



Revitalizing &
Investing In
Communities
Transition Policy
Group

PREPARED FOR GOVERNOR-ELECT JON S. CORZINE

Final Report

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Report of the Revitalizing and Investing in Communities Transition Policy Group

EXECUTIVE SUMMARY

We, the members of the Revitalizing and Investing in Communities Transition Policy Committee, respectfully recommend that Governor Corzine consider the following recommendations:

Rationalize the development and redevelopment of urban areas and inner-ring suburbs by embracing the smart growth concepts of the State Development and Redevelopment Plan. This can be bolstered by consolidating the Office of Smart Growth, State Planning Commission and Smart Growth Ombudsman under the direction of a Senior Policy Advisory Office within the Governor's office, or in a neutral agency such as the Treasury Department.

Achieve the redevelopment of urban areas and inner-ring suburbs in an environmentally sensitive manner. The Fast Track law can be replaced by enhancing the existing endorsement process under the State Plan to coordinate and target department approvals for appropriate growth and conservation -- again under the direction of a Senior Policy Advisory Office within the Governor's Office, or in a neutral agency such as the Treasury Department.

Establish within the Governor's Office an Office of Economic Growth and consolidate all economic development agencies into one agency. This office would be responsible and accountable for a comprehensive state policy for stimulating economic development and job growth as well as creating a package of incentives to attract and retain businesses.

Establish Priority Enterprise Zones within existing Urban Enterprise Zones. These zones would be situated in urban centers with consistently high unemployment rates well above state and national unemployment levels and also exhibiting unique and severe impediments to job creation and economic development including housing production. The zones could be funded initially from income tax revenues out of the Business Employment Incentive Program. In addition, the Governor can push for the creation of a State Investment Tax Credit to provide tax credits of twenty-five percent of equity or near equity investments in qualified small business ventures within these zones.

Create within the proposed Governor's Office for Economic Growth or within the Commerce Commission an Office of Diversity. This office would be responsible for the oversight of each State department and Authority to ensure that diversity requirements within the state are being met. The office entrepreneurs a one-stop shop to learn of economic opportunities and obtain assistance in getting certified and qualified to do business with the state.

Prioritize, plan, finance and implement the School Construction activities within a three tiers execution plan over a fourteen-year timeline. At this time, the first tier

would consist of high priority projects to take place within the first four years, with all the activities actively proceeding at once. The second tier would entail planning and acquisition only and presumed to be in construction within the fifth and ninth years. The third tier would be subject to preliminary planning activities with the presumption being they would be built in the out-years based on accomplishments and changing circumstances. Critical to the successful implementation is the aggressive acquisition (early taking through court action and resolution of costs subsequent to possession of title) to freeze land costs and safeguard valuable but limited urban land.

Convene a Task Force to review the Department of Education Abbott regulations and make recommendations to truly and adequately define the Abbott strategies to allow school districts to achieve the NJ Supreme Court’s mandates. The Task Force would be comprised of various Abbott district stakeholders and would develop a broad and consistent framework during a five-year timeframe. In addition, appropriate action should also be taken to ensure that Abbott regulations are adopted consistent with the State Administrative Procedure Act, giving opportunity for notice and comment from Abbott stakeholders on the regulations before they’re adopted.

Provide meaningful preventative opportunities for youth and population re-entering society from incarceration. Expand the after-school programs to provide enhanced opportunities to be engaged in recreational, educational and personal development activities with supportive services to engage and deal with the comprehensive nature of what is negatively affecting the youth. Initiate a model supported by research and best practices to help recovering ex-offenders and addict inmates re-renter the community. The goal is to offer substance abuse treatment services and essential support services from day-one of prison confinement until eventual re-entry into the community. These pilot programs would be supervised by the Division of Addiction Services under the Department of Human Services.

Support and participate in regional/interstate collaboration to stem the illegal flow of handguns across New Jersey borders and into our cities and neighborhoods. This initiative would prevail upon handgun exporting states to take action to stop the outflow of handguns to states, like New Jersey, with strong gun laws. Moreover, this initiative would encourage eventual enactment of the “One Handgun Per-Month” law in Pennsylvania.

