safety -- to the community, and the building sits there for five or six years before anything is done to it.

SENATOR LaROSSA: Yes, I think one of the things to keep in mind as well, and while it is not the subject of the next discussion, but there is an ancillary bill. No bill of and by itself is the ultimate panacea. But I think we're in a position -- I don't know if it passed both Houses-- Senator Rice's demolition-- It's a demolition bill which puts \$35 million-- All right, well, it's still better than what we have now, which is nothing. But, again, it puts \$20 million for demolition of properties in the urban centers. Because, again, we talk about brown fields, and one of the ways to do that is we've got to start

clearing out some of these places, which again just destroy the quality of life.

Your comments are absolutely on target, and it's part of what we're trying to address: Instead of stop talking about it, just start doing something aggressively about it. Thank you very much.

MR. DAVIS: Thank you.

SENATOR LaROSSA: Ted Manzke, South Broad Street Civic Association.

T E D M A N Z K E: Senator.

SENATOR LaROSSA: How are you doing?

MR. MANZKE: I'd think we'd all like to thank the Committee for having the opportunity to speak on these bills. I'm in favor of both of them. I don't think I have to tell the Committee that the state of the cities in New Jersey is not good. I would like to thank the Legislature and the administration for the influx of money that they have given to the cities in New Jersey, especially as far as performing arts are concerned, baseball stadiums, hopefully an arena. But those things are nice from the outside, but what really makes a city are the neighborhoods. If the neighborhoods deteriorate, all of this money on all of these arenas and all of these complexes and shopping centers isn't going to mean anything because nobody is going to come.

So I think these two bills are a step in the right direction, especially-- Well, both bills. The first bill-- One of the problems in many of the neighborhoods is people coming in and buying up houses very cheaply, not fixing them up very well, and then renting to anyone who knocks on the door. They don't live in the neighborhood. They don't live in the city, and they don't really care. What they are looking for is a bottom line. How much rent

can I get and how little money do I have to put into the property to make a profit.

The buildings deteriorate. Many times it's the fault of the tenants because they're not screened. Many times it's also the fault of the people who are responsible for the buildings for many different reasons. Doors fall off, windows are broken, front porches are falling onto the sidewalks, screen doors -- and that is a luxury: some of these buildings have no screens or windows in them -- the windows don't open properly, paint chips are falling into the street. It's deplorable, and it ruins the neighborhood because nobody's going to want to drive down that street to look for a house to buy and see conditions of those houses and even think about buying there. It's difficult then for people to sell their homes on the same street or in the same neighborhood, because nobody's going to buy them. Then they become abandoned.

Then we can address the second bill. They sit abandoned, boarded up. They're a fire hazard. Kids play in them. Drugs are dealt from them. So these two bills, I think, are a very good start making landlords responsible for their properties. Criminally responsible, because it's a crime the way some of these houses are kept by people who just don't care.

The second bill would make it much easier for municipalities to do something to these boarded up homes. Lots of times, older people who live in these neighborhoods die. Their children don't want the homes. They can't sell them because of the condition of the neighborhood and the condition of the school system, which I won't even get into in some of the large cities. So they just leave them and they become a hazard. As Senator LaRossa said before, the three children that died in a house fire in Trenton, there's no excuse for that.

My only problem with the second bill, S-2074, is I think five years is a little bit too long to leave the house abandoned in some of these areas. If we don't save our neighborhoods-- And they are deteriorating one block at a time. And that's how it goes.

SENATOR LaROSSA: I'm wondering maybe if it might not be a bad idea to have a different time frame between residential and commercial property even though we're looking at 15,000, because there's also--

MR. MANZKE: Yes.

SENATOR LaROSSA: --while the criteria might be the same, not the criteria, the time frame might be different because the commercial property tends to be--

MR. MANZKE: Commercial property, I think, is a different story. I'm talking basically about residential properties. A lot can happen to a property in five years.

