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PUBLIC HEARING
before
SUBCOMMITTEE ON PUBLIC HOUSING
of the
ASSEMBLY COMMITTEE ON HOUSING AND URBAN POLICY

Held:
March 25, 1983
City Hall
Jersey City, New Jersey

New Jersey State Library

MEMBERS OF SUBCOMMITTEE PRESENT:

Assemblyman Joseph Charles, Jr. (Chairman)
Assemblywoman Leanna Brown

ALSO PRESENT:

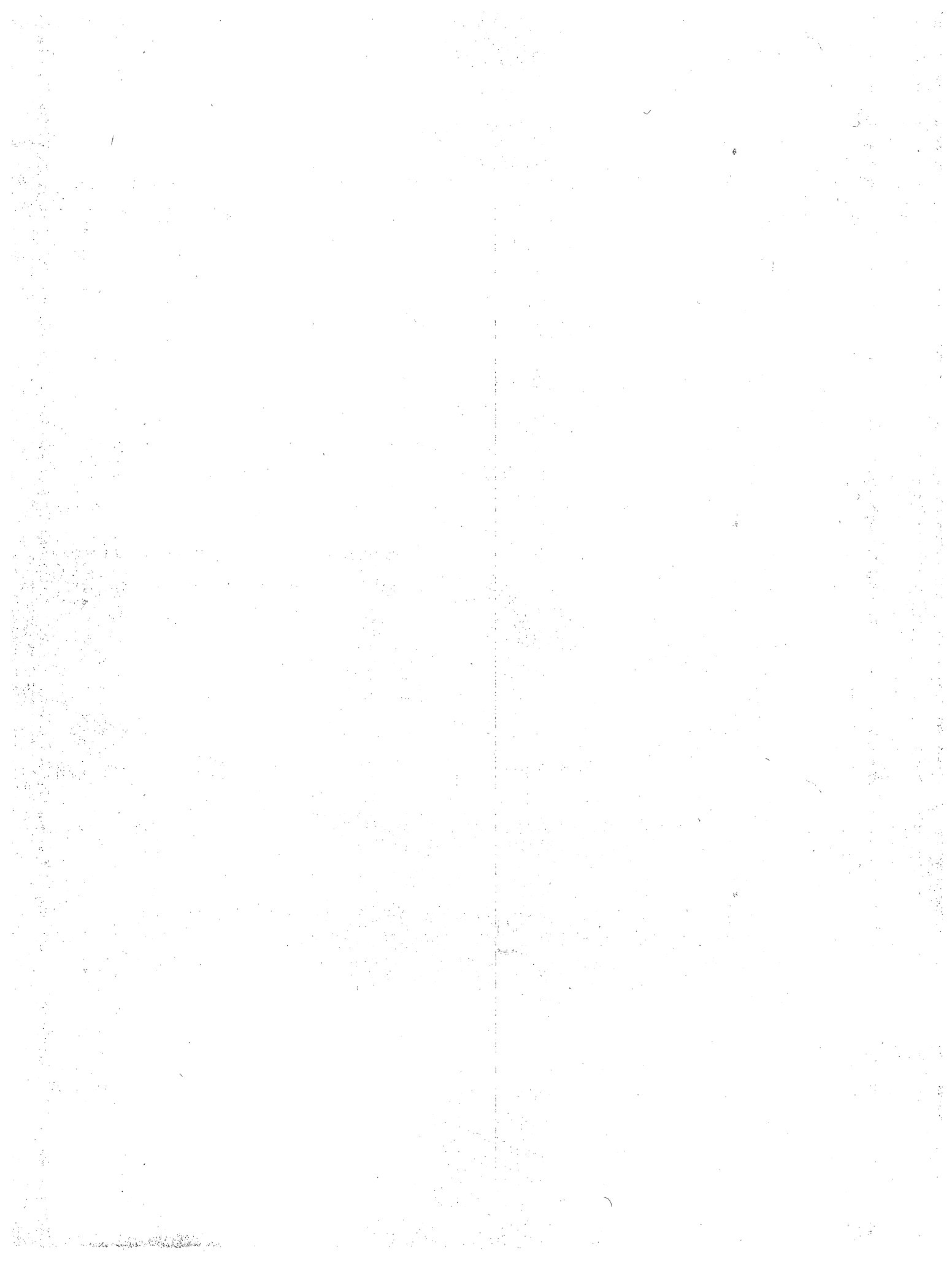
John B. Lee, Senior Research Associate
Office of Legislative Services
Aide, Committee on Housing and Urban Policy

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ASSEMBLYMAN JOSEPH CHARLES, JR. (Chairman): Ladies and gentleman, we shall begin the public hearing that has been convened by the Subcommittee of the Assembly Housing and Urban Policy Committee.

Just by way of background, in the Assembly, a standing Committee known as the Housing and Urban Policy Committee was recently formed for the session beginning in 1982. That Committee was a new Committee. It was formed by the leadership of the Legislature because it was felt that the housing in the State of New Jersey was dire in the crisis situation and that some defendant committee should be established to deal with the housing situation.

That Committee was formed, and it is chaired by Assemblyman Dave Schwartz who is from Middlesex County. Other members of the Committee include Assemblywoman Leanna Brown, who is sitting to my right, Assemblyman John Watson, and Assemblyman Robert Meyer.

The Subcommittee that was formed was the result of some discussions within that Committee. It was decided sometime toward the end of 1982 that some special attention should be given to the public housing situation in the State of New Jersey. As a result of that, a Subcommittee of this Assembly Housing and Urban Policy Committee was formed.

I was named the Chairman of that Subcommittee on Public Housing. Also named to serve on that Subcommittee was Assemblywoman Leanna Brown, who is from Morris County, and Assemblyman John Watson. As I indicated before, Leanna Brown is here today, and she is participating in the public hearing. Assemblyman John Watson has personal problems within his family. His wife is not well, and he is attending to her personal needs today, so he is not here. He sends his apologies for not being able to be here with us today.

The purpose of the Committee is to hold a series of statewide public hearings on the issue of public housing. It is our intent to have a hearing in the northern part of the State, followed by one in the central part of the State and another in the southern part of the State. The idea is to get input from all who are concerned about the issue of public housing -- from management to tenants, to community, to civic organizations, to governmental officials, all who have knowledge, interest and involvement in public housing. We are inviting their participation in these series of hearings.

The hope is that by the conclusion of the hearings, we will develop such information as might enable the State of New Jersey to make some sort of appropriate response to public housing.

As those of you who are here probably know, and you may know it even better than we on the Subcommittee, public housing up to this point, particularly in the State of New Jersey, has been a matter of Federal and local concern and involvement. There has not been too much involvement by the State itself. Our Committee has been formed to investigate and to determine whether there can be some involvement on a State level toward merely alleviating some of the problems that exist in public housing. It is with that purpose and that intent that we are having these hearings. It is our hope that at the conclusion of these hearings, we will determine some way that the State can involve itself in the problem.

We have invited members of tenant organizations, members of housing authorities, and commissioners and executive directors to speak at these public hearings. We have also invited legal people, lawyers who have been involved in litigating the concerns and issues of residents of public housing. If I can check my list, we have also invited various public housing associations throughout the State of New Jersey.

I would like to tell you that I have received communications from NARA, one of the statewide public housing associations, and they have advised me that it is their intent to participate in a subsequent hearing. They have some material they are collecting, which they want to submit to the Committee. They will have it ready in the future, and they will address it at a subsequent hearing.

We have also contacted the State Legal Services operation. I have heard from one of their attorneys there who has indicated his intent to participate in these hearings. We have also had communications from an attorney who represents the New Jersey Association of Public Housing Authorities, and that organization will be participating too, if not today, at least at some other time.

I would also like to say that the New Jersey Tenants Organization has been notified of the hearing, and we expect participation from them too.

We can begin now with testimony from those who have appeared today. Before we begin with testimony from the audience, I would like to give Assemblywoman Leanna Brown an opportunity to address the audience. Leanna?

ASSEMBLYWOMAN BROWN: Thank you, Mr. Chairman. It is a real pleasure to be here again in your beautiful municipal building in Jersey City. As a Freeholder, we had meetings here on occasion when we were negotiating some challenges between the City of Jersey City and the County of Hudson and other counties that were involved in transportation challenges. I have a couple of observations.

One of the reasons that this Housing Committee was formed last year was because in 1981, the minority party in Trenton undertook a housing emergency team task force, and we did have four public hearings throughout the State of New Jersey.

One of the recommendations from that particular task force was that the Legislature should establish a standing Committee on Housing, and I am very pleased that the leadership did decide to make this change in Committee organization last year in the Assembly. Senator O'Connor is here from the Senate, and maybe that change will be made in the next session when we reorganize in the Senate.

I have a couple of observations, and I want to say this now so that maybe all of you who are testifying can give some input. In the second paragraph of an overview that was very well prepared by Karen who is up here with us, there is a statement made that "although public housing originally served the working poor, it has gradually become the housing of last resort for our poorer citizens."

I am sure that in some cases this is very, very true. I am also very concerned here in the State of New Jersey about the people who cannot even get into public housing. I have some feeling, and disprove me if I am wrong with the remarks you make from time to time, that we do have people in public housing today that because they have been there maybe ten or fifteen years, are in a more favorable financial situation than some of our people who are not in public housing. So, that is an overall concern that I have.

Secondly, I would like to say, Assemblyman Charles, that I think the timing of these hearings is very good because we have also,

since this Subcommittee was formed, had the benefit of the Mount Laurel II decision from the courts, and I think lots of us are looking again with renewed conviction that housing is a State responsibility. We are not going to shirk our duty. I am not sure it is crystal clear how we can best accomplish this end and, therefore, we welcome your testimony this morning. Thank you very much.

ASSEMBLYMAN CHARLES: Assemblyman Joe Doria has arrived, and he is joining us at the podium. He will participate also. Joe, do you have any opening remarks?

ASSEMBLYMAN DORIA: No, I'm not a member of the Housing Committee, but Assemblyman Charles invited me, and I just want to say that I think it is very important that we hear from the people who live in our public housing, or who deal directly with the public housing in the State of New Jersey to get some kind of feedback from them. I think that is the whole point here, so I want to leave it at that.

ASSEMBLYMAN CHARLES: I would like to also acknowledge the presence of Senator Ed O'Connor. He is here with us this morning and is also interested in public housing and the issues involved. As Assemblywoman Brown has just indicated, those of us who make up this Housing Committee on the Assembly side are hopeful that the Senate side will see fit to form a similar type of committee to deal with these very important issues.

I know many of you have been here for some time, so without any further statements, I would like to begin with the public testimony. I know that there is one person in the audience who I spoke to earlier who has some serious time restrictions, and as an accommodation to her since she has some remarks, I would like to ask Katherine Todd if she would like to lead off. I know, Katherine, it is better to come second sometimes and not to start the whole thing off, but I'll defer to someone else if you have longer to wait.

Okay, we'll start then with Bob Rigby. I think he is a fitting person to start with to begin the testimony. He is the Executive Director of the Jersey City Housing Authority.

ROBERT RIGBY: Thank you, Joe, fellow Assemblymen and Assemblywoman, both for coming to Jersey City and for caring about public housing.

I'm actually here in two roles today -- one in speaking on behalf of the mayor, who did want to attend and offer the Committee his comments; however, he is attending a meeting of the large city mayors regarding revenue sharing, and he asked me to stand in for him. Secondly, I am speaking as Director of the Authority.

If it would be all right with you, I would like to give the remarks that the Mayor would have offered at this time. Instead of listening to me first as Director, if you would hear the members who have come -- the public housing tenants and other interest groups -- I will hold mine as Director for the end. Is that all right with you, gentlemen?

ASSEMBLYMAN CHARLES: Yes, that is fine with me. I do want to hear from the members of the audience who have taken time off to be here. If anybody has any outstanding problems in terms of time, will you let me know that right now so that I can make sure that since you've come, you will get an opportunity to speak?

Okay, Shaheer? How much time do you have?

S H A H E E R A K H T A B: I'm on my lunch break, and I've got until one o'clock.

ASSEMBLYMAN CHARLES: That means you have another hour and fifteen minutes.

MR. AKHAB: Right.

ASSEMBLYMAN CHARLES: Okay. Will that allow you time to give your opening remarks, Bob?

MR. RIGBY: Sure. I think I will probably make five main points. They are really very simple.

One, the issue of need: Really to anyone, even the most casual observer, there is just no question regarding the dire need for affordable housing, especially in our major cities. The incidence of homelessness is doubling up. Application lists bordering on ten years to enter public housing and other assisted housing are now commonplace. And that, to only maybe the Reagan Administration, is really not the question I would suggest to this Committee or any other. It is a clear, evident and immediate need.

The question that has to be addressed is, in what form and by what bodies should that need be addressed? I think the Mayor's concern

for a number of years has been that the Federal government in sponsoring its programs provides money for construction, but not for operations. Their concentration is inordinately on the first two years of the life of a housing development instead of on its remaining forty plus. That seems a mismatch in terms of both emphasis and concentration. Building needed housing units is only the first step. Ensuring that there are sufficient monies to operate them is certainly the second and more necessary one over the long term.

Just to give you an example of how dependant the Public Housing Authority in Jersey City is upon Federal subsidy, the average rent that our residents pay is approximately \$100 per month. The average cost of operation per unit per month is \$300, and \$100 in debt service. That is the repayment of initial construction costs, and the modernization that is taking place over the years. So, you have a cost of approximately \$400 every month for every unit. That is offset by \$100 in rent. Basically 75% of the revenue that it takes to operate a housing authority comes from the Federal government.

If public housing is to keep its rents relatively low, and now at 30% of adjusted income, that subsidy is essential. There is no other way to continue to operate fixed assets. It is not an entitlement program; these are real buildings with real live people in them. That subsidy is essential.

Both the emphasis over the term of the program and the current administration are trying to cut back, and radically so, the amount of money that is being provided for public housing. It is trying to shift the burden in a number of ways -- first, to the tenants, which they have already done by increasing rental payments from 25% to 30% for existing tenants over five years and for new tenants immediately upon occupancy, and secondly, to the cities. I think that the Mayor would emphasize very clearly that the cities are in no position to pick up a program that has been under Federal auspices for forty years. The City will certainly be ready to do its part; however, we are not going to take problems that have developed over forty years and address them in any four-year term, and certainly not during a time when aid to cities in general is being cut back at the Federal level.

I think those would be the two main general thrusts of the Mayor's comments. I think he might add three more specific ones.

First, on a number of occasions, the Mayor has met with the citywide Tenant Affairs Board. It is a board comprised of the tenant presidents of each of the housing developments. A number of members of the board are here today and will talk later.

I think he would emphasize to you how absolutely essential it is to work with and support the efforts of these tenant leaders, because more than you, more than the bureaucrats, more than myself, more than the elected officials, these residents, unpaid volunteers, take the time to take a leadership role to address extremely hard issues, to work with what they have, to explain to residents, to answer hundreds of questions, to take more complaints than I would like to admit, and if public housing has half a chance at any level, its future lies with our recognition of the importance of those roles and supporting them in any way that we can. If we do not support the most responsible of leadership, we will be left with the obvious alternative, and that just will not work.