Convene a Governor’s Commission on Violence as a Public Health Issue. This Commission would make recommendations on coordinating state and local health data impacting violence as a public health issue, recommend methods to implement local data mapping partnerships that use data to reduce violence in communities and evaluate and present findings and recommendations on the use of cameras as an effective law enforcement tool.

RECOMMENDATIONS

Rationalize the development and redevelopment of urban areas and inner-ring suburbs by embracing the smart growth concepts of the State Development and Redevelopment Plan.

We recommend that the Governor's Office direct state agency actions in a coordinated fashion to achieve smart growth – which fundamentally includes a commitment to quality development and natural resource preservation in urban areas. The quality of life generated by a balance of development and preservation is a fundamental precursor to prosperous and healthy communities. Specifically, we recommend that the Governor:

Embrace the State Development and Redevelopment Plan as the strategic planning tool to help direct the expenditure of infrastructure funding for redevelopment, affordable housing, transportation, sewer service, clean water and natural resource protection and economic development. The State Plan is the smart growth blue print that has been subject to broad public comment over 18 years that can help direct state development and preservation priorities;

Direct that the State Plan be employed across agencies as the common blueprint to help guide decisions, particularly to guide state investment in the revitalization of urban communities and inner-ring suburbs;

The State Planning process should be strengthened to identify and target for preservation key natural resource areas in the state, including in particular the precious remaining natural resource areas in urban communities;

The Governor merge key statewide planning and targeting efforts into one place, including the Smart Growth Ombudsman, State Planning Commission (SPC), the Office of Smart Growth (OSG) and state mapping services. This office should be located in one of three places: Governor's Senior Policy Advisory Office, stand alone cabinet department; or neutral ground – the Treasury Department, for example, where state expenditures are overseen. Currently, the SPC and the OSG are housed within one of the operating arms of government, subject to competition and conflict with other operating agencies, rather than coordinating effort across agencies.

Achieve the redevelopment of urban areas and inner-ring suburbs in an environmentally sensitive manner.

We recommend the Governor direct that the existing effort, the Endorsement Process, under the State Plan to coordinate priorities among state, county and local governments be strengthened both to create meaningful incentives for growth in urban areas, and to ensure appropriate strategies in these urban areas to achieve affordable housing, to protect the urban environment, and to plan growth that is located, prioritized and designed appropriately. Endorsement should be used to target development and preservation funding to urban municipalities that have appropriate and consistent

planning and development ordinances in place. Specifically, we recommend that the Governor:

Provide funding to priority urban districts, from existing Smart Growth planning funds, to support appropriate planning and follow-up;

Identify specific protections (public participation, environmental) and quality of life policies (affordable housing, public safety) that state government should expect from municipalities and developers;

The State identify specific benefits that can be offered in return: coordinated state agency action, expedited regulatory reviews, infrastructure expenditure priority;

Support a repeal of the Fast Track law and replace it with Enhanced Endorsement as the suitable tool to target growth in appropriate places.

Establish within the Governor’s Office an Office of Economic Growth and consolidate all economic development agencies into one agency.

The most comprehensive way to prioritize the State’s job growth and economic development is to create the Governor’s Office of Economic Growth. This would allow for policy to have clear goals, objectives and accountabilities in fostering economic growth. Specifically, the office would oversee workforce development, research and policy, business attraction and retention, international trade and protocol and capital investments.

In addition, we recommend that a representative be assigned to each new project or business to be accountable for the business, developer or economic development project. These individuals would be measured on their success in winning, retaining and structuring competitive economic packages and working on creative financing alternatives while leveraging all development financing available.

Moreover, we advocate the creation of an Economic SWAT Team to streamline the interplay between businesses and the various state agencies. The team would be composed of representatives assigned from every State agency that would play some role in approving or expediting approvals of the necessary permits for economic development projects.

