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SCRAP BOOK



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City Clerk Amoruso saw many come, go

By James Kopchains

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Amoruso received his appointment as city clerk on July 1, 1965, succeeding Martin Brennan, who had

THURS - 1/19/84

New Hoboken budget could mean tax cut

By Earl Morgan

Hoboken's $22.9 million budget, introduced at last night's City Council meeting, could mean as much as a $15 reduction in real estate taxes — if efforts to hold down the school budget, already $2.5 million more than last year in its draft form, are successful.

In other business, the council last night voted for a $1 million bond issue for capital

the Board of School Estimate to do everything they can to hold the line on the school budget.

Mayor Steve Cappiello said the budget "represents a reduction in the size of our municipal budget in virtually every level of municipal government."

The mayor claimed the reduction was necessary because of a massive "cutback in federal and state aid during the past five years."

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City Clerk Amoruso saw many come, go

By James Kopchains

Hoboken City Clerk Anthony Amoruso says he's going to miss City Hall when he retires April 1.

Small wonder, considering that he has worked in that building for more than 44 years.

During those years, the 75-year-old Amoruso has seen Hoboken and Hudson County notables, both big-time and small, pass through the building's front doors, either on their way into office or on their way out.

He has given the oath of office to dozens of members of planning boards, boards of adjustment, parking authorities, and other such boards. As registrar, Amoruso has kept track of the city's history, keeping records of almost everyone who has come to live in Hoboken at one point or another.

"It's been a very enjoyable career," Amoruso said. "I'd have to say that I enjoyed myself throughout it all."

Amoruso started his career in public service in 1940, after working for five years for a subsidiary of General Electric in Hoboken.

Appointed as a clerk by then-Mayor Bernard McFeely, Amoruso moved up through the Civil Service ranks; becoming a senior clerk under Mayor John Grogan's administration. During this time he served under City Clerk Arthur Malone, whom he credits with teaching him everything about the duties of the office.

Amoruso received his appointment as city clerk on July 1, 1965, succeeding Martin Brennan who had served for six months after Malone retired.

The timing could not have been worse for a newly-appointed city clerk. It came during the most controversial election in the city's history.

When a judge threw out the results of the city's general election for mayor because of voter irregularities, Amoruso got the task of setting up an entirely new election within a month's time, with no guidelines or precedents to help him.

Although he never received a college degree, Amoruso said most of his knowledge of the municipal laws and codes comes from day-to-day experience. Amoruso is a respected member of the state Municipal Clerks Association and the International Municipal Clerks Association.

After his retirement, Amoruso said he and his wife, the former Anne Murray, will be traveling throughout the United States.

"There's really so much to see in this country. I have no urge to travel outside of it." His first trip will be to San Diego this summer to the convention of the Municipal Clerks Association.

THURS - 1/19/84

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In other business, the council last night voted for a $i million bond issue for capital improvements in the city's schools.

The new municipal budget is $1.6 million more than last year's, said Edwin Chius, business administrator.

"Last year, the tax levy was $8.7 million but this year it is only $7.2 million. That's a $1.5 million reduction."

Chius said if everthing is "equal and depending on the ratables lost from tax appeals" taxpayers could realize a $10 to $15 reduction in their taxes. The current tax rate is $183 per $1,000 of assessed valuation.

But another factor is the county tax rate and the city's appropriation for the board of education, which, according to a source, is already $2.5 million over last year's.

But, according to Board President Otto Hottendorf, at a meeting of the board scheduled for 6 p.m. today, the budget will be substantially reduced.

Councilman Robert Ranieri made a plea last night to school board officials and members of the Board of School Estimate to do everything they can to hold the line on the school budget.

Mayor Steve Cappiello said the budget "represents a reduction in the size of our municipal budget in virtually every level of municipal government."

The mayor claimed the reduction was necessary because of a massive "cutback in federal and state aid during the past five years."

The budget continues a hiring freeze that started in July.

That was a view that Councilman Thomas Vezzetti agreed with. "I think this budget is a good working document but it has to be cut further and we need to consolidate more services," he said.

Cappiello also warned that a planned property revaluation would result in extremely high property tax assessments for residential property.

Cappiello said he is asking the assessor to postpone the revaluation so it can be phased in with the city's waterfront development.

Ranieri, who is also a state assemblyman, said he will introduce legislation making the mayor's proposed action possible.

City Clerk Anthony J. Amoroso announced he is retiring from the position. Otto Hottendorf presented the council with the deed to the Sadie J. Leikauf School that will be converted to housing.

Guttenberg

Hoboken readies new rent rules

FRI - 1/27/84

By James Kopchains

The hearings over, the Hoboken City Council is expected to sit down and devise a new rent control ordinance for the city.

Robert Ranieri said the ordinance is now being prepared to the entire nine-member council. A committee, headed by Thomas Vezzetti and also including Helen macri, and Ramieri has been holding hearings since November into the changes in the ordinance.

Ranieri said he hoped the new ordinance would be ready by Wednesday's council meeting, but doubted it.

The committee's work started after Ranieri's unsuccessful attempt to amend the ordinance in November and closed a portion of the ordinance that allowed landlords to raise rents under the substantial rehabilitation provisions.

During the hearings, the committee members listened to testimony from housing experts as well as landlords and tenant representatives. Ranieri said the hearings ended last week

Hoboken Reporter

1/11/84

1, 1984

EDITORIA

Dear Editor:

We, the Hoboken Clergy Coalition, encourage the City Council to consider carefully the rewriting of the present Rent Control Ordinance of the City of Hoboken. Because of the crisis in housing and the escalation of rents, we support strong legislation to provide protection of tenant rights. We advocate strong action on the part of the City Administration and City Council to close all loopholes that lead to landlord speculation and exorbitant rents.

Hoboken Clergy Coalition
Hoboken, N.J.

HOBOKEN PICTORIAL

1/11/84



NANCY TSUCHIYA

After 55 years, Louis C. and Dorothy F. Muser will be closing Muser's Delicatessen. See story page 8.

Hoboken Real Estate Taxes: Part 1

(First in a series.)

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There are very few subjects that arouse the average citizen's ire as quickly as taxes. They have been with us for a very long time. They also have become more numerous—and more complex.

Basically, taxes are governmental levies to raise money for the government to spend. We have federal income tax, state income tax, state sales tax, corporate income tax, corporate franchise tax, various business taxes and a million and one licensing fees that look like and feel like taxes but have other names.

Sometimes, politicians will try to wriggle out.

In other lands, where people or law enforcement is more casual, governments have a tough time collecting. They sometimes have to place heavy taxes on certain items—such as salt in Italy—to make up for some of the taxes being avoided.

But of all taxes, the one hated by local politicians is the local real estate property tax, because its levy and enforcement cannot be blamed on remote and faceless processes. Everyone knows who passed the budget and who approved the tax rate.

Sometimes, though, politicians will try to wriggle out. This past year, in fact, the Hoboken City Council—rather than vote a lower budget necessitating massive job cuts or a high one causing a tax increase—failed to pass a budget, knowing that the state would simply take over and set one.

With all of the heat about taxes, a little light is beneficial. Besides paying taxes, two aspects of Hoboken life that are bubbling and boiling at a higher or lower flame at all times—rents and the price of real estate—are affected by taxes.

The higher real estate taxes are, the higher rents are. As an example, the average re[illegible] vated tenament now pays about $500 to $700 per apartment unit per year in taxes and, in some cases, up to $1,000 per apartment unit per year. Every penny of this will be collected from the tenant in the rent bill in addition to fuel costs, painting, maintenance and mortgage costs. So, a tax bill of $1,000 per apartment means $80 per month in rent, an amount equaling heating and air conditioning costs.

On the other hand, very high taxes tend to lower the value of buildings because every nickel paid in taxes means one less nickel for mortgage payments. In other words, if taxes are less, then a buyer can pay a little bit more in mortgage payments and therefore afford a little bit more in the price of the building.

The higher real estate taxes are, the higher rents are.

Any examination of real estate taxes in New Jersey begins with state law which requires that every piece of real estate be listed on tax rolls unless it is specifically exempted or abated. For instance, churches operating as a house of worship are exempt from local real estate taxes. State and federal property, colleges and other non-profit institutions are exempt. Railroads are exempt to protect them from greedy town tax collectors.

Professor John Payne, who teaches local finance and taxes at Rutgers Law School, points out that Hoboken doesn't have a

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City Council - By a 7-2 vote the City Council approved a $1.5 million payment to the City from the Port Authority to be used to purchase Piers A, B, and C from the Federal Government; this loan is interest free and there is no time limit placed upon repayment.

Taken over by the Federal Government in 1917 and leased to the Port Authority since 1952, these piers are slated to become part of a $500 million waterfront development project.

Councilman Thomas Vezzetti voted against the loan because he felt that it meant an obligation to the Port Authority. Councilman

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Taxes

cont'd from page 1

choice to say it no longer wishes property taxes. Nor, does Hoboken have the choice to impose an income tax instead of property tax.

"It must tax every piece of property in the city or show why not," says Payne. "The state says that the taxing process begins with the assessment of the land and any buildings or other improvements on the land. So, every city, town and village is supposed to have on hand an accurate assessment of the value of every piece of property in its taxing jurisdiction.

"And," he adds, "the assessment is supposed to be equal to the 'true' value."

But, the valuation process soon gets out of kilter. The first problem is that assessments are laborious. Most towns have an assessor plus some assistants. Hoboken has three; an assessor and two deputies. These people not only assess the value of new buildings but, also, if an owner makes improvements to buildings, the assessor is supposed to determine what, for instance, the new toilet on the first floor does to the value of the building.

If we wanted to keep all assessments absolutely accurate and listed at true value, Professor Payne says, "the assessors probably would have to go around to every building every month or two and adjust the value because inflation, speculation, a real estate boom or what the guy did next door, changes the value of buildings." If your neighbor raises chickens and keeps junk cars maybe he is helping keep your taxes down.

In Hoboken lots that couldn't be given away 10 years ago are now going for $20,000 or $30,000. It is reported that a group just got an option on 28,000 square feet on First and Clinton Streets for $800,000, probably ten times when the same piece of land would have sold for five years ago. It would require an army of assessors to keep track of every building and its true value.

"In addition, there are, in the question of value, a number of complicated decisions," points out Payne. Value of land and building is somewhere in the middle of different tests.

How much did the building and the land cost? But, what if it was a bargain? Well, then we have to look at comparable sales. What would the building cost to reconstruct in today's market and how much should it be depreciated because of its age? How much rent is derived from the building and what is its value based on its rents?

"For an apartment building of five units and up, we count the rents," says Buccino, the Deputy Assessor. At best, the approach is not exact but as long as the approach is the same for all it's probably okay since everyone will stand relatively the same to each other and therefore to the tax burden.

So, if a tenament is selling for $150,000 and the assessor comes across a tenament in the same neighborhood with practically the same characteristics he will have to probably value that tenament at around $150,00.

But what happens in a city when the assessment process falls behind if it does not keep up with the changes in values of land and buildings. One can see that if Hoboken could undervalue all its land by giving a low or outdated assessment, the county would not expect as much in real esate taxes from it.

Therefore, it is in the county's interest to make sure that assessments are kept current and in the city's interest to make assessments lower than the true value of the buildings. Then, the city will have less money to raise as it share of the county pot. So that cities cannot "cheat" the county, the county keeps its own list of assessments and tries to equalize the value of all property within its boundaries.

Even though Hoboken values a tenament at $28,000 the county keeps track and says the building is worth three times as much. Of course, this method of equalization is not adequate and it adds to the confusion. Every once in a while, therefore, the state tells Hoboken to make a reassessment of all of its properties and bring it up to 100 percent of true value. Buccino says "the revaluation is ordered when a city slips below 70 percent of true value in its assessments. We slipped to 32 percent." This is what has taken place in Hoboken for the last year and a half. Now we're going to get the results. □

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Monday, January 23, 1984

Bayonne tackles homeless 'woes'

By BETH KUHLES
Staff Writer

BAYONNE—Several days after the death of two city residents because of exposure to severe cold, the police department issued a confidential memo for police officers to seek out those persons aimlessly wandering the streets when the themometer plummets late at night.

And since the directive was issued on Dec. 27, five transients with no money and no place to go have been put up for the night in cell blocks in the city jail. The majority, after a breakfast of hot coffee and sandwiches, have been dropped off at the New Jersey Turnpike entrance to continue on their way.

The welfare of the homeless is a hot issue in the city. Mayor Dennis P. Collins is incensed that Bayonne is perceived as having a "homeless problem" in the media.

"I am not aware of any homeless problem in Bayonne," Collins said, the flush rising in his face. "The two men that froze to death had homes

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THE JERSEY JOURNAL, FRIDAY, JANUARY 20, 1984

Assessment board pushed by Ranieri

Assemblyman Robert Ranieri of Hoboken said he will seek to get a legislative commission on property revaluation activated as part of his campaign to get a state moratorium on Hoboken property reassessments.

Ranieri will introduce a bill Monday to exempt all second class cities, including Hoboken, from being required to conduct reevaluation for 1984 and 1985.

Second class cities refer to cities under a certain population, Ranieri said.

Ranieri said Gov. Thomas Kean recently vetoed a bill that would have set such a moratorium only for Atlantic City.

The assemblyman spoke with the governor yesterday. Ranieri said Kean told him he vetoed the Atlantic City bill because he believed a commission on property reevaluations already authorized should consider such matters.

To eliminate that objection to his bill, Ranieri said, he will ask Assembly Speaker Alan Karcher to appoint members to that commission, have the president of the senate appoint his members and get that commission started.

Sections of Ranieri's proposed legislation are as follows:

"As a result of a housing renaissance in the city of Hoboken involving brownstones and townhouses and a proposed large waterfront development involving the Port Authority . . .

"This rapid economic development is generating a dramatic escalation in property values, which is due in part to intensive speculation in the market value of land and the resulting cycle of rapid turnovers of properties at increasing higher prices . . .

"The true value of real property, based upon sales prices, is highly inflated and if properties were revalued under such unusual economic circumstances, the revaluation would result in extremely high property tax assessments for residential property in the city which, in time, would create unfair tax burdens for many property owners, especially senior citizens on fixed income."

The bill said Hoboken and other cities would not be required to implement revaluation, "notwithstanding any provisions of law or any judicial order to the contrary," but could choose to conduct and implement "partial or complete reassessment of real property."

Monday, January 23, 1984

Bayonne tackles homeless 'woes'

Transients put up overnight in city jail, then sent on their way

By BETH KUHLES
Staff Writer

BAYONNE—Several days after the death of two city residents because of exposure to severe cold, the police department issued a confidential memo for police officers to seek out those persons aimlessly wandering the streets when the themometer plummets late at night.

And since the directive was issued on Dec. 27, five transients with no money and no place to go have been put up for the night in cell blocks in the city jail. The majority, after a breakfast of hot coffee and sandwiches, have been dropped off at the New Jersey Turnpike entrance to continue on their way.

The welfare of the homeless is a hot issue in the city. Mayor Dennis P. Collins is incensed that Bayonne is perceived as having a "homeless problem" in the media.

"I am not aware of any homeless problem in Bayonne," Collins said, the flush rising in his face. "The two men that froze to death had homes in the city. Any inference that this administration is insensitive and letting people die on the streets is preposterous."

Collins said he has instructed the police department to house a vagrant overnight in the police lockup, and the fire department to allow anyone requesting shelter to use the

See HOMELESS, Page 6

to the Young Men's Christian Association on Avenue E. His short stay was financed through a federal grant to the YMCA for the homeless. He stayed a few days and continued on his way.

A second man, from Raleigh, N.C., housed overnight by the police, was taken to Bayonne Hospital after a guard at the city jail noticed his ankle was severely discolored. Doctors at the hospital could find no cause for the abnormality, and the patient was released and sent on his way.

One Bayonne man was housed overnight by police when he was kicked out of his house for the evening. An East Newark man wandered off the turnpike and had no way to get back home. Police put him up in a cell block for the night.

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HOMELESS

Continued from Page 1

cots at the 16th Street Firehouse. But Collins said he will not encourage the establishment of a permanent shelter for the city.

"I am not going to encourage any flophouse in Bayonne with money being doled out at the taxpayer's expense," Collins said sternly.

Maryann Walsh, health department director, also said she is unaware of a homeless problem in Bayonne, in a memo to City Council President John J. Foye regarding a question on the issue addressed by a city resident at the Jan. 11 council meeting.

"Therefore, the thoughts of instituting any type of program would lend itself to many unforeseen problems," Walsh wrote.

On the morning of Dec. 26, the body of 54-year-old John Dougherty of 23 E. 54th St. was found by John Gouker, of 50 W. 23rd St., lying on the seat of a truck cab parked in Gouker's driveway. Gouker told police he had chased Dougherty from the truck the day before, on Christmas morning.

A second man, 64-year-old Frank Dayon of 84 W. Seventh St., was found dead in the cab of a truck owned by V&L Contracting & Equipment Inc., 12 East 53rd St., by a V&L employee on the morning of Dec. 27. Both men died from exposure, according to the Hudson County Medical Examiner's Office.

All but one of the five men brought into police headquarters for lodgings within the last three weeks were from out of town.

A man with one leg and an unknown address was found sleeping in a truck by police and taken to the Young Men's Christian Association on Avenue E. His short stay was financed through a federal grant to the YMCA for the homeless. He stayed a few days and continued on his way.

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Another traveler, from Mayo, Md., was picked up a few blocks from the turnpike entrance, given a cell for the night and brought back to the site in the morning.

Deputy Chief Thomas Lavin's memo said that "All tours will instruct personnel under command to check known areas where these men frequent and when the temperatures are extremely cold, they are to bring these people to police headquarters for processing as prisoners or at least lodgers."

"This is the most we've ever seen," said Lavin last week, recalling only one or two instances of transient homeless picked up from the turnpike last year. "We are going out of our way to find them. We'd rather violate their rights than to see them die."

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Cold weather report

1/84

By Art Buchwald

Because of all the publicity concerning the hunger problem in the United States, little attention has been paid to the freezing temperatures that have engulfed the nation.

The Safety Net Task Force on Cold Weather has just issued its report on this year's winter. The commission was set up because there was no statistical information as to how many needy cold people there were in America, and whether present administration policies were adequate to take care of those who were really freezing, as opposed to freeloaders who could afford to stay out of the cold.

Commission members, all from southern California, said that the cold weather problem in the United States has been "exaggerated by the media, and that television in particular had played a role in making this year's winter much colder than it really is."

"There are cold pockets in the United States," the report said, "but there is no evidence to conclude that it is nationwide and that freezing temperatures are affecting the poor. Most people suffering from frigid weather are those who can't afford to pay their fuel bills or are homeless. The Reagan Administration cuts have not affected them, and the majority of these people are warmer today than they were in 1980."

The task force report went on to say, "There has been a constant drumbeat in the press and on television pointing out that temperatures in this country have beeh the lowest since 1872. Most of the reports on television have shown people suffering in Montana, Nebraska, Wisconsin and Duluth, to the exclusion of those in Key West, Fla., and San Diego, Calif., where the weather has been glorious. By only reporting where the weather is bad, and not where it is good, the impression left in the TV viewers' minds is that the entire country is suffering from an extraordinarily harsh winter."

In a chapter devoted to wind chill figures, the report states that "When Mr. Reagan took over from President Carter the wind chill factor in the United States was plus 18 degrees. The Reagan Administration has reduced it to minus one, and in some parts of the country minus 25, the lowest in almost a century.

"By lowering the wind chill rate, the president has provided more jobs for everyone. Anybody who wants to shovel snow can now get work. Auto body repair shops are hiring people once again, gas companies report their best season ever, road salt sales have quadrupled, and people slipping on ice have pushed medical and hospital profits to record levels. The trickle-down effect from the cold weather will give the economy the best boost it has had in years. Every segment of the population stands to gain by freezing temperatures."

The task force report went on to say, "We found in our investigation that most complaints about the winter were politically motivated by people opposed to President Reagan's weather policies, or whose pipes had burst because of the freeze. There is no hard and fast evidence that the extreme cold weather has any relation to mass shivering in the United States. Government programs now in place are sufficient to provide every person who really needs it with heat.

"Therefore we are making the following proposals to see that the heat cheaters are taken off the government rolls.

"Applicants for supplemental fuel must prove they have burned all the furniture in their houses before becoming eligible for federal fuel allowances.

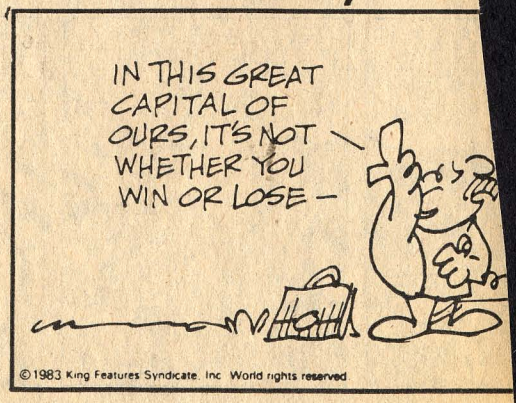
"People sleeping on grates who are getting their heat free from subway systems will no longer be admitted to government temporary shelters.

"Workfare programs should be set up for those people who apply for free outerwear and gloves to get them through the winter.

"A surcharge should be placed on soup kitchens, and the revenues from them should be used to pay for research on why poor people are colder in the winter than they are at any other time of the year."

The task force concluded that "freezing weather is not a serious problem in the United States and there are a lot less icicles in peoples' homes than the American people were led to believe."

the small society



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Hoboken's Tenants Still Fall Through a Rehab Loophole

1/84

By Diane Camilleri and Judy Stone

IN HOBOKEN, A COALITION of tenants, small homeowners and community groups seeking to curb the city's growing tenant displacement caused by huge rent increases imposed by landlords and speculators, failed recently in their attempt to pass an amendment to the municipal ordinance on rent control which would have limited one of the more severe speculative practices. The proposed amendment, sponsored by Councilman Robert Ranieri, would have plugged one serious loophole in the current law, that of the exemption from rent control granted to apartments which are "substantially rehabilitated."

Hoboken's rent control ordinance, which applies to multi-unit dwellings, limits annual increases (exclusive of tax surcharges) to 7½ percent to tenants who continue in occupancy, and limits increases to 25 percent when occupancy changes. Capital improvement charges are wholly passed along to tenants as are tax increases, and landlords are guaranteed an 11½ percent return on investment.

This law was passed in 1977 and slightly amended in 1980 when rents were lower, and the pressure on the housing market brought about by high income households looking for an affordable alternative to Manhattan was only beginning to be felt in a major way. The purpose of the substantial rehabilitation exemption was to stimulate the rehab of Hoboken housing stock and thereby help revive the then declining community by rewarding investment. Now, however, the pressure of high income housing demand has become overwhelming, and speculation and displacement have become rampant. In this market, the "substantial rehabilitation" provision has been used to undermine the overall intent of the rent control which is to stabilize occupancy and protect tenants and the community.



Hoboken condominium conversion site.

AL SACCO/PHOTONEWS

An Investment-Displacement Strategy

This provision states simply that if an investor spends 100 percent of the assessed value of a building on capital improvements, apartments are exempt from rent control for 13 months. Hoboken's tax practices, however, have produced a situation where apartment buildings are grossly underassessed – often at just 20 to 30 percent of market value – while the tax rate on assessed values is high ($183.29 per $1,000). A building with a market value of $100,000 may be assessed at $20,000 to $30,000. An investor can purchase the building with a cash outlay of



$10,000 to $20,000 and a mortgage, spend an additional $20,000 to $30,000 (the assessed value) in "improvements," and charge the new market-rate rents affordable by the new bidders for Hoboken's housing.

This results typically in the wholesale displacement of the low to moderate income (often elderly or minority) families who occupied the building prior to renovation. A related loophole is that most buildings which are subject to this investment/displacement strategy are old and in poor condition due to years of neglect, and the investment in "improvements" may often be only the amount required to bring the building up to code.

These low assessments also allow speculators to spend very little and do no more than superficial "improvements" to qualify for the substantial rehabilitation exemption. There are no guidelines in the law about the necessity of the work or its quality, or ceilings on how much the landlord should pay for specific items or labor. Landlords can force tenants to accept new sinks even if the current one is perfectly good, and maybe better. Nor is the landlord obliged to seek competitive bidding or conform to price guidelines for labor and material. In fact, the more that is spent on an item, the easier it is to reach the low qualifying threshhold.

It is not hard to see how the law can lend itself to collusion between some unscrupulous landlords and their contractors. Indeed, in some cases, landlords are their own contractors and set what prices they like. Often it is unclear how much of the work is done in order to meet state and local housing standards and therefore required by law, how much is routine maintenance and repair, or how much can legitimately be claimed as part of the substantial rehabilitation work. The provision is so loosely worded that all of these qualify to meet the exemption threshhold.

The amendment proposed by Councilman Ranieri, and supported by all of Hoboken's tenant groups and representative community organizations as well as some small homeowners, sought to address those conditions which undermine the intent of the original law. The proposal allowed an increase in rent to an investor in exchange for investment. But at the same time, it restricted those increases to levels that at least some of the present tenants might be able to afford.

The amendment proposed to spread out the owner's recouping of his investment over five years for vacant apartments and ten years for occupied ones, with that increase becoming a permanent part of the base rent. Right now, in most cases of substantial rehabilitation, landlords can get all their money back in less than two years and enjoy tremendous profits after that. Overall, the amendment attempted to make several reforms: it would increase the threshhold for qualifying for substantial rehabilitation to somewhere near the building's market value; moderate rent increases; encourage substantial rehabilitation in empty, not occupied apartments, and set some guidelines about what would be treated as a capital improvement as opposed to standard maintenance or repair.

More generally, Ranieri's amendment sought to insure reasonable profit and still make it possible for some current tenants to remain in Hoboken. It guaranteed a return on investment but put limits on skyrocketting rents and displacement.

Voicing the Speculators' Ideology

After three stormy hearings, the amendment came to a vote and was defeated, 6 to 3. In the aftermath of this defeat, opponents of speculation and displacement are pursuing other strategies and attempting to influence the proposed re-writing of the entire rent control law. However the behavior of the landlord/speculator forces bears some examination. The chief argument against the reform was that even this minimal interference with the "right" to make unrestrained profit "would have far reaching effects." It would bring about deteriorated neighborhoods, hurt small businesses and tradespeople and cause lost jobs. "The primary industry of the city—housing—would go bankrupt," it was charged. Similarly, it was said that the amendment would "betray local homeowners' investment...create a lowering of all property values." Banks, an anti-amendment speaker warned, "will fear lending again...our local businesses will into a decline." One speaker even said that if someone doesn't own their home, they have absolutely no rights to it.

Here we see that the organized landlord group has become increasingly ideological. Profit, in their view, is the sole determinant of what is beneficial to the community. They resisted the possibility that there might be other approaches which might benefit everyone—tenants, homeowners and investors—by fostering stability and measured growth. Instead, they chose superprofits in an overheated inflated rent spiral—a bubble which could burst at any time. The result is a fear of displacement for tenants and increasingly higher taxes for small homeowners. The speculators put forth the position that the welfare of Hoboken is determined by the level of their profits. It will be up to the tenants and the rest of the community to refute this and offer alternative criteria for our common welfare.□

Diane Camilleri and Judy Stone are Hoboken tenants.

1/84

WASHINGTON (UPI) — The image of White House counselor Edwin Meese proudly posing with garbage bags full of "superfluous" government pamphlets the administration stopped printing prompted consumer activist Ralph Nader to suggest Meese jump into a bag himself.

In a graphic display Friday to demonstrate the administration's good management, Meese stood next to garbage bags full of what he said were useless pamplets that are no longer printed by the government.

Included in the outcast publications were "Controlling Fleas," "How to Control Bedbugs" and "Nuts in Family Meals."

Nader criticized Meese for ridiculing the free publications, saying they were of value to the poor.

"This is the most fundamental duty of government," Nader said, "which is to respond to the people's right to know about information that they've paid the government to collect in the first place."

"He's equating this kind of information with garbage. It does not comport with the dignity of a White House presentation. The only way they could comport with it is to jump into the garbage bags themselves," the consumer advocate said in an interview.

"I'm sure there are no bedbugs in the Beverly Hills mansions where these guys come from, but there are a lot of poor people who have bedbugs and can't pay a dollar or a dollar-fifty for a pamphlet," Nader said.

"Ed Meese doesn't come from Beverly Hills," commented a White House spokesman asked about Nader's remarks.

Meese said that since March 1981, when Reagan began his campaign to cut government waste, the President's Council on Integrity and Efficiency reported "almost $31 billion in cost avoidances have occurred through the reduction of fraud, waste and abuse."

He said the cutbacks cost about 2,000 government printing jobs, but most of those fired will be picked up by private printers, Meese said.

Hoboken Council attacks city brass

1/84

By James Kopchains

A Hoboken City Council committee has released a scathing report on city finances, accusing administrators of gross neglect and a lack of coordination in running their departments.

The Revenue and Finance Committee, headed by Councilman E. Norman Wilson Jr. and with members Thomas Kennedy and Mary Francone, gave the report to the council at Friday's meeting.

The committee charged that city administrators showed "a total lack of leadership; no coordination of activities; no game plan or goals and absolutely no follow-up on actions once initiated."

In response, Business Administrator Edwin Chius said the council also had to take the blame for many of the problems, since it knew the situation and failed to act.

Wilson said the committee decided to investigate after finding discrepancies in a list of salary increases to city employees made last year. On that list was information that a large number of workers received salary increments before the new contracts were to take effect on Jan. 1, 1983; that employees holding provisional jobs received salary increases with permanent workers; and that between January and June of last year employees were being hired without the council's knowledge despite a city-wide financial crisis.

He also said in the report

See HOBOKEN — Page 6.

Council y brass

ing fines due to a lack of personnel and poor management. It said that a boatclub was allowed to operate on the city-owned Fifth Street Pier while holding a liquor license as an example of lax management.

The committee recommended a full reorganization of the departments, including consolidations.

"All human services could be put in one department known as Human Resources. Public Works could be responsible for all maintenance of streets, parks, sewers, buildings, vehicles, etc. Public Safety could be absorbed either by the Law Department or the mayor's office since each department has a professional chief in charge," the report said.

The report, looking at the school system, found several areas needed improvement, included administration, where it said many persons were drawing extremely high salaries.

Also needing improvement was education quality, where, it said, the city still had a long way to go to meet state standards.

Councilman Thomas Vezzetti said the report included recommendations he has made in the past. Vezzetti has been a supporter of efforts towards department consolidation since he was elected in June.

oken Council ttacks city brass

Continued from Page 1.

that the council was misled into believing all top salaried officials received 7½ percent increases last year, when the figure was higher.

Chius said there was no deception and that all increments were made after January as part of each worker's contract. Although provisional workers got the increase, he said, this was the way it had always been done since a large number of employees are listed as provisional while they are waiting for certification as permanent.

As for the number of employees being hired, Chius said it was not a great number and that it wasn't the practice of the city to inform the council of every employee hired.

Chius said the salaries of the top salaried officials were known to the council. "If they passed it, they only had themselves to blame." He said there were several stories in the press at the time informing the public of the salary increases, and the council approved them.

The report said the committee found procedures to be lax and unmotivated.

For example, the report said the city had a poor record in collecting back taxes and delinquent water bills as well as parking fines due to a lack of personnel and poor management. It said that a boatclub was allowed to operate on the city-owned Fifth Street Pier while holding a liquor license as an example of lax management.

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Ex-money

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New Jersey
CLASSIFIED ADS IN THIS SECTION
Daily News, Sunday, January 8, 1984

Gadfly spruces up

'Still eccentric,' says new Hoboken councilman

By RANDY DIAMOND

EVERY CITY AND town seems to have its own gadfly who shows up at public meetings and questions officials endlessly about governmental matters.

Hoboken's gadfly is named Thomas Vezzetti. The 55-year-old Vezzetti has appeared at every public meeting in the city for longer than anyone can remember.

"I like asking questions," Vezzetti said. "It's second nature."

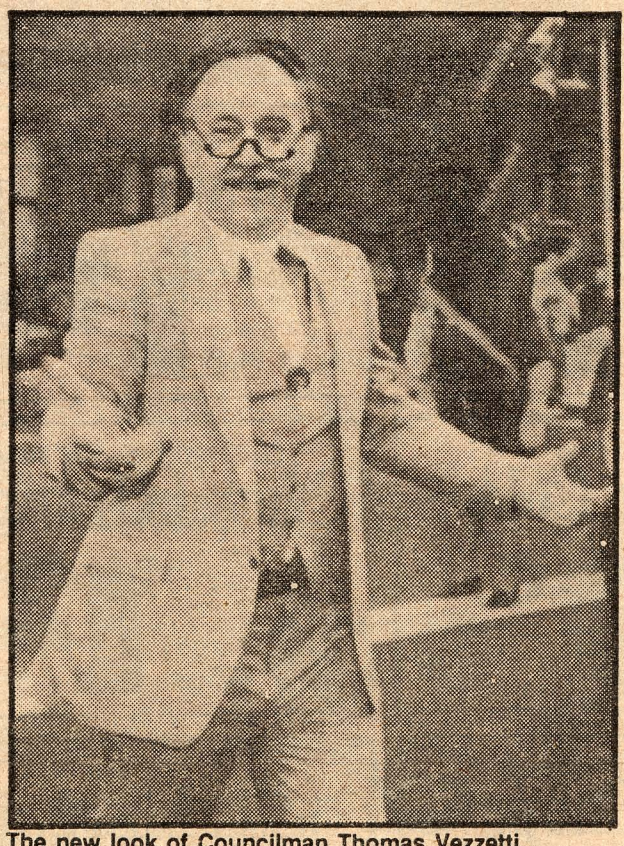
Practically everyone in the city of 42,000 knows who he is.

After all, it's hard to miss someone almost six feet tall, always unshaven, who wears bright red-striped pants and a dark blue shirt and carries with him two shopping bags as he walks down the streets of Hoboken.

But lately, Vezzetti has taken to wearing three-piece suits and has made a point of shaving. And no more shopping bags."I'm still eccentric," Vezzetti said, "But my constituents have said they wanted me to dress better, so I'm trying to do that."

For Tom Vezzetti is now a councilman.

It was a political upset that everyone in the city still seems to be talking about seven months after it happened.



The new look of Councilman Thomas Vezzetti.

was not exactly a class establishment. Vezzetti catered to the alcoholics and bums in Hoboken, taking their Social Security or welfare checks at the beginning of the month and then providing them with food, drink, and shelter.

"I had to stay at the Madison most of the time, because if I left, one of the

Cramer. He said he would not have run if Cramer hadn't insulted him and the citizens of Hoboken.

Vezzetti was insulted because Cramer had him physically removed by police from several City Council meetings after Vezzetti went beyond the five-minute speaking limit or after he politically attacked the Council president in strong language.

And he said Cramer insulted the citizens when he purchased a house in Freehold, in central New Jersey, and moved down there while representing Hoboken.

Cramer admitted he had purchased the house and moved out of his Hoboken apartment, but he said his brother's house in Hoboken was his legal voting residence. And he said in the campaign the house in Freehold was just another residence.

But Vezzetti harped away at the theme that Cramer had moved out of Hoboken. Armed with a bullhorn, he walked up and down the length of 16-block Washington St., Hoboken's main thoroughfare, announcing it for six straight months.

The rest is history.

Cappiello thinks Vezzetti's election was a "political accident." He explained: "I would say the vote was more against Cramer because of the

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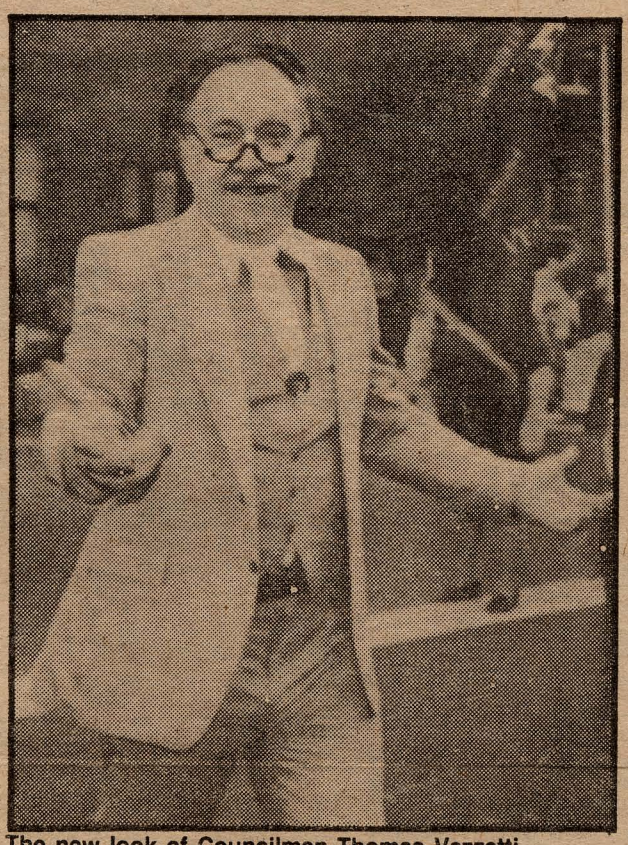

The new look of Councilman Thomas Vezzetti.

For Tom Vezzetti is now a councilman.

It was a political upset that everyone in the city still seems to be talking about seven months after it happened.

Vezzetti beat incumbent City Council President Walter Cramer for the Second Ward Council seat by a vote of 1,085 to 781 last June in a runoff election in perhaps the biggest upset in Hoboken history.

Hoboken, like other cities in heavily Democratic Hudson County, has been controlled by strong machine political organizations.

HOBOKEN MAYOR Steven Cappiello has solidly controlled the machine in the mile-square city for the last 10 years, and support by Cappiello for a seat on the City Council was usually ensured victory.

His supporters have always held at least seven of the nine seats on the City Council; and when Vezzetti announced he was running against the incumbent Cramer, a strong Cappiello ally, there was a lot of laughter in City Hall.

Vezzetti wasn't thought of as a politician. Besides his outlandish dress, he was best known, as the councilman himself put it, as "the illegitimate mother to a bunch of alcoholics."

Vezzetti had run Hoboken's Hotel Madison, a local watering hole with some rooms above it that he inherited from his father in the early 1950s. It was not exactly a class establishment. Vezzetti catered to the alcoholics and bums in Hoboken, taking their Social Security or welfare checks at the beginning of the month and then providing them with food, drink, and shelter.

"I had to stay at the Madison most of the time, because if I left, one of the men might have smashed the window," he said. "They needed constant supervision."

The councilman sold the hotel in 1977 after becoming ill and then held several jobs with the Hudson County CETA program.

One of those jobs involved being a management analyst for two years. His assignment: Walk up and down the streets of Hoboken counting potholes.

"I guess you could say they were making fun of me by giving me that assignment," Vezzetti said. "But I didn't mind, as long as I could still go to the public meetings and question the officials."

After that, it was a two-year stint as security guard at Hoboken's Department of Public Works garage during the midnight to 8 a.m. shift, while trying to work on his doctorate degree.

Vezzetti has been trying to finish work on that degree since 1976, and he said is determined to get it.

"I got my bachelor's and master's even though it took me 10 years for each," he said.

Vezzetti lost the garage job at the beginning of this year when 30 or so layoffs occurred. He said he felt his firing was political but that was not what compelled him to run against Cramer. He said he would not have run if Cramer hadn't insulted him and the citizens of Hoboken.

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Cappiello thinks Vezzetti's election was a "political accident." He explained: "I would say the vote was more against Cramer because of the controversy about him moving out of town than it was for Vezzetti."

AND CAPPIELLO SAID he thinks Vezzetti's presence on the Council has been destructive, with Vezzetti constantly criticizing fellow Council members and city officials, even calling them "crooks."

Vezzetti said he tells it like he sees it.

How does Vezzetti like being on the Council?

"I can't even introduce a resolution," he said, "because no other councilman will second it."

Vezzetti has pushed for the elimination of patronage positions in the city government and the merger of several departments in an effort to lower Hoboken's tax rate of $183 per thousand, the highest in New Jersey.

He has also tried to change Hoboken's rent-leveling law to give more protection to tenants as a renaissance in the city continues to displace low and moderate-income residents.

"There is only one solution," Vezzetti said. "I'm going to have to run for mayor in 1985."

Most politicians don't give Vezzetti much of a chance. But this time, no one is laughing.

Cappiello will veto new rent ordinance

JJ 6/29/84

By Margaret Schmidt

Hoboken Mayor Steve Cappiello said he will veto the compromise rent control ordinance the city council passed last week.

"I'm trying to write it up tonight and present it to them (council members) tomorrow," Cappiello said yesterday.

He said the ordinance is flawed in asking the city building inspection department may also be unable to do it because it receives about $70,000 to $80,000 of state funding and the terms of the funding may not permit it to make such determinations.

Further, the cost "should be absorbed by the applicant," Cappiello said. Owners should have the burden of paying a fee to "to bring our people to see it" (the rehabilitation).

The amended ordinance was passed 7-2 at the June 20 meeting

She added that she would reintroduce the ordinance.

She termed the Cappiello's questions about the amendment "minor" and said she was surprised he just doesn't sign it and ask the council to make the changes.

Vezzetti said Cappiello wouldn't do that because his veto is "a political ploy."

He called it a gimmick to make the mayor look good to tenants as he heads for the

THE JERSEY JOURNAL, SATURDAY, JUNE 30, 1984

Cappiello wants rent rules restructured for Hoboken

By Margaret Schmidt

Hoboken Mayor Steve Cappiello has suggested limiting vacancy decontrol and "

Rather than having "across the board" rent increases when an apartment is vacated, the new ordinance should carry

the administration."

He said he hoped backing by Cappiello and the administration would lead to an ordinance that

"It is quite clea need to protect resid displacement," he w

Por la Gente opposes rent-control ordinance

6/24

The Hoboken community organization, Por la Gente, has come out on record against a proposed series of amendments to the city's rent-control ordinance being considered byy the city council.

In an open letter, Por la Gente officials say the new amendments "undermine the intent of the rent-control ordinance . . . to protect tenants from 'exhorbitant, speculative and unwarranted increases in rent."

"We believe that the Hoboken City Council has made no serious attempt to deal with the 'state of emergency' that exists for the tenants of Hoboken. The rent-control ordinance must be strengthened and enforced. Loopholes such as substantial erhabilitation must be eliminated from the law," the letter states.

Hunger panel's remedy faulted

WASHINGTON (UPI) — President Reagan's hunger task force concludes there is hunger in America and proposes lumping federal nutrition programs into block grants, an approach harshly attacked by critics.

The task force, which met Monday to approve its report to be sent to President Reagan, said states should be given an option to receive a single federal payment and devise their own programs in lieu of food stamps, school lunches and other federal nutrition programs.

Calling the report "a transparent coverup of the serious and worsening problem of hunger in America," Sen. Edward Kennedy, D-Mass., said, "In effect, this commission says to the hungry — let them eat block grants."

The President's Task Force on Food Assistance agreed to recommend tougher sanctions against states if their errors in food stamp benefits exceed 5 percent.

It suggested the government continue emergency assistance to help private organizations run food pantries, soup kitchens and food banks for needy Americans. The panel rejected a draft report suggestion that it not recommend an extension of emergency assistance.

Sen. Robert Dole, R-Kan., a key legislative supporter of nutrition programs, said "Congress is not likely to favor" the proposal to permit $16 billion worth of nutrition programs to be converted to block grants.

The proposal has been considered in other forms but never was enacted into law for the entire nation. Congress has approved a block grant that replaced the food stamp program in Puerto Rico.

Sen. Jesse Helms, chairman of the Senate Agriculture Committee, said he was pleased by the report.

"I'm sure that the task force findings will disappoint those who wish to use the hunger issue as a pretext for pouring more of the taxpayers' money into these programs without regards to whether programs are being operated in a prudent manner," the conservative North Carolina Republican said.

Helms said he will schedule hearings on the task force recommendations soon, probably later this month.

Rep. Paul Simon, D-Ill., said the block grant proposals echoes the approach the White House has brought to other poverty programs.

"This administration loves to sweep poverty programs under the rug that it calls 'block grants.' The idea is, sweep it under the rug today, and pull the plug tomorrow," Simon said.

Task force member John Driggs said: "What we've done is hold the fort."

But Driggs complained the group "didn't address the allimportant issue of adequacy of benefit levels."

The task force recommended a small increase in food stamps that would add 80 or 90 cents per month to an individual's benefit.

That was insufficient for the Rev. Paul Kittlaus, chairman of the Interfaith Action for Economic Justice, who said "an objective look" at hunger data should have led the task force to recommend substantial increases in government programs.



Reporter 1/11/84

Seamus McGraw

Dear Editor:

We, the Hoboken Clergy Coalition, encourage the City Council to consider carefully the rewriting of the present Rent Control Ordinance of the City of Hoboken. Because of the crisis in housing and the escalation of rents, we support strong legislation to provide protection of tenant rights. We [illegible] action on the part of the City [illegible] tion and City Council to close all loopholes that lead to landlord speculation and exorbitant rents.

Hoboken Clergy Coalition

Hoboken, N.J.

Mayor, councilman exchange some

By Rick Tosches

An inquiry last night by the oboken Board of School stimate on cost overruns at the ue School ended with a disgreement between Mayor and oard Chairman Steve Cappiello nd Councilman Thomas Vezzeti after the councilman pledged to divulge litigation matters discussed in closed session.

About an hour after the 6 p.m. session commenced, Cappiello followed Vezzetti into the school board's conference room and announced the meeting was adjourned because the councilman "would not pledge to keep the information in the room of the closed session."

The litigation concerns allegations that the school board is responsible for nearly $800,000 in overruns at the $1.7 million project because it did not cancel its contract with Deerpath Construction until it was too late.

Words between the two officials were then volleyed at each other as both, at times, appeared to be on the verge on grinning.

"The public has the right to know," said Vezzetti.

"We gave you the right to sit in on the meeting, but you have to learn the rules," Cappiello responded. "I would have called the police."

"They (the Board of School Estimate) were trying to deprive me of public information," added Vezzetti. "Cappiello doesn't want me to go to the public with information. The public is being railroaded to financial bankruptcy by the board. They get companies who can't do the job."

"Fifteen people in the room made the pledge (to keep all information under confidence until the litigation is complete)," said Cappiello. "He (Vezzetti) didn't."

The incident occurred after Vezzetti arrived at the school board and discovered the board was meeting in closed session in a second-floor office. He decided to enter the session.

Several minutes later, Cappiello came downstairs to announce the meeting was over.

In school board business, the board tabled a resolution to approve its preliminary 1984-1985 budget for submission to the Hudson County Superintendent of Schools Louis Acocella until it is ale to discuss about $2 million in reductions called for by the state.

Last year, the school board exceeded its budget cap by nearly $1.2 million to necessitate the cuts.

"The budget cuts could im-

Chius determined on budget

By James Kopchains

Hoboken Business Administrator Edwin Chius is determined to get the new municipal budget before the city council on Jan. 16, no matter what form it will be in.

Chius said he has gotten preliminary figures regarding the amount of revenue sharing aid for the city and will be using those numbers to finish the budget and hand it into the council.

The council is scheduled to meet in caucus tonight and will hold their regularly scheduled on Jan. 18. Both meetings are scheduled for 7 p.m. in the council chambers in City Hall.

Chius said he would have almost all the information needed by the council for their budget workshops. Several members of the council had been calling for the budget to be introduced as early as possible.

Last year, Hoboken was the last community in Hudson County to pass a budget. The budget had to finally be prepared by the state, which caused an incrase of about $36 in the city's property tax rate.

Also at the caucus tonight, the council members are expected to discuss the findings of their revenue and finance committee on the financial operations of the city. The report, which was released on Friday, charged that a lack of cohesiveness and reponse by city officials had caused major problems with the city's finances.

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By Rick Tosches

An inquiry last night by the oboken Board of School stimate on cost overruns at the ue School ended with a disgreement between Mayor and oard Chairman Steve Cappiello nd Councilman Thomas Vezzeti after the councilman pledged to divulge litigation matters discussed in closed session.

About an hour after the 6 p.m. session commenced, Cappiello followed Vezzetti into the school board's conference room and announced the meeting was adjourned because the councilman "would not pledge to keep the information in the room of the closed session."

The litigation concerns allegations that the school board is responsible for nearly $800,000 in overruns at the $1.7 million project because it did not cancel its contract with Deerpath Construction until it was too late.

Words between the two officials were then volleyed at each other as both, at times, appeared to be on the verge on grinning.

"The public has the right to know," said Vezzetti.

"We gave you the right to sit in on the meeting, but you have to learn the rules," Cappiello responded. "I would have called the police."

"They (the Board of School Estimate) were trying to deprive me of public information," added Vezzetti. "Cappiello doesn't want me to go to the public with information. The public is being railroaded to financial bankruptcy by the board. They get companies who can't do the job."

"Fifteen people in the room made the pledge (to keep all information under confidence until the litigation is complete)," said Cappiello. "He (Vezzetti) didn't."

The incident occurred after Vezzetti arrived at the school board and discovered the board was meeting in closed session in a second-floor office. He decided to enter the session.

Several minutes later, Cappiello came downstairs to announce the meeting was over.

In school board business, the board tabled a resolution to approve its preliminary 1984-1985 budget for submission to the Hudson County Superintendent of Schools Louis Acocella until it is ale to discuss about $2 million in reductions called for by the state.

Last year, the school board exceeded its budget cap by nearly $1.2 million to necessitate the cuts.

"The budget cuts could impact on personnel," said Trustee John Pope.

"We have no answer but to cut the budget," said Trustee Steve Block. "If we have to cut a lot of money, it is going to affect the teachers. When it (the budget) gets cut, who gets cut?"

The proposed budget tabled last night was for $24.8 million, while the maximum amount permitted by the state is $22.8 million.

The board has scheduled a meeting on the matter for Jan. 19 at 8 p.m. in the board conference room.

The board also rescinded a contract with the Hoboken Teachers Association approved at last month's meeting and approved a new contrct providing for 8.25 percent in pay raises.

John Lugo, brother-in-law of board Trustee Zelma Lugo, was hired as a law enforcement officer for the school system at an $8,827 per year salary.

Chius determined on budget

By James Kopchains

Hoboken Business Administrator Edwin Chius is determined to get the new municipal budget before the city council on Jan. 16, no matter what form it will be in.

Chius said he has gotten preliminary figures regarding the amount of revenue sharing aid for the city and will be using those numbers to finish the budget and hand it into the council.

The council is scheduled to meet in caucus tonight and will hold their regularly scheduled on Jan. 18. Both meetings are scheduled for 7 p.m. in the council chambers in City Hall.

Chius said he would have almost all the information needed by the council for their budget workshops. Several members of the council had been calling for the budget to be introduced as early as possible.

Last year, Hoboken was the last community in Hudson County to pass a budget. The budget had to finally be prepared by the state, which caused an incrase of about $36 in the city's property tax rate.

Also at the caucus tonight, the council members are expected to discuss the findings of their revenue and finance committee on the financial operations of the city. The report, which was released on Friday, charged that a lack of cohesiveness and reponse by city officials had caused major problems with the city's finances.

SPOTLIGHT ON...

Fred Bado

Hoboken's Community Development Agency (CDA) is the latest in a series of city agencies dating back to the administration of President Lyndon Johnson. Fred Bado, a 40-year-old attorney, is its executive director. The Hoboken native and resident heads a staff of 25 full-time employees at 124 Grand St.

The CDA is a distinct and separate department of city government reporting directly to the mayor. It has its own budget funded by federal money passed through the county. It is, in effect, the planning agency for the city as well as the administrator of scores of programs.

Probably its most significant impact in the last 10 years has been its involvement in housing in the city. This is the subject of the first part of this interview.

HR: Were you originally with Model Cities before it became the Community Development Agency?

FB: Yes. I started off as the agency's attorney and then I was director of operations. I got involved in the administration of programs and was deputy director of Model Cities. When Michael Coleman, the director, left, I became the director of the CDA.

HR: How many departments are there in the CDA now?

FB: There are four program areas, housing, economic

FB: The housing area's priority is to provide housing for lower income families by way of low interest loans or grants to rehabilitate units while keeping rents within affordable range for lower income families.

HR: Are there any income limits for the people who live in housing which is built for sale or rental with CDA money?

FB: In the case of an owner of a one to four family building, the owner has to meet low or moderate in-

FB: A tenant is based on the family size and we use the section eight guidelines.

HR: This was not always the case was it?

FB: No. In the Model Cities days and in the early days of CDA there were no income guidelines. The program was concentrating activities within certain target areas and boundaries. But we would collect data on the area and the data would indicate that the majority of the people living in that area would meet the lower or moderate income test.

HR: Did you or the Federal government put an income limit on CDA-aided housing projects?

FB: There was a change in the federal regulations, within the area of rehabilitation, requiring that income limits be imposed. I think in the last couple of years we would have probably imposed an income limit ourselves. Our home improvement program for owner-occupants of one to four unit buildings had no income limit. We gave out about 800 grants over an eight or nine year period.

cent for seven years.

HR: But, if an owner's going to rent the building, he has to come out with a rental that fits your guidelines.

FB: Yes. We have a range. We also give out loans for multi-family buildings of five or more units. We give loans up to $60,000 at an interest rate and term that will keep the rents within our range. In addition, an owner might be entitled to a grant to make repairs to keep the rents within the range.

HR: How many multi-family grants and loans did you make in the year 1983?

FB: We made about 60 loans. The grant program is essentially a program where we give a grant of up to $4,000 for exterior improvements in buildings, mostly window replacements. These grants are probably also 50-60 a year.

HR: What about the one-to-four family?

FB: We give out about 50-60 loans a year to one-to-four family owners.

HR: What other housing programs do you have?

FB: We also support various



John Mann

Fred Bado

period.

HR: What is either under construction or has been completed in that program?

FB: Church Square South,

FB: Church Towers is, in a sense, an earlier form of a subsidized program. It is a special low interest mortgage that allows low, federally con-

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HR: How many departments are there in the CDA now?

FB: There are four program areas, housing, economic development, physical development and community services.

HR: Let's begin with housing. Could you please explain the agency's involvement in housing?

FB: The housing area's priority is to provide housing for lower income families by way of low interest loans or grants to rehabilitate units while keeping rents within affordable range for lower income families.

HR: Are there any income limits for the people who live in housing which is built for sale or rental with CDA money?

FB: In the case of an owner of a one to four family building, the owner has to meet low or moderate income.

HR: What is moderate income for an owner?

FB: Owner moderate income would probably be in the $25,000 per year range.

HR: For a tenant?

FB: A tenant is based on the family size and we use the section eight guidelines.

HR: This was not always the case was it?

FB: No. In the Model Cities days and in the early days of CDA there were no income guidelines. The program was concentrating activities within certain target areas and boundaries. But we would collect data on the area and the data would indicate that the majority of the people living in that area would meet the lower or moderate income test.

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FB: There was a change in the federal regulations, within the area of rehabilitation, requiring that income limits be imposed. I think in the last couple of years we would have probably imposed an income limit ourselves. Our home improvement program for owner-occupants of one to four unit buildings had no income limit. We gave out about 800 grants over an eight or nine year period. Less than five percent of those individuals had incomes over $30,000.

HR: Basically, the home improvement loan program was a grant or loan to help defray the cost of the renovation.

FB: It was a grant program which essentially reduced the interest rate at that time down to six percent for the homeowner.