So, to the extent that the Legislature can render its support for the kinds of interrelationships that are necessary, for the kinds of leadership roles that could be played by voluntary organizations, ranging all the way from advisory boards to tenant management corporations, where there are, in fact, two sites run in Jersey City -- tenant management corporations -- both Montgomery Gardens and A. Harry Moore. The more that that can happen, the better.

Another specific point that I think he would mention is that the converse of the most responsible leadership is what I guess best referred to as that 1% of the tenants in public housing projects who make life miserable for the rest. And in one way or another, we, and I mean both the Legislature and public housing authorities and the tenant organizations, need to deal with that. Of course, it is politically unpopular with any tenant group to give housing authorities or tenant organizations additional and potentially arbitrary powers to deal with those kinds of problems, and I don't think that is what would be suggested. Rather, in some fashion, however it may be developed, we must be able to deal with that 1%, that extremely small group of people who make life so difficult for so many other very, very good people.

Examples are replete in project after project -- pushers arrested, and neither the housing authority nor the tenant association is in a position to do anything -- caught in a legal quagmire, caught in an administrative quagmire -- to the point where after, in fact, drug pushing and all the terrible damage that that does, we are standing there saying that this resident should cease -- cease and desist what they are now doing. We are asking the drug pusher to please stop pushing drugs so that it stops killing our children. That is dumb, and we ought to do something about that. I am sure that the Mayor would urge that you try to address it.

His final point would be a general one. To the extent that the State and the City cooperate and work with each other, clearly the City becomes stronger and is in a better position to serve its public housing projects. Give the police, fire, sanitation and other social services that authority that they clearly depend upon. A cooperative relationship is obviously ideal, and that often comes down to dollars and cents.

I would defer on the specific issues that the Mayor is trying to address with the State at the moment; however, I think that general point would at least be made -- that it is very important for the State to be in the position to do at least the best it can, and certainly the State plays a great role in that.

I think he would then say thank you.

ASSEMBLYMAN CHARLES: Thank you, Bob. Assemblywoman?

ASSEMBLYWOMAN BROWN: Thank you for your very well performed remarks. How many units of public housing are there in Jersey City? I'll defer my question.

ASSEMBLYMAN CHARLES: Committee Aide, John Lee, is seated up front. I would like all of those who wish to speak, as they come forward, or even before that, to sign in with John so he'll know who you are, and so that we can also have some semblance of order.

I am ready now to hear the second speaker. I'll accept whoever walks up first, provided there is no mad charge. Ladies before gentlemen.

KATHERINE TODD: Good morning. My name is Katherine Todd, and I am President of the Tenant Management Cooperation at

Montgomery Gardens here in Jersey City. With me is one of my managers, Ms. Dorothy Maxwell.

I am really shocked that the State has decided to understand that people in public housing do exist, and we hope that after these meetings, you will know the type of people you are working with and what we are all about. I don't think I can illustrate any more than what Mr. Rigby has already done in talking about the need of public housing here in Jersey City. We have good people who live in public housing, and you will find that as you travel throughout the State of New Jersey. But, it is that 1% all over, whether it be public housing or private-sector. You have your problems as we have ours.

So, the only way we can deal with one of the problems is if we decide to work together. I am hoping that when you go back, you will think about the tenant leaders who live in public housing and who deal with the problems daily.

As Mr. Rigby said, most of us work for free, and we give up our time to cut down on a lot of the problems that exist in our public housing. But we need your help, too. We need your support in instituting bills when you are in Trenton. Remember, we sent you there, and we want to keep you there by you doing some of the things that we would like for you to do.

I will say on behalf of Montgomery Gardens that we hope that you will support the bill on the pushers. If you decide to institute a bill, we'll see what we can do with the pushers there and throughout the State. Not only that, we need subsidy money -- more of it. Maybe what the President doesn't give us in Washington, DC, maybe you might decide to give us.

There are services that are being cut from public housing due to the fact that the budget will not allow them. So, I am saying that if there is any way that you can speak with the tenant leaders, we'll come to Trenton. We don't mind, because we are the people who are there. We are the people who are up front, and I think with our input and your input, maybe people will know that you are thinking about public housing.

Thank you.

ASSEMBLYMAN CHARLES: Thank you. May I ask you a few questions, Miss Todd?

MS. TODD: Sure.

ASSEMBLYMAN CHARLES: Okay. I noticed that one of the areas you talked about, as it was an area that was brought up by Executive Director Rigby -- one of the serious problems that you have is how to deal with the few tenants who make life tough for the rest of the people who live there.

I know that some bills have been introduced in the Legislature that are intended to address to some extent the problems of disorderly tenants, and I'm sure you are aware of some of the types of bills that have been introduced.

One of the problems that the sponsors of such legislation have run into is a concern by New Jersey tenants organizations or tenants organizations for just housing in general, that these bills might allow arbitrary action on the part of landlords.

Do you have any specific problems that you think are particularly recurrent, that will enable us to limit the kind of bill if one is introduced, and that will allow us to handle the type of problem you are talking about? I gather from what you are saying that the biggest problem you are concerned about in terms of disorderly persons are drug persons who are involved in drug traffic. Is that the biggest type of offender you are concerned about?

MS. TODD: Yes, it is.

ASSEMBLYMAN CHARLES: Would it be your suggestion that you would be empowered to act or some authority would be empowered to act upon arrest or conviction? When would you want to be able to do something about a person who you feel has some drug involvement?

MS. TODD: Well, you know, that is a twofold thing. Remember, if I go in with the power, or anyone who lives in public housing goes in with the power -- remember, we have to live there after the person is gone.

I strictly hold that that is the authority's--

ASSEMBLYMAN CHARLES: Okay, when should they be permitted to go? What I really should have asked you was, when should they be permitted to go in and act against those persons?

MS. TODD: When the police have found the evidence. You know, in other words, it is a police matter. Once it leaves public

housing, it is a police matter, and I think it should be dealt with through the courts, not through us. When I say us, I mean the authority. That should be an automatic thing when they go into court, that they must vacate the premises.

ASSEMBLYMAN CHARLES: I'm just getting viewpoints now. You would say that upon the filing of the arrest of the person that grounds might then be considered to exist for bringing--

MS. TODD: I said evidence. You can arrest and not have any evidence.

ASSEMBLYMAN CHARLES: So, you are talking about an eviction then by the time they are convicted.

MS. TODD: Yes, there will be evidence. Remember, you have to be careful of the language you use.

ASSEMBLYMAN CHARLES: Yes.

MS. TODD: I cannot say that this person is on drugs when I have no right to say it.

ASSEMBLYMAN CHARLES: I am somewhat familiar with the criminal process, and normally there is quite a bit of time that elapses between the time of an arrest and the time of some disposition of those charges. In some cases it takes a year or two years. Do you think there should be some definite time within which some action is taken against the person? For example, are you willing to wait for two years until a charge is actually determined, or do you think something should be done--

MS. TODD: No, in a legal matter which involves a drug case, I don't think we should wait for two years.

ASSEMBLYMAN CHARLES: Okay, thank you very much, Ms. Todd. May we have our next speaker?

MR. AKHTAB: My name is Shaheer Akhtab. I am a member of the TAB (Tenant Advisory Board) of the Jersey City Housing Authority, an elected committeeman from Lafayette Gardens, as well as a member of the Lafayette Tenants Council.

Most of the things that I was going to say have already been said by the Director and Miss Todd. One thing I'm concerned about, which would really be a repeat of what you have already heard, is housing itself.

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One of the complaints that I received throughout the City is what Assemblywoman Brown spoke about, and that is housing for tenants, poor working tenants. I would like to know if there is any way that the State can get involved with the Federal government, as well as the City, to build homes where low income people can eventually purchase those homes as homeowners, not necessarily always as tenants who pay rent -- a low-income home that can be built. And, as low-income people move in, over a course of time, they can actually pay a mortgage in order to own this home. This would create taxes, which would help the City, rather than a person just paying rent. If this could happen, I would appreciate it if the State would introduce that right away, because I would like a home myself. Do you understand?

Okay, that is one point that I wanted to bring out. I hope it can be done very soon.

Another concern that I have is something that has already been said, and that is, having some type of control over our environment -- what takes place in our environment. There must be a law already in existence which tells us that we have to give a murderer, a rapist, a drug pusher, or a thief a cease and say, "Hold it. You've done it already, and now I have to give you a notice to cease. If you do it again, we can throw you out. But, until you do it again, there is nothing we can do."

That is a very bad policy, and I believe that is what exists right now -- that we have to give a warning after someone has committed a crime before they can be evicted. That is a very bad policy, and whoever wrote it must not live in public housing. They must not understand what is going on in public housing. That is very bad, and you can see the policy that would create, because now we would have to give him another opportunity to break the law before we can evict him.

These are just some of the concerns that I wanted to express. I am pretty sure that as more speakers come forth, every avenue will be touched upon, including the stereotypes and things like that. That is basically what I had to say, and I wish I had some knowledge of what the State can actually do right now, because I would like to tap into what you've already got set up. I don't have any knowledge of that, so I don't know what to demand or what to ask for.

Do you understand? So, as soon as I get that knowledge, I can tell you that I want this and this and this.

That is basically all I have to say.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Akhtab. I have a few comments in response to your remarks.

I thought your suggestion about homeownership was a very good one. I think it is a concept that should be employed in any type of new public housing that is constructed. We know that we are talking about public housing, and we are talking to some extent about subsidy, to a great extent about subsidy. We also know that it is current now and the thinking now is, it seems to be universal that public housing should not be dense housing. The high-rise type of housing for families isn't the type of housing that is conducive to the kind of environment that we want.

It seems to me that it is possible if the architects of public housing laws and builders and so forth got together, they should be able to devise some system of housing that would allow ownership at the same time as a continuation of that type of subsidy of that housing. That would have the benefit of providing affordable housing for low-income people, people who couldn't afford housing otherwise. At the same time, it would give such tenants the homeownership aspect, which generally produces more concern about what they are doing.

So, I think that is an idea that should definitely be considered, and it should be investigated very thoroughly by the people, the architects of the public housing laws. In this instance, that is us. When we sit down and we address our administrators and those who are involved with these housing programs, that is a concept that should definitely be considered to see what can come of it.

Secondly, Ms. Todd mentioned something before -- she has left now, and I didn't have the opportunity to ask her the question, but she mentioned that she wanted cooperation from the management councils -- support for the tenant management corporations.

You are a member of a management council, aren't you, Mr. Akhtab?

MR. AKHTAB: No, we have a manager. It is not tenant management in Lafayette.

ASSEMBLYMAN CHARLES: Okay, well, I can't ask you that question. Does any member of the Committee have any questions for Mr. Akhtab? Yes, Assemblywoman Brown?

ASSEMBLYWOMAN BROWN: I have to respond to some of your remarks, and I have to tell you the same thing that I tell the young people in my district, because when an eighth grader in the East Hanover School system raises his hand and says, "Assemblywoman Brown, do you think someday I will own my own house?", I have to answer that eighth grader to the best of my ability and say, "Hey, as a person growing up in this country, I always thought that I would own my own home." I assumed it was sort of an inherent thing that would happen. The Committee members have heard me say that we started out our married life in an Army barracks. We eventually did own our own home.

I would be kidding you, however, if I didn't say that times are changing. We have space, but we do not have the frontier to the degree that maybe we did fifty years ago. We, in America, have housed more of our people in individual units than any other nation in the world. Maybe we are going to have to be realistic and reconsider this policy.

In our area, we've got a lot of young people who can't afford to go out on their own and are now living with their mothers and fathers. This didn't happen ten years ago. They were able to go.

So, I have to answer that I think everybody who is approaching the age of eighteen, nineteen or twenty in the State should realize that maybe it is not automatic that the house with a white picket fence is going to be in his future.

I have got to also tell you of another change that has been coming down the pike. The Social Security elected officials in a forum likeness have always made it very clear that, "Yes, government is going to take care of your problems. You tell us what your problem is, and we'll work out the solution." It is now 1983, and what we are beginning to have to say to you very honestly is that we have got to work together, and maybe you're going to get where you want to get faster on your own than how we as elected officials can help you.

I've got a specific question for you. How long have you lived in public housing where you now are?

MR. AKHTAB: I believe I have been in public housing about six or seven years.

ASSEMBLYWOMAN BROWN: Are you one of several members of a family?

MR. AKHTAB: Yes, I have a wife and children, but before I got out on my own. I was living in public housing with my mother. We lived in Montgomery Gardens. So, I was living in Montgomery Gardens with my mother before I graduated from that public housing to my own public housing, so to speak. I think I've been on my own for about six or seven years.

ASSEMBLYWOMAN BROWN: So then, you grew up in public housing with your mother. Is that correct?

MR. AKHTAB: Yes, for a great deal of my life. I was in regular housing before public housing, but from regular housing, I went straight into public housing.

ASSEMBLYWOMAN BROWN: Okay. How old were you when you first went into public housing? Do you remember?

MR. AKHTAB: I have to guess, but I would say I was about seventeen or eighteen years old, something like that.

ASSEMBLYWOMAN BROWN: When you first went in.

MR. AKHTAB: Right.

ASSEMBLYWOMAN BROWN: Okay.

ASSEMBLYMAN CHARLES: If I may, this is public housing in Jersey City, isn't it?

MR. AKHTAB: Right.

ASSEMBLYMAN CHARLES: I think that one of the problems that generally is involved is that, particularly in places like Jersey City, even for those who are interested in moving from public housing, there simply is no housing available that is decent and affordable. I think that is one of the serious problems that exist in cities like Jersey City, and that is one of the reasons that contribute to people continuing to remain in public housing.

Outside of public housing, affordable housing is either nonexistent in some of the urban areas or just extraordinarily expensive. So, none but the very well-to-do can handle it. In many cases, the housing that is available for persons of moderate means involves amounts that they can afford which is not as good or less than public housing. Is that correct? Has that been your experience?

MR. AKHTAB: That is right.

ASSEMBLYWOMAN BROWN: If I could just finish my line of questioning, you are currently employed and have been employed since you have been in your existing public housing. Is that correct?

MR. AKHTAB: Yes, I'm working. I work for the Jersey City Incinerator Authority.

ASSEMBLYWOMAN BROWN: Does your wife work?

MR. AKHTAB: Sometimes she does and sometimes she doesn't. It is off and on.

ASSEMBLYWOMAN BROWN: Okay, thank you very much.

MR. AKHTAB: You're welcome.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Akhtab.
Senator O'Connor?

S E N A T O R E D W A R D T. O' C O N N O R J R.: Mr. Chairman, Assemblyman Charles, Assemblywoman Brown, Assemblyman Doria, I hadn't planned on commenting this morning, but the last three speakers have alluded to a problem that I am most interested in, as you are aware from the number of bills that I have introduced on the subject. That is the problem of the disorderly tenant.