Establish Priority Enterprise Zones within existing Urban Enterprise Zones.

The Urban Enterprise Zones (UEZ) program has helped many New Jersey communities and neighborhoods. However, not all UEZ's are created equal. Some existing UEZ's -- and areas within UEZ's -- have especially difficult barriers to job creation and economic growth. Sales tax exemptions and tax credits for hiring new employees are not enough, if

chronically unemployed individuals can't get proper training, and entrepreneurs can't get financing for higher risk projects.

Both new and existing state and federal incentive programs to spur investment and economic development are needed. Specifically, the identification and creation of Priority Enterprise Zones (PEZ) will enable state agencies to focus resources, on a priority basis, to specific urban areas that have unique impediments, such as decaying infrastructure, special environmental concerns and chronically high unemployment rates with untrained or under-trained residents.

PEZ's would be first in line for any new or existing state aid programs, from job training, federal New Market Tax Credits, infrastructure improvement, to the proposed new State Investment Tax Credit. In addition, the establishment of PEZ's will help state leaders identify and focus on unique barriers that are keeping economic investment potential from being realized.

PEZ's could be initially funded through income tax revenues from the Business Employment Incentive Program and by the creation of a new State Investment Tax Credit to provide tax credits of 25% of equity or near-equity investment in qualified small business ventures within PEZ's. Also, federal New Market Tax Credits can be used to facilitate and provide incentives for job growth.

The proposed Governor's Office of Economic Growth would be charged with establishing the PEZ's in the State. Each PEZ would have a relatively small advisory committee that would include neighborhood representatives, small and minority business owners, city officials, and key business leaders to develop the plan for the specific market. The plan would define the obstacles and opportunities within the market, have specific markers to measure the outcomes of success and would map out the economic plan and the use of incentives, grants and investments to stimulate growth.

Create within the proposed Governor's Office for Economic Growth or Commerce Commission an Office of Diversity.

A priority of the proposed Office of Economic Growth must be to enhance the relationship between state government and small and minority owned businesses and provide greater access to capital.

Many of the state's largest economic development hurdles are located in the state's urban centers, which also happen to host the state's highest concentrations of minorities -- not just unemployed or underemployed residents in need of job training, but new and established small business entrepreneurs who want to contribute to the economic rebirth of their city and neighborhood. As the state targets resources into new "Priority Enterprise Zones" and other economically challenged areas, it is vitally important to provide opportunities for local women and minority owned small businesses to participate. An Office of Diversity will be their advocate and champion within the

Governor's new Office of Economic Growth, by making sure that diversity requirements by the state are being met.

Therefore, we recommend that within the Office of Economic Growth, there be an Office of Diversity. The office will provide minority entrepreneurs a one-stop shop to learn of economic opportunities and obtain assistance in getting certified and qualified to do business with the state. The office will also provide assistance to state agencies with oversight of prime contractors to ensure that they are actually utilizing minority-owned businesses that they list on their bids for state contracts. Too often, support for local economic development projects fade when residents see or perceive that jobs and contracts aren't going to people within the community. Hope will spring and support for new economic development projects can only grow when local minority-owned businesses and workers participate in the rebirth of their neighborhoods and communities, and Office of Diversity will help meet that important objective.

Prioritize, plan, finance and implement the School Construction activities into three tiers over a fourteen-year timeline.

The School Construction Corporation (SCC) has suspended construction on all project activities with the exception of a small number of projects measured to be “doable” with the residual funding left from the initial \$6 Billion bonding authorization. Interim funding is currently making its way through the Legislature to support very limited project activities through June 2006. From the Abbott districts and Supreme Court perspectives, the construction of “adequate and appropriate” educational environment is a critical component of the Abbott Mandate. Recently, the Supreme Court ordered The New Jersey Department of Education (DOE) to estimate the funding necessary to complete the construction of all schools within the Abbott Districts.