HR: What are the active housing programs right now?

FB: We have moved away from a grant program into a loan program because we are receiving less money from the federal government. A loan program allows us to get a return on the money that we are putting out.

HR: You loan it to an owner who is going to make improvement?

FB: The owner must pay it back. Right now an owner of one-to-four units can receive up to $10,000 at seven percent for seven years.

HR: But, if an owner's going to rent the building, he has to come out with a rental that fits your guidelines.

FB: Yes. We have a range. We also give out loans for multi-family buildings of five or more units. We give loans up to $60,000 at an interest rate and term that will keep the rents within our range. In addition, an owner might be entitled to a grant to make repairs to keep the rents within the range.

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FB: We made about 60 loans. The grant program is essentially a program where we give a grant of up to $4,000 for exterior improvements in buildings, mostly window replacements. These grants are probably also 50-60 a year.

HR: What about the one-to-four family?

FB: We give out about 50-60 loans a year to one-to-four family owners.

HR: What other housing programs do you have?

FB: We also support various neighborhood preservation activities. There is a paint program, tool library clean-up, and things of that nature. The agency has concentrated on bringing in major housing programs such as the section eight program. We don't use any of our community development funds on those programs but it does take a planning effort to try to get those funds allocated to the city.

HR: For instance - Hoboken recently applied for-and received-designation as a Neighborhood Strategy Area - is that right?

FB: Yes.

HR: That entitled the CDA to reserve a certain amount of section eight funds to do a certain number of housing-units.

FB: Hoboken was allocated funds for 500 units of section eight low income housing to be built over a five year period.



John Mann

Fred Bado

HR: What is either under construction or has been completed in that program?

FB: Church Square South, which is on Second and Willow; Elysian Estates on 13th and Washington, and Project Uplift which is on 8th and Willow.

HR: That doesn't total 500 units.

FB: No, it doesn't. The Neighborhood Strategy Area Program was curtailed by the federal government. The city, I believe, got close to 300 units and Hoboken's percentage of units completed out of its allocation was much higher than the national average. It seems to be accurate. I think there are close to 1,500 units of either section 236 or section eight units in the city of Hoboken. There are about 15,000 units in the city so close to 10 percent of the housing stock is subsidized. Public housing would probably add another 10 percent.

HR: And then you have Church towers.

FB: Church Towers is, in a sense, an earlier form of a subsidized program. It is a special low interest mortgage that allows low, federally controlled rents.

HR: With Church Towers' 400 units you are probably talking about 25 percent of Hoboken being subsidized.

FB: Yes.

HR: Do you think there should be more subsidy programs for Hoboken or should the private market take over now?

FB: I believe that my mandate and the agency's mandate is to provide housing for low and moderate income families. As long as we are getting funds under the community development program we have to make efforts to do that.

HR: If bare tenements are now selling for $150,000, do you think you should spend another $400,000 to renovate that tenement to produce low and moderate income housing?

FB: There are definite

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FB: Yes.

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FB: I would say ove

Fred Bado

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reports that low income housing bears a very high cost, and that is why the federal government is pulling out of the program. I think it is still an obligation of the city to see that people of low income live in decent housing. You have to try to make those numbers work so that it is cost effective and - that it will work.

HR: What about the middle income people who don't fit the federal guidelines for low and moderate income for subsidy but now find that they can't pay the new rents that are being set by landlords who renovate?

FB: They should be protected. The city is attempting to protect them by having a rent control ordinance.

HR: So you agree with rent control?

FB: I agree that there should be rent control and I think rent control in Hoboken has not hindered the housing development.

HR: Do you think anybody who is here should be protected from very high rents due to the very hot market?

FB: You try to make a balance and that is a very hard thing to do. The agency receives a lot of criticism for being too successful in revitalizing neighborhoods in the city of Hoboken. I don't think anybody has come up with the solution of how to reach the balance.

HR: You feel at least that your mandate is to provide low and moderate income housing in whatever the balance is?

FB: Yes.

HR: About a year or two ago there were charges that part of the displacement was being caused by arson, fires set in buildings to drive people out. Do you believe there were arson set fires for the purpose of vacating buildings?

FB: I didn't see that as being the cause of the fires. I have never met any developers that wanted to do things in the city of Hoboken that were willing to kill people to do a project. Many people died in these fires. Many of the fires which took the greatest loss of life totally destroyed the buildings. So if someone's objective was to get rid of the tenants to have the building, this wasn't the way to do it. From the information I had, it seems that the fires were set for reasons other than profit.

HR: Do you think that the demographics of Hoboken have changed since 1980? Are there less minorities here than there were, the same or do you think there are more minorities?

FB: Between 1970 and 1980 the minority population in the city of Hoboken remained fairly stable. The Hispanic population in Hoboken during that 10 year period might have varied or stayed the same by one percent. Same with the Black population which is a very small percentage in Hoboken, about three percent. That didn't change much. The Asian population in the city has actually doubled between 1970 and 1980 and is almost equal to the Black population.

HR: Do you know how many families were relocated under your tenure in the subsidized rehabilitation programs of the late 70's?

FB: I would say over 1,000 families were relocated and 60 to 70 percent of those relocated remained in the city of Hoboken. The balance relocated to neighboring cities, Jersey City, West New York.

HR: You would say then that the relocation process did not dramatically effect the balance of ethnic groups in this area?

FB: I think that the dislocation that takes place - the disruption of neighborhoods - is greater in the urban renewal program when the families are removed and the buildings are torn down. That neighborhood that once existed, even in a deteriorated state, is completely eliminated. Then for many years those blocks just sat there vacant until something happened and the something that usually happened was some type of large scale development, high rise development, which is out of context with the other surroundings. Whereas in the rehabitation in Hoboken, the buildings remained in place, the neighborhoods were not destroyed, - although the people were moved out. At least some people came back into the neighborhood and the fabric of the neighborhood stayed in place. I think the city's relocation effort was a sensitive effort. We had a relocation staff that tried to deal with the social problems. If they had to go on welfare or social security or if they had health problems or educational problems, we tried to deal with these in the relocation process.

HR: The current Caparra Homes projects - what is it and what does the CDA have to do with it?

FB: That is a project to build 20 two-family houses in the downtown section of Hoboken. These will be an owner occupant who will live in one of the units, and the other unit will be for a section eight family. The rental unit will be a three bedroom unit so it will be available for a large low-income family. The agency's role is to assist Caparra Homes in putting together the package and to submit on behalf of the development, a UDAG application (Federal grant) so that would assist the owners in putting up the required down payment.

HR: Did you give any money directly out of your budget?

FB: We gave them a $15,000 seed money loan so they could carry out certain architectural and legal matters with regard to development. That money will be returned to the agency as each building is sold.

HR: Do you think it is a worthwhile project?

FB: Yes, I do. I think that the construction of homes on land that has been vacant since the late 1960's is a project that will provide home ownership opportunities for minorities and will provide large apartments for low income families.

HR: Are you in favor of new luxury housing being built on vacant land in Hoboken for either rental or sale?

FB: Again, I think there has to be a mix within the city. The city looks for luxury housing to take place on or near the waterfront. We don't really see it happening in certain other areas of the city.

HR: Do you mean you are opposed to it happening in other areas of the city?

FB: We are not opposed to it.

HR: For instance, West Bank Corp. wants to build 120 units of luxury housing on First and Clinton. What do you think of that?

FB: I am not opposed to the project. The land that they are proposing is on vacant land and is just used for parking trucks. So it is the type of development that would create housing for people, would create taxes for the city and will provide a stabilizing influence on the town.

HR: The CDA considers housing programs a high priority?

FB: Yes. Housing has always been a high priority. Conserving and expanding the housing stock in the city has been the number one priority. Economic development is the second priority but fast becoming a top priority. In economic development we concentrate on three components: retail development in the city, economic industrial development, and waterfront development.

(The CDA's other programs will be outlined in the second part of the interview with Fred Bado.)

City News

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Pat Pasculli also voted against the loan's passage because he felt that the loan would put the Port Authority in a better bargaining position come development time; he conceded that the loan should have been discussed only after renegotiations regarding the piers' lease were settled.

Although construction is expected to begin in 1985, the legal authority to do so must first pass both houses of the N.J. Legislature, the New York Assembly, and the New York Senate.

In other City Council business, the Council tabled a $1 million bond issue to renovate Hoboken's seven public schools until the Board of School Estimates investigates charges that renovations at the David Rue School were mismanaged. Steve Block accused the Board of being responsible for approximately $800,000 on cost overruns at the Rue School. Block claims that the Board did not cancel its contract with Deerpath Construction Co., of Union as early as it should have. Currently, city workers are completing work on the Rue School in order to meet the September deadline. Based on the Board's findings, recommendations will be given to the City Council concerning the bond issue.

The City Council killed an ordinance that would have allowed future tax exemptions for multi-family dwellings; it also killed the unauthorized five-year exemptions which were given out during the past two years. These abatements were given out under a city ordinance that had not been changed when the state changed its law in 1979. The Council went along with Councilman E. Norman Wilson's report that multi-dwelling owners can receive a fair and valid profit without exemptions.

SPOTLIGHT ON...

Fred Bado

This is the second part of an interview with Fred Bado, Executive Director of the Community Development Agency of the city of Hoboken. Because this Agency has such an influence in the city and has independent funding, along with grants that amounts to more than three million dollars a year in expenditures, this service will have a third part focusing on the Agency's involvement in waterfront development. The following part describes the function of the Agency generally.

HR: Explain the relationship between the CDA and the city.
FB: The CDA is part of the city government and is located within the office of the Mayor.
HR: It's part of the office of the Mayor?
FB: Yes, but, it receives no funds directly from the city from taxes.
HR: Where does it get its money then?
FB: Essentially from the federal community development program either directly from HUD or through the county community development program.
HR: Are you guaranteed anything annually from the federal government?
FB: No.
HR: In other words, Hoboken isn't big enough to deal directly with HUD?
FB: Essentially. It has a population of under 50,000. It doesn't have an entitlement amount or formula amount to be guaranteed. It has received about $1.5 million dollars a year from the Hudson County Community Development program.
HR: So in other words for all practical purposes you count on $1.5 million a year.
FB: Yes. Then we match with other funds, other federal programs and state programs. Most of the other is on a grant effort.
HR: For the year 1983, what did you get in total from the federal government and all these other programs?
FB: It's hard to come up with a figure. Some of that comes into the agency and we operate the program. Other funds don't come into the agency.
HR: How much spending is based upon your Agency's decisions?
FB: On an annual basis, probably between 2 and 3 million.
HR: Do you have any unspent money?
FB: There is unspent money from prior years.
HR: What does that amount to?
FB: About $3 million dollars.
HR: Are you under any obligation to spend that money by a certain time?
FB: HUD would like us to spend it as quickly as possible. Most of that money is designed for programs we are scheduled to implement within the next year.
HR: Among the categories of programs how would you say your budget is divided on a percentage basis?
FB: About 30 percent of it would go to the housing, 30 percent to economic development, 20 percent to physical development and 20 percent to Community services.
HR: How many employees do you have directly under your jurisdiction that are funded with your monies?
FB: The Agency has about 20-25 employees.
HR: But your money funds more employees than just your Agency personnel, right?
FB: In the area of community services where the money is going as the local city share for different programs, we probably have a couple hundred people.
HR: They get all or part of their salary from money that you generate even though it may not pass through your Agency?
FB: Yes.
HR: In any event—in conjunction with the employment do you, within the Agency, do any hiring?
FB: Yes.
HR: Have you ever had any problems by the city council or the mayor in interfering with your hiring?
FB: Very little interference from the mayor or the city council. I think that's because we don't do much hiring and there seems to be an agreement among everybody to have highly qualified people to carry out these program areas; particularly when we are talking about housing or economic development. These are very sophisticated and complex program areas and the projects are not easy ones to design or to implement. So when we hire people we are looking for people that are very capable. Most of the time we want people who have masters degrees in planning. So there is not a great deal of interference at the present time. There was some interference over the years-based on—obviously there are always some political considerations that have to be taken in terms of hiring but, if there is someone I really needed and someone I really wanted I always got the cooperation from the mayor and city council to hire that person.
HR: Does the city council approve your budget, also?
FB: They have less approval now since the funds are coming through the county and the county is really approving our request and the city's request and the city's allocation. The budget in terms of different types of projects and different priorities is approved by the council.
HR: Do they also approve the issuance of the money to pay for contracts with outsiders or consultants?
FB: Yes. We abide by all the rules and regulations of the city. Contracts and consultants have to be approved by the city council, bidding for a project has to go through the city council and the city council approves all of our checks and vouchers, including loans and grants.
HR: Is there a committee on city council that oversees or is liason to the Community Development Agency?
FB: There is a Community Development Committee which is made up of council president, Macri, councilman Vezzetti, and councilman Ranieri.
HR: But, your immediate boss is the mayor?
FB: Yes.
HR: In the future do you anticipate your funds being cut, being decreased?
FB: I think in 1984 and probably 1985 the amount of money coming in from the county will remain the same. I believe that the county's allocation, overall allocation will probably remain the same. But, overall, the amount of money that the city gets for programs over the last couple of years, particularly under the Reagan administration, has continually gone down. There are more and more activities that are permitted with community development funds but there is always less and less money. Hoboken in its first year of community development received 3.4 million dollars. That was a formula based on the city's track record in getting grants and funds into the city.
HR: You have taken over the function of creating and funding the social programs in the city. Is that right?
FB: For the most part, yes. Going back to the model cities days, there really wasn't any effort in the city being done to create these programs.
HR: I see. There just weren't any such programs?
FB: Right. There wasn't. The city didn't see its role as getting into non-traditional areas, such as creating senior citizens programs, and creating day care programs.

continued on next page



Fred Bado

JOHN MANN

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THURS - 1/19/84

Red Cross had busiest year for homeless shelter

By Robert Larkins

The Hudson County Chapter of the American Red Cross said its emergency services division provided a record amount of services last year, arranging for shelter for 3,354 persons.

The chapter's previous record was set in 1975.

Last year the chapter, which had provided and continues to provide shelter for disaster victims, also began providing shelter for those left homeless in other ways. The two groups of people are aided by the same division, although funds for their shelter come from different

The Red Cross program for the homeless started in July but was suspended in September. Lecowitch said he suspended it because future funding was unclear and he wanted to conserve funds for the cold days of winter.

That service resumed Dec. 1.

"Currently funding is in place to assure operations," he said, "through the winter into the warmer days of April."

"The federal funding available only provides for food and shelter as an emergency program for the homeless. This is totally inadequate. This is why

No countywide homeless shelter

1/18/84

Plans for a countywide "hotel" for the homeless are dead, and have been for some time, officials have admitted.

In fact, it was never really a serious idea, according to Joseph Lecowitch, director of the Hudson County Red Cross, and one of the organizers of the concept.

However, this comes as news to Bobby Jackson, president of the City Council of Jersey City and nominal chairman of a task force to study the proposal. He said he was under the impression that discussions were being held and that the plan was still alive.

The plan to build a $3.5 million centralized facility for the homeless was announced last fall at a press conference hosted by Jackson in Jersey City.

At the time, he said discussions would soon be held with officials in other municipalities to arrange funding.

But Lecowitch said there were several factors which brought a halt to the plan.

He said each municipality received funds to handle the problem of the homeless independently, and it was found that the cost of operating a centralized facility would be higher than anticipated.

He said the money is better used to provide social services to the homeless while housing them in the traditional manner in hotels and rooming houses.

Lecowitch said each municipality is satisfactorily handling the problem of the homeless, although "there is always room for improvement."

There are about 70 to 80 homeless serviced in Jersey City each day, he said.

The proposal for a centralized facility was made at a time "when everyone was dodging the issue" of the homeless, Leckowitch said, and it helped focus attention on the problem in Hudson County.

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Last year the chapter, which had provided and continues to provide shelter for disaster victims, also began providing shelter for those left homeless in other ways. The two groups of people are aided by the same division, although funds for their shelter come from different sources.

By the end of 1983, the chapter was housing 66 persons a night.

The chapter, which covers Jersey City and Hoboken, responded to 202 disasters last year, including a couple of instances of buildings being flooded. The chapter provided 12,528 12-hour periods of shelter to the disaster victims, and 9,396 meals.

For homeless, the chapter provided 3,898 12-hour periods of shelter and 3,445 meals.

The totals for the emergency services division were as follows: 1,499 families receiving assistance; 197,112 hours of shelter provided; 16,426 12-hour periods of shelter and 12,841 meals.

"Although victims of fires and other emergencies," Joseph Lecowitch chapter director, said, "held a distinct edge in the services provided (almost four to one) the statistical complexion of service will change dramatically in the ensuing year as programs for the homeless evolve."

The Red Cross program for the homeless started in July but was suspended in September. Lecowitch said he suspended it because future funding was unclear and he wanted to conserve funds for the cold days of winter.

That service resumed Dec. 1.

"Currently funding is in place to assure operations," he said, "through the winter into the warmer days of April."

"The federal funding available only provides for food and shelter as an emergency program for the homeless. This is totally inadequate. This is why we have worked so hard to design a centralized system to address the problem."

The system has connections, Lecowitch said, with 27 agencies to get at the reason why a person is homeless, and to try to solve that problem. Most homeless are not derelicts, but "quality people who caught a bad break," he said.

He said more than 10 "street people" have been given permanent care through placement in adult houses, nursing homes, veterans' hospitals or jobs.

The chapter arranges for shelter in hotels or other facilities on an individual basis. Lecowitch said that is a "flexible approach that allows for expansion and contraction to parallel demand. This cost consciousness will allow for maximum service."

Lecowitch said Jersey City Mayor Gerald McCann worked to cut red tape to help establish the system and the Jersey City Department of Human Resources provided coordination.

1/18/84

No countywide homeless shelter

Plans for a countywide "hotel" for the homeless are dead, and have been for some time, officials have admitted.

In fact, it was never really a serious idea, according to Joseph Lecowitch, director of the Hudson County Red Cross, and one of the organizers of the concept.

However, this comes as news to Bobby Jackson, president of the City Council of Jersey City and nominal chairman of a task force to study the proposal. He said he was under the impression that discussions were being held and that the plan was still alive.

The plan to build a $3.5 million centralized facility for the homeless was announced last fall at a press conference hosted by Jackson in Jersey City.

At the time, he said discussions would soon be held with officials in other municipalities to arrange funding.

But Lecowitch said there were several factors which brought a halt to the plan.

He said each municipality received funds to handle the problem of the homeless independently, and it was found that the cost of operating a centralized facility would be higher than anticipated.

He said the money is better used to provide social services to the homeless while housing them in the traditional manner in hotels and rooming houses.

Lecowitch said each municipality is satisfactorily handling the problem of the homeless, although "there is always room for improvement."

There are about 70 to 80 homeless serviced in Jersey City each day, he said.

The proposal for a centralized facility was made at a time "when everyone was dodging the issue" of the homeless, Leckowitch said, and it helped focus attention on the problem in Hudson County.

HE JERSEY JOURNAL, THURSDAY, JANUARY 19, 1984

New Hoboken budget could mean tax cut

By Earl Morgan

Hoboken's $22.9 million budget, introduced at last night's City Council meeting, could mean as much as a $15 reduction in real estate taxes — if efforts to hold down the school budget, already $2.5 million more than last year in its draft form, are successful.

In other business, the council last night voted for a $1 million bond issue for capital improvements in the city's schools.

The new municipal budget is $1.6 million more than last year's, said Edwin Chius, business administrator.

"Last year, the tax levy was $8.7 million but this year it is only $7.2 million. That's a $1.5 million reduction."

Chius said if everthing is "equal and depending on the ratables lost from tax appeals" taxpayers could realize a $10 to $15 reduction in their taxes. The current tax rate is $183 per $1,000 of assessed valuation.

But another factor is the county tax rate and the city's appropriation for the board of education, which, according to a source, is already $2.5 million over last year's.

But, according to Board President Otto Hottendorf, at a meeting of the board scheduled for 6 p.m. today, the budget will be substantially reduced.

Councilman Robert Ranieri made a plea last night to school board officials and members of the Board of School Estimate to do everything they can to hold the line on the school budget.

Mayor Steve Cappiello said the budget "represents a reduction in the size of our municipal budget in virtually every level of municipal government."

The mayor claimed the reduction was necessary because of a massive "cutback in federal and state aid during the past five years."

The budget continues a hiring freeze that started in July.

That was a view that Councilman Thomas Vezzetti agreed with. "I think this budget is a good working document but it has to be cut further and we need to consolidate more services," he said.

Cappiello also warned that a planned property revaluation would result in extremely high property tax assessments for residential property.

Cappiello said he is asking the assessor to postpone the revaluation so it can be phased in with the city's waterfront development.

Ranieri, who is also a state assemblyman, said he will introduce legislation making the mayor's proposed action possible.

City Clerk Anthony J. Amoroso announced he is retiring from the position. Otto Hottendorf presented the council with the deed to the Sadie J. Leikauf School that will be converted to housing.

...gram, Doria said. ...County Legal Services Corp. ...

Jan 30 '84

Assembly due to OK bill postponing revaluation

TRENTON — The Assembly is considering likely to approve today a bill postponing for two years the revaluation ordered in Hoboken by the Hudson County Board of Taxation.

Speaker Alan J. Karcher, D-Middlesex, listed the measure by Assemblyman Robert A. Ranieri, Hoboken Democrat, for a floor vote this afternoon.

It was introduced without committee reference last Monday to hasten consideration today.

The revaluation has been completed, but not implemented.

Ranieri said it would be "disasterous for the small and medium-sized homeowner."

The delay would enable Hoboken to benefit from improved industrial development, new construction, a rent control ordinance, and waterfront development by the Port Authority, Ranieri said.

Meanwhile, the Senate is expected to adopt a bill by Sen. Edward T. O'Connor Jr., Jersey City Democrat, increasing the number of Hudson County Superior Court judges from 14 to 16 at $70,000 annually.

THE JERSEY JOURNAL
and Jersey Observer
Hudson County's Leading Newspaper
Published daily except Sunda
The Evening Journal Associa
Steven Newhouse, Editor
Alvin Schub, Advertising Dir

Food panel

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representative each on the board.

We trust that in each case the mayors gave much thought to whom should serve on the commission, which will have condemnation powers and bonding capabilities. They have already selected the person they

Landlords jumped the gun on luxury rents in Hoboken

By Lisa Vives FRI-1-20

Hoboken rent officials are ordering two local landlords to return more than $17,000 in overcharges and making them roll back rents in apartments they said were wrongfully removed from controls.

Tenants at 1007 Willow Ave. were paying between $700 and $750 for luxury two-bedroom apartments. The rollback slashes their rents to less than $200 per month.

According to a city official, Ruth Draper and Mary Ann Zahn, the owners, acted improperly when they "decontrolled" rents while renovations at the Willow Avenue building were going on.

Draper and Zahn reportedly had not obtained all necessary permits nor filed a final decontrol application when they raised rents for new tenants.

Draper and Zahn, acting as the 1007 Willow Ave. Association, denied they acted improperly and accused the city of not helping landlords.

Zahn said, "They had nothing at all on procedures. We relied on a letter from the former rent board director. She said what we were doing was fine."

Draper said they decontrolled apartments based on a letter written by Edwin Chius, city business administrator, to another landlord.

"We had a letter written by Edward Chius to Alan Richards telling him it was OK to decontrol apartments as they were renovated. We assumed that was the policy. It wasn't like we were trying to break the laws."

Draper said that neither she nor her partner had worked with Joseph Santiago, the current rent control chief, on their application for substantial rehabilitation and decontrol.

"We've been treated very unjustly. This whole thing is ridiculous and absurd. We're definitely going to appeal," she added.

Kenyon Brown, a tenant, said he was abiding by the city's

See LANDLORDS — Page 25.

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FRI

Food panel

1/20/84

Gov. Thomas Kean appears to be stalling in appointing a state commission to oversee the development of Our Food Center.

He has in his possession the names of three men recommended by mayors of the three Hudson County communities, where the center would be located.

But he says that's not good enough. He wants a list of names from Mayors Gerald McCann of Jersey City, Paul Amico of Secaucus and Anthony DiVincent of North Bergen. The governor says he will then choose one person from each list to serve on the 11-member panel.

Kean already has the ultimate say on eight members of the panel. Four seats will be held by four of the governor's cabinet members, another two will be held by members of the Hackensack Meadowlands Development Commission, most of whom Kean has appointed, and the final two will be selected by Kean from the public at large. Kean will also name the chairman.

At the very least the mayors of the communities where the multi-million-dollar food distribution complex will be built should at least have one representative each on the board.

We trust that in each case the mayors gave much thought to whom should serve on the commission, which will have condemnation powers and bonding capabilities. They have already selected the person they thought would be best for the job. Asking them to produce a list of names at this time would force them to retrace the steps of their selection process. Then the governor himself would have to travel the same path to narrow the lists down to one name.

We fully expected the governor to have the Hackensack Meadowlands Food Distribution Commission in place already. The legislation authorizing the creation of the commission was passed last summer and favorable results of important engineering studies were released a month ago.

Hudson County has waited too long already for the jobs and tax revenues that a massive food center would bring into the area. Kean should stop dallying and put together the commission that will move the food center further along the road to reality.

FRI-1-20

...ords jumped gun ... charging luxury rent

...ontinued from Page 1.

order which cut his rent from $700 to $169. But it wasn't the high rents that bothered him, he said.

"We knew what the rents were when we moved in last May and we can afford them," said Brown, who works at the Public Arts Fund in New York. Other tenants in the building include a lawyer, writer, bank officer and stock broker, he said.

"But basically we're sort of angry, paying luxury rents while we have chronic problems with heating, plumbing and leaks. The owners said to bear with them or move out. We felt we deserved more attention than that," Brown said.

"We only went to the rent board when we figured our rights might be violated. Money wasn't the issue," he insisted.

The plumbing problem was acknowledged by the owners who blamed it on shoddy work by a plumber they had employed. Draper said a new apartment had been offered to Brown but he turned it down.

Joseph Perfilio, attorney for the owners, said he would request a prompt hearing on the final decontrol application which was filed last month. He also noted that lawsuits were pending against the eight tenants because none had paid their current rents.

McCann ha... 4 fi...

properly when they "decontrolled" rents while renovations at the Willow Avenue building were going on.

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See LANDLORDS — Page 25.

Cappiello backs board on Rue School overruns

1/84

By James Kopchains

Although he will be chairing an inquiry tonight by the Hoboken Board of School Estimate on cost overruns at the reconstruction at the Rue School, Mayor Steve Cappiello said he doesn't believe the overruns were the result of mismanagement.

One school board member, Steve Block, has charged the school board as responsible in the nearly $800,000 overruns at the $1.7 million project, because it did not cancel its contract with a sub-contractor, Deerpath Construction, until it was too late.

At present, city employees are trying to finish the repairs started by Deerpath while the board pursues a suit against the company for damages allegedly caused by the Deerpath workers.

Among the problems that has caused the overruns is a warped gymnasium floor that needs replacement. Block has said the damage was caused by a burst water line that Deerpath was to fix.

However, Cappiello said he knew of nothing that would point to mismanagement by the board. Although he said he did not like to see the overrun, he pointed to project such as the Justice Department complex in Trenton to illustrate that overruns do happen.

"It is something that cannot always be foreseen. You don't know what you will find especially when you pull things apart."

Cappiello serves as chairman of the estimate board which is composed of two representatives from the board of education and the city council. The board will speak to Block and other school and legal officials at its meeting tonight at 6 p.m. at the board headquarters, 1115 Clinton Street.

Judge

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FRI - 1+20 -

Assessment board pushed by Ranieri

Assemblyman Robert Ranieri of Hoboken said he will seek to get a legislative commission on property revaluation activated as part of his campaign to get a state moratorium on Hoboken property reassessments.

Ranieri will introduce a bill Monday to exempt all second class cities, including Hoboken, from being required to conduct reevaluation for 1984 and 1985.

Second class cities refer to cities under a certain population, Ranieri said.

Ranieri said Gov. Thomas Kean recently vetoed a bill that would have set such a moratorium only for Atlantic City.

The assemblyman spoke with the governor yesterday. Ranieri said Kean told him he vetoed the Atlantic City bill because he believed a commission on property revaluations

proposed legislation are as follows:

"As a result of a housing renaissance in the city of Hoboken involving brownstones and townhouses and a proposed large waterfront development involving the Port Authority . . .

"This rapid economic development is generating a dramatic escalation in property values, which is due in part to intensive speculation in the market value of land and the resulting cycle of rapid turnovers of properties at increasing higher prices . . .

"The true value of real property, based upon sales prices, is highly inflated and if properties were revalued under such unusual economic circumstances, the revaluation would result in extremely high property tax assessments for residential property in the city which, in time, would create un-

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Ranieri said Gov. Thomas Kean recently vetoed a bill that would have set such a moratorium only for Atlantic City.

The assemblyman spoke with the governor yesterday. Ranieri said Kean told him he vetoed the Atlantic City bill because he believed a commission on property reevaluations already authorized should consider such matters.

To eliminate that objection to his bill, Ranieri said, he will ask Assembly Speaker Alan Karcher to appoint members to that commission, have the president of the senate appoint his [redacted] commis-

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"The true value of real property, based upon sales prices, is highly inflated and if properties were revalued under such unusual economic circumstances, the revaluation would result in extremely high property tax assessments for residential property in the city which, in time, would create unfair tax burdens for many property owners, especially senior citizens on fixed income."

The bill said Hoboken and other cities would not be required to implement revaluation, "notwithstanding any provisions of law or any judicial order to the contrary," but could choose to conduct and imple- [redacted] "partial or complete reas-

Ranieri's 1st bill would aid Hoboken

By BRAD KELLY
Staff Writer

HOBOKEN—City Councilman Robert A. Ranieri apparently has not forgotten the home folks in his second role as an assemblyman.

His first bill as a state legislator provides for a delay on revaluations for second-class cities with a population of 40,000 or more who are in the midst of a renaissance and waterfront development. His Assembly colleagues are expected to consider it next week.

"There's not a whole lot who would qualify ... it seems to be specifically geared for one town," said Carl Golden, press secretary to Gov. Thomas H. Kean.

But Ranieri, D-33rd, said the bill will include any city with the same plight as Hoboken's. He gave Atlantic City as an example, saying Casino development has created high property values there.

City Business Administrator Edwin Chius admitted yesterday, however, that the bill would [illegible]

Approximately 90 homes, assessed at $10,000 in 1979, now carry assessments of $65,000 to $80,000. Although the revaluations will drop the city's tax rate of $183.29 per $1,000 of assessed valuation to about $42.50 per $1,000, most residential home owners will be paying a greater sum in property taxes.

In 1981, the Hudson County Board of Taxation ordered the city to conduct a revaluation and the City Council complied when it subsequently authorized $200,000 to be paid to an appraisal firm to begin the job.

Chius criticized the council for going ahead with the revaluation because — he argued — it could have delayed complying with the order for several years.

But Councilman E. Norman Wilson Jr. said the council was never advised [illegible] could be [illegible]

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MON - 1/23/84

No new cops will be added in cities with state aid

By James Kopchains
and Peter Weiss

Neither Jersey City nor Hoboken plans to use its share of a state allocation for Police and Fire Department salaries to hire more cops and firefighters.

The $940,000 being received by Jersey City in special public safety aid will be used to maintain current personnel and service levels in the police and fire departments.

Although Hoboken has already added the $65,000 they expect to receive from the state for police and fire salaries, city officials said the money will only be used to retain the officers already there and not to hire any departments' services.

The special aid package evolved from the needs of two cities, Newark and Paterson, in particular. Paterson would have had to lay off people because it lost a $1.3 million arbitration, while Newark was faced with a budget shortfall last year.

Although Jersey City did not face any crisis last year, when the special aid concept was expanded to include 1984 municipal budgets, "we joined the effort and played a key role" in getting the funds, said city spokesman Thomas Golodik.

The $940,000 is excluded from the normal Cap limitations on municipal budgets, which limit increases to 5 percent a

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But Ranieri, D-33rd, said the bill will include any city with the same plight as Hoboken's. He gave Atlantic City as an example, saying Casino development has created high property values there.

City Business Administrator Edwin Chius admitted yesterday, however, that the bill would probably be watered down to just second-class cities with a population of 40,000 or more.

Kean has the power to veto such legislation and has done so with a bill allowing an extension on Newark's current revaluation moratorium.

Golden said whether Kean would veto Ranieri's legislation, which is expected to be brought to the Assembly floor for a first reading next week, "depends on their argument."

Ranieri and other City Council members contend the city's 10-year renaissance and the Port Authority of New York and New Jersey's proposed waterfront project has made the recent sale price of houses in Hoboken "unrealistically high."

Approximately 90 homes, assessed at $10,000 in 1979, now carry assessments of $65,000 to $80,000. Although the revaluations will drop the city's tax rate of $183.29 per $1,000 of assessed valuation to about $42.50 per $1,000, most residential home owners will be paying a greater sum in property taxes.

In 1981, the Hudson County Board of Taxation ordered the city to conduct a revaluation and the City Council complied when it subsequently authorized $200,000 to be paid to an appraisal firm to begin the job.

Chius criticized the council for going ahead with the revaluation because — he argued — it could have delayed complying with the order for several years.

But Councilman E. Norman Wilson Jr. said the council was never advised that the revaluation could be delayed.

The burden of the revaluation is being placed on the home owners' shoulders because the residential market is very active while the market for industrial and commercial properties, which are usually assessed at a higher rate, is fixed, according to Stanley Kosakowski, Hudson County tax administrator.

"They were aware of that," he said, referring to the City Council.

Councilman Thomas Vezzetti indicated he viewed the proposed legislation as a purely political move.

"They're putting off the revaluation for two years so they can win the 1985 election," he said referring to the ticket of Mayor Steve Cappiello, and Councilmembers-at-large Thomas Kennedy, Helen Macri and Ranieri, who are up for re-election in the spring of next year.

MON - 1/23/84

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Although Hoboken has already added the $65,000 they expect to receive from the state for police and fire salaries, city officials said the money will only be used to retain the officers already there and not to hire any more.

Hoboken Business Administrator Edwin Chius said that the budget now in the city council's hands contains a line item listing the state money.

The cities are receiving the money as part of a $7 million package of aid to 28 cities by the state to help meet increases in police and fire salaries.

Hoboken police and fire union officials have urged the city to consider hiring additional personnel to handle the increase in demand being placed on the departments' services.

The special aid package evolved from the needs of two cities, Newark and Paterson, in particular. Paterson would have had to lay off people because it lost a $1.3 million arbitration, while Newark was faced with a budget shortfall last year.

Although Jersey City did not face any crisis last year, when the special aid concept was expanded to include 1984 municipal budgets, "we joined the effort and played a key role" in getting the funds, said city spokesman Thomas Golodik.

The $940,000 is excluded from the normal Cap limitations on municipal budgets, which limit increases to 5 percent a year.

Under the terms of the legislation granting special aid to municipalities, they have the option of using the money to avert layoffs or to increase manpower or services, according to Barry Skokowski, director of the Division of Local Government Services.

Jersey City "faced the potential for layoffs" of police and firemen without the special aid, according to Golodik. "The $940,000 allows us to maintain current levels of staffing."

CHUCKLE - TIME - 1/24/84

More guns and butter



By Art Buchwald

The Kissinger Report to the president recommends more money and more guns for Central America. It suggests that only a minimum of $8 billion will save the area.

What it doesn't deal with is how you distribute the economic aid and military arms. It's much easier for the United states to vote funds to save a country in Central America from going Marxist than it is to see that it gets to the right people.

"Ah, General Regardias. We have good news for you. We are shipping 10 thousand tons of grain to the eastern part of the country to win the hearts and the stomachs of the people."

"Gracias, senor."

"Can you supply us with the trucks to get the grain to the countryside?"

"Alas, Colonel Grappas sold all our trucks to the rebels last week."

"I hope you've court-martialed Colonel Grappas for treason."

"We've done something worse than that. We made him our military attache in Paris."

"That's a good question. The bridge over the Horonunco River has been blown up. You could build us a new bridge, or I guess my cousin Pedro could just sell the grain on the black market in the capital."

"That isn't exactly what we had in mind when we decided to supply you with economic and military aid. The most important thing in defeating Godless Marxism is to wipe out the corruption that is rampant in the land. If the people believe their leaders are cheating them we will never achieve democracy in Central America."

"We can achieve it providing you give us modern police equipment so we can keep people in line."

"We're willing to suply the equipment, but you can't use it to torture innocent people or oposition leaders of the state."

"Who is left?"

"Criminals, Communists and suspected subversives."

"No nuns."

"I knew there would be strings attached."

"Mr. Kissinger's commission believes that by tripling military aid to your country you can beef up your army and drive the rebels out of the country. Do you think that with the right equipment your people can do the job?"

"Certainly. Once you pay the Salvadoran soldier a decent wage he won't have to sell his equipment to the other side anymore."

"Now General, one of the sticking points as far as Congress is concerned is you people are going to have to give up your death squads and punish those who are responsible for all the innocent people killed in your country."

"We're working on that right now. Anyone caught heading up a death squad is going to have to answer for it. If found guilty he will be sent to some godforsaken embassy in Rome or Rio de Janeiro."

"I'm sure that will satisfy the critics of human rights in Washington. But it would also be nice if you could hold a few trials of the people who killed Americans in your country."

"That's asking an awful lot from the military."

"It was just a thought. No one is going to press you on it if it will hurt the morale of the army. Now what we would like to do is send you $300 million in military aid the first year. Do you people think you can pacify the country with that?"

"I don't see why not. The more firepower in the cities, the less reason the El Salvadoran soldier will have to go out into the jungle and fight."

"You also have to guarantee us that our economic aid will help your people achieve a better standard of life."

"I don't see any problem there. My cousin Eduardo knows all the needy people in El Salvador."

"Well, that seems to take care of the problem. Is there anything I've forgotten?

"Could you let me have an advance of $1 million until our elections? In case things don't work out I'd like to buy a condominium in Florida."

THE JERSEY JOURNAL, MONDAY, JANUARY 23, 1984

Reagan's 'safety net' eludes the truly needy

By Susan B. Garland
Newhouse News Service

WASHINGTON — When President Reagan began cutting welfare programs three years ago, he pledged that a "social safety net" would remain intact to protect the "truly needy." Some of these programs, he said, were not serving the poor anyway.

Advocates for the poor and a number of independent budget analysts and social scientists warned then that the budget cuts would harm low-income persons. Today, they say, their predictions have come true.

"The poverty level in a growing economy should be coming down — but it won't be, because of cutbacks in social programs," says political scientist John E. Schwarz, author of "America's Hidden Successes." "This is one of the few economic recoveries in which the lowest 20 percent of the population will find itself further behind, compared with the

• About 400,000 families — mostly women and children, many living near or below the poverty line — have been dropped from the largest cash welfare program, Aid to Families with Dependent Children. Most of them also lost their Medicaid benefits, and 44 percent had no health insurance coverage.

About 260,000 families who were not dropped from AFDC received lower benefits than they did before the cuts because of the new ways in which benefits were calculated. AFDC recipients with no earnings lost an average of $27 a month, according to the Center for the Study of Social Policy, an independent research group.

• About a million people have lost food stamp benefits, and benefits were reduced for those who remained in the program. Two-thirds of the families whose benefits were reduced were living below the poverty line, according to the independent Center on Budget & Policy Priorities.

Reliable data don't exist on the incomes of the 400,000 families dropped from the AFDC program, but most are believed to have had some earnings.

An analysis performed for the Urban Institute has estimated that the welfare cuts have plunged 137,000 families below the poverty line.

Before the Reagan administration changes, the average head-of-household mother working full time at a minimum-wage job ($581 a month) would receive $201 a month in AFDC benefits. After the cuts, she would be ineligible for AFDC benefits after a four-month grace period.

As a result of the changes, a family of four earning more than $5,000 a year is ineligible for AFDC payments in more than half of the 50 states.

At the time Congress was debating changes in AFDC, the Health & Human Services Department estimated that 20,000 AFDC families had incomes of more than $9,500 a year and 200 families had incomes of $18,000.

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Rudolph G. Penner, director of the Congressional Budget Office, has said that while some program cuts were aimed at recipients with incomes above the povery line, "others moved some recipients from above to below the lines, (and) still others reduced the incomes of those already below the thresholds."

Penner said he suspected that the greatest impact of the changes was on those already living in poverty, "since most recipients of welfare benefits were already below the poverty thresholds ($9,862 for a family of four in 1982)."

But David A. Stockman, director of the White House's Office of Management & Budget, has said that if "the social safety net had been devastated, the increase in poverty between 1981 and 1982 should have been much larger than the increase in previous recessions. It was not."

The administration says it has succeeded in aiming benefits more narrowly at the "truly needy" — the poorest of the poor — and in reducing benefits to the non-poor.

And its 1985 preliminary budget calls for still more cuts in AFDC, nutrition and food stamp programs, Medicaid and other health services. The proposed budget is shceduled for release Feb. 1.

Definitions of the "truly needy" aside, figures from government and private sources show that budget cuts and tighter eligibility standards in several programs have had these effects:

• About 400,000 families — mostly women and children, many living near or below the poverty line — have been dropped from the largest cash welfare program, Aid to Families with Dependent Children. Most of them also lost their Medicaid benefits, and 44 percent had no health insurance coverage.

About 260,000 families who were not dropped from AFDC received lower benefits than they did before the cuts because of the new ways in which benefits were calculated. AFDC recipients with no earnings lost an average of $27 a month, according to the Center for the Study of Social Policy, an independent research group.

• About a million people have lost food stamp benefits, and benefits were reduced for those who remained in the program. Two-thirds of the families whose benefits were reduced were living below the poverty line, according to the independent Center on Budget & Policy Priorities.

• About 1.3 million low-income children have been dropped from the federal school lunch program. And 475,000 children, most from low-income families, no longer receive free or reduced-price breakfasts.

Because of the budget cuts and tax changes enacted during 1981 and 1982, households with incomes of less than $10,000 — or 22.5 percent of all households — are expected to lose $20.5 billion in cash and benefits during 1982-85, according to Congressional Budget Office projections. At the same time, households with incomes of more than $80,000 — or 1.2 percent of all households — are expected to gain $64.1 billion in after-tax income.

Projected spending for "human resources" programs during fiscal years 1982-85 is 7 percent lower than it would have been if Reagan and Congress had not made changes, according to CBO estimates.

The largest reduction — 28 percent — has been in child nutrition programs, which provide subsidies for school lunches and other meals. Food stamps and AFDC each have been cut by 13 percent. Medicaid has been cut by 5 percent.

In general, the Reagan administration doesn't believe the working poor are the "truly needy"; that they have earnings at all is evidence they could live without government help. The administration says its new rules provide incentive to the working poor to learn how to support themselves.

Reliable data don't exist on the incomes of the 400,000 families dropped from the AFDC program, but most are believed to have had some earnings.

An analysis performed for the Urban Institute has estimated that the welfare cuts have plunged 137,000 families below the poverty line.

Before the Reagan administration changes, the average head-of-household mother working full time at a minimum-wage job ($581 a month) would receive $201 a month in AFDC benefits. After the cuts, she would be ineligible for AFDC benefits after a four-month grace period.

As a result of the changes, a family of four earning more than $5,000 a year is ineligible for AFDC payments in more than half of the 50 states.

At the time Congress was debating changes in AFDC, the Health & Human Services Department estimated that 20,000 AFDC families had incomes of more than $9,500 a year and 200 families had incomes of $18,000.

But John Bickerman, staff economist at the Center on Budget & Policy Priorities, says such figures are misleading because an AFDC recipient may have earned a great portion of that money while not on the AFDC rolls.

"We know what the income cutoffs were, and you couldn't be earning that much money in those states," Bickerman says. "There will always be a handful of people who will receive large amounts, but it's a small percentage."

The Center for the Study of Social Policy says in a report that the Reagan administration, in its effort to curb fraud and abuse in AFDC and end assistance "for the very few high-income cases on the rolls," has terminated benefits for "hundreds of thousands of families, many of whom were only marginally above, and others well below, the poverty theshold."

The report says that any savings the administration hoped to gain by cutting AFDC "are being offset by higher costs in other, related programs" such as food stamps.

Rosemary Sarri, a professor at the University of Michigan's School of Social Work, interviewed 400 women in Michigan who were dropped from AFDC after the Reagan budget cuts. Most had been employed at minimum-wage jobs. After the cuts, half ran out of food and 88 percent ran out of money at least once. Nearly 40 percent lost health insurance, because AFDC eligibility confers Medicaid benefits.

Architects vie for contract to develop Hoboken piers

MON 1/23

A selection committee of the Port Authority is reviewing proposals from seven "world class" architectural firms seeking a $500,000 contract to design and oversee development of a large section of Hoboken waterfront.

The development site is 46 acres encompassing three cargo piers and will undergo $100 million improvements by the P.A. before private developers can bid for various commercial and residential projects. The total cost of the project is estimated at $500 million.

P.A. officials expect to select the architectural firm by March 1. That company would be expected to submit a comprehensive proposal around Aug. 1. Construction would begin next year after the developers are chosen.

The selected architectural planning firm would be responsible for formulating a development scheme, design guidelines, construction criteria, environmental constraints and cost estimates.

"The plan will give a rough physical sense of what the property can support," said Salvatore Semperi, the P.A.'s assistant director of waterfront development. "That will form the basis of going to private developers who will bid on actually building the plan and who will be the Port Authority's partner."

See ARCHITECTS — Page 20.

STEVE - WILL - GET - BIG - BUCK'S OUT - OF - THIS . BEFOR - END - OF TERM

The Gruzen Partnership of Newark, known for its Harborside Terminal conversion in Jersey City and work at the Gateway National Recreation Area in Sandy Hook, made a joint proposal with Beyer, Blinder, Belle of New York.

Other firms include the New York firms of Cooper Eckstut Associates, which planned the foreign trade zone in Mount Olive and Battery Park City in Manhattan, and the firm of Conklin Rossant, which has been involved in work on Ellis Island Queens.

The New Jersey Legislature has passed bills authorizing the P.A. to begin the projects to revitalize the Hoboken and Queens waterfronts, but the New York Assembly has yet to approve the bills.

Peter C. Goldmark, executive director of the P.A., said he believes the Hoboken project can go ahead without legislative approval in New York on the basis of the bi-state agency's jurisdiction over the targeted areas under existing laws.

Architects competing for pier project contract

Continued from Page 1.

Semperi described the competing architectural design firms as "world class." Among them is the Princeton firm of Geddes, Brecher, Qualls, Cunningham, which drew the original plan for the development of Liberty State Park in Jersey City. The firm submitted a joint proposal with the firm of Raymond, Parish, Pine Weiner of Tarrytown, N.Y.

The Grad Partnership of Newark, which has been associated with numerous projects in the state, including the Meadowlands Arena and the Pegasus restaurant, submitted a proposal with Anderson, Notter, Finegold Inc., of Boston.

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Other firms include the New York firms of Cooper Eckstut Associates, which planned the foreign trade zone in Mount Olive and Battery Park City in Manhattan, and the firm of Conklin Rossant, which has been involved in work on Ellis Island and waterfront parks in New York.

Moshe Safdie & Associates of Boston also submitted a proposal. The firm's previous projects include the Old Port in Montreal.

Wallace Roberts & Todd of Philadelphia, the firm that drew the revised master plan for Liberty State Park issued last year, also submitted a proposal The firm has also drawn plans for Lincoln Harbor, the Hartz Mountain project in Weehawken.

Two other New York firms, I.M. Pei & Partners and Davis Brody Associates, decided not to submit proposals because they hope to compete for the P.A.'s project at Hunters Point, Queens.

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1/24/84

Ranieri's first bill deals with reassessment

TRENTON — Assemblyman Robert A. Ranieri, of Hoboken, yesterday introduced his first bill, one which would impose a two-year moratorium on the revaluation ordered in Hoboken by the Hudson County Board of Taxation.

The revaluation has been completed, but not implemented, Ranieri said, noting the results "would be disastrous for the small and medium sized home owner."

"We are asking for the two years so that we can develop a plan to counter-balance the contemplated effects," continued the freshman legislator.

As part of the plan, Ranieri explained, he cited the resurgence of industrial property value, plan new construction, rent control ordinance being prepared, and the Hoboken waterfront development planned by the Port Authority of New York and New Jersey. The action plan would be implemented during the moratorium, Ranieri said.

The rent control ordinance for City Council, continued Ranieri, would "slow down the escalation of high rent and high property values, which has caused speculators to reap a harvest in Hoboken. Speculation is the heart of the problem."

Ranieri said the continued increased value of industrial properties would help ease the homeowner burden, while the P.A. waterfront development along River River, also known as Piers A, B, and C, would be under way and by implementing the leases for the property, they would be a "new and lucrative revenue source to offset the heavy tax burden," Ranieri commented.

"The seriousness of the situation has been recognized by the Assembly," and Speaker Alan Karcher, D-Middlesex, agreed to post the bill, introduced without committee reference, for a floor vote Monday. Ranieri said he hopes to gain similar prompt action in the Senate.

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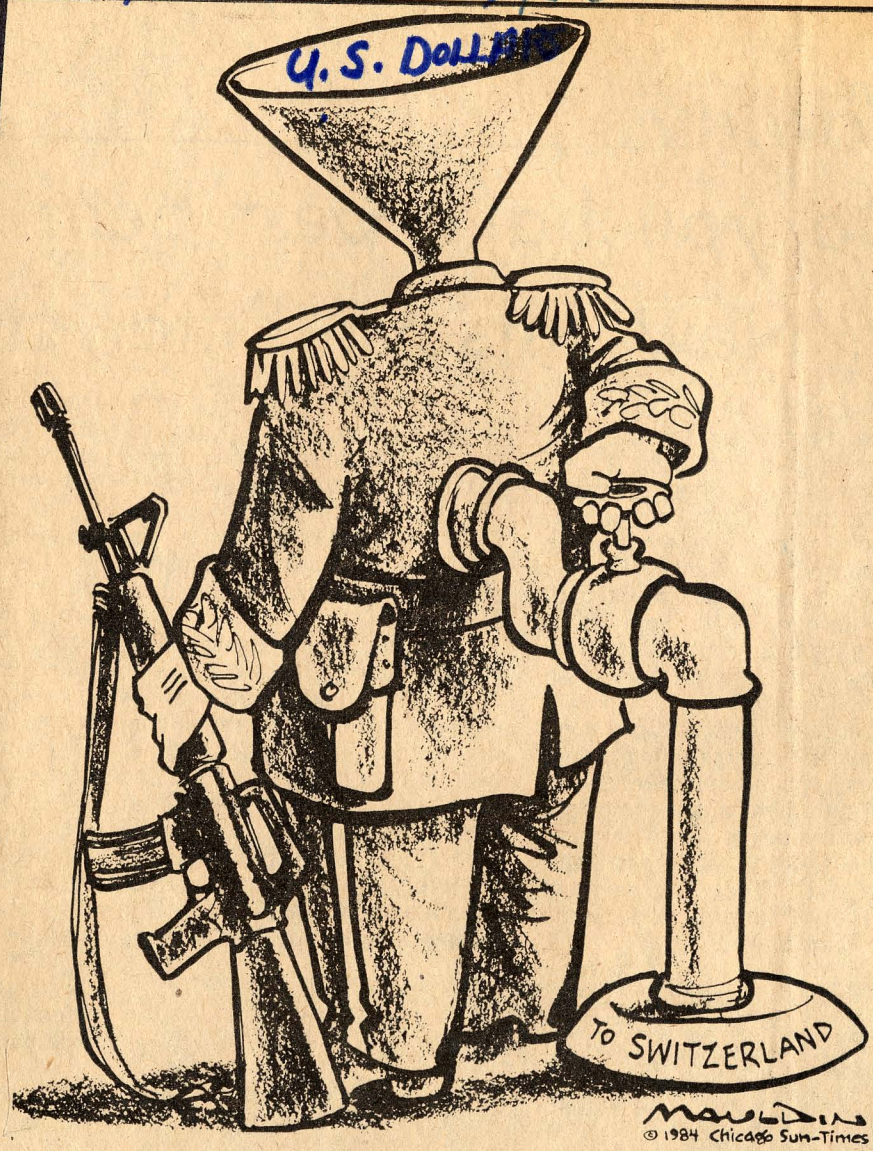
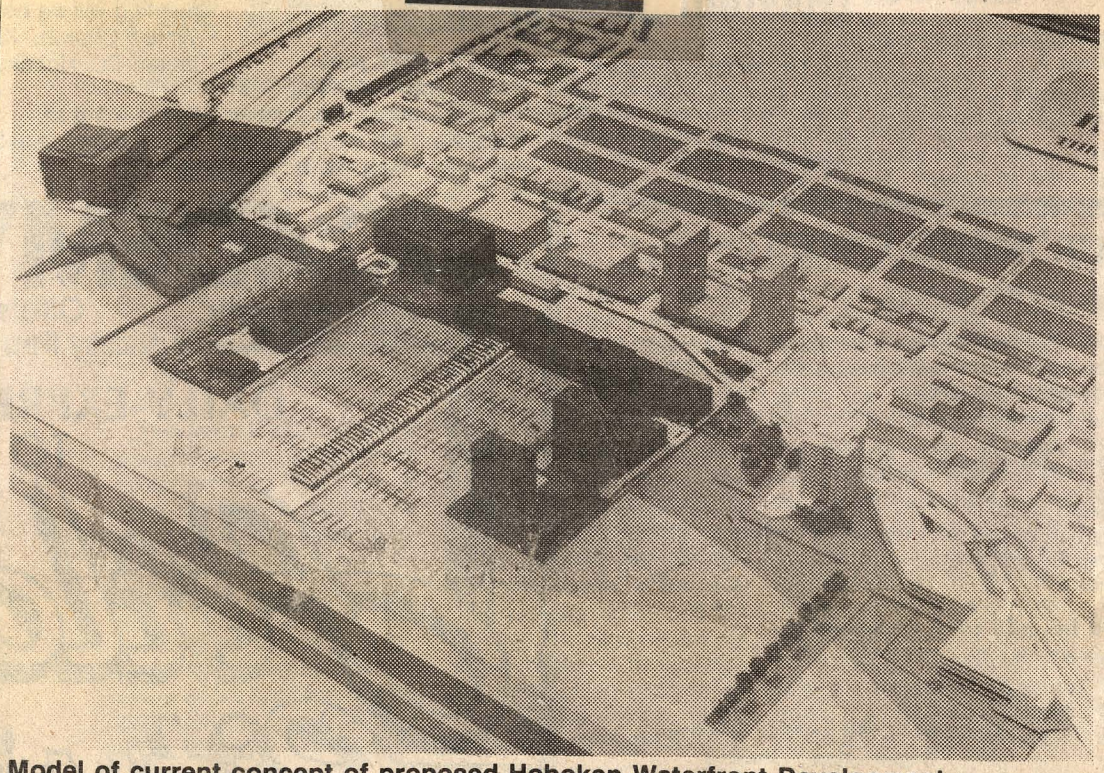


Latin-American plumbing

news of the hudson's west shore

January 25, 1984



Model of current concept of proposed Hoboken Waterfront Development.

Hoboken Taxes, Part II: Abatement

Upon reassessment, although the Hoboken taxpayers may gnash their teeth and use lots of energy cursing the situation, several conditions will not change.