I thought, having heard some reference made to this that it might be appropriate to direct a few comments to the Committee.

As you know, the particular bill that addresses disorderly tenants, I think it is S-686, is, in fact, directed to adding an additional ground to the summary eviction statute. At the present time, as each of the speakers has said, if there is a disorderly tenant, he must at the present time be subject to eviction under the present statute, which requires that a person be given a notice to cease. If a person then continues to engage in the disorderly conduct and that disorderly conduct continues, it can become a cause of action for summary eviction.

What has happened as a matter of history, and I speak from about six or seven years experience as the counsel to the Housing Authority in Jersey City-- What happens in many cases is that you have all kinds of bizarre situations. By way of example, I cite you a few cases in point.

We had a situation in the Housing Authority in Jersey City, particularly in the Marion Gardens project, where people were engaging in a Hatfield/McCoy situation. People were shooting rifles at each other and attacking each other with knives. The practical problem was that there was no quick, easy way to evict the perpetrators. The reality of the situation was, you had to give someone who just fired a rifle at another tenant a notice to stop that type of conduct. It is almost shocking to the conscience that someone who commits that type of act should not be subjected to summary eviction on the spot. To me it is outrageous that notice has to be given, written notice has to be given that he is to stop that activity, and that person then has to commit a similar act in order to be subjected to eviction.

There are other examples. A gentleman who exploded a grenade in a building in Jersey City, again, would have to have been given a notice to cease, and would have to have engaged in a similar activity before he would be subjected to summary dispossession action.

With that background, and with other types of things, examples were given of people who engage in drug trafficking. We also had examples of people who were maintaining unhealthy and dangerous conditions.

One woman, for example, collected mice -- not the pet mice that you get in a store, but the type that run around and are unwanted. Well, she made pets of these and kept them.

Another woman kept cockroaches as pets.

These were situations which we felt ought to be addressed in a summary manner, and there ought to be some ground in the summary eviction statute to address these kinds of problems.

My bill, which is out of the Senate and is now in the Assembly before Byron Baer's Committee, is a bill which provides that if a person commits a criminal act, what can amount to a criminal act, such as a person firing a rifle at another, or attacking someone with a

knife, or if a person maintains a nuisance which endangers the health or safety of other tenants, or employees of the landlord, then that person has committed an act which may be subjected to summary eviction.

As you are aware from what you have heard from the tenants who are here, tenants in the public housing projects, at least in Jersey City, are unanimously in favor of that. I found to my surprise that the New Jersey Tenants Organization, which is made up of more private-sector members than public, are not-- I was surprised to hear that apparently the problems which I have exemplified for you this morning are ones which are more typical of public housing than private, and the members of the tenants organization who I met with advised me that they would rather have the statute remain the way it is at the present time than to offer to a landlord a (inaudible). They felt that landlords would, in fact, abuse the new section.

So, I would suggest to the members of the public who are here today that perhaps they ought to do a little bit of lobbying on their part to convince the members of the New Jersey Tenants Organization, and perhaps the legislators from their district here, that there is a legitimate concern that they are interested in.

Thank you.

ASSEMBLYMAN CHARLES: Thank you very much, Senator.

ASSEMBLYWOMAN BROWN: I'm sorry, Mr. Chairman. Not being a native of Jersey City, it would be much more meaningful for me if I could just have some perspective. Maybe the Senator will know how many public housing units there are in Jersey City. The Authority has control over--

ASSEMBLYMAN CHARLES: 3,700.

ASSEMBLYWOMAN BROWN: 3,700?

ASSEMBLYMAN CHARLES: 3,700, Mr. Rigby?

SENATOR O'CONNOR: Director Rigby is here, and I am certain he can give you all the specifics.

ASSEMBLYWOMAN BROWN: And, you've been counsel for the Authority for--

SENATOR O'CONNOR: Since about 1975 or 1976. I'll give you some quick statistics. There are 3,700 conventional public housing units which are owned and operated by the Authority. We have 700

certificates of participation for the section in the existing housing program. That is a subsidy in the private sector. There are one hundred Section 23 leased housing units, and 380 new units under development. So, there are slightly over 4,000 units with a population slightly in excess of 15,000, about 7% of the city's population.

ASSEMBLYWOMAN BROWN: Can I ask just one more question? Have you noticed many changes in the challenges you have been involved in as counsel to the Housing Authority since 1975? Are the meetings about the same as they were back then, or are you dealing with different types of problems?

SENATOR O'CONNOR: Okay, do you want me to address that? I think the problems now are far more complex than they were even in 1975. You're talking now about a whole new brand of problems.

For example, as Director Rigby said, there is now, in addition to the conventional public housing, which you might refer to as projects-- There are these other types of private apartments now, so sometimes the problems involving the tenants who are in these places are totally different than what you have in a project.

In addition to that, the Housing Authority in Jersey City has been involved in several major law suits involving the development of a large tract in Jersey City, the Montgomery Gateway, so that is an entirely new area.

Were you referring specifically to the disorderly tenants?

ASSEMBLYWOMAN BROWN: No, just the type overall. As an elected official, I attend thousands of meetings. I've served on planning boards, and I was the liaison to our Housing Authority in Morris County. Back in 1972, we didn't have any housing, so obviously, the type of things we discussed in 1972 were very different from what we discussed in 1982.

I'm trying to get a little bit of historic perspective, and since you have had the continuity since 1975, I was just looking for overall trends or observations. You mentioned the type of different problems with these tenants in these various types of units. Could you give me an example?

SENATOR O'CONNOR: I think probably Director Rigby would be better suited to do that. What I had in mind-- You were talking about some of the different problems, weren't you?

There are rehabilitation projects that are underway at the present time -- modernization projects, I guess to use the term, at different sites, and the problems that the Housing Authority has trying to bring together the tenants who are in the buildings at the present time, the tenants who are going to have to be displaced in order for the modernization work to be completed, and then the problems of addressing the sizes of the units that would be created for the modernized projects, and which tenants will be eligible to go back into these -- these are all the kinds of things that I was referring to.

In addition to whether or not a given project should in fact take place, where should it be located? These are very, very problematic issues that the Authority has been faced with over the last three years.

ASSEMBLYMAN CHARLES: Thank you, Senator O'Connor. I appreciate your stopping by, and we welcome your remarks.

I have a list of speakers. I know there are some people in the audience who were here from the very beginning, and I think the gentleman who just stood up was here from the very beginning, and he ought to be given an opportunity to come forward.

RAFIQ AHMAD: I would like to first welcome the State, and also thank you for your interest.

ASSEMBLYMAN CHARLES: Will you give your name for the record?

MR. AHMAD: My name is Rafiq Ahmad. I am the president of the Lafayette Tenants Council. I am also a member of the TAB Board, and I consider myself a concerned citizen.

I have been down here to this council many times for various occasions -- State, city, Federal, whatever. When I come down here, the first thing I wonder is, "What is this board all about? Do they just want facts? What is it all about? What do they want, just facts? Do they want studies, or do they really want to improve something?"

We have a history in Jersey City of being purely political. This happens everytime I come here-- You know, purely political. I can understand the interest of the State, and one of the main things that I try to always remind the State is that when they have something on public housing, that they have a person of public housing representing

the board. It is almost like a father taking a son out and never taking the daughter, just because the game is baseball. It is not that he doesn't love her; it is just that sometimes he doesn't take the time to be with her.

We want you to take time to get to us. We have a number of problems. We know that anytime you have a problem, you have concern for the affected. We consider you the concerned and ourselves the affected. The only parable I can make to that is an empty refrigerator and a full refrigerator. That is the best parable that I can make to the concerned and the affected.

We have problems with just stereotypes in the housing authority. When I say stereotypes, I mean that some of them are racial, some of them are conscious, some of them are subconscious, whatever, like the UPS mail service. It is almost an accepted and tolerated policy not to come to the project. There are no lower rates for going to UPS; it is just that it is a tolerated fact. They don't have to come to the project. You call up and they say, "You have a package that we left a receipt for. We don't have to come there. You either find somebody who lives outside the project for us to send it to his house, or you go to Secaucus and pick up your package."

I'm trying to touch on things that affect us as a family and a household.

We have mail service. About 70% of our people who are recipients of Social Security, welfare, etc.. It is almost on the basis where you see people lined up worse than Johannesburg. They are there for their checks, and they are trying to get them cashed.

Our mail service doesn't come until about two o'clock. Therefore, all of the people in our development are destroyed, because they have to have a two-day planning period in order to cash their checks because of the lines by the time they get their mail. This is a problem that we tried to address.

We addressed the post office, and they said they would send an agent down. The agent just walked around with the mailman, and he said that the mailman was doing a good job. Yet anytime that mailman is not working, we get mail at nine o'clock in the morning. His substitute finishes early.

Another problem is security. I have lived in public housing since I was six years old. I'm now forty-three years old. I moved in with a family, and I know Assemblyman Charles knows it -- he knows it is a fact. As you said, the State never had a role. We were known as Federal people, project people. That is the stereotype name they gave us. The City didn't have to bother with us. We weren't citizens; we were reservation people like Indians on a reservation. "This is a reservation for you. You should be glad. We gave you a light, we gave you a bulb, we gave you maybe not a shower, but you've got a bathtub."

If you read the report of Executive Director Rigby, who is a very close friend of mine because he works with me-- It is not that I come here looking for any type of favoritism from him, but I congratulate good work. You can hear his confidence. I'm not interested in his color. His color doesn't represent me any more than his voice.

This is what I expect from the Assemblymen -- a voice. I expect to come here, I expect you to be my representative, and for you to tell me what I've got. Like Mr. Akhtab said, "What have we got?"

How can you help first? By communicating. After we communicate, then we are on a safe level.

I work in security at the Housing Authority. I started with volunteer work ten or fifteen years ago, because I had to just survive. Period. Nobody was going to look out for the situation. We had single, head-of-the-household females who had apartments. They were young and had babies. So, you say, how does the crime exist? They get a boyfriend. He doesn't live there, and he isn't on the address list, so why shouldn't he sell drugs? He can't get arrested. When the police come, they say, "Hey, I see this guy here everyday. What do you mean, he doesn't live here? Are you shielding him?" He doesn't live there; he's not on the lease.

So, when you start talking about security measures, we have to look at particular problems that we have with crime. Most of it stems from the fact that the mothers aren't home to raise their children. If they are home, the soap operas get their attention. We know we have a problem with tenants. This is what our tenant councils are trying to eliminate. We're saying, "You do your job from there, and we'll do our job from here."

The Senator just spoke about the two bills, which talk about taking out the warning, the notice to cease, to a person once they commit a crime. We have heard a lot of extreme examples. One was about a lady who kept rats for pets.

I want to deal with our most common one. We have vandalism and disruptive music. With these things, you can't have curfews, so you have children out all night. That right there is a crime to people who want to sleep. So, we have to address our particular security problems. As far as these disruptive tenants are concerned, many times when we move in on them, we have to worry about their political allies. This is a problem we have.

You also might have a disruptive mother who has a son and the mother is on welfare. You can't put her out on the street even though her son is selling drugs. So, what do you do then? Do you put the mother out, or do you tell her that she has to get rid of her son?

I'm just trying to relate some of this to you because I live with it everyday.

We also have another area, the Medical Center, which is a problem. I have to go into this area because we have people who are sick. I know that the State is dealing with the subsidy part of the Medical Center. I don't know the particulars about the Medical Center, and I don't know what alternatives they have. All I know is, they are trying to get rid of the hospital. This is surface information. I don't want them to get rid of the hospital, and I think the State should make the best effort they can to prevent this. The reason why is because we just can't get people who are knowledgeable to take care of certain illnesses. Some of those illnesses are going to become contagious and infect other people, so we have to address that.

We also have some educational problems that we are trying to get pushed in. We need some computers. Because of the Reagan assault on poor people, we have computers sitting there, but we can't even afford McDonald's.

I'm not talking about the person just getting Social Security or welfare. I work, and I still can't get it. I'm just saying that the assault appears to be aimed at people who are recipients. We all have fixed incomes. If you make \$14,000, that is a fixed income. It

doesn't matter if it is a fixed income on a check or a fixed income on a contract.

Regarding education, we know that the State colleges are going to have to educate the majority of the housing tenants because they have to be subsidized. We want the State to upgrade a lot of the conditions at the Jersey City State College. We don't want the stereotypes there. We want our people to be able to have an education, which will then enable them to obtain a job. So, we want you to look into the educational problems that will also help the Public Housing Authority. We have tenants there who want an education, but maybe they're not qualified. The State has students who need teaching time, so they can come and give us that time. They would benefit by completing their teaching time, and we would benefit with experience.

We were also told that the State has computers that teach, and these are supposed to be available through grants, so we would like to apply for some of that money if it is available. We know that there was money that the State allotted one time under the community grants. We would like the expertise of a trainer because we would like to keep up with the pace that our country is moving in. We don't always want to be CETA workers. We don't want to be welfare people. This is the image we have, regardless of who works and who doesn't work.

Also, when the methadone program came into our neighborhood, we tried to get in touch with the State. We never heard from them. They just said that the State had jurisdiction over the City to put that methadone program out there. We had children who had to walk to school, and we worried about them because of the people out there who were on methadone.

So, we would like to have some kind of rapport with the State like we have with the Housing Authority so that we can communicate with the State. We can all speak English, but we can't all communicate. That is just something. I don't know whether it is a hidden language we use when we don't trust someone, but we use a word that he can't understand, and you adapt that as a means of survival. That is what I see happening.

We also have tenant housing associations, and we would like to move around the State and meet the other tenant housing

associations. When you talk about the Housing Authority in Jersey City, you're talking about high-level housing and low-level housing. Low-level housing may be story "B," so the security is different there. When you go into high-level housing, you are going up twelve or thirteen flights. The police say that they can't walk up those stairs, and they can't put a policeman on every block of every stairway. Crime becomes different and your problem becomes different. This is true even with delivery services. We took a survey on that.

These are some of the things that I wanted to bring to your attention, because I knew all of the other particulars that people would bring to you. I wanted to talk about the things that affect me -- the stereotypes, the education, etc.. I am planning the same chance for my child and to have the same information available as your child or any other child.

If you walk up to a man who is standing there begging, you know that he is going to buy some wine. You say, "What do you want this money for?" And he says, "Don't make me lie to you." Well, this is what we have been told by the politicians in this City. "What can you do for me? Don't make me lie to you. I can't do anything."

Do you understand what I'm trying to say? With this information, I would like to--

ASSEMBLYMAN CHARLES: I appreciate your remarks, Mr. Ahmad. I think in response to one of your questions about what the State can do, let me define a little bit better if I can what the scope of these hearings is. We are a Subcommittee of the Housing and Urban Policy Committee. This is a Subcommittee on Public Housing. Some of the matters that you raised are important matters that should be addressed, but for the purpose of these hearings, they are somewhat outside of what we in the Housing Subcommittee are constituted to address. However, during your remarks, I think you touched on some things which are within our purview.

