
Subcommittee Meeting

of

JOINT COMMITTEE ON THE PUBLIC SCHOOLS

SCHOOL FACILITIES AND CONSTRUCTION SUBCOMMITTEE

"Testimony concerning relocation issues of residents and the postponing of projects that have already been approved by the Schools Construction Corporation"

LOCATION: Essex County College
Newark, New Jersey

DATE: August 11, 2005
3:00 p.m.

MEMBERS OF SUBCOMMITTEE PRESENT:

Senator Martha W. Bark, Co-Chair
Assemblyman Craig A. Stanley, Co-Chair
Senator Ronald L. Rice

ALSO PRESENT:

Assemblywoman Joan M. Voss

Melanie M. Schulz, Executive Director
Sharon Benesta, Chief of Staff



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

TABLE OF CONTENTS

	<u>Page</u>
Perry L. Lattiboudere, Esq. General Counsel Newark Public Schools	4
Raymond Lindgren, Ed.D. Executive Assistant Newark Public Schools	7
Mary T. Stansky, Ed.D. Superintendent Gloucester City Public Schools	23
Barbara Phillip Private Citizen	30
Wayne Smith Mayor Irvington Township	33
Wendy Kunz Director Abbott Facilities Construction Camden City Board of Education	39
Anna Taliaferro President New Jersey Association of Parent Coordinators	42
Chauncey I. Brown III President Paterson Board of Education	43
Quincy Battis Private Citizen	51
Annie Searcy Private Citizen	59

TABLE OF CONTENTS (continued)

	<u>Page</u>
James Searcy Private Citizen	60
Lummie Little Private Citizen	62
Mark Carter Private Citizen	63
Keisha Sapp Private Citizen	64
Gerald T. Murphy Chief Operating Officer New Jersey Schools Construction Corporation	69
Laval S. Wilson, Ph.D. Superintendent East Orange Public Schools	84
Jessica M. Topolosky Coordinator City of Elizabeth	91
Emerson Simmons Representing Trenton Facility Advisory Board	93
Arthur J. Griffa President Orange Board of Education	101
Jonathan Hodges, M.D. Member Paterson Board of Education	107
Jeffrey Dye Director North Jersey Local Residents Work Force	112

TABLE OF CONTENTS (continued)

	<u>Page</u>
Cecil Sanders President C.H.S. Construction Company	113
Benson Fayemi Private Citizen	120
Ernestine Jackson Private Citizen	124
Vladimir Allrich Private Citizen	131
Lisa C. Logan-Leach Member Plainfield Board of Education	144
APPENDIX:	
Testimony submitted by Chauncey I. Brown III	1x
Statement submitted by Patricia Jelly Coordinator of Community Building La Casa de Don Pedro, Incorporated	3x
News release submitted by Education Law Center Newark, New Jersey	5x

rs: 1-149

ASSEMBLYMAN CRAIG A. STANLEY (Co-Chair): We're going to go ahead and get started.

First of all, let me thank all of you for coming out on such short notice. And I see some -- a lot of friends, a lot of folks we fought with in the vineyards on some of the issues related to education, equity, and adequacy. And I'm so glad that-- Sometimes, when you put out the call, you don't know if everybody's going to come, but it looks like a lot of folks came. And that is certainly a good thing.

The reason for this meeting--

First of all, let me introduce myself. I'm Assemblyman Craig Stanley. I Chair the Subcommittee on School Construction, which is a Subcommittee of the Joint Committee on Public Schools. I also Chair the Assembly Education Committee, which of course oversees all the legislation -- education legislation coming through the General Assembly.

My colleagues and my Senate running mate, Senator Ron Rice, will be here shortly. He called me about 2:15 and indicated that he was coming in from -- he was just coming up from Trenton. He had an earlier hearing down there. So he will be with us shortly.

I'm going to make my comments fairly brief right now. And I reserve the opportunity to maybe make a few comments a little later on. But we certainly want to, by way of this hearing, put on the record the issues concerning this -- the interruption of school projects throughout the state. And in our my minds -- in my mind, certainly, this is an emergency issue. That's why I called for an emergency meeting. And we'll be meeting a couple of places -- a couple of other places throughout the state. But this is, in fact, an emergency. We cannot afford to have projects delayed if

projects are ready to go, if they're good projects, if they're sound projects. And it's just a matter of us going through with construction or whatever process the particular project is in.

One of the things that we understand, as a Legislature, is that we're under a court order to provide facilities to many of these school districts. And we cannot -- nor should we, nor will we if I have anything to say about it -- not fulfill our requirements, as legislators, under the Supreme Court ruling under *Abbott V* in 1998. We will, in fact, uphold the Constitution and uphold the ruling.

One of the things that I know there are some concerns with are the Schools Construction Corporation -- some of the processes, some of the things that we have heard in months past about, perhaps, some spending that was not efficient, some projects that were not efficient, some things that happened with some of the land that should not have happened prior to being bought by the Schools Construction Corporation. All of those things needed to be dealt with. They have been dealt with. And some of them are continuing to be dealt with.

But the fact of the matter is, there are quality-of-life issues surrounding these projects, whereby people are being put either in harm's way or being put in -- certainly inconvenienced. They don't know where-- Their life is basically on hold or up in the air. And also, school children are going to have to-- It's going to be a dream deferred again. And we can't afford that. We can't afford to lose any more time, with respect to projects that are good, sound projects that need to continue to go forward.

That's why I -- that's why we called this meeting. That's why we called it in short notice. We're having it in the summer. Generally, we

don't even meet in the summertime. We certainly don't usually bring the Legislature back in session, in election years, before November. But depending on what kind of testimony we hear today, I may call on the Speaker of the General Assembly, Albio Sires, to convene the Legislature to deal with the emergency issue of school construction, so that we don't lose some prime building time as a result of either a misunderstanding of the mandate of the direction of the Legislature or the Executive, with respect to schools that are needed in school districts.

So having said that, I'm going to ask my Co-Chair, Senator Bark, if she would care to make some opening remarks. We certainly appreciate her coming up here from the South. It's very important that this issue is considered a statewide issue and a bipartisan issue. Because school children don't want to know whether you're Democrat or Republican. They just need to be taught wherever they live at.

So thank you so much, Senator Bark.

SENATOR MARTHA W. BARK (Co-Chair): Certainly I won't quarrel with your last statement, because our first concern should be the education of children. Unfortunately, if they miss a year you never get that year back. And so we must be very, very concerned about going forward with the mandate that we have been given, the Legislature has been given, to see to it that we have adequate facilities everywhere.

And, consequently, I am delighted that you have mentioned the South, because we do, in fact, have problems. And I think there is someone here from the South who's going to testify, so that you'll have an opportunity to understand some of the concerns that we have, as well.

I thank you for calling this on an emergent basis. And I look forward to the testimony that we're going to hear today.

ASSEMBLYMAN STANLEY: Thank you very much, Senator.

The first person I'm going to ask to come up is Perry Lattiboudere and Dr. Ray Lindgren, from the Newark Public Schools. Maybe they can--

I know the Newark Public Schools has a public meeting today, at the same time this is going on, I believe. So we want to make sure that we allow them time to get back.

P E R R Y L. L A T T I B O U D E R E, ESQ.: Thank you, Assemblyman Stanley, members of the committee on public school facilities and construction.

My name is Perry Lattiboudere. I'm the Chief Legal Counsel for the Newark Public Schools. And on behalf of the Superintendent, I thank you for allowing us to make our statement before you.

As you know, a series of *Abbott v. Burke* decisions lead to the passage of the Educational Facilities Construction and Financing Act on July 18 of 2000. And the Court directives can also be found in 18A7G-2C, where it's noted that educational infrastructure inadequacies are greatest in districts such as ours in Newark. The section further requires that the State promptly engage -- that term is used in the legislation, in the language -- in needs assessment, repairs, and constructions of needed facilities.

As my colleague, Dr. Lindgren, will point out in his day-to-day work with the New Jersey Schools Construction Corp, there has been no such prompt engagement by the designated State authority.

And I'd also like to bring your attention to several provisions of the Construction and Financing Act that may conflict with provisions in proposed Assembly Bill No. 4339 which, as you know, is designed to convey properties no longer needed to the Schools Construction Corporation in an effort to help pay and finance construction in districts such as ours.

Initially, under 18A7G-13C, the Construction and Financing Act contemplates an--

ASSEMBLYMAN STANLEY: Let me just state something first, before you get started on that.

This hearing does not pertain to that legislation. The purpose of this hearing is to deal with the need for facilities in the city of Newark. So we'd rather not have-- That legislation is on the -- is not even on an agenda yet. Maybe at some point in the future it will be on it. But if you could stick to the needs of the Newark school children, with respect to facilities, that's what we're really here to talk about today.

MR. LATTIBOUDERE: And that's exactly what I'll address because, again, the needs are affected by our ongoing working relationship with the New Jersey Schools Construction Corp. And as counsel, we've experienced process issues with the New Jersey Schools Construction Corporation in how business is done with a district such as ours. And, again, I'll stick to that issue.

Under the Financing Act, it contemplates an implementation agreement that will be the governing document, with districts such as ours, about which projects get done. The legislation also requires that the terms and conditions of that implementation agreement be "determined by the

parties,” that is, in mutual and collaborative terms. In our experience, that has not happened in Newark. We know, first hand, that without the benefit of any legislation, the Schools Construction Corp has verbally taken the position that the district should, again, convey titles to district properties under their direction.

More recently, the Schools Construction Corp is requiring -- taking more assertive measures to require that we convey properties in the implementation agreement. And that, again-- This is key to our issue here today. That agreement, despite the language in the legislation, was drafted without any input from our particular district. And to my knowledge, no Abbott district was included in the drafting of the terms of that implementation agreement.

And in this particular case, our district has experienced a situation where the NJSCC is looking to impose a penalty for failing to sign off on that particular agreement. That is, they’re going to suspend work on our district projects. So, again, we have a situation in which there’s an absence of collaboration. But on the other end, there’s a penalty -- a suspension of district projects for our failure to just sign off on what we feel is a somewhat coercive agreement.

Again, these tactics violate the mandates of Abbott and the collaborative intent of the Construction and Financing Act. And we really would like those addressed, even though it’s not specifically on today’s topic -- that sentiment in Assembly Bill 4339. What we’re asking -- to urge the Subcommittee -- is to consider proposed modifications to that Act and anything that can be done to assist us in creating a more collaborative

relationship with the New Jersey Schools Construction Corp. And my colleague, Dr. Lindgren, will address the specific concerns we've had.

Thank you.

ASSEMBLYMAN STANLEY: Thank you very much.

RAYMOND LINDGREN, Ed.D.: Assemblyman Stanley, Senator Rice, members of the Committee, thank you for allowing us to speak.

My name is Dr. Raymond Lindgren. I'm the Executive Assistant to Marion Bolden, Superintendent of the Newark Public Schools.

First and foremost, on behalf of the Newark Public Schools and the community, we always need start by expressing our appreciation for the actions of the State Supreme Court and the New Jersey Legislature. The school construction program that we are now engaged in is long overdue and desperately, desperately needed.

Newark is clearly the oldest district in the State of New Jersey. We are currently educating our students in schools that, on average, are 95 years old. And that includes schools as new as 1 year old and 10 years old. But we also have schools that are 150 years old or older. Understand, these are school buildings that are very solid in many ways, but they were literally constructed before the advent of electricity. We have had to retrofit these buildings. They were built when education was a very different entity. And we are doing our best to provide for our children in these buildings. We are, therefore, grateful for this opportunity.

That being said, we also have to say that we sit here today very frustrated and disappointed. When this process started, one of the first things we were told was that for the 30 Abbott districts-- We would not be

allowed to handle the construction on our own. The State would do that for us. We felt then, and we continue to feel, that the Abbott districts do have the capacity to take on these kinds of projects.

Last September, the Newark School District opened Belmont Runyon, the building we were able to build with tremendous financial support from the State highway department, which needed the land of the existing Belmont Runyon. We got that building done on time and within cost. That being said, we have lived with the reality that we were told we couldn't do that, that the State would do it for us.

Five years ago, the State approved Newark's long-range facilities master plan. It was a plan that was developed over a period of three years, in collaboration with the community and the city. It was a plan that, when we submitted it, weighs approximately 70 pounds. As approved, the State approved plan calls for the construction of approximately 40 new and replacement schools, and the renovation and addition to approximately 30 other schools.

After that period in 1999, when we had an approved plan by State mandate, we then had to submit individual school projects for each of those 70 plans. Within two years of receiving State approval for the plan, the district had submitted individual school project requests for over three-fourths of those 70 schools. They were submitted to the Department of Education, as we were told, who reviewed them. The Department of Education approved 47 of those projects and forwarded them to the Schools Construction Corporation. That occurred, in most cases, two years or more ago.

Today, we have two schools under construction. And we were informed last week that three more new schools will be constructed, and there will be renovations and additions to two others. That means when we complete this first phase, we will have completed approximately one-tenth of the State approved plan. And we have been informed, by the SCC's calculation, that part of the project -- those seven schools and the tremendous amount of health and safety work that they have done in our old schools -- would have resulted in a cost, by their calculation, of approximately \$740 million.

ASSEMBLYMAN STANLEY: Dr. Lindgren, if I could--

DR. LINDGREN: Yes.

ASSEMBLYMAN STANLEY: There are some projects that were supposed to be going forward that--

DR. LINDGREN: And that's where I was going to next.

ASSEMBLYMAN STANLEY: --that were -- are being held up now.

DR. LINDGREN: Yes.

ASSEMBLYMAN STANLEY: How many projects are being held?

DR. LINDGREN: You lead right into my next sentence.

When we stopped this, there were 11 other schools that were in the active design phase. They had completed the feasibility stage, which is something that is mandated. A normal school district, when they're doing a building, would not do that. But as part of this process, the SCC's required to first hire an architect to do a feasibility study to make sure that the site

and the plan that the district has proposed will work. That, in many cases, takes a year or more.

In all of these 11 projects I'm talking about, that has been completed, the State did agree that those projects were viable -- the sites were viable -- and an architect was hired to actually design the building. In many of those cases -- such as Oliver Street and South Street in the East Ward, the design is basically done. Also, in many of those cases, land acquisition has started and is, in many cases, extensively done. For South Street, the State has title to the land for the school.

You certainly have read about University High School in the South Ward, where we've put that up front, because we knew it was going to be one of the more demanding land acquisition projects. The SCC has worked very diligently, and over 80 percent of the property has been acquired. Unfortunately, it's 80 percent in a residential area. The 80 percent they have acquired has been boarded up now for some time and is interspersed. So you will have a house where a family is living, where a family has been informed that their house will be acquired by the State. But because of the present situation as of this moment, that process is on hold. And they are surrounded by houses that are boarded up -- in a situation where they have serious concerns. And we have serious concerns.

Likewise, we have been informed, at this moment, SCC is not able to move forward to do the demolition on the properties they've acquired so that at least the land would be clear. Obviously, our preference is, since the design is done and most of the property is acquired, to complete the land acquisition, clear the property, and build the school. We also understand there is a limitation of funding. And because of that

limitation, they can't. That's 11 schools throughout the city that were very close to being ready to be built.

We also will say that we, as a district, had asked repeatedly to have input in deciding which particular projects would move forward. Unfortunately, we were repeatedly told we could not do that, that those decisions were being made. They were not going to discuss that with the districts.

We are happy that five projects are moving forward. But we can tell you that we would not have necessarily selected those projects. Three of those projects are in the North Ward, two of those projects are in the West Ward. The rest of the city has not gotten anything. There were six schools in the active design phase in the East Ward, which is as equally overcrowded as is the North Ward. None of those projects are going to be addressed. So we have serious overcrowding.

Beyond those 11 projects, there were 15 other projects that the SCC had started working on and were in the feasibility phase. All of those feasibility studies have been stopped. The companies were told, "Stop where you are, and we will put them on the shelf."

We were very excited. This time last year we were very excited when we met with our administrators to tell them about all the wonderful schools that were coming. And we met with the community to share the plans. But that was some 30 schools, and what's moving forward are five, plus two that are under construction: Science Park High School and Central High School, both of which we were told were scheduled to open in September of 2006. If you drive by Science Park High School, you can see that that's quite possible. And we're very proud of Science Park High

School. If you drive by Central High School, you will see that, right now, there's a foundation and nothing more. There is no way that that school is going to open on time in September '06, which also impacts on all of our planning.

Part of our concern, as a district with 70 schools to think of-- Seventy schools require a tremendous amount of planning. We must sequence, we must decide. We've tried very hard to think of what is in the best interest of the State, of the community, and first and foremost the children.

Where possible, we have looked to build schools on our own property. We have not, in spite of what some people have said, gone out to see all the property we could grab. But again, the reality is, with old schools, we have very, very small school sites. In some cases, we will be able to build schools on our sites. But to do that, we are going to have to vacate those buildings. And to do that, we are going to have to find a place to put the children. As you said, a year is a horrible thing to lose. And when you disrupt education for a year, you've created a problem.

We've worked with the State to try to address those issues. We worked with the State and were excited when they proposed that they would acquire Saint Rocco's Elementary School, which was being sold by the Arch Diocese. That would enable us to use that school as a swing school for Harriet Tubman. We therefore moved forward with the plans for Harriet Tubman. The designs are well along to being finished. The State has almost completed the land acquisition necessary. The new Harriet Tubman will be on the site of the existing Harriet Tubman. But we were

informed last week that, due to financial constraints, the SCC will not be acquiring Saint Rocco's.

We now must go back and try to decide how we can adjust the plan and the sequencing, and find a place to put those students. It also means anticipating that Harriet Tubman would be taken offline as a school and be taken down within a year. We were trying to minimize the expense of maintaining a very old school; again, a school that is over a hundred years old. We don't want to spend that kind of money. We don't want the State to spend that money.

So when we were looking at it, we said, "What can we do to maintain a basically safe environment, but not expend extra money?" Now we are faced with the reality that Harriet Tubman may be in existence for three, four, five more years. We must go back and say, "Now what do we need to do make sure we're maintaining a safe building?" So there are continued residual costs.

I said early on, a significant amount of money was spent on health and safety. The latest estimate we have is that, to date, the State has expended about \$150 million on health and safety for the Newark Public Schools. We appreciate it. It was necessary. It made a big progress. But, again, anticipating that our 70 schools may not be finished for another 20 years, we are going to wind up investing a great deal more money in maintaining existing buildings.

I'm going on at length, so I'm going to limit myself to one last issue that is critically important to our district with these schools, and that is obtaining sites. When we submitted our full plan in 1999, a critical part of that plan was identifying potential sites for schools, be they existing sites,

expanded existing sites, or new sites. Again, as I said earlier, we had worked with the community and the city. And we are very grateful to the city of Newark in helping us not only to identify those sites-- But the city took the proactive step of, when we presented the plan to them, any parcel of land that was city-owned was set aside. And we were given a promise by the city they would not develop it, at a time when they were trying very hard to develop ratables in the city of Newark. No parcel of city-owned land would be developed. They would be held in abeyance for schools. Six years later, that is still the case. They have retained every one of those parcels for us.

As mandated by the State, we had to make public that plan. We presented it to the city planning board. Development in Newark is happening rapidly. That's a good thing. We are getting new housing, we are getting ratables. That's a good thing. But as that is happening, the sites we have identified are disappearing, and that is not a good thing.

Just recently, we were told the site that we had identified for the new Branch Brook Elementary -- which the State went through a whole feasibility study for and agreed was an appropriate site -- we were informed that's no longer going to be the site, because houses are being built on that site.

Two years ago, the city councilman for that part of the city found out that there were plans to develop houses on that site. He had a meeting of the district, the developers, and the Schools Construction Corporation to say, "This site we need for a school. What can we do?" For a year-and-a-half, the developers held off on developing on that site. Even though they had already had approval to put multi-family dwellings on that site, and had already had preconstruction contracts to buy those houses,

they waited for a year-and-a-half. Unfortunately, the very lengthy bureaucratic process that has been put in place for construction didn't happen in time. They did not buy the land, and now the houses are being built. And now we were told, "Find some other place to put the school."

We must move on land acquisition. We have repeatedly suggested, if the land is acquired, in an absolute worst-case scenario that a school doesn't get built there, you have investment. We have not seen any property lose its value. But we have seen property that, in 1999, when it was identified, would it have been purchased would have cost far less than half of what it's going to cost now to acquire. And land acquisition, which was never really calculated or factored in when the cost of schools was looked at, is becoming a major issues. These are our concerns.

Again, we are grateful for the process. We look forward to getting these schools. But we have concerns that it's going to happen.

SENATOR RICE: Mr. Chairman.

ASSEMBLYMAN STANLEY: Thank you, Dr. Lindgren.

Let me introduce -- well, not introduce but just acknowledge and, certainly, recognize for opening comments and whatever else he wants to do, Senator Rice, who is the Chair of the Joint Committee on the Public Schools.

I appreciate him for helping us convene this meeting of the Subcommittee on School Construction, because this is, as I said in my opening statement -- this is an emergency. It's really been something that should have had -- should have gotten attention a lot earlier. It has -- unfortunately, some of the waters have been muddied by some of those -- the issues concerning the Schools Construction Corporation itself.

But as we move forward, Senator Rice -- and, of course, you will certainly speak for yourself -- we need to make sure that we exercise due diligence in making sure that these projects go forward, because the cost of waiting is just insurmountable. We cannot afford to wait, to delay on good projects that need to be built for the kids of our state, the kids of Newark and Irvington and, as I said, throughout the state.

But, Senator Rice, we're glad to have you. I told the members of the audience earlier that you were in Trenton, came back as soon as you could. We appreciate you being here.

Senator Rice.

SENATOR RICE: Thank you, Assemblyman and Mr. Chairman.

First of all, let me apologize to everyone for being late. We had another hearing this morning dealing with mental health issues in Trenton that the Governor called -- and Senate President -- called.

But I want to preface my remarks by once again saying that I'm the Chairman of the Joint Committee on the Public Schools. That Committee is a bipartisan committee made up of both the Senate and Assembly Republicans and Democrats. We're statutory. It's our job to oversee and oversight the Abbott districts in all of its phases. We're broken down into subcommittees, at my choosing, many years ago.

Assemblyman Craig Stanley, who is the Chairman of the Education Committee, is also the Chairman of the School Construction and Finance Committee -- to make sure that we try to keep things in perspective.

I'm happy to see my colleague Senator Bark here, as well.

We know we have a lot of work to do. And I received a letter from one of my colleagues in local government expressing outrage. And I sent a letter back saying it's nice to be outraged. I think that's good public policy. I'm outraged too. But as long as we run around being outraged, that's not going to get the job done.

The bottom line is that Assemblyman Craig Stanley and I have bills in that we thought we would get moved through Appropriations during budget time for \$3 billion. The \$3 billion was a decision we made, recognizing how State government worked. We knew money would run out in Fiscal 2005. And that would take us to the end of 2006, which means these projects could have moved forward. And then we could come back and analyze and reassess where we were with both the Abbott and non-Abbott districts.