SENATOR LaROSSA: Take that--

MR. MANZKE: A lot of damage can be done to a neighborhood in five years.

That's all I have to say. I'm in favor of both of these bills. I'm in favor of this whole package of bills to drive for a safer neighborhood. So I think they're all good. We need more of them.

SENATOR LaROSSA: We appreciate it, and as you said before, if there are-- This is -- for the benefit, if no one knows, the only standing Reference Committee in the entire county that deals with urban policy. So if there are any other ideas relative to urban policy and things of that nature, we would certainly welcome and appreciate any comments that anyone has. We

are the most urban State in the country as well. That's probably one reason why we're at the head of the curve again.

Ted, thank you very much.

MR. MANZKE: Thank you, Senator.

Thank you, Committee.

SENATOR LaROSSA: Mr. Charles Mickey Jones.

If there is anyone else here who would like to testify, just-- I'll call you up and then you can fill out the sheet and then you just give us your name when you come up.

CHARLES MICKY JONES: My name is Charles Mickey Jones. I serve as Community Liaison with Senator LaRossa's office. I am also a member of the graduating class of the Trenton Police Department's Citizens Academy and Citizens on Patrol. I have a vested interest in the city of Trenton. Not only am I born and bred here, raised here, but I also own some property here. I'm here today to express my support for both bills and make a few comments.

As I travel around the city both as Community Liaison and a member of the Citizens Academy, I on a day-to-day basis meet with people and have the opportunity to see some of the conditions in which they are forced to live. A family of six paying \$750 monthly with a bathroom that doesn't work properly, windows that don't open and close, no fire extinguishers -- these are hazards. Now, most of the time, these are just disadvantaged people with little or no education. So they don't realize that there is a recourse available to them. They're simply locked in, having to have a place to stay. And people who don't live in the community renting those places instead.

I think that this bill is much needed. It has some teeth whereby people will be able to at least try to get their money's worth.

I'd like to thank the Senator for coming out and doing this. It's something that's long been needed. As far as Senate Bill No. 2074, I've been in Trenton all of my life. Most of the properties that we are talking about, they've already been abandoned five years. So they already qualify.

I do have a couple of questions and comments. How are HUD properties going to be looked at under this bill? What effect will that have? My reason for asking is because I own a property that a HUD property is next to. For the last eight years, I haven't been able to get anything done. They won't fix it. They haven't sold it. So will they be exempt?

The second thing with the abandoned property. I agree totally with Mr. Davis as far as when the city takes them over, but also I'd like to see along with giving them to some reputable organization to fix up, I'd like to see some of these buildings designated primarily for community centers. There are enough properties out there that each community, each individual ward could stand to have a community center in it. I think these properties can best serve the needs of the community and the people that have to live there and have lived there with these properties. In answer to the question, are HUD properties going to be exempt from this?

MS. PUROLA: No. I mean, the bill doesn't exempt anything from it. The condition of the property is the sole thing that governs, not who owns it. And so the city could move against any property whatsoever. It wouldn't make any difference what kind of property it was whether it was

owned by a nonprofit organization or by a private person, a corporation, or a governmental unit. They could still move against them.

SENATOR LaROSSA: What we've had in the past with a lot of the pieces of legislation, we start putting exemptions in. And when you start putting exemptions in, you lose the intent, and the intent is, is abandoned property. It makes no difference who abandoned it. The fact is, it's still abandoned. So the criteria is not who owns it. The criteria is what's the condition of the property.

The other point which you made, Mickey, which is not a bad idea, we should consider this for when the full Committee is meeting, is the possibility of, depending on what the size of the building is, if it is abandoned and is not up against that threshold or even if it's passed that threshold -- is the possibilities of either instead of seizure or criminal penalty is possibly allowing a deed of the property, if it's in any kind of structural condition, to some community group which -- in lieu of the criminal penalty. The idea is to try to find some productive use, and if there is no productive use, get rid of it. But that might be some way in which you create a win/win scenario rather than simply losing it in its entirety. That's an interesting idea. I think we can look at that.