The first is that Hoboken doesn't have much choice in the way it must tax. State law mandates the same taxing policy for all municipalities—that is, the city must tax all property at "true value". Except in the case of tax abatements, Mayor Cappiello, the City Council or Woody Monte, the tax assessor, can't strike a deal for the city on the taxes to be paid by new developments in the city.

For instance, if Maxwell House Coffee said, "we want to build a new factory on our lot but we will do it only if the city agrees to charge us no more than $2 per square foot per year in taxes," the city couldn't enter into an enforceable agreement even if it meant millions more in taxes and even if the city thought $2 per square foot was a wonderful tax revenue. Whatever the assessment and rate caused in taxes would be the tax.

Housing Authority exempt

that the slum condition of the area was preventing reinvestment, and therefore, to get it going, the federal government would advance the money to acquire and clear the site. The cleared land would then be resold at a low price to private developers who, it was hoped, would build new housing, new offices or new factories on the vacant site.

Can't strike deal

Because city tax rates were already becoming much worse than the suburbs, the cities needed relief from the rigid requirements of state tax law. Otherwise, if a redeveloper of urban renewal land built a building which cost, let's say a million dollars, its taxes for the million dollar building in a high tax rate city would be much, much greater than if the same building was built in a low tax rate suburb because state law requires the million dollar value to be taxed in full, no matter where it was built in the state. The result, it was feared, would be that no one would build in the cities.

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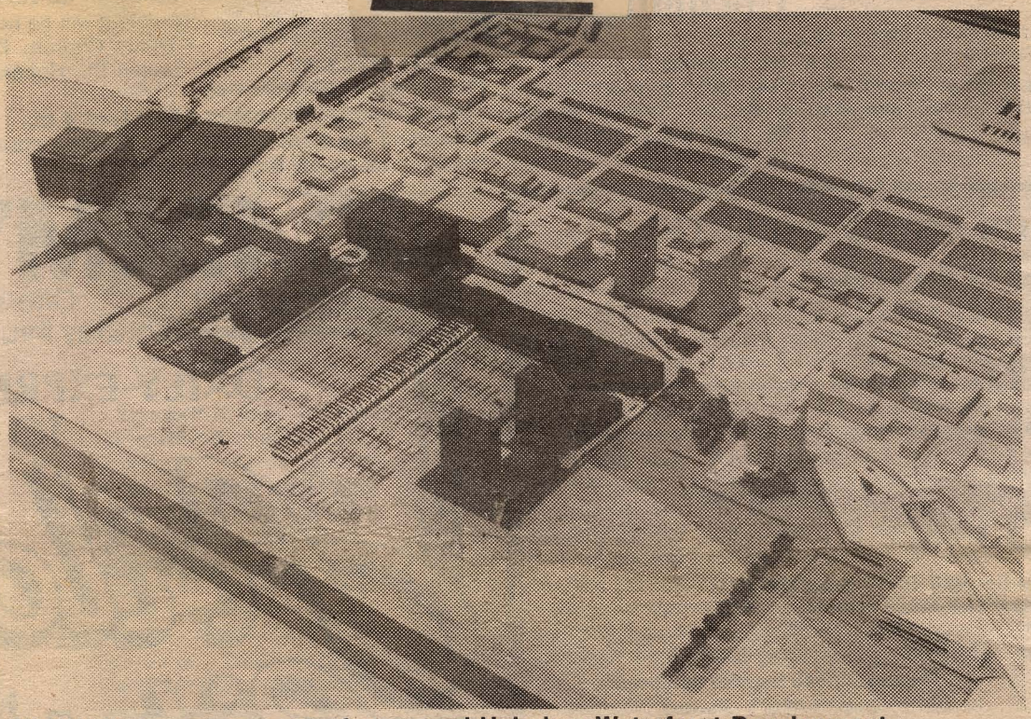
January 25, 1984



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Therefore, along with much other urban renewal legislation, the state passed laws permitting developers of urban renewal land to enter into agreements with the municipalities for payment of a "service charge" in lieu of taxes. The land and building received a tax abatement from the city, meaning that it was taken off the tax rolls and instead of taxes based on assessment and tax rate, a set payment was made to the city. The payment was based upon either the value of the construction, — or a percentage of the rent received.

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Tax Abatement

continued from page 1

by the owner of the development, — for instance 15 percent of the rent roll per year. The tax abatement also was entered into for a specific number of years since it was anticipated that sooner or later the land and building would be returned to the tax rolls. A typical tax abatement in that period was for 20 years.

This form of urban renewal tax abatement became very common. It is the type of abatement that is used by the new Marine View Plaza office building on First Street.

The method of abatement and in lieu of service payments gives the city the opportunity to negotiate a tax figure with a qualified owner. Generally the qualification is that the owner limit profits.

Housing Authorities and Public Housing were exempted from taxes entirely. They can, however, pay something, but no more than the original taxes on the land. The Hoboken Housing Authority pays practically nothing now because of its tight budget.

The Hoboken Housing Authority consisting of 1353 apartment units, has not paid anything since 1979, when it paid approximately $5000 total.

In the 60's the Johnson Administration began a new series of federal subsidies for new construction and rehabilitation of housing. The states were permitted to set up Housing Finance Agencies which could borrow money at income tax exempt interest rates and re-loan the money, at these low interest rates, to developers of housing. Because the state, and the federal government which was supplying subsidies, did not want high tax rates or greedy municipalities to overcharge and overburden such housing developments, New Jersey enacted additional tax abatement legislation permitting housing development undertaken for the purpose of eliminating blight and slums to receive tax abatements, even though the housing was not going to be built on urban renewal land. The owner had to agree to be non-profit or limited to 8 percent in profit on cash invested. Marine View Towers and Church Towers in Hoboken received abatements equal to 15 percent of rent under this statute.

As the subsidy costs of new programs became ever higher to the federal government, it became concerned about tax abatements as well. It did not want to permit the development of subsidized housing and then have the city increase the taxes on the building by double or triple, causing the federal government to pay for the overcharging in the form of higher subsidy payment to the property owner. Therefore, the federal government began to make it a condition, in high tax areas such as Hoboken, that any of the housing it subsidized receive a real estate tax abatement. The federal government further began to require that such abatement agreements run for the life of the mortgage financing it was guaranteeing, in other words, 40 years.

This form of abatement was the one used by Applied Housing Associates, Volt, Inc., the developer of Clock Towers, and other developers of rehabilitated, subsidized apartments in Hoboken. Basically the abatement agreements provide that Applied Housing and such developers would pay 6.28 percent of the rent roll (15 percent when rents were lower), the original taxes, or a stipulated minimum figure, whichever was higher. At the time these abatement agreements were entered into by Hoboken, the city was receiving more money for a vastly improved building. In the early 70's, the city, on the verge of disinvestment, was eager to get the housing improvement and entered into such agreements easily. Moreover, because the service payment is a percentage of rents, it was anticipated that taxes on the rehabilitated, subsidized buildings would rise over the years as rents increased to meet inflation. This in fact did happen.

However, as time wore on, the city recovered, and taxes increased and pressed more heavily upon the homeowner. Every politician worth his salt started to take up the cry against "tax abatement." Most of the politicians, upon being questioned, evidenced little understanding of the tax abatement process. Pat Pasculi, city councilman, stated that he really wasn't aware of the formulas or what was received. Councilman Tom Vezzetti stated that although he knows tax abatements are bad, he really doesn't know how they work or how much any tax abated owner pays.

Last summer Councilman Wilson made a charge that the city council must investigate the tax abatement process. He was appointed to head a committee to request all tax abatement information, but subsequently no report was issued. The tax abatement issue has been a rallying cry for both the Homeowners League and politicians seeking election. It seems there has been a lot of heat and little light.

For these purposes, the Hoboken Reporter has assembled several comparisons for the reader set forth in the box in this page.

Regardless of politicians, homeowners, or tax collectors, abatement agreements — like any contract between two parties — can't be changed unless both parties agree to change it. Abatement agreements have been repeatedly upheld in the New Jersey courts since the 70's when a new administration in the City of Newark attempted to void the agreement of a prior administration.

Joseph Barry, President of Applied Housing Associates, party to probably the most abatement agreements in Hoboken, stated that "the city has made out very well with the agreements. The amount of service payment per apartment unit is at the higher, but not the highest end of taxes per unit paid by renovated or well maintained apartment units. For instance, 1016 and 1018 Willow, which were gut rehabbed about a year ago pay about $730 per unit per year. The rents are uncontrolled and unsubsidized and the owner's profits are not limited in any way. Applied Housing's latest project, on Washington Street between 13th and 14th, pays about $631 per unit per year, almost as much, but its rents are controlled and subsidized, and we are limited to 10 percent on our cash invested. I think that's a fair shake, especially if the decrease in fire calls and other city services due to

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Housing Authority exempt

Tax Abatement

continued from page 8

the rehab are counted."

Frank Bucino, the Assistant Tax Assessor, noted that condos are taxed much higher than rental apartments. "Condos go on sale price," he said, "multifamily buildings go on rent roll and other factors."

Councilman Ranieri, who proposed strong rent control legislation, thinks that "there are tax abatements and tax abatements," implying that he must judge each application on a case by case basis.

Whatever their public or individual positions, however, City Council, over the years has approved, either unanimously or overwhelmingly, almost every tax abatement application for low income housing brought before it; most recently the Knights of Columbus senior's project on Bloomfield Street and Project Uplift, being rehabilitated by T & M Contracting, on 8th and Willow.

It may be that the revaluation and irate non-abated taxpayers will put an end to tax abatements in the city. But, the abatements agreed to be around for a long time to come. □

Typical Annual Taxes Per Rental Apartment Unit (pre-revaluation)

Non Tax Abated Buildings	
Non-rehabilitated tenements	
521 Willow Avenue	$286/Unit
809 Park Avenue	423/Unit
Rental Buildings in Good Condition and High Priced Location	
1000 Hudson	797/Unit
518 Hudson	806/Unit
Rehabilitated Buildings	
700 Clinton	476/Unit
1016 Willow Avenue	673/Unit
622-24 Park Avenue	900/Unit
Tax Abated Buildings	
Rehabbed more than 8 years ago	
1203-1219 Willow Avenue	323/Unit★
909 Clinton	358/Unit★
Recently Rehabbed	
1302-12 Washington St.	631/Unit★
201-215 Willow	518/Unit★
Housing Authority	
1353 Apt. Units	0/Unit★
Marine View Towers	532/Unit★
Church Towers	443/Unit★

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FB: Right.
HR: Where is that money coming from?
FB: The $1.5 million is coming from the P/A as an advance on the rent that they would be paying the city of Hoboken.
HR: So, they paid a big advance rent payment to Hoboken to enable Hoboken to buy the piers.
FB: That's right.
HR: Have the maritime restrictions been lifted by Congress?
FB: The transfer by the federal government to the city is still subject to the lease of the P/A which is limited to maritime activities.
HR: What kind of government action is still an obstacle to development there?
FB: It is still necessary for the

VOU MONEY

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Therefore

Housing Authority exempt

SPOTLIGHT ON...

Fred Bado

This is the third part of our interview with Fred Bado, Executive Director of the Community Development Agency of the city of Hoboken. The following section focuses on the Agency's involvement in waterfront development and the relationship between the Port Authority and the city of Hoboken.

HR: The Hoboken Waterfront available for development includes the city owned 5th and 6th Street piers, the port authority piers and the Erie Lackawanna Terminal. Would you say that is the heart of the city owned land for development?
FB: Yes.
HR: When did the issue of Port Authority piers being put up for development first come about?
FB: As other activities were taking place on either side of the PA piers, we also had a working committee made up of different representatives of the public agencies that owned that portion of the waterfront. That was the Department of Transportation, New Jersey Transit, Port Authority and the city of Hoboken. The P/A became very active and in looking at Hoboken they did a study in which the city of Hoboken cooperated. They hired the American Cities Corporation to do a market study as to what other uses could take place on the property.
HR: They were planning to close the shipping operation there anyhow, right?
FB: The changes in technology such as the containerization in shipping made the Hoboken piers obsolete. So, there is very little activity in terms of shipping activity taking place on the piers.
HR: With the closing of the shipping operation because it was obsolete, doing something else with the land became even more immediate.
FB: Yes.
HR: When did the P/A and Hoboken first go to Congress to change the legislation on the piers, do you remember?
FB: It must have been back in 1979.
HR: Why did they have to go to Congress?
FB: The piers were under the control of the federal government. They were confiscated back in the beginning of WWI by the federal government from the German shipping lines who owned and operated them. After the war they were not given back to the German shipping companies but the property was kept in federal hands. There were agreements back in the early 50's between the Federal government, the P/A and the City of Hoboken that the P/A would make improvements to make a first class pier facility and it would be used for just maritime operations. So, it was a restriction.
HR: The P/A has a lease, right?
FB: The P/A originally had a 50 year lease with an option for another 50 years.
HR: The city council has just passed a resolution agreeing to purchase the piers from the federal government for 1.5 million dollars?
FB: Right.
HR: Where is that money coming from?
FB: The $1.5 million is coming from the P/A as an advance on the rent that they would be paying the city of Hoboken.
HR: So, they paid a big advance rent payment to Hoboken to enable Hoboken to buy the piers.
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HR: Have the maritime restrictions been lifted by Congress?
FB: The transfer by the federal government to the city is still subject to the lease of the P/A which is limited to maritime activities.
HR: What kind of government action is still an obstacle to development there?
FB: It is still necessary for the city of Hoboken and the P/A to get together and negotiate a further agreement on the development. In order for the P/A to engage in this type of economic development, mixed-use development, it required legislation in New York and New Jersey to expand the P/A powers. The legislation has passed in New Jersey. It has not yet passed the house in New York but it is expected to pass now. There had been opposition from Mayor Koch. His opposition was that he felt that the Hoboken project is going to happen quicker than the project in New York City. He had some objections to the possibility that the Hoboken project would take jobs from New York City.
HR: When do you expect that legislation to pass?
FB: During 1984.
HR: Assuming that happens, what is the city of Hoboken's participation in all of this - in the development?
FB: What's going right now is that the earlier market studies and a more recent one are being analyzed by the P/A in the city. The P/A has put out proposals to be received by them for a master planner which would come up with a scheme for development that the city would have to review to see if it is acceptable to them. After that master plan is approved then both the P/A and the city would go out and look for the proper developers to do the actual project.
HR: Is the 5th and 6th Street pier included in this planning process?
FB: Yes, it is.
HR: Is the Erie-Lackawanna terminal part of this process?
FB: The master plan includes that whole waterfront district.
HR: Why develop the waterfront at all?
FB: One is that it will generate tax revenues in the city of Hoboken. It will create opportunities for jobs. It's a piece of property that needs to be dealt with.
HR: You don't think it should be park land?
FB: No. I think there should be public access to the waterfront and there should be some public parks but I think the revenues and jobs and disposable money in the city is more important than just having park areas.
HR: Why can't the city just go off on its own now that it owns the piers and develop them themselves without the P/A?
FB: It is necessary that massive public funds be put into

continued on page 7


JOHN MANN
Fred Bado

I CAN SAVE YOU MONEY

in taxes," the city couldn't enter into an enforceable agreement even if it meant millions more in taxes and even if the city thought $2 per square foot was a wonderful tax revenue. Whatever the assessment and rate caused in taxes would be the tax.

Housing Authority exempt

urban renewal land built a building ... cost, let's say a million dollars, its taxes for the million dollar building in a high tax rate city would be much, much greater than if the same building was built in a low tax rate suburb because state law requires the million dollar value to be taxed in full, no matter where it was built in the state. The result, it was feared, would be that no one would build in the cities.

Therefore, ch...

Thurs 7/1/84 JJ

Hoboken gives OK for grant to build homes

By John Watson

The Hoboken City Council acted to bring the local renaissance into the Fourth Ward last night by okaying agreements that will allow $315,000 in federal grants to build 20 two-family homes there.

Last night's council action authorizes the city to execute agreements with the federal Department of Housing and Urban Development to use Urban Development Action Grants for the construction.

In a move to encourage development of more residences, the council introduced an ordinance sponsored by Councilman Robert Ranieri which would give landlords a partial tax exemption if nonresidential buildings are converted into residential buildings.

Ranieri said there would be no taxes for five years on the increased value of the building after the conversion if the ordinance is granted final approval.

In other business, the council reappointed auditor Frank Italiano at a salary of $34,000 for a one-year term.

The council extended the current rent control ordinance for another year. The council's extension of the ordinance will not interfere with ongoing efforts to develop new proposed amendments, according to Ranieri.

Ranieri is a member of the administration committee working on amendments to be presented to the council next Wednesday.

Hoboken City Council to introduce $22.9 millio

Jan 31 '84

By James Kopchains

The Hoboken City Council is set to officially introduce its 1984 municipal budget on Wednesday, renewing the controversy that has surrounded municipal spending in the city.

Details of the new budget were given to the nine council members at their Jan. 18 meeting. The new budget, at $22.9 million, is $1.6 million more than last year.

Meanwhile, the Hoboken Environment Committee has scheduled a public hearing for Jan. 31 with City Business Administrator Edwin Chius to discuss the details of the budget. The meeting is scheduled for 8 p.m. at Ascension Hall, adjacent to St. Mary Hospital, Third and Clinton streets.

Interest in this year's budget has been high, especially after last year's budget troubles, which eventually saddled homeowners with a $36 jump in the city's property tax rate.

Also, this year is the first one under a new revaluation of all city properties in the city. Homeowners are fearful that the new assessments may mean a higher tax bill for their properties.

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Chius has maintained that the new budget will mean a $10-to-$15 decrease in the tax rate alone. However, troubles surrounding school finances and county budget could affect this. The city's school board has already rejected one preliminary budget and is working on another to cope with the expected loss of about $700,000 in state school aid.

Once introduced, the council has 45 days to schedule a public hearing and vote on it.

Also scheduled for Wednesday's meeting is a resolution authorizing city officials to execute a federal UDAG grant agreement for $315,000 with the Caparra Homes Corp.

Hoboken Taxes, III: Re-evaluation

Woody Monte, the Hoboken Tax Assessor is the angriest he's been in a long time. After one and one half years of work the Mayor, the City Council, and, wearing his other hat, Assemblyman Robert Ranieri, are making noises about putting a moratorium on the tax re-evaluation that's ready to be implemented by March. The politicians apparently want to hold off the re-evaluation rather than suffer irate taxpayers, and the great uncertainity and conflict that any major reassessment such as this causes.

According to Monte, putting off the re-evaluation would be "a disaster." Monte can't

Process out of kilter

2/1/84
Hot Reporter

understand why the politicians would postpone the new assessed values.

Monte says, "If the re-evaluation is stopped, the tax rate will go to over $202 per thousand in 1984 and $240 per thousand in 1985." At the same time Monte says, "the ability of the city to withstand the many, many tax appeals that will occur with the extraordinarily high rate will be destroyed." Monte explained that when the ratio of assessed tax value to true value is very, very low - for instance in Hoboken today the average property is assessed at only about 15% to 30% of true value - the courts generally will further reduce the assessed value in the face of a very high rate. This is because the whole assessment process is out of kilter and assessments no longer make any sense. Everyone then has incentive to tax appeal and this causes chaos in the city.

The Mayor, speaking for the pro-moratorium position, argues that the increased development expected in the next year or two "may very well lighten the tax load by increasing the city's overall ratables." "Why put people through this shock and trauma," he says, "when in two years it might not be necessary."

The tax rate tax assessement issue is really quite simple. Every city, after passing its budget, has to determine the amount of money it needs to raise by taxation. Because the city receives some funds from other sources, such as state contributions to various programs, tax abatement in lieu service payment agreements, Port Authority payments and other forms of non-tax revenue, generally the amount of money that has to be raised by taxes is less than the budget of the city.

For the year 1983, for instance the amount of money Hoboken had to raise by taxes was approximately $18,600,000. The rate is determined by taking that amount and dividing it by the total assessed value of all the property in Hoboken. In 1983 the assessed value of all of the property of Hoboken, as carried on

100% true value

the books, was a little less that $100,000,000. (Actually the true value is much greater.) Dividing the $100,000,000 into $18,600,000 gave a rate of approximately $183 per thousand dollars of assessed value.

After re-evaluation, which should bring all the properties in Hoboken to 100% true value, Woody Monte, the Tax Assessor, estimates that the assessed value will be

continued on page 11

Taxes

continued from page 1

about $450,000,000 to $500,000,000. Therefore with 5% tax cut, Woody Monte says, "dividing the amount of taxes to be raised in 1984, let's say $17,750,000 by $500,000,000 would give a rate of about $36 per thousand."

Monte claims with this rate the overall tax burden to the citizens, in the aggregate, remains the same. But, since the rate is reasonable and that much lower, all of the uncertainity for future development is removed. Monte points out that with an incredible rate of over $200 per thousand, new development will not be undertaken without tax abatement, because the $200 rate, applied to new developments, becomes confiscatory. Monte believes that if the rate is brought down by the re-evaluation then new development will not seek tax abatement and the additional ratables generated by new development will quickly reduce rates for everybody.

Cappiello responds that a high rate makes tax abatements necessary, but that a fair abatement solution can, and has been worked out, on a case by case basis. "We want to avoid unnecessary trauma", he says.

Asked how the tax burden, after re-evaluation, will be redistributed among taxpayers, as between industrial property and residential property, Monte says that there will be some proportionate readjustment. He expects that residential property values, in the reassessment, will go up by 700-800%. If this occurs, residential property owners will be paying more in tax dollars even though the rate drops. Monte's response, however, is that the increased development encouraged will quickly mend this gap, provided that the city council holds the line or reduces the budget for the next year or two.

Monte gave an example of a building that was valued at $18,000 today and what it would pay. At a rate of $202.00 per thousand in 1984 a building assessed for $18,000 would pay $3,618 in taxes. After re-evaluation, if the building went to $100,000 at a $36 per thousand rate, its tax payment would remain the same. When pressed at to how the rate would get down to $36 from $202 per thousand, Monte said that some budget cutting would be required, but again he stressed "development will increase because of the low rate and total ratables will go up further reducing the rate for everybody."

As proof of further catastrophic consequences of failing to go through with the reassessment, Woody pointed out the following tax escalation. In 1979 the tax rate was $94 per thousand; in 1980 - $211; in 1981 - $138; in 1982 - $147; in 1983 - $183 per thousand. All the while, Monte noted, "we were losing tax appeals because of our crazy ratio of assessed values to true values." 'Once you do a good reassessment no one can win appeals anymore," he said.

When questioned as to the present status of the re-evaluation Monte stated that the figures were just being finalized now. "It's a nightmare, a Guargantuan task." "For instance, one piece of real estate, a house, went from $25,000 to $250,000 in the last year and a half." "We must try to make sense of all of these figures and this rapidly changing market," Monte said. But, "there is no other way to do it and come to a rational tax policy but to go through with the re-evaluation." □

The following table gives the breakdown of the total Hoboken assessed values for local real estate taxes.

Residential Property (1-4 family houses)	28.4 million
Apartments	11.5 million
Non-residential property	
a) commercial	31 million
b) industrial	26 million
Vacant Land	2.6 million
	99.5 million

The Tax Assessor believes the re-evaluation will cause residential assessed value to rise by 700• to 800• while non-residential rises by 400• to 500•. If this occurs, there will be a shift of some tax burden from commercial and industrial to residential.

Heights tenants appealing 100% rent increase approval

By Lisa Vives



Some senior citizens in the Jersey City Heights expect to be out on the street if their landlords' rent increases are approved.

The landlord, a Hoboken clergyman, is seeking to raise their rents from $289 to $600 for three rooms.

The Jersey City rent board administrator, has approved the Rev. Hugh Hothems' rent increases at 334 Ogden Ave. but

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The Jersey City rent board administrator, has approved the Rev. Hugh Hothems' rent increases at 334 Ogden Ave. but the decision is being appealed to the full rent board.

The tenants, longtime residents and senior citizens, say there is no way they could pay the rents or the month and a half of security he wants by March 1.

"I can't afford it because my social security is under $500," one tenant wrote to The Jersey Journal. "I have been living here for 31 years. Soon I might be out on the street."

Rent control laws normally restrict all increases to no more than 4 percent a year. But property owners who spend more than 50% of the assessed value of their building on improvements may be allowed a one time exemption from the 4 percent law.

Hothem's improvements included changing over the heat and hot water system so that tenants now pay for their own heat. He also put in new windows, doors and doorbells and smoke alarms for a total of over $100,000.



Fighting rent increases which would bring their rents to $500 plus, residents of 334 Ogden Ave. gather for an impromptu conference in the lobby of their building in the Jersey City Heights.

John Murphy, a taxi driver and tenant, said that if the increase is granted, the landlord will have high rents with lower costs since utilities are paid by tenants.

Julie Lindemann, another tenant, noted "We are backed into a corner. Either surrender and pay the increases or move out.

"Either way we lose," she said.

Tenants, who are members of the Jersey City Tenants Committee, said they still hoped they could block the proposed rent increase.

But Lindemann said, "While the fight wages on, the fear of losing our homes hangs over our heads."

Cl... recall move progresses

Draft finally ready on rent code changes

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Ranieri said the committee chairman Thomas Vezzetti has called a meeting of the committee on Tuesday for final discussion and vote on the proposals. The committee has been holding regualr meetings into the changes since November.

The committee rose out of citywide disputes over a series of rent control changes proposed by Ranieri in October. Landlords and tenants both had called on the council to change the rent ordinance in order to clarify several vague passages and to prevent abuses of the ordinance's substantial rehabilitation clause.

During the meetings the committee listened to city and state officials as well as representatives of landlords and tenant groups and experts on housing.

Park Avenue repairs to be joint venture

Weehawken and Union City are looking to cooperate in the repaving of Park Avenue, the border between the two municipalities.

Weehawken has received federal funds for up to $300,000 to resurface the street, repair curbs install handicapped ramps and street lights from 49th Street to west 19th Street.

Weehawken officials said the hope to collaborate with Union City to reduce traffic problems and make repairs in an orderly fashion.

From North Bergen High —

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orth Bergen High —

2/14/84

THE JERSEY JOURNAL, TUESDAY

Tenants protesting notices of eviction

By Mike Garrity

The former superintendent of a Weehawken apartment building took to the streets in protest yesterday, charging her former boss with tenant harassment, shoddy upkeep of the building and an unfair rent increase.

Candy Cimino of 4108 Park Ave. climbed atop her green Ford Maverick automobile wearing an old window shade with the sign "4108 Landlord Unfair."

She said the move was

Officials said yesterday an attempt to settle that battle out of court has fizzled.

Mrs. Cimino, who lives in a five-room apartment with her husband and three children, said she worked as superintendent of the building through January. She said she was then told by Greenwood to stop performing her job.

Since Jan. 31, no one has taken trash, now mounded in green plastic bags beside the

Greenwood said the firm has hired an outside superintendent to administer the building and take care of trash. He said Mrs. Cimino was dismissed from the position for failing to do the job adequately.

Greenwood said there has been harassment at the site, but not by landlords. One tenant has already left the building and a second has given notice, Greenwood said.

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2/14/84

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2/16/84

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JJ 2/7/84

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Consultant Joseph Lisa of

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The council settled a dispute

township residents will decide whether $250,000 ought to be appropriated and spent to remove asbestos from the public schools.

reason as he was walking at

2/14/84

Tenants protesting notices of eviction



Photo by Jeff Huntley

Residents of 4108 Park Ave., in Weehawken wear signs as they protest rent increases recently granted to the building's landlord.

By Mike Garrity

The former superintendent of a Weehawken apartment building took to the streets in protest yesterday, charging her former boss with tenant harassment, shoddy upkeep of the building and an unfair rent increase.

Candy Cimino of 4108 Park Ave. climbed atop her green Ford Maverick autombile wearing an old window shade with the sign "4108 Landlord Unfair."

She said the move was prompted after she and tenants in two other apartments received eviction notices yesterday ordering them to appear in court next Tuesday.

Robert Greenwood, one of the stockholders in 4108 Park Ave. Corp. owners of the site, denied Mrs. Cimino's allegations.

The landlords won a rent increase to $550 in court after meeting township requirements for substantially rehabilitating their building. The tenants in the building before the rehabilitation paid approximately $200 in month in rent.

The new charge was subsequently cut in half by the township Rent Levelling Board because the changes forced tenants to pay their own utilities, and expense previously included in the rent.

Tenants have not paid their rents for February. The township appealed the decision which brought the rent increase. Officials said yesterday an attempt to settle that battle out of court has fizzled.

Mrs. Cimino, who lives in a five-room apartment with her husband and three children, said she worked as superintendent of the building through January. She said she was then told by Greenwood to stop performing her job.

Since Jan. 31, no one has taken trash, now mounded in green plastic bags beside the building steps, to the street, Mrs. Cimino said.

She said the electric company previously shut off to common areas in the building. The oil company has refused to deliver and water has been shut off while the landlords were paying utility bills, she said.

Mrs. Cimino and fellow tenant Walter Smith also complained about the quality of workmanship in the rehabilitation. Both said the changes had merely meant the addition of utility bils and exposed pipes as the landlord added baseboard heating and individual hot water heaters in apartments.

Mrs. Cimino sid the rent increase combined with utility bills would mean monthly expenses of $700 or more. The increase and instances of personal harassment are designed to drive tenants out, Smith and Mrs. Cimino said.

Greenwood said the firm has hired an outside superintendent to administer the building and take care of trash. He said Mrs. Cimino was dismissed from the position for failing to do the job adequately.

Greenwood said there has been harassment at the site, but not by landlords. One tenant has already left the building and a second has given notice, Greenwood said.

The departed tenant has not supported the rent dispute and allegedly suffered occasional loss of power and gas in her apartment. Switches and circuit breakers were sometimes turned off, he said. In another instance, a door was smashed while the tenant was not in, Greenwood said.

"The harassment is of the tenants who have made no complaints," said Greenwood.

The company sought to decontrol rents at the site in January 1983. Greenwood said the length of the fight, the cost of repairs, attorneys' fees and difficulties in keeping tenants have driven thefirm "to the point of bankruptcy."

The township's appeal is still pending in court. Richard Venino, the attorney for the rent board, said a compromise proposed by the township council has been rejected by the landlords.

Hoboken proposes tough requirements for rent increases

2/16/84

By James Kopchains

A Hoboken City Council committee last night released details of proposed amendments to the rent control code that would severely tighten the requirements for a substantial rehabilitation rent increase.

The Administrative Committee released the amendments to the council, but no council member chose to comment on them. The amendments are expected to be introduced at the council's March 21 meeting.

The committee Tuesday night voted, 2-to-1, to approve the amendments.

Committee Chairman Thomas Vezzetti and member Robert Ranieri voted in favor, while Council President Helen Macri voted against.

Mrs. Macri's opposition may doom the amendments since, as council president, she represents the majority on the council. Although Ranieri is considered part of that bloc, Vezzetti is part of the minority.

Mrs. Macri was credited for the defeat of a rent control amendment proposed by Ranieri in October that aroused bitter feelings between landlord and tenant groups in the city. The controversy over rent control led to the committee's work.

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See HOBOKEN — Page 19.

2/16/84

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Trooper to run Youth House

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A 1947 graduate of Bayonne High School, Spirko was a Marine Corps sergeant who saw action in Korea.

2/14/84

Hoboken tenant group wants action

By James Kopchains

The Hoboken tenants group ALTO wants to see action from state officials looking into tenant-landlord problems in Hoboken.

Juan Garcia, one of ALTO's top officials, said the group has started a petition drive aimed at Gov. Thomas Kean to have him appoint a commission on the problems.

"If Ronald Reagan can appoint a commission to study everything, so can Gov. Kean," Garcia said yesterday. "Hoboken represents a unique situation that can help the state cope with its housing crisis. All the things that afflict certain areas of cities in the state are present in Hoboken on a city-wide basis. Evictions, displacements, rehabilitation, harassments, they are happening all over Hoboken."

According to Garcia, state officials had promised ALTO (Alliance of Tenant Organizations) to research legal and political remedies to the harassments he claims are being suffered by tenants from landlords who wish to evict them to attract higher rent paying tenants.

The drive, which started this weekend, has about 500 signatures, Garcia said. The goal is 5,000 signatures by March 1 to be hand-delivered to kean in Trenton.

"It's been so easy to get the signatures," Teodulfo Diaz, one of the organizers of the drive, said. "People are angry in the streets. They want action, not words."

Diaz is to appear before the city's rent levelling board tonight to oppose an application by the owners of his apartment building at 803 Willow Ave. to raise rents through substantial rehabilitation.

Garcia had led ALTO members on a sit-in protest at the governor's office in November to protest the state's hesitancy in involving itself in the Hoboken situation. However, this protest only led to meetings with the state's public advocate's office and office of Hispanic Affairs, despite promises by Kean's staff of stronger action.

"What good is it when they send down someone here who tells us he can't change anything? What good is he to me?" Garcia said.

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From A. Harry Moore High

2/16/84

Hoboken proposes tough rent rules

Continued from Page 1

buildings from rent control for 13 months to make up the costs involved in rehabilitation.

Under the committee's recommendations, the cost of repairs must exceed 40 percent of the state's Building Valuation Data Report Table value as issued by the Department of Community Affairs. At present, rehabilitation is based on the assessed value of the building.

The state table is used to determine whether a rehabilitated building falls under the new BOCA housing code, Ranieri said. It is a fluctuating figure that more accurately reflects current market value, he said.

Also, a landlord must have in hand a certificate of completion issued by the city's building inspector. Landlords must complete their work before qualifying.

The amendments require that if tenants in the rehabilitated structure do not vacate voluntarily, they can be evicted only in cases of misconduct.

"This will mean the landlord will have to make his own deals with the tenants if he wants to apply, rather than going ahead with a 'tenant-be-damned' attitude," Ranieri said.

He said Mrs. Macri opposed this point, arguing that rehabilitation be allowed while tenants still live in the building, but basing new rents on a sliding scale of rent increases over three years while leaving in provisions for the landlord to settle with the tenant the terms of vacating.

The amendments also call for the creation of a new position of hearing examiner. These would be part-time and filled by attorneys, Ranieri said. They would hear applications and give decisions within 45 days of applying.

"The hearing examiners would be the court of jurisdiction while the rent control board would be the court of appeals," he said.

The amendments also would allow owners who live in their buildings with one or two rental units to increase rents by 50 percent should their units be voluntarily vacated or the tenants there evicted because of misconduct.

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Consultant hired to help develop Hoboken's budget

JS 2/7/84

The Hoboken Council hired a consultant last night to help the panel develop the 1984 municipal budget.

Consultant Joseph Lisa of Bayonne was hired for a three-month term at a total salary of $4,500. He has previously worked with the city auditor, according to the council.

Lisa's salary is being paid in equal parts by the council, the Water Department and the Sewerage Department.

The council altered the scheduled budget hearing to have the March 7 session at Hoboken High School start at 7 p.m. The council's own meeting will start at 6 p.m.

A $140,000 contract for two street sweepers was awarded to Garden State Sweeper Inc. City officials said the current street sweepers are mechanically unreliable and have been able to keep a portion of the city streets clean over the past eight months.

The council settled a dispute over a bill for garbage removal dating back to 1982. The LaFera Company of Newark had been seeking $90,000 in payments for trash removal between February and May of 1982. The council last night ratified a negotiated agreement in which the company will accept $45,000 to settle the bill.

One bureaucratic hand washes another

Hoboken proposes tough requirements for rent increases

By James Kopchains 2/17/84

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Under the city's code, landlords receiving rehabilitation approval may remove their

See HOBOKEN — Page 19.

LIMIT: 2 DOZEN

EDITORIAL

Guest Editorial: Profits vs. People

The excitement over Councilman Ranieri's proposed amendment to the rent control law on substantial rehabilitation is another chapter on Hoboken's housing crisis. In turn, our crisis is part of a larger problem which our outdated rent control law no longer addresses.

When the Hoboken rent control was originally passed and amended, rents here were low and the City Council wanted to encourage investment in housing stock that was very old, deteriorating, and often abandoned. Now, a demand has been created by present law guarantees the landlord a profit. In return for giving up superprofits in an over-heated, inflated, rent spiral, where the bubble could burst at any time, the landlord continues to be guaranteed a healthy 11½% return. This is more than almost any non-financial corporation makes. The amendment assumed that many landlords would recognize their own economic interest in the long term growth of a stable community as opposed to the present conditions of speculative windfall profits, tenant displacement, community disruption and polarization.

JJ 2/17/84

Hoboken proposes tough rent rules

Continued from Page 1

buildings from rent control for 13 months to make up the costs involved in rehabilitation.

Under the committee's recommendations, the cost of repairs must exceed 40 percent of the state's Building Valuation Data Report Table value as issued by the Department of Community Affairs. At present, rehabilitation is based on the assessed value of the building.

The state table is used to determine whether a rehabilitated building falls under the new BOCA housing code, Ranieri said. It is a fluctuating figure that more accurately reflects current market value, he said.

Also, a landlord must have in hand a certificate of completion issued by the city's building inspector. Landlords must complete their work before qualifying.

The amendments require that if tenants in the rehabilitated structure do not vacate voluntarily, they can be evicted only in cases of misconduct.

"This will mean the landlord will have to make his own deals with the tenants if he wants to apply, rather than going ahead with a 'tenant-be-damned' attitude," Ranieri said.

He said Mrs. Macri opposed this point, arguing that rehabilitation be allowed while tenants still live in the building, but basing new rents on a sliding scale of rent increases over three years while leaving in provisions for the landlord to settle with the tenant the terms of vacating.

The amendments also call for the creation of a new position of hearing examiner. These would be part-time and filled by attorneys, Ranieri said. They would hear applications and give decisions within 45 days of applying.

"The hearing examiners would be the court of jurisdiction while the rent control board would be the court of appeals," he said.

The amendments also would allow owners who live in their buildings with one or two rental units to increase rents by 50 percent should their units be voluntarily vacated or the tenants there evicted because of misconduct.

All other landlords would be entitled to the present 25 percent increase for vacated apartments, Ranieri said.

Trooper to run Youth House

Continued from Page 1

tices that have resulted in a string of escapes and some beatings of inmates by guards.

Spirko is a veteran of 26 years of service with the State Police that dates from 1955.

Before his retirement, he was station commander at the State Police Somerset barracks and in command of about 70 troopers in northern New Jersey. He also had charge of 10 civilian communication operators.

A 1947 graduate of Bayonne High School, Spirko was a Marine Corps sergeant who saw action in Korea.

EDITORIAL

Guest Editorial: Profits vs. People

The excitement over Councilman Ranieri's proposed amendment to the rent control law on substantial rehabilitation is another chapter on Hoboken's housing crisis. In turn, our crisis is part of a larger problem which our outdated rent control law no longer addresses.

When the Hoboken rent control was originally passed and amended, rents here were low and the City Council wanted to encourage investment in housing stock that was very old, deteriorating, and often abandoned. Now, a demand has been created by Manhattan's real estate speculation, many of whom have more disposable income or who can share apartments. Real estate investors catering to this new market have exploited the substantial rehabilitation provision in the rent control law permitting them to empty occupied housing and replace current tenants with those who can pay rents that only a few years ago would have been unthinkable—$500 to $800 or more for an apartment. The presumed intent of the provision, to stimulate the rehabilitation for Hoboken housing stock, provide decent homes for our middle and lower class families and individuals and thereby revive the entire community, is being sabotaged.

Buildings in Hoboken are grossly underassessed. An investor buys a multi-family dwelling. The tenants may have been living in this building for years, paying rents of less than $250. They often represent a cross-section of Hoboken, some elderly, some Hispanic families and some young people perhaps artists or others who cannot afford a high rent. The new investor may invest slightly more than the assessed value to do repair work or improvements while the tenants remain in their apartments. There are no guidelines in the law about the necessity of the work, the quality of the work, or ceilings on how much the landlord should pay for specific items or labor.

Then the investor can raise the rents to market value. If this new rent is $550 or $600 or more the elderly or poor tenants are faced with the no-choice choice of paying the new rent or moving, usually out of Hoboken, because reasonably priced apartments are almost non-existant.

Mr. Ranieri's amendment sought to address those conditions which undermine the intent of the original law. His proposal allowed an increase in rent to an investor in exchange for an investment. But at the same time, it restricted those increases to levels that at least some of the present tenants might afford.

The amendment attempted to increase the threshold for qualifying for substantial rehabilitation to somewhere near market value; to moderate rent increases; to encourage substantial rehabilitation in empty, not occupied, apartments; and to set some guidelines about that would be treated as a capital improvement as opposed to standard maintenance and repair.

More generally, Mr. Ranieri's amendment guaranteed a reasonable return on investment but put limits on skyrocketing and displacement.

At the City Council meetings about the amendment, the landlord argued that these reforms would halt investments by not allowing them to profit.

What the landlords neglected to mention is that the present law guarantees the landlord a profit. In return for giving up superprofits in an over-heated, inflated, rent spiral, where the bubble could burst at any time, the landlord continues to be guaranteed a healthy 11½% return. This is more than almost any non-financial corporation makes. The amendment assumed that many landlords would recognize their own economic interest in the long term growth of a stable community as opposed to the present conditions of speculative windfall profits, tenant displacement, community disruption and polarization.

Presently, the rent control law protects the landlord's income in several ways; he recoups his investment in a few years. He makes a guaranteed 11½% profit. He gets an annual cost of living rent increase. He passes along his capital improvement charges. He has equity in and eventually owns and improved the building (which the tenants have paid for). He reaps the profit when he sells. He gets income tax deductions and depreciation benefits. He often gets city tax abatements as well. (It should be understood that small homeowners and tenants are the ones who pay Hoboken's monstrous property taxes. Most large landlords have no interest in the Hoboken property tax rate since they pass it along.)

Despite all the guarantees to the landlords, the City Council defeated Mr. Ranieri's amendment 6 to 3.

This issue raises the fundamental questions about the direction and nature of Hoboken's future. The landlords, speculators and developers may succeed in intimidating everyone as they apparently did the majority of the City Council at those meetings. They may indeed convince everyone that Hoboken can only survive if they are guaranteed speculative profits beyond 11½% and if long-term residents must live in the dread of "progress." There are, however, other choices. It is possible to encourage community improvement and growth which will benefit the investor and will foster a diverse and productive community. Mr. Ranieri's amendment was an attempt at such an approach. Everyone who lives and works in Hoboken should carefully consider the future of our community if a small group of real estate speculators and large financial institutions, interested solely in maximizing their profits, are allowed to determine what kind of city this will be in a few years.

Diane M. Camilleri, V.M.D.
Judith F. Stone, Ph.D.

Monday, February 27, 1984

Tenants challenge rent hikes

By MARITES CHICHIOCO
Staff Writer

JERSEY CITY—A tenant group, hoping to voice its members plight to city officials, staged a rent increase protest yesterday at which none of the invited officials appeared.

Hoboken Councilman Robert A. Ranieri was there, despite two threatening telephone calls he received Friday, telling him to stay away from Jersey City.

Ranieri, who is also a 33rd District Democratic assemblyman, met with the group of 40 tenants, hearing complaints about their landlord, Hoboken resident Rev. Hugh Hothem, who owns 334 Ogden Ave. and 17 other buildings.

With state legislative aide Thomas Vecchione acting as his personal bodyguard and hovering from a distance, Ranieri said he came because of his involvements in similar rent disputes in Hoboken and because the tenants are his consti-

See TENANTS, Page 7

Tenants plan tent protest over skyrocketing rents

THE JERSEY JOURNAL, FRIDAY, FEBRUARY 24, 1984 11

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Chuck McGroarty, Jersey City Tenants Association secretary-

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Walther said about one-fifth of the tenants are senior citizens

THE JERSEY JOURNAL
and Jersey Observer
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The Evening Journal Association
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Alvin Schub, Advertising Director

Meetings

2/29/84

Some Hoboken council members may be slipping into the dark ages — the black days when government business was carried on in back rooms, behind closed doors.

The city council's public safety committee refused to allow a non-member councilman to sit in on a closed committee meeting last week. When Councilman Thomas Vezzetti refused to leave, the public safety director had the councilman arrested for disrupting the meeting.

The courts will decide if in fact

TENANTS

Continued from Page 1

tuents.

He is scheduled to file a complaint with the Hudson County Prosecutor's Office regarding the threatening calls. One was made to his home at around 5:30 a.m. and the other to his office five hours later.

"A rather sinister voice said 'keep your fanny out of Jersey City or you're gonna get hurt,' " Ranieri said.

He told the tenants gathered in Fiske Park, alongside the building, "We recognize the problem you're having because we have the same problem down the hill."

The Ogden Avenue tenants are scheduled to appeal the 144-percent increase, which would take effect in March, to the city's rent leveling board Wednesday.

Hothem was allowed an exemption under the substantial rehabilitation clause of the city's rent control ordinance which gives the board the power to waive statutory limits on hikes.

The tenants are protesting that the landlord was in effect charging them more money for less service.

Hothem put in improvements worth more than half the property's assessed value in rehabilitating the building.

The work included converting the building heating system from a central unit for which costs were included in rents to a system of individualized heating units. Tenants now pay their own heating bills.

Tenants of the 26-unit building are facing an increase which would send their rents from $245 to $600 a month, unless the board rules in their favor.

A spokesman for the group said the protest was part of a move to enlist City Council members to support several pro-tenant amendments to the ordinance.

Tenants plan tent protest over skyrocketing rents

Tenants at 334 Ogden Ave., Jersey City are planning to "bring their case to the people" on Sunday, pitching pup tents at Riverview Park, at 1 p.m., to protest proposed rent increases.

This announcement was made by Henry Walther, one of the organizers of the afternoon event which is expected to last about two hours.

He said the tents will represent the future of all tenants in the city if rents continues to "skyrocket."

Rents for tenants at the 26-unit structure will double starting Thursday if they lose their appeal to the rent leveling board Wednesday explained Chuck McGroarty, Jersey City Tenants Association secretary-treasurer.

Charlotte Haley Mizzi, the Jersey City rent board administrator, has already approved the owner's increases due to his improvements at the building, explained Walther.

The building is owned by the Rev. Hugh Hothems, a Hoboken minister.

Rev. Hothems could not be reached for comment yesterday.

Rent control laws normally restrict all incrases to 4 percent a year. However, when an owner spends more than 50 percent of the assessed valuation of his building on improvements, he or she may be allowed a one-time exemption from the law.

Improvements made by Hothems include changing over the heat and hot water systems so that tenants now pay for their own heat. He has also put in new windows, doors and doorbells and smoke alarms, spending a total of over $100,000.

Walther however called these improvements only "cosmetic". His current rent is $245 for a four-room apartment where he has lived for 16 years. It will be increased to $600 if the rent increase isn't rolled back, he said.

The building currently has about 50 tenants and three vacant apartments.

Walther said about one-fifth of the tenants are senior citizens and he fears that they will have nowhere to go if they cannot pay the increase.

"Most of the people in this building are like family. They have lived here an average of 20 years or more. Where can they go from here is they are forced out of the homes they love?"

Walther said that Councilmen Thomas Fricchione and Thomas Hart have been invited to attend the protest Sunday as has Hoboken Councilman and State Assemblyman Robert Ranieri and tenants in other buildings facing similar fates.

Sewer board weighs action

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The city council's public safety committee refused to allow a non-member councilman to sit in on a closed committee meeting last week. When Councilman Thomas Vezzetti refused to leave, the public safety director had the councilman arrested for disrupting the meeting.

The courts will decide if in fact Vezzetti disturbed the peace. But the larger question of whether he or any other elected official can be shut out of important strategy sessions deserves more attention.

If in fact Vezzetti was disruptive, he is not worthy of the privileges he may be entitled to as an elected official.

Instead of engaging in a debate with the committee over whether he had a right to be at the meeting, he should have sought an opinion from the city attorney.

If he was not satisfied with the opinion, he could have then sought relief from the court.

By taking the law into his own hands, he has clouded the more important question of whether he has a right to be at the meeting.

As a representative of the people, he should be entitled to attend all council committee meetings, whether he serves on the committee or not.

He and council members would have a better understanding of issues on which they were to vote, if they had sat in on background briefings.

Out of courtesy to the committee, council members should express their desire to attend meetings in advance. This way the committee would know beforehand whether the public should be advised of the closed session or not. In the recent Hoboken case, if more than four councilmembers had wished to attend, the public would have had to be put on notice.

Also out of courtesy to the committee, visiting councilmembers should refrain from commenting on the subject matter until it is brought before the entire council for a vote.

The ugly display in Hoboken last week causes the public to mistrust their elected representatives because it gives the appearance that they have something to hide, not only from the public but from another duly elected official.

JJ 2/22/84

300% rent hike dismay

By Lisa Vives

Assemblyman Robert Ranieri of Hoboken offered help yesterday to five Jersey City tenants facing eviction because they can't afford 300 percent increases in their rent.

Three of five tenants of 334 Ogden Ave. who met with Ranieri are three senior citizens. One of them said she fled Communist-occupied Czechoslovakia many years ago after party officials took over her house.

"I was happy to come to this country," said Marge Walther, "but now, in old age, forget about it. Next month I'll probably be sleeping in the par-j,"

Rent increases in the 26-unit building were approved under a rule which permits landlords one increase of any amount after spending a set amount in "substantial rehabilitation" to his property.

New rents at 334 Ogden Ave. are $600 a month for apartments with a New York skyline view and $550 a month for the others.

The landlord, the Rev. Hugh Hothem of Hoboken, has also asked for a month-and-a-half of security payable on the first of next month. He could not be reached for comment.

If the new rent are approved on Feb. 29 by the Jersey City Rent Board, the tenants say they will have to leave.

A similar loophole in Hoboken's rent law has been at-

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The poverty line 2/23/84



By Art Buchwald

The most dangerous place in America to be these days is anywhere near the poverty line. As the president's Task Force on Hunger reported, cuts in food assistance have not hurt the "truly needy," who are still being taken care of. But they have reduced benefits for many people "just above the poverty line."

even though the government decided we weren't poor. She said she didn't make the rules. David Stockman had to draw the line somewhere."

"Why don't you quit your job? Wouldn't that put you safely below the poverty line?"

"I've thought about that, but I can't make it with five kids on government handouts. I also can't make it just on my salary. What I need is both.

JS 2/24/84

Revaluation vote coming

TRENTON — Senate President Carmen A. Orechio, D-Essex, gave assurances yesterday that the Hoboken revaluation bill be given a floor vote Monday once released earlier in the day from the Senate County and Municipal Government Committee. The sponsor, Assemblyman Robert A. Ranieri of Hoboken said he received the commitment on the bill adopted by the Assembly Jan. 30 and referred to the Senate committee the same day. It would impose a two-year moratorium on the revaluation ordered by the Hudson County Board of Taxation to give Hoboken time to ease the impact on small and medium sized homeowners. Ranieri said Orechio related the committee will meet Monday.

The poverty line 2/23/84



By Art Buchwald

The most dangerous place in America to be these days is anywhere near the poverty line. As the president's Task Force on Hunger reported, cuts in food assistance have not hurt the "truly needy," who are still being taken care of. But they have reduced benefits for many people "just above the poverty line."

Mabel Newbaum, a mother of five in South Succotash, is an example of someone who is having a tough time because she can't stay below the poverty line.

"The way things are going now, the nearer you get to the poverty line, the more trouble you're in," she said.

"In what respect?" I asked.

"Well, if you're way below the line, the government has to take care of you and if you're way above it, you don't need help from anyone. But it's when you get close to the line that you're walking a tightrope. The main problem is no one is quite sure where the poverty line is. Every time you've found it, the government changes the guidelines."

"Would hunger be a test?"

"Not necessarily. Your family could be hungry, but if you own a TV set they could still put you above the line."

"Where are you right now?" I asked Mabel.

"Last week I was eligible for food benefits for my family. But this week they added the benefits I was getting to my income, and decided I was above the poverty line by this much," she said holding her two fingers a sixteenth of an inch apart.

"Are you trying to tell me without the food benefits you might have remained below the poverty line?"

"That's what the lady down at the welfare office said. She told me as long as I didn't take my benefits I could qualify for them. But the minute I took them I went above the poverty line, and was no longer entitled to them."

"It's kind of a Catch 22 situation."

"It's a Crock-22 situation. I told the lady my kids were still hungry even though the government decided we weren't poor. She said she didn't make the rules. David Stockman had to draw the line somewhere."

"Why don't you quit your job? Wouldn't that put you safely below the poverty line?"

"I've thought about that, but I can't make it with five kids on government handouts. I also can't make it just on my salary. What I need is both. If the government would stop moving the poverty line up and down every day I'd know where I stood."

Mabel continued, "Even President Reagan can't agree on who is poor and who isn't. I saw him discussing the homeless on 'Good Morning America' and he said that the fact a person sleeps on a grate doesn't necessarily make him homeless, because many people in America like to sleep on grates."

"I think you're being too harsh on this administration, Mabel. After all, they have to cut the size of the budget. They can either do it by announcing they're going to ignore the poor people — or by insisting there are far less of them than anyone would like to believe. The latter method is much more palatable to the American people. That's why the poverty line is so important to the budget cutters. The less people they include below it the less benefits they have to make available to them. That's just good Reaganomics."

"Yeh, but how does that put food on my table?" Mabel wanted to know.

"I wouldn't look at it from that angle," I said. "Aren't you proud that your government no longer considers you a poor person and a drag on society?"

"I suppose so," Mabel said. "But just because they arbitrarily put me above the poverty line doesn't mean I can pay my bills."

"Look on the bright side of things, Mabel. If they turn off your heat you'll probably drop below the poverty line again, and then you'll be entitled to government assistance."

"Are you sure?"

"Well, they're certainly not going to ask your family to sleep on a grate — unless, of course, you want to."

IJ 2/23/84

300% rent hike dismays tenants

By Lisa Vives

Assemblyman Robert Ranieri of Hoboken offered help yesterday to five Jersey City tenants facing eviction because they can't afford 300 percent increases in their rent.

Three of five tenants of 334 Ogden Ave. who met with Ranieri are three senior citizens. One of them said she fled Communist-occupied Czechoslovakia many years ago after party officials took over her house.

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The landlord, the Rev. Hugh Hothem of Hoboken, has also asked for a month-and-a-half of security payable on the first of next month. He could not be reached for comment.

If the new rent are approved on Feb. 29 by the Jersey City Rent Board, the tenants say they will have to leave.

A similar loophole in Hoboken's rent law has been attacked by Ranieri, who is also on the Hoboken City Council.

"Anything I can do will be done," Ranieri promised the tenants in his legislative office yesterday.

"I'm very much concerned about you, but I don't see the light at the end of the tunnel," he cautioned. "Unfortunately, there's no way to change this ordinance tomorrow."

"My name is Martha Higgins and my husband has had two operations," one woman said. "I've looked at other apartments, but my husband can't climb stairs and I don't have the kind of money they're asking."

Ranieri said he has proposed changes in Hoboken's rent law.

"An investment of $4,000 per apartment, as in 334 Ogden Ave., is cosmetic improvement not a substantial improvement," he said. "I am proposing to tighten the requirements for use of this provision.

"I don't know if my proposals will come in time to affect your case," the assemblyman told them."

Ranieri said he would seek a meeting with the Rev. Hothem, their landlord, and with Jersey City Heights Councilman Thomas Hart and with his legal advisers to explore any other options remaining to the tenants.

Lucy Campominosi, a 31-year resident of the building, said she hoped to make a trip to her native Italy when the prooblems were over.