We're going to be doing all we can to move that process forward, but we're going to need your help. So you're going to hear from me again. And I'm going to hold people accountable. And I'm talking about superintendents. There's no use in my lying about it. We have the press here, so I'm going to make it very clear as one who represents people and represents this initiative -- having been a part from its conception -- I'm going to hold superintendents, and school board leaders, and unions, and contractors, and everybody else accountable, when the trumpet sounds, to come out and participate.

I'm trying to lay out strategies to make certain that Assemblyman Craig Stanley and I don't have a horrific time trying to get this bill through, as we move over the next few months. But it's not going to be easy for 120 legislators, when some of them don't want us to have

schools anyway. And then some think that because dollars were -- there were problems with the management of the dollars and other problems, that that's the way to kill the program; and it's not going to happen.

We expect to win in court, one way or the other. But we don't want to go to the court, because anyone who knows anything about school -- about construction of any type -- if you're in court two or three years, the cost triples itself. It's already going up because things are going to China, materials and other stuff, etc. So we should have had these in.

Now, as far as the gentleman speaking from the Newark School Board, the concerns you have about A-4399 -- well, I have the companion bill in the Senate -- so we need to know what those are right away. So just get them to my office and Assemblyman Craig Stanley's office.

MR. LATTIBOUDERE: We will do so.

SENATOR RICE: I also want to express -- because I've been getting this rhetoric -- this is not finger-pointing time. It's time to move forward, collectively. The Superintendent of Schools had nothing to do with the selection of these schools. And as she has something to do, I'm sure the residents would have made sure (indiscernible) was doing that project. So I don't want you to say that you wouldn't have selected those. (indiscernible) would have been there because of it's condition, the trailers, and all that land cleared.

But the point is that the city councils in these cities, and the mayors of these cities -- 31 districts -- had nothing to do with the decision, nor did the Legislature. To be quite frank, nor did other people. It was made by the SCC Board. Not by Jack Spencer, not by the other folk who reviewed -- by the SCC Board based on the information given from those

entities. Let's at least put it where it is. And it's the SCC Board -- Schools Construction Corporation Board -- and the Governor's office, and the Legislature is going to have to make this right.

So I want to put that in perspective so we don't have any misunderstanding and this becomes a political football, more so than a rational approach that we can get from point A to point B. Schools will be built.

One of the things that came up, and I'm very much concerned about -- because I wanted to try to accomplish, through this Committee, under the leadership of Assemblyman Craig Stanley, two things today. One thing I'm trying to get a good grip on -- and some of you can tell me, as you speak in your district -- I see Paterson and other districts here. I need to know those municipalities where the Schools Construction Corporation has actually acquired property in those residential communities and boarded them up because those projects are not moving forward, and yet we have some people still living there who have never been negotiated out -- some side. They call them partial contracts, but they are contracts where one side signs and someone else didn't, so they're not fully executed contracts. Some of them have no contracts at all because the negotiations are still going on, and they stop. And then some of those families have tenants -- properties have tenants in them who have been promised relocation, but those conversations ceased. I need to know, for the record for those who are here that live in those kinds of districts, who you are and where those districts are. Because it means that I have to work with Assemblyman Craig Stanley to maybe go into one or two other districts to hear from those people too, to make sure that our record is clear as to the hardship.

When you board up buildings in these communities, you're not just boarding up buildings, interrupting people's lives, you're creating a significant impact on the local government. Because if the SCC does not demolish those buildings, what in fact you have -- you have a trickle down effect of increasing enhanced crime; a trickle down effect on the quality of life in those communities from rodents to everything else; the probability, God forbid, of young people being molested, or older people being molested; you've got the probability of insurance dropping, you can't get insurance when you have these buildings; you have all these different scenarios that cost dollars, and the city has to respond. Unlike suburban communities, in urban cities -- for those who do not know -- and welcome to the city of Newark, which is a growing, thriving city -- and I see Mayor Smith from Irvington is here. When we get a call, as government people, on Sunday, we have to respond or we get unelected. It could be a frivolous call to go sit in somebody's house. We don't get a lot of rest, contrary to what people think.

And so it's important that we get these buildings down. I have a strategy that I've been speaking to Assemblyman Craig Stanley about -- that we think that we can find the ways and means to come up with dollars to do demolition of these properties if we know where they are.

The second thing I want to accomplish-- I want to know if there are people here who are actually still living in these buildings. For example, I can speak on the city of Newark where I've traveled -- or at least yesterday with Assemblyman Stanley -- there's one whole area that's boarded up, and there's one person living in one house. It's very frightening. The question is, where is the liability if something happened?

So I have to know the conditions. Who are living in these neighborhoods? We need to know that information, because the whole idea is to go back to the State government and say, "Look, what's the cost to negotiate the rest of these buildings?" You can't do 80 percent and have 10 people still there, and not come up with a number that's a compromise to get the people situated where we can have the whole.

Then the idea is like, once we get the whole, what are we talking about in demolition costs? Because even if we don't have the \$3 billion, which we have to work on, we can at least level those buildings to remove those other problems that are impacting on people's lives -- health, safety, and the quality of the community. If local government has to take care of those problems, there's a tax increase, then that's another problem, etc.

So I just wanted to listen. I'll be responding back. But I wanted to, kind of, set some stage and record here, as Chairman of the Joint Committee, as to some of the things we are looking for. There will be some additional meetings going on that go beyond school construction, in terms of the immediate need for demolition and immediate need to continue contracts and renegotiate, and try to get some of the projects in the midst back on track so you don't lose land. Because if you lose land in certain districts out of the 31, you're not going to have any place else to build. Some people have other options, but there are other areas where, if you lose it, you'll never get a school. And like the developer, they're not going to hold land when people are playing games, because they are business people.

And so, Mr. Chairman, I just wanted to, kind of, come in and -- you may have said some of that -- but I wanted to reinforce that and let

them know that we're working collectively to get from point A to point B and then do acquisition. But I've got to address this demolition problem. I've got to address where these people are living. I'm frightened, myself, every night thinking that they're in those communities and nothing is happening.

ASSEMBLYMAN STANLEY: Thank you very much, Senator Rice.

Thank you, gentlemen from Newark. We certainly appreciate your testimony. And we'll be-- And let me just reiterate what Senator Rice said. In terms of our moving forward, and working together, and making sure that we see this to the right conclusion-- Because it's certainly not in any of our interests to see good projects stop because of this sort of false impression or false assessment that dollars are, somehow, ceasing to come forward.

We in the Legislature are obligated, Mayor Smith. We're obligated, Mr. -- from Schools Construction (indiscernible) -- I'm sorry, from NAACP. We are obligated to make sure that these buildings are built. We have no choice. We have no option. And certainly, with the scenario that we have-- We fought under adversarial administrations to make sure that school construction went forward. We certainly are not going to let the ball -- drop the ball within our own administration.

So I thank you again for coming, and we will certainly work together to make sure things go forward.

Thank you.

Next we have Dr. Mary Stansky.

And I'm trying to do this as people came in, to be fair. The Superintendent of Schools in Gloucester City came from South Jersey and got here -- one of the first to get here.

And we do expect to go throughout the state, but it's very important-- And I'm glad to see folks from Paterson have come down; and folks from Gloucester City and Camden have come up. Because this is a statewide emergency. And I think it shows the emergent nature, when people come from all over the state to take part in this hearing.

So, thank you very much. Welcome to Essex County, welcome to Newark.

MARY T. STANSKY, Ed.D.: Thank you. And thank you to the Committee members for allowing us to speak.

My name is Dr. Mary Stansky. I'm the Superintendent of the Gloucester City School District.

We are a very small community, in comparison to some of the North Jersey Abbott districts and urban districts.

I've come here today to express our concerns about the projects being stopped, and what it's going to do, and the impact it's going to have on our children and our city.

I guess the biggest question to ask is, what happens now? The fact that the money has stopped, and projects have been identified, and all the rest put on hold really has effectively put all the projects and all the districts in limbo. No one seems to know what to do. When we ask what should we do now with renovations that are taking place, where we were going to put children, we were told, "We don't know."

We have four residents in an area where 70 homes were taken that are still sitting there. They are on hold. We have boarded up homes, as the gentleman spoke before. We have been told they're going to be demolished, but we still don't have that happening. Our small district of two-and-a-half square miles has had to put a fire watch because we did have one of those buildings burn down -- one of those houses burn down. We've had two more fires. People are-- It's become a drug-selling place. There are people there breaking things and damaging things. And the people that still live there are quite fearful. So we want to make sure that happens.

When we asked, "What happens after you take them down," we were told, "We don't know. We'll spread some grass seed and walk away." I think that that is extremely irresponsible. I feel that there needs to be a game plan, a plan B, so to speak. We are finishing renovations on our high school -- next September. We have provided swing space for our children and have carefully planned out where to put everyone. We would like to remove our seventh and eighth graders from the high school. It's not a good educational environment for them. The middle school was supposed to be built by the time the renovations were complete.

So we have-- The State has, effectively, unhoused 300 seventh and eighth graders come September of 2006. When I'm asked where-- When I say, "Where do we put those children," "Well, we don't know."

Our grades four through five and six are in a hundred-year-old building, overcrowded. They were supposed to move into the new middle school. When we're told -- "Well, what do we do with them," "Well, we don't know."

We have plans to bring back our classified students from out-of-district placements, because our tuition costs are so high. And we're trying to be effective and efficient, fiscally. We can't do that, because we're overcrowded. When we're told, "Well, we can be -- going to the carpet -- taken to the carpet for the fact that we are putting so many kids of out district to be educated-- What do we do with them?" "Well, we don't know."

So, to your point, Senator Rice, there has to be some sort of an assurance or a plan B as to where we are all going to end up with this, where our children are going to end up, and how they're going to be educated. We've all spent years planning. This was like, "Finally, we're going to take care of the children of New Jersey." And we've all spent years planning on how to educate them best, with our community in mind, with where we're going to go as a community in general.

We started a revitalization project in Gloucester City. Developers are now interested in coming in, because the school system is certainly improving, and we were going to have state-of-the-art facilities. Now we're saying, "Well, we don't know." It's very difficult to plan education. It's very difficult to follow the mandates of the Department of Education in the types of education they want provided to children when you don't have the space to do that.

So we want to come here today to say you need to provide us with some sort of a plan. And now I heard you speak earlier -- which I had not heard before -- that there might be some sort of an effort made to make sure that this goes forward. Our impression has been, "Oh well. We're out of money. That's the end of it." Well, that is certainly not okay. And the

children of New Jersey certainly shouldn't have to suffer for the mismanagement of the funds at the State level.

Everyone knew, when you bonded the original amount of money, that it wasn't going to be enough. You didn't factor in an acquisition of sites, you didn't factor in the acquisition -- or the building of early childhood sites. And you knew that early on. Even the cost per square foot to build it was way lower than anybody -- any construction firm would tell you.

So, knowing that early on, why wasn't something done early on to start to fix that, revise that, knowing that down the line you were going to have all these projects started? We're ready to go to construction for our middle school. It's on hold. Over \$20 million -- EPA, Federal money came in to clean up the site. The district was proactive, and went to the Federal government and asked for that money so we wouldn't have to add that on to the cost of the SCC and the State of New Jersey.

They did come in, because we said there will be a school there. They are done. They came in and did their thing. They promised it, they did it, they're leaving. Ten million dollars was spent, so far, to buy the homes, to relocate all the homeowners, except for the four that are still there. Over \$1 million to design the school-- So what happens to all that money? And the longer we wait, the more costly it is to build the school. And our children still sit, waiting for the facilities.

So I don't have the large, huge districts. We certainly have just as many problems. But for our city, not having a middle school is devastating to us. That's everything we needed to make our programs be efficient.

ASSEMBLYMAN STANLEY: Well, I certainly thank you for those comments.

You're absolutely right. Many of us, as we voted for the initial legislation, knew that the \$8.6 billion was not going to be enough to handle all the school construction that needed to be done in the state. We also knew that \$6 billion would never be enough to handle the Abbott district requirements. So that doesn't come really -- or should not come as a shock to anyone. And if anyone has been under the misconception that the Legislature thought, in any way, that that was going to be enough to handle all the projects in the Abbott districts, then they're under a failed assumption. They're working under the wrong information.

The other thing I-- And so I guess to add to that, the fact that we're running -- that the bond -- the current bond issues have -- are coming to an end. That should not be completely blamed on some of the mismanagement issues that you've seen highlighted over the last few months. Some people use that as a way to stop future projects from going forward. But most of the management issues, or most of the management issues-- (cellular phone rings)

And can I please ask, if people have cell phones-- We've heard about four cell phones go off. You would think, after the second one went off, everybody would turn their cell phones off. Obviously, let me just request now that everyone turn your cell phones off so we don't have any more interruptions.

But I just want to say just one other thing in that line. And that is that, yes, we are under obligation to build schools. We're under court-- Just to reiterate it-- And anyone who feels or thinks -- and that

includes my colleagues in the Legislature. I challenge them to come to me and say that we're going to have a problem coming forward with funds.

Guess what? As the Senator said, "We'll see you in court." We will-- We have-- We are obligated. It was a good ruling. It was the best ruling in the country. People throughout the nation looked to New Jersey and said, "Boy, we need a decision like that so that our poor, urban school kids or poor, rural school kids can get buildings built," because most of the time it's the folks who have the least amount of resources that have the least amount of political pull or clout to get those majorities in both houses, and the executive, to sign off to get a project like this done in the first place.

So we just-- So I just want to say that, no, just because the SCC came up with this list-- I know they worked with the -- I think it was supposed to be a panel of three groups -- the Executive, the Governor, the Attorney General, and the Schools Construction Corporation were supposed to come, and come up with this list of projects that should go forward with the remaining funds that they saw available to them at that time. But that, in no way, restricts us as a Legislature, or the Executive branch from directing SCC to move ahead with projects that we feel are projects that need to go forward.

So I just want to say that so that we understand the context of what it is that we're talking about here. No, it's not that the school projects are stopped. They may be halted, temporarily, while people get their little acts together, but that's why we're having this hearing here. We want to make sure that we do get our acts together sooner rather than later so that we don't lose six months or lose a year on projects that should be going forward.

But, again, thank you for your testimony.

If any of the members want to ask questions--

Senator Rice.

SENATOR RICE: Thank you for coming up.

We're very much concerned about all the districts. And we had conversations -- the Assemblyman, and I, and others -- Senator Sweeney and other people -- in reference to your district.

You purchase properties, and the project is held up-- Are you similarly situated where there are people still living within--

DR. STANSKY: Yes, we have four residents that are on hold.

SENATOR RICE: I need to note that, because we're trying-- I know we have everybody at -- staff and the State looking to give me the right information, but at least we know it's there.

DR. STANSKY: And we've been told that there's -- demolition has been -- the bid has been awarded. But I've got to tell you, until I see a bulldozer, you're not convincing me.

SENATOR RICE: When they say it's been awarded, there are other things that have been awarded also that have been put on hold. That's my concern. So there are contracts, I believe, that are signed for other things, other than demolition, that have been put on hold. And so we're trying to work through that. But I just wanted to make that note, because as we go through the list, and we go through this process, the Chair may be setting a meeting up down in Gloucester City. The confusion was Gloucester County versus Gloucester City.

DR. STANSKY: You're right, that's always confusing to people.

SENATOR RICE: And that's always confusing. And if we set that meeting up, we should be looking at Glassboro (*sic*) County College.

DR. STANSKY: Gloucester City, Camden County.

SENATOR RICE: Exactly.

DR. STANSKY: And, again, I just want to reiterate that although we are small, it impacts us greatly, because we have just one school for each grade level. So what do we do with the seventh and eighth graders? The community is asking us, and I'm going, "I don't know. I don't know what to tell you." We're going to stuff them into the school that's being renovated, and now we can't run programs for high school or for junior high. So it's a big concern. And as you stated, the longer we wait to fix this, and get this project started again, the more it's going to cost and the more the kids suffer.

ASSEMBLYMAN STANLEY: Well, thank you again, Superintendent. We certainly appreciate you coming.

DR. STANSKY: Thank you.

ASSEMBLYMAN STANLEY: Next, I have Barbara Phillip, from 21st Street, in Irvington.

Fantastic. Good to see you.

B A R B A R A P H I L L I P: I'd like to thank Assemblyman Stanley, and Senator Rice, and Committee members--

I'm on 21st Street. And the quality of life issue is my concern. I live by two vacant lots and a building that's empty. The tenants moved out. This house is not boarded up.

And as Senator Rice made the comments, they were the exact comments I had. These houses by you -- as you know, Assemblyman Stanley -- you were on my block last week, and you saw what was going on.

These houses should be boarded up. And not only the windows, but board the doors. We have people living in houses that are already boarded up. And this is not fair to us.

I bid on a house, and the money was frozen. I lost the house. I bid on another house, and I was told, "Do not send the contract in. We're not taking any more."

The quality of life issue is a major concern. This is not fair. This is not something that we started two weeks ago. This is two-and-a-half years ago. Our life is on hold. And I don't know what to do. I don't know where I stand at this point. But it is not fair, and something should be done.

Yes, we need a school. But what happens to us? I'm in a house. I don't know where I stand at this point. I'm 70 years old, and I do not need this aggravation. It is not fair to us. So I don't know where I stand.

The house by me should be boarded up. There are too many activities going on in the area where I live, in these abandoned buildings. And there are people living in the houses, as though this is their apartment, and it's not fair to me. I'm paying taxes. These houses should be boarded up or torn down. Nobody should come in these houses and live as though this is their apartment, and live free.

That's all I have to say.

ASSEMBLYMAN STANLEY: First of all, let me thank you for coming, Ms. Phillip. I know it's not easy, sometimes, to make your way down here. As you say, you're 70-plus-years-old. You don't look a day over 60 to me, Ms. Phillip.

It's real encouraging and refreshing for us to hear your testimony, because that is the testimony that will help jump-start these projects and address the quality-of-life issues. Senator Rice and I -- we can talk about -- but that you represent, that you live on a day-to-day basis. And it is unfair for a person to have to wait for the Legislature to reconvene or for a bond issue to be done, and have to live under the conditions that you are living under.

Nobody in any of the agencies, in any of the top leadership positions in the State of New Jersey would accept that, and we shouldn't allow you to accept it either. So I thank you so much for coming. We appreciate your testimony. (applause)

SENATOR RICE: Mr. Chairman, I have a question for Ms. Phillip.

ASSEMBLYMAN STANLEY: Senator Rice, please.

SENATOR RICE: Yes, 21st Street is in the Irvington part of the district -- of our district. We share the same district.

Maybe someone can answer this -- the Mayor or someone.

That building that's being talked about--

This is the honorable Mayor Smith, from the great township of Irvington. He's a very progressive young man.

ASSEMBLYMAN STANLEY: I have to acknowledge my Mayor.

MAYOR WAYNE SMITH: How are you, Assemblyman?

SENATOR RICE: Is that a building that Schools Construction Corporation owns or purchased?

MAYOR SMITH: There are several buildings in that particular area -- Ms. Phillip's is one of them -- that the Schools Construction Corporation approached for acquisition. The township, in fact, sold them 11 -- or at least the approval -- I don't know if we got the money yet. I don't know. But 11 parcels of land that we actually authorized them to buy from us--

This is-- Ms. Phillip represents a number of people. I talked to a young man returning from Iraq. He gave service to his country. His family had a piece of property that they conveyed to him in that same particular area. And he is in limbo. He was promised. I have had tenants who had to move out.

Part of this began to unfold, if you will, when the ombudsman came in to look at the Schools Construction Corporation. And they began to put a lot of things on hold at that stage of the game to -- not even looking at the additional appropriation after the Schools Construction Corporation acted the other week. But some of that began to unravel because they put a lot of things on hold, in looking at the SCC. So people began to get affected by that then.

I know Senator Rice and I talked to several residents, people who had been given commitments as tenants, and who had, based on that relocation commitment, were able to acquire a home, had gotten mortgage approvals, and were ready to move, in some state, in our township, as a result of that. But then all their projects were put on hold.

If we look at this -- and I'll sneak in my short testimony while I'm here. (laughter) If we look at-- The issue for me is-- The critical issue for us is this new middle school. The new middle school-- It is well-documented that Irvington has an overcrowded school system. We appreciate the SCC's work and the Legislature's work in providing the funding for the health and safety standards for all our schools. Florence Avenue School is a project that we're looking at. But the most critical project is this new middle school, which is bordering the area that Ms. Phillip lives and one of the sites that her home is on -- that actually she's in. And she is no better testimony, or heart compelling testimony than can be given -- than Ms. Phillip, who is actually stuck in limbo. She can't make a financial commitment. She wants to stay in Irvington, in fact. I've talked with her. She wants to stay in the township. But she can't get the proceeds, because of this situation, and so she's in limbo. She doesn't know if she's in or she's out. I mean, no one of us would like to be in a situation where we're like that.

So, again, this young man just coming home from Iraq, performing his duty to his country, has some property, willing to sell it. Irvington did-- One of the things we did right-- You know, you get challenged, when you're in this mayor seat, whether you do anything right. But one of the things we did right is, we planned. And we worked diligently with the SCC to make sure that there was a proposed area. I held off development in that area, because we knew it was critically important that we have a new middle school. We could have sold the land to developers. We fought that. We resisted that. We need ratables. We need service. But we also know that the quality of education, and getting class sizes down

to a manageable level so that children can learn is of paramount importance. And so we resisted that spur of development.

So I would just-- And sometimes you're preaching to the choir, if you will. And I don't know the record of Senator Bark or any other members of the Legislature who are here. But I do know Assemblyman Stanley and Senator Rice, and where they are on this issue. But if we are going to make one New Jersey, it is absolutely critical that we don't get into a discussion that divides the future of our state. The education of our children, developing a workforce for New Jersey companies--

I mean, the Abbott decision was clearly designed to deal with those issues. And both Assemblyman Stanley and Senator Rice are right. The Education Law Center -- once the SCC board has acted -- is already preparing its case to go back into court, because they have to preserve its rights to do that. And municipalities like mine, in fact, are going to be doing Friends of the Courts brief to support that initiative. But I know if it's left to Senator Rice or Assemblyman Stanley, they're going to be doing what they can as legislators to make sure that this ball is moved up the court.

I can impress upon you, in a more urgent-- Now, I heard the Assemblyman say that this is a state of emergency. There are many Barbara Phillips in the township of Irvington who are affected by this whole scenario, whose life is in limbo, don't know where they're going to live, what they're going to do with their family.

And when you think about a young man who walked into chaos coming off a battlefield in Iraq, we can't make a more compelling case than to do the right thing in this issue.

Now, I know you two gentlemen--

And, Senator Bark, I hope you're on board. I haven't had the pleasure of meeting you. But we've got to get the appropriation done for these schools. There's no other way to do it. And those who would stand in the way of that-- You can count on this mayor to go where he needs to go, march where he needs to march, and do what he needs to do.