For example -- and I am very pleased with the remark, because again, it focuses in on things that we can do-- You talked about services which aren't provided for, such as parcel service, you know, United Parcel Service, and some other things. That is an area that we can perhaps address legislatively. For example, imposing some sort of

civil or criminal sanctions for merchants refusing to service public housing -- that is the type of thing that we can address within this hearing. We can take that up and see whether or not we can implement that legislatively.

You also mentioned something about the tenant councils and the types of matters which should be the subject of action by whomever is in charge with regard to disorderly tenants. That is something that was raised by previous speakers, and that is an area, too, that we will be considering.

I think generally what you talk about is the problem that we are familiar with, and what everybody wants to hear -- that is, we want some more money. I think that one of the things that has come to my attention as I prepared for these hearings is the matter of just what the State's role is going to be outside of lawmaking in the areas like the absence of delivery service and things like that-- What could be a feasible role of the State with regard to financing?

Right now, as you know, we only have Federal financing. How can the State get involved from a financial point of view? That is the most difficult of all the questions obviously, but that is something that hopefully will be explored during the course of these hearings.

Perhaps as a result of these hearings, we can develop at least some proposals and get people thinking about some greater involvement.

I think, in my conversations with Director Rigby and some other matters which I have read, I've seen where places like New York State, Massachusetts, and others have a state involvement in the actual financing. We're going to explore that.

We appreciate your remarks, and thank you very, very much for taking the time to come here. Assemblywoman Brown has a question.

ASSEMBLYWOMAN BROWN: I have a philosophical question. I have just got to say that I do think for some people who live in public housing, life compared with friends who do not live in public housing is very good. I want to be very specific so that my colleagues know that I'm on target.

The Office on Aging was trying to figure out how to provide meals for some people who really did need them. This is a very serious matter. This involved people who could not get food for survival. The Office on Aging in the State of New Jersey started this pilot project with people who were living in public housing projects, because it was easier to organize it within a particular framework.

I've got no quarrel with this, but these people, like yourself, who we are giving taxpayers' dollars to in terms of shelter, in terms of food-- I also heard you say today that you are employed by the Housing Authority, so you are getting a job from that.

Again, I wouldn't be concerned about that or worried about that if I didn't know that there were people who need help outside those living in the housing units. And, we're not even providing the housing for them, much less the food.

As far as the United Parcel Service problem is concerned, I really think you are in a strong position with the Mayor of your City to get that thing squared away. You obviously deserve the same sort of services that anybody else does in any sort of residence within the municipality, so I would hope with the great advocates that you have here representing you and the close communication that there is in Hudson County among elected officials at all levels, that could be one of the simpler things that we could get out of the situation today.

Do you often attend Housing Authority meetings as a representative of your group, and how many people serve on the Housing Authority here in Jersey City?

MR. AHMAD: The Housing Authority what? Which particular one are you talking about? Are you talking about the Tenant Council, the Housing Commissioners, or--

ASSEMBLYWOMAN BROWN: I assumed that your units overall are part of the Housing Authority in Jersey City. Is that correct? Do you attend the public meeting of the Housing Authority? Where does it meet? Here?

MR. AHMAD: Are you talking about the Board of Commissioners meeting?

ASSEMBLYMAN CHARLES: She is talking about the Commissioners of the Housing Authority, Mr. Ahmad.

ASSEMBLYWOMAN BROWN: They must have monthly public meetings.

MR. AHMAD: They have monthly public meetings, and they send us a written program of all the minutes which include anything they vote on, anything that is pertinent to tenants, but does not deal with budgets and things like that. What they do is, they have us there if it is pertinent to our particular site, like Lafayette Gardens, which is about 480 units.

If it involves modernization, we try to give the commissioners better insight into the tenants' perspective about the issue.

At the regular Board of Commissioners meeting, we have one representative. Her name is Sister Virginia Cheen, and she has been on the board for quite awhile. She is very well aware of a lot of the tenant problems. We still need more representation there.

ASSEMBLYWOMAN BROWN: All right. In your 400 odd units that you said there are in your project, how many are single head of households, would you say?

MR. AHMAD: Well, according to our MOD grant, I think it was close to 67%. They were single, head-of-household females.

ASSEMBLYWOMAN BROWN: Okay, so it is largely a female world in your particular complex.

MR. AHMAD: Right. Females are mostly the head of households there. There are woman there who maybe didn't get married or whatever, but, you know, for other reasons.

ASSEMBLYWOMAN BROWN: My last question is, if I came in as a private developer and put up a five-story apartment dwelling here in Jersey City and had rents that ran for maybe \$300 or \$350 per month, do you think there would be any possibility that some people from your unit might reprogram their system to find that attractive? What would the rent have to be in my private unit in order to attract some of the people from your unit to move, because it would be worth their while as far as the income limits to come into a different housing situation?

MR. AHMAD: Well, that would more or less be a pooling situation. If you have a husband and a wife, you can attract them with the more lucrative amounts like \$350 or maybe \$400. That would depend upon you having the right amount of rooms and the services. You see, we don't pay utilities either, and a lot of the attractions out here

are asking for rent, plus utilities. Utilities are sometimes as high as the rent in some instances. It depends.

If you have a family who has two daughters or two sons and who are working, they can become attracted to that \$350 rent per month that you are talking about. But, the single mother needs all the help she can get as far as the rent is concerned.

ASSEMBLYWOMAN BROWN: Thank you.

ASSEMBLYMAN CHARLES: You and Mr. Ahktab asked what was within the purview of this Committee's function -- what can we possibly provide? I think one of the areas which you touched on during your testimony and in response to Assemblywoman Brown is an area which, I think, can definitely be explored by this Committee. That is the composition of the Board of Commissioners of the Housing Authority.

I haven't reviewed the Public Housing Authority's statute, but I think that it might be appropriate to consider whether that statute ought to be amended. This is something I've just thought about. We have to look at the pluses and minuses of that, but it might be appropriate to consider whether or not it can be amended in such a way as to require that a member of the Board of Commissioners, if not a tenant of public housing, should be at least one who has sensitivity. It is hard to define what that is. Maybe not a tenant, but someone involved--

MR. AHMAD: Well, Sister Cheen was a tenant.

ASSEMBLYMAN CHARLES: Excuse me?

MR. AHMAD: She was a tenant.

ASSEMBLYMAN BROWN: Do you have a tenant who is on the Board of Commissioners?

MR. AHMAD: I believe she is a tenant. She holds a position that is reserved for a tenant.

ASSEMBLYMAN CHARLES: I see. So, as a matter of practice, there is always a tenant on the Board of Commissioners.

MR. AHMAD: There is one there, right.

ASSEMBLYMAN CHARLES: Okay. Has any situation ever existed to your knowledge where the Board of Commissioners was not represented by a tenant?

MR. AHMAD: That is almost a matter of opinion to me.

ASSEMBLYMAN CHARLES: All right. In that same area, you touched on the Medical Center, and I think that was one of the problems. This is an aside and not within the purview of this hearing, but I'll just touch upon it. You touched upon it, and we're going to leave it alone after that. I think that one of problems with the Medical Center is that there is concern whether or not the nonprofessional employees are represented in terms of the Board of Directors. Their interests were spoken for, and there is also a concern as to whether or not courtesy doctor's interests were represented and considered when the Board was taking actions. That might have contributed to some of the concerns that people had with that Board, and was it was and was not doing. To that end, I have introduced a bill which would require that persons coming from those categories be required to be a member of the Board of Directors at the Medical Center. A lot of that is up in the air because of the new things that are happening regarding reconstituting. That is something where I think there is consideration, and I think that the point you made about the composition is an important one.

Assemblyman Doria, do you have a question?

ASSEMBLYMAN DORIA: Yes, I have one or two questions. One of the things that I am very interested in and I think is a very good concept is the Tenants' Council and the fact that the Tenants' Council has a great deal of involvement in the actual operations of the various public housing projects.

My question is, is there a great deal of participation in the Tenants' Council by the people living in public housing?

MR. AHMAD: That depends upon crises. When I say participation, I mean crises participation. If you don't have enough hot water, regardless of whether it is a mechanical breakdown or not, then you've got participation. If you've got summer jobs, then you've got participation. If you have modernization plan efforts, we emphasize participation. When I say that, I mean that every front entrance to every house was picked by the residents of that particular building. If they wanted a shrub or a tree there, we worked that out with the architects who were building our complex. We even got down to the basics, such as what color the paint was going to be, what type of

marble was going to be put on the wall, etc. We see the bathtubs before they even get there; is it made of steel, hard plastic, or whatever? We want to know the durability of it. The contractor that is in Clifton put in hard plastic bathtubs. In another place, they put in steel bathtubs. We would like a price tag on each item, which would give us the labor cost and the price of each item.

For instance, if we have \$1,000 to spend for a bathroom, we'll know that a cabinet costs \$200, etc.. We know that in our bathrooms in the project, the cabinets are always up here (referring to a certain height), so that is no good for babies. So, we had to remedy some of those situations such as a baby being able to look into the mirror without standing on the toilet.

We had to take a lot of things into consideration, but we did have participation. Now that most of the modernization is finished, the participation will go down.

ASSEMBLYMAN DORIA: So, basically, it is human nature that when there is self-interest or some concern, people do get involved; otherwise, it is just those hard-core cadre of people who are interested in the well-being of the entire project.

What about the attention that is paid to the Tenants' Council by the other tenants, besides the participation? If the Tenants' Council recommends that certain things be done, or they want to get a program going, do you find that the tenants work together to try to follow the recommendations of the Tenants' Council, or do you find that there is resentment that builds up between various factions within the tenants of the public housing?

MR. AHMAD: I don't know. I find that a lot of times if we have political influence -- if one political party wants this and another political party wants something else, we have problems. It doesn't come in like an educated consumer, and it is not an educated situation. Even though they know what they want, it is not actually someone knowing what it really is, because they are not educated. A lot of times, it is suggested to them what they should have.

Then you also have people who come out just to fuss.

ASSEMBLYMAN DORIA: I have one final comment that I would like to make, because I am involved in the higher education area within the State. There is concern over what the State colleges are doing for the people of the State and the problems of the increasing tuition costs.

I was at the Joint Appropriations Committee yesterday, and Assemblywoman Brown was there. She is member of the Committee, and she expressed concern over the impact that it has, especially on our low-income citizens within the State and what is happening with the increases in tuition and the decreases in services being provided, especially services that are necessary for our low-income citizens. So, I think that is a very legitimate question, and one that I think you should continue to push. I think there is a lot happening there.

I think that we have to see what the Board of Education is doing because the grant that you are talking about in the area of computerization -- the Board of Education gets that money when it does come through, and the Board of Education is responsible for implementing programs which will take advantage of the money that the State has presented to them. In this way, hopefully, the students who are coming from public housing, as well as all of the housing in the towns in New Jersey, will be able to take advantage of these programs. If they are not, then there is something wrong. If that is the case, then I think you had better go after the Board of Education.

ASSEMBLYMAN CHARLES: Thank you very much.

MR. AHAD: You're welcome.

ASSEMBLYMAN CHARLES: Reverend Blount?

REVEREND ROBERT BLOUNT: I am Reverend Blount, manager of the A. Harry Moore project. I am also the President of the Tenant Affairs Board.

I will make my testimony much shorter than those before me.

There is one major point that I want to reiterate, which Mr. Rigby spoke about in the report that he brought back from the Mayor. That is, I would like to encourage the Subcommittee to encourage the main Committee to have the State act as quickly as possible to facilitate the operating subsidy for all of the low-income housing,

especially in the City of Jersey City. Of course, I guess it should include all of the cities. Without that operating subsidy to maintain what we have already it will certainly be like the prayer in church. It will be like dividing the breath of existence of all the housing projects.

I would like to see the State take the part of trying to come up with some type of State subsidy or State money. By the way, I must say that the dollar sign opens the door, as far as I'm concerned, to the type of program that is needed in low-income housing to help get the tenant active in taking a part.

I have a couple of suggestions, and then I'll be ready for any questions you may have. I would like to see a special program offered, possibly from this Committee -- a special social program that would encourage the Board of Education to employ its truant officers, or at least some of them, from within the housing project itself. I have found through the Tenant Management Corporation that tenants who actually participate in the operating of the housing, or the house in which they live, could take a part in its upkeep, in helping to make plans with the State to let them know what kind of facilities they would like. I found that these are tenants who we have the least problems with. I feel that the State is not doing enough to bring in this type of program which would get more tenants involved.

We have the Tenant Management Corporation because some time ago, I think in 1973, and Mr. Rigby can correct me if I'm wrong, we received approximately \$120,000 from the State. We used some of that money for TPP money, tenant participation money, and because of that type of participation, and because of the tenant being involved in what was actually going on in the operating of the housing, we have today what we call the Tenant Management Cooperation. I served on its Board as its first Chairman, and I was asked by the Board to resign from that particular office as Chairman in order to serve as a manager of the housing project. So, today, I am serving as the manager of that project.

The program that is needed and has to be looked at by the State is the type of program that will actually involve the tenants who live directly in public housing. I serve as manager, and I live there.

The problem never dies. I can be called at two o'clock in the morning, as well as six o'clock in the morning, or at nine o'clock in the morning. It is not the kind of call that we wish to have, but it says to me, the tenant, that I have a little more interest because I am right there on target when they need me. It certainly says to the tenants that "we have someone here."

When tenants take a part, when they participate, it brings about more concern. We have vandalism, and I'm sure you have heard all of the problems. We have things that go on that are undesirable, but I feel the more involvement that we can get the tenants into-- When I use the words "truant officers" who can be tied in from the Board of Education, just from studies, I found out that just the students who are not in school-- I feel that a truant officer, not only directly assigned to one particular area, but who actually lives in that vicinity, will certainly have a deeper concern and would know the student better.

I know of one case where a truant officer was looking for a student, and the student knew that he was a truant officer. He said to this young man, "Do you know Lars Brocker?" The kid said, "No, I don't know him." But, he was Lars Brocker. Therefore, the truant officer didn't know who he was talking to. By not living in the area, and not being directly involved, certainly a lot of things slip through our fingers.

There is one more thing that I would like to say to you, which Assemblywoman Brown stated in her opening. She said that we have people who are living in low-income housing and who are doing better than people who are living outside of public housing. I'm glad she made that statement because I feel that if anyone living in public housing can be upgraded by giving him an education or a job, which would upgrade his standard of living, I think this is what the program is all about. This is what we want done, and I would like to see everybody who lives in public housing better off than those who are living in conventional housing. That is just the way I would like to see it.

But, it will certainly take more involvement from the State to initiate the types of programs that will involve public housing.

I think from a Federal point of view, if the State made the initial issue-- I did make the statement here with reference to truant officers. I would also like to see guidance counselors coming out of public housing. I would like to see State funding for special programs for elevator operators. Whatever can be initiated as a program to get the tenant in public housing more involved will certainly make public housing much better for people to live there.

I think everything else has been mentioned by those who spoke prior to me.