MR. JONES: Okay. I just wanted to thank you for the time and the opportunity you presented. Thank you.

SENATOR LaROSSA: Thank you.

This is why we do hearings, and we get to look at things. Just for anybody's information, on S-2074, one of the ways to--

Is it supposed to read like that?

MS. PUROLA: Yes, it's supposed to be read that way, yes.

SENATOR LaROSSA: Okay. The way the bill reads, it lists a string of conditions, and it makes it look as though it's conjunctive, that this condition and this condition and this condition and this condition, but instead it's supposed to be this condition or this condition or this condition, which makes a very, very big difference. Now, while the bill has already been dropped, that's a change that will be made in Committee because we have technical change, but it's not supposed to be and, it's supposed to be or which makes a tremendous difference obviously as you can well imagine.

Your name, sir?

ROBERT JAMES: Hello. My name is Robert James. I go by Bob James. I live in the city of Trenton. I'm also a graduate of the Trenton Police Academy Citizens Patrol, and also, as Mr. Jones stated and the other gentleman, I'm a community leader in North Trenton.

I have some situations here. When I was reading through this bill and I'm glad the Senator brought it to our attention that what, i.e., was going on and the run on, because I got lost in there, but he explained it at this moment. My question is not also about the houses being available or being boarded up or being abandoned in all the communities in the city of Trenton alone, but also it's the slum landlords that are not being held accountable for different buildings or letting people occupy them at the moment. My thing is back taxes on property, especially in my district alone. I have three sites that are contaminated: one is the Blakely Laundry, one is the Brownstone, and the other one is Magic Marker. All three of them are in my district. I have to see them each and every day. I know the mayor and different people in the State

government are trying to move on our projects, but it's really a hindrance to the neighborhood, hindrance to the ability of the city of Trenton of growth, and we need to move on that.

But the thing I want to talk about is landlords on the multi- and the four, five, or ten properties and not keeping none of them up if they fall in the back taxes, and nobody to collect, nobody to benefit, and the houses sit here. So this five-year period, the house being here, is a little bit too long in the community, especially when you're trying to rebuild, and like the capital, city planners trying to rebuild today and stabilize and put it back on the map on a national level. Five years is a long lapse to let property sit in anybody's community. What happens is drug dealers and anybody else gets into the house or burns it. I had that happen in my community at numerous times.

Now, what I want to talk about is these landlords or these slumlords we have. We have to deal with that, because as we come over the Calhoun Street Bridge, we can see this great major building right in our midst here. Look out this window and you see that building. It has around -- about 100 tenants up in that building. It's a shame that this is the capitol and we display this kind of stuff right around a block away from here. I have a problem also with that, and I have problems with other landlords within our State who just really don't care, as long as they can grab that money and go to New York or Philadelphia. They have no purpose in the urban communities or in the suburbs somewhere. You wouldn't allow that to happen in your yard, and we shouldn't allow it to happen to anybody else's yard.

I think we need to bring this basis to a little -- two years or maybe a year. If it's not occupied within a 12-month period, then we should do

something about it. If it is abandoned and in back taxes, we need to come forward and see what is needed to be done. We have a lot of people out here who are homeless, and a lot of these buildings can be sold for a dollar or whatever home remedy or whatever we could do to put this building back on the map in order for somebody to live in it. But to let some go for five years in some nice property neighborhood, this brings it down.

I think we need to bring this bill a little closer than five years. We need to put more emphasis on how can we bring these landlords into court and they can be prosecuted to the fullest extent. And I don't mean by no petty law from a county or something, they need to be on the State level. These people should be held accountable because a lot of places are fire and trap hazards in the wintertime -- they don't even have heat in most of these buildings -- and people are living there. The homeless numbers are growing by the number due to the fact that of the unemployment rate is growing, and people don't have buildings, they have to find some shelter somewhere. I think some money needs to go that way.