Accordingly, we respectfully recommend that the Governor:

Direct DOE and SCC, in conjunction with local districts, to define the required school construction program and categorize the projects into three tiers. The first tier would consist of high priority and “doable” work that would take place within four years. The second tier would be the next phase and represents needed and projected projects for years 5 through 9. The third tier would be the remaining projects and these would be defined for years 10 through 14. The Governor and the Legislature will need to authorize bonding for a second round of funding for school construction. This would represent all first tier projects inclusive of acquisition, planning and construction and the funding for land acquisition and design for the second tier projects. Third tier projects would only receive funding for program planning. Subsequent bond authorization will be left to an analysis of project status during each of the intervening years.

The use of an expedited land acquisition process with the SCC going to court and obtaining a “public taking of property” order, would ensure site control and stimulate the relocation and development process. Property owners would still be allowed to accept or

challenge the purchase price and tenants would immediately become subject to relocation benefits. Essentially, an early taking would remove the cloud of uncertainty for all participants and permit more expedited development.

Embrace the strategies of “community school” and “neighborhood revitalization” with regards to the building of schools within the Abbott Districts. This relates to the positive impact school development can have on economic revitalization in the communities and ensure that public investment is accessible to the community.

Work with education advocates, legislators within the Abbott District to initiate revision of the school construction law for returning more responsibility for land acquisition, building design and construction to Abbott districts, inclusive of contracting with the SCC as well as the concept of shared or assumed financing.

Convene a Task Force to review the Department of Education Abbott regulations and make recommendations to adequately define the Abbott strategies to allow school districts to achieve the NJ Supreme Court’s mandates.

The current Abbott program regulations expire on June 30, 2006. Unfortunately, these regulations define and limit the Abbott remedies based on costs and other concerns. Additionally, they lack the specificity needed in many areas necessary to guide the Abbott district, school leadership teams, parent organizations and others in effectively implementing the Abbott programs and in working to improve the public schools. The real design and intention of “whole school reform” needs to be given the opportunity to succeed. To get there it is necessary to realistically assess what works, what needs to be done, the costs and how to fund meaningful whole school reform to achieve the goals of a quality, effective and efficient education for every child within the Abbott Districts.

Furthermore, in language inserted in the State Budget for the last three years the Abbott regulations are exempted from the usual process allowing for public notice and comment, and these are limited to one year, creating an untenable situation where the Abbott rules change from year-to-year.

Accordingly, we respectfully recommend that the Governor:

Convene a Task Force of DOE and District Leadership [Management & Board] and other stakeholders to review the DOE Abbott regulations that have been problematic and ever changing. The Task Force would seek to address and adequately define the Abbott strategies that would allow districts to achieve the N.J. Supreme Court mandates. The strategies and resulting regulations should be broad and acceptable to allow for a variety of paths within a framework of consistency that should be at least five years.

Take appropriate action to ensure that the Abbott regulations are adopted in accordance with the State Administrative Procedure Act, thereby giving stakeholders in Abbott

Districts the opportunity to have notice and comment on the regulations before they are adopted.

Provide meaningful preventative opportunities for youth and population re-entering society from incarceration. Expand the after-school programs to provide enhanced opportunities to be engaged in recreational, educational and personal development activities with supportive services to engage and deal with the comprehensive nature of what is negatively affecting the youth. Initiate a model supported by research and best practices to help recovering ex-offenders and addict inmates re-enter the community.

The State supports after school programs through DHS in conjunction with community providers and private vendors. Some school districts under “Leave No Child Behind Supplemental Education Program” fund academic after school programs as well as more rounded after school programs. Under the McGreevey Administration, a public/private collaborative received State funding to be matched by private contributions to support the After 3 program. It is critical to look at the question of need as related to type of program: recreational/cultural, academic and supportive services. At the current time there are a number of State funded programs that operate at minimum levels suggesting the need to assess the questions relating to quantity vs. quality. The weight of the evidence might suggest improving the funding and quality of existing programs prior to any expansion and creation of new programs.