SENATOR RICE: Mayor, that area of the middle school-- Now, I'm speaking with the Business Administrator, the honorable Mike Steele (phonetic spelling). One of the things we were trying to do is-- There were 10 pieces of property, roughly -- 10 lots that SCC was supposed to purchase over there. Some were owned by the Board of Education, etc. Was that the middle school area, or was that--

MAYOR SMITH: Now, that was Florence Avenue. There are two projects on hold.

SENATOR RICE: So in the middle school area, now-- Then my question becomes, where Ms. Phillip lives -- that's the area where the middle school was designated to go. Is that correct?

MAYOR SMITH: Absolutely.

SENATOR RICE: The next question is, do you know whether or not SCC actually purchased the property in that area? Do they own it, or they put it on hold?

MAYOR SMITH: There were some that were actually acquired, but most of them are in limbo. They made promises. They had people make shifts in their lifestyles, and they left them in kind of a lurch.

SENATOR RICE: Okay. Then what I need staff to do is to take some notes. I need someone to get with Mayor Smith and Ms. Phillip. I know the area, but I want you to identify it on paper.

I'm going to get with the SCC, because someone between--

MAYOR SMITH: Uriel Burwell was actually a consultant that--

We did it right, Senator. We came in. We worked with the residents of that community. We also worked--

SENATOR RICE: But here's my concern.

I don't mean to cut you off. I know there are a lot of other speakers.

My concern is that someone has to board the property. Now either SCC is going to board it because they own it, or we've got to find a way to get the township to board those properties. And we may have to find some dollars in Community Affairs or someplace to get it done. But Ms. Phillip is saying that those properties are wide open, in many cases, or not boarded up properly. And that, in itself-- That's an immediate situation until we can figure out how to tear it down. That's why I wanted to know.

So why don't you get the information on that, because either SCC owns it, or they should have owned it. And the board members or that committee stopped the contracts. The question is whether or not there are contracts out there for that property. And if there is, we have to figure out how to make them proceed with those contracts, particularly if they make sense.

In the interim, there's got to be, like, a yesterday boarding up of those properties. I know that area very well. I've got gang-banging down in there. I know what's going on. I've got my drug problems, I've got my rodent problems, I've got people whose real estate values -- trying to slip up, but it's not going the way it should go. I've got insurance companies denying people insurance because of the abandonment. So between the municipality -- Ms. Phillip -- and the State of New Jersey-- And the State could be SCC, it could be Community Affairs, it could be someone. We're going to move forward to try to get some immediate relief over there for those particular properties. Someone has the responsibility.

And if they're municipally owned properties, than we have to work with you. If they are privately owned properties--

MAYOR SMITH: Most of them are privately owned, Senator.

SENATOR RICE: Then we're going to have to go after the owners. Because even if SCC did not purchase-- Until a contract is legally signed, those owners, whether they're absentee or not, still have a responsibility to maintain those properties in a certain condition.

So, Ms. Phillip, we'll deal with that.

Mr. Chairman, I don't want to go any further with that. I just want to get clarity as to who I'm dealing with.

All right, Ms. Phillip?

MS. PHILLIP: Thank you.

ASSEMBLYMAN STANLEY: Thank you, Senator.

Thank you, Mayor.

MAYOR SMITH: Thank you for letting me sneak my testimony in at the same time.

ASSEMBLYMAN STANLEY: No problem.

Next we have Wendy Kunz, Director of Abbott Facilities Construction for Camden City.

SENATOR RICE: Mr. Chairman, while she is coming up, there are some SCC people here. And I'm going to ask them to get to my office, and your office too, through you, tomorrow. Because if you reached out, saying you're going to build a school, and you were starting to -- there was intent to acquire the property, it means you know who the owners are and where they are. Because one thing about local government, every time we go after some abandoned building owner, we can't find them. So I want ownership of all those properties -- owners' names, address, corporations. If it's a corporation, tell the Secretary of State to do a quick run to give me the real people so that we can find out -- we can get them to meet the responsibility if you're not going to meet it.

Do you understand where I'm coming from? Someone could say yes. Just moan so I'll know you're SCC. If anyone is there, nod their heads so I know what you're talking about.

Thank you.

ASSEMBLYMAN STANLEY: Thank you very much.

W E N D Y K U N Z: I'd like to thank you for this opportunity.

Good afternoon Assemblyman Stanley, Senator Rice, and Committee members, and Senator Bark.

I am from the Camden City School District. I have, to my left, Mrs. Martha Wilson, a board member. And Kevin Barfield (phonetic spelling) is here.

I am a registered architect. As you said, I'm the Director of Abbott Facilities Construction for Camden City Public Schools. I'm also a recognized educational facility planner by the Council of Educational Facility Planners International.

I serve the children of Camden. I try to make my decisions based on what is best for the children.

Camden has been rated the most violent city in the country. It has also been rated the second poorest city in the country. We are making improvements in our standardized test scores. They may not be as vast as what the rest of the state is achieving. However, we are starting from a much lower point. We have much more obstacles to overcome.

We have 34 occupied schools. Each one has been judged educationally inadequate. Of these 34 schools, approximately 20 will be replacements as of this time. The remaining schools will be renovations and additions. We are scheduled to build five schools to accommodate our growing school population.

On several occasions, I was asked to prioritize projects for the city of Camden by members of the Department of Education and by staff members at the SCC. I gave my answer to them basically saying that, since we have one school dating from 1850, many schools in the late 1800s, many more schools from the early 1900s, all of our schools are high priority. However, there are two schools that I have repeated over and over again as a safety issue.

First is the Camden High School. Our main building has pieces of masonry falling off the exterior. They have come along and erected a fence around the perimeter of the school with just openings to get into the

building. This is to protect the students, the staff, and the public from being struck by falling masonry. We were one week from accepting bids on this project. The project was put on hold. The project was not included in the final list from the SCC.

The other project is the Lanning Square Elementary School, which was closed under emergency conditions in November of 2002, after it was judged by an engineer to be structurally unsound and in danger of eminent collapse. Unfortunately, the school is still standing. We have a design of a replacement school nearly complete. It will be complete this Fall. And if land acquisition had gone ahead, it would be under construction by January. Unfortunately, land acquisition has not gone ahead. This project has not made the final list.

Students from Lanning Square were moved to Fetters school. It was built in 1875 and now experiences overcrowded conditions. Other students from the school were turned -- were directed to the Broadway school, which was built in 1886. That school was closed because it was educationally inadequate, but reopened just to house these students that were moved out of Lanning Square.

We have 14 projects -- active projects when I came on board in September of last year. We have one in construction as of right now. Ten others -- design is complete or nearly complete, and the designs will be complete before too far into the Fall.

I'd like to point out that when the SCC put their final list together, they misnamed one of our -- or misquoted one of our schools as being a renovation and addition. And, in fact, it is a complete replacement, and it's the Morgan Village School.

I thank you for the opportunity to speak on behalf of the Camden School District and the students of Camden.

Thank you very much.

ASSEMBLYMAN STANLEY: Thank you very much.

Questions?

SENATOR RICE: I suspect, knowing Camden, you have several buildings that the SCC purchased that are boarded up, in residential?

MS. KUNZ: Yes, unfortunately I'm not privy to the amount of properties that the SCC has owned or the SCC has committed to, and created similar conditions you've heard from the other districts. Communications have been somewhat less than forthcoming on those issues.

ASSEMBLYMAN STANLEY: Senator, maybe the first week after Labor Day we can push to have that -- the South Jersey meeting in Gloucester City.

And then we'll take -- we'll notify you folks. And we can get more testimony down in that Camden area, and Gloucester City, and so forth.

Thank you.

Next we have Chauncey Brown III, President of the Paterson Public Schools. And if Anna Taliaferro would like to come up with him, the President of the statewide New Jersey Association of Parent Coordinators.

A N N A T A L I A F E R R O: Before we begin, can I take some of your water, Senator Rice? (laughter)

SENATOR RICE: Yes, you know you can. You know I love you. You can have the whole thing, not some.

MS. TALIAFERRO: Thank you.

C H A U N C E Y I. B R O W N III: Good evening, ladies and gentlemen.

My name is Chauncey I. Brown III. I'm the President of the Paterson Public School system. I want to thank you for allowing me this opportunity to give my testimony today.

Before I testify, I must personally thank Assemblyman Craig Stanley for allowing me open dialogue with him in his office, and also for Senator Rice for the same, and also for the letter of respect that you had sent down to Commissioner Librera's office, that he has failed to respond to at this time.

As I continue, the individual to my left is Mr. Quincy Battis, one of our community leaders. And you've already acknowledged and introduced Ms. Anna Taliaferro. She is our supervisor for the parent resource center in Paterson.

As President of the duly elected Paterson Board of Education, I speak to you today to urge you, in the strongest terms, to introduce and support new legislative measures to reform and fully fund the Abbott facilities mandate in Paterson and the other 30 Abbott school districts. Every one of the more than 350,000 pre-K through 12 students in the Abbott district is entitled to a school building that is equivalent of what is routinely available in our fine suburban districts.

Consequently, every one of the public schools in our 31 communities must be replaced or rehabilitated based on need. As you

know, when current funding runs out, the State will have completed far less than half of the seven-year-old mandate. In Paterson, the gap between promise and reality is even greater.

The so-called SCC priority list for Paterson includes the completion of four new schools and the rehabilitation of three other schools. These seven schools enroll 3,371 of 29,362 -- or 11 percent of our students.

No doubt agree, failing to remedy facilities' deficiencies for 25,991 of our students hardly translates into constitutional compliance. The funds originally identified by the Whitman administration have proven to be far less than what is needed, and the administration of those funds by the McGreevey administration has apparently been inept or worse -- only continues to prove that both major parties in New Jersey have been unable, thus far, to meet the constitutional requirements set down seven years ago by our State Supreme Court.

The Court expected, in the *Abbott V* 1998 ruling, that planning would conclude expeditiously, and that construction would begin by the Spring of 2000. That timetable was never met. And as events have shown, each year of delay and poor implementation has put the State of New Jersey in a greater fiscal hole, and delayed further the fulfillment of the constitutional finding that the State's constitutional educational obligation to the Abbott children includes the provision of adequate school facilities.

A second element of funding sufficiency is to provide funds for rehabilitated and new facilities for our communities-based partners who provide preschool for 3- or 4-year-olds. Seven years ago the Supreme Court found the need to prioritize construction projects that will facilitate full

implementation of the early childhood program. Yet the State has failed to develop funding or a process to assure that the 70 percent of Abbott children enrolled in community-based preschool classrooms have modern, up-to-date facilities comparable in quality and amenities to what is increasingly available to students who attend preschools within the public school structure. That failure is a crime, especially because it disadvantages our youngest and most vulnerable students.

In addition to the need for increased funding, an amount that can be determined by examining the most recent five-year facility plans for each of the 31 districts, it is essential that the Legislature reform the process by which Abbott district schools are being built. The top-down process that puts local districts in a totally dependent role has proven to give the State way too much authority to produce great inefficiencies, and to deny the constitutional role of local communities established by the Court when it gave local officials not only the right to plan according to need, but ordered the State to view such plans with deference.

ASSEMBLYMAN STANLEY: Mr. Brown.

MR. BROWN: Yes.

ASSEMBLYMAN STANLEY: I'm sorry. I guess I shouldn't say -- I don't mean to interrupt. If I didn't mean to interrupt, I wouldn't interrupt, right? (laughter) But I want to try to get to some of the issues that we want to make sure that we address here today and now. And that is referring to the projects in Paterson that have been put on hold. What are the consequences of those projects being put on hold?

And also, to Senator Rice's and my issue, with respect to the displacement of homeowners, and abandoned buildings, and that kind of thing. What is the scenario in Paterson?

MR. BROWN: If I could just wrap up this, then we can get to that if you don't mind.

ASSEMBLYMAN STANLEY: Well, if that's pertaining to what we're trying to get to, fine. But otherwise, why don't we just skip-- And we can take your testimony and have it for us. But in the interest of time, let's get to that other area.

MR. BROWN: Well, actually, when I lead off -- when I described the amount of students that would be affected, that's where we lead off in that beginning area, and how it ties into, failing to provide that, where we got to this point.

I have one more page to read, if you'll allow me to read it, with all due respect. Please.

ASSEMBLYMAN STANLEY: Sure. Yes, okay.

MR. BROWN: Others can wrap up that for me.

Thank you very much.

The Court would -- it given, a local official has not only the right to plan according to need, but order the State to view such plans with deference and with the understanding that local educators are in the best position to know the particular needs in our own districts.

Besides sufficient funding and far more collaborative structure between the State and local districts, the third element of dramatically improved Abbott facilities program is to provide far more rigorous ethical and procedural safeguards, including standards of conduct and official

ongoing oversight. Such a watchdog should include the Educational Law Center, local district representatives, and representatives from Higher Education, the major statewide education groups, and other independent civic, business, and religious organizations. The amount of money required by the Abbott is so large, and the opportunity for mismanagement and worse is so inviting that we cannot leave it to the Executive branch alone, and we must go overboard to assure the second go-round does not repeat the mistakes of the first phase.

It is essential that you provide leadership to solve this latest Abbott crisis. And as the President of the Paterson Board, I am determined to help lead our district out of State control and towards a far more effective school system for students of our community. But none of us can do it locally without your help. We need the funds to fix all the schools. And we need a process that assures management efficiency, meaningful local involvement, and the highest ethical behavior. Only the Legislature can ensure that. And I implore you to do your part in resolving this problem.

Our recourse, of course, is the courts. The Abbott decision makes it abundantly clear that the Supreme Court anticipated further litigation, and has been the case throughout the 35 years of this struggle for equal opportunity in our state. It will view; any willful neglect of the full implementation of Abbott would sustain. But further litigation is time-consuming, costly, and intrusive. We must get to the point where the other branches of government recognize, finally, their role in providing a constitutionally adequate school system for children and the youth of our state.

I hope you take my requests very seriously. On behalf of the Paterson Board, I can assure you that we stand ready to cooperate with you, in every way and fashion, that type of new legislation I am suggesting to solve the problems, with implementing of the magnificent Abbott facilities mandate.

Thank you very much.

And I'll let our representative--

MS. TALIAFERRO: Let me see if I can do this, knowing me.

Good afternoon, gentlemen, ladies.

First, let me say-- And I have to say this for the record, you have to be applauded, Assemblyman Stanley -- you really do -- for making this egregious step to do what we need to do on behalf of our children. You want to talk about the reality of the situation--

Paterson is 8.6 square miles, with over 50 percent of its buildings being over a hundred years old. We are looking at an increase in student enrollment this year, with students having been placed in buildings that are unsafe, unclean, and unhealthy. The environment that our kids are going through, sometimes, are no better than those that exist right in the street.

And so the SCC has a responsibility, under the court order. But we have even more responsibility to see to it that we don't just discard those youngsters, as we have been doing with the increase of the gang population.

And I know Senator Rice. I've known him a long time. I know you understand the environment of these districts and what is going on. We are in buildings that you would not put your dog in. We have

misplaced homeowners. And now that I'm getting near the stage of the young lady who testified, that's even more important to me, because I am a grandparent, and I have at least six grandchildren in that district.

So in order for us to do what we need to do, we-- I applaud your efforts, all of you. Because it's going to take some tough will to get to the point where we educate our children like we should be educating to improve the quality of life.

It makes me crazy when I hear an assistant commissioner, who would come to our district and say to us, "The reason why you're in the condition you're in is because the State hasn't monitored you in 10 years." Come on. Let me say this to you. You have a bigger responsibility than we do, because you took over this district. We are a State-operated district. You advised our superintendent to hold the line. You know that. And when you held the line, you were directly responsible for these buildings not being built.

I was at the SCC hearing two weeks ago. They had the nerve to include a bridge to our school as a school site. What is going on here? Are we stupid? Is that written across our foreheads so you can just do anything you want to do to us? They gave us six sites, knowing full well there were only five real sites there. One of them is a bridge. Who are you talking to here? These are our children.

And I'm with you 100 percent. I will use my efforts and my advocacy to improve the quality of life for our children. If we don't do something now, we're going to pay very, very dearly for it. Because let me tell you something, ladies and gentlemen, those kids aren't playing with us anymore. You're either going to get it done and get it done right--

And I hope that your advocacy will force that SCC to take a real hard look at what it is they have to do. We held the line in Paterson. Our State superintendent put in \$799 million when he knew full well we were going to need more money than that in order to renovate these buildings. We have three buildings waiting right now. You held up one of our projects.

I can't remember the district that I was in recently. I came up from South Jersey, and I came through a very affluent district, just to see one of the most gorgeous edifices with you, with the SCC sign, standing up there. I don't see that in my community. We are waiting for International High School. We are waiting for more preschool space.

I just left Virginia Beach -- to my granddaughter's graduation in preschool -- in Kindergarten, rather. When I walked in, the building was gorgeous. It looked like I was on a college campus. This is Kindergarten. The building was air conditioned. We have our youngsters sitting in buildings-- We had to dismiss our schools when that temperature went up to over 100 degrees back in June. We had to get those kids and the staff out of that building, because they were succumbing to the heat.

So given that fact, I want you to know I know you know the urgency. But it is even more urgent. We can no longer afford to wait.

I thank you very much for listening. And I hope I don't have to come to any more hearings. Maybe I'll come to a rally. (laughter) But I'm ready to move on. (applause)

SENATOR RICE: Mr. Chairman.

ASSEMBLYMAN STANLEY: Yes, Senator.

SENATOR RICE: To the Board President and Ms. Taliaferro, the same question-- You have residential buildings in Paterson that are boarded up that are owned by the SCC, where people are still living in the system there?

QUINCY BATTIS: Actually, no, Senator Rice.

Actually, what's taken place with the facilities-- Our Mayor of the city of Paterson has actually submitted some plans to the SCC, including the Hinchliffe Stadium, and the armory, and the Wayne -- former Wayne General Hospital. They're all boarded up. But I believe, and I stand to be corrected, if need be, I believe that those properties still belong to the city. However, they went back to the drawing board. And the SCC is, at this time--

For an example, the Hinchliffe Stadium-- It was supposed to be a sports and business academy. And at this time, they're not going to give the money to refurbish. So the Mayor of our city is looking to put something on the November election to see if we can vote for bonding.

At this point, they are in residential neighborhoods, and they are boarded up. And so that needs to be taken care of, looked into, with the SCC.

And also, to piggyback on what Ms. Taliaferro was saying, in reference to the overcrowdedness of our high schools-- I believe, probably, this coming September, Eastside and Kennedy alone will probably have between 900 and 1,000 freshmen. Eastside, alone, only holds -- I think, from what I did -- a little bit over 2,000. So we are just densely populated. These schools need to be refurbished.

Back in 2000, the former administration had said that Eastside would be one of the schools that would have a 21st century school. And the former Governor had signed that into Executive Order. And we're just overcrowded. There's no air conditioners in these schools. We only have-- We were promised -- or we were supposed to have 13 schools. We only have two built, which is Panther Academy and Roberto Clemente. And at this time--

Actually, we only have two new schools, that were given to us last week with three renovations. So that's not five new schools. And one -- just to piggyback on what Ms. Taliaferro said -- is a bridge -- it's counted as a school -- for a walkway for Marshall Street site.

So we in the Paterson district, along with our State officials, have our work cut out to hold the New Jersey Schools Construction Corp -- we cannot help that \$8.6 million was misappropriated. But I don't believe that our kids should suffer at the wrongdoing of adults.

ASSEMBLYMAN STANLEY: Senator, if I may.

First of all-- And I'm trying-- I want to try to keep the record straight -- \$8.6 billion was not misappropriated. One of the things that you hear often and often again is that that was the case. That was not the case. There was some mismanagement at SCC. I'm not going to try to defend that. But the lion's share of the money was used for what it was supposed to be used for.

The issue is that that money has come to an end now, which we knew was going to happen sooner or later. We knew \$6 billion was never enough for the Abbott districts. We knew \$2.6 billion was never enough

for the non-Abbott districts. It just was not enough. It's what the Legislature decided to approve at the time.

Now going forward, what we have to do is make sure that those projects that you say have been shelved or are not going to happen -- that they do happen. We believe-- And it's not just-- See, I think it's wrong, also, to vilify SCC too much. You can't vilify SCC too much in that they don't control the purse strings. They don't control how much money is available. And they understand there's a finite amount of money. There are so many projects that can be done to completion at this time. And they've looked at that and said, "Well, these are the projects that we have enough money to do at this time."

What we have to do, as members of the Legislature -- as leaders in the Legislature -- in our capacity to influence the Executive, is to say that projects that need to go forward-- We have to make the determination to let them go forward. SCC will not run out of money if we keep certain projects going forward until, let's say, January, February, March, when we can allocate some additional resources, if you follow what I'm saying. They will run out of money if we don't appropriate any additional, or if we don't allow any additional, bonding.

I believe-- And as a matter of fact, we have to, under the Constitution-- We have to provide additional bonding so that all of the buildings that need to be done are done. So it's just a matter of us, sort of, putting our heads together and finding out what makes sense from a standpoint of construction, a standpoint of the construction projects that are in their various phases, how we go forward without costing the State a lot of money, a lot of unnecessary money.

See, when you hold up projects, you don't save money. You cost the State additional funds. And not only that, but the amount of life -- the quality of life that we're costing school kids by deferring projects that need to be done is another issue that we have to take very, very seriously. So I just wanted to, kind of, put that into proper perspective.

I also want to recognize my colleague, Assemblywoman Voss, who has joined us, who is a member of the Assembly Education Committee and also a member of the Joint Committee on the Public Schools. I welcome her to any comments she might have.

MS. TALIAFERRO: May I interrupt you for a moment?

ASSEMBLYMAN STANLEY: You can always interrupt me, Anna. (laughter) I don't even know why you asked.

MR. BROWN: I should have gave her my testimony.

ASSEMBLYMAN STANLEY: Yes, Ms. Taliaferro.

MS. TALIAFERRO: One of my major concerns is that those projects that are on the board don't get watered down. In other words, someone comes in and says, "You don't need this, you don't need that." We have a situation, right now, with Panther High School. That's situated on a very busy street across the street from the college.

We approved-- When I say we, I'm talking about the State approved this building to be built. We have no cafeteria, no gymnasium, no auditorium. We are right across the street from that college. Every day that I pass, when that weather is inclement, especially, I look at those high school kids standing on that corner. And we are just getting by by the skin of our teeth. Because if a car should go into a skid, on an icy day, one of

those kids is going to get tagged. And we better count our lucky stars if something doesn't seriously happen to them.

And we had the opportunity to buy a building that was on the corner, so we could at least put that cafeteria and keep those kids in that building during inclement weather or any other weather. And we have no gymnasium and auditorium for high school kids. How did we approve that project?

It just drives me nuts to know that, here we are in the 21st century, and this has happened to our children. Why did you approve this project, when you knew full well it didn't have this.

ASSEMBLYMAN STANLEY: Through the Chair, who was the architect?

MS. TALIAFERRO: What was the name of the firm? I know you know it.

SENATOR RICE: Did the architect work with the Board of Education to design that project?

MS. TALIAFERRO: I'm sure they did.

SENATOR RICE: Then I have a question mark right there, but I will leave that alone. We'll get back on it, okay. (laughter)

MS. TALIAFERRO: We're under State control.