But keeping to the issues of this bill, here, I think it is a great bill. I hear the gentleman from Broad Street was mentioning about how the neighborhood and the community and business area is looking at this property and whatever. It's a big start here. This is a great start. I think we need a little-- Stop and look at the loopholes of this bill and tighten where it -- don't be an outlet where somebody could slide through the cracks. Because the way the wording is or, you know, you get these high-priced lawyers, they can find any little screw. So we need to tighten up from high-priced lawyers, so we can get right down to the nitty-gritty of the thing, and we need to keep it in a

layman language where everybody and the common man can understand what they're reading and to comprehend what is being said and brought forth to them. Because as long as you use some great act of words and you lose somebody in that, then they don't know what you're talking about and then they're lost.

But about the homes, we need to keep it at a low minimum of less than two years abandonment and property tax owners who has no-- To come forth to even try to pay or even try to catch up, and then they want to put anybody in the building and let them live there. You never know, they have hot stove hotplates and whatever, and the next thing you know the whole block is going up in flames because nobody is taking accountability. Most cities are overburdened with inspections, and so that goes through the cracks because they got so many inspectors and the paperwork is in court litigation because it's backlogged. And when stuff gets backlogged, you know, I'll get to it tomorrow, I'll get to it the next day, I'll get to it the next day. Next thing you know, two years pass by and you start going for that little piece of paper and it's not there. I hope this don't happen to this bill here, these two bills, that it gets so bundled up with a whole bunch of bureaucrat-- Everybody wants to get their hands in there and put words into, and then, as you know, somebody is going to get lost, and then we're right back at the door again.

Thank you for your time. I appreciate it.

SENATOR LaROSSA: Thank you, Mr. James.

Anyone else to testify that has not signed or did want to?

A couple of the ideas that we've heard, just for clarification purposes, is on the seizure bill on the abandoned properties, is we're going to

look at the 15,000 square feet of where that came from, as well as the conjunctive to be looked at as it should be or rather than and. Okay. Because that's clarifying that apparently is how it is written, but it isn't clear that that's what the intent is. And also maybe we'll take a look at and have the legal beagles look at the difference between the residential versus commercial property in terms of what kind of a time frame we may be looking at.

Sir, so would you state your name?

HILTON FLOWERS: My name is Hilton Flowers. I've been here since 1950 or 1949. I went to Trenton Central High. Martin Luther King, my father lives there, and my father was the pastor of the Church of Martin Luther King.

I believe with everything that is done, but I just want to ask a few questions.

SENATOR LaROSSA: Please.

MR. FLOWERS: This is a Senate bill, right?

SENATOR LaROSSA: Yes.

MR. FLOWERS: So you're working hand and hand with the city? I mean, who do we go through, the city first, then bring it to the attention of you know-- Because we want to know how to do this.

SENATOR LaROSSA: What will happen is that when the bills get passed, they become part of the--

MR. FLOWERS: The law.

SENATOR LaROSSA: --the laws in the State of New Jersey. In essence, what they become is another tool for the cities or the urban centers to use. In many instances, some of the things that the cities can't do are simply

because there's no statutory authority to move forward on them, conversely, which is where your abandoned property bill would come from. In the other case, with the substandard housing, that's something that is really trying to provide a measure of protection to the people who, quite frankly, don't know that they have these kinds of rights -- make it very clear that they have these rights. What normally happens, at least in my opinion, is that once you nail a few people who are maintaining those kinds of substandard housings, those people -- that word will spread and you'll begin to see the enforcement pick up in those individual cities. And that, I believe, is what leads to the abandonment of the property, the deterioration and, if you will, the maintenance of a rental of a substandard property.