'What's bad ios that we started to lose hope," she said sadly. "You run for transquilizers, you don't sleep at night. It makes life so miserable."

Hoboken Housing Authority to alter tenant selection list

2/24/84

By James Kopchains

Starting next month there will be a new system of selecting tenants for Hoboken Housing Authority projects.

The authority's board of commissioners is expected to approve a federally-mandated change in the tenant selection waiting list next month that would classify applicants under income rather than on a "first come, first served" basis.

According to Dominick Gallo, the authority's executive director, staff members worked more than eight months clearing up records and rearranging them to federal specifications.

EDITORIAL

LETTERS TO THE EDITOR

Dear Editor:

On Friday, Feb. 24, 1984, Director of Public Safety James Giordano had me arrested because I wouldn't bow to his wish that I leave a City Council committee meeting. As an elected Councilman I had every right to be in the meeting so long as I wasn't the fifth councilman in the room which then would violate the sunshine law. I was the fourth. If Jimmy Giordano cannot discuss the Public Safety budget in front of me, that's his problem. To have me arrested and to physically assault me because I wouldn't bow to his whim represents the kind of two-bit thug behavior I grew up learning about in Hoboken during the 40's and 50's. I will not tolerate this kind of behaviour in the 1980's.

I pledge to do everything in my power to rid city government of the plague of Jimmy Giordano and all the sordid, corrupting influences he represents.

Tom Vezzetti
Councilman

Dear Editor:

When Jimmy Giordano (Hoboken Director of Public Safety) had Tom Vezzetti arrested last Friday, he not only violated Councilman Vezzetti's rights as a citizen and an elected official, but he also demonstrated the ultimate corruption that plagues Hoboken's government.

The facts in the Vezzetti case are quite simple. Finding a closed meeting behind a locked door in City Hall, Vezzetti knocked and was let in by fellow councilman Pat Pasculli. Upon entering, Vezzetti discovered a meeting of the Council Committee on Public Safety including councilpersons Macri, Cemelli, and Pasculli, Director Giordano, and members of the police and fire departments. As the fourth councilperson to join the meeting, Vezzetti was not in violation of the sunshine law and as an elected official should have been permitted to stay. Giordano, however, apparently did not want to discuss the Public Safety budget in front of Vezzetti so he asked Vezzetti to leave and, when Vezzetti refused, Giordano pushed him out of the door and had Vezzetti arrested.

The use of police authority to silence critics of government officials has no place anywhere in America. Richard Nixon lost his place in the sun largely on this instinct and so too will the Jimmy Giordanos of Hoboken.

Tom Vezzetti for years has been Hoboken's consummate public citizen. Many have quarrelled with his angry and sometimes erratic style. But no one doubts his committment to open and honest government. When he was elected last year, he breathed new life into Hoboken's moribund political process. When it turned out that newly elected sixth ward Councilman Pat

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According to Dominick Gallo, the authority's executive director, staff members worked more than eight months clearing up records and rearranging them to federal specifications.

Under the new system, there will be six categories for those families seeking apartments: $0-to-$3,390; $3,991-to-$6,779; $6,780-to-10,169; $10,170-to$13,559; $13,600-to-$16,949; $16,950-to-$20,399, and $20,400-to-$22,250.

Each will include sub-categories for those seeking apartments of one-t-four bedrooms, Gallo said.

In the system, Gallo said, apartments will be designated for each grouping. When an apartment becomes vacant, it will become available to the next name in the classification.

At present, names are placed chronologically, based on the date and time their applications were first filed.

The authority will still follow chronological order for each classification.

Gallo said the authority is accepting no new applications for apartments and now has 350 names on the waiting list. He said tenants have been vacating apartments at a rate of only two a month.

The next meeting of the authority is scheduled for March 8 at 6 p.m. at the authority's headquarters, 400 Harrison St.

Firearms stol...

EDITORIAL

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Jimmy Giordano has done us a service. He has shown clearly the bankruptcy and un-American quality of the political values which now govern Hoboken. On July 1st, 1985 it will be a great moment for Hoboken when a newly elected mayor asks for the resignation of Jimmy Giordano and his political cronies. Along with thousands of decent, concerned citizens, I look forward enthusiastically to the opportunity to work for the election of a mayor and at-large members of the City Council who will give us open government capable of solving problems and providing effective public services.

Steve Block, member
Hob. Bd. of Ed.

Dear Editor:

I was very impressed with last week's editorial on Mr. Edwin Duroy. I was very pleased to know that Mr. Duroy is being considered as a candidate to fill the position of principal in one of the city schools.

As a Hoboken resident of hispanic background, I think that it is about time the city makes a move in this direction. After all there are plenty of hispanics and non-hispanic children in this city who can benefit and look up to Mr. Duroy and follow his exemplary path.

Hoboken Resident

Dear Editor:

Congratulations on your great editorial "Profits vs. People" in your Feb. 22 issue. It will help to change the present belief in the community that the Reporter is a real estate publication.

However, I don't agree completely with the statement that the action taken by the Council in defeating Mr. Ranieri's amendment was solely due to pressure by the landlords. They defeated it because they are landlords themselves looking to profit by the obscene escalation in property values. The Mayor's lack of leadership on this issue is due to the fact that he is one of the larger landlords in town.

James Campion
Hoboken

2/84

The Dispatch, Hudson/Bergen Counties, N.J. Wednesday, February 1, 1984

Assembly OKs Hoboken bill

By BRAD KELLY
Staff Writer

HOBOKEN—A bill sponsored by Assemblyman Robert A. Ranieri, D-33rd, that would put a two-year moratorium on the city's revaluation passed the Assembly.

"One down and one to go," Ranieri said yesterday. The bill is expected to be introduced in the state Senate next week by Sen. Christopher J. Jackman, D-33rd, and Ranieri said it should do just as well there, if not better. The Assembly passed the bill late Monday afternoon by a 46-27 margin.

Ranieri, also a city councilman, is pushing for a delay on the city's revaluation. He said that although revaluation would drive the current tax rate of $183.29 per $1,000 of assessed valuation down to approximately $42 per $1,000, the residential homeowner would be paying more property taxes because assessments are being brought up to true market values.

Ranieri said that while the bill is specifically designed to aid Hoboken, other cities of similar size and economic condition may benefit.

Some homes, assessed 10 years ago at $10,000, have been reassessed at $80,000.

Commercial and industrial property owners would be paying fewer property taxes under a revaluation because they have always been assessed at a higher rate than residential properties and their property values have not increased as much as residential properties through the years.

In order to get approval from Gov. Thomas H. Kean, the city must show how it plans to use the two-year moratorium to help alleviate the expected tax burden of a revaluation.

LETTERS TO THE EDITOR

Dear Editor:

On Feb. 29th, in my regular reading of our local newspapers, I was struck with the contrast between an editorial in the Jersey Journal and a letter to the editor in the Hoboken Reporter. The subject of both pieces was the arrest of Councilman Tom Vezzetti on Feb. 24th, during a closed meeting of the Council's Public Safety Committee, held in the office of Public Safety Director James Giordano.

For the record, I would like to clarify the situation and address some of the legitimate questions contained in the Jersey Journal editorial. In so doing, I would hope also to dispell the misplaced and erroneous allegations made by Steve Block in his letter to your paper.

The Public Safety Committee had scheduled a meeting for 2 p.m. on Feb. 24, to discuss budgetary questions with representatives of the police and fire unions in light of the City's current tax crisis. The regular committee members are Chairman Sal Cemelli, Councilman Patrick Pasculli, and Councilman Anthony Romano. As Council President, I had also requested to be included in this meeting which had been sought by the police and firemen representatives.

In order to avoid a violation of the State's "Sunshine Law" the council cannot have more than four of its members present at any committee meeting. Before Tom Vezzetti's appearance on the scene, therefore, the committee already had the maximum number of anticipated participants. Nevertheless, when Councilman Vezzetti arrived he was admitted since Councilman Romano had not yet arrived. This did not, however, satisfy Tom Vezzetti who proceeded to disrupt the meeting with his usual shouts and unfounded allegations of secret meetings.

As it became apparent that Mr. Vezzetti's interest was more to disrupt than to participate in a fruitful meeting, Public Safety Director Giordano, in exasperation, arose and told Mr. Vezzetti to leave. Mr. Vezzetti's response to this was a dash for Mr. Giordano's chair literally pushing Councilman Cemelli and Mr. Giordano to the side in the attempt. It was at this point that Director Giordano ordered Mr. Vezzetti's arrest in order to resume an orderly meeting.

Mr. Vezzetti, in his usual style, sat firmly and defiantly with his fingers grasping the arms of the Director's chair, until Captain Totaro entered the room and performed the arrest. If anybody should be charged with assault in this incident, it is Mr. Vezzetti.

I agree with Mr. Block that the facts of this case are simple, but unfortunately he was not able to get his facts straight, since he wasn't there.

In recent years, we have been faced with severe cutbacks in Federal and State Aid. At the same time the cost of maintaining essential services continues to escalate and much of our infrastructure, like the sewer system, is on the verge of collapse.

In order to effectively deal with the multitude of tasks facing us, each and every Council member chairs one of nine committees and serves on two others. Upon advanced request, a committee will always accept a fourth member to its proceedings, and in any event, each committee is charged with making a subsequent report to the full Council. Councilman Vezzetti, in his naive zeal, apparently considers himself capable of serving on all nine committees. I, for one, would certainly be appreciative of any fellow Council member who could expend such time and energy in efforts beneficial to our community. I am, however, growing to resent the drain Mr. Vezzetti is placing upon our Council during our time of tax and budget crisis. In this regard, I would admonish Councilman Vezzetti to stop running for office and to start fulfilling the responsibilities of the office to which he has been elected.

Helen Macri,
Council President

Hoboken shelter must decide on remaining open

By James Kopchains

Now that spring is only two weeks away, organizers of an overnight shelter in Hoboken will be meeting to decide whether to continue the shelter during the warm months.

Claire Niccoletti, director, said yesterday she will meet with its organizers before deciding whether to keep the shelter open after the end of March.

Last year, the shelter closed in March after remaining open for approximately two months. However, the effort then was still chaotic because of a lack of volunteers. This year, the shelter's volunteer force has remained stable and at present numbers about 100 according to Ms. Niccoletti.

She said she was concerned that once the warm weather came many of the volunteers may not be able to be counted on. Also, she said it would depend on the amount of funding the shelter will receive for the coming months.

The shelter is housed in the basement of St. John's Lutheran Church, 300 Bloomfield St., serves meals to between 35 and 60 persons nightly, and provides ovlernight accomodations for 20 individuals.

The shelter had been under pressure last year from city inspectors who cited it for numerous violations. However, the pressure was lifted afte a compromise was reached in court.

Revaluation firm accused of neglect

By James Kopchains

The Hoboken City Council has begun calling officials from Perth Amboy and Middlesex County concerning allegations against the tax assessment firm which performed Hoboken's recent property tax revaluation.

Council President Helen Macri and Councilman Robert Ranieri and Thomas Vezzetti were named to check Landmark Associates and charges it performed shoddy and incomplete work in a municipal revaluation of Perth Amboy in 1980.

Robert Levine, city attorney for Perth Amboy, confirmed the city had filed a suit against Landmark and its [illegible] sment figures presented by the city.

Levine said the city has tried on two occasions to settle with Landmark's bonding company. Each time, he said, a compromise was worked out, but the firm failed to live up to the agreements.

Attempts to reach Mulroy were unsuccessful yesterday.

The question of Landmark's performance were brought up during Wednesday's budget hearing of the council by Anthony Russo, a former candidate for council and a member of the Hudson County Utilities Authority.

"We have hired a company

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Robert Levine, city attorney for Perth Amboy, confirmed the city had filed a suit against Landmark and its president, James Mulroy, accusing it of failing to meet its contract with the city.

"The work they did for us was totally unsatisfactory," Levine said. He said the assessment cards prepared by Landmark for the city's tax assessor were incomplete and were of little use to the tax office. In addition, he said the tax office was swamped by homeowners claiming their homes were being assessed without any visits by Mulroy's firm.

According to Levine, the Middlesex County Board of Taxation would not accept the assessment figures presented by the city.

Levine said the city has tried on two occasions to settle with Landmark's bonding company. Each time, he said, a compromise was worked out, but the firm failed to live up to the agreements.

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The question of Landmark's performance were brought up during Wednesday's budget hearing of the council by Anthony Russo, a former candidate for council and a member of the Hudson County Utilities Authority.

"We have hired a company and paid them over $100,000 that has been accused of improper work. Where was the investigation? Who checked this firm out?" he asked.

Ranieri said yesterday that he did not know of the litigation when he voted with the council to hire Landmark in 1981. He said he would check with Perth Amboy officials.

Meanwhile, Vezzetti said he has already contacted state tax officials and will continue his investigation into Russo's charges.

The Hoboken revaluation has been one of the most controversial topics in the city in recent months.

3/8/84

Hoboken residents den dget cuts

By Earl Morgan

Cut, cut and cut some more. That's the message a string of residents and representatives of community organizations delivered to the Hoboken City Council last night at Hoboken High School.

The main order of business during the council meeting was the introduction of a compromise rent control ordinance sponsored by Councilman Robert Ranieri.

The budget introduced for the 1984 year is $22,914,081.90 and, according to the budget document handed out last night, it will decrease property taxes in the city by $1,540,922. The current tax rate of $184 per $1,000 of assessed valuation is one of the highest in the nation.

The new budget document does not give the new tax rate since both the Board of Education and the county budgets have yet to be passed. These two figures will have to be computed into the final budget to arrive at the real estate tax rate.

But city officials said if the county and board of education budgets come in at the same level they did last year there could be a $9 or $10 tax relief for city residents.

But a new evaluation of property in the city that has reportedly increased assessments as much as 60 to 100 percent incensed homeowners, some of whom were demanding at last night's hearing that the budget be cut further.

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Further non-residential and commercial property that includes dwelling units plus commercial use are covered by the new ordinance but the commercial property shall be exempt.

Homeowners of one, two and three-family structures that are also rent controlled in the city, will now be entitled up to 50 percent increase in rent that will be pegged to a formula used by the federal Department of Housing and Urban Development to set rents on subsidized "Section 8" apartments.

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But a new evaluation of property in the city that has reportedly increased assessments as much as 60 to 100 percent incensed homeowners, some of whom were demanding at last night's hearing that the budget be cut further.

Councilman Thomas Vezzetti presented a list of proposals to consolidate city departments that would eliminate the public safety director, the director of revenue and finance as well as the health adn welfare director.

Vezzetti would also reduce the mayor's salary by $12,000 and council members by $1,000.

Ranieri claimed that the budget had not appreciably increased but that the real threat was the revaluation.

Ranieri, who is also a state assemblyman, urged the audience of some 200 residents last night to support his appeal to the governor to sign legislation he introduced for a moratorium on the revaluation.

Before the rent ordinance was introduced last night it was amended to exclude a provision that would decree a structure would have to be voluntarily vacated before any rehabilitation work could begin.

The ordinance also provides one time rent decontrol in multiple buildings that are rehabilitated where the work exceeds "40 percent of the replacement value of the existing structure."

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Vezzetti won't give up on reorganization plan

Mar 12-84

By James Kopchains

Hoboken Councilman Thomas Vezzetti said yesterday he would "fight all the way down the line" to have his six-point government reorganization plan passed by the city council.

"It is essential that we begin now to make changes in this budget in order to increase the effectiveness and accountability of city government, to increase our local revenues, and to reduce the cost of government," Vezzetti said.

Vezzetti's plan would do this through the consolidation of municipal departments, redeployment of personnel, elimination of unnecessary jobs. Vezzetti presented the plan during the municipal budget hearing Wednesday night.

The plan includes:

- Eliminating the city's health and welfare department and its director from the budget. All sub-departments would be directed into other departments.
- Eliminating the position of revenue and finance director by elevating the city comptroller to the head of the department of revenue and finance.
- Eliminating the position of public safety director and placing the police and fire chiefs directly under the mayor's direction.
- Reducing the salaries of the mayor by $12,000 and each council member by $1,000 per year.
- Re-assigning all trained police officers and firefighters currently assigned to non-related duties to their original positions as policemen and firefighters.
- Creating a permanent city council committee on government efficiency and economic development. City directors would then be required to report twice a year in public session to this committee on their departments.

In presenting the plan, Vezzetti claimed that implementing the steps immediately could save the city $240,000 as well as restoring the morale of city workers who feel put upon by too many administrators. Vezzetti also said the reorganization could go a long way in restoring public credibility in the municipal administration.

If adopted by the council, Hoboken would become the second Hudson municipality to undergo a major reorganization of departments within the past year. Bayonne has already started a program of reorganization designed to save money and increase government efficiency.

According to Vezzetti, the plan he proposed would only be the first step in a gradual program of improvements. "Beyond these immediate proposals, we must begin to explore ways of further improving the operation of city government and increasing revenue to the city," he said.

"There are 452 full-time positions with $225,000 allocated for overtime and $266,000 for part-time positions contained in this budget. Mismanagement and possible additional overlapping assignments must be uncovered and changes made where necessary."

Also, Vezzetti said the city should make a special effort in collecting overdue taxes, estimated to total over $5 million as well as the overdue water and sewer bills. He also called for speeding the sale of delinquent buildings held by the city.

Hoboken Council will investigate revaluation

The Hoboken City Council's Revenue and Finance Committee will soon start its own investigation into charges that Landmark Associates performed an unsatisfactory job in doing a revaluation of that city's property assessments.

Landmark is under contract with Hoboken in its own revaluation. Last week, former council candidate Anthony Russo charged the council hired Landmark in 1981 despite knowledge of the lawsuit, against the company by Perth Amboy.

According to E. Norman Wilson Jr., head of the council's revenue and finance committee, he did not know of the lawsuit at the time of Landmark's approval and that fact troubles him.

"It seems as if someone in the administration did know of Landmark's troubles, but never told the council of it," Wilson said.

"How did this happen? Why were we not told?"

Wilson said his committee would start by interviewing officials from Perth Amboy to determine exactly the circumstances surrounding the lawsuit. He will then speak to Landmark officials and Hoboken Tax Assessor Woodrow Monte for additional information.

In the Hoboken housing boom there?

IJ 3/15/84

By Jim Kopchains

In the stampede for Hoboken real estate, people like Elizabeth Martinez and Gladys Masol are being trampled.

Theirs and hundreds of other families that have been or are about to be displaced from apartments in Hoboken are in the middle of a bad situation — unable to pay the higher rents and too late to fit into any subsidized housing program.

Mrs. Martinez and Mrs. Masol both know the problem firsthand. They face either eviction or paying three or four times their present rents because of increases granted by the rent control board.

"You go to the real estate brokers and they tell you they have nothing for you for below $500 a month. How am I going to pay that and feed my family at the same time?" Mrs. Martinez asked.

Klose Encounters Hoboken Mayor Steve Cappiello

See Page 20

Birthday Bon has 9 more





ording to Alfred Arezzo, the ty's construction code official.

With these improvements come application to the city's rent control board for increases to pay for them.

No accurate numbers have been collected on families already displaced or those facing eviction, but both Mrs. Milan and Garcia estimate them in the thousands.

"You can see it on the streets. There used to be children everywhere; families living together. Now Hoboken is becoming a city without children," Garcia said. "Families are being forced out and the landlords are renting to single people or couples without children."

Garcia said he helps tenants in hundreds of buildings throughout the city, but he said there are many more who never contact him out of fear.

"I know places where two or even three families live together in small apartments because there's nowhere else to go," said

affordable apartments available.

Morales and Gallo have stopped accepting applications for the over 2,600 units they manage. Each has a long waiting list for the apartments, which become available at a rate of one or two a month. Yet each still gets dozens of calls every week from persons seeking apartments.

"Some of them are so desperate, they're literally begging over the phone. I don't want to get off, but there's nothing I can do. I just don't have anything to give them," Gallo said.

"In Hoboken I don't know what a poor or middle-class person can do to move," Morales said. "For a person on welfare, Social Security or disability, how can he or she afford $650-a-month rents?"

Morales said he has visited families living in substandard apartments where they pay $350 to $400 monthly.

"They know they are paying

just do not exist with the inflated property prices in Hoboken. Morales said Applied Housing has no plans for new housing.

Meanwhile, ALTO has started a campaign to attract state attention to the Hoboken problem. Members have alreads collected petitions and

the law used to increase landlords and give better bargaining power to tenants. Prospects for the amendment's passing are not known.

While these efforts to help are being attempted, the stampede for property continues unabated.

In the Hoboken housing boom there's no place for the poor

T-J 3/15/84

By Jim Kopchains

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Theirs and hundreds of other families that have been or are about to be displaced from apartments in Hoboken are in the middle of a bad situation — unable to pay the higher rents and too late to fit into any subsidized housing program.

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Klose Encounters Hoboken Mayor Steve Cappiello See Page 20

"Move? I'd leave in a minute if I could, but there's no place to move to that I can afford here," Mrs. Masol said.

Every day they must face landlords who wish they would just disappear. Real estate frauds try to pawn off substandard apartments at high rents on them.

City officials offer sympathy, but little else.

"I tell tenants who face eviction to fight it all the way. Fight as long and hard as they can, because there is nothing out there that they can move to," said Lina Milan, the city's tenant advocate.

"The word's been out in the streets for months: if you're looking for apartments in Hoboken, forget it. There aren't any around," said Juan Garcia, the organizer of ALTO (Alliance of Tenant Organizations), a

See HOUSING — Page 27.

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Housing boom leaves out poor

Continued from Page 1.

community group for tenants.

With the renewed interest in Hoboken housing, properties that couldn't be given away 10 to 15 years ago are valuable again. Requests for permits for property improvements and rehabilitations have nearly tripled in recent years, according to Alfred Arezzo, the city's construction code official.

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Garcia said he helps tenants in hundreds of buildings throughout the city, but he said there are many more who never contact him out of fear.

"I know places where two or even three families live together in small apartments because there's nowhere else to go," said Garcia.

He said many tenants in this situation get trapped and cheated by the "lists." These are quasi-legal listings of apartments that applicants pay $75 to obtain. According to Garcia, most of the apartments on the list have long ago been rented or were never available in the first place. More often than not, the applicants lose their money with no apartment to show for it.

Raul Morales, director of the 1,309 Applied Housing subsidized housing units, and Dominick Gallo, executive director of the Hoboken Housing Authority, both say there are no affordable apartments available.

Morales and Gallo have stopped accepting applications for the over 2,600 units they manage. Each has a long waiting list for the apartments, which become available at a rate of one or two a month. Yet each still gets dozens of calls every week from persons seeking apartments.

"Some of them are so desperate, they're literally begging over the phone. I don't want to get off, but there's nothing I can do. I just don't have anything to give them," Gallo said.

"In Hoboken I don't know what a poor or middle-class person can do to move," Morales said. "For a person on welfare, Social Security or disability, how can he or she afford $650-a-month rents?"

Morales said he has visited families living in substandard apartments where they pay $350 to $400 monthly.

"They know they are paying too much and that the apartment is in bad shape, but they don't complain. They don't want to lose what they have."

Both men point out that the Reagan administration's policy of cutting back on public housing funding and stopping the federal Section 8 housing program severely limits their and the city's ability to handle the situation by building new housing.

"Without new funding, no housing authority can afford to build new housing," Gallo said.

Morales pointed out that the financial conditions that allowed Applied Housing to renovate old apartments for Section 8 housing just do not exist with the inflated property prices in Hoboken. Morales said Applied Housing has no plans for new housing.

Meanwhile, ALTO has started a campaign to attract state attention to the Hoboken problem. Members have alreads collected petitions and scheduled demonstrations in Trenton to have state officials visit and investigate the situation.

However, the response by the state has been tepid.

In the city council, a new amendment to the city's rent control ordinance would help close some of the loopholes in the law used to increase rents by landlords and give better bargaining power to tenants. Prospects for the amendment's passing are not known.

While these efforts to help are being attempted, the stampede for property continues unabated.

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Landmark Hoboken church sold

3/16/86

By James Kopchains

The landmark St. Paul's Episcopal Church of Hoboken will be converted to luxury housing following its sale this week to a Hoboken corporation for $500,000.

Bishop John Shelby Spong of Newark and a standing committee of the Episcopal diocese approved the sale on Wednesday, according to the All Saints pastor, the Rev. Geoffrey Curtiss.

All Saints Parish Council had recommended the sale after choosing the Elysian Financial Services Inc. as the buyer out of five competing firms.

All five had submitted plans for housing at the church, Curtiss said, despite the council's hope to convert the church into a site for community functions.

The sale price had been reported in a parish newsletter.

"There had been talk of plans being submitted to turn the church into a community center when we first offered it for sale," Curtiss said. "However, all that had died out."

The property, which has housed the St. Paul's congregation since 1870, is located at 820 Hudson St., which is considered among the most desirable areas in the city.

At $500,000 for the building's 12,000 square feet, Elysian paid roughly $41 per square foot for the site. Several local real estate brokers said this price was consistent with other property sales in that section.

Curtiss said the lease agreement with the parish demands

See LANDMARK — Page 25.

to be tied with the Elysian Federal Savings Bank of Hoboken. Efforts to reach Joseph Gorga, listed as corporation president, and Ernest Badaracco, president of Elysian Bank, were unsuccessful yesterday.

All funds derived from the church's sale will be used to set up a St. Paul's Fund, Curtiss said, which will be used to finance parish and community projects. Final closing is scheduled by Aug. 1.

Lucy Holland, vice president of the Hoboken Cultural Council, said the sale of the church for luxury housing was "tragic."

"I'm sorry to see that the

Curtiss said he and the parish council would have liked to sell it to a group that could convert it into a community center, but no such proposals were made.

He said that several officials from the city had looked at the Hudson Street building to consider its use as a community center, but decided it would be too expensive to renovate.

The plan submitted was consistent with the residential character of the neighborhood, Curtiss said, and would not cause any jarring changes in its make-up.

Built in 1870, the Neo-Gothic St. Paul's Church served the

Among the relics are banners, letters, and memorabilia from all American services as well as remembrances of battles and conflicts stretching from the Marne to Vietnam.

Curtiss said the shrine will be transferred to Trinity Episcopal Church. He said he will contact Hoboken veterans groups to participate in rededication ceremonies at its new site on Nov. 11.

The church was put up for sale last June. It came under the control of All Saints when the new parish was formed in January 1983 out of the city's three Episcopal parishes. All Saints still holds services in Trinity and the Church of the Holy Innocents.

Landmark church in Hoboken sold

Continued from Page 1.

that the church remain standing for 25 years. According to the plans, the firm will convert the building's interior into three floors of apartments while keeping the church's facade.

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"I'm sorry to see that the church will not be available for the general public to use and enjoy," she said. The cultural council had submitted a preliminary bid last year to convert the site into a citywide cultural center, but withdrew it when it realized the enormous cost involved.

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Built in 1870, the Neo-Gothic St. Paul's Church served the oldest congregation in the city and offered religious services to many mariners and longshoremen.

The church's most notable feature is the Warriors Shrine, dedicated in 1931 to the men and women who have served America in armed conflicts.

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Curtiss said the lease agreement with the parish demands that the church remain standing for 25 years. According to the plans, the firm will convert the building's interior into three floors of apartments while keeping the church's facade.

The Elysian firm is reported to be tied with the Elysian Federal Savings Bank of Hoboken. Efforts to reach Joseph Gorga, listed as corporation president, and Ernest Badaracco, president of Elysian Bank, were unsuccessful yesterday.

All funds derived from the church's sale will be used to set up a St. Paul's Fund, Curtiss said, which will be used to finance parish and community projects. Final closing is scheduled by Aug. 1.

Lucy Holland, vice president of the Hoboken Cultural Council, said the sale of the church for luxury housing was "tragic."

"I'm sorry to see that the church will not be available for the general public to use and enjoy," she said. The cultural council had submitted a preliminary bid last year to convert the site into a citywide cultural center, but withdrew it when it realized the enormous cost involved.

Curtiss said he and the parish council would have liked to sell it to a group that could convert it into a community center, but no such proposals were made.

He said that several officials from the city had looked at the Hudson Street building to consider its use as a community center, but decided it would be too expensive to renovate.

The plan submitted was consistent with the residential character of the neighborhood, Curtiss said, and would not cause any jarring changes in its make-up.

Built in 1870, the Neo-Gothic St. Paul's Church served the oldest congregation in the city and offered religious services to many mariners and longshoremen.

The church's most notable feature is the Warriors Shrine, dedicated in 1931 to the men and women who have served America in armed conflicts.

Among the relics are banners, letters and memorabilia from all American services as well as remembrances of battles and conflicts stretching from the Marne to Vietnam.

Curtiss said the shrine will be transferred to Trinity Episcopal Church. He said he will contact Hoboken veterans groups to participate in rededication ceremonies at its new site on Nov. 11.

The church was put up for sale last June. It came under the control of All Saints when the new parish was formed in January 1983 out of the city's three Episcopal parishes. All Saints still holds services in Trinity and the Church of the Holy Innocents.

Hoboken clerk job still open

3/16/84 JJ

By James Kopchains

Although Hoboken City Clerk Anthony Amoruso is scheduled to retire on April 1 after nearly 45 years of work for the city, the city council is no closer to naming a new or interim clerk than it was three months ago.

The office, which is listed at $30,000-to-$36,000 per year, is the only office filled directly by the council without a mayoral appointment.

The most popular report centers on former Council President Walter Cramer leaving his position as business manager/administrative assistant with the school board to take over Amoruso's duties.

Second Ward Councilman Thomas Vezzetti confirmed that Cramer is being considered.

"I have heard nothing about that. I have spoken to no one about it," Cramer said yesterday. Cramer did say the only conversation he has had for a city position was with Vezzetti over whether Cramer would be interested in the municipal court judge's position, which still remains vacant after two months.

Neither Council President Helen Macri nor Councilman E. Norman Wilson Jr. would confirm considering Cramer for the position of clerk.

Wilson said he would never consider Cramer for the post.

While he was council president, Cramer and Wilson frequently disagreed on city policy. Cramer lost a re-election bid in the Second Ward last year in a run-off election with Vezzetti.

Mrs. Macri said she would call a special council meeting later this month on filling the post.

Vezzetti said yesterday that he learned that the appointment of Cramer was discussed by Mrs. Macri and Wilson at a meeting with City Business Administrator Edwin Chius on Tuesday. Chius could not be reached for comment yesterday.

"To appoint that man (Cramer) would be the biggest affront to the people of Hoboken that the council could do," Vezzetti said yesterday.

Vezzetti said he would introduce a resolution Wednesday to appoint assistant city clerk Frank Fortunato to Amoruso's position.

Meanwhile, Amoruso said yesterday that he has recommended either Fortunato or Joan Brennan, another clerk in his office, as his successor.

This recommendation was made to Mayor Steve Cappiello, since Amoruso said no member of the council has yet to ask him for his recommendation.

Concerning the judge's position, Cappiello said he will send a list of five likely candidates to the council for their review and recommendation. However, Cappiello said he would still hold onto the final decision of the appointment.

The judge position has remained open since the death of Judge Maurice Gottlieb in January. At present, Peter Giordano is filling in at the court in an interim capacity.

New Jersey

CLASSIFIED ADS IN THIS SECTION

Daily News, Sunday, March 18, 1984

On the waterfront: rents are sky-high

By RANDY DIAMOND

HOBOKEN SOCIAL worker Terri Ratti used to refer Hoboken residents displaced by the fast-rising rents to apartments in neighboring cities such as Jersey City and Weehawken.

"But I can't do that any more," said Ratti, sadly. "The rents in those cities have gone sky-high, too."

A look at the real estate prices in local publications shows how high the rents have gone in the waterfront cities across the Hudson River from New York City.

Advertisements asking between $800 and $1,000 a month can be found for some one-bedroom apartments in Hoboken, with the going rate about $100 to $200 less in Weehawken and Jersey City.

Five years ago, a one-bedroom apartment could have been easily found in Hoboken for $200 a month.

In Hoboken, a new amendment that is scheduled to be introduced at Wednesday's city council meeting may change all that.

The amendment would up the ante for owners who substantially renovate their buildings.

In Weehawken, the city council is planning to pass an amendment similar to one in Hoboken; and a citizens'



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In Weehawken, the city council is planning to pass an amendment similar to one in Hoboken; and a citizens' group in Jersey City is mounting pressure on local legislators to do the same.



More New Yorkers are attracted to cities such as Jersey City and Hoboken. Scene is looking from park in Hoboken.

Currently, if a building owner in Hoboken wants to bring his building off rent control, all he has to do is put in renovations equal to 100% of the assessed valuation of the building. In Jersey City and Weehawken, it's 50% of the assessed valuation of a building.

The problem, according to city council member and Assemblyman Robert Ranieri, is that buildings in the three cities are usually only assessed at a fraction of their real value.

That makes it easier for a landlord to get his building off rent control.

"We're talking about buildings being assessed at, say, 25% of their real value, and sometimes even less," Ranieri said. "So if an owner buys a building for $100,000, all he has to do is put in $25,000 to get off rent control."

Once a building is off rent control, Ranieri said, rents are often doubled and tripled, displacing tenants in the building.

He cited one recent case of a building in Jersey City where the rents were raised from $200 a month to $600 because of the assessed-valuation clause.

"And do you know what renovation to the building the landlord did to get off rent control?" Ranieri asked. "He changed the central heating system to a system where everyone gets their own thermostat and pays their own heat. It's outrageous, but that's what was done."

The amendment to the current Hoboken ordinance would in effect mandate that building owners put in renovations equal to the purchase price of the building in order to get off rent control.

And the renovations would be up to a strict industry code mandating that quality construction material be used in renovations.

"There couldn't be any more cosmetic improvements, as there are now," Ranieri said. The majority of the nine-man city council has indicated support for the amendment.

In Weehawken, Mayor Stanley Iacono expects his city council to pass a similar amendment by April.

"We have to protect the tenants here," he said. "We can't let them be forced out."

Iacono said he is concerned because recently an owner put in a minimal amount of funds to do some renovations to get off rent control. He raised the rents of tenants who were paying around $200 a month to over $500 and $600 a month.

"That was the first building owner to take advantage of the rehab clause, but if we don't do something there could be a lot more owners doing that, as more and more New Yorkers become attracted to the area."

It is only in Jersey City that the city government is opposed to the rehabilitation clause in the rent-control ordinance.

Jersey City Mayor Gerald McCann, a Democrat who supported President Reagan in the 1980 elections, led an unsuccessful drive to allow vacancy decontrol of apartments to take place in the city.

McCann, who controls the votes of six of the nine members of the city council, had frequently said that rent control is what led to the abandonment of many of the city's buildings.

BUT CHUCK McGroarty, an official of the Jersey City Tenants' Committee, the group that helped kill McCann's plan for vacancy decontrol, said his group is going to launch an all-out campaign next month to persuade the city council to adopt changes in the city's rent-control ordinance that would eliminate these substantial rehabilitation loopholes.

"We realize it's going to be an uphill battle," he said. "But we have to bring the issue into public view."

Thomas Fricchione, one of the three anti-McCann councilmen, said that in the last two years his staff has had contact with more than 150 people who have been displaced.

"Its a bad problem," he said. "Many of these people are long-time Jersey City residents. They have no place to go when they are displaced. Many are forced to nursing homes or to live with their children."

Hoboken council avoids action on rent law, alterations coming

JJ 3/21/84

By Earl Morgan

The capacity crowd that turned out last night at the Hoboken Council meeting, anticipating action on amendments to the city's rent levelling ordinance, will have to wait a bit longer. The council voted to table the measure.

Asked to explain what the council plans to do with the rent levelling ordinance, Councilman Robert Ranieri said it will be discussed at an executive session, new changes in the ordinance will be advertised in newspapes, and the council will probably vote on the matter at its next meeting.

Over 200 people jammed the council meeting.

Sister Norberta, a member of the Hoboken Clergy Coalition, read a statement that chided the council for proposing a rent levelling ordinance the "gave more power to landlords and denies protection for tenants."

The statement said a proposal in the ordinance to do away with the rent control board and replace it with a hearing officer would result in a "hearing officer who would be quickly tied to developers."

The statement also called for the acceptance of a new revaluation the city is slated for.

Ranieri, who is seeking a two-year moratorium on revaluation, said revaluation will mean higher rents and higher taxes for small homeowners. He said new amendments to the rent ordinance will close a loophole that has made it possible for developers to double rents in some cases.

Ranieri said he would like an opportunity to speak to the Clergy Coalition about its position on the revaluation.

President Helen Macri proposed holding closed sessions Monday and Friday of next week to discuss personnel items in next year's budget.

Both Vezzetti and Pasculli opposed the closed meetings and asked that the public be allowed to attend.

Steve Block, a member of the school board, said his reading of the open meetings act does allow for a closed meeting when specific personnel are being discussed but does not exclude the public from discussions about the elimination or creation of job titles.

The council approved a leave for Public Safety Director James Giordano, although Councilmen Thomas Vezzetti and Pat Pasculli voted against it.

Vezzetti introduced a resolution to return to duty firefighters and police officers who are assigned to duties outside the uniformed services.

Vezzetti also introduced an ordinance to fill the city clerk's position with one of the office's current employees instead of hiring someone new.

Clerk Anthony Amoruso is retiring this week.

FROM THE EZZETTI

Hob Reporter
3/21/84

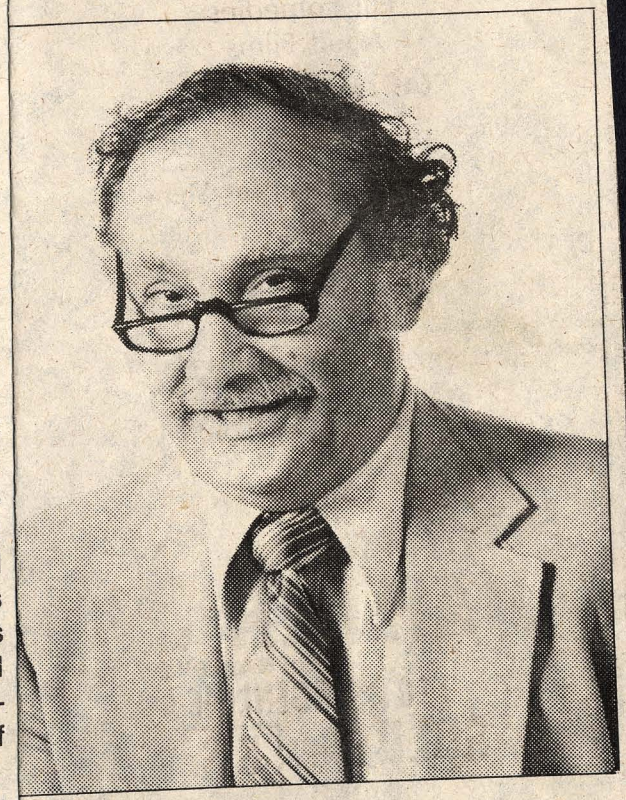
Dear Hoboken Residents,

There is a terrible state of affairs in Hoboken right now. People are being told they will have to pay confiscatory taxes in order to support the political system in Hoboken and up at the County. The root of this crisis is generation after generation of what I call 'secret service government'. This type of government allows problems to get larger. By the time you try for an answer, the problems have become mindboggling.

The so-called revaluation is the current example of what I'm talking about. The City Council and the administration knew for years about this and to my way of thinking, they should have pared down the city and school board budgets each year. Instead they kept spending and spending. Last year you remember they all played their political games and the result was that our taxes increased about 25%. The effects of this political manipulaton of budgets and taxes is that we now have budgets we can't support and our people are being driven out of Hoboken!

Now what I'm trying to do here is to bring some sanity to the situation. I've proposed a six point program to begin reversing what's been going on. I don't pretend to have all the answers but I know this is the right beginning. We can save $250,000 from the city budget and streamline management of city government right now. What I propose to do is:

- eliminate the Health and Welfare Department and the Director's position and re-assign sub-departments to other areas of government;



have been in government much longer than I have, I'm sure they could come up with their own good suggestions to supplement the ones I've made. If we stopped being afraid of the 'secret service director' in city hall, I know the Council can do the job.

I want to thank you for your help.

Always a pleasure,
Tom Vezzetti

Paid for a tion

FROM THE DESK OF COUNCILMAN TOM VEZZETTI

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3/21/84

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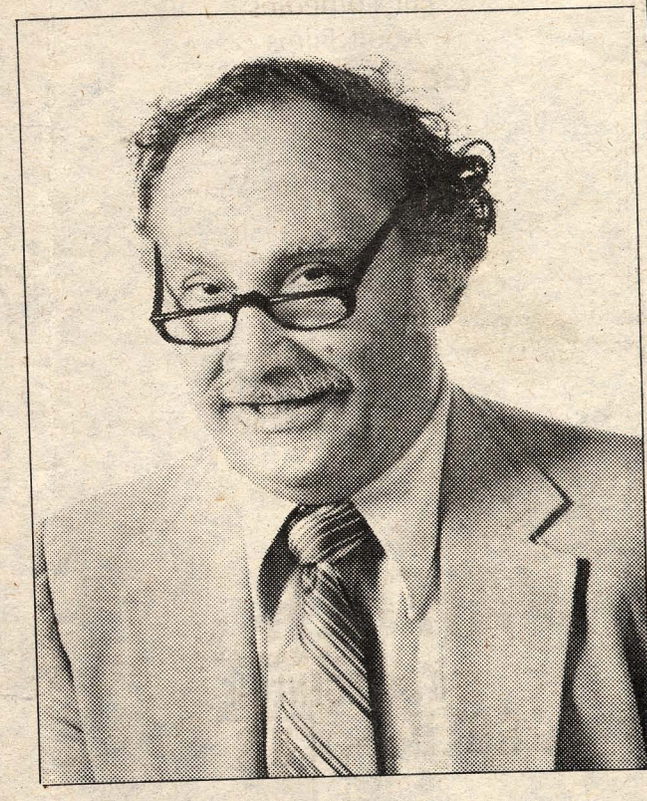
- eliminate the Health and Welfare Department and the Director's position and re-assign subdepartments to other areas of government;
- eliminate the separate position of Director of Revenue and Finance and elevate the City Comptroller to the head of the Department;
- eliminate the Public Safety Director position and place the chiefs of fire and police directly under the Mayor;
- reduce the Mayor's salary by $12,000 and each council member by $1,000;
- re-assign all trained police officers and firefighters currently assigned to non-related duties to their original positions as policemen and firefighters; and
- create a permanent City Council standing committee on Government Efficiency and Economic Development.

This last suggestion is very important. We have to find further ways to cut the budget while protecting essential services and minimize the harm to the many good people who work for the city and that scandalous Board of Education. This will take time and lots of thinking. We need to get some people who know what they're talking about to help the Council figure out how to reduce this budget and increase taxes from sources other than small homeowners and tenants. This means collecting overdue taxes and it means bringing in more businesses to parts of Hoboken which are now dilapidated. I say business rather than condos because Hoboken people also need jobs.

TO GET ANY OF THIS DONE I NEED YOUR HELP! I need you to call these other councilmen to demand that they stop playing games and take the bull by the horns. Since most of them have been in government much longer than I have, I'm sure they could come up with their own good suggestions to supplement the ones I've made. If we stopped being afraid of the 'secret service director' in city hall, I know the Council can do the job.



I want to thank you for your help.

Always a pleasure,
Tom Vezzetti

Paid for as a public service by Tom Vezzetti Civic Association

THE JERSEY JOURNAL, WEDNESDAY, MARCH 21, 1984

Hoboken rent changes would keep control board

A committee of the Hoboken City Council has decided not to recommend replacing the city's rent control board with a rent hearing officer.

The council's administrative committee will withdraw its recommendation at the council 7 p.m. meeting tonight, according to Councilman Robert A. Ranieri. The committee has made the recommendations in an ordinance amendment two weeks ago.

Ranieri said the committee will recommend that the rend control board remain essentially as it is now.

In another proposed amendment, developers would have to invest 40 percent of the replacement value of a building in order for it to qualify as a substantial rehabilitation. This would mean the investor would have to invest five times more to rehabilitate a building and be able to raise the rent.

The committee also proposed a formula through which the owner of an unoccupied small housing with three units or less can raise the rent 50 percent if he can prove that the tenants vacated the unit voluntarily.

Ranieri said that a lot of people are expected to attend tonight's meeting because many were interested in the proposed changes.

Hoboken tables renter bill

J J 3/22/84

By BRAD KELLY
Staff Writer

HOBOKEN—The City Council last night tabled rent ordinance changes that would have put controls on substantially rehabilitated buildings.

The council has been grappling with the city's current rent decontrol policy since October, when it considered doing away with rent decontrol entirely.

Under the amendments, any owner of a multifamily dwelling seeking to become free of rent control for 13 months would have to invest at least 40 percent of the cost of constructing that same building today into upgrading the existing building. If an owner is renovating a building that is assessed at a true market value of $100,000 but would cost $250,000 to replace today, he must invest 40 percent of $250,000, or $100,000, to qualify for rent decontrol.

Two and three unit homes would be eligible for a one-time 50 percent decontrol of rents on

See RENTER, Page 9

ENTER

Continued from Page 1

that would have allowed a tenant to stay in a rehabilitated building even if he could not pay the increased rent.

Last night's meeting was Anthony J. Amoruso's last after 19 years as city clerk, and each council member expressed his respects.

vacant apartments that are substantially rehabilitated, but occupied units would fall under the same requirements as multi-family dwellings.

The council decided to table the changes, however, because a proposed amendment to hire a hearing examiner and do away with the rent control board was eliminated. The council's administrative committee was charged with rewriting the amendments.

Tenants have complained that the proposed amendments favored landlords once the council earlier this month voted to exclude a amendment

Under the amendments, any [illegible] family dwelling seeking to become free of rent control for 13 months would have to invest at least 40 percent of the cost of constructing that same building today into upgrading the existing building. If an owner is renovating a building that is assessed at a true market value of $100,000 but would cost $250,000 to replace today, he must invest 40 percent of $250,000, or $100,000, to qualify for rent decontrol.

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See RENTER, Page 9

facility blend in with the

JJ 3/10/84

Ferrigno against rent exemption

The president of the North Bergen Tenants Association has joined the protest over the introduction of what he terms "anti-tenant" legislation in the State Senate this week.

Carl Ferrigno, president of the NBTA, announced that he will "fight any way possible" the passage of the bill numbered 383 which would exempt new apartment buildings from rent control for 30 years.

Calling the bill "descrimination against the tenants throughout the state "Ferrigno said he is currently deciding whether to write letters to all members of the state senate or "visit the senate personally" to lobby.

Ferrigno, who also serves as North Bergen's commissioner of public works, says he has about 1,000 members in his association.

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up his mind.

Meadowview Hospital ground.

JJ 3/30/84

Farina, Giordano in new posts Monday

A crowd of about 60 relatives and well-wishers filled Hoboken Council Chambers as the city's new city clerk and municipal court clerk were sworn in by City Clerk Anthony Amoruso.

The new clerk, Jim Farina, and Judge Peter Giordano, were appointed by the council at a special meeting on Wednesday. They will assume their offices on Monday.

Farina, who is Amoruso's son-in-law, has been the city's director of health, recreation, and welfare. He said the department will be run by Mayor Steve Cappiello's office until the administration determines what will be done with it.

Some reports have had the department split up, once Farina takes over the clerk's job, and distributed to other departments in the city.

Giordano, 66, has been serving as acting judge for the city since January when Judge Maurice Gottlieb died. A native of Hoboken, Giordano is a graduate of the John Marshall Law School and has been practicing law since 1947.

Giordano now lives in Leonia. He said yesterday that he will move back to Hoboken soon.

Robbed of jacket and gold

Bugged

Hoboken council names Farina as city clerk in split vote

By Rick Tosches

After several rounds of verbal sparring, the Hoboken City Council yesterday named the city's director of health, recreation and welfare, James Farina as city clerk via a split vote.

Farina, who is also a trustee on the Board of Education, earned a 5-3 decision, with Councilmen Eugene Kennedy, Thomas Vezzetti and E. Norman Wilson voting no.

Farina becomes clerk effective Sunday, replacing City Clerk Anthony Amoruso, who is retiring. Amoruso has worked for the city in various departments since 1940.

The city clerk's position pays between $30,000 and $36,000 a year.

before voting on the appointment, several council members raised the question as to why one of the two assistant city clerks, Joan Brennan or Frank Fortunato were not chosen.

"How can we pick a man with no experience in that department?," asked Vezzetti. "We have two assistants who are amply qualified."

Vezzetti said appointing one of the assistants "would be one way to cut the budget" instead of "costing the taxpayers more taxes. It's mind boggling."

Kennedy said he voted against the appointment for "selfish" motives. He cited that he has worked with the new clerk in the recreation program and "seen what Jimmy's (Farina) done for the youths of Hoboken.

"Who's gonna take his place?," he asked.

Meanwhile, Steve Block, a school board trustee, said since the clerk handles all elections the council should reconsider its proposal because Farina is "a hard-pressed partisan political person" with ties to the Young Democrat Organization.

Also, Peter Giordano, who had served as acting Municipal Court Judge since the death of Maurice Gottlieb in January, was appointed as Municipal Court Judge.

When quizzed as to why Giordano was selected, Mayor Steve Cappiello responded "he has all the qualifications for the job and for a long period done it voluntarily and would get the approval of Judge Burrell Humphreys."

The Council also voted to transfer the deeds to the property of Caparra Homes to the city's Housing Authority.

Vezzetti said the transfer "looks like an illegal action and we are now legalizing it."

Lawrence E. Florio, city law director, said the transfer was not illegal, adding a similar resolution passed by the council in 1977 "was done too fast and done ahead of time."

The motion then passed.

Hoboken schools laying off 41 teachers after semester

JJ 4/9/84

By Patricia Scott

The Hoboken Board of Education held a special session last night to discuss the proposed layoff of 41 teachers and seven other school employees.

According to Otto Hottendorf, school board trustee, the 48 public school employees will be laid ofe on June 30. He said they received official notice from school superintendent Dr. George Maier last week.

"I'm terribly unhappy about the situation, as we all are," said Hottendorf, who blamed the layoffs on fiscal pressures and Hoboken's changing demographic scene.

"When I became a trustee 30 years ago, the city had 8700 school age children," said Hottendorf. "Today Hoboken has 4950 children; there is less need for teachers."

Hottendorf said families with children moving out of the area, and smaller families moving in were a "primary reason" for the reduction.

"In the past three years, Hoboken has lost 1600 children from the public school system," he said, adding that the board would eliminate teachers at the less-crowded public schools.

Hottendorf also said that the $21,000,000 school budget was suffering from a $1,600,000 reduction and a $600,000 reduction from state contributions.

"We're at a point where the budget is being squeezed from every direction, so there is no way to ride it out," he said.

The 48 employees facing layoffs are instructors of grades one through eight, maintenance workers at the city's six public schools and a few school clerks, Hottendorf said.

Pier-less photography

The Hoboken piers and waterfront are captured by Michael Flanagan's elaborate 4- and 5-view camera.

P.A. studies impact of project

By James Kopchains

The Port Authority of New York and New Jersey is expected to name two consulting firms next week to evaluate the environmental impact of the planned $500 million waterfront development project.

One of the firms will study the air quality impact of the plans being prepared by Cooper-Eckstut & Associates for the Port Authority, according to Thomas Ahern, Hoboken's planning director. The other firm will review water quality.

"These firms will oversee all the plans being prepared and tell us what is wrong in the plans. It makes more sense to see troubles in the plans, which can be remedied immediately, than build the project and find out the problems then, when it is too late," Ahern said.

Hoboken waterfront update — Page 17

The project plans, scheduled to be completed in August, will be used to attract private developers to the project, along with authority funding. The plans will include projected uses for the entire southern waterfront from the Jersey City boundary to property owned by the Stevens Institute of Technology on Eighth Street.

This includes the landmark Ferry Building adjacent to the Erie-Lackawanna Train Terminal on Hudson Place. The

See P.A. — Page 6.



Photo by Jeff Huntley

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See P.A. — Page 6.

A. studies impact of harbor project

JT 4/9/84

Continued from Page 1.

ferry building, which has been largely unused since 1967, was to be the site of a $6 million television-motion picture studio complex, a project that collapsed when funding could not be raised.

The authority has always stressed the need for a comprehensive plan that would integrate projects on adjacent sites of the waterfront. Developing plans for each site on the southern waterfront is expected to help the entire area to rise in value.

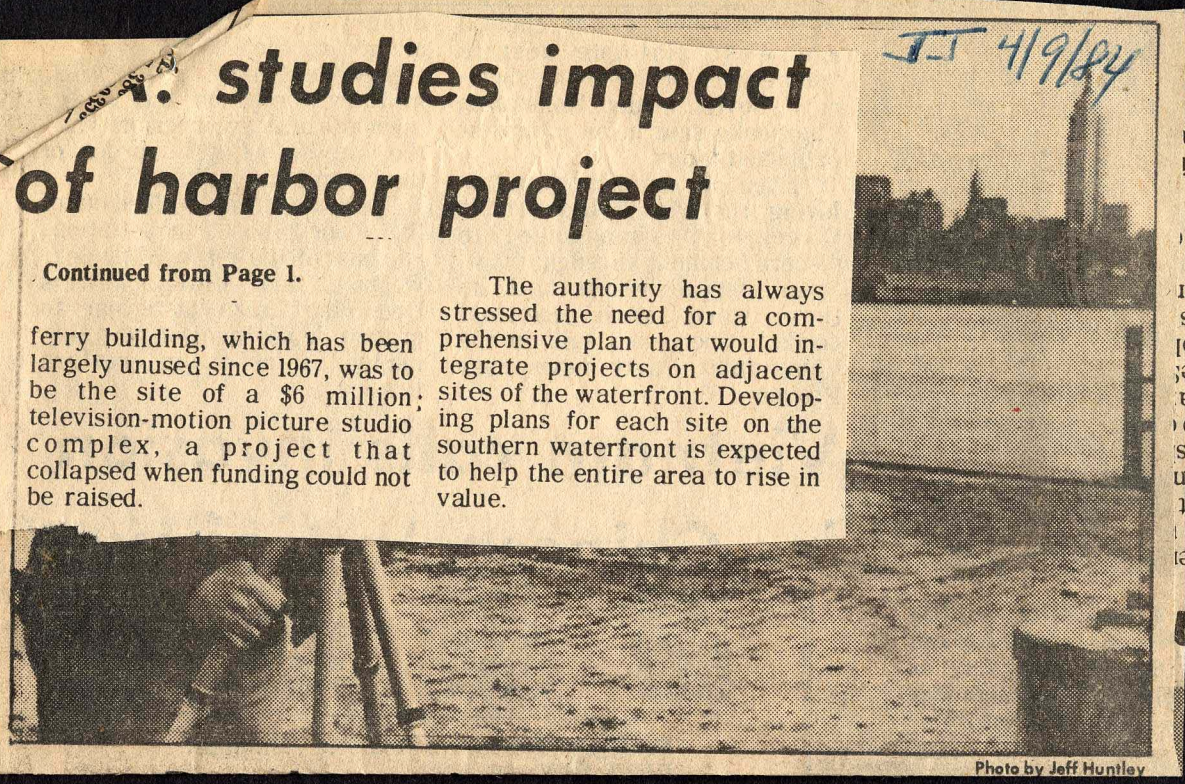

Photo by Jeff Huntley

North Hudson/Hobo

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JJ 4/9/84

Hoboken at a crossroads

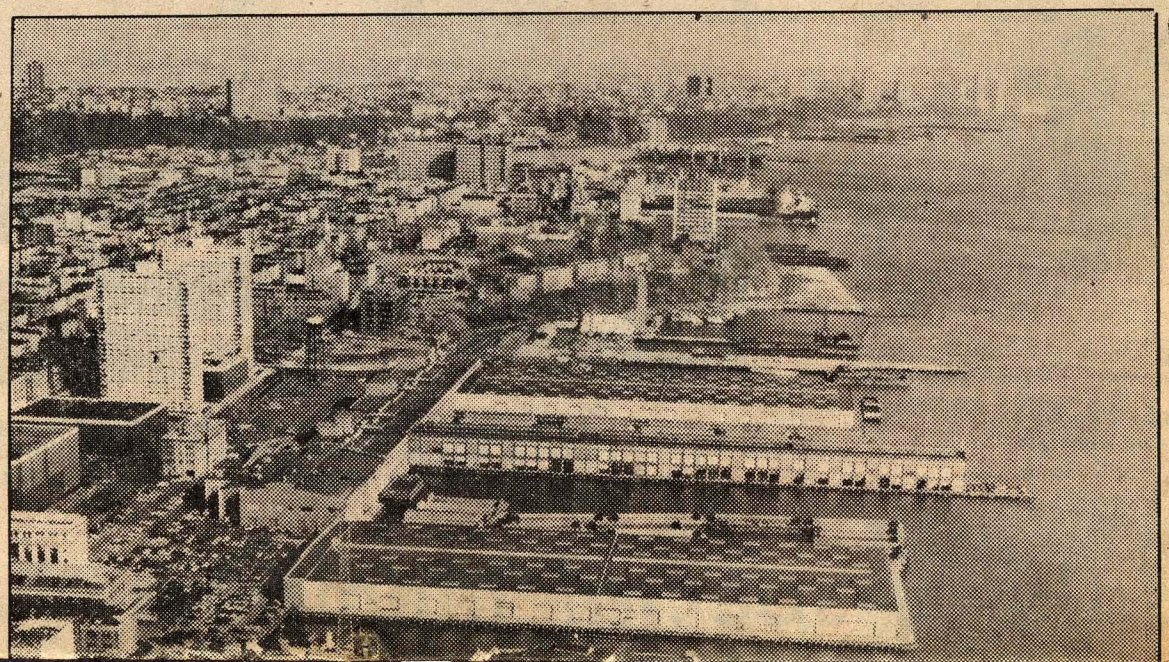
By James Kopchains

From the start one question has hung over Hoboken's involvement in the $500 million development initiated by the Port Authority on the city's southern waterfront.