SENATOR RICE: The final piece, because the Assemblywoman is going to speak--

You work for the administration of the Mayor or the Board?

MR. BATTIS: No, I just keep them--

SENATOR RICE: Keep them honest. (laughter)

Would the President please go back and have your administration get with Mayor Torres's administration to determine -- to make certain that I don't have -- we don't have -- you don't have any SCC residential properties, that they actually own, boarded up? Because what I hear here is that there should have been some properties acquired, but it never occurred, etc. But I want to be certain of that, because we're trying to identify this immediate need to figure out what the cost is going to be to demolish these buildings, as well as to relocate the people who are left in those areas -- that the new contract--

MR. BROWN: And, Senator, with all due respect, I will get back to you with that information. I just became the newly elected President in April, and I'm trying to navigate through this facility issue with the past superintendent, with all due respect to the past president.

But there has been a problem with coordination in reference to collaboration and communication with these cities' administrations, the school board, and the SCC. And that's the dilemma that I'm confronted with, and I'm trying to coordinate and work through at this time.

ASSEMBLYMAN STANLEY: Assemblywoman Voss.

ASSEMBLYWOMAN VOSS: I apologize for being late, but I was in an NJEA meeting.

The thing is that I have been an educator for over 40 years, and so I really understand your concerns very, very much. And my concern is that the kids get what they need, and they need it in the classroom, and they need the buildings.

One of the things, as I was listening to what you said-- And I understand that one has the perception that a lot of money has been

wasted. Don't we have a clerk of the works? I mean, I've been involved in a lot of building projects in my area. And there should be somebody who oversees who's spending the money, where the money is going, how it's being spent. Because I think that we all have the perception, from reading, that a lot of money has been lost. And it should be going to the kids in the classroom and for the things that the kids need.

So is there going to be-- When we allocate more money for these projects to be finished, are there going to be people who oversee where this money is going? There has to be accountability, and it has to be in the best interest of the kids.

ASSEMBLYMAN STANLEY: Actually, that's a question for the SCC. The SCC is actually the keeper of that. They control the projects in these districts. And that's a good question. And we've had a number-- If you've listened to any of the testimony during the Appropriations Committee meeting, they were very appropriately scrutinized and questioned with respect to just that.

Just in response to your comment, the newly elected Chairman of the SCC board has, in fact, appointed a CFO, chief financial officer, and has done a number of changes in the SCC administration to ensure that the problems that occurred in the past aren't reoccurring in the future. I mean, just to kind of bring you up on some of that--

ASSEMBLYWOMAN VOSS: Accountability is, I think, the key to success, in terms of money being spent.

ASSEMBLYMAN STANLEY: Right.

ASSEMBLYWOMAN VOSS: And we haven't had that, I don't think.

MR. BATTIS: And, Assemblyman Stanley, I made that statement because of what was released from the IG, Inspector General's office, regarding mismanagement. I would never have made that statement, sir--

ASSEMBLYMAN STANLEY: Oh, I'm not--

MR. BATTIS: And I apologize.

ASSEMBLYMAN STANLEY: No, I'm not suggesting that you're--

MR. BATTIS: But it was released to us, to the community.

ASSEMBLYMAN STANLEY: No, I'm not suggesting that you're-- Well, the statement that you made was \$8.6 billion was mismanaged, and I think that's probably overstating what exactly took place. There was some mismanagement at SCC. We think that we've done some things to make sure that it doesn't reoccur. But I do think that going -- that we should attempt to move projects ahead after making sure that they are legitimate projects, that they don't have problems associated with them, and that they're need -- that we try to move those projects forward and, at the same time, deal with any outstanding issues that we have with respect to SCC management and making sure that dollars are spent appropriately.

Thank you so much for your testimony. We really appreciate it. We'll be calling on you in the future.

MS. TALIAFERRO: Thank you.

MR. BROWN: And, Assemblyman, thank you very much for allowing me to extend my time in my testimony.

Thank you very much.

ASSEMBLYMAN STANLEY: No problem.

MS. TALIAFERRO: He'll learn. I'm dealing with him.

(laughter)

ASSEMBLYMAN STANLEY: Oh, boy.

MS. TALIAFERRO: He's in trouble, right.

MR. BROWN: Oh, you know I'm in trouble.

ASSEMBLYMAN STANLEY: I've got James Searcy from 28 Dewey Street, and Annie Searcy, also. And Mrs. Little--

If you'd like, you can all come forward at the same time, or we can have the Searcys come forward first, and we'll have Ms. Little come up after.

Thank you so much. Again, I appreciate you coming down here to testify, because as I mentioned earlier, this is why we're here today -- to deal with your issue and issues like yours.

A N N I E S E A R C Y: Well, I'm here because I'm in 28 Dewey Street -- where they boarded up all the houses. And I had a contract on a couple of houses, that I was going to Georgia -- and didn't get it through. They said they didn't have the money, or whatever happened. It didn't work out.

So I'm there. There's about five or six houses there that are not -- people are still there. And all the rest of -- two or three streets -- Demarest Street, Dewey, and Hobson Street -- all those houses are boarded up. So it is scary living there. And drugs and everything else going on-- You know what I mean. That's all I want to say.

ASSEMBLYMAN STANLEY: Ms. Searcy, you're about one out of five or six people that are left. And there's about 20 blocks.

Actually, Senator Rice and myself were over there yesterday. I was there a couple of -- maybe a week ago. And it's almost as though it's a ghost town. It's almost a ghost town in the middle of the city. And I can imagine what happens at night when the sun goes down. I can only imagine that.

MS. SEARCY: That's all I wanted to say.

But they knew-- And I don't understand why they take so much real estate. The State is supposed to be smart people. And then you don't have the money to do what you're going to do.

ASSEMBLYMAN STANLEY: You're absolutely right. This is a problem -- a situation and problem that was not brought about by you, you didn't create this problem.

MS. SEARCY: But now I'm in it.

ASSEMBLYMAN STANLEY: But now you're a victim.

MS. SEARCY: I've got to suffer with this.

J A M E S S E A R C Y: It was stated in the beginning that they were going to take that entire area: Hobson, Dewey, and Demarest. SCC was, in other words, demanding us to get out. And all of a sudden, because of eminent domain, they claim they don't have the money.

We've lost money on that. And I've got to tell you-- My wife stated, it's a ghost town now. You're afraid to leave home, you're afraid to stay there. You don't know if someone is going to come and burn your house down. There's not that many people there.

ASSEMBLYMAN STANLEY: Well, again, I certainly appreciate you coming down. You're helping us to put a face-- I mean,

these are-- It's different when it's a statistic than when you're actually seeing real people who are affected by what's going on here.

I thank you. Your testimony has been included in the record. Not only will your testimony help people throughout the state, but we will also work with the Schools Construction Corporation to help address your specific -- your individual issues so that we can help to alleviate-- You've already been through enough. We need to try to push forward to make this happen quickly for you.

MR. SEARCY: Forty-four years is a long to be in one place, and then they're going to kick you out like that.

ASSEMBLYMAN STANLEY: Well, as I said, I appreciate you coming down.

I also know, from my conversation with some of the people on Dewey Street, that that particular block was a very, very nice block. It was one of the nicest blocks in the South Ward. And people would actually look out for each other. Most of the people on your block had been there for a number of years. Most of them, on average, had been there 30, 35 years, which makes for a very stable neighborhood and makes for a very, very nice neighborhood and one where people look out for each other. And, unfortunately, most of your neighbors are now gone. And for you to be left in an area -- and really be put in, almost, harm's way because of the crime associated with abandonment, and abandoned buildings, and that kind of thing.

So, again, I thank you for coming out.

Do any members have any questions? (no response)

We certainly appreciate you coming out. We'll work on addressing this issue.

MS. SEARCY: Okay. Thank you.

MR. SEARCY: Thank you.

ASSEMBLYMAN STANLEY: Mrs. Little, from 23 Dewey Street.

Thank you, Mrs. Little. I appreciate you coming, and welcome to the Committee. We're certainly here to listen to your testimony.

L U M M I E L I T T L E: My name is Lummie Little, and I live at 23 Dewey Street.

I'm here because of the way we were left in limbo on Dewey Street.

This is Mark. This is my neighbor.

This is Keisha.

We were, like, just dropped in the middle of this. I think, like Ms. Phillip said, we don't have money to go out and buy a new house, because they didn't offer us enough money to buy a new house. I heard a lot of things said, but nobody has talked about the money issue.

It takes money to buy a new house when you're being relocated. A house that costs \$350,000 -- and somebody is offering you \$85,000. That's not enough money. We need money to move, to buy another home, to make me whole, because that's what I'm interested in. I'm ready to retire, and you're telling me to go out and have a mortgage. No, it can't be that way.

So I'm looking for the SCC to do better by me, also the State to do better by me. And this is not right for all the senior citizens that

moved off of our block. They have mortgages now. They were almost threatened with the letters that they sent out to us.

M A R K C A R T E R: My name is Mark Carter. I'm next-door neighbor to Ms. Little and Mr. Searcy.

I've been there -- Dewey Street -- all my life. And I realize we live in the State of New Jersey, and New Jersey is very expensive to live. And to see-- You can't even purchase a home in Newark for the amount of money they are -- fair market value they consider ours. So I think that's unjust -- not just the unfair market value they proposed to us.

Another thing is that I think they didn't make adequate space for the seniors in my area: Ms. Little, Ms. Searcy. They should have really addressed that program, really addressed the fact that they are old. And they took advantage of them at their age bracket. And things need to be addressed and looked at. We need people to take on the responsibility to look at that problem.

And also, like I said, New Jersey is very expensive. I can't even find a decent home in Newark with the added respect I have -- on my street I have. So to uproot and move people to places where they're supposed to have a "relocation" program available for us that was not adequate enough to give us programs or places to look at--

In New Jersey, people are bidding on houses. And when you put in your bid at a low price, you've got 10 other people in New Jersey who are outbidding you. So it's a bidding war. Real estate-- We all know the real estate market is booming right now. And it's a seller's market, not a buyer's market. And we need to look at that to help us move along in this program.

I like to see the fact that we are building schools and not jails. This is a plus. I'm glad the State of New Jersey is looking at that. So our children will be on a global playing field with the rest of the world in the job market so that we can do better. Addressing problems of seniors, addressing problems of building schools, and getting better people that represent us in the market-- So schools are a plus, schools are a good thing. I'm glad to see that. But, also, address the problem of people, people in the community, people that need adequate comparable homes in New Jersey, and affordable -- within our price ranges.

Thank you for your time.

ASSEMBLYMAN STANLEY: Thank you very much.

KEISHA SAPP: My name is Keisha Sapp. I'm a former 27-year resident of Newark, New Jersey.

I lived at 26 Dewey Street with my parents Minnie and Charlie Sapp, who have since moved. They haven't settled fully on their entire case with the SCC, but they've settled in part, and they have moved.

I'm here in support, really, of my former neighbors, which are more like family, and a voice for my parents who can't be here today.

Through all the testimony, and through all of the emotions, we can all pretty much agree that we do want schools for our children. I'm not a resident of Newark anymore, but I was for 27 years. And I see the need for schools for children. I'm sure in all the districts, there's need for improvement. But you can't build schools to make productive citizens and then uproot established citizens and make them unproductive.

So I really-- I'm sure that you've been made aware, through letters and through comments by homeowners and tenants being displaced,

that they don't feel like they're being compensated adequately. And we don't want to impede this process. We want the schools, because most of us are gone and we're moving on. We want the schools to be constructed. But at the same time, we want to be treated fairly. We want to be relocated, and we want the relocation specialists to not -- to have, I guess, an understanding of who we are as a community, not to do this ignorantly and blindly.

I, myself, can-- In speaking for myself, I don't think that I was treated fairly. I've been displaced, and I haven't been compensated. And I've been having a back-and-forth time with the schools -- SCC's administrator, O.R. Colan, and SCC themselves -- on trying to get adequate compensation. I'm being put in a deficit. I don't know how many other tenants and how many other homeowners are going through this.

Once again, we don't want to stop the process, but it's very difficult to uproot a community, uproot established people, and not give them fair compensation. Because I see -- I can speak for myself -- I'm not doing too well financially. I haven't been compensated. And I've been reaching out for that constantly to the SCC; to O.R. Colan, who is SCC's administrator -- excuse me, their relocation specialist. And I'm not getting anything in return. I'm getting unanswered calls, and unanswered letters, and it's very frustrating.

So anything that you can do to lend, I guess, some type of energy behind our cause-- And maybe there can be some legislation passed that can get additional funds for this project which all -- for the construction aspect, for the relocation aspect. So we do want you to do

anything that you can do to assist us. And, in turn, assisting us is getting this project done.

That's pretty much all I had to say.

Thank you.

ASSEMBLYMAN STANLEY: Thank you, Ms. Sapp. I appreciate your testimony.

I appreciate all of your testimonies.

That is an issue that we will be dealing with, with respect to the compensation of persons who have been inconvenienced and persons who we're asking to relocate. That's very important.

MS. LITTLE: I know you saw it yesterday. They have just built a brand new house on my block. All the condemned houses on my block -- but they have just finished a brand new home, \$375,000 home completed.

ASSEMBLYMAN STANLEY: Thank you.

ASSEMBLYWOMAN VOSS: If this land was taken by eminent domain, how could somebody build?

ASSEMBLYMAN STANLEY: No, the land was not taken by--

MS. LITTLE: No, it wasn't taken like that. It was sold to the person who bought it from the city.

ASSEMBLYWOMAN VOSS: Oh.

MR. CARTER: I'm curious. Where are we at, at this point? Is that project on hold or in limbo? What is the future plan of that particular property?

SENATOR RICE: Which property are you-- I'm sorry, I was out.

MR. CARTER: Dewey Street.

MS. SAPP: The University High School.

ASSEMBLYMAN STANLEY: Right now, the project is-- As you say, it's in limbo, to be quite honest. And that is-- And we're-- That's why we're having this hearing -- to decide how we move forward, and to get the necessary people involved to make the adjustments to their current operating procedure -- the way they're going about doing things now.

But Jerry Murphy, you say, is here.

Why don't we--

Well, let me thank you for your testimony.

Unless the Senator has any additional questions, I'm going to ask Jerry Murphy, from Schools Construction, to come up here.

SENATOR RICE: I didn't get an opportunity to speak to you yesterday; but I spoke with you, right?

The "project" is on hold, as the Assemblyman said, in limbo. The SCC board is on hold of the funds. From our perspective, we're going to fight to get the dollars to make the program go forward as quick as we can. But in terms of the immediate concern that I have, and the people have -- the boarded up buildings, contracts that are still in the negotiation stage, some that have never been negotiated--

MS. LITTLE: Right.

SENATOR RICE: --we're going to try to get that process back on track to be expedited. Because from where I stand -- and the Dewey Street area, and what I know about it. By the way, I grew up -- I went to school in that area before 1967. And I know the area before, what it is now, and what it can be, and where it's going.

But the point is, is that we're talking someplace in that area of maybe eight to 10 potential families, or something like that -- maybe a few more. What we want to do is-- What I want to do is get the process going back, because they need to get those families out of there. It's obvious the families are not moving back where you can have a whole community again. That's obvious. And we need to just get those families out as quickly as we can, negotiate that where it's fair, not what they think is fair. I heard those numbers. But something that's middle of the road. Everybody may not be happy with the number, but they certainly come with some numbers that make a lot more sense, based on this city's growth.

You know, the *Star Ledger* and everybody talks about the city, and nobody comes to see the city and know what we're doing in our community. This city is on the move, and people don't even know it. Real estate values are tripling, like almost every day, it seems like. And that's a problem, because when you drive up the cost in one community--

And I will just take a moment to say this. Where I live at, I'm three blocks from Maplewood, which used to be our district -- Sixth in South Orange. The property sold 3-and-a-half years ago -- one family -- nice house, nice street -- went for \$143,000 -- just went for \$270,000. What does that mean? It means that when you go across the line to Maplewood -- \$270,000 -- what used to be, when we were representing it -- is no longer \$270,000, it's \$370,000. So you can't even go across the street.

So the point is that, would you get \$270,000 if that's what it's worth? You may not. But would you get something beyond, something that's reasonable that makes a little bit more sense? And so they're going to

have to figure that out. But the point is, they need to get back to the table, negotiate those contracts, find a way to find the dollars and negotiate those things. Because I know what was spent in that area so far. And if I took that number and increased it by some number, I'm telling you that it's not an exorbitant number in our budget. They may not have the money, but some kind of way-- They may have to go out and start to work with the other side of the administration.

So the bottom line is, it's in limbo -- and to use the Assemblyman's "words." The immediate concern that we want to address is, how do we get you back to the table and negotiate -- because I know your contract has not been negotiated yet -- and get you situated so we can own that, and we can get those properties down for other reasons.

MS. LITTLE: Thank you very much for your time and your patience.

MR. CARTER: Thank you.

MS. SAPP: Thank you.

ASSEMBLYMAN STANLEY: Thank you.

G E R A L D T. M U R P H Y: Good afternoon, Mr. Chairman.

ASSEMBLYMAN STANLEY: Good afternoon, Jerry.

MR. MURPHY: I'd like to thank you, obviously, for inviting us here today to hear the concerns of the citizens. And I'd like to thank the other members of the Committee for inviting us here.

I do have a number of staff here today to address any questions that you may have, or the citizens may have, or the superintendents.

I heard a number of issues. One, I guess -- the most recent one about the property concerns.

ASSEMBLYMAN STANLEY: Jerry, maybe you should identify yourself.

MR. MURPHY: I'm sorry. I'm Jerry Murphy. I'm the Chief Operating Officer for the Schools Construction Corporation.

When we're buying a house, or in the process of buying a house, we exceed State law -- State mandates. What we do is go to fair market value, and then 20 percent above that, and then offer a comparable house -- comparison -- which is the owner's supplement. If that doesn't-- If the fair market value and 20 percent does not get the offer done, then we look at a comparable house -- meaning comparable, not something, obviously, that's way above it -- but comparable house comparing it. And the difference between that and what the -- 20 percent above fair market value, we end up paying to those owners for the house. So we go above and beyond what the State mandate is. In fact, we follow the Federal guidelines on that.

It's a process. Obviously, people may think it's worth more than what that is, but it is a good process. Most of the owners we've been very successful with in moving and working out negotiations with that. But there is a process that we are following that is dictated to us by the guidelines.

ASSEMBLYMAN STANLEY: Jerry--

What we'll do, Senator -- because I want to -- we want to try to hear from as many people as we can. What we would like to do is to work directly with you and the SCC to deal with these individual issues so that we can try to get the resolution on these -- with respect to these -- at least these projects that we've heard about today. And then we'll deal with--

Then we have to deal with an overall -- a universal plan to deal with what's happening in these -- in the neighborhoods throughout the state.

MR. MURPHY: Okay.

ASSEMBLYMAN STANLEY: But rather than take a lot of time now, what we'll do is-- On a case-by-case basis, we'll try to resolve the issues that we've come in direct contact with so far.

MR. MURPHY: Whatever format you'd like to work with.

And also, I'd just like to speak to -- I know the Senator, and we work closely with him on a number of issues -- but about the-- We have property management firms. When we own properties, we board them up immediately. Make no mistake about that. And if the boards come down, our property management firm is responsible, and has a contract with us, to go back out and board it up again. And plus, we provide security on those places. We work with DCA, the local fire code officials, and local fire departments, police departments to make sure that they're boarded up and that they're safe. And then when we can get them together, what we do is-- A woman mentioned Gloucester. We do have that contract. That is awarded, it is funded. We'll be going out this week.

So we do address those issues, and we're very concerned about that. Obviously, safety is the first concern of all those residents. So we do go after those properties. And we do have property management firms across the state, in all counties, all cities to address those concerns.

SENATOR RICE: Mr. Chairman.

ASSEMBLYMAN STANLEY: Sure.

SENATOR RICE: The other thing-- And the Assemblyman is right. We're going to have to-- But there are some things we can't -- we

don't directly address with SCC at that level, we address it with the board. I mean, SCC can be there, because-- I mean, clearly, the Fifth Amendment says that, even -- that's the problem I have with combination. Combination could be just and fair compensation. And that's passed through the State, as you know, through the 14th.

But the bottom line is, how do you define *just*. And I've always argued that you have to go beyond just what's there. Because what's just today, in a city like Newark or some of the other areas in the state, is no longer just tomorrow. And you went to look at a piece of property, and you analyzed that property three weeks ago. And now all the comps in the area said that the property is going for \$85,000, and all of a sudden, she just sold a house that you're not even aware of -- and a house that's already at \$250,000, or \$175,000, or something -- and I haven't moved out yet -- and I can't go any place. So we're going to have to have a situation with our (indiscernible) group and that group, and say, "Hold it. We don't like the way you're defining *just*. We don't like the way you're coming up with just and fair in some of these areas, because from here to here, we'll accept the reality that it's just. But if you're delaying a project and it goes from here to here, it's not going to be just, it's going to be an adjustment." And I think that's what needs to be said.

So we'll get back on that.

ASSEMBLYMAN STANLEY: Senator Bark, and then Assemblywoman Voss.

SENATOR BARK: I would truly ask that on your way back out of here, that you would stop and speak to the Superintendent of Gloucester City. I don't believe she is experiencing, in her town, what you just

described, in terms of boarding up, and being sure that there is proper security, and so forth. And I am sure that she would be very interested in talking with you. And she is just the second row back.

MR. MURPHY: I'm familiar with Dr. Stansky, yes.

SENATOR BARK: Okay. And I would hope that you would make that right.

MR. MURPHY: Most definitely, Senator.

SENATOR BARK: Now, I don't want to be parochial because, obviously, there were other people who mentioned the same issue. And I would hope you would speak to each and every one of them and find out what you can do tomorrow.

MR. MURPHY: Not a problem, Senator.

SENATOR BARK: Okay.

ASSEMBLYMAN STANLEY: Assemblywoman Voss.

ASSEMBLYWOMAN VOSS: I've tried to do my homework on the SCC. We're talking about relocation. Now, you're talking about offering fair market value, plus 20 percent above that. But is there anyone in your organization who assists people, who may have been living in their homes for 40 or 50 years, to find comparable housing at what you consider fair market value or 20 percent above?

MR. MURPHY: Yes.

ASSEMBLYWOMAN VOSS: I mean, it sounds to me like these ladies and gentlemen who have testified -- and I'm new to this process -- are really in a bind as to where are they going to go, where can they possibly find comparable housing at what you are offering them at fair market value.

I mean, if I were forced to leave my home at this point, I don't know where I would go or what I would do to be in the same area that I have lived in all my life. And, obviously, these people are in the same situation. So are you doing anything to assist them?

MR. MURPHY: Yes, we do-- As I said, we not only have the property management contracts, but we have relocation contracts across the state with different agencies. And they provide that service. Now, obviously, we'd rather the families, if they could, find them on their own, because they know much better what -- than our relocation firms -- what they're really looking for. But we do have relocation firms that will do that. If, in fact, they're not successful, our relocation firms then assist them, along with realtors. They go out to realtors -- reach out to realtors to look for comparable properties in that area -- not just that area-- And we tell the residents, if it's not in that area, then you can go outside that area to look for something comparable. But we do assist them in that.