So if, in fact, you create the criminal penalties on the front end so that they're maintaining substandard rental properties that now there's a possibility of going to jail for doing that, well, that's a heck of an option: either go to jail or clean it up. If you go to jail and you don't clean it up, then the third problem you end up with is you eventually end up losing it as well. So instead of trying to create the win/win scenario for somebody who isn't doing anything that is really causing havoc in the community, hold them accountable. That's the only way we're going to have anything ever take place and move an agenda forward.

The cities have to be given the tools. The residents, quite frankly, have to be given the tools. And the last thing is let the residents and the cities know that these tools exist and, hopefully, prod them and prompt them into using them as well.

MR. FLOWERS: I appreciate that. I just want to clarify because I was going into a meeting the other night at the 11 Ward, Martin Luther King-- And a nightclub right near the corner there that been abandoned and left and is just going down -- right next to that is the church. We have break-ins, people that jump off the roof onto the church roof. You know, we had to put a new roof on this summer. And keeping the insurance, insurance is higher. Nobody wants to insure us no more because the vandals come in and steal microphones, steal the things out of the church, you know, and set the church on fire. So I have a hard time getting new insurance. So I'd like to clarify it, that's all. That we are working all together--

SENATOR LaROSSA: Absolutely.

MR. FLOWERS: --getting the laws that have teeth in them. Because this building been abandoned now -- it seems like quite a long time.

SENATOR LaROSSA: Well, the unfortunate part, as I said, I don't know--

MR. FLOWERS: I thought it was money. The city didn't have the money to tear it down or try to find somebody to take it over.

SENATOR LaROSSA: Well, that's part of it as well, but there are properties that are occupied, and they are occupied in a condition that are substandard, that no one should live under those conditions -- and a few people came in after we started -- but the irony of it is that when Senate Bill No. 1977 was introduced on March 24, it wasn't too long after that that we had that fire in Trenton where those three children died. And the property, which absolutely, clearly would have fit the definition of housing code violations, the front lock on the door was off. It had been broken from a drug

bust previously. There was no electricity or heat in the residence and was being lighted and heated by candles, which is where the fire started. And if there is a condition which screams for a criminal penalty, that has to be it. The irony of it is the bill was adrift before that happened. I'm sorry that it didn't get through earlier. But again, at least there is a little bit of foresight.

But I will say this, these bills exist because of the comments of the people in this room and from other meetings. The idea is that we come up with legislation-- For the most part, they're not really our ideas. They come from going out and talking to the community and finding out what are the problems you need us to deal with. The difficulty is that we think we're so smug sometimes that we know what's best for you. We don't. What we need to do is ask what do you need and then try to find out the way to provide that. That's what these are.

These bills are a direct result of an ad hoc committee that I've been meeting with over months. We've taken the ideas, gone to some other community groups, crafted them into bills, and this is the net result of about six- or seven-months worth of these meetings to try and come up and deal with some of the most immediate needs and issues that we have right here that we can get done. Obviously, not to make excuses for us, a lot of the fiscal issues that we need to deal with, the money issues, but substandard housing is not a tax and spend issue. It's a quality of life issue. Again, the property is not a tax and spend issue, it's a quality of life issue. Because of this, we can be doing and should be doing it aggressively.

MR. FLOWERS: I agree with everything that's been said, and I agree with the bill. I just want to know when I go back to the meeting that I

can rightly bring it back to the people what's going on. We're a small congregation, so some of the buildings we'd like to buy for ourselves, you know, and with day care centers and helping mothers that are trying to go to work and get up volunteers to help out. We volunteer our church for the community meetings and what we can do for the community. But it's nice to have -- if the communities had their own meeting place, have our own police station, whether it's a minipolice station-- I don't think we have one on the Martin Luther King because it's a very bad neighborhood.

SENATOR LaROSSA: Like I said, one of the other possibilities to look at is to take some of the property and instead of the criminal penalty, depending on what kind of property it is--

MR. FLOWERS: Yes.