ASSEMBLYMAN CHARLES: I thank you, Reverend Blount, for your remarks. I am impressed with your perception that there is a real linkage between involvement through the educational process and the employment process and the overall improvement in the public housing situation, be it on all levels. I think it is a point well taken. Tenants in public housing should be designated to stimulate participation and be involved in participation. I think those are considerations which this Committee will forward on to all of the State agencies that have involvement with the various types of programs that can be implemented -- social, recreational, or educational.

I know that Assemblyman Doria, who is Chairman of the Higher Education Committee, will certainly take that back to his Committee when it is considering its various types of programs.

Assemblywoman Brown has a question or a comment.

ASSEMBLYWOMAN BROWN: Both. Sometimes it is good to see a community from how an outsider sees it -- for example, I saw Melbro and Cook as I drove here today. I've been to Jersey City many times. I think you live in a very exciting area. The skyline you have with New York City and the Statue of Liberty out there-- Some of your public housing units that we drove by are really great. I would not object to living there myself.

What I think is happening, which I want all of you to hear from somebody that does not live here, is that other people are becoming aware of the attractiveness of your community. Ten years ago I would not have been able to tell you that constituents of mine are coming, whether you believe it or not, to Jersey City to live. I don't think we have to philosophize on the merits of that; I think it is a fact that is happening and that times are changing.

Regarding your particular situation, I think that involvement of tenants is terribly good, and I would hope that through the involvement process, this is what being a good citizen in our democracy is all about. It is involvement, and I would hope that the involvement would not be a be-it-all or an end-it-all in and of itself.

I would like to see, to a certain extent, housing projects graded on a number of people who leave the housing project during the course of a five-year period because they have been motivated through the involvement and through the techniques that under your marvelous direction, you have given these individuals so that they are no longer eligible to live in the housing situation.

We have seen here today the idea that generation after generation should live in public housing. I think it is a premise that we as a society have got to question. I certainly commend the whole principle of the in-house manager.

May I ask you a question? I would assume that your arrangement with the housing authority is such that you get your shelter as part of your compensation for doing the job that you do, and that you get some remuneration as well. Is that correct?

REVEREND BLOUNT: Can I be more specific?

ASSEMBLYWOMAN BROWN: I would like that.

REVEREND BLOUNT: Are you asking me if I pay rent?

ASSEMBLYWOMAN BROWN: I would assume that that would come with the job. doesn't it?

REVEREND BLOUNT: No, it doesn't.

ASSEMBLYWOMAN BROWN: Okay, so you pay some rent.

REVEREND BLOUNT: I pay what the average person would pay who is making my salary.

ASSEMBLYMAN CHARLES: That is the normal rent. Nobody gets--

REVEREND BLOUNT: That is right. I would just like to add that I would like to see that take place, as well, as far as them moving out of public housing. I wish the Federal government would take a look at that. Then possibly they would not go up the 30%, which they are going to raise us. Eventually, those who live in public housing will be paying the same amount of rent as those who are living in conventional housing.

With all of the cuts, and I'm sure each of us are aware of them -- with all of the cuts that have been initiated by the Reaganomics, and with the increase of the 2% which leads up to the 30% for those who are already living in public housing, it has placed another kind of burden on them. This cannot be overlooked. There was a time when the rents would only go to a certain ceiling, and you could not pay more. That has been done away with, and now there is no such thing as ceiling rents.

I am hoping that the program will come to the time where whether we move out of public housing or remain there -- I hope it comes to pass that those who are there will desire to remain there. But, those who are in public housing are so stigmatized by the outsiders that they desire to get out of public housing just for a credit reference.

If you go to any consumer and say that you want to purchase something, even though you are making "x" amount of dollars, if they find out that you live in public housing, you get turned down. I would like to see the program that the State initiates not be a program that will be a start and a stop program, but the type of program that will certainly enhance the integrity of all the tenants who live in public housing. I would like to see them be able to stay there as long as necessary and not just because they are being federally subsidized. I would like to see them be able to live there and be proud of their homes.

ASSEMBLYWOMAN BROWN: I have one last specific thing, because I know that the Chairman wants to have some specific things that this Committee can accomplish as a result of these hearings. It is my understanding, and maybe again, this is a more appropriate question to ask later on, but I would just as soon do it while I'm thinking of it. We have had some discussion of utility costs in housing projects and so on. When a tenant does not have to pay utility charges in a public housing project, it seems to me that there is no point in that tenant receiving some sort of a rebate under the Lifeline Program or another program, and that that particular funding should go to the Public Housing Authority as opposed to the tenants who are not paying for

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same problem of only those people who are in other nonrelated jobs living in public housing. The people who were in public housing who got a job because maybe they were public housing residents would now move on to other types of housing. The situation doesn't necessarily improve the entire atmosphere of public housing projects.

REVEREND BLOUNT: That went through my mind, but really what I failed to say was, living in public housing would be a priority when it came to that particular job, and especially in that particular neighborhood where a truant officer or a counselor would be needed -- that living in public housing, having the relationship with the tenant next door or the tenant who lives twelve stories above you -- that would be a priority that you know that tenant individually, know that manager, know that employee in the Board of Education. Then you would be able to relate to them.

I know my time is up, but we have people who are actually living in public housing and who do not belong there. It was discovered a few days ago that there are children who are enrolled in school from the project who are not listed on the leases as tenants. Addresses have been falsified. If we had a guidance counselor or someone who was directly involved with the No. 39 School and the A. Harry Moore project, he would know, he could go to the office, and he can find out that that child is not a student. He could find out where he came from, how he got there, and where he is going. So, it is important to me that we have not only one, but several ways to involve tenants in the Tenant Management Corporation.

I think Mr. Rigby touched on this in his testimony, and that is, what has happened at A. Harry Moore since the Tenant Management Corporation has been in operation. We have come from approximately one hundred vacancies to three vacancies as of yesterday at the entire site.

Tenants have taken a part in helping to prevent crimes and in helping to make repairs.

I would like this Committee to take a good look to see what they can do as far as getting us more money. How much money can the State give us to start an actual operation to get tenants involved? We want the tenants to become involved because we want them to realize

that these are their homes and some of them may never be able to do better.

Thank you.

ASSEMBLYMAN CHARLES: Thank you very much, Reverend Blount. At this time, I think I'll recall Bob Rigby, or does he have a preference to defer to someone else who is here?

MR. RIGBY: I see several people here who I would like to defer to.

ASSEMBLYMAN CHARLES: All right, would any of the people mentioned like to come forward and give testimony?

Hi, how are you?

ANTON WILLIAMS: Hi, my name is Anton Williams, and I am representing the Marion Gardens Community Association. Mrs. Morris was originally supposed to be here, but she took ill, so I am taking her place.

ASSEMBLYMAN CHARLES: Thank you for coming, Mr. Williams.

MR. WILLIAMS: I would like to address two aspects. First, I want to talk as a representative of the Council, and secondly, I would like to speak as a tenant.

As most of you know, Marion Gardens has undergone renovation. The struggle for rehabilitation has been going on for at least ten years, and since 1979, the actual reconstruction has taken place.

I would like to speak about the history of Marion Gardens and its struggle -- it has fought all odds, it has fought the City, and even the Federal government -- also the Housing Authority itself. There are a lot of public housing projects that are fighting a struggle right now, which Marion Gardens has already been through. One of the things that we, at Marion Gardens, would like you to help us with is to stop proposals to demolish public housing. I guess we all agree that there is a lack of housing facilities for those in need. To think that any agency or anyone at this time would even consider demolishing any form of housing just doesn't make any sense as far as we're concerned. I'm sure you'll agree with me.

I would like to pass these out. These are articles on how Marion Gardens fought displacement. This particular one is a national magazine which tells how we fought and won. We're sort of like the

focal point for other housing projects who are fighting this battle now.

Ten years ago, 172 families decided they would not -- they refused to leave Marion Gardens. It was their home regardless of the poor conditions, the poor maintenance, and many other things. Through that decision, people received reputations of being disorderly persons. Some, at that time, were true. But today, Marion Gardens has a new reputation. It is a clean project. We have cooperation from the tenants, and tenants have been living in the new housing area for about a year now. There is absolutely no graffiti in these new areas. The construction people, since they work in phases, thought that by the time they renovated one area, that one area would be vandalized before they started on the second phase. That isn't the case at Marion Gardens, and it hasn't happened.

Our main concern is that we have proven that housing is needed. We fought for it, and we have proven that there isn't a need to demolish housing.

As a tenant myself, some of the issues that were brought up concerning government -- how the State should subsidize projects -- I agree with that aspect, but I also feel that the State should give aid to the projects. So often the government has thrown money into communities, which is definitely needed -- there is no question about that. It is always needed, and we always accept the funds to help us. We need to give the people a sense of wealth by encouraging programs to help them to manage their own destiny. There hasn't been any of that for awhile, at least not since I've been a tenant at Marion Gardens.

The whole issue is that homeless families need homes. They need a place to get a sense of being somebody. To attempt to take that away from them will leave them out in the cold. What is left for them to do if they have no place to go, especially if the places that are there are being threatened by demolition? All we ask is that you help the people by getting the Legislature to work in their behalf.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Williams. My feeling is that you, through your efforts and through the efforts of those who you work with, have shown those who have been involved in Marion Gardens, specifically, and I think those who are involved in

public housing generally, that demolition at this point of some of the types of housing, particularly types like Marion Gardens, which is not high-rises, is not the way to address the problems that the housing projects are having. We do have the problem of the homeless, and there is a need for public housing. If we are not prepared to spend the \$85,000 per unit to build new public housing, then I think the feeling of most people is that these units which are standing should not be destroyed. I think a lot of the feeling that people have is attributable to the issues that you and the people at Marion and others around the country have brought to people's attention.

I appreciate your comments, and if at any future time you have some additional submissions that you want to make to the Committee, please feel free to do that. Thank you very much.

Are there any questions, Assemblywoman Brown?

ASSEMBLYWOMAN BROWN: I have two quick questions. How long have you lived in Marion Gardens?

MR. WILLIAMS: Ten years.

ASSEMBLYWOMAN BROWN: At the moment, do you know if there are vacant apartments there?

MR. WILLIAMS: Yes, there are a few. I don't know exactly how many, but there are a few.

ASSEMBLYWOMAN BROWN: Do you have managers like we learned about before who live in the development?

MR. WILLIAMS: Do you mean managers who work for housing? Is that what you mean?

ASSEMBLYWOMAN BROWN: Yes.

MR. WILLIAMS: No.

ASSEMBLYWOMAN BROWN: That happened in the other unit.

ASSEMBLYMAN CHARLES: In the A. Harry Moore project.

ASSEMBLYWOMAN BROWN: Then why aren't there project managers who live in Marion Gardens?

ASSEMBLYMAN CHARLES: We should address that question to Mr. Rigby.

ASSEMBLYWOMAN BROWN: Oh, okay. What was your specific involvement in this particular project? You gave us things, and obviously someone must have given them to you.

MR. WILLIAMS: My specific involvement has been just being one of the tenants who refused to leave, and one of the tenants who fought this fight. I just felt that maybe you should read this. Let's not reverse this trouble by allowing the Legislature to turn back the clock on housing and not be concerned about the homeless or those who are living there.

ASSEMBLYWOMAN BROWN: It is nice to be part of a winning effort. I appreciate very much your seeing that we get--

MR. WILLIAMS: I understand that you've mentioned that you rode by several housing sites. Maybe we should invite all of you to come to Marion Gardens to view the site as it is now, and even visit the new apartments that are under construction now. It might give you a sense of what is going on.

ASSEMBLYWOMAN BROWN: Aren't you nice. I have been asking Assemblyman Charles for that for a year.

MR. WILLIAMS: In fact, how about today? We're personally inviting you to come down this afternoon to take a look at the project.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Williams. I would like to call the people in the order that they arrived. You know, it is hard sitting up here and attempting to be fair. I know that as a lawyer, I go to court and I sit there sometimes and say, "Well, why doesn't that judge call me so I can get out of here?" I guess I can appreciate some of his problems. There are a few people here who I know, and I know that they have been sitting here for awhile.

I'll call Mr. Chavana.

ASSEMBLYWOMAN BROWN: You've got someone sitting here already.

ASSEMBLYMAN CHARLES: Oh, we have someone sitting here already. Thank you for coming forward and sparing me the decision for the moment anyhow.

CATHERINE SMITH: I am Catherine Smith, and I am a resident of Currie's Woods. Currie's Woods is the largest public housing project in Jersey City. I have resided in that development, I think, for sixteen years, and I continue to stay because I believe that since the Federal government made the mistake of building high-rise,

low-income dwellings for people, that there should be a mix of residents within these developments rather than to have residents who are practically being 100% subsidized. I think there should be working people within these public housing projects.

I might be able to give you more information if you questioned me, but before I get to that, I would like to say this. My involvement in the community as far as the Tenant Organization is concerned has been extensive. As far as public housing is concerned in Jersey City, I don't get insulted. I do, though, get insulted when people look at your address and say something about those projects. As far as I'm concerned, public housing units are adequate apartment units, and they are affordable for the people who live in them. I don't choose to live any other place in Jersey City, because there is no other place in Jersey City that I can afford and that I would feel comfortable in. A lot of people who live where I live have the same attitude.

The other thing is this: I guess my feelings are what they are, too, because I am a nurse, and I have been in that field for about twenty years. People are people, and it is not where you live; it is how you live. We, who live in public housing, need as much help as we can get to improve the overall quality of life for the majority of the residents. I'm getting back to making a comparison between the Jersey City public housing and Newark and New York. I wouldn't want to live in either of those places, but then, of course, I have never had the public housing experience of Newark or New York.

It is common knowledge that New York has thousands and thousands of public housing units, and Newark is larger than Jersey City, but Jersey City only has three high-rise public housing units, which is a plus for Jersey City. The others are low-rise units. What I am trying to say is this: In Jersey City, the housing stock that comprises public housing can be managed. It is small enough to be managed and managed on a long-term basis. It can be managed adequately, it can do the job, but we do need help. Okay?

ASSEMBLYMAN CHARLES: Thank you, Ms. Smith. I have a question. Your feeling is that if there was some income mix, if it was within the population of the housing projects, that would go some way toward changing the environment, at least in a positive way.

MS. SMITH: Absolutely.

ASSEMBLYMAN CHARLES: I think you said that. My question to you is, do you have ideas as to how that can be done? What has to be done to achieve that? What do you have to do so that folks of different incomes will find it attractive and will move in? How do you do that?

MS. SMITH: Do you know what you can do? One of the areas that will facilitate that kind of thing is for someone to try to put that kind of funding-- We have a grant from the State Department of Community Affairs. What we need really is to make the place look better. There is nothing wrong with the apartment units themselves, but the look of the place is something else.