ASSEMBLYWOMAN VOSS: I would think, if people have lived in the city all of their lives, they don't want to go out of the area, they want to live in the proximity of where their home is now.

MR. MURPHY: You're right.

ASSEMBLYWOMAN VOSS: And you just can't-- The word *limbo* is being used a lot. But you can't leave them in limbo like this. They have to have some assistance. And I hope that you're -- the SCC is providing a little bit more than what I've heard.

MR. MURPHY: No, we are. And we're very cognizant of that, Assemblywoman.

ASSEMBLYWOMAN VOSS: I'm seeing heads in the back going, "Uh-uh."

MR. MURPHY: Well, I'm sure you will see other heads that-- There are a lot of success stories out there where it's been successful. And you'll see people-- In fact, there's been quotes by people where we have assisted them.

ASSEMBLYMAN STANLEY: Not to go back and forth, belaboring it--

But if I may, Assemblywoman.

ASSEMBLYWOMAN VOSS: I'm sorry. (laughter)

ASSEMBLYMAN STANLEY: And we've all experienced issues where 90 percent of things are taken care of the way they're supposed to be. And then there's 10 percent of those cases that they aren't. And so we can't just say that everything is going smoothly. In those cases that people have come before us, we'll work with you directly to make sure that they're worked out. Because if somebody's head is going the wrong way, maybe this is one that fell through the cracks.

MR. MURPHY: I agree.

ASSEMBLYMAN STANLEY: So we'll make sure that we take care of--

I just had one other question.

And we've got to be very careful about our conversations here, because these mikes are very sensitive. And when we're having little sidebar conversations, you can actually hear them throughout. I can hear them. I always say I'm ADD anyway, so please don't do that to me.

ASSEMBLYWOMAN VOSS: I have a big mouth. (laughter)

ASSEMBLYMAN STANLEY: But the question that I have is with respect to-- Where does SCC see themselves at now? And I really wasn't going to ask this question, but I think it's a good question to ask, because I think-- In my opinion, SCC is in limbo, not necessarily know exactly where it is that you folks should be going. And I'd like to just throw the question, since you came up--

MR. MURPHY: Not a problem.

ASSEMBLYMAN STANLEY: --and what we need to do to get you out of this state.

MR. MURPHY: A lot more money. (laughter)

No, it's a good question, Mr. Chairman. And right now -- as everybody has read, and you see it in the papers -- the IG's report, and the IG's implementation plan. She made a number of points of what she would like to see implemented to correct the problems at SCC.

At this point, by the end of this month, we will have implemented everything -- every recommendation in her implementation plan.

In addition, as you know, there's 59 projects that are about to go forward. We're developing a business plan and a schedule from them, from start to finish, for when those projects will start, which we expect -- obviously, one already in Newark. First Avenue is already being awarded. So that will be starting. But we will have a complete schedule of those 59 projects going forward.

In addition, what we're doing-- You've heard about the designs and things. We're carrying the designs from the architects to the next possible stage -- to schematics or whatever -- and then stopping them there,

and then putting them on the shelf at that point to see whether -- when the additional dollars come through, that we can pick them up at that point and then go forward with them from there.

In addition, where we can, with whatever dollars we have left, we're looking at purchasing whatever land we can -- and that's before our land acquisition task force committee, which is made up of the Board -- of all the properties out there that the Senator has been trying to get a handle on -- of what properties are out there where we started to purchase. Say in the Dewey Street area, we have 80 percent of the neighborhood. It is the recommendation to go forward with that, because we have a small pot of money for that, to do that. So we're looking at that, as well, to try to compile them, demolish them or board them up, make sure they're secure for the neighborhood, and keep them as a landbank, so when additional dollars do come forward, we do have a host of properties ready to go forthwith -- and sites for schools.

And what we're also doing is looking at restructuring and putting more emphasis wherever we need in the agency to get the jobs done expeditiously -- also as efficiently and cost effectively as possible. We've already established a chief financial office, which has -- in on board, has put everything in place to make sure that we watch every dollar that we spend going forward, that it is spent efficiently, and can be accounted for. You heard Senator Rice mentioning that everybody's going to be held accountable in this process. We welcome that, we expect to be held accountable for it. And you'll see, at the end, we will be able to account for every dollar, that it was spent wisely, that we built as many schools as we possibly could with that amount.

But we're moving forward. We haven't stopped. There were 43 current projects that were ongoing. They're still continuing to go, so they're not in limbo. We are continuing with those projects. As you see, some of them here in Newark are moving, and moving forward. And we're doing the rest of the projects across the state that are in the process of construction or design.

ASSEMBLYMAN STANLEY: Okay.

Assemblywoman Voss.

ASSEMBLYWOMAN VOSS: I just have some questions, because I think all of our concerns are the fact that the money that we would like to spend on education should go into the classrooms. And my concern, in looking at some of the plans, is that an awful lot of money is spent on traffic studies, and this kind of study, and that kind of study. And it's not going to where I think it should be going.

And you just said something about -- "Well, we have some architectural plans, and we'll shelve them for now, and then we'll take them down and do what we have to do." I mean, it shouldn't be, I don't think -- and I've been involved in quite a few building projects. It shouldn't be that costly to erect a school. I mean, I don't understand. Because there are buildings now that have been servicing the community. We need bigger and better. But what's the problem -- I'm a layman -- what's the problem with all of these studies?

MR. MURPHY: I think to do the project right, you do need the studies, you do need feasibility studies, you do have to make sure that the sites that they're giving you -- have to be remediated so they're safe for the children, that there's no toxics or anything else there. So all that initial

study, that feasibility studies up front, make sure that you can fit the school on the site for the proper square footages needed for the school, that if there's a remediation cost you do them upfront so you don't get involved. I mean, there's been certain projects mentioned in the paper where we've assumed them -- where the district may have bought them or whatever. We get in there, and a feasibility study wasn't done. And there's one school where there was \$5 million in additional remediation that had to be done because a feasibility study wasn't done.

ASSEMBLYWOMAN VOSS: Let me ask you a question. Before you buy a piece of property, or before-- I mean, you're dispossessing people from their homes, so obviously the property that you're going to develop must be a prime piece of property. So, obviously, if somebody is living there for 50 years, there hasn't been any factory or anything like that. So you don't have to spend a million dollars remediating toxic waste, because people don't generate toxic waste. So I don't understand why every single project has all of these studies involved with it.

MR. MURPHY: Well, because it's required that you do the feasibility study up front to make sure. Even if you're buying a house-- Some properties -- and we've come across them -- where there has been some remediation. There's almost not a project that we've done in school construction that hasn't needed some type of remediation, even with residential. Yes, it may have been safe, but at this point, when you tear the house down, you have housing--

Buildings, sometimes, cap what's underneath. And it's used as a capping mechanism across the state. But when you tear it down, then you open it up. So there is some remediation and capping has to be done. So

when you go in there, you want to make sure -- in the feasibility study -- that whatever is in there you're aware of beforehand. Because if you don't do the feasibility study upfront, and you find out it may be \$20 million -- as we mentioned Gloucester -- you need to make a decision: is that a right site to build a school on.

So I think the upfront feasibility studies are very important to make sure that, one -- first and most important is you're putting a child in a safe environment and, secondly, that it's a cost-effective site. In watching the dollars, you have to make sure that the site is cost effective for you to build a school on. Especially when you get-- It's nice to have a big, open ground to build schools on. I wish that's all we had. But you don't. You get in the North, and you have the highly populated cities like Union City, West New York. It's really tough configuring schools and fitting them in the sites. So you have to buy a combination of residential and commercial properties for that.

But it is-- I think if you look at our cost though -- of what the cost of the school is -- it's not inexpensive. But we're doing it, I think, at a reasonable price. You're looking at about \$200 per square foot, average. When you look at New York, where they're building that -- they just built one, I think, last week it was in the paper -- about \$750 a square foot. And they are averaging about 400. Philadelphia is averaging about 250, 275.

So if you could look at big, urban cities in other parts of the country, we're comparing quite well. But if you compare it to suburban-- Obviously, it's nice to build on a big, vacant land where it's nice and clean. It's easier and it's cheaper.

ASSEMBLYWOMAN VOSS: I'll stop.

ASSEMBLYMAN STANLEY: Thank you very much.

And we'll-- As I said, we'll be working closely with SCC to try to resolve some of these issues and also to get some of these things going forward.

And, also, I'm not sure whether SCC has even thought about this scenario. But what I would like to see is just a study on how much holding back these projects could cost. For instance, if we can continue to move ahead with these projects, there's one set of costs. If we stop now, and then have to do them later on -- and the amount of time -- the projection -- the projected completion date -- how far that moves us back on these projects.

I'd like to see something on that as soon as possible, because I want to recommend to my colleagues in the Legislature that we come up with a mechanism to move -- to keep these projects moving forward. And I want to be able to show them the cost of stopping these projects now in dollars and also in completion date; what the impact is to our children by stopping some of these projects.

MR. MURPHY: Assemblyman, we will put that together for you. We've already started to look at that, because there is a major cost factor. And even in a quick analysis, just recently, you can look at-- Construction costs are going up about a percent a month over the past nine months. So we've lost that time frame. And now we've probably lost a whole construction season right now in this delay -- just right now. So you're looking at major costs there. And construction costs are not going to go down and, as some people mentioned, neither are property costs. They're going to go up.

So you're right. We welcome that. We will put that together for you. We welcome working together with you, as we have in the past, along with all the Legislature.

ASSEMBLYMAN STANLEY: Thank you.

SENATOR RICE: Mr. Chairman.

ASSEMBLYMAN STANLEY: Yes, sir.

SENATOR RICE: We're going to have another meeting on this, but I support what the Chairman is asking for. But with that, make sure--

I know my colleagues in the Legislature. They all come from different backgrounds. They come from different communities. And they hear things -- they don't believe it. And they are involved with construction projects, but it's in a different area. And I keep hearing this stuff way out there in Sussex or someplace, "I know I would put our school up so fast." But give me a clean piece of land, and I will put it up just as fast for you.

So even when the project is started-- As the Assemblyman said, we knew costs. We could give per square footage. Any builder can tell you how much it costs to build square footage. What you couldn't identify was what land you were going to acquire, what the environmental problems are, and how you're going to structure that. And then if you want the land, as Paterson said -- where it's over here. I have to put a-- I've got to get them across the street. Do I use air space? What do I do about parking? Do I go underground? A lot of schools now have underground parking. There was some designs of underground parking -- place to park. How do I get the playground in? Those are costs that we knew could never be factored in in our areas, unlike some other open space.

But the point is that the cost is going up because-- I never hear the SCC reminding the other folks there on the Board, etc., that its documented construction supplies are going heavily -- dealing stuff to China. And how does the United States allow more stuff to go out than-- We're building this whole United States. New Jersey has 50 million different kinds of projects going, road constructions, arenas, everything else. That cost is driven. And you can't delay.

So he's right. If they're not educated with the substance, we're going to get the same rhetoric, once you present it -- "We don't know why you can't do it quicker."

So put that together as quickly as you can.

MR. MURPHY: Yes, we will.

SENATOR RICE: But also indicate to them how this stuff works.

And the final thing is, make sure they understand that the soft costs are driven up too when there are delays. And let them know that soft costs need to be moved expeditiously, because that's the winter months when you can't really construct unless you're inside. Because if they wait until the warm weather comes -- just to start people doing the preliminary stuff and the soft costs -- and my guys are here -- it means you're not going to build that year.

So when you put that pie together, put some real substance with it. If nobody likes it, tell them to see me. Tell them I asked you, with the Assemblyman, to put the substance to it.

MR. MURPHY: Not a problem, Senator. We'll put it completely together, all inclusive.

ASSEMBLYMAN STANLEY: Thank you very much, Mr. Murphy.

MR. MURPHY: Thank you.

ASSEMBLYMAN STANLEY: Okay.

We're going to have Dr. Laval Wilson come up -- Superintendent of East Orange.

L A V A L S. W I L S O N, Ph.D.: Assemblyman Stanley, Senator Rice, members of the Committee, I'm Dr. Laval Wilson, Superintendent of East Orange.

Joining me here, on the left, is President Patricia Hall. On my right is Vice President Mr. Everett Jennings.

(Begin PowerPoint presentation)

We, indeed, have a funding crisis in East Orange. As you can see, the East Orange construction plan called for all schools -- not one or two, but all of our schools to be renovated or replaced. And we had been allocated \$255 million to do that.

Now, as of June 2, New Jersey Schools Construction indicated to me that the only previously approved plans that were to go forward were the Hughes Elementary. The steel is up. It's going up right now. We have the Garvin Elementary and a new Elementary V. Those are the only two that are going to go up that hadn't been planned for. All other schools will not be funded. The replacement for the Carver Elementary School, new Elementary School IV that we had planned for will not go up.

New Jersey Schools Construction has indicated that all other schools-- Now, we have 22 schools in the district, 12,000 students packed

into 3.9 square miles. So we are a very densely populated city and school district.

We had plans for a brand new Elementary School III. The renovation of Louverture, the renovation of Houston, Warwick replacement, replacement for Parks, Campus 9 -- and I'll come back to Campus 9 now, because that's a disaster, after it has been renovated.

The planning for our middle school projects -- that's on hold. That's in limbo.

Now, you're looking through a fence to the Hart Complex. The district had planned for that middle school to come down. There are three schools in one big building -- 1,900 students at the Costley, Truth, and Healy Middle Schools. Our entire middle school initiative, right now, is going to be curtailed.

Students and staff will be required to use a building that the New Jersey Schools Construction Corporation has indicated should be demolished. The HVAC system in that building does not distribute heat or air in a very effective manner. It's not effective at all. The 1,900 students in those three schools -- they share two lunch rooms, one library. So we've got three separate schools in one massive building.

Now, there's been a feasibility study. Mr. Murphy talked about feasibility studies. This building was originally constructed as one of those huge open-space buildings with no walls. After the decision was made that that process didn't work, it was put into the type of ordinary structure with walls and separate buildings. So there are three schools in that massive building. All the kids come at the same time, all the kids leave at the same time.

Now, that feasibility study -- a major renovation project at the Hart Middle School, while technically possible, is neither a feasibility, nor a practical approach to meeting the new building program. That is, you can't build -- you can't do anything to renovate that building to make it usable. So they say the cost of the demolition and renovation, when compared with current new construction costs for middle schools in the area, indicate that a renovation is not feasible. So they have concluded, from a massive study -- massive feasibility study -- that building should be torn down. It should not be used for East Orange students.

And at this point in time, there's no money to replace the building. We have put into effect a massive initiative -- a brand new initiative that's going to be put on hold. We were planning to have four schools that would house about 550 each. One was going to be built across from the Hart Complex, on this ball field, right next to the Howard School. The Tyson 6-12 School was going to be renovated after the students move into the demonstration school. We were going to have a demonstration project that's pre-K through 12. The students from this school and several others go into that program. That building was going to be renovated. No funds, it won't be renovated.

A new middle school was going to go here at the Washington Middle School site. It can be built while the students are still in Washington. No funds, it won't be built.

The Glenwood Campus-- New Jersey Schools Construction bought the old Essex Catholic for us to use as swing space. Currently, we have an elementary school in there. That building was going to be the fourth middle school. No funds, it won't be renovated.

This particular building, the Glenwood Campus, now houses the Carver Elementary School. Last year around this time, we moved over 600 kids from the Carver Elementary School into Glenwood with the promise by New Jersey Schools Construction -- "We will tear down Carver for you and build a new school." Now these youngsters and their staff members are housed in a swing space building indefinitely, because there are no funds to tear down Carver and replace it.

We have a health and safety issue. The district has 10 years of turf use here. The 10 years are gone. We had to put a hold on using the football field because of safety issues. We didn't want youngsters to get their ankles caught in open seams, break an ankle, break a knee, have major problems. So we had to close that down. We were told by New Jersey Schools Construction the turf could be replaced. No funds, no turf, no home games for the East Orange football team this year.

Not to fund the renovations and the replacements is a major disservice to our young people. The immediate issue for us, for our middle schools -- our four new middle schools -- is a major problem.

So our whole middle school program is on hold. And the elementary schools that were approved for moving forward are on hold. So we will do anything that we can to help you. We'll go any place in the state. We'll testify before any committee.

And I want to return to one issue. I'm going to show you some pictures. Two years ago, the ninth grade building was told, "We want to move you, staff and students, to the old East Orange High School. We're going to renovate Campus 9." That took place. The students were moved back to Campus 9 after one year of renovations. They were in the building

all last year. Last week, I spoke to Chairman Koepp and explained to him we have major health and safety issues. There's mold in the building. There's water still coming down through the roof. Now, there was a brand new roof put on the -- this Campus 9 building, the old C.J. Scott school. It holds 900 students and the staff. That's the ninth grade program. Water still comes in. Now, these are completely renovated rooms. The water still runs in. I'm going to show you the pictures of it.

There is a three-foot pipe -- gas pipe that is in the cafeteria. The construction company -- the Imperial Construction Company -- that was doing that project cut apart the entire aluminum framing for the cafeteria serving lines for the students. That was going to be a part of the replacement project for the school. We were told last year, after the project was finished -- and we moved the kids in last September -- that by this September, there would be a brand new cafeteria. It hasn't happened because there are no funds.

I'm going to show you a disaster.

ASSEMBLYMAN STANLEY: Another one? (laughter)

DR. WILSON: If we walk through these pages, you will see the first couple of pages-- Go to this (indicating) page. That's in the cafeteria where there are some pipes sticking up. That's a corridor where the students walk through. If you go to the next page, you will see a wooden box that we constructed to keep students from falling over the pipe. And here is the pipe. Now, students and staff have been back in this building a year -- no funds.

Keep going. Once the building was turned over, the water system pipes burst. We think that the reason these cracks are in the walls

of the cafeteria-- And if you push up against it-- I took board members and staff members on a tour again last week -- it's hollow. The walls are getting ready to come down because of the water damage.

ASSEMBLYMAN STANLEY: Is this something that SCC is currently aware of and are in the process of remediating?

DR. WILSON: And I sent a letter back in January. Chairman Koeppe has the documentation. He has the pictures.

ASSEMBLYWOMAN VOSS: Excuse me. Does the SCC hire the construction companies?

DR. WILSON: Yes.

ASSEMBLYWOMAN VOSS: They are the ones that give out the contracts?

DR. WILSON: Yes.

If you go to the back pictures-- I don't want to take all of your time. Pass by the green turf and get to the mold. School is about ready to open. There's mold-- In the last three pictures, there's mold on the wall of classrooms. This is the condition of newly painted classrooms, one-year-old. In those last four or five pages, you can see--

ASSEMBLYMAN STANLEY: These are--

Thank you.

DR. WILSON: Those are classrooms.

ASSEMBLYMAN STANLEY: These are areas where students are going to have to occupy in September.

DR. WILSON: Correct.

ASSEMBLYMAN STANLEY: So we have to-- So this has to be remediated before kids come into the school building.

DR. WILSON: Yes.

ASSEMBLYMAN STANLEY: We were through a situation similar to this in Irvington. Schools Construction is here. They are aware of it. We will be following up with the Schools Construction Corporation on that particular issue.

DR. WILSON: Now, I would indicate to you that I personally, as a Superintendent, members of my staff-- We have worked closely with the New Jersey Schools Construction Corporation. Our project leader is Mary Fengya, from Newark. She's done a wonderful job working with us. Mr. Murphy has worked well with us. It's not the issue of the New Jersey Schools Construction staff. It's the issue of funding.

We are told that, "Your projects are worthy projects. We want to help you. But there are no more funds." So our issue is funding. And we say we have a crisis in funding -- we have a crisis in funding.

ASSEMBLYMAN STANLEY: Well, as I said, this is not quite as simple as that, but we will address the issue.

DR. WILSON: Thank you very much.

ASSEMBLYMAN STANLEY: Thank you.

DR. WILSON: Anything else we can add, sir?

ASSEMBLYMAN STANLEY: I don't believe so. I think you've been very thorough in your presentation.

I guess if Senator Rice were here, he would ask, with respect to displaced persons, if you have any situations similar to our Dewey Street scenario or our Irvington Middle School scenario--

DR. WILSON: We don't quite have that type of situation. We do have one other related to--

I mentioned that the Carver Elementary School was asked to move, and they were going to have a new building. And so we moved them, and they've been away a whole year.

Of the two projects that have been approved now, one is the Garvin Elementary School. We're getting ready to move them. We have a concern about moving them if the funds clearly -- somehow disappear. Now, that's one of the two projects approved. So we're assuming that we're going to be in good faith. We're going to move them. The building is going to be renovated and a new addition put on. But Carver was supposed to have that happen, too. So we're going on the basis of good faith that if we move Garvin, the same thing won't happen to them that's happened to Carver.

ASSEMBLYWOMAN VOSS: I just want to ask, when the school that was -- the school with no walls. I had one in my district. When was it built?

DR. WILSON: Oh, Mr. Jennings, do you remember?

ASSEMBLYWOMAN VOSS: In the '60s, probably?

DR. WILSON: Probably.

ASSEMBLYWOMAN VOSS: That was probably the worst idea anybody ever had.

ASSEMBLYMAN STANLEY: Thank you very much, Dr. Wilson.

DR. WILSON: Thank you.

ASSEMBLYMAN STANLEY: I appreciate you coming down.

Next, we've got Jessica Topolosky, city of Elizabeth.

JESSICA M. TOPOLOSKY: Good afternoon.

My name is Jessica Topolosky, and I work for the City of Elizabeth. And I want to thank Assemblyman Stanley, Assemblywoman Voss, Senator Rice, and of course Senator Bark for allowing us to speak.

While I can share some solidarity towards everyone else who spoke, my focus is totally different. We in the City of Elizabeth received a grant to train women and minorities in the Construction Trades Training Program. It is the set-aside funding that goes along with the construction. And because of everything being on hold, we were not refunded, yet construction continues to go in the City of Elizabeth. And we would like very much for that funding to continue.

Most people feel that there is a lot of construction going on in the State of New Jersey. And while there is a lot of construction going on in the State of New Jersey, a lot of it is not being done by the unions. And, in fact, many of the unions have a lot of people sitting on the benches.

Nevertheless, we trained-- In the first year that we had this program, we trained 62 people. Twenty people were placed in jobs -- good paying jobs. We only were able to get three union apprenticeships and three construction jobs. I have four more people waiting to be placed in the electricians and the carpenters union. But they just have too many people sitting on the benches, therefore they're on hold until next year.

And the only reason I'm here is because I would like this funding to continue for our city. We are an inner city, and we would love very much for our people to continue to have this training.

Thank you.

ASSEMBLYMAN STANLEY: Thank you very much.

Next I have Uriel Burwell, a resident of 755 South 20th Street. I believe that's Irvington. Is he still here?

UNIDENTIFIED SPEAKER FROM AUDIENCE: He was here, but he left.