It re-emerged January when Port Authority officials helped the city come up with $1.5 million to purchase the development site from the federal government. The question is:

What will be the city's role in the overall development of its own waterfront?

With the announcement of a master planner



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With the announcement of a master planner

First of two parts

for the project and the choice of a final developer expected later this year the question is being asked with even more concern.

It is no small matter to be shrugged off. With a project estimated at about $500 million and an estimated 10,000 jobs to be offered, the stakes in upcoming negotiation will be high.

Concessions given and advantages gained by each side can mean thousands, even millions, of dollars in yearly revenues. In such a high-risk poker game, Hoboken will have to get the good cards and play them well to make the best deal possible on its property.

Now that the federal government is stepping out of the picture and the Port Authority Piers have been sold to the city, the main players in the development have been reduced to three distinct partners:

- The city owns the piers.
- The Port Authority initiated the development plans and holds a long-term lease on the property.
- The eventual developer will be responsible for the bulk of the project's financing and its future management.

The city's strongest card will be the lease, and the negotiations involving city officials will be similar to that of a lease agreement between landlord and tenant.

"Holding the lease on the piers means we are guaranteed that everyone will have to meet the conditions we seek on the pier development," says Paul Rotondi, chairman of the Hoboken Mayor's Waterfront Advisory Committee. "No one will be able to bypass us. That's why it was so important that we obtain title to the piers."

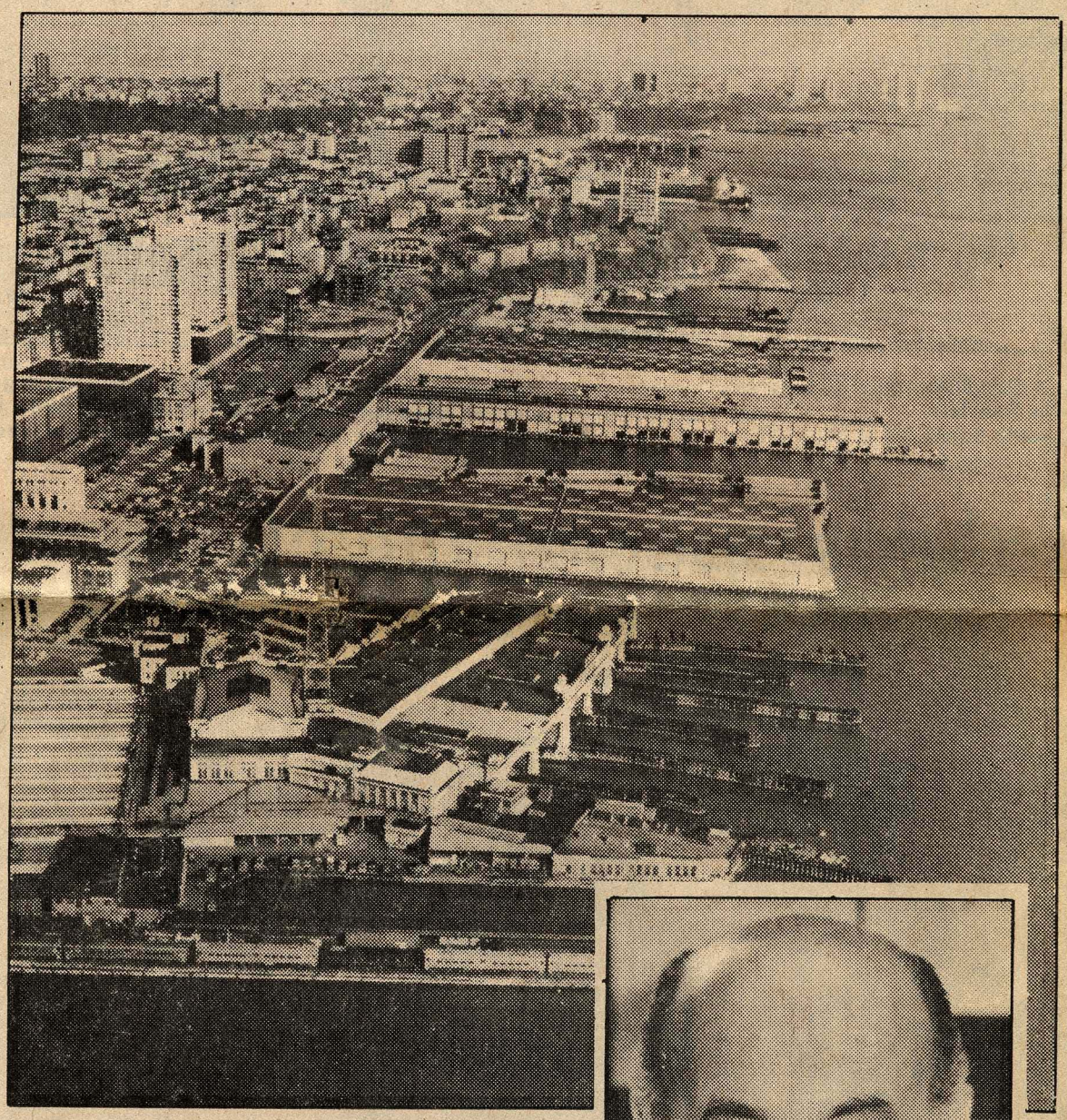
However the fear remains that the sheer size and political power of both the authority and the developer may overwhelm city officials, forcing them to accept a lease that rewards the developers at the expense of the city's revenues.

These fears increased with the sale of the piers. Under the sales agreement, the Port Authority advanced the city $1.5 million as an advance on their rent on the piers (approximately $70,000 per year).

The word of the Port Authority's money being used to purchase the piers caused both public officials and private individuals to question whether the Port Authority was helping the city or instead was just making a down payment on the piers for themselves.

State Assemblyman Robert Ranieri, who has followed the project as a member of both the Hoboken Council and the waterfront committee, agrees that the use of P.A.

See HOBOKEN — Page 21





> "With the development, Hoboken can show that the New Jersey side the Hudson is 'hot.' If we were the only development, the developer could reasonably argue that his project involved a gamble."
> — Councilman Robert Ranieri

Hoboken reaches a crossroads

Continued from Page 17

money was a risk, but one that the city had no choice but to accept.

"We bought the whole package when we bought the piers. Certainly the Port Authority will want to be a basic part of any arrangement and realistically deserve to be because of their lease on the property and their upfront investment in the project.

"However, what else was the city to do? With our financial picture, it could have been difficult, if not impossible to raise the money ourselves."

Both Ranieri and Rotondi have been reassured by the conduct of the Port Authority officials to this point.

"The Port Authority has come to the city council on every step on the project so far and to the committee on every half-step so I don't see any reason why this should change in the future," Ranieri said.

"I told them (P.A. officials) bluntly the first time I met them that I knew their public image in the past was to push forward a project without concern for local interests," Rotondi said. "I told them that if they ever matched their public image in their dealings with us, I would use everything in my power to fight this project and kill it.

"So far they have been aboveboard in all their dealings with the committee," he added.

Despite the city's fears, Sal Sampieri, vice-president of waterfront development for the Port Authority, said the city will most likely be the key member to the negotiations.

"Hoboken is the most critical part of the project relationship. This relationship will be one of an owner and its main partner. We must work together in putting together the lease which we will offer but they must give their approval."

Sampieri pointed to the recent choice of Cooper-Eckstut Associates of New York City as master planners for the project as an example of the two sides' cooperation.

Besides the P.A. staff officials, representatives of the city's Community Development Agency, planning board, and waterfront committee were actively involved in the choice of the master planner. Other representatives included New Jersey Transit and the Stevens Institute of Technology, both of which own property adjacent to the site.



Waterfront development centers on the Port Authority piers.

The firm is expected to finish its master plan by August. Once completed, all sides will have a clearer picture of the actual cost and scope of the project. Once they have this in hand they wil go out and try to atract acceptable developers for the site.

Once the site is chosen, the negotiations will begin for the lease. It is here that all three sides will begin to use their cards to its best advantage.

According to Edwin Chius, the city's business administrator, the city will be trying to obtain a fixed yearly rent from the developer that would guarantee an amount equal to the revenue the city would collect from the property through taxes.

With this in hand, Chius argued that the city could then try to receive a portion of yearly revenues from the project.

However, Sampieri disagreed. "To ask a developer to pay the same amount of money under a lease that he would pay if he owned the property and then contribute a portion of his revenues is too much to ask. These guys are, after all, out for a profit; they are not charitable outfits."

The infusion of Port Authority funding (they have estimated that the authority will provide up to one-quarter of the financing of the project) will serve as a major inducement in attracting developers, Sampieri said.

By providing that amount, the Port Authority is guaranteeing the developer a solid amount of funding during the early years of the project when financing is difficult, Sampieri said.

In return, the investor will be pointing to waterfront projects in neighboring Weehawken and Jersey City as possible threats to the success of the project. Since these developments will certainly be contending for the same clients that the Hoboken site will seek, the developer may seek concessions on the plans to save money and remain competitive.

However, Ranieri argues that the neighboring development may actually strengthen the city and P.A.'s bargaining position:

"With the development, Hoboken can show that the New Jersey side of the Hudson is "hot." If we were the only development, the developer could reasonably argue that his project involved a gamble."

With the announcement of a master planner

P.A. promised to fund about one-quarter of its estimated $5[illegible]

JJ 4/10/84

Waterfront: Tough choices

By James Kopchains

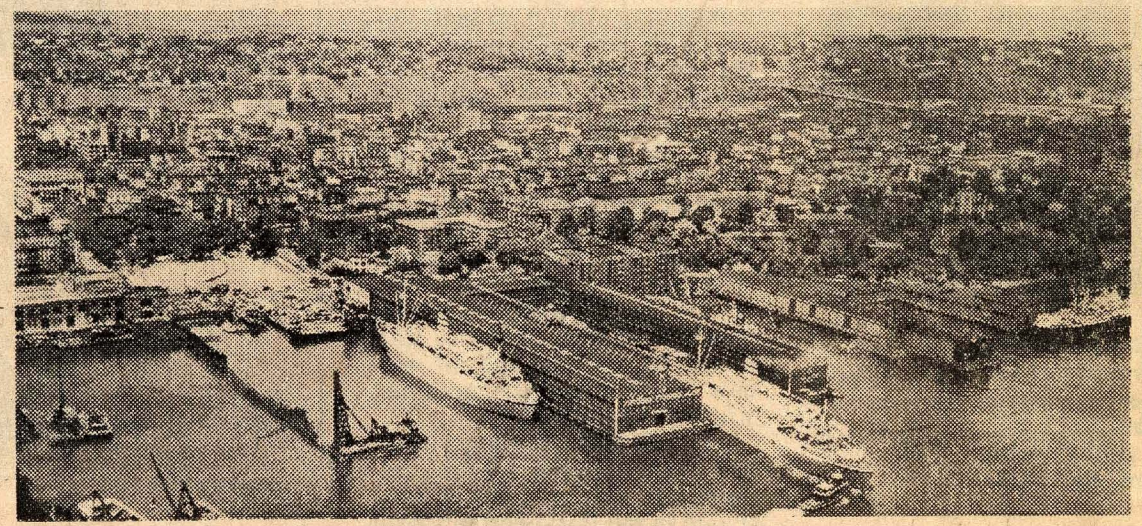
Having made the first tough choice, Hoboken now faces many more tough choices in the future on waterfront development.

In deciding to line up behind Port Authority plans to create a $500 million "city" on their southern waterfront, Hoboken officials have committed themselves to a full range of future headaches along with the anticipated benefits.

The hope is that the benefits will balance the headaches.

"We have told the city council over and over again that this project will be, by far, the biggest decision they will ever be asked to make for Hoboken," said Paul Rotondi, chairman of the Hoboken Mayor's

The waterfront 1954



The waterfront 1984

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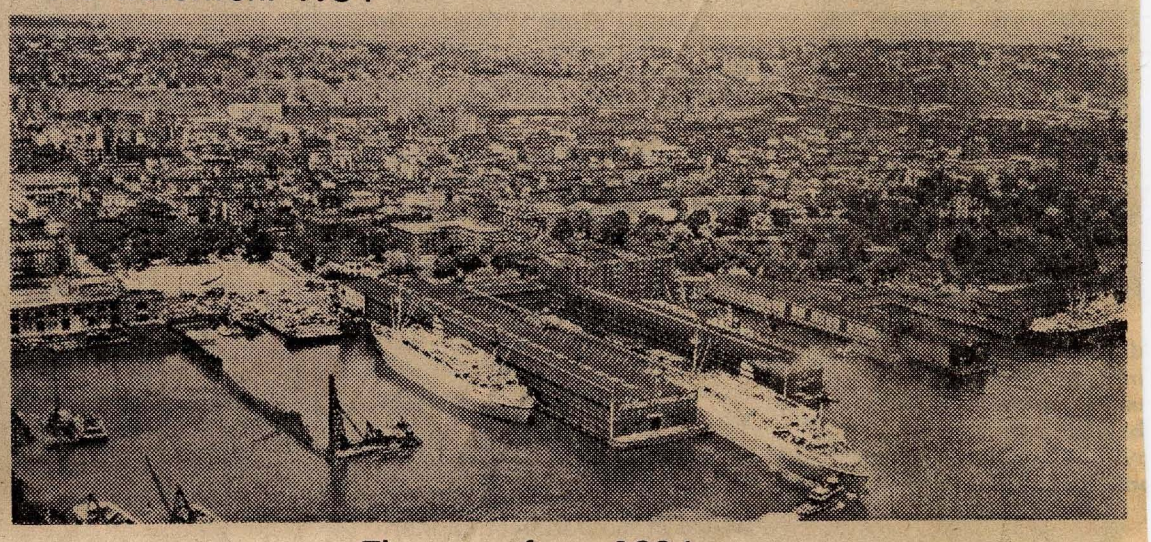
The hope is that the benefits will balance the headaches.

"We have told the city council over and over again that this project will be, by far, the biggest decision they will ever be asked to make for Hoboken," said Paul Rotondi, chairman of the Hoboken Mayor's Waterfront Advisory Committee. "Whatever they choose, right or wrong, will have the major impact on the city's future."

Second of two parts

The waterfront 1954



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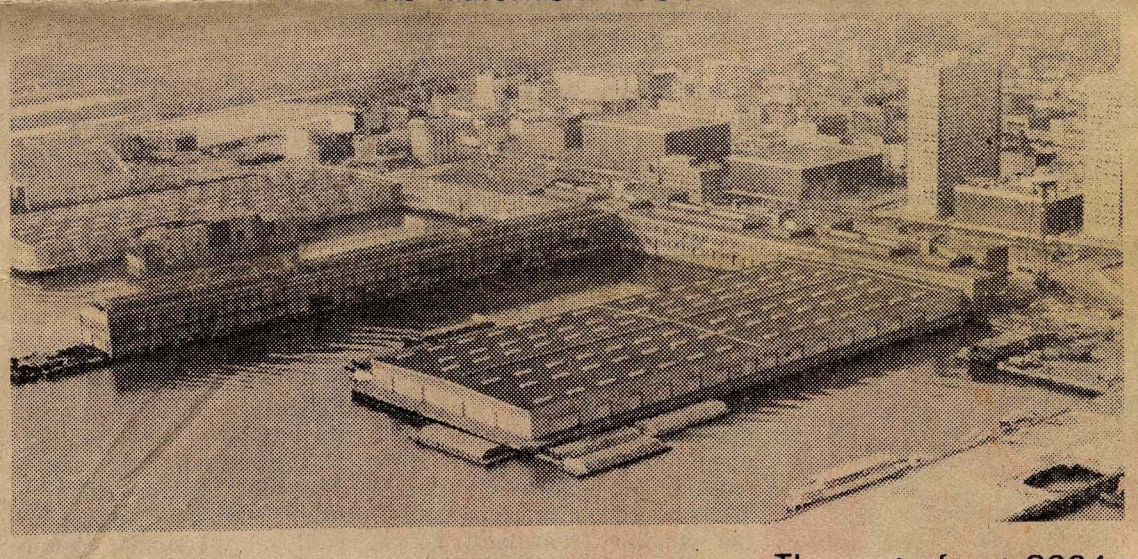
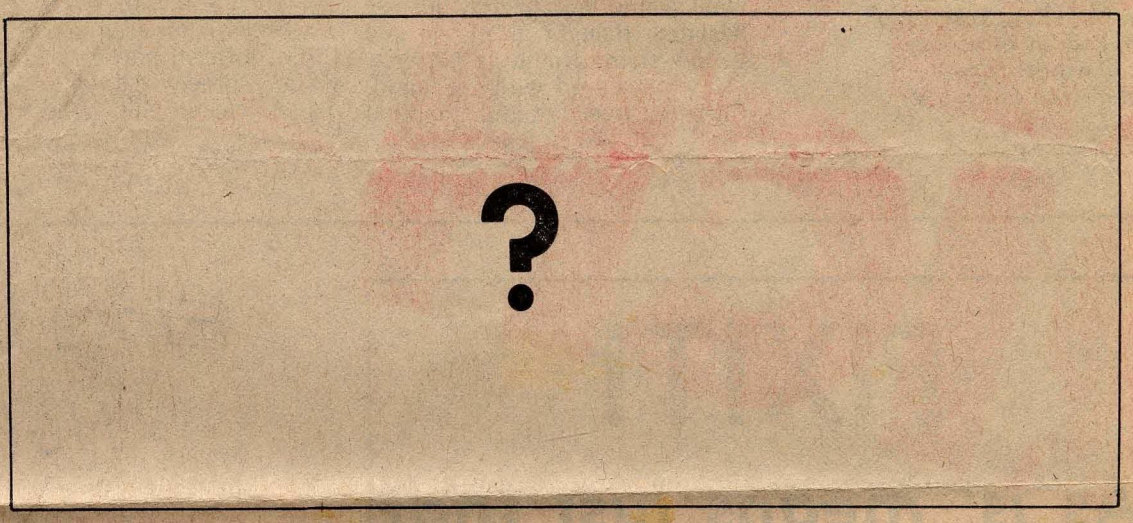


The waterfront 2004



No one yet knows what shape or scope the P.A. project will eventually take. That won't be fully known until after the New York City consulting firm of Cooper-Eckstut & Associates finishes a master plan for the project later this year.

The plans released by the Port Authority in announcing the project on Sept. 22, 1982 were only a possibility as to what could be put on the 55-acre site.

These proposals were:

- 670 residential units.
- 20,000 square feet of retail convenience stores (10-to-20 individual stores).
- 40,000 square feet of retail specialty stores (20-to-40 stores).
- One million to 1.4 million square feet of office space.
- A 400-room hotel with 30,000 square feet of conference space.
- 15,000 square feet of restaurant space.
- A marina with 370 boat slips.
- Seven acres of open space.

Such a project would create er 10,000 permanent and tem- rary jobs, according to Port Authority officials.

To finance the project, the P.A. promised to fund about one-quarter of its estimated $500 million cost and work to attract a developer for the remaining amount. The city would own the piers and lease them to the P.A. and the developer.

Final plans for the project, once the lease is signed, will most likely approximate the scope of the P.A. proposal.

The city stands to gain a significant amount of money from the project. Since it now owns title to the land, it will exert control over the project through the negotiations on the lease.

Robert Ranieri, who sits on the city council and is a member of the state Assembly, believes the revenue flow will be enough both to cover the increased costs in municipal services that the project will bring and to stem the expected increases in property tax bills caused by a city-wide revaluation.

As a result, he has sponsored legislation in the Assembly to allow Hoboken to put off its revaluation for another two years until these revenues begin pouring into the city's coffers.

Besides the financial benefits, such a development could improve the city's image, transforming it into a highly desirable location for business. Such a development would be the natural second step in the city's "renaissance," helping to raise and maintain property values, while contributing to keep residential taxes low.

However, despite the benefits, questions do remain that will require tough decisions by the city.

None of this anticipated revenue is guaranteed. Every dollar will be decided only through the lease negotiations. Some officials have expressed fears that the city council may not yet possess the expertise needed to negotiate the best deal for the city on the lease.

Meanwhile, some city services will not be so easy to make ready for the project as others will.

Certainly, the increased need for security can be handled with the addition of more police officers, but the strain on the city's sewer system will require much more extensive repairs.

Already outdated and badly in ned of repair, the city's sewers will not be able to handle the increased amount of sewage that such a project will create. Officials have received estimates ranging from $45 million to $60 million to repair all city's sewer lines (some of which date from the Civil War) and build a primary and secondary sewage treatment plant.

These estimates applied to the city only as it is now. The addition of the project's sewage can only increase these estimates.

Also, the expected increase in traffic coming in and out of the project can only put an even greater strain on the inadequate access roads leading to the site. Although the plans call for the majority of persons coming to the site to arrive by PATH and other mass transit, the development will still need better access roads than are there now.

However, the size of the project scares many residents who fear that the project will alter the city's future, changing it from a small, close-knit fabric of neighborhoods into two separate cities, one of the Port Authority site and the other made up of the rest of Hoboken.

Certainly they have an example to point to — the separation between the town of Secaucus and residents living in the Hartz Mountain-Harmon Cove developments along Meadowland Parkway.

Out in Secaucus a combination of Harmon Cove's location and the exclusiveness of the homes has combined to separate the two groups.

With the Hoboken waterfront project, the fear is that the site's location on the city's southeast corner, only a few blocks from PATH, may create a small community that will exist only within itself and give no benefits to the rest of the city in the form of increased business or commercial growth.

Perhaps residents fear this more than anything else. The city that has always prided itself on its close-knit neighborhoods may not be able to incorporate a development on this scale. Instead of benefitting the city, the new project may only foster an even more pronounced separation of "new" and "old" Hobokenites.

If this occurs, the old Hoboken could face a very shaky future.

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On the waterfront, plans, plans, plans

By Mike Garrity

The four North Hudson municipalities with a waterfront face a mixed bag of development. The plans in each differ



Washington, D.C. "It's much more competitive" in Hudson County than the other East Coast developments," he pointed out.

The same competition is there for federal funds and potential grants. Transpor-

LETTERS TO THE EDITOR

Dear Editor,

As tenants and citizens concerned with tenants' rights, we must firmly reject the amendment to the Hoboken Rent Control Ordinance which was proposed recently by the City Council. Both this proposed amendment and the rent control law which is already in effect permit rent decontrol in buildings which have been "substantially rehabilitated".

These substantial rehabilitation sections undermine the intent of the Rent Control Ordinance which in its preamble claims that its purpose is to protect tenants from "exhorbitant, speculative, and unwarranted increase in rent". The preamble indicates that the Rent Control Ordinance was created in response to a "housing crisis" in Hoboken, where shortage of housing has led to rent gouging and other abuses.

We believe that the Hoboken City Council has made no serious attempt to deal with the "state of emergency" that exists for the tenants of Hoboken. The Rent Control Ordinance must be strengthened and enforced. Loopholes such as substantial rehabilitation must

On the waterfront, plans, plans, plans

By Mike Garrity

The four North Hudson municipalities with a waterfront face a mixed bag of development. The plans in each differ dramatically in size and expectation. They include:

• North Bergen: Two developers, H&M Drydock and Roc Harbour Corp., have received preliminary approval to build in the approximately 36-acre riverfront district. H&M reportedly is still seeking

Second of two parts

federal support for its plans. Roc Harbour intends to begin construction this year on a $100 million complex of townhouses, a marina and three 16-story office buildings.

• Guttenberg: Its waterfront, approximately 17 acres, is owned by Prudential, owners of the Galaxy apartments. The firm has talked about a recreational area for the property.

• West New York: Virtually all the land there is owned by ARCORP, the development arm of trucking entrepreneur Arthur Imperatore. Imperatore refused to reveal his plans for the site, other than to say development would be primarily residential.

• Weehawken: Includes the two largest proposed developments in North Hudson. Hartz and ARCORP plan separate projects which will cover approximately 200 acres of land and piers.

Hartz plans a marina, heliport and restaurants on 55 acres. Approximately 2.5 million square feet of office space have been suggested.

Hartz development scheme is already beginning to take shape. Township planning and zoning officials have approved plans for a waterfront restaurant and heliport on the waterfront.

The township recently reached a preliminary agreement with Hartz offering the firm tax abatements to spur development and settle an outstanding tax case.

ARCORP is considering a similar mix of uses on a larger scale. Together both plans would include six high rise buildings, more than double the height of the Palisades.

Together the projects would bring an estimated 9,450 residents to the township of 13,000 over a period of 30 years. Both developers said their plans will take more than a decade to fulfill.

All of Weehawken's plans are tentative. Neither developer has filed a comprehensive site plan. The township Planning Board is nearing completion of a year of work in setting a new master plan and zoning ordinances which will set the limits on waterfront development.



Arthur Imperatore with model of his conception of the future of the Weehawken waterfront.

Three leading factors could keep those plans in each community from becoming a reality: market saturation, conflict and competition among the communities themselves, and the lack of transportation.

"Transportation and services. If those two things aren't solved, nothing is ever going to happen," said the planning head for one developer.

The North Hudson waterfront is nearly inaccessible by car. The cliffs of the Palisades have isolated the area.

ARCORP, which will have to funnel an estimated 20,000 people a day into and out of its development upon completion, has moved faster than anyone else. Imperatore has purchased a pier in Manhattan as a future site for a ferry slip. The firm is interested in acquiring a tunnel beneath the Palisades for a light rail service. Both ARCORP and Hartz want to see a north-south road and improvements to River Road.

Hartz is also eying access to its site through Hoboken and Weehawken.

In North Bergen, the township Port Authority has recognized the need to widen River Road. Michael Pollotta, chairman of the board, said he and other municipal leaders are looking toward a new waterfront commission formed by the governor to address some of the transportation and planning problems regionally. Elizabeth Schonwald, the P.A.'s consultant, warned that developers themselves will also have to collaborate for the project to work.

That's different from Boston or Baltimore, other East Coast seaports which have revitalized their waterfronts.

"With each city left to its own, you could have chaos," said Dick Rigby, co-director of the nonprofit Waterfront Center in Washington, D.C. "It's much more competitive" in Hudson County than the other East Coast developments," he pointed out.

The same competition is there for federal funds and potential grants. Transportation and infrastructure improvement won't be possible without help from the outside, developers acknowledge. The competition for those funds could end up similar to the recent fight between Jersey City and New York over a federal grant for development of Newport City.

"Those who come first might not be the best," Bierbaum said. "But those who come later will be hurt badly."

The latecomers will also have to work against those who are more established to find tenants. Although size varies dramatically, the types of mixed residential and commercial plans proposed along the river are similar. If demand drops, financing for construction will be hard to find. Realtors warn there is a limit to how much office space the market needs. But no one predicts where that limit is.

The developers remain bullish.

"The pressures on the cities seem to be bulletproof," said Michael Zemsky, a partner in Roc Harbor. "The demand seems to be insatiable."

The realtors, the developers and the academics all believe something will go up on the waterfront. But how much of the dream comes true is very much associated with the fate of Imperatore.

The 58-year-old Hudson County native has already spent what he estimates at $14 million on his dream of a West Manhattan. It's as if the force of his own will can make it happen.

"I've gone forward on faith," Imperatore said. "There's no doubt here."

But even that faith may be tempered. Imperatore said he may scale down the first five-year phase of his project. Most of the $510 million there was to go for sewage, roads, and other means of access he needs to make West Manhattan accessible.

Alan Marcus, his spokesman, said overly restrictive zoning ordinances could knock Imperatore out of the game early by making financing difficult.

And the professionals, at the state level, in the consulting firms and among his competitors, are skeptical the so-called "city within a city" can come to pass.

"He's going to get something down there," said one planner. "I'm not sure the whole thing will come to be."

> "I've gone forward on faith. There's no doubt here."
>
> — Arthur Imperatore

Kean is urged to delay Hoboken r

TRENTON — Assemblyman Robert A. Ranieri of Hoboken and Mayor Gerald McCann of Jersey City appealed to Gov. Thomas H. Kean's chief counsel yesterday for Kean to sign the Ranieri bill imposing a two-year moratorium on reevaluation in Hoboken.

There was no decision but the governor must act by April 30, the constitutional deadline.

W. Gary Edward said he was "philosophically opposed" to the bill and assistant counsel "recommended vetoing it," Mcann said after the State House meeting.

But Edwards promised to take a "second-look" since both officials made a "personal appeal'" to sign the bill.

Edwards was looking for justification for the governor to sign the bill and Ranieri and McCann said they thought they offered it.

Ranieri, a City Council member, cited the "action plan" embracing the Hoboken waterfront; industrial development, Port Authority waterfront development, rent control and condominium conversion.

Meanwhile, budget nears deadline

Ranieri cited a resolution before the Joint Appropriation Committee — he is a member — to provide Hoboken $600,000 in lieu of tax payments to ease Hoboken's plight.

At the same time, McCann noted Sen. Edward T. O'Connor Jr., Jersey City Democrat, is promoting a bill to tax some of the $500 million profits reported by Conrail, profits McCann attributed to it in part since the carrier is no longer paying property taxes to Hudson and other communities.

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Ranieri observed that appointments were made to the state Tax Study Commission, an earlier condition set by Kean.

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Off the Beaten Track

There's trouble in Hoboken, according to Por La Gente, a tenants group active in that town. Seems the Hoboken City Council recently proposed a rent control amendment, or, more properly, a rent *de*-control amendment. For that would be its effect in buildings that have been "substantially rehabilitated." This new law clearly spells disaster for Hoboken tenants, many of whom are in fact Manhattanites in exile—people driven from this island by extortionist rents. It seems the least the City Council can do is scrap the proposed amendment, promptly. ■

ALAN STAMATY

Kean is urged to delay Hoboken reevaluation

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Kean met Thursday in Hoboken with Mayor Steve Cappiello, Ranieri and other council members on the reevaluation issue ordered by the Hudson County Taxation Board. Ranieri said he was "pessimistic" about Kean signing his bill.

But late yesterday he said he felt more "optimistic."

McCann suggested a possible compromise would be to have the state review the Hoboken situation while allowing for at least a one-year delay, with still another one-year delay possible.

However, McCann said if the tax ratables begin to flourish with the waterfront and condominium development in the months ahead, the two-year delay may not be needed.

But a more imminent deadline is faced by Ranieri and City Council — adoption of the municipal budget in a week to 10 days, without benefit of the Ranieri moratorium bill.

It might "be necessary to bite the bullet" for property tax increases this year in Hoboken, McCann said.

EDITORIAL

LETTERS TO THE EDITOR

An Open Letter to Councilman Thomas Vezzetti

As a regular observer of our city council meetings, it behooves me at this time to take pen in hand to admonish you for the outrageous performance displayed by you at the March 21 council meeting.

To say that your performances at these meetings in the past several months have been a disruptive force, would be putting it mildly. For a man with such self-proclaimed higher education, it is obvious to me that you never took the time to read "Roberts Rules of Order," for most of your actions at these meetings have been totally out of order.

It seems to this observer that you attempt to make every council meeting a Political Rally. Your remarks to Council President Mrs. Helen Macri at the March 21 meeting were totally outrageous, to say the least. I would suggest to the other members of the Council that you be brought to task for such remarks and Publicly Admonished at the next council meeting.

Your actions at these meetings are an obvious slap in the face to all intelligent voters of the Second Ward, who elected you to office. It is a shame that with all your so-called intelligence, you cannot put petty political differences aside and get on with the business of running our fair city in the manner for which you were elected.

Jennie Rutkowski
Independent Association
Hoboken

Dear Editor:

This is in response to Councilman Tom Vezzetti's letter in the Hoboken Reporter recently. I am 100% on your side; and as far as writing to a Councilman is concerned, I don't think they give a damn about the middle class or poor of the city who put 90% of them where they are today. I also understand a certain one or two do not even reside in "Good Ole Hoboken".

Anybody who went to school can tell you what is wrong in Hoboken and high taxation is why all the industries move somewhere else. Twenty years ago you did not have to go out of the city to find a job. We had low rent plus a job. Today you have high rent in a rat hole plus high taxes and no job. I don't know whether any one lowly person can help you, City Hall doesn't even hear you.

However, Tom, keep up the good work and God bless you and Mr. Wilson in your work.

Mary Maarleveld

Dear Editor:

I wish to take issue with some opinions expressed in the Letters to the Editor section of your March 21 issue.

Firstly, the delay in implementation of the revaluation is not due to "political reasons". There is evidence of humanitarian concerns involved. A further consideration should be given to a graduated five year revaluation program as has been done in other states.

Secondly, the condo trend is manifested in both conversion and new construction projects not just conversion. Further, the tax base will certainly be more than "marginally" affected when a converted apartment condo finds the total assessment rising from, say, $50,000 for the building to $50,000 for each apartment.

Thirdly, the snide reference to "the dismal city schools" reveals the usual outsider view of urban school problems. The Hoboken School system can point with pride to its products in the profession, arts, and business and industry field while meeting the successive challenger of ethnic changes over the years.

James Campion
Hoboken

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Heloise

Planting tree

We've planted several trees on our lawn in past

cause the roots to die. Of course, you should remove

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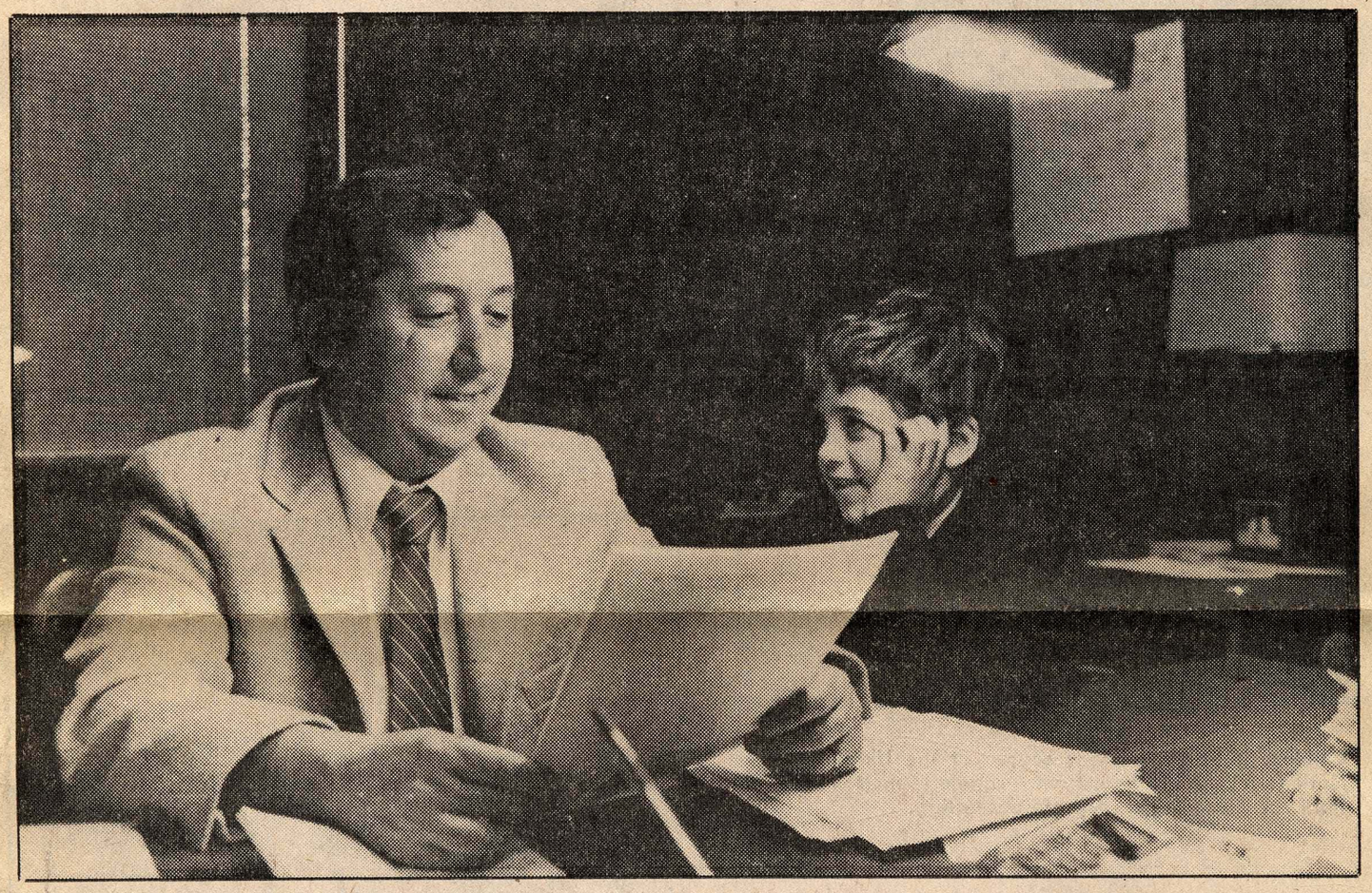


New Hoboken City Clerk James Farina and his 7-year-old son, Joseph.

New Hoboken city clerk learns from father-in-law

Jim Farina may feel a little nervous as he takes over the duties of Hoboken city clerk. However, he will have the advice of a familiar expert on his side.

That expert is his father-in-law, Anthony Amoruso, who served as city clerk for nearly 20 years until his retirement on April 1.

"I find myself looking towards him (Amoruso) for many things," Farina said. "It's going to take awhile to get accustomed to all the duties and jobs in this office and I'm going to need his help."

Farina officiated at his first meeting last week after being appointed to the job by the city council on March 28.

Farina has lived in Hoboken for his entire life, having attended the city's high school then serving in the Army. He now lives on Bloomfield Street with his wife, Patricia, and his son, Joseph, 7. His wife is expecting a second child in September.

For Farina, the new appointment is almost a total departure from the duties he fulfilled as director of the city's health, recreation, and welfare department.

As the department director, Farina was constantly on the move, travelling from park to park, overseeing work being done by department workers. However, as city clerk his job will require him to stay in the office, filing and classifying city records and council papers.

It's these sedentary duties that Farina said is most difficult for him to become accustomed to.

"I'm a street person. Most of my learning is from the people I know." Losing touch with the people is something that Farina does not want to do.

The clerk's position is the latest in a series of jobs that Farina, 36, has held in city government since he was 21. Starting first as a groundskeeper for the city's board of education, Farina rose to be a code inspector with the city's Community Development Agency.

For three years he served as the recreation coordinator for CDA, leaving that post to take over the directorship in the health, recreation, and welfare department.

In addition, he was appointed to the city's board of education 10 years ago. During this time he has largely been involved in promoting athletics throughout the school system and initiating an athletic program for girls in the schools.

27 New Hoboken City Clerk James Farina and his 7-year-old son, Joseph.

Vezzetti urges rent control exemptions

By BRAD KELLY
Staff Writer

HOBOKEN—City Councilman Thomas Vezzetti has proposed an amendment to the city's rent control ordinance that would exempt two, three and four-family homeowners from the controls.

Vezzetti said yesterday the amendment is necessary to keep the small homeowner from moving out of the city. Homeowners saw their property taxes go up last year because of an increase in the city's tax rate from $147 for every $1,000 of assessed valuation in 1982 to the current $183.29 per $1,000.

"If the tax rate goes up (this year), it will hurt them all. They will need the money," Vezzetti said.

But according to city Business Administrator Edwin Chius, landlords can pass tax property increases on to tenants under the rent control ordinance in its present form. "You don't need decontrol," he said, referring to Vezzetti's amendment allowing the small homeowner to increase rents to any figure he desires.

In a letter sent to the councilman earlier this week, Chius criticized the amendment and said he will lobby "vehemently against it."

"Although you may believe that you are working to keep lifelong residents from being forced out of the city, the ordinance does just the opposite," Chius said in the letter.

Chius said yesterday he will advise Mayor Steve Cappielloto veto Vezzetti's proposed rent control ordinance because of the amendment if the ordinance is approved by the City Council. Vezzetti has also proposed the elimination of the substantial rehabilitation clause in the city's current rent ordinance.

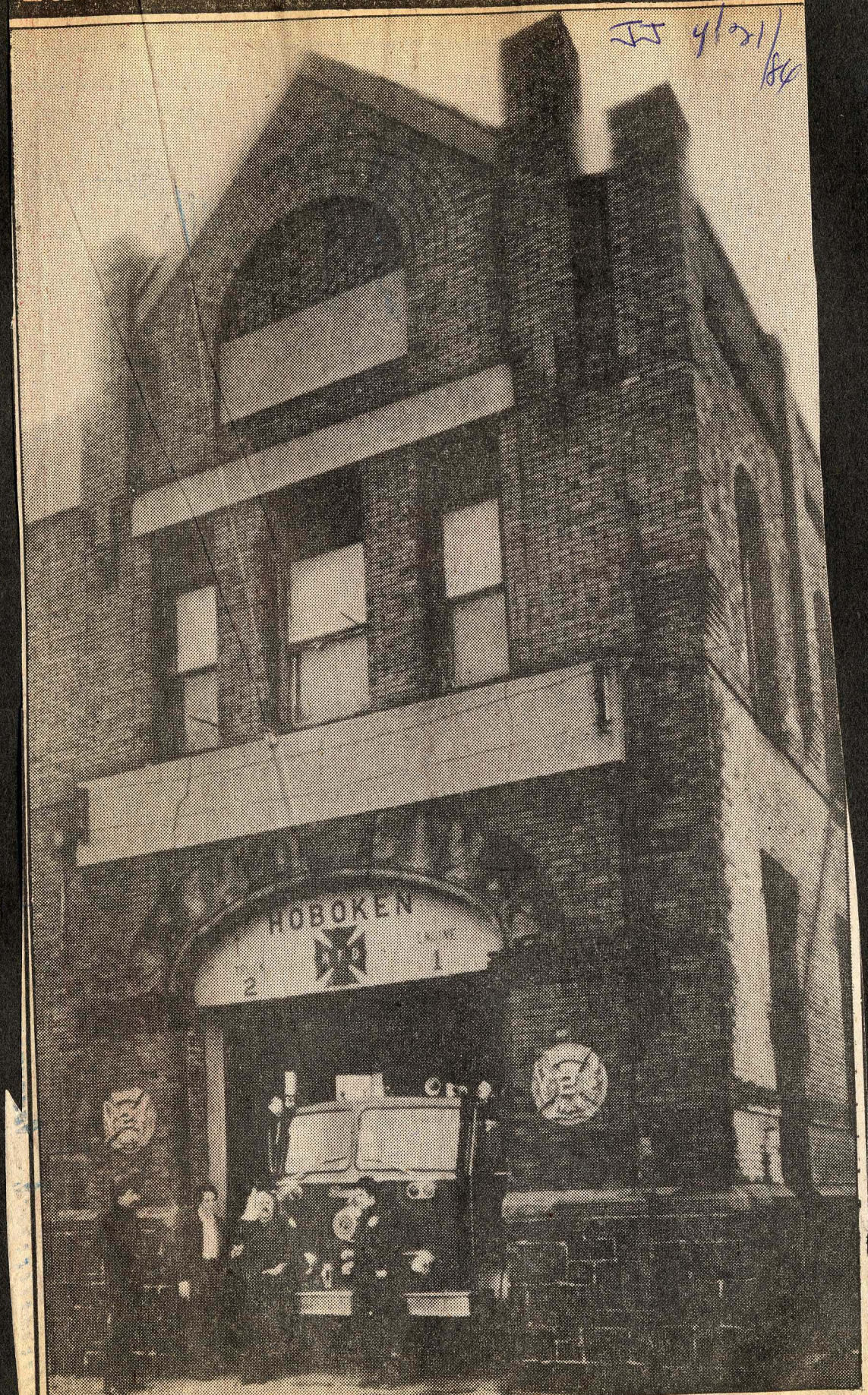
Under that ordinance, a building becomes free of rent control if its owner makes improvements equal in value to the building's assessment.

A different set of amendments to the city's rent control ordinance authored by Councilman Robert A. Ranieri has been set aside pending the outcome of the city's revaluation moratorium currently being reviewed by Gov. Thomas H. Kean.

Under those amendments, any owner of a multi-family dwelling seeking to become free of rent control for 13 months would have to invest at least 40 percent of the cost of constructing that same building today into upgrading the existing building. Since residential assessments in Hoboken are low, this formula would increase the amount an owner would have to invest into a building to be eligible for rent decontrol.

But if the city's revaluation moratorium is vetoed by Kean, residential assessments will be brought up to true value and Ranieri's amendment will not be necessary. If the moratorium is approved by Kean, assessments will stay the same for the next two years.

Landmark



Dispatch Staff Photo

THIS HOBOKEN FIREHOUSE on Observer Highway, home of Truck Co. No. 2 and Engine Co. No. 1, is one of seven in the city nominated this [illegible] **for the New Jersey Register of Historic Places.**

SATURDAY,

Hoboken tops co

Jersey City second i

By Richard Rosenberg

Hoboken's public school system had Hudson County's highest dropout rate in the 1982-83 school year, according to statistics from County Schools Superintendent Louis C. Acocella.

Hoboken, with 5,287 students, had 171 dropouts for a 3.2 percent dropout rate. Jersey City, with 31,380 students, followed with 957 dropouts for a rate of 3 percent.

The real dropout rate may be higher than that officially reported. Only students whose parents signed them out of school are listed as official dropouts.

That means children who never attend school would not be listed if their parents never bothered to sign them out of school.

North Bergen, with 5,399 students, had the third highest rate at 2.4, with 131 students listed as dropouts.

West New York, with 5,614 students, had 123 dropouts for a rate of 2.2.

Kearny, with 4,693 students had 88 dropouts for a rate of 1.8 percent. Weehawken followed

EDITORIAL

Guest Editorial: We're Mad as Hell!

Determining the priority of issues and information, followed by the necessary civic action in Hoboken requires both superhuman vigilance and Machiavellian tactics, to say the least.

Most pressing is the so-called home and property re-evaluation. We are all aware that the signing of the two year evaluation reprieve by the Governor would not be a solution, merely a delay, of the inevitable. There are many who fear this delay would essentially be a political device to save the face of those now occupying office. The re-evaluation should have been addressed by those in municipal office years ago. Waiting on Waterfront Development to rescue Hoboken is plain foolishness. Economic developers such as Port Authority will be expecting abatements for the necessary re-building of water has skyrocketed recently! Water bill level has risen for some home-owners from 50 to 500 hundred dollars a month. What's the explanation? The new water bills are an attempt to compensate for supposed irregularities. The public is certainly owed an explanation along with the opportunity to make up for what was not their mistake in installment payments.

The newly hired employee for the strategic City Clerk position is totally unqualified. We are told that qualifications are not a serious consideration for this political appointment. The Hoboken City Council was fully aware that the New Jersey Assembly is in the process of professionalizing the office of City Clerk to establish at least minimum requirements and standards. This Bill A593 was due for passage in late April.

SATURDAY, APRIL 21, 1984 117th Year — No. 300

Hoboken tops county in dropouts

Jersey City second in kids quitting school

By Richard Rosenberg

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Hoboken, with 5,287 students, had 171 dropouts for a 3.2 percent dropout rate. Jersey City, with 31,380 students, followed with 957 dropouts for a rate of 3 percent.

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West New York, with 5,614 students, had 123 dropouts for a rate of 2.2.

Kearny, with 4,693 students had 88 dropouts for a rate of 1.8 percent. Weehawken followed with a 1.7 percent rate, or 28 dropouts among its 1,588 students.

Union City, the second largest school district in the county, had a 1 percent dropout rate with 77 dropouts out of 7,632 students.

Bayonne had 92 dropouts out of 6,686 students, and Harrison had 23 dropouts out of 1,621 students.

Guttenberg and East Newark had no official dropouts, and Secaucus had a 0.5 percent dropout rate.

In each district, most of the dropouts came from high schools.

In Jersey City, 264 students dropped out of Dickinson High School, 277 left Lincoln, 212 left Ferris, Snyder lost 157 and the Academic High School lost one.

Jersey City School 17 had the highest number of dropouts among the elementary schools with 9. Five of those were listed as leaving because they "disliked school experience" and the others had academic or behavorial problems.

In Hoboken, all but five of the 171 dropouts came from the high school.

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Landmark Appraisal, Inc., responsible for the Hoboken reassessment is being sued by the City of Perth Amboy as well as other litigants for irregularities and over-assessments. The City of Hoboken was warned by the State of New Jersey to reconsider their choice of Landmark Appraisal. One wonders whose deaf ears this fell upon at the cost of two hundred thousand dollars to taxpayers. What selection criteria, research and investigation of track record took place? The Director of Landmark Appraisal designated college students to assess the exterior of Hoboken homes. According to the homeowners who have received the re-appraisals, thus far, the results are highly questionable with numerous discrepancies.

A number of homeowners have put the city government of Hoboken on notice to file their own suit for the taxpayers' money against Landmark appraisal or face a suit themselves from Hoboken homeowners for the negligent and improper use of taxpayers' money. Homeowners should not concur with their appraisals until this matter is resolved.

Water, water everywhere and, most especially, in Hoboken basements during "heavy precipitation" due to indefinite delays in sewer renovation. You may have noticed the price of water has skyrocketed recently! Water bill level has risen for some home-owners from 50 to 500 hundred dollars a month. What's the explanation? The new water bills are an attempt to compensate for supposed irregularities. The public is certainly owed an explanation along with the opportunity to make up for what was not their mistake in installment payments.

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Well, there is some good news: The "Are You Getting Your Money's Worth" for your taxes petition will soon be on its way to the Governor's office after a final Spring blitz for more signatures. Thank you all who have signed.

The Hoboken Neighborhood Alliance is sponsoring a rally for homeowners and tenants, old and new residents of Hoboken to present the following demands to the City Council Meeting at City Hall on Wednesday, May 2.

1. A lawsuit be instituted against Landmark Appraisal Company.

2. Council reduce budget expenditures and increase revenues to keep tax levels where they were in 1983.

3. Job cuts be made on the Upper Administration level both in Municipal services and the Board of Education.

We invite all interested Hoboken residents to be present at the rally outside of City Hall on May 2, at 6:30 p.m.

Jean Forest
Executive Committee
Hoboken Neighborhood Alliance

NJTO 4/84

NJTO VP Named To Tax Commission

The N.J. State Legislature has created an 18-member commission to make recommendations about how to reform New Jersey's property tax. Commissioners were appointed by the Governor, the Senate President and the Assembly Speaker. Speaker Alan Karcher has appointed Pat Morrissy, NJTO Vice President and a founding member of New Jersey Citizen Action.

Pat Morrissy sees his task on the commission as that of representing tenants and low and middle income homeowners as well as the interests of urban areas. "Tenants are practically never recognized as property tax payers," he notes. "We pay our property tax through our rent, with the landlord as middleman. The fact that tenants are not allowed to deduct their share of property taxes on their federal income tax is typical of the way tenants are discriminated against in taxation policy."

The commission will be dealing with many serious problems in the New Jersey property tax system. Many major cities are under Court order to revalue their properties. According to Morrissy, "Cities like Newark and Orange face fiscal disaster if they revalue. We must find an alternative for them. There are also many inequities that urban areas face. Counties like Essex bear a substantial tax burden for the costs of administering the Welfare system and the costs of running the courts. These costs should be spread across the state."

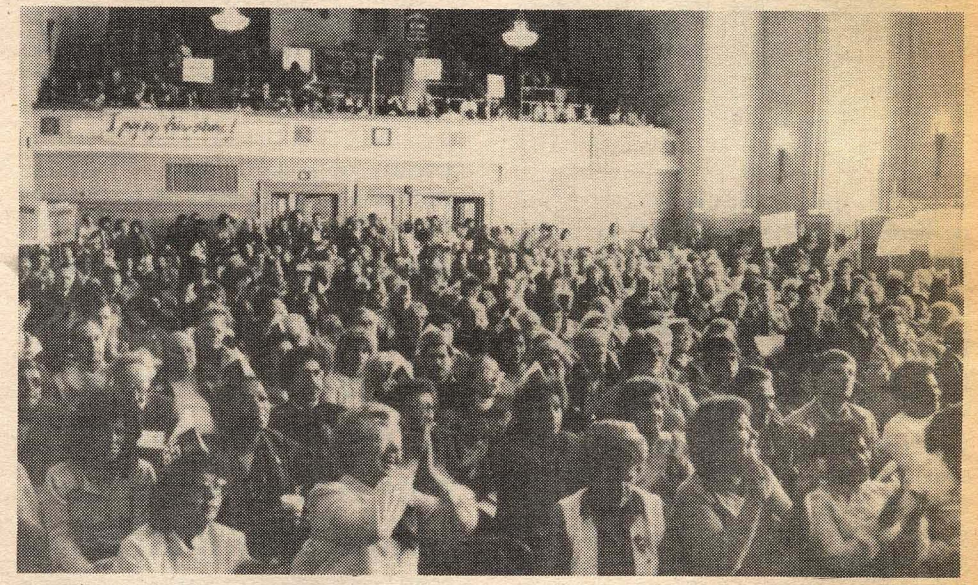
"I want the Commission to look at many different alternatives for reforming the property tax," he adds. "The tax burden on low and middle income people, tenants and homeowners alike, is far too great. I also don't believe that commercial enterprises are paying their fair share and the benefits of taxes raised from commercial properties are not shared fairly across the state."