The vast majority of inmates in prison have a history of drug addiction. Without proper and continuous treatment, studies have proven that incarceration for this population only delays the inevitable recidivism. In addition to the poor success rates of incarcerated inmate addicts without treatment opportunities, on average it costs taxpayers annually over \$30,000 to house and feed just one prisoner.

That is why we recommend initiating a pilot project entitled “Prison Addict Treatment Continuum” (PATC), with the goal of removing the barriers to recovery for addict inmates in prison who eventually will re-enter our communities. This model emphasizes collaboration between treatment and support agencies to help guide the recovering addict on the road to a clean and sober lifestyle.

We recommend that the State fund two pilot projects, one for adults and one for juvenile inmates, following the guidelines stated in the Re-entry Roundtable Recommendations sponsored by the New Jersey Institute of Social Justice and also by adhering to best practices supported by research.

With respect to the adult inmates’ project, 100 addict inmates from the New Jersey Department of Corrections (DOC) would be identified for the study along with a smaller control group. Screening for candidates for the project would occur within the first month of prison. All accepted inmate clients will be entered into the State Division of Addiction Services database called NJSAMS and Webus database tracking system. Those selected would then receive a full range of services including, assessment, social

and psychological testing and screening for the need for medication for mental health and physical health conditions. Treatment would be provided by the already funded Gateway Treatment Continuum. Case-management services including face to face and/or phone contact would be provided once every two weeks with the inmate client and in-prison counselor. Job and school assessment and a treatment plan would also be prepared.

Possible funding for these projects could come from a program called “Going Home” out of the State Parole Department. In addition, private organizations such as The Nicholson Foundation have expressed interest in funding such projects. Finally, NJ Access to Recovery has federal dollars that could potentially be accessed through the Division of Addiction Services (DAS) and utilized for these projects.

Moreover, a structure already exists to execute such a pilot project. The Mutual Agreement Program (MAP) is already set up with agreements between the DAS, DOC and the State Parole Department. DAS regulates this program whose purpose is to give addict inmates the opportunity for early release from prison so that they can enter a licensed drug treatment program in the community. The funding of MAP comes mostly from DOC but the control and supervision is exclusively DAS through the treatment programs. Accordingly, we recommend that DAS be the agency supervising these pilot projects as well.

Support and participate in regional/interstate collaboration to stem the illegal flow of handguns across New Jersey borders and into our cities and neighborhoods.

Interstate illegal handgun trafficking is a persistent and dangerous dilemma plaguing our State. Handguns often purchased from legal sale at gun shops and shows in neighboring states, somehow flow into the illegal market. Such illegal handguns then often move from states with lax gun laws and end up in New Jersey and other states with strong gun laws and in the hands of precisely those persons who should not have them. These handguns cause devastation to New Jersey’s cities, neighborhoods and families.

According to Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) data, over 80 percent of guns traced from crime in New Jersey were originally bought out-of-state and changed hands after initial legal purchases, direct signs of interstate handgun trafficking.

We recommend that you call on officials in handgun “exporting” states to act and stop the flow of illegal handguns from entering our State. Specifically, encourage Pennsylvania to pass the “One Handgun Per-Month” law, which would limit the purchases of handguns to one per every thirty-day cycle.

Convene a Governor’s Commission on Violence as a Public Health Issue.

Public safety is a major concern for community development and urban revitalization in New Jersey. Stable communities with good housing and strong economies characterized by the presence of small businesses can only be assured when local residents feel safe to walk the streets to purchase the goods and services they need.

A Governor’s Commission on Violence as a Public Health Issue would start a sustained dialogue on coordinating state and local health data and criminal violence activities as a related and broader public health issue. This could be accomplished through yearly conferences on best practices and practitioner learning workshops. The conference would include participation from members of the law enforcement and healthcare profession, and the judicial system.

The Commission would also implement local data mapping partnerships that use data to identify health and crime linkages to reduce violence in communities. Partners in this endeavor would include faith-based institutions, local law enforcement and community based organizations.

Additionally, the Commission would perform a comprehensive review of the use and effectiveness of cameras as a law enforcement resource in combating violence in high crime areas.

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