ASSEMBLYMAN STANLEY: Okay.

I don't see Kathleen Witcher. Is Kathleen Witcher still here? I think she might have gone also -- NAACP in Irvington.

David Hengerford. Is David Hengerford still here, from Mount Prospect Avenue in Newark, Newark Teachers' Association? (no response)

Emerson Simmons. I know Emerson is still here. Emerson Simmons, Trenton Facility Advisory Board.

Emerson, thank you for hanging in there.

E M E R S O N S I M M O N S: Yes, because I was talking bad about you -- I said it's probably what they usually do, make me last.

ASSEMBLYMAN STANLEY: See that.

MR. SIMMONS: And you're my friend, too. You're my friend.

ASSEMBLYMAN STANLEY: I get 10 more people after you if you want to wait. I can surely arrange that.

MR. SIMMONS: You like my phone calls? (laughter)

ASSEMBLYMAN STANLEY: That's what I've got aides for.

MR. SIMMONS: Well, I'll be calling Chris tomorrow. I used to get -- I've got some aides, too.

ASSEMBLYMAN STANLEY: Oh, boy. These are my friends, these are my buddies. These are people I go out of my way for.

Emerson, welcome to Newark.

MR. SIMMONS: Thank you, Chair, my friend, and the rest of the Committee for holding these hearings.

Some of the issues I'm bringing up haven't even been spoken on.

To start off, I gave you a package. The big package-- We're one of the first districts to have an advisory board, which started back in 1998.

In this package I gave you, right here, is where we're at with our projects now. I think we were the first district to submit 10 projects in the very beginning. Our high school was one of the projects. It was approved in 1999. At that time, it was \$92 million. Today, it's \$140 million to get it done. We started at 125 square foot, we're up to 200.

SCC came back to us about six or seven months ago and said, "Well, we can't build it at that cost. So you can't do your original plan. Redesign your plan." They came back to us about five months ago and said to us, "Plan one we're not doing, plan two is this plan, and plan three is design-build." I asked the question, "What is design-build? Where, in the State of New Jersey, have you built a school design-build?"

What they were saying to us at the time-- "Well, we don't have any." So you didn't want to build the school. They almost had our board to go for a design-build school. They put a picture up with blocks and stuff and said, "This will be your school." No designs, nothing-- They said, "Well, we'll design it and build it at the same time." Our board said, "Well, we can't go for that." So they voted to do plan two.

The second time it was approved. Three months later -- or two weeks ago, when you said your 57, 59 projects, they said, "Well, for the

third time, now you can't have the school at all. What we will do is, we'll build you a new wing at \$24 million."

All right, our people went into \$24 million. Four million we don't even know where it's going. But also, just to get the new wing-- Well, in the form here, it tells you that, literally, now they don't want to give us new technology for the building. "We will build you a new wing, but you've got to bring your old technology in there."

We're going to use the word they use in this. It's called *value engineering* now. So all the schools that are in the works right now, we're going to build them with the cheapest material that we can build now.

Some of the other problems with our 10 projects are, we have a school that's been closed. The frame is up, bricks up -- contaminated soil. So we went through the OPRA Act to get the information on how bad the contamination is. For three months they refused to give us the information. So our district had to go to court. They still didn't give us the information, but they had a meeting with our district last week and told them, "Well, the contamination, still, is under the school. Then you have another grade of dirt there, and another grade. Our plan is to cap it. In other words, pour concrete on top of it and finish building your school."

Last week the court said, "No, the district has to sign off on that." Now, if we finish the school like that, does that mean that the district, in 20 or 30 years, can be sued by the parents and the community because we have to sign off on -- if we let them cement that building -- that construction site?

Some of the other problems that we have with our district is this -- you may not know. We were the district that had nine charter

schools. We're down to five now. Last year, the biggest charter school in Trenton closed, 1,400 students. Also, because of the nine charters we had, they closed all the diocese schools in Trenton, which is 11. Who is educating those children? Our school district, now, is renting 10 diocese schools. And I gave you a list of how much it's costing us. The price is so ridiculous that we're paying for the cost--

Five year plans, three year plans-- One school, \$200,000 -- \$270,000, \$150,000, \$140,000, \$320,000, \$200,000, \$16,000. Some of these contracts are two years, three years, four years. Now, you've got to figure in the cost of bussing. So we're talking about \$12,000 per site. Right now, we're renting about 14 sites. That charter school that closed that had the 1,400 students-- The district had to get that building from the SCC for our high school. Because also, with the high school plan, we had to move out almost one-third of our students. So we moved them out over a year-and-a-half ago. They were supposed to break ground in September. They are out.

So when we approved plan two, we had to move out another 600 students. So now we have to pay the diocese in Trenton. They're laughing all the way to the bank. They have no overhead.

Also, the other cost is \$55,000 per school to bring it up to code, because now it's a public school. So to house students in it, you have to be brought up to code. So you're saying 14 buildings -- \$55,000 for that. The average is 200,000 to 300,000 per school, per year.

The other problem we have now is that -- I'm on the district pre-K advisory board. The new regs came out governing the pre-K centers.

Trenton -- we have over 90 -- 95 percent of our 2- and 3-year-olds in school. We do partnerships with 26 providers in the city.

ASSEMBLYMAN STANLEY: Is that 2 and 3, or 3 and 4?

MR. SIMMONS: Basically, the providers deal with our 3-year-olds. The district tries to house the 4-year-olds. But we have over 2,100 3- and 4-year-olds in the district. So we partnership with 26 providers.

The new regs that are coming out for the facilities to house 3- and 4-year-olds now -- as to the square footage of 950 feet. So now some of the providers will not be allowed to house these children. So the district has to pick up those students, too.

So when you all talk about costs-- I gave it all to you in the package. You can look at the nightmares that we're having in our city. The thing is, SCC-- I hate to follow SCC, because I think there's not a lie they don't like. Listen to the reason I tell you that. In the very beginning, when we first started this process, Trenton was the school district that worked with SCC because there was no such thing as SCC. So when they first came in, they wanted to tear down buildings that shouldn't have been torn down. And they wanted to fix buildings that -- needed to.

So what happened was, we worked with them. We got them to change codes and stuff -- worked with SCC. But also, the problem we have now is another cost problem no one brought up. What we have now is, when we submitted the 10 projects in July, we had seven more projects. I'm talking about design, all through the stages ready to go out to bid. Trenton would have, as of July, 17 schools out to bid, working on, or in the process of going on right now.

The problem is now, as far as SCC, when we want information, they never send the right people to our advisory board meetings. "Oh, I can't answer that question." For an example, now we're catching flack -- the school district is catching flack from the community around where the contaminated soil is at.

One of the problems we had from (indiscernible) was that when they brought the dirt and stuff into our site, dust and everything was all over the community. So they had three meetings. Once we found there was contaminated soil on the site, the problem with that was the dirt at the site wasn't contaminated. The construction company brought in contaminated soil. They took contaminated soil out, brought more contaminated soil in, and still built the structure. So for four months now, we're trying to figure out -- for the community-- Now we need them to come in there and check the neighborhood where all this dust and stuff is on their properties and stuff, since it's contaminated soil. But we can't get SCC-- They don't even-- The OPRA Act started about May. They refused to respond to that. That's why we had to hire a lawyer to go to court.

So there's a lot of other issues. And what I did-- That's why I just gave you this long list. And believe me, a lot of this stuff is in here. And there is more. And you don't have to really go through all this here. It's just problems on top of problems. And the thing-- And if Trenton was the district that had 10 projects-- We were first in the state. Not even these other ones-- You've got all of the beautiful high schools and middle schools. This is 1999's plan. All we're getting now is \$20 million to build a building with no technology.

Also, you were asking about site schools we've got going on now. We've got two other schools that were built from the ground. SCC came in and told us, now they're going to do that value engineering. That means to finish off-- "We're going to go back in your site now. Forget all that was agreed to in contracts and stuff. We're going back in and changing the material that you're using in your buildings."

The school that's supposed to be finished next year -- the early part of next year -- we're not giving any new technology to them either. So now computers are outdated about every six months. Construction took over -- about a year-and-a-half -- it will be about two years. So we're taking old computers and stuff into a new facility.

Also, with that facility, the city gave us the property across the street from the school, for a dollar, to put a parking lot for the staff. SCC told us last week, "We're not building a parking lot, and we're not tearing down the old school. Your district has to pick up that money to do that." So that's some of -- part of that problem.

Also, what we're dealing with, as far as facilities, is that we did what we were supposed to do, and it seems like we're being punished, because we would have more schools finished than any of the other Abbots in a year's time -- probably five to six schools. But the problem is that the money we have put into this high school -- it's got to be around \$4 million -- when we started with this plan for the size of this high school.

Another way to look at what I'm saying about this high school -- about moving the students out-- We had to close the middle school to move our high school students into that building. This year, we had to close another middle school to move more students out of the high school

into that school. Now, because they say Trenton has three of the four dangerous schools in the state, we have to move the students from this one middle school into one of the dangerous schools. So now we're moving another 200 students into a school now, which is the school right next to the site where we have the contaminated soil.

I could go on all day, and Craig would pick on me.

ASSEMBLYMAN STANLEY: We've got it in writing. We've got a mess in Trenton.

MR. SIMMONS: What I'm saying to you is, we need to-- When you come to-- And I see why in South Jersey. But when you come to Central Jersey, we'll be waiting for you. (laughter) We will be waiting.

Thank you.

ASSEMBLYMAN STANLEY: Let me just ask you a question, Emerson. Do you have any of those issues of abandonment where we've purchased property from people and there's a number of boarded up homes?

MR. SIMMONS: No. The only problem we have right now-- We have an alternative high school that was one of the demonstration projects. We bought up like 15 properties downtown. And we have property that's holding us up. But everything is ready to go. It's been out to bid and everything. We just can't get this one property. But as far as houses and stuff like-- We have no problems like that.

ASSEMBLYMAN STANLEY: Okay.

Thank you very much.

I've got, next, Carmen Gonzalez. Is Carmen here? (no response)

Arthur Griffa, President of Orange Board of Education.

ARTHUR J. GRIFFA: I appreciate you inviting us here today to hear some of the woes of our district. And we appreciate the fact that you also have come to the New Jersey School Boards legislative meetings there, consistently, every year. And we do deeply appreciate that.

I'm not going through-- We have the same problems as most of the other schools when it comes to properties that are buildings that are not being built at this time. And we've had a facilities committee in our district for 15 years. Most of them have been volunteers. Many of them have moved on since then -- retired and what--

We have an issue at our Lincoln School, where all the property has been purchased by SCC. It's been boarded up. But it sits right next to the school. And we're beginning to have, at this point, people who are starting to habitate there, and particularly-- Our town has a large number of undocumented people moving in. We have to educate their kids, and we want to. But we also-- The problem is that those buildings are sitting there, they're being broken into, people are living there, and they're also trying to -- since it's so close to Lincoln Avenue School right there, they're -- we've had some attempted break-ins into the school itself.

We'd like SCC to tear those buildings down immediately. I heard the conversation about their management group that look at these buildings and this type of thing. But we do need those to come down.

The unfortunate thing-- We had two of our schools that were approved. But Lincoln Elementary School, which is the worst school in our area that-- Also, when they sent letters to the people in 2001, that purchased seven pieces of property -- then told them that, in June of 2005,

everything was going to be settled. None of that property has been purchased.

As a school board, we're being blamed for it even though many -- because we're the closest to them at this time.

ASSEMBLYMAN STANLEY: What school is that -- that that was--

MR. GRIFFA: It was Cleveland Elementary School.

ASSEMBLYMAN STANLEY: It was for the new Cleveland Elementary School.

MR. GRIFFA: That's right, for an addition put on there and the renovations.

That school is over a hundred years old, as most of our schools are. It was the first school sited. They did a lot of drawings. The architects met with parents and teachers. Everybody got excited in the community. Incidentally, it's about six blocks from the Mayor's house, too -- your colleague in the Assembly. (laughter) So I guess he has to sneak out every now and then from the residence.

And because there's so much time put into this, and all of a sudden things have stopped-- And we're looking at the fact that we know the cost of construction will go up. We do have the new Main Street Elementary School that went on. A lot of our other projects have stopped. We've tried to understand that.

Even Mr. Spencer said that his folks in land acquisition blew it. He said that to us in our committee. But there is nothing he can do about it now.

We have a church in our area that's willing to sell to us. It's a large piece of property which we can-- And the architects said we can redesign this without tearing this whole church down. They have, as most huge churches have, a media center. They have a small chapel, which we'd turn into a mini auditorium. And this is where we were going to put our preschool too. It went from block to block.

Our problems is that we have probably about 180 preschool kids that will have no place to go this year. My thing is to say that if we can't house them, they don't go to school, in that respect. We've had some trailers move in. We've also been able-- The diocese, in two of the schools they closed-- We were able to use them. But SCC has stopped that and said, "We're not going to get those schools going anymore."

But our problem -- and the reason I am sitting here today-- I must commend Mary Fengya, who is part of the SCC, who has worked with us up here in Essex County, for doing a very good job of moving things ahead for us and working with us very closely.

We're in empathy with the fact that there -- money runs out. We're also -- understand that-- We appreciate you, Senator Rice, and Assemblyman Stanley, for attempting to put another resolution through to get more money. And we hope to work with that.

I just want to say that we do appreciate-- Our superintendent's on vacation. I'm here. We presented most of these facts to the SCC. We're concerned about the properties that they have purchased now. These properties need to come down because of vandalism. And many of the problems that the people have in Newark and Irvington-- Eventually,

we're going to find not only squatters sitting in there, but we're also going to find maybe a crack den or drug distribution center.

So, again, I appreciate your holding this meeting. I know that you're-- I would suggest to try to hold some others. We can come in.

And any questions you want, I will answer. And I will have to leave for some teacher negotiations.

ASSEMBLYMAN STANLEY: Okay.

SENATOR RICE: Mr. Chairman, was that one of-- His property--

You have properties, also, that are residential where people are still living -- in between SCC properties?

MR. GRIFFA: Park Avenue School-- There's just one piece of property that hasn't been settled. I understand that they're in a contract. They are finally under contract. So all of that property will be purchased by SCC. There will be about six houses.

The Lincoln Avenue School-- All the houses have been purchased. They're boarded up. The problem is the vandalism that is starting to go on. And people are trying to attempt to break into our school. Because the houses only sit about three feet from the back of the school.

SENATOR RICE: So on Lincoln Avenue--

MR. GRIFFA: And Park Avenue.

SENATOR RICE: --and Park, every piece of property that's residential they were going to buy. They're already purchasing people out.

MR. GRIFFA: That's right. But they need to come down, Senator, because the vandalism will start.

SENATOR RICE: Well, that project is not going forward right now. Is that correct?

MR. GRIFFA: It is to go. It is one of the two schools that were approved. They're going to-- Nothing has happened. They've been approved.

SENATOR RICE: Okay. Well, the reason I raised that is because my understanding is that the projects that were approved to go from the 29th -- 27th meeting they had-- If that project is approved to go, then the dollars are there to do demolition and things like that. Go means they've got to take care of all of that. What you're saying is you need to find out when it's going to be done.

MR. GRIFFA: Yes.

SENATOR RICE: What I'm trying to get to now are those projects, say, like Dewey Street -- do it because it's local -- where they're going to just sit there, because the project is not going forward at this time.

MR. GRIFFA: Yes.

SENATOR RICE: So I understand.

MR. GRIFFA: That's right. We have two schools.

And we do have people who, at one of our schools, that are willing, because there are three pieces of property -- one of them is vacant. And the man said whenever. But you know what happens when folks start looking at property. The prices start going up and everything. And we're concerned about the fact that, as you said there -- that the cost of construction is going to continue to rise across this nation, particularly here in the Northeast, where we're, kind of, landlocked at this point.

Gentlemen and ladies, thank you very much.

ASSEMBLYMAN STANLEY: Thank you very much.

And I think you had mentioned--

And, Senator Rice, just for your information-- The Cleveland Elementary School renovations-- I think there are some people there who have not had their contracts -- their settlements. Is that correct?

MR. GRIFFA: That's correct. Everything stopped June 1. They were ready. It was a real battle. Most of them said they'd sell, but all of a sudden SCC said to them, "No, not now."

ASSEMBLYMAN STANLEY: Okay.

SENATOR RICE: Well, I can ask you this.

Was that project ready to move forward, too? Was that what the goal was?

ASSEMBLYMAN STANLEY: That's one of the ones on hold now.

MR. GRIFFA: That's right.

SENATOR RICE: That's on hold.

MR. GRIFFA: That's on hold right now. That's on hold.

SENATOR RICE: Were any of those properties purchased and boarded up?

MR. GRIFFA: No, none of them were purchased or boarded up. They just had-- They said they had contracts pending.

SENATOR RICE: Okay. Do you know if they were fully executed contracts?

MR. GRIFFA: None of them were.

SENATOR RICE: Would you make a notation, staff, to find out, through the Chair, if they were fully executed contracts or partially

executed, which means one party signed and one did not, so we can see where they are.

We'll find out.

MR. GRIFFA: Okay. Thank you.

ASSEMBLYMAN STANLEY: Let's see. I just want to make sure-- Has everyone filled out a form who is intending to testify? I just have a few more folks left. So I just want to make sure everybody's filled out a form to testify, if they have not. If you want to testify, just raise your hand, and someone will give you a form.

MS. SCHULZ (Executive Director): The forms are in the back on the table.

ASSEMBLYMAN STANLEY: Okay. The forms are in the back on the table.

Jonathan Hodges -- Dr. Jonathan Hodges, from the Paterson School Board.

Dr. Hodges, welcome to Newark. Thank you for being patient.

J O N A T H A N H O D G E S, M.D.: Thank you to the Chairman and the Committee.

I actually hadn't intended to testify today, but the President of the Board asked me to add some additional points that they hadn't covered earlier.

As you know, Paterson is 8.25 square miles, densely populated and increasing in its population rapidly. We've had a tremendous problem with overcrowding. And we had the additional burden of having some leadership problems over the last few years, which you may, I'm sure, be aware of.

Those problems put us behind the eight ball when it came to getting our projects produced and getting any schools built. As a result, we had two schools built in seven years -- two new facilities.

Our health and safety problems are also legendary. The initial plan called for \$75 million. At the completion of phase one, they had reached \$175 million. That's just phase one. So there are-- And we have two more phases to go just in our health and safety. And those numbers are staggering, potentially. And in the damage that was done in phase one, through some miscalculations in their building procedures, have raised some additional questions about where that final cost is going to be.

The real concern for us is, of course, the overcrowding. We have spent the last year or so working very closely with the regional office in the SCC, and we brought the municipal government in to try to identify new projects. And so most of our new buildings are in that third tier, the last tier -- that are all in the proposal stage. We have, in just four projects, almost 3,000 seats. So Boris Kroll's (phonetic spelling) site, which would give us 1,100 high school seats-- Foodtown, Belmont (phonetic spelling), and School 6 -- each roughly 1,800 seats. Those are all in the proposal stage.

The land that we were planning to acquire for Foodtown, because of this five-month delay, has been sold, and they're moving forward. The city had planned to partner with us on a number of sites, in particular School 3. And they were looking to try to swap some property in that area, and to give us a brand new school instead of doing replacements on our current school. Now, as you can well imagine, that property has gone through the roof.

We are being damaged substantially by delays. When the SCC -- when this whole building project was announced back in '98, our property values began to rise astronomically. And now we have -- are experiencing these delays. We are suffering immensely, because people are-- We have announced the location for a number of sites for addition -- School 12, School 24, School 16 -- those were all announced publicly before these projects were shut down -- that we were going to go in there and buy property. So now those costs are going to be -- going to go through the roof.

And we are stuck, because we have no place to put these children. We've got -- our swing space situation is extremely tight. We were looking to do the Savio Hall (phonetic spelling) project in order to facilitate the move of School 15 students. That's stopped. And we get those projects moving -- we don't even have swing space to move kids.

So these are some of the issues. We want to continue working with our -- the SCC, particularly in the regional office. We would have a great deal of concern seeing that closed down. That's one of the things we wanted to make clear. Because of that regional site, and our new leadership, we've brought together the Mayor, the city council, other partners to the table in order to identify a place that we could all agree on and not cost the city enormous ratables. But these delays are going to squeeze us immensely. We have the city now selling property to developers, because they can't afford to wait to see what's going to happen. And any new building that we decide on now is four years away from opening its doors, at least.

And, again, we have a major overcrowding problem as it is. All of our new buildings -- every last one of them -- are all in the third tier. So we don't have anything. Everything else are going to be just renovations. And those are just the few points I wanted to cover, over and above what was being said earlier.

ASSEMBLYMAN STANLEY: Well, Dr. Hodges, we certainly appreciate your patience and appreciate your coming. It worked well over the course of the years when you were the president of the school board in Paterson. And, certainly, you continue to work hard to resolve these issues and get these projects moving forward.

Senator Rice is going to call the next witness.

If anybody has any questions for this witness--

SENATOR RICE: Just a quick question.

You said they were closing the regional office. I thought I took care of that during the process. Because I told them, "Look, you tighten your ship up." But I thought we gave them the history of why we had those local offices there in the North, South, etc. Because we don't have the luxury, as contractors and others, to be running down to Trenton or some place. And then there's minority concern, also, as to paperwork, doing things right, where you've got direct assistance, etc.

Now, it was my understanding that they have backed off that. Are you saying that-- See, my position is that there has to be North and South -- Southern, also. We just can't -- regardless of where they're located. And there's no way you can take, for example, the office out of the Newark area -- primarily when you've got the majority of projects -- 40 right here in

Newark, you've got Orange, East Orange, Irvington, etc. And across the water, you've got Jersey City, Paterson, etc.

Mr. Murphy, are those things staying in place, to your knowledge, as it stands right now?

Come on up on the record. I know.

That's the only question I want you to answer. I'm trying to (indiscernible) this process.

MR. MURPHY: That's the only one I will answer. I will only answer the question I'm asked, Senator.

Obviously, one of the recommendations by the IG's report was to close -- look at -- do an analysis of closing the regional offices. We did that analysis. And in the analysis, we indicated that, at this point in time, because we have a minimum five-year lease on those offices-- We did the financial analysis -- and that they couldn't be sublet, no guarantee of subleasing -- that at this point in time, it did not make sense to close those offices. So we've sent that report to her. We're awaiting her response on that. But we submitted that to the board. But at this point in time, we don't intend to close any of the three offices now.

SENATOR RICE: Okay. And I don't intend to allow them to close without a fight. Because, first of all, we knew that the cost factor of operating those offices, from our perspective, was very small compared to the overall program. And if you really were to do a true cost/benefit analysis--

See, the State looks at dollars and cents. They'll tell you that \$2 is greater than \$1. And I tell them that \$2 is not greater than \$1 if you do a true cost/benefit analysis, which means there's some social-

psychological factors and other factors you have to put into the total cost. And so we'll pay attention to that.

But as it stands right now, it's my understanding that they're not going to close those regional offices. And if that was to happen, it wouldn't be all of them in the first place. We have to have some close proximity.

Thank you.