Tenants and Homeowners Support Tax Appeal Reform

by Mitch Kahn

Gerald Freeman, a public relations executive working for New Jersey landlords, believed he had created a surefire strategy to turn homeowners against tenants and to defeat local rent control laws. The strategy was based on a misleading and false assumption, but it was designed to have an emotional impact on homeowners. In an article in *Real Estate Weekly* (Aug. 18, 1980), Freeman argued that homeowners could be turned against rent control laws "by organizing landlords to file massive tax appeals. This in turn cuts apartment house taxes and shifts the tax burden to the homeowner..." He went on to state that the blame for this could then be attributed to rent control. What Freeman and the landlords did not want the homeowners to know was that major loopholes in tax appeal procedures, not rent control, could make unwarranted tax appeals successful.

Following Gerald Freeman's advice and realizing that the rules of the tax appeal game were heavily weighted in their favor, landlords began to file a large number of appeals beginning in 1980. In the city of Hackensack, Herb Klein, attorney for the New Jersey Apartment House Council, filed tax appeals on behalf of the landlords of more than 100 apartment buildings. The Hackensack landlords claimed that rent control was lowering the value of their buildings. Yet in over 80% of the cases where apartments in Hackensack were sold to new owners, the purchase price was higher than the assessed value of the buildings. Nonetheless, landlords still had the procedural loopholes in their favor. In town after town throughout the state, the number of landlord tax appeals increased dramatically. These appeals were soon followed with anti-rent control scare literature sent to homeowners and a call for public referenda on rent control. In addition, landlords



Hundreds of people — including about 100 NJTO members — traveled to Trenton on March 16 to lobby on behalf of A-1050 and other legislation. Coordinated by New Jersey Citizen Action, "Lobby Day" brought overflow crowds to the Statehouse. In addition to the tax appeal legislation, support was offered for bills dealing with toxic wastes and plant closings. The tax bill — A-1050 — passed the Assembly that day by a 57-12 vote.

FACTS SUPPORT TAX REFORM which is being supported by New

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APPEAL PROCESS WEAK

The tax appeal procedure works this way: A landlord hires an attorney and an appraiser to make his case before the County Tax Appeal Board. They try to show that the assessed value of the building is too high and should be lowered — resulting in reduced property taxes for the landlord, but not lower rents for the tenants.

What the landlords did not want the homeowner to know was that major loopholes in the tax appeal procedures, not rent control, could make unwarranted tax appeals successful.

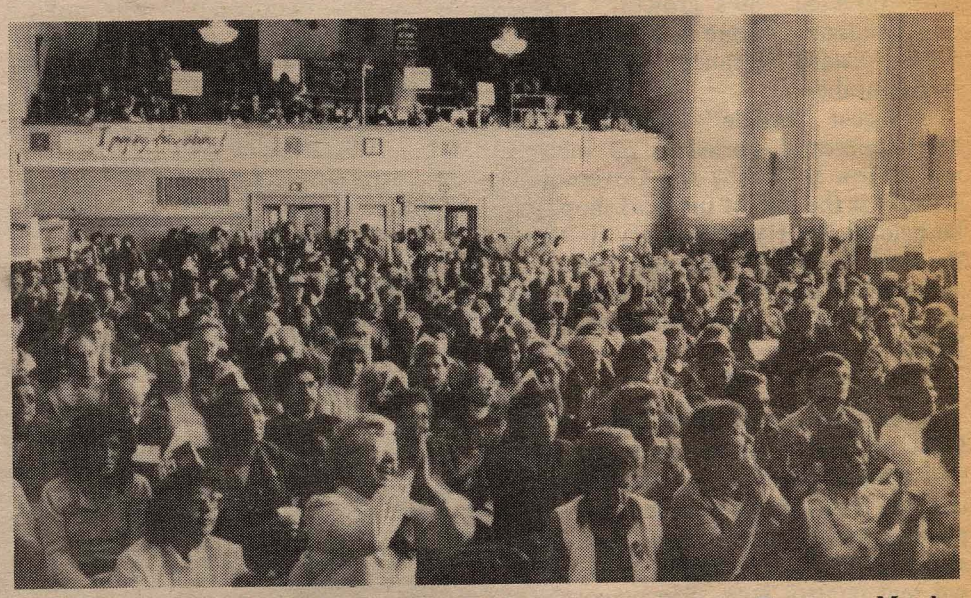
At present, county tax boards and the state tax courts do not require certified income and expense statements. As a result, landlords often understate their income and overstate their expenses and provide no documentation for either. The financial history of the building in question is ignored. No attention is paid to the owner's cash investment, profits realized through refinancing, or income derived in the form of tax-sheltered benefits. Also, many towns have a history of acquiescing to or negotiating tax appeals rather than incur the high legal expenses associated with vigorous opposition to them.

Following Gerald Freeman's advice and realizing that the rules of the tax appeal game were heavily weighted in their favor, landlords began to file a large number of appeals beginning in 1980. In the city of Hackensack, Herb Klein, attorney for the New Jersey Apartment House Council, filed tax appeals on behalf of the landlords of more than 100 apartment buildings. The Hackensack landlords claimed that rent control was lowering the value of their buildings. Yet in over 80% of the cases where apartments in Hackensack were sold to new owners, the purchase price was higher than the assessed value of the buildings. Nonetheless, landlords still had the procedural loopholes in their favor. In town after town throughout the state, the number of landlord tax appeals increased dramatically. These appeals were soon followed with anti-rent control scare literature sent to homeowners and a call for public referenda on rent control. In addition, landlords hired "experts" to produce studies that showed rent control causing a tax shift.

TENANTS FIGHT BACK

Tenants, concerned homeowners, and public officials began to fight back. In September 1980, Bergen Freeholder John Curran stated in response to the massive number of landlord tax appeals in his county that "the landlords are attempting to erode the tax base on properties that are *appreciating* in terms of their market value. That's what galls me." Soon after, the Bergen County Board of Freeholders passed a resolution condemning the landlords' tax appeal strategy and called for a tightening of tax appeal regulations including disclosure of tax shelters, depreciation policies, and mortgage arrangements.

In 1981, NJTO Vice President and Legal Counsel Joan Pransky wrote an article for NJTOnews arguing that there was no relation between rent control and a tax shift. The article is a well-documented review of the facts on rent control and a critique of the deficiencies in the tax appeal process. Over the next few years, strong tenant-homeowner coalitions voted down anti-rent control referenda in Fair Lawn, West Orange, and Parsippany. In Elizabeth, fraud was uncovered in the landlords' attempt to get a rent-control repeal measure placed on the ballot. Strong homeowner groups came out against the landlords' tactics. Sam Perelli, chairman of the United Taxpayers Association of New Jersey, declared, "Major property owners delude homeowners into believing they are subsidizing the apartments...but the apartment dwellers are and have been paying their fair share of the taxes. In square foot percentage they are paying more than the homeowners." Yet, when landlords do win tax appeals, they rarely return any of their savings to tenants, even in those towns that have laws that require they do so.



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FACTS SUPPORT TAX REFORM

Public interest researchers also began to study the tax shift issue when it became a hot political issue in New Jersey. They found that indeed there was a tax shift in the state. Throughout New Jersey, in *rent-controlled* and *non-rent controlled* towns the trend has been towards all commercial, industrial, and landlord groups paying less and homeowners paying more. Since this shift was taking place even in towns without rent control, it was clear that rent control laws were not the cause. The real cause is unfair assessment and appeal procedures. Property taxes in New Jersey are the second highest in the nation. But not everyone suffers alike. In 1969, landlords, businesses and industries paid 35% of the state's property taxes. By 1979 that amount was reduced to 26% of the total. That shift from businesses to homes cost homeowners an additional $400 million in property taxes a year. Clearly, fundamental reforms are needed to make taxation fairer to New Jersey's homeowners. One way is to close the tax appeal loopholes now available to landlords.

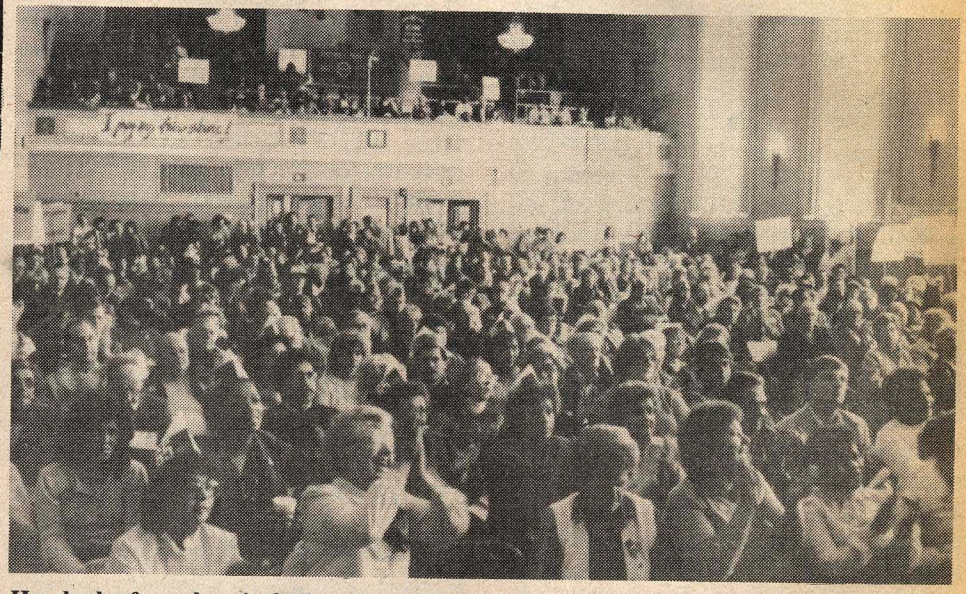
The latest chapter in the fight to stop New Jersey's landlords from grabbing all they can is unfolding in the state legislature. At issue is the Tax Appeal Procedures Reform Act (A-1050) which is being supported by New Jersey Citizen Action, the statewide citizens organization that consists of scores of labor unions, environmental groups, senior citizen organizations, community associations, and statewide constituency groups including the New Jersey Tenants Organization. On March 15, 1984 more than 800 people, including 100 NJTO members, gathered in Trenton to lobby for A-1050 and other legislation. Before the day ended *the Assembly passed A-1050 by a vote of 57-12*. Action on A-1050 is now pending in the Senate.

Final passage of the Tax Appeal Procedures Reform Act (A-1050) will sharply curtail the number of unjustified tax appeals filed by landlords and would create fair and uniform standards by which to judge appeals. Specifically, the bill requires that landlords submit *certified* income and expense statements with full documentation. When filing a tax appeal the landlord will have to demonstrate that he has exhausted remedies provided to him or her under existing rent control laws. In other words, the landlord must apply for a hardship increase prior to filing a tax appeal.

In addition, the bill clearly defines "income" and "expenses." All expenses must be documented and repairs must be done through arms-

continued on page 7

Homeowners Appeal Reform



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...x Appeal Bill

continued from page 1

length transactions and costs of improvements must be pro-rated over the useful life of the item. In order to receive a deduction for actual vacancies, the landlord will have to prove he made an attempt to rent vacant apartments. The definition of income includes *tax-sheltered benefits*, a demand that NJTO has been pushing. Landlord profits from real estate include far more than just rents. These profits, resulting from federal tax policy as well as financing arrangements, are hidden and often not considered in evaluating the true worth of a building.

A major fight over A-1050 is brewing in the State Senate and much public pressure will have to be exerted if the bill is to pass. In recent weeks, the mayors and councils of many municipalities (Caldwell, Orange, West Orange, Wayne, Elizabeth, Long Branch, Englewood, Elmwood Park, River Edge, Palisades Park, Fort Lee, New Milford, Hackensack and Teaneck) have passed resolutions in support of the bill.

WHAT YOU CAN DO

Tenants throughout the state are being urged to fight for this bill. The following are things tenants should do:

- Get your Mayor and Council to pass a resolution supporting A-1050 if they have not done so already. Emphasize that this bill protects homeowners, tenants, and the municipal tax base.
- Meet with local homeowner organizations and build a coalition in support of this bill. Copies of A-1050 can be obtained by calling 800-792-8630.
- Send out a press release to your local newspapers indicating that your organization supports passage of A-1050.
- Meet with your State Senator and gain his/her support for the bill.

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FACTS SUPPORT TAX REFORM

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Council gets state deadline to OK Hoboken budget

JJ 5/1/84

By James Kopchains

The chief of the state Bureau of Local Government has ordered the Hoboken council to finish work on the municipal budget or risk having the state write it for them.

Edwin Chius, the city's business administrator, said the council received the letter yesterday. He said Barry Skokowski ordered the budget finished at their meeting tomorrow and submit it.

Council members had been awaiting word from Gov. Thomas Kean on legislation allowing a two-year tax revaluation moratorium for the city.

According to Councilman Robert Ranieri, who attended a special budget session with the governor last night, Kean will conditionally veto the legislation.

Ranieri said Kean will permit a one-year moratorium on the revaluation.

Ranieri said he is confident discrepancies in the budget. Officials are predicting as many as 1,000 persons may be involved in the demonstration.

Kean balks on Hoboken bill

By BRAD KELLY
Staff Writer

Gov. Thomas H. Kean yesterday conditionally vetoed legislation that would have delayed Hoboken's revaluation for two years, and instead recommended that the city be given a one-year period of grace.

Kean's recommendation, which also includes an extension of the moratorium in 1985 if necessary, was rewritten into new legislation yesterday and will have to go before the state Assembly. But it is considered likely that the new bill will pass both houses of the New Jersey Legislature since the first bill did earlier this year.

"I'm very enthused," said Assemblyman Robert A. Ranieri, D-33rd, who sponsored both the original and the new bill. Ranieri, as well as other city officials, feel the city's revaluation has put unrealistically high assessments on residential properties.

For example, approximately 90 homes, assessed at $10,000 in 1979, have been reassessed at between $65,000 and $80,000. Although a revaluation will drop the city's tax rate of $183.29 per $1,000 of assessed valuation to about $42.50 per $1,000, most residential homeowners will have to pay a greater sum in property taxes because of the increase in their assessments .

Ranieri has sought a moratorium on the city's revaluation to give the city a chance to cut spending over the next several years. Ranieri also said he hopes the Port Authority of New York and New Jersey will have begun development of Piers A, B and C by next year, therefore increasing the city's ratable base.

"We are going to have to keep a tight budget," he said.

City Business Administrator Edwin Chius said yesterday a one-year delay will mean a tax decrease in 1984. He said that, even though the amount to be raised through taxation is increasing by $500,000 in the city Board of Education budget and another $300,000 in the Hudson County budget, he said the city's tax rate should decrease by $4 to $5 per $1,000 of assessed valuation. He said this is because the municipal budget calls for a $1.5 million decrease in the amount to be raised through taxation.

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Ranieri said he is confident that all budget proceedings will be completed by the May 14 deadline, set by the Department of Community Affairs.

Meanwhile, members of the Hoboken Neighborhood Alliance are trying to organize a mass rally in front of City Hall tomorrow to express displeasure over high city taxes and discrepancies in the budget. Officials are predicting as many as 1,000 persons may be involved in the demonstration.

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Rent amendment freed by delay in reevaluation

T.J Wed 5/2/84

The decision by Gov. Thomas Kean to hold off Hoboken's tax reevaluation for one more year has freed a propsoed amendment to the city's rent control ordinance for passage by the council.

Councilman Robert Ranieri said yesterday he would seek approval of the board to take the proposed changes for a final vote by the council.

Ranieri said the council had held up the amendments to wait for Kean's decision on Monday on the reevaluation delay. With that done, he said the members can now know what the situation will be regarding taxes this year.

The meeting tonight is scheduled for 7 p.m. at City Hall. A tax rally, sponsored by the Hoboken Neighborhood Alliance has been scheduled for 6:30 in front of City Hall.

JJ 5/2/84



Photo by Roy Groething

Poignant remembrance

Flowers mark the site of the old Pinter Hotel at 151 14th St. in Hoboken, where arson claimed 16 lives two years ago. Area residents held an anniversary memorial service yesterday, bringing flowers and prayers to the site of the fatal blaze.

LETTERS TO THE EDITOR

5/2/84 Hob Reporter

Dear Editor:

I have read your guest editorial in the April 25, 1984 issue of the Hoboken Reporter by Jean Forest of the Executive Committee of the Hoboken Neighborhood Alliance and I felt a reply is in order.

Ms. Forest states that the most pressing issue in the city is the property revaluation and her proposed solution is that a lawsuit be instituted against Landmark Appraisal Company. It would be irresponsible for the City Council to undertake such action to tackle this issue.

A lawsuit should not be started until facts are known that Landmark Appraisal Company did not comply with their contract for revaluation of properties in the city. To state that a lawsuit started by the City of Perth Amboy is the basis for Hoboken's lawsuit is ridiculous. It would be most revealing if Ms. Forest would state whom in the of Hoboken was told by the New Jersey to reconsider its Landmark Appraisal Compa State of New Jersey, in fact, a

the city's contract with Landmark Appraisal Company.

I have long been an opponent of property revaluation and as city Business Adminstrator would have lobbied against the contract had the state told me of alleged discrepancies cited by Ms. Forest with Landmark Appraisal Company. I opposed compliance with the order of the Hudson County Board of Taxation and would not recommend the hiring of any company to undertake the revaluation. The trauma of revaluation is that there must be a shift in taxes from the commercial and industrial properties to the residential property owner. This is unfair and unconscionable. The solution is statewide property tax reform. The property tax is a regressive tax, and revaluation will mean a property tax increase to residential property owners even if there is an overall tax decrease. Local government taxation must be reformed and citizens should be urged to write their state legislators and the Governor for prompt action on property tax reform.

The second solution in Ms. Forest's views on city government is that the "Council reduce budget expenditures and increase revenues to keep ta

May 2, 1984

CITY NEWS

Hob Reporter

Councilmen Seek Probe - Shoddy workmanship and dangerous conditions mark the refurbishment program at the David E. Rue School, according to Councilmen Patrick Pasculli and Thomas Vezzetti. The two officials, who inspected the school recently, have asked the City Council to take a hard look at the renovation program.

The school, which was closed by the state six years ago due to alleged health hazards, has been undergoing a refurbishment program since 1981. The program was originally expected to be completed by September, 1982 at a cost of $1.5 million.

LETTERS
TO THE EDITOR

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The second solution in Ms. Forest's views on city government is that the "Council reduce budget expenditures and increase revenues to keep tax levels where they were in 1983." This sounds good, but for the City Council to keep tax levels where they were in 1983 would mean to increase expenditures in the Mayor's proposed budget or decrease revenues. This demand by Ms. Forest is totally impossible! The Mayor's proposed budget reduces taxes to below the 1983 level, and the Council should not increase taxes back to the 1983 level. The taxpayers deserve a break this year. The Mayor has proposed a $1.6 million tax decrease this year in his budget, and if the council desires to amend the budget, it should make the proposed tax decrease larger.

Perhaps, Ms. Forest should know that the property taxes in the city are comprised of two factors in addition to the city government. They are local school district taxes and county government taxes.

A comparison of local taxes from the year Mayor Steve Cappiello took office follows:

Municipal (City) Tax Levy
1984 - $7,231,399.24 (proposed)
1973 - $5,896,538.94 (actual)
School District Tax Levy
1984 - $6,040,334.75 (proposed)
1973 - $4,438,605.38 (actual)
County Government Tax Levy
1984 - $4,400,000.00 (proposed)
1973 - $1,868,931.31 (actual)

While municipal taxes have increased 23 percent over 11 years and school district taxes 36 percent, the cost of county government to Hoboken taxpayers has increased 135 percent. I find it hard to believe that the Hoboken will result in savings to the taxpayers. The Hoboken Neighborhood Alliance should likewise urge an evaluation of the Board of Education and county government. After the evaluation, there must be a commitment for implementation of the findings.

My final comment concerns the supposed "high" water bills being sent to customers. Public Works Director Bill Van Wie should be commended for his straight-forward approach to charging every water user for the water they use. Several years ago, a grand jury presentment looking into water departments in Hoboken and Jersey City concluded that there was gross inefficiency and water loss. Director Van Wie when appointed to that position less than three years ago endeavored to correct this situation and insure that everyone pays the proper water bill.

I believe the Hoboken Neighborhood Alliance involvement in local government is good for the community. I hope their petition "Are You Getting Your Money's Worth?" is excellent. It will hopefully resolve the perennial question of whether government costs too much. I hope the Hoboken Neighborhood Alliance will get that answer from the Governor or through their own research as an independent organization.

Edwin J. Chius
Business Administrator

May 2, 1984

CITY NEWS

Hat Reporter

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The school, which was closed by the state six years ago due to alleged health hazards, has been undergoing a refurbishment program since 1981. The program was originally expected to be completed by September, 1982 at a cost of $1.5 million.

School officials say David E. Rue will be ready to open by the beginning of the next school year. Vezzetti and Patrick say they have doubts. During their inspection, the councilmen say they discovered such conditions as flooding in the two basements, uninsulated bathroom pipes, and a heating pipe valve that does not turn.

Joseph Lynch, planner of the renovation program, says the councilmen are blowing the problems out of proportion. Lynch says all problems will be solved by the time the renovation is completed.

No Nukes - Hoboken Action for Nuclear Disarmament (HAND), is asking for a ban on the research, development, and transport of nuclear arms in the City. The five-month old group, which has about 10 members, wants the City Council to adopt an ordinance making Hoboken a nuclear-free zone. If the council does not comply, HAND founder Judith Karpova says the group will petition to get the issue on next November's ballot. Karpova says 3,000 signatures are needed. She says 12 local businesses have agreed to contribute money to the petition drive. □

EDITORIAL

Guest Editorial: On Teachers and Taxes

The Hoboken Board of Education has conducted it's annual 'lay-off charade'. Forty one teachers have been terminated as of June 30. Every year the majority on the Board makes a practice of issuing wholesale lay-off notices in order to encourage phone calls to and pressure on the Mayor and City Council. It is expected these phone calls will result in local funding decisions sufficient to warrent re-instating all or most of the terminated personnel. The problem this year is that Hoboken's tax and budget crisis has reached the point where deep cuts in the education budget are absolutely necessary. Since Hoboken has no control over the 25 percent of our local tax dollars which go to support county government, even deeper cuts are needed in the municipal and Board of Education budgets if we are to reduce the near impossible burden faced particularly by Hoboken's small homeowners.

The problem with the Board of Education budget is further compounded by the on-going loss of students as landlords continue the process of emptying out multi-family buildings. Seven buildings across the street from the Wallace School were bought recently by one individual and 10 percent of the school's population will be gone by some time next year. As we lose pupils, we lose state aid. Additionally, once the revaluation is finally implemented, the percentage of state aid available to support each pupil will be lowered. All of this adds up to the need for an annual cost reduction program which avoids cuts in necessary instructional services.

As things stand now, however, the expectation is that many more teachers than ever before will be permanently dismissed. This policy of laying off younger teachers as the first and major approach to budget reduction is not only unfair and educationally backwards, it is also completely unnecessary. There are several options available to the Board of Education should it choose to consider good education, sound management, and responsible budget preparation as its goals. Among these options are:

— planning effectively to ensure that we don't spend over $500,000 fixing up a school we will have to close;

— correcting the mismanagement responsible for cost overruns on the Rue School rehabilitation project;

— eliminating six administrative positions in the business and education offices;

— working cooperatively with senior professional staff members to encourage early retirement;

— ending the high school cleaning contract and placing total authority for custodial staff supervision in the hands of building principals;

— encouraging retirement of employees whose moonlighting jobs substantially impair their ability to function as teachers;

— eliminating unnecessary jobs held by immediate family members of present and former school board members; and

— improving parent and community involvement to provide voluntary services in areas where funds are now expended unnecessarily.

If these measures were enacted, the Board of Education budget would be reduced by well over one million dollars beyond what the city has already done without touching educational quality. Failing to do so only hurts students as many fine young professionals are lost and only hurts small homeowners as increased taxes are used to pay for mismanagement and politically contrived expenditures.

Steve Block

(Steve Block has been a member of the Hoboken Board of Education for over five years) □

Revaluation delays report

Possible delays in Kearny's revaluation program for this year and Hoboken's similar 1984 program through legislation have been reported to the Hudson County Board of Taxation.

Kearny's program, while effective this tax year, has been snagged by the illness of Charles Hand, the town's tax assessor, whose review of the work by the Systems Technology revaluation program would have completed the project.

The mayor and council are seeking a temporary replacement to review the work. The tax board cannot strike a county tax equalization table until that is done.

Gov. Thomas H. Kean has conditionally vetoed a bill which would have deferred revaluation in Hoboken for two years. (meaning it would become effective in the 1986 tax year). A vote is scheduled Monday by the Assembly to concur with Kean's proposed changes.

"I am recommending that the moratorium be granted only for the 1984 tax year with the option to request a one-year extension for the 1985 tax year from the state treasurer," the governor has written in returning the bill to Assemblyman Robert A. Ranieri of Hoboken. The city could make such a request by next Jan. 1 on ground commercial and waterfront development underway or anticipated is not sufficient to diminish the (tax) impact on homeowners, it has been explained.

Jersey City's revaluation program was postponed earlier this year until the 1987 tax year

Traces of arson sought in Hoboken fire ruins

Hoboken police said yesterday that they have not found evidence of an accelerant in the remains of a four-story building gutted by fire Wednesday, but are not ruling out arson.

According to Sgt. Jim Behrens, a member of the city's arson squad, because the fire started in the hallway of 320 Monroe Street, investigators still have to be concerned with the possibility it may have been set.

"It's possible that the fire could have been set with paper in which case all evidence would naturaly be burned to ash," Behrens said.

Behrens said police questioned one suspect, who a resident claimed set the fire. The suspect was cleared, he said, after questioning showed he was not near the house.

Eight families were forced out by the three-alarm fire.

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Jersey City's revaluation program was postponed earlier this year until the 1987 tax year by the board, meaning the project must be completed by Oct. 1, 1986.

Tax Commissioner Rosalie D'Alessandro was elected president of the county tax board on the motion of Tax Commissioner Dennis McGuire. The other member is Tax Commissioner Marita Borzaga, but two othe posts are vacant.

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Eight families were forced out by the three-alarm fire, which started at about 1:44 p.m. and was declared under control at 3:22 p.m. Fire officials said yesterday the fire apparently spread through the stairwells of the building top floors of the building, causing heavy damage.

Joseph Santiago, the city's rent board administrator, said the building had received a capital improvement rent increase in August of last year after its owner, Anthony Sarra, spent $34,909 on repairs to meet state housing codes.

Santiago said the increase added $72.73 to the average monthly rent of $171 for 60 months. In addition, Santiago said the building also was approved for a yearly four percent cost-of-living rent increase and a monthly tax surcharge of $8 in August.

Jude Fitzgibbons, the city's chief housing inspector, said the building had met all state housing code regulations. He said the building was under violation in December, 1982, but the improvements made by Sarra brought it up to code.

Hoboken meetings to hammer budget

J.J. 5/5/84

The Hoboken Council has scheduled three meetings next week to put the finishing touches on this year's municipal budget.

The meetings, Monday at 4 p.m., Tuesday at noon, and Wednesday at 7 p.m., have all been called as workshops on the budget by Council President Helen Macri. All three are open to the public. However, at the Tuesday meeting the council is expected to approve a resolution going into closed session, which will take up the bulk of the meeting. All meetings are scheduled at City Hall.

Meanwhile, the council also will hold a meeting on the budget on May 15 at 6 p.m. at the Hoboken High School auditorium. The meeting is expected to be the last workshop before the budget comes up for a vote.

Ethics code politic nepotism ol board

Proplmen provilators

By Richard Rosenberg

School board members could be dumped for hiring relatives and for serving political interests under a proposal written by Hoboken school board member Steven Block with Jersey City schools superintendent Dr. Michael Ross and three others.

If the state Legislature and state Education Commissioner Saul Cooperman enact the proposals, many board of Education members in Hudson Cou ty could be removed fro office.

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See ETHICS –

TUESDAY, MAY 8, 1984

Ethics code would take politics, nepotism out of school boards

Proposals by Hudson schoolmen provide for dismissal of violators

By Richard Rosenberg

School board members could be dumped for hiring relatives and for serving political interests under a proposal written by Hoboken school board member Steven Block with Jersey City schools superintendent Dr. Michael Ross and three others.

If the state Legislature and state Education Commissioner Saul Cooperman enact the proposals, many board of Education members in Hudson County could be removed from office.

The six-page document includes a procedure for removing board members if they violate an ethics code which is also in the document. The ethics code is similar to one adopted in 1975 by the New Jersey School Boards Association. Block, Ross and the other writers of the proposals are members of the association.

Cooperman had asked the group last fall for proposals for reducing political interference in local school systems, Block said.

A spokeswoman for Cooperman said he met with some of the group last Friday. She said Cooperman would wait for the association to take action on the proposals before he would comment on them.

"I can't believe that any of the major education organizations . . . would take offense to the spirit of this thing," Block said.

"It is something that only those who benefit from political interference, and those who practice it, will oppose," Block said.

Besides calling upon school board members to uphold the law and promote high educational standards, the ethics code says:

• "A school board member

See ETHICS — Page 8.

...ode would take politics, nepotism out of school boards

Continued from Page 1.

shall avoid patronage in the hiring, firing and promoting of personnel and the politically motivated creation of positions. She/he shall vote to appoint the best qualified personnel after consideration of the recommendation of the chief executive officer."

• "A school board member shall not vote to hire any immediate family member of any sitting board member."

• "A school board member shall not use his authority or position on the Board of Education to favor elected officials, partisan political groups, special interest groups, or to use the schools for personal gain or the gain of friends."

The code says board members should avoid conflicts of interest and should "develop and maintain public schools which meet the individual needs of all children, regardless of their ability, race, creed, sex or social standing."

"A school board member who is employed by the municipal authority who appoints him, or a school teacher who is elected to the board through support of the teachers association, must not surrender independent judgement to these special interest groups," the code says.

"A school board member shall not usurp the authority of the chief school administrator by . . . handling public complaints directly, hiring and firing personnel without recommendations from the chief school administrator, giving instructions to district personnel, etc."

The last line of the code says board members should not only comply with the code, but are "obligated" "to report suspected violations by other board members."

Under the proposal, violations would be reported to a "New Jersey School Board Review Committee." The all-volunteer committee would include five local board of education members and four non-board members, with an executive appointed by the state education commissioner.

The proposal sets strict written procedures for all personnel actions, and includes a kind of squeal rule for those who would try to get around the written procedures.

The rule says that all board members and administrators would sign an affidavit publicly revealing "the name of any person(s) who speak with them regarding the possible employment, promotion, transfer or discharge of any person within the local school system."

The review committee would investigate complaints. The committee, which would have a part-time attorney, could recommend to the commissioner that board members be reprimanded, censured or removed from office.

The committee's investigations would follow the rules of administrative law proceedings.

Block said the proposals, if adopted, would make most board members think twice about shady behavior.

The rules would not stop those who are "self-consciously involved with abusing their authority as school board members," he said. But, "it provides the opportunity for local people — citizens, the parents of kids in the system, employees in the system, to complain formally about behavior that is clearly inconsistent with good education," Block said.

The ethics rules would make suburban legislators more sympathetic to giving the cities more school aid, Block said.

"Politics in the cities is so corrupt and terrible that money is wasted or misused or what-have-you. Wherever you go, that's the cry," Block said.

"There is too much truth in that. If we strengthen the state's role in monitoring the behavior of the school boards, I think we may get a more sympathetic hearing from the Legislature," he said.

Block, who will present the report to a meeting of school administrators in two weeks, made the report available to The Jersey Journal.

Ross, who will be leaving Jersey City's school system July 10, was out of town and unavailable for comment.

Block declined to name the other authors of the report.

Hoboken homeowners are likely to get a break on new tax assessments

JJ 3/7/84

By Joseph Albright

TRENTON — Hoboken homeowners worried about having to pay hundreds of dollars in increased property taxes this year because of revaluation can breathe easier today.

The Assembly is considered certain to concur with conditional veto recommendations by Gov. Thomas H. Kean in a bill providing a one-year moratorium retroactive to Jan. 1 on the revaluation ordered by the Hudson County Board of Taxation.

Kean's conditional veto also allows Hoboken to seek a second-year extension in the bill by Assemblyman Robert A. Ranieri, Hoboken Democrat, who originally proposed a two-year revaluation delay.

It is traditional for either the Assembly or Senate to concur with conditional veto recommendations submitted by the governor. The Hoboken revaluation bill is no exception.

The Assembly approved the Ranieri bill, 46-27, the Senate 26-7.

Ranieri, Hoboken City Council member, is hoping commercial and industrial development as well as Port Authority development along the waterfront will minimize the impact of the revaluation when it finally takes effect.

Meanwhile, the Assembly is expected to adopt a bill by Assemblyman Joseph V. Doria Jr., Bayonne Democrat, to raise the bid threshold for state college contracts from $2,500 to $7,500.

And the chamber is expected to pass a bill by Assemblyman Joseph Charles Jr., Jersey City, requiring the Consolidated Police and Firemen's Pension Fund to calculate a pension using the salary received in the last year if the person has 25 years service. It is now computed on the average salary in the last three years.

Assembly approval also is anticipated on a bill by Assemblyman Wayne Bryant, D-Camden, to stagger distribution of welfare checks by dividing recipients in each county into four equal groups, starting April 1, 1986.

The intent is to eliminate clients to stand outside in bad weather the first of each month, reduce muggings, and discourage food stores from increasing prices the first of each month, particularly in urban areas.

WEDNESDAY, MAY 9, 1984 118th Year — No. 7

Hoboken will probe reassessment work

By Barbara Demick

The Hoboken City Council decided yesterday afternoon to investigate complaints against the firm whose reassessment of city property has angered homeowners.

The investigation will be undertaken by the tax assessor's office and the city law department, to decide if there are grounds for a lawsuit against the Landmark Appraisal Co., based in Perth Amboy.

ease the burden on t... homeowner.

Under legislation, which is expected to be signed by Gov. ...

Seeking grounds to sue

The charges came to light at a raucous council meeting last Wednesday night, when some 200 residents protested what they called sloppy work by the Perth Amboy firm.

Landmark was hired by the city to assess the values of all properties to comply with the revaluation ordered by the Hudson County Board of Taxation. In a revaluation, all buildings are reassessed at true market value and the process tends to shift the tax burden onto residential properties, and away from commercial and industrial property.

Mayor Steve Cappiello yesterday expressed some skepticism about the charges against Landmark. He said the firm was certified for this kind of work by the New Jersey Division of Taxation and that, in any reassessment of property values, some discrepancies will take place.

The mayor also called for the creation of a state board that would review assessments. He said New York State has such a board and that Hoboken Councilman and Assemblyman Robert Ranieri has been urged

performed inadequately during a 1981 revaluaion of Perth Amboy, and that Hoboken officials were aware of the problems there when they hired the firm.

See HOBOKEN — Page 13.

ERSEY JOURNAL, WEDNESDAY, MAY 9, 1984 13n

Hoboken to probe reassessment job

Continued from Page 1.

to introduce a bill to set up a similar agency for New Jersey.

Ranieri, who was in Trenton yesterday and did not attend the council meeting, was also dubious about the investigation.

"When a revaluation is done it is almost a standard procedure that many people are not happy."

But he added, "I see no harm in an investigation as long as it's handled properly. We just wouldn't want it to look like a witch hunt."

Ranieri said that, by the time the revaluation goes into effect, the city's tax base will have increased sufficiently to ease the burden on the homeowner.

Under legislation, which is expected to be signed by Gov. Thomas H. Kean, there will be a one-to-two year moratorium on implementing the new tax structure.

"With all this renaissance going on in Hoboken, by the time this takes place it should all balanced out," said Ranieri.

The revaluation has resulted in quadrupling the assessed value of many homes in Hoboken.

At last week's council meeting, members of the Hoboken Neighboring Alliance charged that Landmark had based its assessments mainly on the outside of the houses and that interior inspections were cursory and inadequate. It was also charged that Landmark had performed inadequately during a 1981 revaluaion of Perth Amboy, and that Hoboken officials were aware of the problems there when they hired the firm.

118th Year — No. 7

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See HOBOKEN — Page 13.



STEVE RUBIN

Residents vent their anger at the Hoboken Tax Revolt Rally at City Hall last week.

is a violation because the contract date is binding

CITY NEWS

Tax Revolt - Close to 400 angry residents packed the City Council chambers spilling out down the hall last Wednesday night to voice their concerns over increasing taxes, the proposed revaluation, poor city services, and the city's failure to conduct serious economic development. The unusually high attendance was stimulated by a "tax revolt" rally held on the steps of city hall earlier in the evening by the Hoboken Neighborhood Alliance. Led by Alliance leaders Joan



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City Council President Helen Macri, anticipating the crowd's message, read a prepared statement assuring everyone in Hoboken that the one year moratorium granted by the governor and the Council's determination to hold the line on the budget will keep taxes down. Earlier in the week Governor Kean had agreed to a conditional one year moratorium on implementation of the property revaluation contingent on local budget reductions and further development of Hoboken's waterfront.

The nine speakers who addressed the City Council brought

continued on page 18

City News

continued from page 1

out a variety of issues confronting Hoboken. Of immediate concern was the revaluation. Bill Swann, co-chairman of the tax sub-committee of the Neighborhood Alliance, demanded that Landmark Appraisal Company be taken to court and that a new company be retained to conduct a fair and competent revaluation. Swann, speaking officially for the Alliance, further demanded reductions in the budgets of the city and the Board of Education, improvements in municipal services, and programs to expand Hoboken's economy.

Steve Block, who publicized procedural violations in Landmark's work at a City Council meeting last month, also urged the Council to take Landmark to court. Block claimed that Landmark's failure to complete its work by September 1, 1983 is a violation because the contract date is binding. "There are many inconsistent assessments within the residential class and among the residential, commercial, and industrial classes," he charged. "These inconsistencies result from the failure of the company to conduct site visits in many instances, and its failure to thoroughly examine the inside of the property in many others. A lawsuit is the only means available to make certain that once the moratorium is lifted, we are not tied to Landmark's bad numbers and poor procedures," he concluded.

Maureen Singleton, a member of the Alliance tax sub-committee, charged that if Landmark's revaluation is implemented, hundreds of homeowners would be forced to sell. "Mr. Mulroy (president of Landmark) told me personally that over 800 homeowners would be forced to sell. That's 45% of the residential property in the city and the bottom would drop out of the residential market with so many properties for sale all at once," she concluded.

The proliferation of extraordinary water bills which has upset many homeowners in recent months was also brought up at the meeting. Lucretia Pepe charged that her elderly grandmother had to pay $7800 in back water bills when her house was sold. This figure was reduced from $9100 after a complaint was lodged with City Hall, even though, according to Pepe, all previous bills had been paid on time. And Laurdes Hallack complained that a $700 water bill, paid when she bought her home four years ago, resurfaced again and she was required to settle for a $350 bill. She also claimed to have made regular payments on regular quarterly bills. Councilman Tom Kennedy assured Hallack that he would look into the matter.

As the meeting ended, Block received a committment from E. Norman Wilson, Jr., chairman of the Revenue and Finance Committee, to invite representatives of the Neighborhood Alliance to sit down with the committee. Jean Forest, a member of the Alliance executive committee, promised that the Alliance would continue to monitor the City Council to ensure that the Alliance demands are taken seriously. "This movement to keep Hoboken people here and to insist that local government represents us has just begun," she stated. "We are committed to ensuring that in the future Hoboken politics is based on issues and solving problems rather than patronage and favors." □



oken Tax Revolt Rally at City Hall last week.

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Coun-
down
the hall last Wednesday night to voice their concerns over increasing taxes, the proposed revaluation, poor city services, and the city's failure to conduct serious economic development. The unusually high attendance was stimulated by a "tax revolt" rally held on the steps of city hall earlier in the evening by the Hoboken Neighborhood Alliance. Led by Alliance leaders, [illegible]

EDITORIAL

For The People

Thanks to the issues, the city's preferred media status, and the Hoboken Neighborhood Alliance's considerable public relations dexterity, CBS, NBC, and ABC brought McLuhan's global village to Hoboken last week. Traditionally comprising an intricate network of kinship and familiarity, Hobokenites tuned in the 11 o'clock news to scrutinize the electronic images of their neighbors who'd gathered at City Hall to beseech, admonish, and, in their turn, scrutinize our city council.

The ostensible focal point of last week's "Tax Revolt" rally — namely, the seemingly capricious and slipshod revaluation conducted by Landmark Appraisal Company—was preempted by the remarkable spirit and promise of that evening. We witnessed a rekindled determination on the part of Hoboken citizens to forge, with their own hands, the future of their city. We witnessed a growing movement of neighborhood activists, long-term residents, relative newcomers, home-owners, and tenants who steadfastly refuse to be swept out of the city that they love. We witnessed a cohesive and heterogeneous assemblage of residents which confuted the tired and divisive cliche of "new Hoboken" vs. "old Hoboken." No matter where we stand vis-a-vis specific issues and specific political affiliations, we all owe a great deal of gratitude to the Hoboken Neighborhood Alliance for their energetic efforts to galvanize the citizens of Hoboken and serve notice on our elected officials that if they don't effectively and honestly serve the interests of their constituents, their heads will roll from the electoral guillotine come election day.

If that Robespierrean image seems extravagant, it is consistent with the heatedly indignant spirit of that night last week — a night which left us with an assortment of lingering impressions. There was the mob, packed into the humid council room, generating a constant din of complaints, murmers of commiseration, taunts and guffaws. There were the council members, some of whom appeared almost comatose as they stared fixedly into space, willfully oblivious. There was Helen Macri who, with admirable resolve, conducted proceedings as sundry members of the gallery accused her of everything from the Lindbergh kidnapping to the Karen Silkwood murder. There was, of course, Tom Vezzetti whose histrionic boorishness cuts through dead business-as-usual like a dada sword, yet simultaneously seems to trivialize the very issues he addresses. There was Steve Block whose patient, methodical, and lucid summary of the Landmark revaluation issue and the Rue School refurbishment fiasco was necessary and laudable. There was Mayor Cappiello who stood on the sidelines puffing his pipe like Fred MacMurray with avuncular bemusement at the rambunctious behavior of his constituents. More memorable than any of this, though, were the poignant, achingly articulate statements by Hoboken residents who one after another addressed the council and professed their love of Hoboken and their utter distrust and disdain for its municipal government.

The spirit and message of that evening at City Hall are clear. "Development," however grandiose, which occurs at the expense of the majority of Hoboken's people is retrograde. We cannot allow the residents of Hoboken to be uprooted and disenfranchised either by incompetence and neglect or by design and collusion. And we must not allow Hoboken to continue degenerating into a mile-square banana republic whose oligarchic distribution of power fattens the tycoons and officials as the municipal infrastructure rots and crumbles. The status quo is simply unacceptable.

For illuminating these issues within the crowded confines of City Hall, in the media, and in the streets; for mobilizing the growing number of disaffected residents; and for issuing a stern and long-overdue warning to our elected officials — we heartily applaud the Hoboken Neighborhood Alliance. □

THURSDAY, MAY 10, 1984

Hoboken will cut taxes by $3 in budget

By Rick Tosches

The Hoboken City Council last night introduced amendments to its budget expected to reduce taxes by $3.

A public hearing is scheduled for Tuesday at 6 p.m. in the Hoboken High School auditorium.

According to Ed Chius, business administrator, the general budgetary appropriations has been amended from $22.9 million to $23.2 million but taxes will drop because "we are lowering the amount to be raised by taxation" from $7.7 million to $7.5 million.

Chius added the current tax rate is $183 per $1,000 of assessed valuation.

"We can't guarantee it," Chius said. "If the amendment is adopted, I could conservatively say that it (tax rate) would be $180."

Chius commented the amendments were "based on Monday afternoon's and evening's discussion (on the budget)."

"I incorporated the general consensus."

Among the amendments are plans to hire about 10 additional public safety employees, to purchase additional equipment for the fire department, the purchase of eight to 10 new police cars and the possibility of purchasing some new manual street sweepers.

Chius added the tax reduction could decline even more if the city's ratables remain the same, "but we don't project it."

The only dissenters to the amendments were Councilmen Pat Pasculli and Thomas Vezzetti.

Both councilmen have proposed eliminating the positions of director of public works, law department director, public safety director and director of revenue and finance.

"You don't need them," commented Vezzetti.

"This (amended) budget has to be cut to obtain a cost-effective government," stated Pasculli.

Both Pasculli and Vezzetti have indicated they'll also vote against the budget at next week's hearing.

People Speak About the Budget

Dear Municipal Council:

I urge you, in your current budgetary deliberations, to adopt the following proposals concerning the structure and financing of the Rent Leveling and Stabilization Board.

In the 1984 Municipal Budget booklet written by Edwin Chius, the Business Administrator, one finds on page 13 a breakdown of the appropriations for the Rent Control Board. Under the "Salaries and Wages" category is $14,334 for the current Administrator, Joseph Santiago, plus $2,000 for overtime and/or part-time clerical assistance for a total of $16,334.

Under the "Other Expenses" category one finds $20,000 for legal services — the compensation paid to the Board's attorney, Mr. Barry Sarkisian. The listed additional expenses of $3,000 bring the total to $23,000. Adding the totals for the two categories, we find a grand total of $39,334 listed as appropriated for the Rent Leveling and Stabilization Board.

I propose the following changes:

That the current Administrator be replaced by a more qualified and competent individual at a salary of $25,000, and that additional staff be hired, the number and salaries to be determined by the Council in consultation with Mr. Chius and the Rent Control Board. Also that Mr. Sarkisian's position be eliminated, and that the legal work for the Board be performed by the Law Department, as had been prior practice. Finally, that additional equipment and publications be purchased, in particular a computer system programmed to calculate rents and be adaptable to changes in the Rent Control Ordinance.

I can explain my reasons for these proposals in greater detail if the Council so desires.

We are in a period of severe financial hardship for the citizens of Hoboken, so my apparently expensive proposals make sense only when linked to the following revenue-producing proposals.

The registration provision of the current law must be clarified to specify that each controlled building re-register annually, and the registration provision must also be changed to require the registration of condominium units. The registration fee for controlled dwellings must be increased to $100.00 per building, and the registration fee for condominiums must be established at $100.00 per unit.

Finally, violations of the registration requirements of the ordinance and of all other appropriate provisions of the ordinance must be severely penalized. A new penalty provision, to replace the existing 18:55 (B) (10), must be adopted, and should read as follows:

"A violation of any provision of the ordinance shall be punishable by a fine of not more than $500.00 and imprisonment for not more than ninety (90) days or both. A violation affecting more than one unit in a controlled dwelling shall be considered a separate violation as to each unit. Every separate violation of the ordinance affecting a single unit shall be considered a separate and distinct violation of the ordinance."

If such penalties appear extreme, I urge the Council to read the attached penalty provision of Hoboken's 1973 Rent Control Ordinance, from which my language is paraphrased.

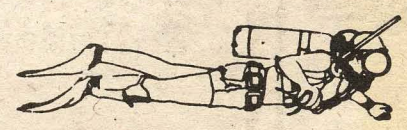
Violations of the state registration requirement — commonly known as the "Landlord Identity Statute" — must be prosecuted with fines of $500 for convictions, as urged by the 1981 amendment to the statute. See the attached provision of the New Jersey Statute, in particular the Statement by the Senate Judiciary Committee.

If any clarification of any of my proposals is desired by the Council, I shall amplify my remarks and explain my reasons for these proposals.

Thank you for your consideration.

Sincerely,

Sheldon Frank



PAID ADVERTISEMENT

FROM THE DESK OF COUNCILMAN TOM VEZZETTI

Reporter
5/16/84

NEVER MIND THE BEEF, WHERE'S THE MAYOR? A dishonest and incompetent revaluation was done, Hoboken people are demanding a lawsuit to get rid of Landmark Appraisal Company, yet where's the Mayor? We need major budget cuts each year to reduce taxes so the revaluation won't kill small homeowners. Hoboken residents are demanding we do this, yet where's the mayor? Many Hoboken homeowners are getting ridiculous water bills, the public is outraged, yet where's the Mayor? The Board of Education cuts teachers instead of waste, mismanages the Rue School project, parents and teachers are angry and frustrated, yet where's the Mayor?Tenants and small homeowners are being driven out, more and more our community is uniting to keep Hoboken people here, yet where's the Mayor? The City Council is creating a new budget position, we already have six professionals and five bookkeepers on the payroll, the public is demanding eliminating unnecessary jobs, yet where's the Mayor? And Joe Hottendorf keeps giving affairs for himself, injects politics into the headstart program, has pictures published celebrating dog waste, people want him out of the Head Start business, yet where's the Mayor?

Never before in my lifetime in Hoboken has the city been so leaderless! Everybody comes to City Council meetings with their complaints. The Mayor seems to be absent without leave! I find myself pulled in so many directions trying to help the situation. The Council is split into three factions and seems incapable of getting down to business. Mayor Cappiello has either given up pretending to be Mayor or he is paralyzed by the enormity of the city's problems. For my part, I've been trying as best I can to work on several problems.

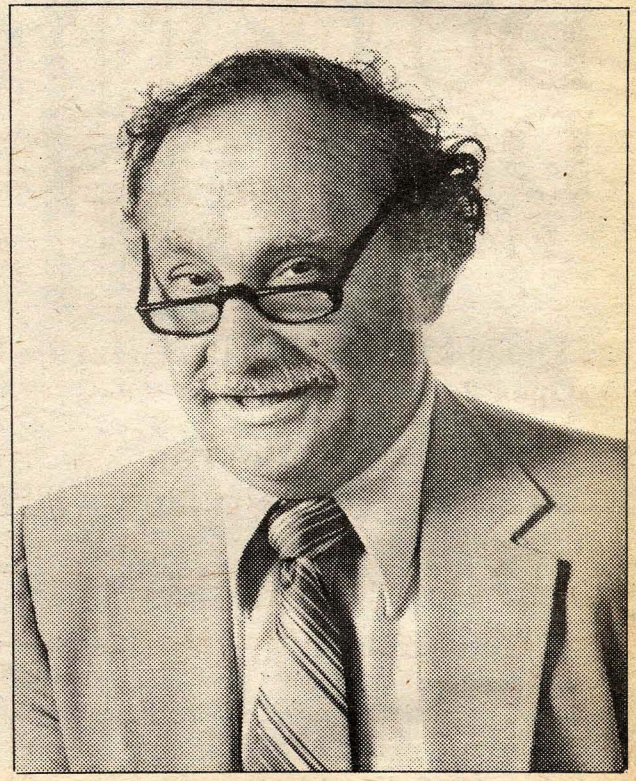
-keeping small homeowners here by reducing taxes through consolidation of city departments and elimination of unnecessary jobs

-keeping tenants here by closing rent control loopholes on multi-family buildings and enforcing existing laws

-opening up government by ending closed meetings and other meetings where the public isn't allowed to speak

-making city government work by holding city officials accountable

Now I don't pretend to have all the answers. The truth is no one in Hoboken's government does. But I am committed to getting these problems resolved and I'm looking for help from people who have the background and training to provide answers. I get a little tired of the constant attacks on me by this paper when, until last week's brilliant editorial, the Mayor and other council people who are responsible for the deplorable state of Hoboken, get off easy. I love Hoboken and I intend to do everything I can to help people who also love Hoboken to stay here



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Always a pleasure,
Tom Vezzetti

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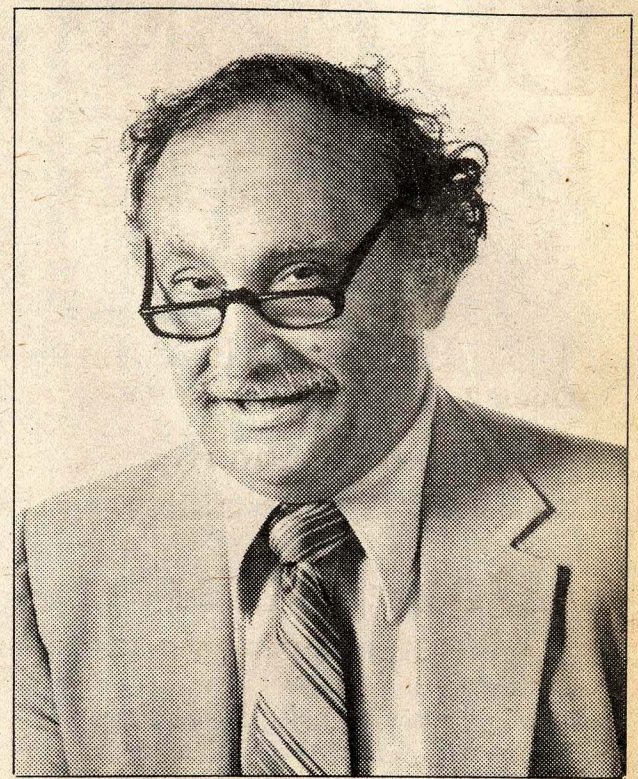

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SECTION B

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THURSDAY, MAY 17, 1984

Hoboke ts $15 per $1,000

By Patricia Soctt

The Hoboken City Council last night formally adopted a $23,197,662.40 municipal budget for 1984, by a 6-to-2 margin.

Councilmen Thomas Vezzetti and Pat Pasculli cast the dissenting votes.

According to Council President Helen Macri, the budget has been reduced by $219,000, owever, defended d budget as

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He was also appointed city representative to the National League of Cities, a lobbying organization for municipalities throughout the country. This will be Ranieri's 10th year in that post.

The council also established a position for a city internal auditor, to be appointed by James Farina, city clerk. The post will pay $30,000 annually, and Joseph Lisa, who has been acting as internal auditor, is expected to be appointed, said Ranieri.

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Councilmen Thomas Vezzetti and Pat Pasculli cast the dissenting votes.

According to Council President Helen Macri, the budget has been reduced by $219,000, representing a decrease of $15 per $1,000 of assessed valuation in city real estate tax rates.

Councilman Robert Ranieri said the council was "delighted" with the budget adoption.

"We consider this a considerable accomplishment," said Ranieri, who said the budget was a "combination of providing for essentials while at the same time controlling our expenses and looking ahead."

The council had been criticized in recent days by property owners who felt the annual budget could be further reduced.

Sam Gregory, of the Hoboken Neighborhood Alliance, has maintained that his organization has identified $787,421 in additional cuts which could be made.

Ranieri, however, defended the adopted budget as "reasonable."

"There are many different ways an annual budget can be viewed, and persons may view it differently," he said. "We feel satisfied with what we have achieved."

Ranieri said the budget, including appropriations for schools and the county tax rate, would provide a tax cut of between $4 to $5.

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Hoboken group 'declares war' over budget OK

J J 5/18/84

The Hoboken Neighborhood Alliance has scheduled a meeting for May 29 to discuss the group's next steps following the city council's pasage of this year's municipal budget on Wednesday.

"We are declaring war on City Hall," HNA President Angelo Valente said yesterday in describing the group's position. The alliance has maintained the council could have easily cut another $700,000 from the $22.9 million budget, but chose to keep it in for political considerations.