I think the State of New Jersey has a lot to do with the welfare system. I don't know too much about that system, but I do know that a lot of residents of public housing are welfare recipients. When I think how there are a lot of people who would like to work, but there are no jobs -- seventy percent of our residents in public housing are unemployed and can't find jobs. There are two kinds of jobs as far as I am concerned -- those jobs that you work for wages and get a salary, and there is community service, volunteer work, that you can-- What I am trying to say is this: I would like to see something put into a formative plan whereby those people who reside in public housing and who are unable to find jobs for whatever reason, are able to donate some of their time to the community that they live in. What I have in mind specifically for this summer is a beautification project for the residents of the site that I live in. There is nothing under the sun that is going to convince me that you can't have flowers, because we have a lot of ground out there, if enough of the residents decide that this is what we're going to have. I do know, too, that we are going to need other kinds of things, but these kinds of projects, as far as improving the appearance-- People are going to move into public housing if the Federal government continues to give us adequate subsidy, and if the residents continue to work together.

ASSEMBLYMAN CHARLES: Do you have a question, Assemblywoman?

ASSEMBLYWOMAN BROWN: Yes, are there vacant units in your project?

MS. SMITH: Usually we have from three to seven.

ASSEMBLYWOMAN BROWN: Okay. There must be a diversity of income within your development right now.

MS. SMITH: Of course, there is. As I said, I've been working for ten years or more.

ASSEMBLYWOMAN BROWN: Are you in the project in a managerial -- I'm sorry, I missed the--

ASSEMBLYMAN CHARLES: No, she's not, she is a nurse.

ASSEMBLYWOMAN BROWN: All right, but you have no managerial responsibilities within the project.

MS. SMITH: None whatsoever.

ASSEMBLYWOMAN BROWN: Thank you.

ASSEMBLYMAN DORIA: There was one point that you brought up that I think is very interesting because I think a lot of the researchers know this. That is the question of the high-rise. You are in a very unique public housing project in Jersey City. Do you find after living there for sixteen years, and you haven't lived anywhere else, that that has an impact upon some of the problems that the facility may have -- that because of the high-rise, because they are high-rises rather than low-rise buildings -- the A. Harry Moore, Montgomery Gardens, or even Marion Gardens -- there has been a lot of research saying that the high-rises have more problems than the low-rises.

MS. SMITH: Okay, that goes without saying. Of course, the high-rises do have more problems simply because they are high-rises. But, we who live there and are active in the community as far as high-rises are concerned -- we say that the Federal government made that mistake, they built them, and there are no reasonable alternatives to us. So, let's get together and continue to make it liveable for us.

ASSEMBLYMAN CHARLES: What is your view of these present situations in Currie's Woods opposed to the conditions that existed sixteen years when you first resided there? Have you seen any change, and if so, what has that change been? How would you comment on that?

MS. SMITH: The changes in Currie's Woods--

ASSEMBLYMAN CHARLES: Could it take a long time?

MS. SMITH: No, there have been a lot of changes in Currie's Woods, and we have tried a lot of different things. If you

go back sixteen years ago, I would have to say that the physical appearance of the place has undergone the most dramatic change.

ASSEMBLYMAN CHARLES: What about the racial make-up?

MS. SMITH: The racial make-up has made about a 90% change. When I first moved into the development, maybe there were two black families within maybe four floors, but now it is just the opposite. When I first moved into the development, tenant organizations and tenant participation in the communities were unheard of.

ASSEMBLYMAN CHARLES: Is there any feeling by the current residents or maybe even the long-time residents like yourself that there is any more attention given to Currie's Woods as a result of the change in the racial make-up from within the housing authority of the city?

MS. SMITH: As far as the residents of Currie's Woods are concerned, and we have talked about it -- we keep talking about it, because, you see, there is this great big rumor going around that Currie's Woods is sold or about to be sold because of its nice location, its beautiful view of the New York skyline, etc.. Nobody will admit to this. We did have a local councilman who made an attempt to get some information for us. What was your question again?

ASSEMBLYMAN CHARLES: My question is, do you have any feelings about whether or not the condition of Currie's Woods is affected by the change in the racial population? Do you feel that the same attention is given to it now as once was given it?

MS. SMITH: No, I wouldn't say that because there are so many variables that I would have to go into in order to say that that is it exactly. That isn't it exactly. There are too many other things that go into answering that.

ASSEMBLYMAN CHARLES: Are there any other questions?

ASSEMBLYWOMAN BROWN: I'm sorry, you said that the condition of the building had changed. I understood that, but I didn't know if it was better or worse.

MS. SMITH: The surroundings have changed. The conditions of the grounds and the appearance of the development itself over the past sixteen years has--

ASSEMBLYWOMAN BROWN: Is it better or worse?

MS. SMITH: Oh, it is much worse.

ASSEMBLYWOMAN BROWN: Okay.

MS. SMITH: It is much worse, and that is one of the areas that we, as residents, have finally made up our minds to address.

ASSEMBLYWOMAN BROWN: All right. Ms. Smith, that brings about the fact, and it is a fact, that you can see differences from floor to floor in some of the buildings? Isn't that correct?

MS. SMITH: That is true. A lot of that has to do with lack of communication among the tenants because you have people who live in Currie's Woods and who are fairly well educated. You have senior citizens, and you have the heads of households who are young -- in that eighteen to twenty-five year old bracket, and they have two or three pre-school children. But, the community of Currie's Woods is like -- I can hardly describe it, except to say that we have a lot of people there who live solely within the confines of their apartment units, and the rest of the-- There is a lack of communication among the residents. You can't reach some of them; they don't want to know anything. Like I said, though, that is just part of it.

That is why you have the differences from floor to floor.

ASSEMBLYMAN CHARLES: All right, are there any other questions? (no response)

Thank you very much for coming, Ms. Smith. Our next witness is Felipe Chavana.

FELIPE CHAVANA: My name is Felipe Chavana, and I am an attorney with Legal Services of New Jersey. I would like to thank Assemblyman Charles, Assemblywoman Brown, and Assemblyman Doria for inviting me to speak here.

I want to address--

ASSEMBLYMAN CHARLES: I would just like to thank you for accepting my invitation to come here to give testimony. I know that you have some interest in this area, and I am thankful that you were able to respond to my request.

MR. CHAVANA: Thank you. I want to address some of the issues that have been brought up by previous speakers.

I am going to talk about some of the experiences that I have had in terms of either representing public housing tenants directly in different parts of the State, and assisting other legal services attorneys in their representation of public housing tenants, again, in other parts of the State, including Jersey City.

Regarding the issue of tenant security, this issue, of course, is related to the issue of easing the eviction procedures. Tenant security is a serious problem, not only in public housing, but in all other housing in certain areas of the State, particularly the inner cities. It is a much more serious problem sometimes in public housing because many municipalities have the custom it seems of cutting public housing out of general services. They either do it through putting public housing sites under the jurisdiction of CETA policemen or Public Housing Authority policemen, who are then either understaffed or eventually laid off due to the inability of CETA funds to carry them any longer, or the inability of the Public Housing Authority operating budget to carry them. The tenants are left basically with zero police protection and with a police force that has traditionally felt that they don't want to go into the projects. They feel that that is someone else's jurisdiction. It just creates and adds to that negative image of public housing, because the police always get there after the fact. When they finally get there, it is to pick up the body. That has to be addressed.

Similar discrimination in private services, such as UPS, also has to be addressed. I know specifically of some cases where consumers who purchased items from stores with warranties -- televisions, refrigerators -- sought to have the warranty carried out and to have the repair shop that contracted with the department store come and pick up the item. Well, some of these repair shops will not go into public housing to pick up warrantied items for repair. So, this is a general problem.

Regarding the bills that are currently before the Legislature to ease the eviction-for-just-cause standards, and how they relate to security, since I am a lawyer, it seems to me that this is not a housing problem per se, but it is a problem involving the enforcement of criminal statutes. It is a law enforcement problem. I think that for whatever good that the amendments which are being proposed would do, they would do a lot more harm.

As was mentioned by at least one speaker previous to myself, a lot can be gained with increased tenant participation in public housing. One of the things that could be gained, perhaps, through

greater participation would be lowering the crime problem. So, these kinds of approaches should be looked at before thinking about weakening the only protection that tenants have, particularly low-income tenants in what we know is a very serious housing crisis in New Jersey.

Clearly, to think of exempting public housing from the protections of the just-cause eviction statute would create constitutional problems.

On the issue of tenant ownership or the selling disposition of public housing units, this should not be encouraged because eventually what will result is an alienation of those units from the low-income population. It will put units that are a critical element in providing housing to the neediest, out of the reach of needy people, and it will eventually lead to them being sold to the highest bidder, unless what is going to be created is going to be life tenants. Eventually the sale of public housing units, either as tenant co-ops or outright sales, are going to lead to an elimination forever of those units from the availability to low-income people.

With regard to low-income energy assistance payments, the way the HEAP program, which is the Home Energy Assistance Program operates presently is that tenants living in public housing who do not directly pay for utility rentals do not receive payments. So, what has been suggested then is that public housing authorities be allowed to share in a very limited pie. Right now, the pie is not enough on energy assistance for low-income people. It is not enough to go around to satisfy the needs of low-income households which would be eligible to receive those. Bringing in the housing authorities will only lessen that pie, so that should be considered. It is not that public housing tenants today are receiving subsidies and not paying their utilities. They are not eligible to receive utility subsidies.

Thank you.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Chavana. Do you have any questions, Assemblywoman Brown?

ASSEMBLYWOMAN BROWN: What about the Lifeline Program? I have heard that there are some tenants, and again, my brain is foggy at this moment as far as what program -- there are some tenants who do reside in public housing, and who do receive help with utility bills, even though they don't pay them.

MR. CHAVANA: I suppose some tenants are responsible for some utility bills in public housing in the form of utility surcharges; that is, bills that go beyond what the Public Housing Authority has determined to be a standard amount for the unit. Then the tenant is required to pick up the balance.

With regards to Lifeline, my understanding is that seniors who are not responsible for their utility costs are not eligible for Lifeline, but I am not certain.

ASSEMBLYWOMAN BROWN: Thank you.

ASSEMBLYMAN CHARLES: Thank you, sir.

MR. CHAVANA: Thank you very much.

ASSEMBLYMAN CHARLES: Mr. Harold Fitzpatrick?

H A R O L D F I T Z P A T R I C K: Thank you, Mr. Chairman. I appreciate the opportunity to appear here today.

My name is Harold Fitzpatrick, and I am the counsel for the New Jersey Association of Housing and Redevelopment Authorities. I would like to point out at the outset that the Association, which met on this very topic as recently as last evening, intends to submit in detail written comments to your Committee, and indeed would welcome the opportunity to respond to any questions which you may have during the period of your hearings. We would like the opportunity to appear before you again at your final hearing on, I believe, the eighteenth -- Monday -- some place in South Jersey.

In the meantime, I would like the opportunity to offer some food for thought and general comments. Indeed it was very interesting to sit here today and listen to all of the other comments. I think that that is one of the most fruitful things for us to have -- an opportunity to view some of the other perspectives that public housing has bearing on with regard to its future and on its development. I use those two terms to differentiate two important things.

I was very impressed with Mr. Rigby's comments because I think in a very short period of time, he touched upon a number of things that you should be considering. I think he offered you some gems.

It is not a simple process in today's environment to run a Public Housing Authority. It is an unusual creature. A Housing Authority is really a "New Deal" enterprise, which has been grafted

onto various approaches to the development of housing in the country, some of which have provided for great activity on the part of housing authorities, and some of which haven't.

From time to time, different -- and I think Mr. Rigby used the concept of four-year periods -- different schools of thought have prevailed with respect to the activities of a housing authority. The fact of the matter is that the project -- he used the term "development" -- whatever we call it, the enterprise that was created during the short period of time, the two or three years that perhaps the building was going on -- perhaps in some cases, private developers were involved -- is just one part of what is necessary with respect to a look at housing. After that you have got thirty, forty, and under the new concepts of how modernization funds are used to extend the period of life of public housing projects, you've got an indefinite period of time during which public housing has to be operated.

I think one of the things that is important to touch upon is a question from before that the Assemblywoman raised with respect to the difference between public housing now and perhaps ten or fifteen years ago. Up until a very recent time, although it wasn't really noticed that much, public housing pretty much supported itself. There were certain amounts of rents that came in, there were certain expenses, and very often they balanced. There were cases where they didn't balance, and there were problems, but until a recent period in terms of its history, there was no such thing as an operating subsidy as we know it now. The operating subsidy is the lifeline of a public housing agency under today's operations. It is by far the biggest component of its funding.

When I speak to you today, I speak to you not only on behalf of large and diverse housing authorities such as Jersey City, but also on behalf of some small housing authorities. There is no housing authority in the State of New Jersey that could operate simply by balancing the income that it receives from its rents against its costs. At every moment of its operation, it is totally dependant upon the United States and the guys in HUD to provide the operating subsidies that are necessary in order to be able to continue its efforts. As such, it has a burden that has been placed upon it that no

one else really has to deal with. It is really quite simple to speak in terms of the types of housing that we have seen developed and developed very aggressively in the United States during the past ten or fifteen years -- Section 23, Section 8, activities of private developers, The State Housing Finance Agency in New Jersey. Those people had much deeper and stronger subsidies to be able to develop their projects, and in many cases, they were able to do so and move on to other activities.

Public housing authorities have to continue to operate their projects on a much more shallow subsidy, and at the same time, they are stuck with them forever.

I'm not going to appear before you today and say that the concept of Currie's Woods was the most intellectual attempt of dealing with public housing problems. But, it is there, and it has to be operated. People like Mr. Rigby are supermen to be able to operate in that kind of an environment.

That brings me to some points that I would like to give you to reflect on between now and the next time that we appear before you, which relates to the question of just what the State as the State can do or would like to do with respect to public housing. There are some very strong contractual relationships that have grown between the individual public housing entities that admittedly were created a bit by State law, a bit by municipal action, but eventually by, more than anything else, Federal funding. Between those agencies and the United States, those contractual arrangements will stay in place. They affect a number of the things that you have discussed today.

For example, the mix of tenants who would be included in the project-- That concept has swung with the wind during the past ten years. At one point, it was very important to have a turnover of tenants favoring the lower income. It is now also very important in terms of new regulations to consider that there be a mix of incomes. Indeed, the ultimate goal of that is to increase the portion of the operating income of the project that comes from the tenants rather than from the United States government.

So, there are all kinds of conflicting concerns that you are going to have to address in the process of assessing what to do. It is

not simple for a housing authority to try to assess how it is going to relate to the State.

For example, in the heyday of the Housing Finance Administration, in the heyday of Section 8 availability directly from HUD, although private developers may differ with me as to the impact that housing authorities could have had on development or on their ability to develop, the fact of the matter is that the bulk of rather lucrative Section 8 funding availability went to private developers. On many occasions, housing authorities seeking to become involved in financing efforts were turned away by our own State. Now we're back to worrying once again about public housing, and we would hope that in this new environment where the focus is once again on our housing authorities that we would have a feeling of cooperation and a feeling of working together.

I offer you several things which I think you might want to consider between now and the next time we meet.