All right, the next--

Yes.

DR. HODGES: No, I just wanted to thank you. That's a major concern. We've managed to get 15 projects developed in the last year as opposed to two over the first seven. And it's only because we came together after some fireworks about what had happened previously to get all people to the table and making these projects worthwhile for the community, as opposed to benefiting, shall we say, others.

SENATOR RICE: Any questions from the--

Thank you very much, doctor.

DR. HODGES: Thank you very much for your time.

SENATOR RICE: The next speaker that the Chairman has here is Mr. Jeffrey Dye, Director.

J E F F R E Y D Y E: I want to wait until Assemblyman Stanley comes back.

SENATOR RICE: Okay. Fine. That takes you to the bottom.

(laughter)

The next person to speak is President Cecil Sanders -- I mean, Cecil Sanders, who is the President of--

How are you doing, Cecil.

C E C I L S A N D E R S: Thank you very much. And good evening to the Senators and the Assembly people, and other ladies and gentlemen.

SENATOR RICE: Excuse me.

Assemblywoman, you're leaving?

ASSEMBLYWOMAN VOSS: Yes.

SENATOR RICE: We want to thank you very much for your time and participation.

ASSEMBLYWOMAN VOSS: I didn't want to interrupt. I'm very sorry, but I have to be in Saddle Brook at 7:00.

SENATOR RICE: We understand.

ASSEMBLYWOMAN VOSS: It was very, very enlightening. And I look forward to working with the members of the community on remediating the situation.

SENATOR RICE: Thank you.

Go ahead, Cecil.

MR. SANDERS: My name is Cecil Sanders, President of C.H.S. Construction. We do both construction management and general construction work. I'm also a part of a team of design-build persons who include architects and engineers.

And I'm here to speak on the fact that we have been lacking in getting what I think is an equal opportunity of business, especially in the CM field. And I've been told for the last two to three years that companies of my size-- By the way, we were certified almost two-and-a-half years ago by the SCC -- certified to do \$2 million in volume. My understanding is

that \$2 million, in the way of a fee, could allow us to do up to \$10 million in total construction work.

SENATOR RICE: Excuse me, Cecil.

MR. SANDERS: Yes.

SENATOR RICE: And I'm not trying to cut you off, but I have to.

The hearing today is strictly to address the need -- to identify and address the need of boarded up properties, residential in particular, that are presently owned by SCC, that doesn't appear to be coming down any time soon, because that project is not going forward, like the Dewey Street project.

MR. SANDERS: Yes.

SENATOR RICE: And the residents are here who live there, where they have not done contracts. The whole neighborhood is gone, and you've got a handful of people left. But everything stops and they're left in limbo.

MR. SANDERS: Yes.

SENATOR RICE: That's what this hearing is about.

We intend to have other hearings to address some of the fine-tuning that SCC is doing, based on recommendations--

By the way, I need to keep this straight for the record, because people don't like to say it, and people don't believe it, but I chair so I know what's going on a lot of times. Sometimes I don't.

MR. SANDERS: Right.

SENATOR RICE: But I know that SCC had already started to tighten up some of these areas of concern that became some of the recommendations of the IG.

MR. SANDERS: Yes.

SENATOR RICE: But now that they're doing all the IG's recommendations, and everybody else's recommendations, we're going to have to get the SCC Board to come back and say, "Hold it. We know where SCC was trying to move with affirmative action, with contractual obligation, in terms of what contractors qualify and dollar amounts. Where are you with this?" Because even with the projects stopped, eventually they're going to start again, and we still insist that there be minority and women participation on these projects. And SCC has never really walked away from that commitment. Some people think they have, but you're dealing with different people in the agency. Then they deal with the Board. And the Board has been restructured to some degree, too, with a new Chair.

And just for your information, the new Chair happens to be Al Koeppe, someone you know. And you know how Al is, so you can talk directly to him about those concerns.

But if there's anything you want to say about Plainfield or about areas you're working in, where you know that there are residential -- there are properties that SCC has purchased and stopped the construction from going forward on a school-- We need to know that.

MR. SANDERS: Well, I know that in Plainfield-- I'm not sure about all of the purchases, but I was involved in the study to look at about a hundred sites that they were going to use for the middle school. And my understanding was that the middle school was supposed to be going

forward. Of course, it was one of those that did not make the list. In fact, I think out of four schools in which we were told were going to go forward, Plainfield got one school. And that school had already been on the list, so they really got, in effect, nothing.

That's a neighborhood on Second Avenue where, I think, perfect properties have been purchased. I don't know whether or not they're totally boarded up. But I know that's at a standstill.

I think it's a shame that I can't speak at least to the fact that small and African-American architects and CMs are being affected by this and may, in fact, be out of business by the time we get a chance to be heard. We've been told for many years that something was going to happen. We thought it was going to happen this year, and then all of a sudden everybody's out of money.

So, while I appreciate what you're saying, that that's not the topic for tonight--

SENATOR RICE: Well, let me just say this to you. Even then, it can be worked in.

Understand-- Let me be clear. If a project is stopped, and you anticipated working that project -- and you know I know a little bit about construction, you all taught me.

MR. SANDERS: Absolutely.

SENATOR RICE: It means that it is not going forward, you're not doing any business, regardless of what the amount is, large or small.

MR. SANDERS: Absolutely.

SENATOR RICE: If a project is presently moving forward, and you're actively working, you're actively working under a signed contract.

Whether you like it or not, that's the contract. So there's not going to be any real adjustments there, except for change orders and things that are valid.

What you're talking about is what happens as you continue to bid or try to get into the process, in terms of fairness. Well, those discussions will come, as we debate also the \$3 billion. So my point is that we're not going to wait until next June to talk about \$3 billion.

I don't know if you were here. Assemblyman Craig Stanley and I are trying to push the \$3 billion bill, because had that bill moved forward prior to Appropriations -- the budget hearings, June 30 -- then we wouldn't be sitting here talking about this. We may be sitting here talking about how do we make sure we get more out of it, in terms of the commitment.

MR. SANDERS: Yes.

SENATOR RICE: So you're not in the wrong time frame, you're just at the wrong meeting right now. There are going to be others. Do you understand what I'm saying?

MR. SANDERS: Yes, I hear you. Yes.

SENATOR RICE: And maybe we'll call a meeting just to deal with contractors in general, but minority and women contractors in particular.

But understand this. Some of that stuff is also working with some of these union relationships that we've got to address, too.

MR. SANDERS: Right.

SENATOR RICE: But you did good.

MR. SANDERS: All right. Well, I did-- If you recall, Senator, I was at the meeting that you hosted last year.

SENATOR RICE: Exactly.

MR. SANDERS: And I was talking about the same thing. And we're still not getting the work.

SENATOR RICE: But you also understand, without going any further, on the record that you and I had this conversation. We dealt with the State on some of your issues there.

MR. SANDERS: Yes, sir.

SENATOR RICE: And so I do understand where you're coming from. But that needs to be a meeting with the SCC Board, because once again, SCC can make recommendations, they can move, but technically they're the administrative arm of whatever we say and what their Board says. They go back, and they make recommendations and say, "Here's what we'd like to do."

MR. SANDERS: Yes.

SENATOR RICE: The mayor goes to the city council and says, "Here's what we'd like to do," and the council says, "No." Then they get to fighting.

MR. SANDERS: Right.

SENATOR RICE: Well, SCC doesn't have the luxury of fighting the Board as much as the mayor can fight council, because they don't have anybody to mobilize. At least the mayor can mobilize people to fight the council.

MR. SANDERS: That's right.

SENATOR RICE: And so they have to rely on us, to some degree.

In-house, they do make mistakes, because sometimes they do things and don't pay attention. They do things politically. And I can't point to any particular incident, but I've been around long enough to know. And so this old board network will get things you don't get.

We understand that, and we're going to have to cut through that.

And I would like to think the team is in place that's responsible for that. And some of them happen to be minorities. We're going to have to find a way to make sure that the SCC Board gives them more authority, not more money, not a different title, but the ability -- when I said authority, I meant the ability -- to make sure these numbers make sense and you're participating. Some of that is contractual.

We're going to have discussions on that. And you just keep pulling my coat to remind me I've got to have more. Okay?

MR. SANDERS: Okay. Thank you very much.

SENATOR RICE: You're welcome.

And by the way, while we're getting the next speaker, the staff make -- and Cecil, you can help me with this too -- but make a note to get in touch with Assemblyman Jerry Green. And maybe Cecil can look too.

I need to find out, in that Second Street area -- I think it's Second Street area -- what we have boarded up in Plainfield, or what does SCC -- and SCC can get this, too -- what do they actually own that either is boarded or not boarded. And if so, whether or not we have some other people living there that need to be talked to and negotiated with.

The next speaker I have is Mr. Benson Fayemi.

Is that pronounced correctly? It's Fayemi? (indicating pronunciation)

BENSON FAYEMI: Yes.

SENATOR RICE: I said it right?

MR. FAYEMI: Yes.

SENATOR RICE: All right, my brother. Have a seat.

MR. FAYEMI: Good evening, ladies and gentlemen.

SENATOR RICE: Benson, you're not going to -- it's that one. (referring to PA microphone) See the little flat one? Just pull it closer to you and you'll be okay.

MR. FAYEMI: Okay.

SENATOR RICE: There you go.

MR. FAYEMI: Thank you.

Good evening, ladies and gentlemen.

My name is Benson Fayemi. I am one of the owners whose properties are being acquired by the SCC.

I live at 464 Hawthorne Avenue, in Newark.

So the reason for my coming here tonight is just to testify and let everybody know that the program they are going to back up on is going to make me and my family homeless. I'm now at the crossroads. I am at the crossroads. I cannot go to the back, not to the front. Because of the months -- they tried to offer me -- cannot even pay off my mortgage.

I tried to speak to one of the guys inside of the relocation assistance. I don't even need money again. What I need is a comparable home. Move me and my family to a comparable home, because our lives

are in danger. They moved my tenants. They moved everybody around me. And the place is--

Because of the crime going up in there, our lives are no longer safe. But the guy told me that, to be sincere with me-- The money they offer me cannot provide me any comparable home. They tried to offer me \$250,000 for a two-family house. And the comparable home is being sold between \$370,000 to \$390,000. So the money cannot pay the mortgage. I'm holding my mortgage. I don't have money to buy another house. So they're trying to make me homeless. So I don't know what to do. That's the reason I am here.

SENATOR RICE: Benson, do you have one of the newer homes that was built up there?

MR. FAYEMI: Yes, it's right beside -- at the corner of Dewey Street -- Hawthorne and Dewey Street.

SENATOR RICE: Who built your home?

MR. FAYEMI: I bought the home two years ago. I bought it new.

SENATOR RICE: Essex?

MR. FAYEMI: Yes.

SENATOR RICE: Okay. You have the new construction.

See, that's one of the problems for my colleague. If you drive in the East Ward -- everybody talks about the East Ward -- you see how the Portuguese and others are building the nice balconies and things. That's in the other ward, now. And those homes are going at a high rate. They're starting off at \$250,000. And that's why I say fair is not necessarily fair and just, based on what was, prior to the construction that Benson lives in

coming into those areas. And believe it or not, those are crime-ridden areas still. We're shifting the crime, but it's there. Yet, people say, "We know there's crime. There's crime all over. But we know where Newark is going. It's getting better. So we'll take the chance with the crime and all."

Now, all of a sudden, buildings are taking place. That same neighborhood -- I would say four or five years ago -- pre starting the new construction in similar lots, a two family house, you may have paid -- you could probably get a good deal at \$150,000. I'm talking about a house that probably needs some work -- may not need any work, because the neighborhood was kind of boxed in, given the conditions.

Now, here's a new two-family -- \$250,000 -- which means a brand new mortgage, because he just got it. It just got built. But in the meanwhile, you live next to him in the older two-family that's worth just as much because of his comp. So you can't come and say, "Well, to give Mrs. Smith, or Mr. Jones, or Mrs. Bark \$100,000 because she's been there X number of years, and--" The numbers don't work. And when the \$250,000 went up, it means that he's on the boarder of Irvington, New Jersey. You go a few blocks and you're in Irvington. Well, Irvington's value is starting to go up. So when you go to Irvington, you've got to walk in there at least with the \$250,000, etc. That's where we've got to go back to a just -- fair and just with adjustment.

We're going to work on that. But my greatest concern is that-- I'm really concerned about this person. And I'm not sure how to deal with it. But we need to take some notes on him, because now there's another question that needs to be raised to the staff and to SCC. We've got to find

out how many people own property where we've already relocated the tenant.

Now, let me tell you what the problem is. Now he's carrying a mortgage without any help. They're going to foreclose on him soon.

MR. FAYEMI: They keep calling me every day, the mortgage company.

SENATOR RICE: That's going to be a priority. I have to know every multi-family, and every one-family, too. Because what happened with the one-families -- are boarded, in some cases. But like I say, I have a tenant in a one-family. Some of these one-families, the owners still have tenants. But I'm concerned about these multiple dwellings where tenants have been relocated. Someone has to make up-- They've got to carry that difference until you take the property. If you're never going to take it, somebody has to explain to somebody -- "What happened to my tenants? How do I get tenants back? Don't just tell me to go out there. I don't have a problem going out and getting new tenants, but my mortgage is like this. I'm in deficit. My credit went bad now. They're moving on my house. What am I supposed to do?" That's bad.

I'm glad you came to testify, because it put some new light that -- walked through a lot; we didn't walk through that one. In the meanwhile, you need to get in touch with me, because I need to find out what's happening with your mortgage. You don't have to go on record. You can tell me later the situation with your mortgage. Because if that mortgage is behind, what it means is that we have to go now and talk to what we call *homeless prevention* and see if we can get you some help so that you won't be out in the street.

MR. FAYEMI: Okay.

SENATOR RICE: Okay.

MR. FAYEMI: Thank you very much.

SENATOR RICE: Oh, Lord. It doesn't get better, does it?

The next person we have is Ms. Ernestine Jackson. Is Ms. Jackson still here? (affirmative response)

Come on up, Ms. Jackson.

ERNESTINE JACKSON: I'm nervous.

SENATOR RICE: Don't be nervous. With that smile, how are you going to be nervous? All these women are nervous too. (laughter)

MS. JACKSON: Good evening, everyone.

I'm Ernestine Jackson, owner of 17-19 Dewey Street.

I have a one-family, and I agree with the gentleman who just spoke. I have a one-family. I bought it. It was abandoned. I renovated it totally, redid the whole building, designed it myself.

15 Dewey looks like my house, but my house is larger, and it's central heating and all. I found out most of the one-families around there -- they received almost the same amount of money, with me having a brand new house -- like you said -- same amount of money. I felt that was unfair.

I signed a contract with SCC the last week of June, approximately. The reason being -- I finally submitted -- was because in May, when my daughter and I-- I have two girls, a 14-year-old and a 21-year-old. When we returned home one afternoon from school -- pull up into my driveway towards the back of the house, three doors from me -- a house that was already boarded by SCC, was bought out already. My daughter said, "Mommy, what is that lady doing to that man?" It was a

prostitute doing a man. I cursed the *H* out. At that point, I could have put my life in danger.

I moved-- I purchased that property in 2002, approximately three years ago. I moved from Irvington. The block I lived on in Irvington was a beautiful block. It was like a family block. But with the taxes, and me paying extra money for my kids, I said, "Let me just go to Newark, where the school has certain qualifications and all." So I took advantage and I bought the property in Newark because of my young child. I liked the SKEET (phonetic spelling) program, certain programs that are good for our kids.

And my oldest hated me, because she was so used-- She goes to Rutgers in New Brunswick. When her college friends come visit her-- All the houses were nice where we lived in Irvington. Come to Dewey -- "Mommy, what's this? What did you do?" I said, "It's an investment purpose." I'm a single parent. I said it was an investment purpose. "Taxes are cheaper. I can make a better life for you."

Also, I had intended back then -- because the extra lot-- Rosa's building up tremendously. So I said okay. I had an extra lot. And my goal was to build a two-family the same as Rosa did. So I would have gotten two for one.

Some time in 2003, they said, "Were you not told by the previous owner that there was a school going to be built here?" I said, "No, I was not." Well, to make a long story short, I'm there. I signed a contract in June. Let me just get to the point. I signed the contract in June. I was in the islands. I come back to find out that they stopped the construction.

Dewey was a beautiful block, beautiful. The anger my oldest daughter had towards me ended. Beautiful. I travel. We do family trips every year. I raised me kids that way. We go out of the country, state, whatever the case may be. Neighbors looked out for each other. I couldn't believe it. It was like I was in the suburbs living between Hawthorne and--

You know, people may not believe me, but I have no reason to lie. It was unbelievable. Neighbors looked out for each other. It was just-- That doesn't happen too often today. And it's sad how the SCC came along and really just destroyed our world. And that's exactly what they did. Not only our world, but especially for my girls to go through what they're not used to.

Now we have the drug-infested-- It's like-- I don't know if they respected the older people years ago, where they really didn't participate on our block with drugs -- the stolen car-- My mother lived two blocks -- on Lesley. Oh, that's a religious thing, where the stolen cars go through her block. But Dewey, unbelievable. We didn't have much of that at all.

Now, since the majority-- We have approximately -- I'd say seven homeowners who are still living on Dewey. The drug-infested-- It's not even funny. It's sad and it's scary. There's no sleeping at night, constantly waking up at night. It's unsafe.

Oh, and I need to bring up-- I'm just curious, since I'm talking to you guys. The owner of 31 Dewey-- I phoned city hall. They gave me a hard time when I redid my house. And I hate to make it a white and black issue, but at times, I make it such.

31 Dewey-- I called the head building constructor, John-- I didn't get my notes together, because I had a death in my family. But the head man of building in Newark, John--

SENATOR RICE: John Antes. (phonetic spelling)

MS. JACKSON: Exactly, Mr. Antes. He remembers me. I called him in December, approximately the first week. "Mr. Antes, how are you allowing --" I'm not going to mention the young man's name -- "allowing him to build a house on 31 Dewey?" Now, the owner of 31 Dewey-- They've been after me since November of last year, calling me, coming by my house religiously until I had to get ugly with them and say, "No, you cannot have my property." The intent of that was, they wanted my property and 31 Dewey so they could build both houses at the same time, have all the materials, so you knock out two stones at one time.

When I mentioned to Mr. Peter Gunther (phonetic spelling), the land acquisitioner, that I wanted to build, he said, "No, you cannot do so." And not only that, I took the offer he gave me, because he assured me that 31 Dewey-- These are his words -- as the officer -- oh, I could quote you back, because I wrote it down. It was his words stated to me-- "They will not be building on 31 Dewey." Mr. Peter Gunther-- He was at my house the second week of December.

Prior to that -- September of 2004, I called Mr. Joseph Higgins. He's above Peter Gunther in the SCC.

SENATOR RICE: At the Board of the SCC.

MS. JACKSON: I phoned him the first week in September. I stated to Mr. Higgins, "I see a sign saying 'two-family house coming.'" I said, "But then you all told me you are all taking my house. How can it

be?” He said, “Well, Ms. Jackson, all we can do is give him top dollars.” This is what he stated to me. “Well, if you’re going to give that man top dollar, I guess I’ll go ahead and build.” “No, we advise you not to do so.” “Oh, why, because the guy is Jewish, he’s able to build and I’m not able to build because I’m a young black woman?” I’m sorry. Now I’ve got to make this a black and white issue.

SENATOR RICE: Let me ask you a question.

MS. JACKSON: I know for a fact--

SENATOR RICE: Go ahead.

MS. JACKSON: I have everything in black and white. The owner of 31 Dewey-- He was downtown in Newark in December -- apparently applied for a permit. He started immediately -- the first week of January. Apparently nobody knew anything about this. I’m curious. And Rosa -- how does Rosa come in? The property at this date is selling from \$275,000 or \$279,000. How could this happen? Somebody has to talk to me. This man-- I remember he bought the house.

SENATOR RICE: Let me ask you a question. Is 31 Dewey the new two-and-a-half-family with the for sale sign in it?

MS. JACKSON: Yes.

SENATOR RICE: And you’re saying that during the time that the land was pretty much in the acquisition stage, and the SCC was buying the property, that someone who knew, or should have had knowledge that this was happening, in fact continued to build anyway, knowing that that property will probably be taken up in the process?

MS. JACKSON: Yes, he offered me \$95,000. I’ve got it in black and white -- a contract from him.

SENATOR RICE: I just wanted to know, because the Assemblyman and I were walking the neighborhood yesterday, and we had some reservations about that property, too. But we'll look into that. We'll deal with that. But go ahead.

MS. JACKSON: Yes, he offered me more money than SCC. He offered me \$95,000 for my lot. I do have a contract that he gave to me, which I refused to give to him, because that's my proof. I need someone to tell me something. One day I will find the answer.

That's it. Our life is turmoil.

SENATOR RICE: Once again, you continue to maintain your property. We're going to do what we can to get the other buildings back in perspective. The Assemblyman and I are working -- and you probably heard it earlier if you came in earlier -- to move the dollars into place over the next few months or so, so they can get that project going.

But we're also going to be talking to, once again, the SCC Board members, and others, and the legislators about fair is fair and foul is foul. And I think that there are some variables, and factors, and elements they need to look at. Everything is not equal, if you will. But there are some things that need to be looked at to come up with these costs, in terms of what fairness is. It's a difficult thing.

I would suspect -- and I may be wrong, because never knew anybody -- economics -- but I would suspect that for you to take a house that needs work, and then do the things that you did -- that's only three years ago -- that you're carrying some mortgages and some other liabilities, too.

One, that needs to be looked at from the SCC when they make these decisions, which includes the market value. Because everybody has to understand that, if you're giving me one price -- number one, my house is free and clear -- then I still can't go any place. But I might be in a better position to borrow or do what I have to do, and have the same cost factors. If my mortgage is paid down, and I have some room, if everything is the same-- Because, I mean, if you tell me I'm going here, and the housing may cost more-- But if I take everything you gave me and put it down, my numbers may work out the same, in terms of what my mortgage is, give or take a few dollars. But if you're telling me I just bought a house, and I've got a brand new mortgage at the kind of cost that Benson and other people are talking about, I haven't paid down any equity at all. And I'm not getting enough to cover that. And then if I cover that, how does that situate me? I mean, I have nothing to move forward with.

So we're going to be looking at that. The Chairman is back now.

We want to thank you for your testimony. That's very important to us. You have my number. I'm going to make some inquiries on 31 Dewey Street with the SCC and let them know how I would suggest that they address that situation.

Because, first of all, let me say this on the record. SCC knows that -- or any contractor knows there's a difference between a house -- new construction costs and market value. A house may go for \$250,000 or \$300,000, but with material and labor, it may have only cost \$110,000 to build it. Do you understand what I'm saying? So nobody is going to get negotiated out. They shouldn't get negotiated out when they intentionally

try to fast-track a project, knowing what the situation was, etc., looking for windfalls. The Constitution said just and fair, but it also prevents from giving windfalls.

So I just want that for the record for SCC, when they start to look at some of these projects. Because I've got a feeling that there may be others. And it may wind up in litigation. So be it. I think that can be fast-track litigation.