"The council and the mayor had had every opportunity to prove to Hoboken residents that they are truly concerned for the well-being of the city," Valente said. "By their action they have proven once again that politics will always take precedence over the needs of the people and the city."

At the meeting, which will start at 8 p.m. at Holy Trinity Church, 701 Washington Street, Valente will outline possible steps the group can plan to make certain the budget is strictly adhered to by council and city employees. He said the group will also discuss money-saving steps being proposed by Council members Thomas Vezzetti and Patrick Pasculli.

Kean signs law delaying Hoboken reassessments

J J 3/18/84

TRENTON — Gov. Thomas H. Kean yesterday signed legislation giving 5,000 small and medium-sized homeowners in Hoboken at least a one-year reprieve from sharply increased property assessments.

In a private ceremony in the State House cabinet room, Kean approved the measure introduced Jan. 30 by Assemblyman Robert A. Ranieri of Hoboken.

It was the first bill signed into law for the freshman legislator, a City Council member.

The legislation imposes a one-year moratorium retroactive to Jan. 1 in the reevaluation ordered by the Hudson County Board of Taxation.

However, Kean allowed Hoboken to request a second year moratorium extension, if necessary, in recently conditionally vetoing the bill first passed by the Assembly, 46-27, Jan. 30, and by the Senate 26-7 March 1.

Kean suggested the one-year delay is "adequate" in pointing out that industrial, commercial and waterfront development by the Port Authority all would combine to ease the plight of the homeowners.

It was the position adopted by Ranieri in pressing the administration to sign the bill to prevent what he called "disastrous" results for homeowners without the moratorium relief.

Ranieri was joined by his wife, Elena, and Sen. Christopher J. Jackman of West New York, in the ceremony punctuated by some humor.

In praising Ranieri for having "worked hard" on the bill, Kean remarked that he "couldn't get within five miles of Hoboken the last three months without being buttonholed on the bill" by Ranieri.

THE JERSEY JOURNAL
and Jersey Observer
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5/18/84

Selective rents

Rent control reforms proposed by the McCann administration sound good, but may end up harming the people they were designed to protect, and aggravating Jersey City's housing problems.

The administration is contemplating:

- Reducing the annual allowable rent increase for senior citizens from 4 to about 2 percent.
- Excluding tenants who make more than $50,000 from rent control protection.
- Eliminating one-time exemptions from rent control for substantially rehabilitated apartments.

Of the three, the last has the most merit. It clearly addresses a weakness in the current rent control laws.

The other two suggestions look attractive on the surface, but are inherently discriminatory and can led to a whole new variety of abuses.

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Landlords who need or want the 4 percent allowable increase will try to find ways around renting their vacant apartments to senior citizens.

And the prospect of being able to decontrol vacant apartments completely will encourage landlords to seek out tenants who make more than $50,000.

Such subtle abuses are difficult to detect and eliminate.

Seniors and low and middle income tenants could also become the targets of other types of abuses, equally difficult to detect.

Landlords may begin looking for ways to force these tenants out of their apartments so they can get the higher rents from high-income tenants.

City officials say the best way to curb abuses is for the public to be aware of its rights and seek relief either through local agencies or the courts when those rights have been violated.

They claim there is no effective way for the city alone to monitor the rental market to prevent abuses.

So should the city propose laws that almost encourage landlords to exploit the system?

Instead of singling out the elderly for alleged protection and the rich for penalties, the city should explore ways of making the rent control laws more effective, enforceable and fair for all tenants and landlords.

Scofflaws

Bayonne's continuing success at [illegible] life miserable for people who

Hoboken fate seen at stake

By BRAD KELLY
Staff Writer

The future of Hoboken depends on who wins the Democratic nomination for the Hudson County Board of Freeholders seat for the 6th District, according to Nunzio Malfetti, the former city councilman who wants to defeat incumbent Steve Cappiello, who is also the city's mayor.

In fact, his campaign manager, Robert King, has characterized the June 5 Democratic primary as the "weather barometer for Hoboken politics."

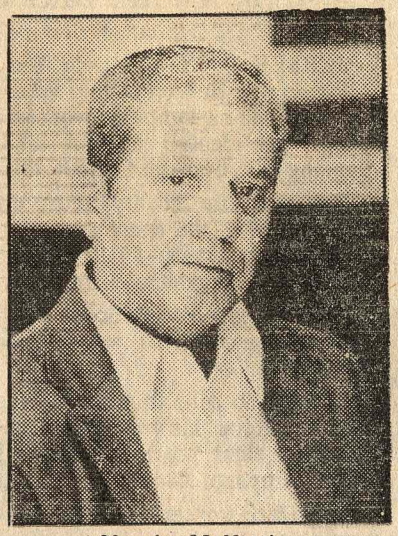
Both King and Malfetti believe that if Malfetti wins the nomination, it will be a blow to Cappiello the freeholder, and even more importantly, a blow to Cappiello the mayor. Cappiello is a former freeholder chairman.

Malfetti is running on the Regular Democratic Organization ticket headed by Rep. Frank J. Guarini Jr., D-14th, while Cappiello is running on the slate of the Regular Organization Democrats.

"If we get him now, we've got him all the way," said Malfetti yesterday, referring to next May's municipal election. Cappiello, who has been mayor since 1973, has not indicated whether he will seek a fourth term.

In his campaign literature, Malfetti has said he is "joining forces in a "grass roots effort" to take control of City Hall away from the Cappiello administration. He has not indicated, however, what role he will play in this movement.

"We will turn this city around and give it back to the people," the pipe- [illegible] Malfetti said yesterday



Nunzio Malfetti
Covets freeholder seat

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Malfetti has blasted the proposed $133 million 1984 Hudson County budget that represents an increase over 1983 that he blames on Cappiello. He also blames the veteran mayor for Hoboken's tax rate of $183.29 per $1,000 of assessed valuation. He said that as a freeholder, he would work for a more efficient and productive county budget.

In what some officials see as a shrewd campaign tactic, Cappiello, who has served six years on the board, has said he may retire from paid public office but continue to serve as an official in a non-salaried capacity.

Cappiello said his greatest accomplishment as a member of the minority Democratic faction of the board has been keeping the spending habits of the current county admin-

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"We will turn this city around and give it back to the people," the pipe-smoking Malfetti said yesterday. Malfetti was defeated by Pat Pasculli last year in his bid for a third four-year term on the City Council. Malfetti is a cargo checker at the Mahar Terminal in Port Elizabeth. He and his wife, Irene, are the parents of a daughter, Arlene, and a son, George.

Although the 6th District includes four wards in Union City and two wards in Weehawken, Malfetti said he is concentrating on the four wards in his native city.

"I'm a street campaigner ... press the flesh. I've been walking the streets, and the response has been very good," Malfetti said. He said he has been relying on his Alliance Civic Association supporters to campaign for him in Union City.



Nunzio Malfetti
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Cappiello said his greatest accomplishment as a member of the minority Democratic faction of the board has been keeping the spending habits of the current county administration in check. He said he is a critic of the 1984 county budget and is at odds with the Hudson administration about what he insists is the need to release detailed budget information.

Cappiello said he has not been given a breakdown of the budget and he said he plans to take that matter up with the state Division of Local Government Services.

Cappiello said yesterday he would like to see the county budget reduced by several million dollars and he invited Malfetti to present his views on the budget at the next board meeting.

Jersey housing decision takes root on Coast

Star Ledger 5/24/82

Professor reviews Mt. Laurel impact

By GORDON BISHOP

A 1975 Supreme Court ruling in New Jersey to provide low cost housing has not had much success in the Garden State, but Oregon and California are using it to create affordable housing in their states.

The impact of New Jersey's unprecedented housing decision on other states was the topic of a paper delivered by a distinguished professor at the Washington University School of Law in St. Louis.

Daniel Mandelker put the New Jersey Mt. Laurel decision into a national perspective at a conference sponsored by the Rutgers University Department of Urban Planning and Policy Development and the New Jersey Chapter of the American Planning Association.

"Mt. Laurel has jumped across the country and taken root in Oregon and California," Mandelker told more than 300 attorneys and professional planners at the Rutgers land use forum. "Mt. Laurel has heralded a new era in land-use law."

In 1975, after three years of deliberations, the New Jersey Supreme Court ruled that developing municipalities must provide housing for low and moderate income individuals and families.

The high court later toned down its position by requiring suburban communities to provide "least cost housing." A definitive ruling on how that can be done is expected to be issued by the court this year.

Mandelker maintains the courts don't know enough about living patterns and job searches to begin transporting large numbers of people out of the cities to the outlying suburbs.

"The goal of government has been to revitalize the cities, to improve urban housing, not abandon it," Mandelker declared.

"The blacks in St. Louis did not want to be dispersed by federal funds. There are no exclusionary rules (zoning) in the cities, yet the suburbs must adhere to this new rule. It's too simplistic."

The law professor said it is not possible to tell people where to live. "We don't litigate policy issues in St. Louis like you people do in New Jersey," Mandelker said.

He reviewed Oregon's land-use strategy as developed by the state Legislature. Oregon has 14 state planning goals which are incorporated in a state master plan. Mandelker noted they are goals, not policies.

The 14 point program is applied to all planning and development decisions by the State Land Conservation and Development Commission.

The 10th point in the program is housing. The Oregon goal is defined as "availability of adequate and affordable housing for all Oregon households."

A municipality in Oregon must demonstrate compelling needs for "exclusionary zoning" before the Oregon commission. In Oregon, housing must be permitted

(Please turn to Page 10)

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Mandelker said the courts function best when reviewing the planning approach, such as regulations that exclude certain size housing and density of people per acre.

The Supreme Court will retain the 'least cost' test as a standard of validity of a zoning ordinance," Rose explained. "But it will make housing for low and moderate income persons a condition for a builder's remedy."

Rose called the court's initial intentions to guarantee low cost housing as a "futile gesture in any economic system."

He acknowledged, however, that "least cost" housing will not solve the problem in New Jersey.

ersey housing case takes root on Coast

Star Ledger 5/24/82

(Continued from Page One)

where there is suitable land.

In New Jersey, "exclusionary zoning" was outlawed by the Mt. Laurel decision seven years ago. But attorneys at the Rutgers conference said exclusionary zoning is being practiced in the form of high-priced housing.

Since the court decision, most of Mt. Laurel, a suburb in Burlington County, has been filled up with expensive housing, according to Carl Bisgaier, a State Public Advocate who started the housing action in 1972 as a young lawyer with the Camden Legal Services.

Mandelker, who is the counsel on the Oregon housing program, said the Oregon system is working, but the state is in a deep recession.

The land use specialist said the California housing system is more sophisticated than Oregon's. The California State Department of Housing determines the "fair share" or general housing mix if a municipality doesn't have it in the local master plan.

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"I have problems with unsupervis judicial action in the housing marke Mandelker said.

He singled out Berlin, a small cor munity in South Jersey, for placing lim tations on what a town can do in preven ing certain kinds of housing such a mobil homes and prefabricated dwellings.

Most of New Jersey's 567 municipalities prohibit mobil homes (trailers) and manufactured dwelling units which today are the least expensive housing options.

Rutgers Professor Jerome Rose, conference chairman, predicted that the New Jersey Supreme Court will not force municipalities and developers to build homes for low and moderate income families.

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5/24/84

Kean rips tax bill, says he plans veto

By FRANCES ANN BURNS
Staff Writer

Gov. Thomas H. Kean charged yesterday that the "Robin Hood" tax bill of Assembly Speaker Alan J. Karcher, D-19th, if it becomes law, would hurt homeowners in cities, encourage cities to raise property taxes and drive business from the state.

"It's Robin Hood in reverse," Kean said.

In an interview with The Dispatch, the governor said he plans to veto the bill if it passes the state Senate.

While lobbying against Karcher's bill, the governor summed up his administration's first two years as operating in a "crisis mode," brought on by large deficits inherited from previous administrations. But he said he plans to make transportation, the environment and education top priority issues of his next two years in office.

The administration's proposal to return $120 million of the state budget surplus to the taxpayers in the form of increased homestead tax rebates for this year gives money to city dwellers, the aged and the disabled, Kean said.

"Never in the history of the legislature have they given anything back to the taxpayer," he said.

Kean said that Karcher sponsored the bill knowing it would be vetoed, in order to gain political advantage. The bill, which would increase income taxes for people earning more than $60,000 while capping property taxes for homeowners with incomes under $60,000 at 5 percent of their annual income, passed the Assembly 41 to 28 on Monday.

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File Copy sent to Karcher 5-24-84

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...AGES Thursday, May 24, 1984

5/24/84

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See TAX, Back Page

Continued from Page 1

Businesses considering New Jersey would be frightened away by higher income taxes for their executives, Kean said. He also said the bill "does nothing to help small business," and could hurt small businesses in urban areas if the rebates in property taxes make increased tax rates more palatable to voters.

"There aren't enough high-income people," Kean said. He said the bill during its first year would pay for itself but that in future years a new source of funds would have to be found by increasing either the sales tax or income tax.

Karcher estimated that the program would cost $584 million in its first year, with the state realizing $406 million by ending the current homestead rebate program and $275 million by the increased income tax.

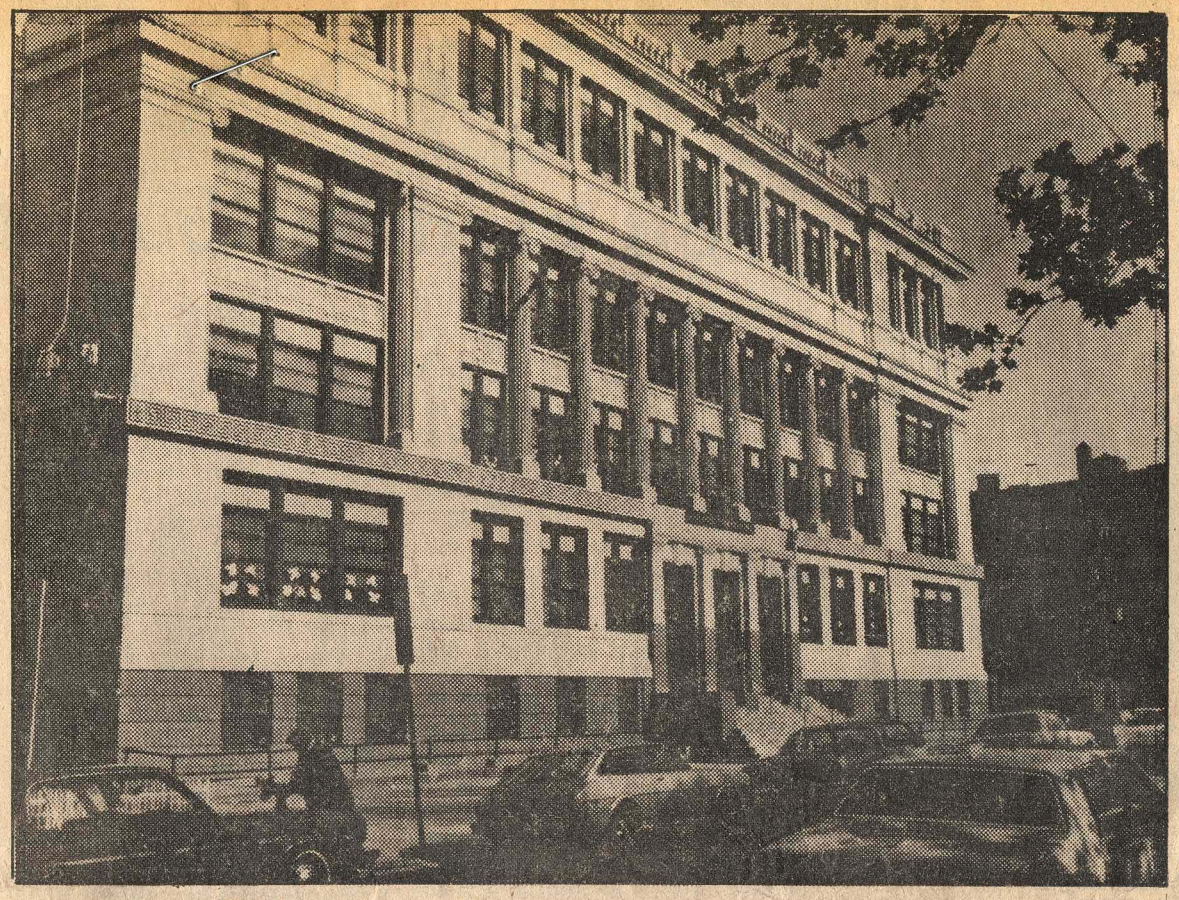
Assemblyman Robert A. Ranieri, D-33rd, a member of the Joint Appropriations Committee, said the bill is designed to shift the burden of the property tax, not raise new revenues. The bill passed 41 to 28 on Monday, with voting along strictly partisan lines. Three Democrats and eight Republicans did not vote.

The bill's supporters do not have the votes to override a veto.

If Kean vetoes the bill, he should be prepared to come up with an alternative for future years, Ranieri said.

Kean also charged that the proposal would make the state one of the most heavily taxed in the country and would end the state's appeal to business.

Assemblyman Byron M. Baer, D-37th, who voted for the bill, refused to comment on it, saying Kean and Karcher should be spokesmen for their points of view.



Hoboken's clasically facaded Rue School, at Garden and Third Streets, presents an outward appearance of good condition. But it is currently undergoing a full renovation to meet current needs.

Hoboken school buildings face a shaky future

4/8/84

By James Kopchains
Last of a series

Perhaps the greatest obstacle to improving Hoboken's public education may be the public schools themselves.

With the majority of its seven schools more than 60 years old, Hoboken schools face a serious problem of maintenance and repair.

And though school officials have started a long, steady program to repair and renovate the schools, the prospects of repair remain shaky and unsure.

The city's schools fall neatly into two areas: the older ones, include Connors, Kealey, Demarest, Rue, and Brandt Elementary Schools. These buildings were all built within 20 years of each other from 1900 to 1922.

The new buildings, Hoboken High School, Wallace, and Calabro Elementary schools, have been built since 1961, largely through state and federal education funds available then.

Now, all buildings need repairs of varying sizes.

The serious nature of the schools' structural problems first came to light as part of a study by the engineering firm of Mayo, Lynch & Associates in 1978. At the time, the firm said it would take a minumum of $1 million in each of the older schools to repair deficiencies.

A year later, the state Education Department ordered the city to close the Rue School because of its unsound structure. The school's walls had lost several bricks that had fallen to the sidewalk and threatened the students' safety, state officials said.

In addition, the state ordered repairs made to all other buildings.

In answer to this, Superintendent of Schools Dr. George Maier and other school officials proposed an $18 million construction plan in 1979 that would have built a central education complex in the southwest section of the city, replacing Connors, Kealey, and

See HOBOKEN — Page 15.

and Pat Pascuiii, who
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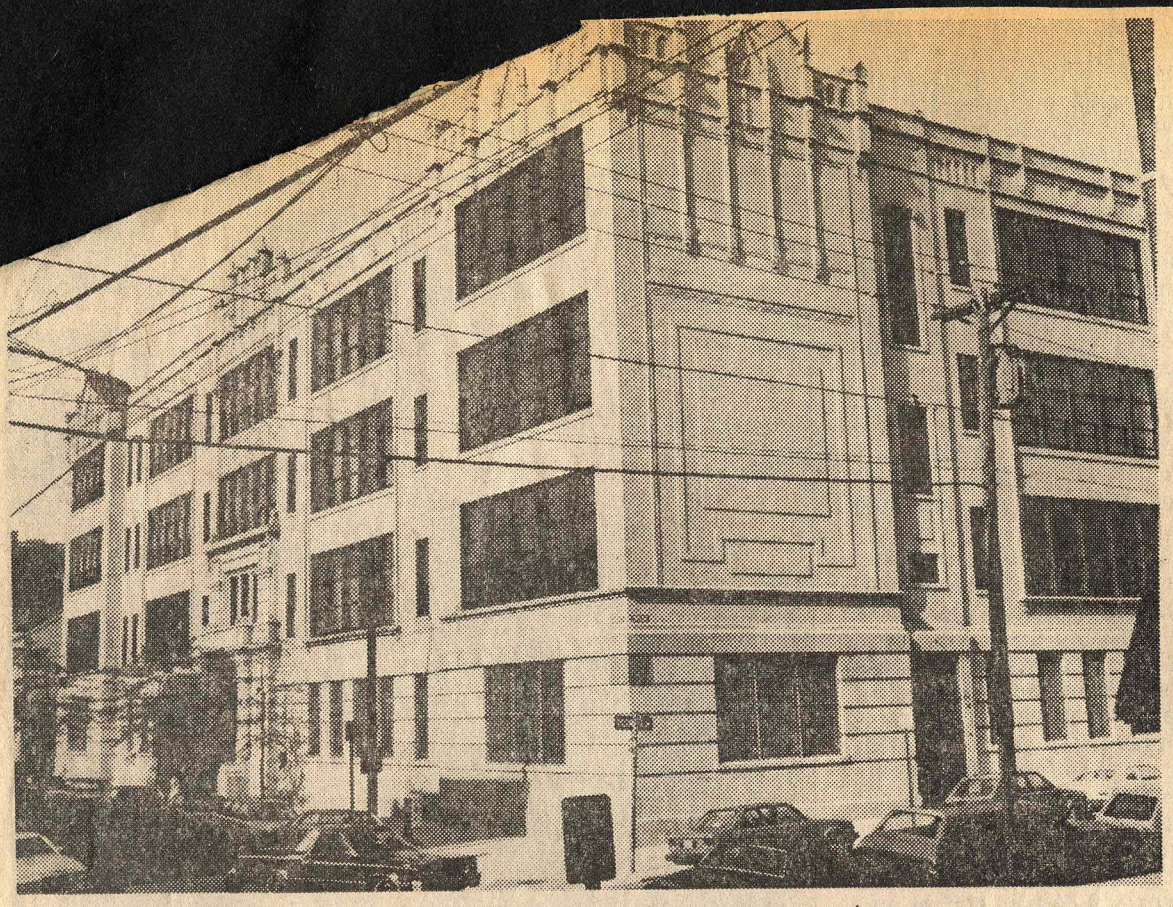

Demarest School, Fourth and Garden streets, Hoboken, built early in this century, appears in good condition in this exterior photo. But, like many school buildings of its era, it requires extensive repairs.

Hoboken School buildings face a shaky future

Continued from Page 1.

Leinkauf (since closed and sold to the city).

However, financing of this project was based on promises of over $12 million in state aid and a $5.6 million municipal bond issue that would have to be passed by the city's voters. In January, 1980, the city council refused to authorize the bond issue and the project died.

The school board did salvage state aid to finance a full renovation of Rue, which is finally scheduled to reopen this September. Delays in construction and a long, drawn-out legal battle with the renovation project's sub-contractor has delayed this reopening for two years and cost over $2 million.

Recently, the Rue renovations came under attack by Councilmen Thomas Vezzetti and Pat Pasculli, who charged that much of the work done on Rue was substandard and represented a hazard to the children who will use it.

The criticism is not expected to stop the renovation work, but has focused attention on the building again and raised doubts on a plan to close Demarest School and replace it with Rue.

The biggest hurdle preventing renovation financing has been the city council and its concern about tax increases caused by the renovation financing.

Hoboken is classified as a Type I school district under the state education department guidelines. As a Type I district, the board has no power to go out and sell bonds for capital improvement financing, but must go to the council for bonding.

The council approved a $2 million bond issue in 1982 and in January passed another $1 million bond to renovate the schools. The $1 million bond was in exchange for the transfer of a similar amount made by the board to the council last year to help cut taxes.

According to Anthony Curko, the board's internal auditor, the district has committed about $1.35 million of the $2 million issue to renovations. This includes waterproofing, masonry, and painting at all the city's schools with remaining work still to be planned.

However, most of the work has been done to the exterior of the buildings. Curko said that funding for interior works would have to come out of future fundings.

Almost all of the older buildings need interior work, especially plumbing and woodwork. Although it will require additional funding, Curko said this will have to be seen in the future.

"With the worry in the city about taxes it may be a while before we see this funding."

N.Y. Daily News 6/4/81

OK bill to keep federal aid from rent-control cities

By HARRISON RAINIE

Washington (News Bureau)—The Senate last night passed a $17.8 billion housing bill that contains a proposal by Sen. Alfonse D'Amato (R-N.Y.) to force communities, including New York City, to give up rent control or lose federal housing aid. The vote was 65 to 24.

Sen. Daniel P. Moynihan (D-N.Y.) denounced the provision but said he did not try to have it stricken from the bill because the Republicans had the strength to override it easily.

"This is a guillotine provision that does not even provide the communities that have (rent-control) measures the opportunity to remedy their situation," Moynihan said.

The D'Amato plan would deny federal housing construction and rent subsidy aid to communities that maintain rent control or rent stabilization. In order to receive federal aid, communities such as New York would have to adopt a vacancy decontrol law to allow rent-controlled or rent-stabilized apartments to go on the free market once a tenant moves out—a move that would allow landlords the right to charge any rent they choose.

NEW YORK HAS 300,000 rent-controlled units and 900,000 rent-stabilized units. The D'Amato plan was aimed at compelling the state to rewrite its rent-control law.

Mayor Koch has said that the city would rather lose the housing aid than change a statute that would dramatically change the cost of apartments in the city.

Moynihan noted that a House subcommittee has rejected the D'Amato plan and that it is likely that the housing authorization bill that emerges from the House will not contain it. He argued that the D'Amato plan might well be dropped during a House-Senate conference to iron out the differences in the bills.

"If it is not dropped in conference, expect me to be on this floor as long as my breath lasts to speak against it," Moynihan declared as he threatened to filibuster. He voted against the bill, and D'Amato voted for it.

Is It The End Of A Political Career?

The local election of May 84, which pitted Mayor Cappiello of Hoboken against Nunzio Malfetti for County Freeholder, seemed like a ho-hum affair. Instead it may signal the end of Cappiello's political career.

It had a little intrigue:...Jersey City Mayor Gerry McCann and the Jersey City and Bayonne forces against Cappiello and the rest of the North Hudson communities, (save turn coat North Bergen) for control of the county Democratic organization. In fact, Nidia DaVilia-Colon, backed by McCann, beat Frank Manzo, backed by Cappiello, in Hoboken's 1st and 4th Ward, for 4th District Freeholder seat.

...A little curiosity - why did Cappiello campaign on the promise not to take a Freeholder salary and not to - maybe - and only under certain conditions - run for Mayor of Hoboken again?

...A little comedy - Nunzio Malfetti and his dog in lonely vigil at their campaign headquarters.

No one who was anyone in political prediction circles thought there was a contest. After all, Malfetti, - some say a real charmer and thrilling impromtu speaker, others not, - had just lost his incumbent 6th Ward Council seat to Pat Pasculli. A fish, electioneering speaking, would seem to have had more appeal.

Then, with the terrible speed of a car crash,

continued on page 11

Rent control change sign of rif

The Hoboken City Council has a choice of conflicting amendments to the city's rent control code when it meets again next month.

The two amendments, by Councilman Robert Ranieri and the other by Councilman Thomas Vezzetti, represent a rift between the two men who had worked together in reviewing the city's rent code earlier this year.

Ranieri and Vezzetti voted to pass a version of amendments in March out of the council's administration committee and onto the council's agenda. However, Council President Helen Macri, voted against them and produced her own version of amendments.

Eventually, Macri's amendments were merged with the other to produce the amendment introduced by Ranieri. However, Vezzetti disagreed with the new amendment and introduced his own version.

Both will now receive a public hearing at the next board meeting in July before being voted on by the full council.

Under Ranieri's amendment, all determinations on the amount of building improvements allowed in determining "substantial rehabilitation" rent increases would be based on state building code data, rather than on the assessed value of the building, as it now allowed.

Also, the amendment would allow owner-occupants of building with three or less units to increase rent of up to 50 percent for apartments vacated by the previous tenants.

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Cappiello foes see hope for mayor's seat

By BRAD KELLY
Staff Writer

JJ 6/8/84

HOBOKEN—Tuesday night's rumor that Nunzio Malfetti had beaten Mayor Steve Cappiello for the 6th District Democratic nomination for the Hudson County Board of Freeholders prompted one Cappiello foe to declare, "I am definitely going to run for mayor now."

That rumor proved to be false, and the foe, unsuccessful 1981 mayoral candidate Anthony Russo, said

ture the nomination on the absentee ballots from Union City.

"He beat us in Union City. It had to come from Union City. Can you believe it?" Malfetti said yesterday. "You can see people want a change," he added.

Although Cappiello enemies yesterday were claiming victory in three of the four Hoboken wards in the 6th District, Edward Zampella, chief clerk for the Hudson County Board of Elections, said yesterday



continued from page 1

Cappiello lost Hoboken. His Freeholder win, a 20 vote squeaker, unless somehow explained away, is indeed the end of his power. All the other politicians smell blood. Is this the end of a twelve year reign as mayor?

Tom Vezzetti, vigorous anti-Cappiello politician, said of the loss, "It's the death toll for the Cappiello political machine. Personally, I like Steve, but the people are up in arms. Even the regulars are aroused. He's through."

Steve Block, an anti-administration figure although appointed twice by Cappiello to the Board of Education, said that Cappiello cannot deliver the Wards anymore. "For instance, in a committeeman fight, Munoz, representing the fast-awakening Hispanic vote, beat Hansen, the organization's man 3 to 1. I was surprised on the Freeholder vote, though. I thought Steve would win easily. This really shows weakness."

Mayor Cappiello said glumly but with spunk, "They're angry at real estate re-evaluation, high water bills, and high rents. I took the brunt of this. It was almost a stand-off, but I won."

More profoundly, it is the end of an era - not of strong machine politics. That died years ago. But, rather, the echo of machine politics. The ethnic street kids born in the 30's and 40's, such as Steve, Lou Francone, and Romano will be replaced by the Hobo-[illegible] new breed, Yuppies, and the newcomer Asmucks (Artsy, Smartsy Suburban Middle and Upper Class Kids) of the 60's and 70's.

Hobokenites born and bred, are no longer dependent, in great numbers, on the machine and low paying government jobs for their livelihood. (Here and there, there can still be feared a Jimmy Farina, the new City Clerk). Most are middle class. The dock bosses cannot punish those who vote the wrong way by withholding work on the docks. They do not have any work.

When Cappiello grew up, things were different.

Cappiello grew up in a tenement flat, the smartest and most adored of his family, with golden hair and blue eyes; he could pass for a German or a Son of Erin, when the Irish cops still called their revolvers whop-stoppers.

He saw others become gangsters and he knew the piers, but he learned the political game. He started as a cop, on his way to being a politician just like others on the council today - Romano and Kennedy.

But, he was a clear cut above the rest. Cappiello feels the right position instinctively - what's really best for the people. He knows what's needed in the schools, in housing, and in city services. Unfortunately he resisted his instinct and went with the political game too often. Cappiello's principles - what one ought to do for the good of all - were always subordinated to his cynicism and distrust. One could almost hear him say, what difference does it make anyhow?

To his credit Cappiello let certain forces work: the redevelopment; the attempt to improve the schools; the attempt to curb no show or goof off jobs; and, the elimination of payoffs for construction or jobs. He even appointed his energetic aide, Willy Van Wie, as Public Works Director in an attempt to depoliticize the department...but, he didn't appoint a pro, just a good Joe.

But, as he advanced he became more subtle. He appointed avowed critics to harmless Boards or isolated positions; Sister Norberta to Rent Control and Steve Block to the Board of Education. Or, he gave political enemies jobs to hold them close: Amato as Director of Public Works; Romano to the business side of the schools. Or he got money for pains in the neck - Juan Garcia of CUNA. So grew the maxim that it was better to be Steve's enemy than his friend.

However, for the most sensitive positions, he appointed trusted cronies regardless of their ability to lead: Larry Florio, Law Director; Jimmy Giordano, Police Director. They might not add a lot but they'd never hurt him.

His belief was that all would want to keep the little gravy, the little position, the little honor and in that way ensnare themselves in webs of greed or pride, rendering themselves toothless. But the result is that they are also useless.

The cyncism led to a style of governing that sooner or later had to swallow its own tail. Cappiello's by-word was always yes — but the standard operating procedure was never to lift a finger in support of the yes. In that way, all could fight among themselves because a yes to one is a no to another.

So, as more and more people learned that a yes from Stevie was a little like confederate money in 1866, the more the grumblers growled and the less even the job hawkers put out. For, a politician giving all yes's is as bad as giving all no's.

Caught in his own web of favors, patronage, and inefficiency, (which he used as did his predecessors), Cappiello did not respond to the surge taking place in Hoboken. Instead each succeeding election became a hollow fight.

"Vote for Cramer" (former City Council President who was drubbed by Councilman Vezzetti last year). "Why?" "Because he's there."

This year: "Vote for me."

"Why?"

"Because then I will not run for Mayor next year."

So Steve is a complicated man. Likeable and with a depth of feeling and understanding few know of. But his cyncism and suspicion robbed him of greatness. His style of governing eventually had to hurt him. It wasn't great ego or pride that did Steve in. To the contrary, it was too little ego and pride that inhabited his whole career. He could have been a contender if not the champ of working class and middle class Hoboken. We won't count him out, but he sure is on the ropes. □

Rent control change sign of rift

JJ 6/8/84

The Hoboken City Council has a choice of conflicting amendments to the city's rent control code when it meets again next month.

The two amendments, by Councilman Robert Ranieri and the other by Councilman Thomas Vezzetti, represent a rift between the two men who had worked together in reviewing the city's rent code earlier this year.

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Also, the amendment would allow owner-occupants of building with three or less units to increase rent of up to 50 percent for apartments vacated by the previous tenants.

Under Vezzetti's amendments, the "substantial rehabilitation" clause would be entirely removed and all rent increases would have to be applied for under hardship or capital improvement regulations.

Cappiello foes see hope for mayor's seat

JJ 6/8/84

By BRAD KELLY
Staff Writer

HOBOKEN—Tuesday night's rumor that Nunzio Malfetti had beaten Mayor Steve Cappiello for the 6th District Democratic nomination for the Hudson County Board of Freeholders prompted one Cappiello foe to declare, "I am definitely going to run for mayor now."

That rumor proved to be false, and the foe, unsuccessful 1981 mayoral candidate Anthony Russo, said he has not made any official announcement concerning the 1985 mayoral election.

But critics of City Hall said yesterday that Cappiello does not stand a chance if he decides to run for a fourth term as mayor next year. They claim Cappiello lost to Malfetti in Hoboken but was able to cap-

ture the nomination on the absentee ballots from Union City.

"He beat us in Union City. It had to come from Union City. Can you believe it?" Malfetti said yesterday. "You can see people want a change," he added.

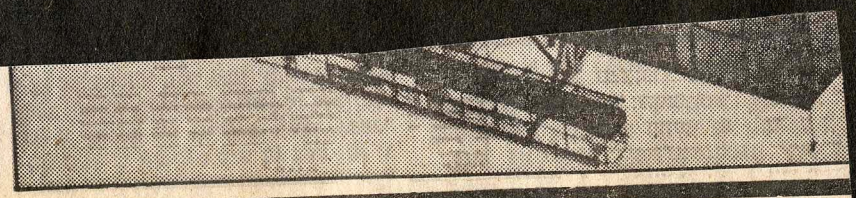
Although Cappiello enemies yesterday were claiming victory in three of the four Hoboken wards in the 6th District, Edward Zampella, chief clerk for the Hudson County Board of Elections, said yesterday his unofficial tally of the race has Cappiello with 3,812 Hoboken votes and Malfetti with 3,712. The results of that race are expected to be certified by the board next week.

The Hoboken Neighborhood Alliance is picking a slate to run in the 1985 mayoral election. Three

See CAPPIELLO, Back Page

"It was a lopsided [illegible]
Frank J., D-14th) had a different [illegible]
Cappiello said. The popular congressman, who won the Democratic nomination, headed the opposing slate. Cappiello said Guarini made an extensive campaign push several days before the primary.

Cappiello said that in contrast, he did little campaigning during the primary race. His campaign manager, Edwin Chius, who is Hoboken business administrator, said the reason Manzo lost the two Hoboken wards to Colon was that Cappiello did not campaign for him there.



CAPPIELLO

Continued from Page 1

councilman-at-large seats are also at stake. Board of Education Trustee Steve Block, a member of the alliance, said yesterday the primary results are an indication of growing "anti-Cappiello sentiment" in Hoboken.

"Steve Cappiello is dead in Hoboken," Block said yesterday.

Block pointed out that Nidia Davila Colon, considered an underdog in the race for the 4th District freeholder nomination, beat incumbent Frank Manzo in the first and fourth Hoboken wards to gain the nomination. Manzo is considered a good friend of Cappiello, and those wards are considered a Cappiello stronghold.

"If I were Steve, I would walk away with my head above water," Russo said, referring to the possibility that Cappiello will seek a fourth term next year.

But Cappiello has not indicated whether he will seek a fourth term. He said yesterday the primary results will have nothing to do with his decision. In fact, he said, he thinks the results are not an indication that he would do poorly if he decides to run again.

"It was a lopsided campaign. Guarini (Rep. Frank J., D-14th) had a different impact," Cappiello said. The popular congressman, who won the Democratic nomination, headed the opposing slate. Cappiello said Guarini made an extensive campaign push several days before the primary.

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UPI Telephoto

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sterday in El Paso, Texas, before
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eir master, a former tree surgeon,
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the D.N.A. "double helix") in 1916, actor Robert Preston in 1918, and actor James Dar-
ren in 1936.

On this date in histo-
ry:

• In 1861, Tennessee seceded from the Union to join the Confedera-
cy.

• In 1928, W.G.Y. in Schenectady, New York, began broadcast-
ing the first regularly scheduled television programs, three times a week.

Hoboken tax rate will drop by $9

Hoboken taxpayers will see a $9 drop in the tax rate this year.

Municipal budget cuts and higher ratables have combined to give the city the tax break, said Woodrow Monte, tax assessor.

The tax rate will be approximately $174 per $1,000 of assessed valuation — down from $183 — and should vary by only 10 cents when the county budget is approved, he said.

The figure was based on total ratables including reassessments for improvements

American Hotel tax break up to council

By Margaret Schmidt and Earl Morgan

An ordinance proposing a five-year tax abatement plan for the American Hotel development in Hoboken will go before the city council tomorrow.

If granted, the abatement on the 30,000-square-foot building would be computed annually and constitute a percentage of taxes otherwise due, said Thomas Calligy, assistant attorney for the city.

The building is being renovated for commercial use.

In the first full calendar year after the project is completed, no payment in lieu of taxes would be due, according to

cilman Robert Ranieri, would base the amount of building improvements allowed in determining "substantial rehabilitation" rent increases on state building code data. Currently it is based on the building's assessed value.

The amendment would also allow owner-occupants of buildings with fewer than three units to increase rents by as much as 50 percent when tenants vacate.

The second amendment, proposed by Councilman Thomas Vezzetti, would remove the "substantial rehabilitation" clause. All rent increases would have to be applied for through hardship or capital improvement regulations.

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The council is also scheduled to vote on resolutions for a donor agreement with the Boys' Club of Jersey City for the operation of the Hoboken Boys' Club.

The club, which is set to open within the next two weeks, will be housed in the renovated recreation center at 123 Jefferson St., said Fred Bado, director of the community development agency.

The city is to share payments with the club for three to five years, he said.

to $35,000 with the city's share diminishing each year until the club can fully support itself, he said.

Bado said the council will also vote on a resolution to reject bids recently received for

'Rent control and freedom'

Your opinion

Rent control is government control of private property. And government control is inconsistent with the aims and ideals upon which this government was founded.

In a word, freedom is the basis of our government. And the basis for freedom is the recognition that the land, the water, the air, and human life is the expression and property of the essence of life (God) and not of any individual or government. And coupled to this is the understanding that a human being's labor is the expression and property of that human

said noted age-old question is "yes."

Evidently, Mayor McCann's strategy is to create an early defeatist-complex among the city's voting blacks, with the continued help of his chief black aide, the Rev. Austin Harrold.

We further submit that said attempted strategy of Mayor McCann, who is also the chairman of the Hudson County Democratic Party . . . and who more oft than otherwise, takes a profound neutral posture with regards to publicly supporting major Democratic candidates, and equally

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The tax rate will be approximately $174 per $1,000 of assessed valuation — down from $183 — and should vary by only 10 cents when the county budget is approved, he said.

The figure was based on total ratables including reassessments for improvements through October 1983. Added assessments for improvements completed since then will bring additional money into the city and affect next year's tax rate, Monte explained.

It will also "make up for some or all of what we may lose on tax appeals," he added.

Last year, Hoboken lost approximately $2 million in ratables through tax appeals and $1 million because of demolition and fires.

It gained about $4 million in ratables through new and improved property, however.

"It's a better decrease than I expected," said Edwin Chius, business administrator. "I expected $5 because I expected a drop in ratables."

Total ratables for Hoboken rose from about $100 million to $101 million last year, Monte said.

Chius said the decrease in the tax rate reflects a reduction in the amount of the city's budget to be raised through taxation, but a rise in taxes to the county and for the school

See HOBOKEN — Page 14.

Inside

Your opinion

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Freedom comes from God and not from government. If anything, ignorant people and ignorant governments attempt to deprive people of their God-given freedom. No one understood this better than Thomas Jefferson, the one individual most responsible for whatever freedom we have left.

In the Soviet Union, there is government control of the land, air, water, property, and human life. I don't think Americans want that to happen here.

Zoning (government control of private property) is the real culprit, and not the landlord. Zoning which prohibits people from renting out apartment space in their homes and zoning which prohibits the building of multi-family homes is what constitutes not only the problem for the tenant, but also for the extended family. — RAY KALAINIKAS, Toms River

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We further submit that said attempted strategy of Mayor McCann, who is also the chairman of the Hudson County Democratic Party . . . and who more oft than otherwise, takes a profound neutral posture with regards to publicly supporting major Democratic candidates, and equally more oft than otherwise claims credit for victory for the winner, will not prevail. Blacks will not adopt his wishful defeatist-complex build-up strategy, inasmuch as the recent Jackson Jersey City win surely boosts a black mayoral bid. — ADDISON M. McLEON, Jersey City



rate to drop

Continued from Page 1.

system. Had the county taxes or school budget been lower, the tax rate may have dropped by $19, he said.

The county budget is due for final approval June 19, and the school budget was recently approved by the city council.

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Robbed of her rented, 1978 Dodge

JJ 6/19/84

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and Earl Morgan

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If granted, the abatement on the 30,000-square-foot building would be computed annually and constitute a percentage of taxes otherwise due, said Thomas Calligy, assistant attorney for the city.

The building is being renovated for commercial use.

In the first full calendar year after the project is completed, no payment in lieu of taxes would be due, according to the ordinance. In the second year, 20 percent would be due; 40 percent in the third year; 60 percent in the fourth year, and 80 percent in the fifth year.

The American Hotel, owned by Ray Lemme, is a Hoboken landmark that was the scene of a 1981 fire in which two men died. Although the fire was classified as arson, the exact cause was never determined.

Built around the turn of the century, the hotel, 80 River St., once catered to an upscale clientele. But before the fire its rooms were taken mostly by the indigent.

The sale of the hotel to Lemme was completed after the fire.

Also before the council tomorrow are two conflicting amendments to the city's rent control code.

One, sponsored by Councilman Robert Ranieri, would base the amount of building improvements allowed in determing "substantial rehabilitation" rent increases on state building code data. Currently it is based on the building's assessed value.

The amendment would also allow owner-occupants of buildings with fewer than three units to increase rents by as much as 50 percent when tenants vacate.

The second amendment, proposed by Councilman Thomas Vezzetti, would remove the "substantial rehabilitation" clause. All rent increases would have to be applied for through hardship or capital improvement regulations.

Vezzetti and Councilman Pat Pasculli will fight a resolution changing the council schedule for the summer. The resolution, which Mayor Steve Cappiello said has been adopted "ever since I can remember," would have the council meet in caucus at 9 a.m. July 11 and Aug. 8. Its meeting would follow at 10.

The council at last night's caucus agreed to compromise on a resolution to change the council's schedule for the summer. Instead of having just two meetings during July and August the council will hold four meetings, two each month and instead of holding its caucus two days before the meeting as they presently do they will be held just before the meetings.

Vezzetti and Pasculli say members of the public will be unable to attend the daytime sessions and will have little time to study the agenda items. Further, they note that several council members hold jobs outside of the council and may be unable to attend.

The council is also scheduled to vote on resolutions for a donor agreement with the Boys' Club of Jersey City for the operation of the Hoboken Boys' Club.

The club, which is set to open within the next two weeks, will be housed in the renovated recreation center at 123 Jefferson St., said Fred Bado, director of the community development agency.

The city is to share payments with the club for three to five years, he said.

The initial payment would be $22,000 for the rest of this year. Next year's payment would be approximately $30,000 to $35,000 with the city's share diminishing each year until the club can fully support itself, he said.

Bado said the council will also vote on a resolution to reject bids recently received for outdoor lighting at John F. Kennedy Stadium. The bids — $150,000 and $159,000 — are higher than the CDA estimate, so new requests will go out.

Bids will also be requested within a month for changes in the stadium to create a second baseball field, he said.

Bado was questioned about $30,000 Para Homes that is constructing 20 homes on sites at First Street and Grant Avenue and First Street and Jefferson, wants to excavate the sites and put in clean fill.

Child unit to graduate

The Children's Partial Hospitalization Unit of the Jersey City Medical Center will hold its graduation ceremony tomorrow at 10:30 a.m., 12 floor of C Building.

Entertainment is scheduled to include music, poetry and a performance by the Wizard of Magic.

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driver's ...ses.

The foundation's main interest is

Manning the center will be a ... time secretary and volunteers, said D'Accardi, adding that it should open within three weeks, "as soon as the furniture arrives."

p 16 STAR LEDGER 6/26/84

Shapiro sues Treasury on bond interest tax

By DONNA LEUSNER

Essex County Executive Peter Shapiro yesterday sued U.S. Treasury Secretary Donald Regan, challenging a federal law that imposes an income tax on interest from government bonds.

Shapiro said the lawsuit, filed in U.S. District Court, Newark, seeks to declare the law unconstitutional because it "jeopardizes the tax-exempt status of municipal and state bonds, which are the major funding source for local infrastructure and public works projects."

Historically, the interest has been exempt from federal taxes and because of that, state and municipal governments are able to borrow at lower costs, Shapiro said.

The new law partially removed the tax exemption by requiring that interest from the bonds be included in calculating the taxable income of recipients of Social Security and some other pensions.

In addition to Social Security recipients, the law would have a significant effect on the ability of towns to raise money for projects through the sale of tax-exempt bonds, Shapiro said.

He said the law "singles out" retired workers and their families "for a tax that is unfair and discriminatory."

He also said the law is "harmful to taxpayers in general who will be affected by the severely diminished ap-

man Robert Levine said the department declined comment but added a legal brief in reply to the suit would be prepared by the Justice Department.

Essex County Counsel David H. Ben-Asher, who along with Assistant County Counsel Robert D. Westreich filed the suit, said it claims the federal government is violating the 10th Amendment, which "prohibits federal action which hampers the ability of state and local governments to fulfill their role."

Ben-Asher said the suit was filed after Congress passed the 1984 Tax Act during a marathon session over the weekend and did not adopt a Senate bill which would have repealed the tax. As a result, the first taxes on the bonds will be due with the April 15, 1985, deadline for filing federal income tax returns.

The counsel said the county is seeking to have the Social Security Amendment of 1983, which deals with the issue, declared unconstitutional, which would "protect the historic tax-exempt status of local government bonds."

According to the lawsuit, the federal government, by adopting the amendment, has seriously undermined the value of local government bonds and "has begun the process of phasing out the federal tax exemption for interest from state and local bonds."

... on the back of driver's licenses.

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He said the law "singles out" retired workers and their families "for a tax that is unfair and discriminatory."

He also said the law is "harmful to taxpayers in general who will be affected by the severely diminished appeal of general obligation bonds that local governments use to finance such public works projects as roads, bridges, schools, hospitals, prisons, environmental cleanup and transit systems."

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Shapiro argued that counties and towns would be hampered in carrying out their responsibilities and have to "curtail their provision of essential services if the federal tax exemption for their general obligation bonds were elminated."

Concerning the financial impact of the loss of tax-exempt status, Shapiro said: "Debt service costs would go up an average 33 percent, many less credit-worthy governments would find themselves shut out of the long-term market and significant projects of great local and regional importance would inevitably be canceled or curtailed because they would be too expensive to carry out."

NEED AUTO

EDITORIAL

Guest Editorial: Development: More than Condos

During my one year as an observer, I have never seen the Hoboken City Council proceed with such organized enthusiasm as they did in voting to convert the Leinkauf School into condos, at the May 2 meeting. Like many people present at the meeting, including the two dissenting voters on the Council, my feelings were very mixed on this issue. On the one hand, there is the desperate need for middle income housing for working people, and on the other hand, the equally desperate need to broaden the tax base which the high

The question irking me during all these goings on, was why the City Council did not support with equal relish the Pathmark Development proposal which would have paid back taxes in addition to an annual $200,000 tax assessment, provided at least eighty jobs and a much needed consumer alternative in Hoboken? This property is now a parking lot benefitting, I presume, its owner who, the last we heard, had still not paid the $300,000 in back taxes. The taxpayers of Hoboken are still at a loss as to why such a sad

Cappiello foe named to housing unit

6/19/84

By Margaret Schmidt

Angelo Valente, known in Hoboken as a reformer and outspoken opponent of Mayor Steve Cappiello, has been named to the state-appointed seat of the city's housing authority.

Valente, head of the Hoboken Neighborhood Alliance, said yesterday he will review the authority's budget and workings before announcing any plans.

The housing authority oversees the city's projects and senior citizen housing.

Valente, 21, replaces Enrico Siano, who was appointed to the board in February, 1982.

The state-appointed read about it in the newspaper before being notified.

He blamed the change on "Republacrats" who need help from the state, and said Valente is "being drawn into the line of fire."

"I just hope he doesn't use this as a political base," Siano said of Valente.

Valente said all of the board members are politically appointed, and added that he will be bound in his decisions "just by my conscience."

The Kean administration has been making a point of naming political mavericks to local housing agencies, last year naming Bayonne Republican Andrew son" for the job and said Valente's appointment came days before his election.

Councilman Thomas Vezzetti said Valente's appointment shows that the governor "is now recognizing the anti-Macri group in Hoboken."

Valente, who ran unsuccessfully for the city council as an independent, began in the unpaid position June 12.

He sponsored an authority resolution last week to get emergency quotes on air-conditioning systems for the elevator room of the three senior citizen buildings.

The elevators in the 10-story buildings can now overheat and stop. Power will only be resumed when the system cools.

As head of the Hoboken Neighborhood Alliance, Valente has participated in several controversial drives, such as the recent "tax revolt" held on the steps of City Hall and the call to investigate Landmark Appraisal Company, which revalued Hoboken buildings.

The position is also unpaid.

Valente is a student at Montclair State College.

WNY library registers

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The assessment given by the lawyer representing the prospective purchaser was that these condos could be purchased by residents of Hoboken for as low as $65,000. I asked if any guarantees of this relatively low estimate could be given. Of course, no such guarantees could be given which is what I expected. Five days later, in the Real Estate Section of the New York Times, the Leinkauf Condos were announced at the stating price of $75,000, already up ten thousand. By the time unforseen construction, labor and materials costs are tallied, Councilman Ranieri's realistic estimate of one hundred to one hundred twenty five thousand will prevail. Entertaining the $65,000 figure was a cynical and patronizing performance to placate the public. The working middle class will never get near those condos. I was not amused by this hypocritical scenario. The public deserves to be told like it is.

The question irking me during all these goings on, was why the City Council did not support with equal relish the Pathmark Development proposal which would have paid back taxes in addition to an annual $200,000 tax assessment, provided at least eighty jobs and a much needed consumer alternative in Hoboken? This property is now a parking lot benefitting, I presume, its owner who, the last we heard, had still not paid the $300,000 in back taxes. The taxpayers of Hoboken are still at a loss as to why such a sad choice was made.

Is the Economic Development Department of Hoboken equipped with qualified professionals able to meet the challenge of making a major contribution to broadening the tax base? What's going to happen to the Western portion of Hoboken besides condos? What about encouraging light industry, telecommunications, insurance and brokerage companies to consider the location and hire a percentage of local people? Pursuing this kind of investment requires aggressive outreach and attractive packaging. Jersey City has done it. Hoboken can do it on a smaller scale. What are we waiting for? More condos that the working middle class who live here cannot afford?

How interesting and human will Hoboken be when it is only rich? Its unique character and heart as a city will be lost.

Jean Forest
Executive Committee - Hoboken Neighborhood Alliance

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6/19/84

By Margaret Schmidt

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The housing authority oversees the city's projects and senior citizen housing.

Valente, 21, replaces Enrico Siano, who was appointed to the board in February, 1982.

The state-appointed member serves at the pleasure of the commissioner of the state Department of Community Affairs and has no specific term. The other six members are appointed by the mayor.

Commissioner John Renna could not be reached for comment yesterday.

However, Deputy Commissioner Gerome White said Valente's recommendation came from Gov. Thomas Kean's office. Valente's "good reputation" in Hoboken and "very high recommendations" from people in the city and county helped the commissioner make the choice, he said.

Siano said yesterday that he didn't expect to be ousted and read about it in the newspaper before being notified.

He blamed the change on "Republacrats" who need help from the state, and said Valente is "being drawn into the line of fire."

"I just hope he doesn't use this as a political base," Siano said of Valente.

Valente said all of the board members are politically appointed, and added that he will be bound in his decisions "just by my conscience."

The Kean administration has been making a point of naming political mavericks to local housing agencies, last year naming Bayonne Republican Andrew Zakutansky, a long-time administration critic, to the Bayonne Housing Authority.

Helen Macri, city council president and wife of Gene Macri, the incumbent who lost the chairmanship to the county Republican organization last week, defended Siano yesterday, saying he'd done "a great job."

While she was hesitant to call the replacement purely political, she noted that Valente had supported Lee Lichtenberger, the new chairman of the Republican organization.

"It could be politics," she said. "That's the bottom line."

Lichtenberger called Valente "a most qualified person" for the job and said Valente's appointment came days before his election.

Councilman Thomas Vezzetti said Valente's appointment shows that the governor "is now recognizing the anti-Macri group in Hoboken."

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Valente is a student at Montclair State College.

WNY library registers for children's story hour

According to Kathleen Stein- irector, story hour ses- ll be held

Hoboken OKs parking spaces for condos 5 blocks away

The Hoboken Authority has approved 22 spaces in a municipal garage for a controversial development project.

The spots, at the Fourth

originally taken only seven days off and was then beset by complications such as chest conges-

tion and

said. He

public safety department will maintain them.

The authority accepted a

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Hob Reporter 6/21/84

6/27/84

n the Air - Hoboken Councilman Thomas Vezzetti is looking "for a way" to halt construction of a Weehawken heliport slated to start operating next month. Vezzetti believes it will be a nuisance to Hoboken. Damin Aviation Corp., Morristown, expects that barring objections the state aeronautics division will fully license the heliport next month.

oboken gets tough on ehab work and hiring

2 Cn

Morgan

Hoboken Council last pted a controversial gentrification and a freeze on hiring and

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The amendment would also allow owner-occupants of buildings with fewer than three units to increase rents by as much as 50 percent when tenants vacate.