SENATOR LaROSSA: --to see whether or not it can be deeded, depending on what the building is, to the community, so it can then become a community center rather than rebuilding a structure. I think that's another idea that we can look at in the context of these bills.

As I said, I appreciate the comments and the support.

Does anyone else--

MR. FLOWERS: I thank you.

SENATOR LaROSSA: Thank you.

MR. JAMES: Senator, I just wanted to comment.

SENATOR LaROSSA: Yes.

MR. JAMES: Robert James again, North Trenton. I just wanted to comment about what he said about the building he was talking about which

is facing on the five-point area in Trenton. That is under the Governor's bill of the canal zone.

SENATOR LaROSSA: Canal banks.

MR. JAMES: Canal banks-- because we have older forms around the city of Trenton, but I'd just like to comment that that one building there will be coming down within the next couple of months because we're making way for the Battle Monument, Canal Zone move of that district of-- For the committee there. So I just want to put it on the record that that one building with his church, we'll be dealing with that, and I'll be glad to get with him, and we can coincide and see what else we can do for him.

Another thing, as I was sitting back here listening, about the people living in the homes due to the fact of whatever reason they're there and the landlord let them be there, we need to find other avenues of approach for the urban cities on how to -- they really have nothing to do with it -- find jobs and employment. Will you look into that, too, Senator?

SENATOR LaROSSA: We've got the Urban Development Act, which was created as an urban EDA. It was signed into law last July and was only fully constituted two months ago. We finally have a board, and with any kind of, I almost say, luck with a little bit of persistence, we'll begin to see, just for a point of information, that piece of legislation which I think Senator Rice was the-- No. Senator Bryant was-- But all the committee members were sponsors on the bill, as well -- provided \$10 million of loan funds, \$100 million of tax-exempt funding under the State bond cap, and 12.5 percent of all EDA projects must be urban in nature.

So you're absolutely correct, it is not just a matter of housing and abandoned property. It's a matter of finding a way to create an economic infrastructure, and we do that by economic development.

MR. JAMES: Excuse me. I'm glad to hear that because I don't have my notes prepared for that statement, but, Senator, I do concur with the situation that the qualification for the person who receives the grant and the loan is a nub of the issue.

SENATOR LaROSSA: Yes.

MR. JAMES: All right, because a lot of people are qualified for it or hear -- credit or something is there or something is in the way. Somebody may co-sign for somebody, and when they really trickle down-- When it gets down to my level, at the low level, we don't receive it. So we really need to look at that part. What is the qualification for the person to actually receive this kind of money, this kind of grant, and this kind of help. Because the person who actually needs it, is not receiving it.

Thank you, Senator.

SENATOR LaROSSA: Thank you, Mr. James.

I'll just recap. I think S-1977 is pretty clear and pretty straightforward in terms of substandard housing, housing code violations, having those landlords be guilty of a crime of the third degree for maintaining that type of property. The questions which we need to reconcile and work on are on the abandoned properties bill, and that is, for clarification purposes, to find out where the 15,000 square feet came from, to see whether or not we might look at a different standard for residential versus commercial property based on the years. Also, clarify the wording in that particular paragraph even

though it technically would read legally, and/or. It reads to, I guess, the layperson and nonlegal person as a this condition and this condition and this condition, rather than or. So we need to change that as well or make it-- Then clarify it.

Any other points, Hannah, on your notes?

MS. SHOSTACK: Those were the ones that I had.

MS. PUROLA: The possible deeding.

SENATOR LaROSSA: Oh, and the deeding to the community centers on the-- Rather than the criminal penalty.

I thank you all very much for coming out this evening so we have the first shot at these. I appreciate your comments. I also appreciate the observations that you made because those will be looked at. When the full Committee convenes to pass them out of committee, my suspicion is that most if not all, of those changes will find their way into the final version of the bill.

Thank you very much. Meeting adjourned.

(HEARING CONCLUDED)