Mr. Chairman, I'm going to turn this back over to you.

Thank you very much.

MS. JACKSON: Thank you.

ASSEMBLYMAN STANLEY: Thank you, Senator.

Thank you, Ms. Jackson. I appreciate you coming.

MS. JACKSON: Thank you.

ASSEMBLYMAN STANLEY: Next, we have Vladimir Allrich, Property Manager at 23 Linden Avenue.

A fine young man from Irvington, Mr. Chairman. He graduated from NJIT, as a matter of fact. He lived in my town -- fellow Irvington for a long time, and one of my former students.

SENATOR RICE: Is he going to tell us how to rebuild Irvington now? (laughter)

V L A D I M I R A L L R I C H: How are you doing?

My name is Vladimir Allrich. My dad owns a house on 28-30 20th Avenue.

SENATOR RICE: Twentieth Avenue.

MR. ALLRICH: Yes, and I've been managing the property already for about five years, up until-- Well, I still manage it now, but

things have changed from the time that they said they were -- the SCC said they were going to buy the building.

I was in constant communication with Alan Fields (phonetic spelling), who made a lot of promises to me, personally, and written promises and letters that I do have. And my lawyer has them all.

I made him send me a letter to state that he would pay for each tenant that was relocated out of my building at 28-30 20th. Like I said, I had a building that had six tenants. Everybody else was paying their rent. Everything was going great up until the SCC came in and decided now they want to take the building.

And I didn't want to sign a contract. I said, "Alan Fields, I need you to send me a letter stating that you would pay for each tenant up until the time of closing -- the rent for each tenant up until the time of closing, so that way I would be able to manage my building, even after you guys go ahead and decide to take it."

ASSEMBLYMAN STANLEY: What's the address of the building? I'm sorry.

MR. ALLRICH: 28-30 20th Avenue. It's right on the corner of 20th and 22nd Street.

ASSEMBLYMAN STANLEY: Yes, I know exactly where it is.

SENATOR RICE: 20-38?

MR. ALLRICH: 28-30 20th Avenue.

SENATOR RICE: 20-30?

MR. ALLRICH: 28-30 20th.

SENATOR RICE: Oh, 28-30. Okay. I've got you.

MR. ALLRICH: And so Alan Fields made these promises. I even got a letter. So now he said he was going to send out-- Now he said it was going to-- So he sent my lawyer the letter. And we said that once we signed the purchase agreement, they would take care of all the tenant rents that moved out of the building.

Now, two tenants were relocated, and now they said they're going to stop the project. No one has any money, no one has anything. Now I have tenants living out of boxes. It's sad, because like I said, I have a comfortable home on Linden Avenue. But what about my tenants? Like I said, a lot of people don't really care about their tenants, but I do. And it's really sad to know these tenants are living out of boxes, waiting on the SCC to make a decision on what they're going to do, whether or not they're going to pay, talking about they're going to give all this money to these tenants to move out. And now you have these tenants living out of boxes every day.

The neighborhood has gotten worse. One of my apartments already -- they took the windows out. I had to board it up. And you've got people breaking into the basement trying to take out the washers and dryers. What am I supposed to do? I don't even live in the building. You tell me what type of security-- Police don't even want to go around the neighborhood. All the houses around that whole neighborhood are boarded up. If you drive around there now, you wouldn't even want to stay for five minutes. It's guaranteed. I don't know if you understand the issues and the problems that we're dealing with.

Like I said, my father had a great building. It was manageable. The neighborhood was always bad, I'm not going to lie. But it was

manageable. We were able to manage it. But now, it's unbelievable. It's only like our house and the house next door, which only has one tenant in it. And they're just going crazy with the drugs and everything.

Now we have bills. We have to pay for bills and stuff. How are we supposed to pay these bills if the SCC haven't issued any checks yet? Now I have a letter-- I've got my lawyer. It's going to take a long time for this stuff to get eradicated. But are we supposed to lose our building that my dad had for all this time off of a promise that we had from the SCC to purchase?

Safety is definitely an issue. Like I said, they're selling drugs in the building now. The building is a drug house. Although I have four tenants in it, like I said, I don't know what goes on there at night, but I know what my tenants tell me. And they say, "Vladimir, in my hallways all night long-- There's traffic in the hallways." What are you supposed to do if-- You're like the only house that actually has lights in the hallways -- that keeps the lights on in the hallways. And those are issues that I don't think a lot of people--

Like I said, I don't know if you have to-- You really have to drive around the neighborhood at night to understand what I'm talking about, because you won't even begin to understand until you actually own a house in that neighborhood. And now you see what you used to have, and now you don't have anything anymore.

I told you about the breaking into the apartments. We just allowed--

And, also, when the SCC told us that they were going to purchase the building, we allowed some problems just to go. For instance,

we had a roof-- And like I said, the roof wasn't in top condition. We could have gotten it repaired at the time. We just said, "The SCC is going to buy it. We're going to just let it waiver for a little while." Now they want us to repair these roofs, and do all this work, and try to rent out apartments in that neighborhood. I don't even think I'm going to get my fair market rents for those apartments. And how are you supposed to still run a business if-- I have almost \$25,000 worth of repairs because the SCC told us, "We're going to purchase your building. Don't even worry about it." Why would anybody in their right mind put new stuff into a building that the SCC is already going to purchase? It's just ridiculous.

We invested so much money into the neighborhood. We invested in Irvington, and this is what they give us back. And I know it's no fault on the Mayor, it's really the fault of the SCC. But I'm really surprised at the State, because I work for the State also, and they have checks and balance systems here. And they don't have a check and balance system on this type of money? Six billion dollars-- It's ridiculous. On the small projects -- on small State projects, roadway projects, they have checks and balances. You cannot spend money unless somebody else signs off on it. Why in the world would they let SCC, a corporation, take all this money and do whatever they want to with it? It's just surprising to me that the State doesn't take better control of their own money. And now we're supposed to suffer in our neighborhoods because of this. This is ridiculous.

And I'm sad, and it hurts me to know that I live in the State of New Jersey and they're allowing this stuff to happen. The neighborhood is gone. Honestly, I will take any offer for my building right now, because I'm so afraid to go over there. I used to go over there, clean my building, do

what I need to do to keep my building up. But I can't even go-- I'm so afraid, because I'm scared they might hold me up in the hallways one time. And I'm just trying to clean the hallways to make it neater and cleaner for the people there. And I'm afraid that that's going to happen.

So now all I have to do is depend on lawsuits. And how long do lawsuits take, three, four years? This is ridiculous. What are they going to do for us? What are they going to do? That's the question.

SENATOR RICE: Mr. Chairman.

ASSEMBLYMAN STANLEY: Senator.

SENATOR RICE: A couple things. Number one, I've been in Newark all my life. I know Irvington very well. I do go through 20th Avenue. I go through 15th Street -- Avenue, and I go through all the Avenues -- 21st, etc. So get my number. You want to go to your building, give me a call. If I'm available, I'll go with you. That's number one. I'm street. Don't let the title fool you. I'm still a street -- everybody knows that in my district.

In terms of what we're going to do-- You're right. The checks and balances have been put in place. We've tightened up whether or not these checks and balances are really going to work. We have to monitor it from our perspective, our committees in the Legislature, as well as the IG's office. But that's been tightened up.

What happened in the past happened. And how do we make you whole? That's really the issue. And we're looking at-- The reason we're having the hearing -- the Chairman called the hearing -- is because we want to look at these issues and try to put some of this stuff in perspective. I don't know if you were here earlier when we indicated that we want to

kind of get an idea what contracts weren't signed, where can we move the projects forward. I may not be able to build a school tomorrow, but why can I not move on a contract.

For example, if I look at that area down there-- I have 21st Street that needs to be boarded up, and a couple of people may be-- I've got 20th Avenue. The question is, what am I talking about, five contracts, 10 contracts, one contract? And if I'm talking one or two, why can I not find the dollars to just go ahead and purchase the person's building, relocate these tenants that have to be relocated, etc.? And like you said, the stuff that was put on hold, how do you make up for that? Well, you don't have to make up for it if, in fact, we move forward and meet the contractual -- the expectations of what a contract obligation was going to be to you.

So that's why we're taking the testimony. That's why it is important that you be here. Because if you're not here on the record, there are things that we won't know about -- we won't know subjectively. We'll be a little bit more objective in the approach. But we want to look. That's why we want to go to South Jersey and elsewhere -- to hear from the people to see just what we're up against. We don't want to rely on the SCC to tell us all -- tell it all to us. We want to hear from the people who are being impacted on.

But I'm serious about it. If you want to go to the building, and you don't feel comfortable, you give me a call. I'll go with you.

ASSEMBLYMAN STANLEY: Vladimir said you can go by yourself, Senator. (laughter)

SENATOR RICE: No, what I'm saying is, until that happens--

Let me just say this to you. You may not like this reality, but I will put it up front. It has nothing to do with this Committee. I do represent Irvington, too. The lawsuits can go, and they probably are, and that takes time. It's going to take us some time to figure out where we're going with the SCC situation.

Whether you like it or not, you still own the building, which means there still is some obligation, regardless of the "fears" to those tenants, if you have tenants, etc. So my point is that there are times you may have to go. I wasn't being facetious. If you feel uncomfortable, and there's a time you have to go, call or page me. I will go with you. It may only be to pick up something. But I'm just saying -- I'm being honest. I'm on the record with that. That's just me. Everybody is going to tell you that. But don't leave folks hanging out there when you know you have the responsibility until we can get this straightened out, because you still have ownership. And with ownership comes liability, regardless of how many lawsuits you have, regardless of how much they're messing up.

So I'm just telling you, from a young man to a young man (laughter) -- really, a brother to brother -- you've got problems, but you also have friends now. Forget about representation. We'll get through this some kind of way.

MR. ALLRICH: And like I said, I do understand where you guys are coming from, in reference to actually hearing us out. But like I said--

And I understand that your efforts and whatnot come out, but it's a totally different world around that area now than it was before. Like I said, it was bad before, but now it's like--

SENATOR RICE: It wasn't always bad. I grew up in Newark. I've been here 50 years. It was good, it went down, and went down, and went down, now it's worse. But we're going to make it better as best we can. It may not happen tomorrow or the next day. And I'm trying to explain to you, because this is where--

And I'm going to say this and end, Mr. Chairman, because I hate to see the young people get so frustrated they get off track. As you get older, you're going to understand.

Walk away, and you're going to have a bigger problem. You still have some responsibility, as owner. That's what I'm saying. Don't create more liability. Let us (indiscernible) liability that we created for you, -- some kind of way. And beyond just getting help from the State or getting the legislators to do what we have to do, I just want to extend a hand and say you also have a friend out there who is willing to hold your hand and do what we have to do with you.

MR. ALLRICH: And I understand that.

But the State walked away from us. And you've got to understand that, too. You're saying, don't walk away from my tenants.

SENATOR RICE: I think you missed the point. I'll talk to you later. Okay? Let somebody get hurt over there, when you should have responded, and you're going to have a problem. I don't want to put you in that position. I want to talk to you. We're going to help you.

ASSEMBLYMAN STANLEY: Senator, if I may-- And I certainly echo the Senator's words.

I mean, I'll go with you during the day. (laughter) I'm not going over there at night. I don't have a permit to carry a gun, Senator. I'm just kidding.

SENATOR RICE: I just know the streets.

ASSEMBLYMAN STANLEY: Hey, look, I grew up-- Shoot. I lived on South-- I lived two blocks from there.

SENATOR RICE: But you still have tenants, right? You still have tenants there?

MR. ALLRICH: I have four tenants left.

SENATOR RICE: That's my point.

ASSEMBLYMAN STANLEY: No, I understand exactly what you're saying. There's no question about it.

SENATOR RICE: He can get angry with me and think I'm trying to-- I'm not trying to push off that responsibility. I'm saying, until we can meet those responsibilities, I'll give you some advice. You can ask them to leave. Because if you don't do certain things over there, you're going to have some problems beyond what we -- the problem the State created. We've got to correct the State problem. I'm just giving you a piece of wisdom. Take it for what it's worth.

MR. ALLRICH: And I understand that. But if I keep putting a water heater in a house, and they keep taking it, what am I supposed to do? If I keep putting the boiler in the house, and they keep taking it, what am I supposed to do, keep buying the boiler over and over again? I love my tenants, but--

SENATOR RICE: No, but what you have to do is say that you can't let your tenants stay there in those conditions. Because the State can

actually-- The city can actually come in there and put them out. And you don't want that either. So you need to work--

I'll talk to you later. Let's stay with this. I'll get with you.

ASSEMBLYMAN STANLEY: Let me just thank Vlad for coming, because he's a very busy young man. He's up and coming, a real sharp guy.

And as you can see, Senator, we--

SENATOR RICE: We need to sharpen him up a little bit. I've got to talk to him. (laughter)

ASSEMBLYMAN STANLEY: As you can see, we trained him well in youth and government. And he's--

SENATOR RICE: He's an academian. I have got to teach him street.

ASSEMBLYMAN STANLEY: But certainly, we're glad you came, Vladimir.

And we do have an obligation. We certainly do. These are the exact types of circumstances that we did want to bring to the fore. And I'm glad that you came. And it's a situation that you did not create. And I think that's the bottom line. This is a situation that you did not create. The State of New Jersey created it with however way it was created. It wasn't created as a result of anything -- any wrongdoing on your part or your parents' part with respect to that building. I was through there a couple -- about a week ago.

SENATOR RICE: Or the tenants.

ASSEMBLYMAN STANLEY: Or the tenants. It wasn't created as anything the tenants did. It was-- It's directly related to a

process that somehow went awry. And now it's our responsibility to correct it.

We appreciate your testimony. Thanks for coming.

MR. ALLRICH: Thank you guys for hearing me out.

ASSEMBLYMAN STANLEY: Next we have Mr. Jeffrey Dye. And I think our last testimony comes from Lisa Logan-Leach.

MR. DYE: Thank you very much.

My name is Jeffrey Dye. I'm the Director of North Jersey Local Residents Work Force, in the city of Passaic, job training placement program.

I want to try to stay within the contents of what this forum is for. And, basically, it's about the displacement of people in their homes.

I guess, basically, what I'm going to say is very short and very little to the point of the horror stories that I've heard here today. And I mean, they are horror stories.

But in the city of Passaic, on Parker and Sherman Street, there is a row of houses that were bought by the State. And I'm kind of flabbergasted and somewhat appalled to be the only one here today, as opposed to school officials, board members, and superintendents, that should be here speaking about this -- unlike myself.

But my reason, in addition to speaking about these displaced people in these homes, is that we run a job training placement program in the city of Passaic. And I've been passed around with the Schools Construction from top to bottom, to left to right.

Senator Rice-- I met with him. We had conference calls with pastors. And we had spoke with the CEO, Jack Murphy. We've also spoke

in the past with Al McNeill. And Jerry Murphy had also come to my office. But still, to no result, in terms of jobs being met and training being met in this community.

I have a program. I am there in the community. And I'm going to tell you, I go passed these houses. And the police are not policing these situations. These people have holes in the back of the building, inside these doors -- or this plywood -- that they flip open, go in and out, selling drugs, and all types of situations. You've heard it here. You've heard the gambit of it.

ASSEMBLYMAN STANLEY: These are SCC-owned buildings?

MR. DYE: Yes.

And I'd just like to say, I'm not afraid.

So utilize the program. Utilize some people in the community to watch these programs, because the police are not.

And I'm hoping no child gets raped or something like that. Those that want to take drugs and sell drugs -- that's on them. But I just hope nobody innocent gets hurt in these projects.

This is really not the forum for what I would like to speak -- in terms of job training and placement. I'm going to come down to the SCC Board meetings on the 24th. I had tried my best not to come down there. I had been working with Senator Rice and a couple of reverends in the community, the President of the NAACP. And like I said before, I've been passed over by everybody -- I mean, passed around by everybody. And now I'm at Ms. Drakeford's (phonetic spelling) door. (laughter) And I'm not criticizing her or anything. She calls me back.

But all I'm hearing is talk. I need something to be done. I too, like Senator Rice, am not afraid. So utilize somebody like myself in this program in the community to maybe watch these projects in some type of way.

That's pretty much it. I'll be there on the 24th. And I hope that me speaking today, and speaking on the 24th, something can be done besides this listening party that I've been dealing with for the last three to four years, since the SCC has been in existence. And since it's been in existence, I too have been misplaced by the SCC. Because before the SCC came into play, we were working on schools in the communities. We were working on them. Now, since the SCC came into play, they have these unions, they have these project labor management groups that just ignore the average person in the community.

And I do not want to bring race to this table, too. But it just seems, and it looks in our community, that blacks are not being put on these positions.

So in saying that, I'm going to wrap that up -- in saying that I hope I can get more assistance and more help other than just being passed from this person to that person throughout the SCC.

Thank you very much.

ASSEMBLYMAN STANLEY: Thank you, Jeffrey.

Lisa Logan-Leach, Board Member of Plainfield Board of Education.

LISA C. LOGAN - LEACH: Good evening.

ASSEMBLYMAN STANLEY: Good evening.

MS. LOGAN-LEACH: It's nice seeing many of you. This is one of my first times coming to testify. I'm usually working with the Legislature. Many of you remember me when I worked with Senator Byron Baer, and now work for Assemblyman Jerry Green. But I'm here in the capacity as a board member.

Plainfield, as I'm sure many of you know, is an Abbott district. And we were very disappointed to hear the news that we were only going to have one of our 13 projects go forward. It has been a hardship. We have close to 7,800 students that are in our district. So we're not as large as Newark, or Trenton, or Camden, but we still are a sizable district. We actually have a meeting scheduled this evening -- our regular school board business meeting that, as Chair of the Schools Construction Committee, I told our Superintendent, Dr. Paula Howard, that I would come and testify on behalf of the nine members of the board, including Dr. Howard.

Some of the things that we were hoping we were going to be able to move forward would be a request that we put in for temporary classroom units. They were 16 TCUs, but we were denied for that request, and we didn't have any real hard core information as to why that request was denied. The TCUs were going to be placed at the high school level, because what we are doing at Plainfield is doing smaller learning communities. And our high school is overcrowded. There needs to be a tear-down of the old high school, which dates back to 1910. It needs to be demolished so that way renovations can be done to the high school.

Without having the temporary classroom units -- not trailers, we need the larger ones with the bathrooms and all that good stuff -- that has put us at a real disadvantage, because now we are going to have

students taking classes in the library. We have to do scheduling of two to three classes running simultaneously in the library, along with students going in for their regular library time. We're using kids in the woodshop area. So you're dealing with health and safety issues. There are parts that are condemned by the city of Plainfield in the old high school that they just cannot be utilized. The old auditorium in the high school has to be used as a storage area. It cannot be utilized for a temporary classroom setup, because it's been condemned for children to be there.

Another area that we needed to move forward is our new middle school. There were a lot of meetings that we did in the city. We made plans for the new middle school. Our two middle schools are so overcrowded that Maxson Middle School, which had an auditorium, had to be converted into temporary classroom space. We have students who are set up in what had been, for all intents and purposes, closets, where they're getting instruction there. We have teachers who are teaching off of carts. Our two middle schools are so maxed out, it's unbelievable. Every single inch of space that could be utilized is being utilized. So those are some of the real core areas.

We know that Emerson School, which is one of our elementary schools, was torn down. And that is the only project that is moving forward. However, the land acquisition, as far as I know as of right now-- The land acquisition that we wanted to do the expansion, so that way the children would have playground areas -- so that way there would be a real parking lot for our teachers, which Emerson never had -- the land acquisition of the 10 houses has been put on hold. So now you're going to

have, for all intents and purposes, a larger school built right up to someone's backyard.

So we need to get a lot of communication coming back. We need to get our projects on track. I know that Assemblyman Green has met with the board and the Superintendent and is trying to work with us to get our projects on. I know that many of you are hearing that everyone wants their projects moving. But I make our desperate plea, also, that if nothing else, we definitely need to have the TCUs over at the high school so we can move forward. We can't have children-- Just think back to when you were in school. Could you really learn and do what you needed to do if you have two other classes going on in the library, as well as the librarian telling everyone they need to be quiet? It's not conducive. We want to raise our test scores. We can't do it under these conditions.

I thank the Committee for their time and attention. And I'll see you in Trenton.

ASSEMBLYMAN STANLEY: Thank you, Lisa. Thank you very, very much.

SENATOR RICE: Mr. Chairman, just a quick question.

ASSEMBLYMAN STANLEY: Yes, Senator.

SENATOR RICE: Same question to you. I didn't know you were here. I do have to pay attention, because I suggested we reach out to Assemblyman Green.

Plainfield-- Do you have any areas where properties were actually purchased by the SCC, owned by the SCC, and are boarded up?

MS. LOGAN-LEACH: Yes.

SENATOR RICE: And then there are some in the same area that SCC didn't buy, because the project is not going forward. Or are your projects in (indiscernible) going forward?

MS. LOGAN-LEACH: Our projects-- The only project, as far as land acquisition and purchasing homes, that is not moving forward is by Emerson Elementary School.

SENATOR RICE: Is that around 2nd Street?

MS. LOGAN-LEACH: No, that is over by Emerson and -- I'm pulling a brain cramp -- Emerson and George Street.

The 2nd Street project-- That is to do the new middle school.

SENATOR RICE: That's moving forward?

MS. LOGAN-LEACH: No, that's been put on hold.

SENATOR RICE: There were properties--

Cecil thought that there may have been some property purchased by the SCC over there. Are you aware of that? And if so--

MS. LOGAN-LEACH: I know that they were in negotiations. I don't know definitively if they actually did complete it. But the last word that we got was-- Larry Martin came before the board and said everything was on hold. He had a breakdown of all the different projects. And it was only Emerson. But we definitely need to-- Our middle school--

Dr. Howard did have a meeting where she said that our main project that we need to move forward is with the high school, because of health and safety. I know that we actually have our board retreat this weekend. And SCC is one of the topics that she wants to bring more information to us-- So I anticipate that that-- And I'm also going to

encourage her to reach out for the members of the Committee, and SCC, and everything.

SENATOR RICE: Melanie from the staff is going to be in touch.

MS. LOGAN-LEACH: Sure. I'll give you my board card this time. (laughter)

Again, thank you very much for your time.

MR. DYE: Assemblyman Stanley, can I please just ask one question? I forgot the main portion.

ASSEMBLYMAN STANLEY: What was it?

MR. DYE: The question is, could we bring a forum to the city of Passaic to inform the community as to what SCC is going to do in the city, and how they're going to include the community in the process?

ASSEMBLYMAN STANLEY: We're going to have some other hearings throughout the state, and we'll keep Passaic in mind. I don't think we've been to Passaic, and I think that's one of the cities that Senator Rice was interested in going to. So we'll take a look at going there.

MR. DYE: Thank you very much.

Thank you, Senator Rice.

ASSEMBLYMAN STANLEY: Thank you, all, very much for coming. I certainly appreciate your patience and participation.

The meeting is adjourned.

(MEETING CONCLUDED)