For example, as recently as January 18, the Legislature passed Public Law 1983, Chapter 8. Now, that is an amendment to the Local Fiscal Affairs Law. It broadens the applicability of the Local Fiscal Affairs Law to include essentially all local units as defined in the Sunshine Law. It is quite broader than the previous law in which it essentially applied only to municipalities and counties. On its face it would appear to apply to housing authorities. The fact of the matter is, long before the State of New Jersey ever even focused on the fiscal affairs of housing authorities, there was a deep and often protracted relationship between the Newark area office of HUD, in our case, and each of the individual New Jersey housing authorities. Most of what is in the Local Fiscal Affairs Law is directly contradictory with either Federal law or regulations that have been adopted in accordance with it for the regulation of the fiscal affairs of housing authorities.

I just offer that to you as an example of how complicated the activities and operations of housing authorities have become today. I'm sure that no one intended for that to happen. We were working to try to resolve this dilemma, but it is one of many examples of the dilemmas that constantly find themselves on the desks of people like

Mr. Rigby. At the same time, he is addressing very difficult problems, which I understand, that people present to him. This question of the involvement of tenants in the activities of the individual housing authorities is one that is probably unique to housing authorities. I would point out to you that it may appear to be a question that arises from an argument between lawyers. You've heard from the counsel for the Jersey City Housing Authority, and you've heard from an attorney for Legal Services. Both of them had a little different opinion with respect to what the law could or could not do with respect to evictions.

As we see it, the practical aspect of that concern is more than anything else, that the State has an interest in landlords, in tenants, and in groups of tenants. One group of tenants often has an interest which is inconsistent with that of the individual tenant. I think that is what is pleading for a remedy. The individual landlord -- in this case, the Housing Authority -- is not really the enterprise that is concerned. It is the individual tenants, who as a group, have gotten together and said, "We have a problem with one specific tenant." I would offer to you that in many cases, it is a group of tenants who have brought the occasion to the attention of the landlord. In this case, it was the Housing Authority. The mechanisms that have been erected in many housing authorities with respect to the grievance process is such that it is really a tenant resolution of problems.

Without getting into this question of due process from a constitutional standpoint of the need to give a notice to cease, there must be a mechanism which will identify that when a court hearing takes place, it is not between a landlord who is always identified as being a rather nefarious character, and a poor tenant who is always being identified as being downtrodden. On the contrary, in many cases it is a group of tenants who have a very serious interest to preserve their environment against one tenant who is totally inconsistent with that environment. I would offer to you that without getting into a debate as to the legal niceties of constitutional questions, there must be an effective mechanism for reconciling that community interest.

Similarly, the question of energy assistance -- I'm not going to debate whether there is enough money for energy assistance. I would

just say that the ultimate result in the State of New Jersey for housing authorities has been that as a result of the application of certain policies on a statewide basis, housing authorities have not received any funds. Now, if that is the policy intent, fine. But, housing authorities, to the detriment of their operations, have been discriminated against. I offer to you whether or not that is something you could deal with. In general, I would say that I would hope you would look at the development of new units, but we're a bit jaundiced about that nowadays. We would be very happy if we could develop some new units and do some new things, and from time to time, individual authorities try very hard to do that. But, as Mr. Rigby said, we're very happy if we can just operate what we have. In the process of doing that, what we would like is to, as much as possible, streamline that activity to be able to expand the number of things that housing authorities are doing. On the contrary, right now what we're getting hit with is more and more layers of bureaucracy and complication, and less and less dollars. Whether we have any solution that may come from Mt. Laurel II or any additional needs or any homeownership programs, we definitely can use some help on a State basis to cut through the levels of bureaucracy to recognize the tremendous structure that has already been created between the Federal government and the individual housing authorities in terms of their operational governance and also to recognize that individual housing authorities do not have total control over all of the things that may be perceived of as being their problems. It is a national, State, and local problem that has to be dealt with.

I thank you for the opportunity to appear here today.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Fitzpatrick, for appearing, and I look forward to seeing you or some other representative of your organization at our subsequent hearings. I have some very specific questions that I would like to ask you, but I'll hold them until these subsequent hearings. I say that for a number of reasons.

Number one, we've got some speakers here today who won't be at the subsequent hearings. Also, I have been requested by others in the building to relinquish this auditorium for a couple of minutes so

that a very important ceremony can take place. I've been stared at and glared at and everything else, and now I've been intimidated sufficiently so that I am going to yield this auditorium for a couple of minutes. Thank you very much.

MR. FITZPATRICK: I was sure that as soon as I began that that would happen because I knew it was coming.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Fitzpatrick.

MR. FITZPATRICK: I would welcome the opportunity in the interim to be able to respond to any questions that you or your staff may have between now and the time of your final hearing.

(Five-minute recess)

ASSEMBLYMAN CHARLES: Okay, we'll continue with the hearing. Our next speaker will be Stephen St. Hilaire.

STEPHEN ST. HILAIRE: Assemblyman Charles, I thank you for the invitation. However, I feel that I should have come with a tunafish sandwich, rather than food for thought. I'll keep it brief.

First of all, the thing that I would like to deal with right up front is one area that has to do with public housing. That relates to the question of the future of public housing projects that are now constructed and are very old, a lot of them having been built in the last part of the 1930's and the 1940's. Largely, I'm talking about low-rise developments that are up to three or four stories high.

The situation naturally is that there is a permission on the part of the Federal government to allow a housing authority to submit plans for the demolition or the sale of these developments. There is a momentum in some areas of the country to actually carry out either a sale or a demolition, and it comes from about three different areas. First of all, sometimes public housing, although it looks like, "Well, who would want to live there?" -- there is that kind of psychology. "Who would want to live in public housing?" Sometimes it is in areas undergoing what they call gentrification, or as Assemblywoman Brown mentioned, people coming from suburban areas into pockets of various cities -- maybe not to the whole city, but various parts of the city where there may be housing in which low-income people live, and for

whatever reason, they want to protect their real estate investment. The way to protect that may well be to not have the perception of that housing there, or it could be that the buildings are just valuable themselves, and it would be a nice place to convert into condominiums or demolish for some other purpose -- commercial or even residential -- to fit the needs of people who may be returning. So, there is that motivation that sometimes exists.

There are other things that are occurring. The bonds on these housing developments which were built in the 1930's and 1940's -- many of them are coming to an end. They had a life expectancy of forty years or thereabouts, so very close in the 1980's, we're going to have public housing authorities, especially in New Jersey and all over the country, that are going to be owning the developments that they now basically manage. And, they could sell them free and clear.

There were some attempts during the last Presidential administration to put some restrictions on that. The restrictions that came out are that if a public housing authority is receiving operating subsidies or modernization funds, they are legally obligated to extend the life of the project for low-income people, as a kind of a carrot and a stick. So, there have been some efforts to prevent that from happening -- the removal of public housing for low-income people.

There are other things that happened. As I think was testified to before, operating subsidies -- housing authorities are scrambling frequently to pay bills, and that is why people who I work with are obviously in favor of both the State and Federal government increasing the level of operating subsidies. There is simply no question about that, and they simply can't argue about that. However, sometimes what has happened is that housing has gone vacant for whatever reasons -- either because of poor management or a calculated reason associated with the pressure from surrounding neighbors who don't want to see anymore people of low income living there, or a combination of things that do occur in a national setting. The net result is that the housing gets fewer people in it, it looks shabby, and then people say, "Hey, that looks really dumpy." You know, we ought to consider alternatives -- sale or otherwise disposing of it with possible demolition. If this situation is not monitored and

vacancies are caught in the beginning and eliminated through good management, later you will have a self-fulfilling prophecy. This housing situation sometimes gets on the chopping block, and it has occurred across the country.

As a matter of fact, my clients, who are the Marion Gardens people, -- I've represented them now for ten years. I had a tenth year anniversary last month. In 1973, there was an effort to demolish several of the buildings. The tenants waged a campaign to prevent that from happening, and they were successful, ultimately working with the Jersey City Housing Authority to submit a plan, and \$11.4 million has come in to rehabilitate several of the buildings there. Unfortunately, it was insufficient money to complete the original plan, but the point is that the work of the tenants to save their housing has taken place. The effort so far has been somewhat successful.

It is critical, however, and the vacancies continue to exist in a place like Marion Gardens, which has about a hundred vacancies in the buildings that are intended to be rehabilitated, with 135 families being taken care of there now with the existing money. There is, as we all read in the newspapers, a desperate need to take care of the needs for the homeless -- homeless families, homeless people, people living in substandard housing who are paying too much rent. And so, here is a housing resource. Vacant units in public housing, everybody says, are suitable for rehabilitation, but they are sitting idle.

I think what needs to happen is, there has to be a development somehow which would encourage the rehabilitation of those projects so they can be housed for people who actually need them, and who have very low income.

When you talk about economic mix, there is no need to get into a deep discussion on that. Whoever lives in public housing now, whether they are supposedly over-incomed or not, the reality is, if we fixed up the housing that is vacant, certainly the people going in there are going to meet those eligibility requirements clearly.

What is needed is, at the Federal level there are regulations in what they call 24 C.F.R., the Code of Federal Regulations, Section 870, which are called Anti-Demolition Regulations, for a better word. Those were developed during the Carter administration. I was invited

to participate in the drafting of those regulations. When they heard about my clients' efforts where the lawyer gets all the credit and the clients do all the work, I was invited down there to participate in the development of those regulations. Those regulations have some defects in them; we weren't able to get everything we needed out of that whole process of negotiations. But, the current administration is seeking to review those regulations -- from what we can see, with the purpose of cutting their throats -- the throats of those regulations. They are no longer a check on the Federal side of this kind of process.

I'm here today to say that right now, there is before the United State Congress a bill called H.R. 1. It is before the House Banking Committee, and it has within it a provision to attempt to check. It would require housing authorities and the Department of Housing and Urban Development to go through a certain process before either the sale or the demolition of public housing is permitted. It is a rather rigorous process. However, we don't know if that will come out of the legislative process at the Federal level, and our experience is that we don't hold our breath, or we might get asphyxiated. So, it is critical that the State government and the State Legislature begin to look at ways that it can, if you will, create both a carrot and a stick. The carrot is, of course, as Mr. Fitzpatrick testified, a need for operating subsidies, so housing authorities can take care of housing that is created. But, at the same time, we cannot throw the baby out with the bath water.

It is critical to fix that housing which is already in our stock. The Legislature, in the absence of sufficient levels of modernization funds -- there are some there -- but in the absence of sufficient amounts, the Legislature needs to be called on to channel at least the limited funds that it has on housing authority units that are vacant in a rational way to preserve that existing stock.

The question is, what could be done at the State level? Well, we have the Mount Laurel opinion that Assemblywoman Brown mentioned, and my ears perked up when I heard that, because there is a tendency in the general population to see that Mount Laurel opinion as something that is a suburban obligation. However, if you read the Mount Laurel opinion very closely, especially page 26, you'll notice

some interesting language. As a matter of fact, this language was used by the City of Jersey City in a recent brief that it had filed in Federal court about another housing development. I was absolutely delighted to hear the City of Jersey City used this opinion to argue as to why a housing development should be built for low-income people in downtown Jersey City. This the Gateway project that I am talking about. I applaud that use of the Mount Laurel opinion, and the part that the corporation counsel for the City of Jersey City used, and which we submit, is the foundation, the constitutional foundation of legislative responsibility and remedial action. It is found on page 26, and it says, "every" -- and the court itself underlined the word "every" -- "every municipality's land-use regulation should provide a realistic opportunity for decent housing for at least some part of its resident poor who now occupy dilapidated housing. The zoning power is no more abused by keeping out the region's poor than by forcing out the resident poor. In other words, each municipality must provide a realistic opportunity for decent housing for its indigenous poor." Then it goes on to talk about, you know, if there is a disproportionate amount of low-income population in the region, then conceivably that should be taken into account in defining its overall obligation. But, there is clear language here that focuses on responsibilities of urban centers to take care of their poor. Let me give you a perfect example. If you have gentrification going on, like was going on in downtown Jersey City, meaning that there were many new neighbors coming in, -- and there are very poor people downtown -- I've represented 472 families who were displaced -- Hispanic and Black -- the area is red hot in terms of property values. People are buying shells, they're putting them up, and nobody is saying that that is bad. But, the problem becomes, it can be bad if it is unchecked or at least incentives are created for preserving the ability of a cultural diversity to exist, and that includes poor people who are culturally diverse, as well as more wealthy people are culturally diverse.

The problem is that the poor are being priced out of the market with condominium conversions, rent increases, and all kinds of things. What happened in downtown Jersey City is that we defined the building of this low-income development as necessary in order to

provide an ethnic mix. That word has been used quite a bit. The development and dynamics of the neighborhood were going in the direction of the rich. I'm not putting that down; there are all kinds of needs for rateables, etc., but there is also a need to maintain the diversity that every person in this United States has a right to safe, sanitary, and decent housing.

The fascinating thing is, we are able to demonstrate that since the neighborhood dynamics were going in one direction, the building of this housing was critical in order to at least salvage some diversity.

The reason for bringing this up is, the Mount Laurel opinion, in my opinion, not only creates an obligation to create supply, but the thrust and the logic of this opinion says to urban municipalities, "Preserve the stock of subsidized housing that you already have." That includes vacant units that now exist, which may be susceptible to demolition because of self-fulfilling prophecies. They may say that it is the operating subsidies that are the problem, there may be some political dynamics, etc.. There are a number of things that could be going on, and this is going on around the entire country. They are not pointing fingers at any particular place. These are realities that we see.

Our suggestion is that rather tight legislation is necessary, and that legislation has to have some key elements. First of all, the legislation should declare as a matter of policy that the State of New Jersey does not favor the demolition of public housing. That is the policy. The procedures to be utilized in the effectuation of that policy should include, at the very least, that if a housing project is either going to be sold or proposed to be demolished, then there has to be a requirement by the State of New Jersey for a one-for-one replacement in the neighborhood, or in an area directly adjacent to the neighborhood -- that the views of the residents of that public housing development are paramount in the decision-making process of the Public Housing Authority to submit a plan for sale or demolition, and that the one-for-one replacement occurs relatively simultaneously with the sale or in advance of the sale, so that the tenants who may be residing there now can move into the other development. These are elements that

I will define further in a later submission to you, if it meets with your approval. I just heard about the hearing a few days ago, and I don't carry all of this stuff in my head. I would like to be able to submit some ideas to you on paper in more detail.

It seems to us that this would work or help to at least deter demolition where it is clearly not in the interest of the overall housing stock and the people involved. I submit that the particular statute that the State of the New Jersey and the Legislature should consider amending is found in New Jersey Statutes Annotated, Section 55:14A-1, which is basically the local housing authorities law. I am sure you are familiar with the specific amendment that I am suggesting, which would fit into that particular general category of the statute.

One might say, "Well, what is the Department of Housing and Urban Development going to say about this? Aren't you preempting basically a Federal program?" The answer is no. The State of New Jersey, especially with the new Federalism being promoted by the current administration, does have an authority to regulate the creation and the conduct of its housing authorities. If the focus of the legislation is directed toward the behavior of the housing authority in creating preconditions to its submitting anything to the Federal government related to demolition or sale, then you don't have a conflict. Certainly, we feel that this issue is of vast enough importance to be high on the legislative agenda. We submit, as well, and this has to be seen -- this whole discussion I am having here-- I know you'll hear Mr. Rigby last. He has been asked to have the final word. I think he will probably tell you that everything that Mr. St. Hilaire said well and good; it is fine. But, as he said before and other speakers have said, it is necessary to have an operating subsidy. "It is great that you can create all this, but how do I pay the bills?" Well, I agree. How can you disagree with the need for an operating subsidy? Let us not throw out the baby with the bath water. Let's at least preserve the stock we have, even though we are not creating a new supply during these days of austerity in the Federal budget.

There is some money in the Federal budget for modernization. It is not as much as we want, but the bill that passed in the House the other day at least provides higher levels that could at least, on the

Federal side, help. I think that if you focus the little bit of money that you have on modernization of housing that is vacant and do it prudently, and where the situation is clearly the objective of the New Jersey Supreme Court -- on page 26 of the Mount Laurel opinion-- It seems to me that in your design of meeting the Mount Laurel obligations, which I know the Legislature is going to struggle with -- we may not solve it, and we may have another Robinson vs. Cahill case as far as the Mount Laurel opinion is concerned in terms of funding. That is conceivable. Who knows what will happen down the line? The point is, kindly consider integrating. I would suggest you do this with a separate bill; at least it should be part of that whole process.

Again, I thank you for your patience, and I am sorry I didn't have a tunafish sandwich.

ASSEMBLYMAN CHARLES: That is okay. Your words were filling. Your comments about guidelines for the implementation of Mount Laurel and your suggestions for legislation in the area of demolition and sale, as far as checks and balances are concerned -- I'll expect to receive that from you. I'll be calling you to discuss some matters further with you.

Thank you very much.

ASSEMBLYWOMAN BROWN: Just from the standpoint of communication, I would appreciate it if you would not only with this Committee, but-- It is my understanding that the League of Municipalities is working on the implications of the Mount Laurel decision and I think that that particular organization, of which I believe Jersey City is a member, should be apprised of some of your thoughts.

MR. ST. HILAIRE: Thank you very much for that suggestion, and again, thank you for your patience.

ASSEMBLYMAN CHARLES: The next time you'll have to bring a sandwich or a dinner.

Mr. Rigby?

ROBERT RIGBY: Thank you again.

ASSEMBLYWOMAN BROWN: Can you give us your last lines first, because I don't think I'm going to be able to stay. What would you really want me to know before I leave?

MR. RIGBY: We want a \$150,000 demonstration program for tenant organizations and PHA projects, which improve the management of public housing. The State in the past has done it. It is not breaking new ground, but it has abated over the last four years.

The one thing the State really did, and it was helpful, was to put forth some demonstration money, and not take on the new task of supplying housing and taking the job from the Federal government, and not adding to and opening up what may be seen politically as a Pandora's box, but rather giving examples of different approaches to the management and operation of public housing. This could serve as models, which then can be funded by a variety of sources on a much larger level.

That did exist, and it didn't cost the State that much money. There were some excellent examples of what it produced. One of those is that book that I just gave to you on tenant management. The State's initial grant is what really started that, and many, many more funds came in thereafter. A number of the speakers before me were involved in that process, and it really started off with a small money grant. To take specific areas, be it energy conservation, occupancy, or resident organization roles -- take something small, and give the opportunity to those housing authorities and tenant groups who want to try various innovations that they can't now do under the current Federal structures. I think the benefits there are not just to the individual project, but now to set up models that can be followed Statewide and maybe nationwide.

ASSEMBLYWOMAN BROWN: I appreciate that, Mr. Rigby, because I am going to have to leave soon.

It seems to me that there are some things that we have learned about the management of public housing operations so that we don't even have to wait for a \$150,000 project to do them. For example, we heard here today how well it worked in one of your projects to have an in-house manager live there. I don't see what is so complicated about doing this throughout your various projects here in Jersey City now. Why don't all of your projects have a manager living in-house?

MR. RIGBY: This may sound a little trite, but the answer to that question is in that book. We tried it, but it is more than just having a manager who lives there. The corporation that the resident spoke of is a Tenant Management Corporation which runs the site under contract with the Housing Authority with a Ford Foundation Grant. It took a year and a half of training, and there were elected corporate board members who hired their own staff. The gentleman who spoke and who lives at the development is an employee of the tenant corporation. To extend that to other sites -- we are, in fact, doing it in one -- two developments did not wish to try that option. They wanted the Housing Authority to continue. Two remain in the undecided category.

It is less the fact that the resident lives in the development because that is more personally and individually oriented. The concept of that program is that the community sets its own standards and rules. The enforcing agents are the people who are most proximate to both the problems and the issues. It more than just a manager; it is a whole board of elected representatives and their staff and the training that they went through.

ASSEMBLYWOMAN BROWN: Can I ask just one more question, and then I'll vanish, and then things will be more in order? We had some discussion before. Can you tell me how many commissioners are on the Housing Authority here in Jersey City, and the composition? Assemblyman Charles was asking about that earlier.

MR. RIGBY: Yes, there are seven commissioners. Five are appointed by the Mayor with the advice and consent of the governing body, namely the City Council. One is appointed by the Governor, and one is appointed by the Mayor without the advice and the consent of the Council. It is a voluntary board of seven members on alternating five-year terms. There are no statutory requirements regarding who they have to represent in New Jersey. In Massachusetts, the statute says that there will be a representative of labor, there will be a representative of tenants, there will be a representative of banks, insurance, etc.. In New Jersey, there is no restriction regarding the type of representation.

ASSEMBLYWOMAN BROWN: Thank you very much. I really appreciate this exposure, and I am sorry I didn't bring quite the

first-hand knowledge that my colleagues did. I find this a very valuable learning experience, and I really appreciate the hospitality of Jersey City.

ASSEMBLYMAN CHARLES: Yes, Leanna, and we shall invite you again soon -- as soon as you get time. I know you are attending these Joint Appropriation Committee meetings, and for those of you who don't know much about that process, the State of New Jersey is involved in shaping the budget for the fiscal year 1984. Assemblywoman Brown is on the Joint Appropriations Committee, and she meets Tuesdays, Wednesdays, and Thursdays from now until May or June. So, she attends a lot of public hearings. I'm happy that she was able to come here today. I know it is kind of rough listening to -- and it is interesting, too -- but, it is really kind of a grueling schedule that she has been keeping. I'm very appreciative of her making an effort to come here today.

MR. RIGBY: We would add our thanks to that.

ASSEMBLYWOMAN BROWN: Well, I have just got to underscore the importance of what Assemblyman Charles is doing, because I think we are on to a much bigger issue than what the Chairman thought when he appointed this particular Subcommittee. Thank you very much.

ASSEMBLYMAN CHARLES: Thank you, Leanna.

MR. RIGBY: I'll try to be quick, Joe. In the folder, I guess our first point is that all of the discussion and all of the comments about improvements that could be made in public housing has to be put in context of this xeroxed check, because this is the only way we got our subsidy for this year to run our Housing Authority. That is because we sued the Department of Housing and Urban Development, and said, "You are in violation of the law. You owe us the subsidy. The Congress has given it as appropriation money, and you are withholding it at the direction of the Office of Management and Budget. That is in violation of the law, and you are to distribute that money."

We had to go into Federal District Court in Washington, DC, and this is the check that came out of that lawsuit. That is the atmosphere that we are working in at the Federal level. They are out to close this program, and no amount of "Wouldn't it be nice if?" is going to reverse that trend.

Our heads, so to speak, are on the chopping block, and 90% of our time is spent trying to ensure that that does not happen. It is a nasty, nasty atmosphere that we are working in, and I see no signs of abatement.

They haven't had any success thus far of any significance in attempting to get across their proposals, but it is a fight that every housing authority and every housing authority tenant has been involved in for the last year and one-half. It will probably be going on for the remaining two and one-half years of the current administration.

On the management side, certainly housing authority performance, although it has not come up so much as a topic today, is a key issue nationally. I would just ask that at your leisure, you read some of the articles that have been provided -- what the authority is doing in the area of tenant control and tenant corporation management, what we are doing in the area of cost accounting, so that each and every project is accountable for what expenses and income it accrues and expends during the year, what our energy savings have been in excess of \$1.5 million over the last years -- and I expect another three-quarters of a million dollars in the areas of maintenance and repair, the kinds of tracking and monitoring that are done in each and every development in the area of rental delinquency, and a whole variety of other management areas that we are trying to address in a businesslike and professional manner, despite the kind of atmosphere that we need to work in.

I would leave it at that for my general comments.

On the State side, I guess there was a longer lead up to the request that I gave to Leanna Brown, but I sort of leave it at that. Really what it says is that this is probably not the time to suggest to the Governor and the State Legislature that since the Federal government is abandoning housing production, the State of New Jersey ought to take it. I say that not because it shouldn't; however, it just would not pass. That is unrealistic. You, being the better politician than I, can correct me if I'm wrong. But, I do not see a Massachusetts or a New York bond issue setting up a statewide housing authority at this juncture in our political and economic history.

So, my suggestions are much more incremental -- try little things -- try them one at a time. Use the mechanisms that are there, and make them competitive. Make sure that the money that could be allocated has a very high payoff in terms of what we learn.

The comment that Assemblywoman Brown made about if some work in some places, why don't we apply it to them all, is, if she had more time, precisely part of the approach that got us where we are today, because in the 1940's, what we did was to build low-rise housing and lots of open space. That turned into no-man's land, and then in the 1950's, they decided to go up in the air, and that turned into the disaster that was spoken about many times today.

There are no across-the-board easy answers, and what applies in one project or development doesn't apply in all. That just isn't how this business operates.

Unlike a number of the other speakers, our approach to the authority has seemed to work very well. We tell them, "We don't have any answers." It isn't that, "This is what you are supposed to do." The best people who know that are the people who live there. Their concern over disorderly tenants and a way to deal with that is derived from the people who live next door.

It is the diverse suggestion of the public housing residents that really has guided the housing authority, and I can't emphasize enough how that ought to be a key element in whatever the State's role might become.

The other thing that I would ask is that when the State considers legislation, that it at least consider the consequences of it. I have two recent examples. One was a well-intended measure to improve fire protection. The State mandated electrically interconnected smoke alarms in multi-family buildings. Whoever passed that legislation has just never seen a high-rise building. It practically will not work. The people on the seventh through the thirteenth floor have to empty out from the building because somebody lit a match under a smoke alarm on the second floor. Now, that is just dumb. We could spend millions of dollars on that, but they will be vandalized in less than two hours. I guarantee it. This is a high-rise housing project, and they have got all these alarms going off twenty-four hours a day.

The other part of this legislation that was not considered is, who is paying for it? -- the State and the Federal government. They thought they came up with a great idea, they passed that great idea, and then they walked away. If the State wants to involve itself in a variety of measures that cause additional requirements to be placed on either housing authorities or residents, somebody has got to pay for it. It ought to be part of that legislation. Unless somebody comes up with an answer to that, it is just unfair and impractical to allow that kind of action to go without knowing its enforcement or how it is going to be enforced.

I'll leave it at that. I could probably go on for a couple of hours, but the material I've provided, I think, addresses a whole lot of the issues that have been discussed today. I would be kind of interested if you had any questions, Joe, given the other comments that have been made and what particular areas you might see as feasible in terms of the State's role.

ASSEMBLYMAN CHARLES: I have just one question. I notice in some of the material that you provided me with in advance of this hearing, there was reference made to some Erin Crance report. What is that?

MR. RIGBY: Erin Crance is the management consulting firm that was part of a larger analysis of the modernization needs of the housing stock nationwide. It was Erin Crance, Perkins and Wills. They were the primary consulting group to the HUD study.

ASSEMBLYMAN CHARLES: Did any important conclusions result from that study? Is there anything that should be made part of the record here today?

MR. RIGBY: I think that probably -- I guess the important point of it is the more general need for the State to support what we are trying to do at the Federal level. It dealt with the need for modernization, the requirement to upgrade the stock, and to bring it back to code. Modernization funds are being appropriated at the national level, and this study really supports exactly how much that need is and the extent to which the New Jersey delegation can influence our national delegation to make sure that they support those efforts is relevant in that sense. It confirms what we have been saying for many, many years and makes more specific the dollar amount required.

ASSEMBLYMAN CHARLES: I see. The first exhibit in your packet is a check from the U.S. Treasury, the subsidy that the Jersey City Housing Authority received for \$2,023,386.00. What fiscal year was that for?

MR. RIGBY: That was for the first three months.

ASSEMBLYMAN CHARLES: The first three months. What is the annual subsidy to Jersey City?

MR. RIGBY: Approximately \$10 million.

ASSEMBLYMAN CHARLES: Ten million dollars? And, how is that projected into the next fiscal year? Will it be more or less?

MR. RIGBY: Less by at least two million dollars, and if the present administration has its way, by a whole lot more, or rather, a whole lot less.

ASSEMBLYMAN CHARLES: So, you are projecting for the next fiscal year an \$8 million subsidy?

MR. RIGBY: That is correct.

ASSEMBLYMAN CHARLES: And what effect is that going to have on your operations?

MR. RIGBY: It would allow us to continue to deliver services at their current level. The major difference between the two numbers -- the \$10 million to \$8 million -- assuming there is no major policy change nationwide, is due to fuel costs. You see, we've managed to reduce our base consumption in excess of one million gallons, and we've seen a drop in the rate by a substantial amount. The fuel costs alone are 40% of our expenses.

ASSEMBLYMAN CHARLES: Thank you very much, Mr. Rigby, for coming. I would like to thank you on behalf of the Committee for the help you have been in putting together some of the information that we needed, even in preparation for these hearings, so that we would have a better understanding in opening the forum up to the public to express their concerns. I thank you again, and I look forward to a continuing relationship with the Jersey City Housing Authority, as well as the housing authorities throughout the State of New Jersey.

I think that the Subcommittee is diligent in its purpose, and is earnest in its purpose. It is my hope that as a result of these hearings, which will be concluded by the end of April, we will generate

a report that is going to be important in the State of New Jersey. Some of the speakers expressed concern that maybe this is just another one of those exhibitions by the politicians just to hear something, say they did it, and then forget about it. But, believe me, it is the purpose of the Chairman and others on this Subcommittee -- that is, myself, Assemblyman Watson, and Assemblywoman Brown -- to generate something that is important, something that is needed. The issue of public housing is a part of the housing issue that affects the State of New Jersey. It is an issue that has too long been ignored by the State of New Jersey, and it is our intent to change some of that.

So, with information and assistance from people like you, I think our purpose will be fulfilled.

Thank you very much. The Subcommittee's hearing stands adjourned until the next hearing.

(Hearing concluded)