Ranieri's amendment was passed and a second amendment sponsored by Councilman Thomas Vezzetti was defeated. Among those voting for the Vezzetti amendment was Ranieri.

The Vezzetti amendment would have done completely away with substantial rehabilitation rent increases. All increases would be sought through hardship and capital improvement regulations under the Vezzetti measure.

Ranieri said in principle he agreed with the Vezzetti ordinance but after a dozen tries at getting that type of ordinance and many other amendments

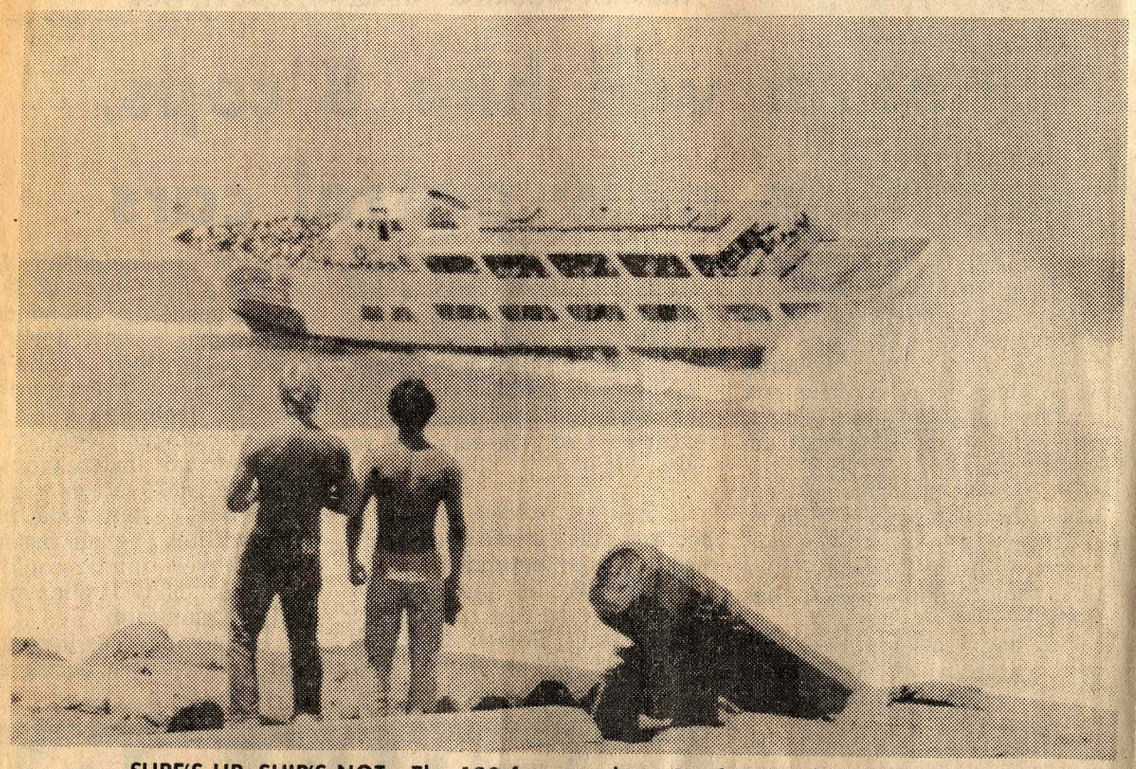
budget restrictions the city and the council have been operating under for the past year.

"Giving out wage increases and hiring new people is certainly not fair to a number of people we have had to send home with no pay checks at all," Ranieri said.

Councilment Thomas Kennedy and Anthony Romano both expressed anger at the raises being given and Pasculli went so far as to write a resolution that would result in the firing of any department director who gave out a pay hike and hired an employee without first consulting the council.

A city corporations counsel said the resolution would be illegal but he claimed another suggestion made by Ranieri that a letter be sent to the mayor and department heads telling them they must consult the council before any hiring and granting of pay raises could be done.

The council is also asking for a meeting with the mayor and all department heads to discuss the raises that have been given.



SURF'S UP, SHIP'S NOT—The 128-foot tour boat Pearl Kai reels as it is struck by a series of freak waves while entering a Honolulu channel. The window-shattering impact soaked the 420 passengers and threw them against furniture and rails, injuring 12. Also, a bodysurfer is unaccounted for. (UPI)

Hoboken looking at disclosure law

By Margaret Schmidt

The Hoboken Law Department is drawing up an ordinance that would require many public officials and their spouses to submit annual financial disclosure statements.

The ordinance, proposed by Councilman E. Norman Wilson Jr., may go before the council as early as July 11.

"We're sitting down here making tremendous decisions affecting the lives of an awful lot of people," Wilson said yesterday. "We have to know if they (officials) are going to be financially gaining by the decisions they're making . . . Are they doing it for the good of the community or to make money?"

He said a key area for concern is the surge in development in Hoboken. It should be known, for example, what types of investments officials have.

"We don't know who the principals are in all the corporations," he noted.

Thomas Calligy, assistant attorney in the law department, has been reviewing the proposal and cases relating to it for two weeks and said there are legal grounds for the ordinance to be drawn up.

He was originally concerned with its constitutionality but found that court rulings favor proponents of financial disclosure statements.

The courts have even upheld disclosures for non-salaried employees, he said.

Several New Jersey communities have passed such ordinances, he said.

City Council President Helen Macri said she would oppose the ordinance because she sees no correlation between a council member's income and his office.

She was particularly bothered that the ordinance might include information about officials' spouses.

When told of Wilson's concern that officials may be influenced by hidden special interests, she said: "I don't think anybody would do anything like that."

John Pepe, non-salaried president of the Board of Education, said he would only be comfortable with statements that were unspecific about the amount of income.

As a private-sector employee, he said, the statement would be "a large infringement on my personal life."

He said a better way to protect everyone's interests would be a short statement requiring officials to say they haven't received gifts from people they deal with publicly or otherwise presented a conflict of interest.

Wilson said he hoped the ordinance will meet little opposition in the council. "I'll push for it," he said.

He called it a way of establishing a code of ethics and said it would foster "openess in our discussions."
decisions, he added.

Wilson solicited information about financial disclosure statements from the New Jersey State League of Municipalities and received a 1979 ordinance from Lawrence Township. While he intends to use it as a base, his ordinance may vary its terms.

Among the provisions in the Lawrence ordinance is a list of officials from council members to the chief of police to the parks director.

Calligy said Wilson will have to decide which officials should be included in the Hoboken ordinance.

The Lawrence ordinance specifies that all officials must file the statement annually, and the information will become part of the public record.

The source of income above $1,000 must be identified, but not the amount, and income totalling $1,000 and derived from various sources would be aggregated and identified "as to profession, employment, business or particular enterprise or investment."

Gifts totalling more than, but Wilson said he thought this clause may be too personal to be included in the Hoboken ordinance.

The Lawrence statement also requests the names of any business organizations or labor unions in which the official has held office or had any fiduciary relationships with in the past year.

Stocks, security and interest-making real estate are also to be listed.

While the Lawrence statement asks for loans, Wilson said that may not be included in his ordinance.

The Lawrence ordinance also has a penalty clause through which officials or their spouses who refuse to file or do so falsely may be fined up to $500 or imprisoned up to 90 days.

Wrong address for eviction team

WASHINGTON (UPI) — An eviction team led by federal marshals smashed into a house and began removing furniture before a neighbor could tell them they had the wrong address.

Hoboken gets tough on rehab work and hiring

By Earl Morgan

The Hoboken Council last night adopted a controversial curb on gentrification and demanded a freeze on hiring and raises.

The council passed a controversial ordinance to curb the substantial amount of rehabilitation work on multiple dwellings that has been blamed for some of the city's spiraling rents.

The councilmen also voted to send the mayor and city administrators a letter demanding that no further hiring be done or pay raises be granted unless the council is notified.

In other business the council approved a $30,000 payment for the Para Homes project and voted to hold only two meetings during July and August.

The council voted to pass an ordinance drafted by Councilman Robert Rainieri that would base the amount of building improvements allowed in determining "substantial rehabilitation" rent increases on state building code data instead of assessed value as is currently done.

The amendment would also allow owner-occupants of buildings with fewer than three units to increase rents by as much as 50 percent when tenants vacate.

Ranieri's amendment was passed and a second amendment sponsored by Councilman Thomas Vezzetti was defeated. Among those voting for the Vezzetti amendment was Ranieri.

The Vezzetti amendment would have done completely away with substantial rehabilitation rent increases. All increases would be sought through hardship and capital improvement regulations under the Vezzetti measure.

Ranieri said in principle he agreed with the Vezzetti ordinance but after a dozen tries at getting that type of ordinance and many other amendments through the council unsuccessfully he felt this ordinance, defining a new formula for substantial rehabilitation as the best compromise possible.

Vezzetti defended his amendment saying it was the only way to stop efforts by what he called "investors to run natives of Hoboken out of the city. Councilman Pat Pasculli sided with Vezzetti Claiming that the amendment made adequate provisions for landlords to receive a fair return on their investment and to obtain needed rent increases.

The council's action in asking that any pay increases and new hirings be discussed with them was prompted by a report given by Joseph Lisa, who works as a liaison between the council and the administration on budgetary matters. Lisa reported that $4,010 salary hikes had been given out and several new people were hired despite a council imposed hiring freeze.

A number of the council members expressed anger at the raises and hirings because of what they termed the tight budget restrictions the city and the council have been operating under for the past year.

"Giving out wage increases and hiring new people is certainly not fair to a number of people we have had to send home with no pay checks at all," Ranieri said.

Councilment Thomas Kennedy and Anthony Romano both expressed anger at the raises being given and Pasculli went so far as to write a resolution that would result in the firing of any department director who gave out a pay hike and hired an employee without first consulting the council.

A city corporations counsel said the resolution would be illegal but he claimed another suggestion made by Ranieri that a letter be sent to the mayor and department heads telling them they must consult the council before any hiring and granting of pay raises could be done.

The council is also asking for a meeting with the mayor and all department heads to discuss the raises that have been given.

Ranieri said he also feels that any pay raises that have been given during the council imposed wage and hiring freeze should be rescinded until the council is informed as to why the raise was given by the department director who granted it.

In one of the strangest set of circumstance in the meeting Councilman Vezzetti and Pasculli voted against a compromise they had struck with their colleagues to hold four meetings during the summer months of July and August.

Vezzetti and Pasculli said they wanted to hold the two meetings but instead of the being convened during the evening hours they wanted to hold one day and one night meeting in each month. The council defeated that resolution and voted to hold two meetings in the two months both would be night meetings.

The meeting dates will be July 25th and Aug. 22nd at 7 p.m. with a 6 p.m. caucus preceeding each meeting.

Scientist thinks humans may reproduce parts

IRVINE, Calif. — The just because the

Hoboken gets
rehab work c
sure law

By Earl Morgan

The Hoboken Council last night adopted a controversial curb on gentrification and demanded a freeze on hiring and raises.

The council passed a controversial ordinance to curb the substantial amount of rehabilitation work on multiple dwellings that has been blamed for some of the city's spiraling rents.

The councilmen also voted to send the mayor and city administrators a letter demanding that no further hiring be done or pay raises be granted unless the council is notified.

In other business the council approved a $30,000 payment for the Para Homes project and voted to hold only two meetings during July and August.

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would result in the firing of any department director who gave out a pay hike and hired an employee without first consulting the council.

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The ordinance also allows owners of one three-family homes a 50 percent vacancy re decontrol increase. For example, if a tenant moves out of a one- to three-family home, the rent for the vacant apartment(s) can be raised by 50 percent.

The council approved the ordinance by a vote of 7-2, with Councilmen Patrick Pasculli and Thomas Vezzetti voting against the ordinance.

The ordinance to do away with substantial rehabilitation altogether was defeated by a vote of 6-3, with Vezzetti, Pasculli and Councilman Robert A. Ranieri voting for the ordinance.

Hoboken OKs parking spaces for condos 5 blocks away

6/27/84

The Hoboken Authority has approved 22 spaces in a municipal garage for a controversial development project.

The spots, at the Fourth Street garage, will serve residents of the proposed converted space at St. Paul's Episcopal Church, 820 Hudson St. The landmark church was sold for a reported $500,000 earlier this year and is expected to be converted into condominiums.

One issue holding it back was the need for off-street parking. Area residents had expressed fear that the residents of the 22-unit building would add to their parking problems.

The garage is five blocks away from the site. Joseph Hottendorf, executive director of the parking authority, had told city planning board that at least one resident in the vicinity of the church rents space at the garage but rarely uses it. He prefers, Hottendorf said, to find street parking.

In other business at the Monday parking authority meeting, Hottendorf announced that he was returning to full-time status.

Hottendorf, who became ill with hepatitis in January, had originally taken only seven days off and was then beset by complications such as chest congestion and a rapid heart beat, he said. He had worked on and off and was generally in for only a few hours each day.

His first full day was yesterday.

Hottendorf also discussed plans to approach two landowners in the city's northern section to either purchase or lease lots for residential parking.

One of the lots could accommodate 44 cars and the other 30, he said. He declined to identify the owners until he talks with them.

The authority has enough money to buy one lot, he added, but may also be able to rent the second.

The parking authority also decided to paint pedestrian crossing stripes along Sinatra Drive because the road is hazardous, Hottendorf said, adding that two children were killed there last year.

Hottendorf's agency will pay for the original stripes, and the public safety department will maintain them.

The authority accepted a $7,659 bid by Vista Computer Center, Matawan, for an IBM PC X T computer system.

The bid came in about $1,500 lower than Hottendorf had expected and also included maintenance for a year and a half.

The authority needs the system to handle an increased workload without hiring an additional bookkeeper.

It plans to solicit bids to widen the entrance of its parking lot at Washington and First streets, Hottendorf said, if a Lyndhurst contractor doesn't start the work.

The company was awarded the contract in September and "never showed up," Hottendorf said. Once new bids are requested, the authority will begin legal procedings against the company.

Also at the Washington and First streets lot, the authority plans to reduce half the metered parking from one hour to 45 minutes. The others will remain at one hour.

The meters are used mostly by customers of the Washington Savings Bank, Hottendorf said. They need only about 30 minutes to accomplish their tasks.

Held for jury in shooting try

John Fermin Liriano, 28, of Union City, accused of aggravated assault in firing a gun at Francisco Ramirez of Union City at 61st Street and Harrison Place, according to West New York police, faces Hudson County Grand Jury action in $2,500 bail.

Police arrested Liriano Monday on a complaint he fired at Ramirez from a parked car Sunday night, but could give no reason.

June 27, 1984

Hoboken Reporter

CITY NEWS

Amend Rent Control - The city council enacted an amendment by Councilman Robert Ranieri, curbing the substantial rehabilitation of multiple dwellings blamed for some spiraling rents in Hoboken. The controversial amendment also permits owner-occupants of buildings with less than three units to increase rents by as much as 50 percent when tenants vacate the apartments voluntarily.

Demand Hiring Freeze - The municipal lawmakers also agreed to notify the mayor and city administrators to stop hiring or granting salary raises without first consulting the council.

Preparing New Law - Councilman E. Norman Wilson Jr. is working on an ordinance requiring many public officials and spouses to submit annual financial disclosure statements. Council President Helen Macri indicates her opposition to the proposal.

NORTH BERGEN • UNION CITY • WEST NEW YORK • SECAUCUS

Hoboken debate comes

By Margaret Schmidt

What started as a meeting to discuss possible violations of Hoboken's wage and hiring freeze deteriorated into a shouting match yesterday with Mayor Steve Cappiello saying he might "come back here as a councilman" to put one member "in his place."

Cappiello was a councilman before becoming mayor, but he never served with Councilman Thomas Vezzetti.

Vezzette and the mayor exchanged loud insults and were admonished by Council President Helen Macri to "conduct yourselves as gentlemen" or be ejected.

"I can scream as loud as he can," the mayor said of Vezzetti, who has been known to shout at meetings and around City Hall.

> **I can shout as loud as he can**

Cappiello also called Councilman Patrick Pasculli the "shadow" of Vezzetti when Pasculli joined the match. The shouting then reached a crescendo, and no words were discernable.

Also undetermined was whether anything was decided at the meeting.

The main issue was whether 13 people hired since the beginning of the year and four recent wage increases violated a council resolution adopted last July asking that both be frozen.

The freeze came in a budget crisis that raised taxes by almost $10 per $1,000 of assessed valuation. The mayor and Edwin Chius, business administrator,

JJ

Tenants seek data on new owners' plans

6/28/84

By Margaret Schmidt

It's been almost a month since tenants of 625 Washington St., Hoboken, learned their building was sold to a group that includes Municipal Court Judge Peter J. Giordano and lawyer Leonard Franco.

of the Alliance of Tenants Organizations, and municipal judges hear some tenant complaints.

"To me, that's a conflict of interest," he said.

Judge Giordano insisted that his positions as municipal court judge and landlord wouldn't

given to another judge if they involved property owned by Giordano.

Garcia questioned the practical effect of such a move.

"If you are a Hudson County tenancy judge and Judge Giordano comes in front of you, you're going to be more lenient

JJ

Tenants seek data on new owners' plans

6/28/84

By Margaret Schmidt

It's been almost a month since tenants of 625 Washington St., Hoboken, learned their building was sold to a group that includes Municipal Court Judge Peter J. Giordano and lawyer Leonard Franco.

Having received no formal notice of what the new owners plan for the building, they fear they may be displaced as their neighbors and friends were.

"We came from Holland when I was 5," said 73-year-old Rita Erfmann, building superintendent. "We've lived and worked in Hoboken all our lives . . . I always loved this town. What the hell is happening to it lately?"

When asked what will happen to the nine-unit building he and three partners bought for $330,000. Franco has said he plans some renovations.

"We have several plans," he said. "It depends on how the tenancy questions are resolved."

He said some of the bathrooms and kitchens can be modernized or need repair, but stressed that even those plans are tentative.

Although he was hesitant to describe possible renovations as minor or substantial, he said the tenants have "nothing to be afraid of. It is not our present intention to make that a condo building."

Rents in the building now average between $300 and $350 a month, Ms. Erfmann said.

"If any indication of the future is what the past shows, then there will be major renovations," predicted Patrick Pasculli, the ward's councilman.

The rents will go so high, he said, that the lower-middle income people living there will be unable to stay.

According to city law, when "substantial rehabilitation" is done, the property is taken off rent control for 13 months and the owner can raise the rents as high as he wants.

"They use that 'substantial rehabilitation' clause as a loophole in order to decontrol rents," Pasculli said. He and Councilman Thomas Vezzetti have unsuccessfully tried to pass an amendment to the rent control ordinance that would eliminate the "substantial rehabilitation" clause.

One issue the tenants haven't raised, but at least one tenants-rights activist said was important, is: Who are the new owners?

Franco has represented landlords in tenancy cases, said Juan Garcia, general organizer of the Alliance of Tenants Organizations, and municipal judges hear some tenant complaints.

"To me, that's a conflict of interest," he said.

Judge Giordano insisted that his positions as municipal court judge and landlord wouldn't clash.

He stressed that he owns less than a half interest in the building and that he is uninvolved in its business aspects.

Both he and Franco said their main interest in buying the building was to move their law offices into first-floor space not needed by the telephone company.

Ironically, the offices they now rent at 70 Hudson St. are in a building undergoing major renovations and they must move.

Giordano said most tenancy cases go to county housing court in Jersey City. Franco said any cases handled locally would be given to another judge if they involved property owned by Giordano.

Garcia questioned the practical effect of such a move.

"If you are a Hudson County tenancy judge and Judge Giordano comes in front of you, you're going to be more lenient toward the judge," he said, adding that, in his view, most courts are skewed against tenants.

Councilman E. Norman Wilson Jr. is pushing for a city ordinance that would require officials and their spouses to file financial disclosure statements annually. He has said one "key concern" is property owned by the officials and interests they may have in development projects.

He said he fears that unless the officials' sources of income are known, they may be making decisions that would financially benefit themselves regardless of their effect on the city.

NORTH BERGEN • UNION CITY • WEST NEW YORK • SECAUCUS • WEEHAWKEN • GUTTENBERG

WEDNESDAY, JUNE 27, 1984

Hoboken debate comes in loud and unclear

By Margaret Schmidt

What started as a meeting to discuss possible violations of Hoboken's wage and hiring freeze deteriorated into a shouting match yesterday with Mayor Steve Cappiello saying he might "come back here as a councilman" to put one member "in his place."

Cappiello was a councilman before becoming mayor, but he never served with Councilman Thomas Vezzetti.

Vezzette and the mayor exchanged loud insults and were admonished by Council President Helen Macri to "conduct yourselves as gentlemen" or be ejected.

"I can scream as loud as he can," the mayor said of Vezzetti, who has been known to shout at meetings and around City Hall.

Cappiello also called Councilman Patrick Pasculli the "shadow" of Vezzetti when Pasculli joined the match. The shouting then reached a crescendo, and no words were discernable.

Also undetermined was whether anything was decided at the meeting.

The main issue was whether 13 people hired since the beginning of the year and four recent wage increases violated a council resolution adopted last July asking that both be frozen.

> "I can shout as loud as he can"

The freeze came in a budget crisis that raised taxes by almost $10 per $1,000 of assessed valuation. The mayor and Edwin Chius, business administrator, have said the city should continue to adhere to the freeze but that it ended with the 1983 budget.

Yesterday the council asked Cappiello and his directors to meet with them.

Several council members said they believed they got that promise, but the mayor only said he'd do his best.

"You can't meet with everybody when you're going to hire a street cleaner," he explained.

"Everyone spoke their piece," Ms. Macri said. "I think the administration will give us full cooperation and we will give them our full cooperation."

Another meeting is to be scheduled.

Ms. Macri and other council member said they opposed all raises "at this time" and would only accept replacements for necessary positions.

Some of the directors and Cappiello said the council would be overstepping its bounds by getting involved in personnel matters since the state Faulkner Act defines the council as a legislative body, not an administrative one.

One director complained about the council's request, saying that he felt as long as he stayed within his budget he should be able to run his department as he chooses.

Of the 13 hirings, most were replacements. New jobs, such as those with the department of health, have wages for which the city is reimbursed by Medicare or Medicaid, for example.

One position, which Vezzetti fought over with William Van Wie, director of public works, is controversial because the person who allegedly scored highest on the Civil Service exam has not yet been appointed to it.

Cappiello will veto new rent ordinance

JJ 6/29/84

By Margaret Schmidt

Hoboken Mayor Steve Cappiello said he will veto the compromise rent control ordinance the city council passed last week.

"I'm trying to write it up tonight and present it to them (council members) tomorrow," Cappiello said yesterday.

He said the ordinance is flawed in asking the city building inspection department may also be unable to do it because it receives about $70,000 to $80,000 of state funding and the terms of the funding may not permit it to make such determinations.

Further, the cost "should be absorbed by the applicant," Cappiello said. Owners should have the burden of paying a fee to "to bring our people to see it" (the rehabilitation).

The amended ordinance was passed 7-2 at the June 20 meeting

She added that she would reintroduce the ordinance.

She termed the Cappiello's questions about the amendment "minor" and said she was surprised he just doesn't sign it and ask the council to make the changes.

Vezzetti said Cappiello wouldn't do that because his veto is "a political ploy."

He called it a gimmick to make the mayor look good to tenants as he heads for the

THE JERSEY JOURNAL, SATURDAY, JUNE 30, 1984

Cappiello wants rent rules restructured for Hoboken

By Margaret Schmidt

Hoboken Mayor Steve Cappiello has suggested limiting vacancy decontrol and "subst

Rather than having "across the board" rent increases when an apartment is vacated, the new ordinance should carry

the administration."

He said he hoped backing by Cappiello and the administration would lead to an ordinance that

"It is quite clea need to protect resid displacement," he w

Por la Gente opposes rent-control ordinance

6/24

The Hoboken community organization, Por la Gente, has come out on record against a proposed series of amendments to the city's rent-control ordinance being considered byy the city council.

In an open letter, Por la Gente officials say the new amendments "undermine the intent of the rent-control ordinance . . . to protect tenants from 'exhorbitant, speculative and unwarranted increases in rent."

"We believe that the Hoboken City Council has made no serious attempt to deal with the 'state of emergency' that exists for the tenants of Hoboken. The rent-control ordinance must be strengthened and enforced. Loopholes such as substantial erhabilitation must be eliminated from the law," the letter states.

Cappiello will veto new rent ordinance

6/29/82

By Margaret Schmidt

Hoboken Mayor Steve Cappiello said he will veto the compromise rent control ordinance the city council passed last week.

"I'm trying to write it up tonight and present it to them (council members) tomorrow," Cappiello said yesterday.

He said the ordinance is flawed in asking the city building inspection department or housing inspection department to determine "substantial rehabilitation" rent decontrol.

He also said the ordinance should clarify "substantial rehabilitation."

The amendment, drafted by Councilman Robert Ranieri, would base the amount of building improvements allowed in determining "substantial rehabilitation" rent increases on building code data rather than assessed value.

It would also allow owner-occupants of buildings with fewer than three units to increase rents by as much as 50 percent when tenants vacate.

Cappiello said the building department is "inundated wtih work" and couldn't take on the new duties. He added that the housing inspection department may also be unable to do it because it receives about $70,000 to $80,000 of state funding and the terms of the funding may not permit it to make such determinations.

Further, the cost "should be absorbed by the applicant," Cappiello said. Owners should have the burden of paying a fee to "to bring our people to see it" (the rehabilitation).

The amended ordinance was passed 7-2 at the June 20 meeting with Councilmen Thomas Vezzetti and Patrick Pasculli voting against it. They voted for their own amended proposal, with Ranieri, which would eliminate "substantial rehabilitation."

If the members stayed with their decision, they would have enough votes to override the mayor's veto. But there is a question whether members will agree with the mayor and, even if they disagree, if they are willing to go on record voting against him.

Council President Helen Macri, who said she had hoped the mayor would have held off on his decision until she spoke with him this morning, said she didn't know if the council would override it.

"I'd have to speak with the rest of the council," she said.

She added that she would reintroduce the ordinance.

She termed the Cappiello's questions about the amendment "minor" and said she was surprised he just doesn't sign it and ask the council to make the changes.

Vezzetti said Cappiello wouldn't do that because his veto is "a political ploy."

He called it a gimmick to make the mayor look good to tenants as he heads for the freeholder election against Republican Roger Dorian of Weehawken.

"Remember," Vezzetti said, "He lost Hoboken in the primary. The people of Hoboken rejected him."

Cappiello narrowly beat Nunzio Malfetti in the Democratic freeholder-primary and the winning votes came from Union City.

Vezzetti said he hopes the veto will give him a chance to get his ordinance through because "we've got to stop 'substantial rehabilitation.' That's the ploy that's ruined Hoboken."

Many people blame the clause, which allows a landlord to raise rents as high as the market will allow after doing major renovations, for Hoboken's spiraling rents.

Cappiello wants rent rules restructured for Hoboken

By Margaret Schmidt

Hoboken Mayor Steve Cappiello has suggested limiting vacancy decontrol and "substantial rehabilitation" rent increases in his veto of a compromise rent control ordinance.

The ordinance, with amendments passed by the City Council June 20, "does not meet the needs of the community," he said yesterday.

Cappiello suggested restructuring vacancy decontrol to prevent abuses and allowing substantial rehabilitation rent increases only when buildings are substandard.

Rather than having "across the board" rent increases when an apartment is vacated, the new ordinance should carry some provision to allow increases only for apartments with low rents, said Edwin Chius, business administrator.

"Give the people that have very low rents, that are in effect subsidizing their tenants, the allowance to raise rents to get a fair return on their property," he said.

The present rent control ordinance allows for a 25 percent increase and the one passed last week called for 50 percent.

Assurances should be built into the new ordinance, Chius said, to prevent the rapid turnover of apartments to get increases.

The substantial rehabilitation clause would work to prevent landlords from making major improvements, which may not be necessary, just to have the units decontrolled, Chius said.

Councilman E. Norman Wilson Jr., who said he had been preparing a similar clause with the law department, called it "the perfect solution" to spiraling rents.

"After having labored long and hard in the field on the particular problem of substantial rehabilitation," said Councilman Robert Ranieri, the amendment's sponsor, "I welcome the help and support of the administration."

He said he hoped backing by Cappiello and the administration would lead to an ordinance that more fully addresses the problem of displacement. He stressed that his ordinance was a compromise necessary to get a majority of council votes.

Other council members, however, criticized the mayor for waiting until the ordinance had passed before voicing his objections and then vetoing it without holding a special meeting.

"It's a slap in the face to Bob Ranieri and the council president (Helen Macri)," said Councilman Thomas Kennedy.

If the mayor's recommendations are sound, he said, the council would go along with them rather than overriding the veto in retaliation.

The ordinance passed 7-2 in the council. Six votes are needed to override a mayoral veto.

"The council's not ashamed to state we made a mistake," he said. But the ordinance must go before the council again and, if the veto is not overridden, more time will be spent in formulating amendments.

Councilman Thomas Vezzetti call the veto "a political play" in an election year.

In his letter to the city clerk explaining the veto, Cappiello cited technical problems with the ordinance and called for tighter controls.

"It is quite clear that we need to protect residents from displacement," he wrote. "I do not feel this ordinance adequately addresses the excesses of real estate speculation and I am therefore vetoing this ordinance."

He named four areas of concern:

- "The amendment should clearly express the intended changes in the ordinance and also identify those sections of the current ordinance that are to be retained.
- "Vacancy decontrol should be limited and structured to prevent abuses.
- "Substantial rehabilitation should be limited to substandard buildings in genuine need of rehabilitation.
- "Definitions and procedures should be adequately expressed to implement and enforce the ordinance."

The mayor had said it was unclear who would inspect buildings for "substantial rehabilitation" and who would pay for the inspection.

Joint waterfront plan advances

6/84

The Associated Press

ALBANY — A bill creating a $1-billion waterfront development plan for New York City and Hoboken, N.J., has won final legislative approval in New York.

The measure, approved last night by the New York Assembly, goes to Gov. Mario Cuomo. It also is subject to approval by the the New Jersey Legislature. Trenton lawmakers already have approved a portion of the legislation.

The bill calls for the Port Authority of New York and New Jersey to issue about $200 million in bonds to help finance a project in the Hunters Point section of Queens and another in Hoboken.

A key section of the measure is designed to prevent New York businesses from relocating to New Jersey, or vice versa, to take advantage of the new facilities. New York officials are concerned about businesses moving to New Jersey.

The plan calls for each site to get about $100 million from the Port Authority to finance public improvements such as the repair and installation of water and sewer lines and the preparation of land for construction of buildings and roads.

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$1.2 million is bid for Leinkauf School

6/84

By James Kopchains

Three bidders, including two Hoboken landlords, have bid $1.2 million to buy the former Sadie Leinkauf Elementary School building from the city for conversion to housing.

The three men, the Rev. Dr. Hugh Hothem, Frank Raia and Sam Shafran, outbid two others at Hoboken City Hall yesterday morning. Carl Schaefer of the city's law department, who conducted the bidding, said the starting minimum bid was $750,000.

The bid now goes to the City Council for approval at its June 6 meeting.

Hothem said the housing units will not be federally subsidized. He would not comment on whether the units would be rentals or condominiums.

The sale ends the city's two-year search for federal Section 8 funding to convert the school into subsidized housing.

The school on Seventh Street was closed by the board of education in 1962 because structural defects required repairs deemed too high for the board to fund. The board transferred the building to the City Council earlier this year for $1 so that the city could look for ways to convert it to public housing.

The council decided at its last meeting that such use for the building was not feasible because of cutbacks in the federal housing subsidies and approved the resolution putting the school up for sale.

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6/84

Councilmen Pat Pasculli …

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Local 3

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Hoboken reacts to waterfront project

By BRAD KELLY
Staff Writer

It has been about two years since residents of Hoboken first heard of the Port Authority's plans for their St., said yesterday he has heard rumors that a jai alai stadium is planned. "I've heard several things. have both a good and bad side to it. "The city needs some kind of upgrading because it is getting all

…e Dispatch, Hudson/Bergen Counties, N.J. Saturday, June 30, 1984

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6/84

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A key section of the measure is designed to prevent New York businesses from relocating to New Jersey, or vice versa, to take advantage of the new facilities. New York officials are concerned about businesses moving to New Jersey.

The plan calls for each site to get about $100 million from the Port Authority to finance public improvements such as the repair and installation of water and sewer lines and the preparation of land for construction of buildings and roads.

Private developers would spend about $400 million more at each site to build housing, stores, offices, and recreation facilities. Construction would begin about May 1986.

In addition, the bill calls for future construction of another waterfront development project in the New York City area and one more in New Jersey. The bill provides no details on those projects.

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6/84

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The council decided at its last meeting that such use for the building was not feasible because of cutbacks in the federal housing subsidies and approved the resolution putting the school up for sale.

Hoboken contracts reported given to officials' relatives

6/84

By James Kopchains

Two Hoboken councilmen are now seeking records pertaining to the new Columbian Towers senior citizens housing project in the city to check reports of conflict of interest among contracts for the building.

Councilmen Pat Pasculli and Thomas Vezzetti are seeking the records to check reports that relatives of key officials at the project were given contracts to supply materials for the project's operation.

"I hope that we can straighten out the situation and find out exactly what is the situation at the building," Pasculli said. "If there is nothing to it, then at least it will do some good to check it out."

Pasculli said the most difficult part of his research has been locating the contracts, saying that neither the building manager, Applied Housing Inc., nor Hoboken Community Development Agency Director Fred Bado, nor the federal Department of Housing and Urban Development office in Newark have been able to give them copies of contracts pertaining to the building.

"Someone must have the contracts. I just cannot believe that in a building of that size, ing federal money to build one kept any records of th tracts given out," Pascu

Hoboken reacts to waterfront project

By BRAD KELLY
Staff Writer

HOBOKEN—Rumors have it that a jai alai stadium and a medical center are going to be built along the city's waterfront now that the Port Authority of New York and New Jersey has been given the legislative approval to proceed with its $500 million waterfront project on the Hudson River.

But actually, the project, unanimously approved by the New Jersey Assembly early yesterday morning, calls for a marina, 670 condominium units, a 400-room hotel and more than 1 million square feet of office and commercial space to be built on city Piers A, B and C.

It has been about two years since residents of Hoboken first heard of the Port Authority's plans for their waterfront. Since then, the legislation authorizing the project has been the center of poltical debate among New York, New Jersey and Port Authority officials.

So these days, residents are not quite sure what is going to be built.

"Are they going to have department stores down there or what?," asked Minnie Brinker, a long-time resident who lives at 418 Bloomfield St.

"I guess they will be pretty fancy. But if they have good merchandise I will shop there," she said.

Kenneth Dyson of 309 Washington St., said yesterday he has heard rumors that a jai alai stadium is planned. "I've heard several things. ... I really don't know what's going down there," he said.

"I think there is going to be a medical center or some damn thing," said Ed Mallaber of 76 Washington St. "What we really need is a senior citizen center and some playgrounds for the kids to keep them off the streets. I don't know ... tennis courts, a swimming pool. I mean, how many condominiums do they want?" he said when told of the Port Authority's plans to provide for luxury housing.

Judith Bailey, who works for the Board of Health's food and nutrition program, said the development will have both a good and bad side to it.

"The city needs some kind of upgrading because it is getting all these people from New York moving in. But because it will make Hoboken more attractive, low-income people will continue to be pushed out ... more and more apartments will be converted into condominiums," she said.

The bill, which has been approved by both the New York and New Jersey legislatures, also allows for a similar $500 million development for Queens.

Port Authority officials have said that construction on the Hoboken project is scheduled to begin late next year.

WNY board turns down rehab rent hike

By MARITES CHICHIOCO
Staff Writer

WEST NEW YORK—The Rent Control Board, for the first time, denied final approval of a substantial rehabilitation rent increase, in light of a recent re-evaluation of the ordinance.

The board, at Thursday night's meeting, did not allow the owner of 6414 Park Ave. and 61 65th St. the hike initially approved in January.

That decision came at the heels of Mayor Anthony M. DeFino's pronoucement, some 24 hours prior, that the substantial rehabilitation clause was dead. DeFino had said landlords would not automatically be allowed rent increases if they made substantial rehabilitations, but instead, he said, each case would have to be evaluated individually.

According to board Secretary Pat McEldowney, the board found several discrepancies between the landlord's claimed expenditures and the invoices of work done in the buildings.

"Invoices submitted did not coincide with the checks," McEldowney said.

She explained that the checks dated back to January, while the record of work done dated back to April. "There was no way to connect the two."

Neither the building's owner, Ivan Frank, nor his attorney, Joseph Pojonowski, could not be reached for comment.

Attorney Don De Leo, who represents the tenants of the buildings which have a total of 26 units, said he did not have to call in his witnesses during the hearing, because the landlord's case fell apart.

Several items in the claim were disqualified, including new stoves and sinks installed in the apartments.

"I pointed out that it is required under state law that a landlord provide tenants with a stove and a sink," De Leo said.

Under the ordinance, a landlord can raise rents beyond the 2.5 percent rent control ceiling, if he puts 50 percent of the building's assesed value into renovation.

With other items deleted from the application, such as the construction of a management office in the basement, De Leo said it is doubtful whether the threshold was broken in this case.

McEldowney said it was the first time final approval was withheld by the board. "They've always considered every case carefully," he said. But added that the board was probably influenced by "Mayor DeFino's liberal interpretation of the ordinance."

"It is important that the tenants know that they can win," De Leo said.

Hoboken school morale is low, and sinking fast

By James Kapchains
First of two parts

6/84 JJ

Hoboken Council has not decided on school budget

6/84 JJ

By Jim Kopchains

The end of the current school year grows near and the fate of 41 Hoboken school employees still hangs in the air, yet the Hoboken City Council still has offered no word on the amount of money it will give the schools for the next school year.

And to John Pope, president of the city's school board, it's

vote to adjourn and I was still talking. I was shocked."

Pope said that after the meeting Council President Helen Macri assured him that the council would hold a budget workshop before the council's scheduled June 6 meeting. The board of education has scheduled its next regular meeting for June 12. The current

Thomas Vezzetti and Patrick Pasculli.

Both Vezzetti and Pasculli have called for large cuts in the school's operating budget by removing many school administrators who they believe are not needed in the operations of the schools.

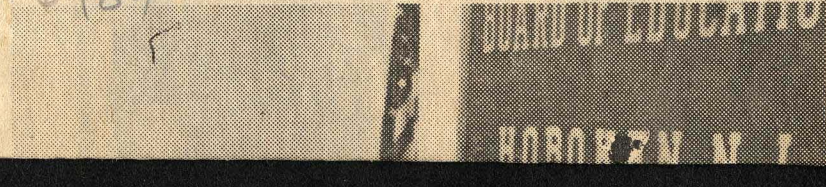
Vezzetti said yesterday that the administrators were the

Hoboken election's big losers may be city's schoolchildren

JJ 6/84

Continued from Page 1.

As superintendent, Maier has found that he has to walk a very thin tightrope between both sides. As a result, he finds he must phrase his words carefully



Hoboken school morale is low, and sinking fast

By James Kapchains
First of two parts

6/84 JJ

The biggest losers in next year's Hoboken mayoral election may be the city's schoolchildren.

Politics, both real and alleged, now threatens the performance of teachers and administrators within the city's public school system — the one area where politics is meant to be avoided.

Already, political decisions and threats and rumors of future decisions have made school employees wary of taking action and instead have brought in a new conservatism in a district struggling to bring up its educational standards.

Meanwhile, a lack of cohesiveness among school board members and a definite split on the city council about school expenditures has put its members into two political camps, with each member's opinions largely shaped by the opinions of the side he or she has chosen.

"God, it's hard to work when you don't know what the

> **". . . Everyone seems to be interested only in themselves; the students come in second."**

situation will be in the next few months. Everyone seems to be interested only in themselves; the students come in second," one school administrator said.

"I don't know whom to trust and depend on anymore. Every day you hear a new rumor about this job or this person," a teacher observed.

None of the school personnel interviewed for this article would allow their names to be printed. "It would be career suicide to speak out publicly over this," one employee commented.

All administrators and teachers spoken to agreed that the city's school system has become a skirmishing ground between sides in the upcoming elections.

This infighting, combined with several controversial decisions made or being considered by the school board, has created a disheartening atmosphere in the schools.

"There's no doubt that the alleged disclosures have had a demoralizing effect on the morale of teachers and other educators in the district," Dr. George Maier, the city's superintendent of schools, said.

One such area that worries Maier is that the adverse publicity that the political charges give to the school system is causing apathy among many of the parents of the schoolchildren. "No one hears of the positive accomplishments of the district."

See HOBOKEN — Page 17.

6/84 JJ

Hoboken Council has not decided on school budget

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The end of the current school year grows near and the fate of 41 Hoboken school employees still hangs in the air, yet the Hoboken City Council still has offered no word on the amount of money it will give the schools for the next school year.

And to John Pope, president of the city's school board, it's getting ridiculous.

"I told them (the council members), 'cut what you will from the budget, just give us a figure.' If they did that, I could go back to the board offices and figure out what we're going to need," Pope said yesterday while describing the meeting the board had with the council on Thursday.

"I was under the impression that the council would propose some numbers and ask us to comment on them or that they would discuss our proposed budget. But then they called a vote to adjourn and I was still talking. I was shocked."

Pope said that after the meeting Council President Helen Macri assured him that the council would hold a budget workshop before the council's scheduled June 6 meeting. The board of education has scheduled its next regular meeting for June 12. The current school year ends on June 30.

"I hope that they have the budget then, because I do not want to have to call a special meeting of the board if it isn't ready," Pope said. He pointed out that the council has had the board's proposed $21 million budget since it was passed by the city's Board of School Estimate in April. Less than one-third of the school budget comes from municipal taxes.

At Thursday's council meeting, Pope and other board members attended and answered questions on the school budget from Councilmen Thomas Vezzetti and Patrick Pasculli.

Both Vezzetti and Pasculli have called for large cuts in the school's operating budget by removing many school administrators who they believe are not needed in the operations of the schools.

Vezzetti said yesterday that the administrators were the main reason the school budget was too high for taxpayers. "There are just too many administrators who owe their jobs to political favors. Their jobs could be much more efficiently done by another administrator at much less cost," he said.

Vezzetti said he also wanted to clear up reports circulating through the city that he and Pasculli wanted to see teachers laid off.

"We don't want to see teachers laid off at all. We believe that there is plenty of money that could be cut from that school budget without laying off one teacher," he said.

Pistol packin' mamas

them his

Hit by car

Hoboken election's big losers may be city's schoolchildren

Continued from Page 1.

As superintendent, Maier has found that he has to walk a very thin tightrope between both sides. As a result, he finds he must phrase his words carefully while trying to keep the system running.

"We try to adhere to a code of behavior, but there are no perfect beings."

As 1985 approaches, two distinct political groups are forming. One side, composed of supporters of Mayor Steve Cappiello, includes the majority of city officials and board of education employees. The other side comprises most critics of Cappiello and includes Councilmen Thomas Vezzetti and Pat Pasculli and board member Steve Block as well as several other community group leaders.

Both have taken turns criticizing the other for conditions in the schools and offering their own plans for their improvement.

Certainly by any standard Hoboken's public schools are struggling. State figures released recently showed Hoboken leading Hudson County in the percentage of its students dropping out of school.

The statewide minimum basic skills tests, although showing improvement from the past several years, show that over 36 percent of the system's ninth-grade students did not read at the ninth-grade level.

Meanwhile, the scholastic aptitude tests taken by high school seniors for college admission show Hoboken seniors scoring at the 312 point mark for verbal skills and 363 for mathematics. These are 104 and 90 points below the state average, respectively.

> **"It would be career suicide to speak out publicly over this."**

These figures have coincided with a steady drop in student enrollment. Once the city had over 7,200 students in its system; now fewer than 5,000 students are being projected over the next several years.

Most persons interviewed on the schools' performance have laid the blame on the seven-member board.

In recent months, almost every decision by the board, save the most trivial, has come under instant criticism and rejection by opponents to Cappiello.

Cappiello, for the most part, tries to remain publicly separated from the board. His opponents charge that he pulls the board's strings from behind the scenes.

In return, all suggestions and ideas offered by the opposition groups, most notably Block, are rejected out-of-hand by the six-member Cappiello majority on the board, often with little or no public debate.

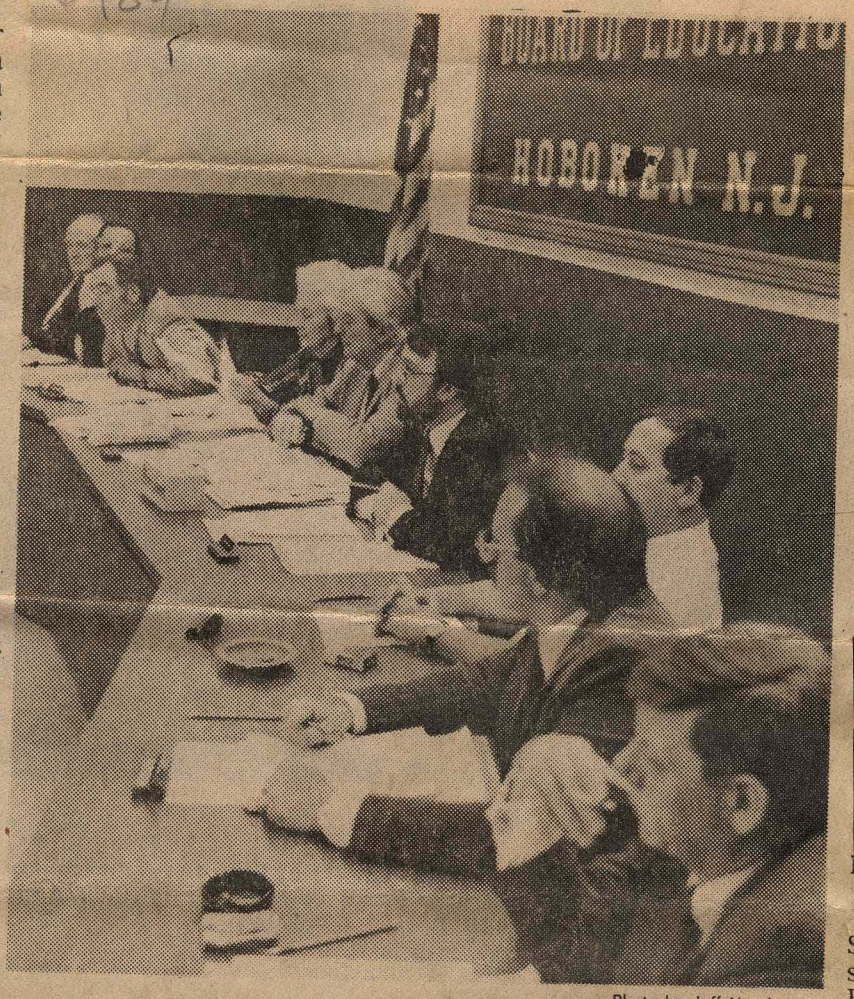

Photo by Jeff Huntley

Members of Hoboken's Board of Education deliberate an agenda item at one of the board's sessions.

The monthly board meetings now seem to center on one side or another, rather than conscientious debate of all sides of a question. Those who might offer objective solutions have grown tired of trying to crack this political debate.

This can only grow more pronounced as the election draws nearer.

Of all the board's decisions, three recent ones have sparked the most involved debates between both sides:

- The hiring of Councilman Anthony Romano, the board's assistant secretary, as secretary, replacing former Assemblyman Thomas Gallo.
- Cutting the board's proposed school budget by $880,000 solely in staff cuts rather than across-the-board cuts.
- The proposed closing of Demarest Elementary School — the second elementary school to be shuttered in the past two years.

Each decision has been defended by Board President Otto Hottendorf and other board members as logical and necessary. Block and opponents have charged each was chosen for the political gains it would make.

The Romano appointment, made to one of Cappiello's top supporters, immediately brought criticism from opponents.

Hottendorf pointed out that Romano had worked under Gallo for many years and that he would insure that the office would continue as it did under Gallo.

To Block and other opponents, Romano's appointment was just the latest of appointments involving political patronage or nepotism made by the board to Cappiello supporters.

As for the budget, Block charged at the time that the board's actions were meant to "punish" the city's teachers union, which won an eight percent increase in their new contract. School officials have countered, saying the staff salaries represented the only area that could be cut.

Still, the cuts may mean layoffs to 14 or more teachers and other personnel.

The Demarest School closing has raised a storm of controversy similar to the protests over the closing of Leinkauf School in 1982.

Demarest, which formerly served as the city's high school, had new boilers installed last year, which has led opponents to wonder why the board would want to close the school. Hottendorf has argued that the closing is needed because of the drop in student enrollment and the fact that the David E. Rue School is scheduled to open (after a two-year wait) in September and will be able to handle Demarest's students.

> **"We try to adhere to a code of behavior, but there are no perfect beings."**

All board members and administrators have argued that their positions are meant in the best interests of the city's students.

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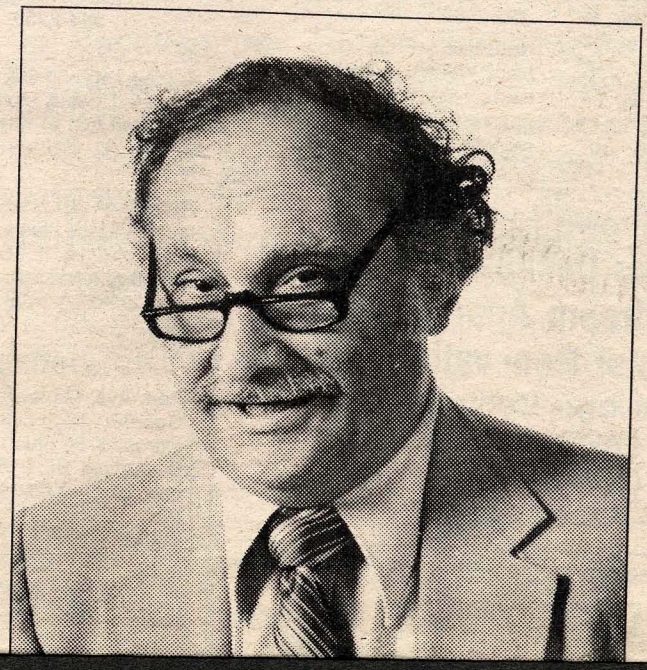
FROM THE DESK OF COUNCILMAN TOM VEZZETTI

Dear friends,

In the one year since my election the tide has begun to turn in Hoboken. Although I like to take credit for what's happening, the plain truth is that the secret service forces that control Hoboken are hurting so many that every day more and more people are looking for a real alternative. As I say, I don't know if I'm so good or they're so bad, but whatever, I believe we can take Hoboken back from the machine politicians and greedy developers who have conspired to make Hoboken's government their own private playground.



These politicians and developers like to call me crazy. They are right, you know. I am crazy.....about Hoboken! My family helped build this city, and I've been angry all these years Mayor Cappiello and his legal gangsters have been tearing this community apart. They thought I was crazy to take on Walter Cramer last year. I did it and we

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These politicians and developers like to call me crazy. They are right, you know. I am crazy.....about Hoboken! My family helped build this city, and I've been angry all these years Mayor Cappiello and his legal gangsters have been tearing this community apart. They thought I was crazy to take on Walter Cramer last year. I did it and we beat him convincingly. They think I'm crazy for constantly fighting the Mayor and these other people on the Council. I know I upset a lot of people at city council meetings because I talk a lot. That's because there are so many issues at stake here - almost nothing is done right by this government. Everybody in this city is coming to Tom Vezzetti with their problems because they know even if I can't get the votes on the council at least I'm on their side working for the people who make this city worth fighting for. Any legitimate problem that bothers any citizen no matter who it is bothers me and that's what I think government is all about. I'm fed up with favoritism where only certain people get help! I may not be perfect but I'm at least trying to correct all these things that are wrong:

-It is wrong that tenants and small homeowners are being chased out of Hoboken!

-It is wrong that kids in the school system can't get the education they need and that teachers aren't given any respect by the Board of Education!

-It is wrong that little children and their teachers are hostage to political subterfuge at the Head Start program!

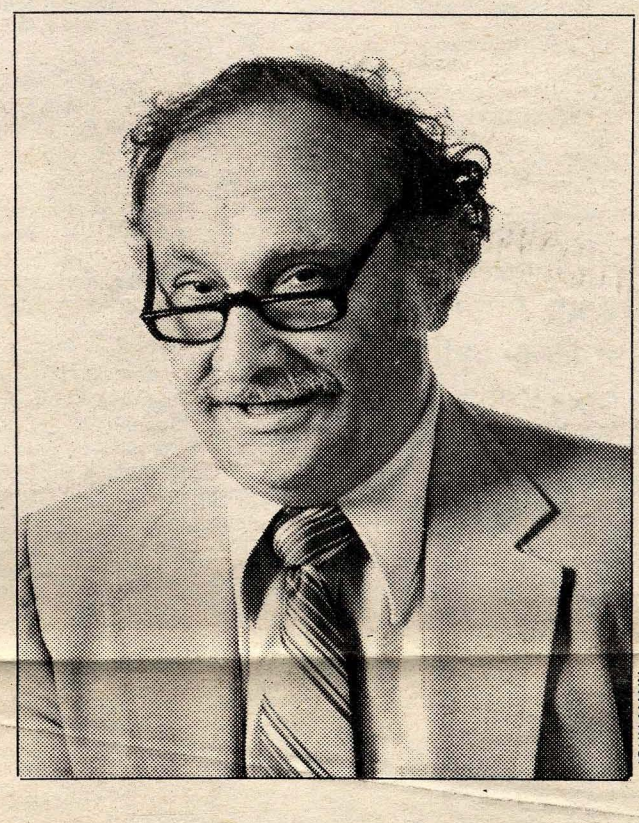
-It is wrong that city services are bad because so-called management is political rather than competent!

-It is wrong that close friends and relatives of some of these other politicians have no-show or little show jobs with the city or the school board!

-It is wrong that economic development in Hoboken means favors to friends of the Mayor or condo development!

-And it is dead wrong that a handful of politicians and big developers are getting rich off our backs while so many families are being hurt!

Now to my way of thinking, it is only good common sense to recognize that these things are wrong. And common sense also gives us solutions. We've got to make sure that waterfront development is done right - unlike the messed up revaluation done by Landmark - so jobs, more recreation, and additional taxes benefit Hoboken people. Until then, we have to reduce taxes enormously by cutting unnecessary expenditures from city government and the school board; we have to get efficiency and productivity from government by getting rid of these politicized administrators; and we have to encourage economic development in other parts of Hoboken. That's just common sense....and that's why I've introduced resolutions to eliminate unnecessary jobs, and waste, to consolidate city departments, to get this City Council to



JOHN MANN

deal with economic development, and that's why I supported the uptown Pathmark proposal.

Most of our people here in Hoboken rent apartments and this city council must act to protect tenants. We've got to eliminate loopholes in rent control that permit these big developers to move right in and chase families out of town. When taxes start flowing in from the waterfront and when the federal government gives the cities housing money again, we must build more affordable housing. That's just common sense.....and that's why I've introduced amendments to close loopholes in rent control and why I opposed condos in the Leinkauf School.

Everyone knows the Board of Education benefits the scoundrels who control it. We need to replace these Board members with parents and citizens who will make education a priority and rebuild this school system with lots of parents and teachers involved. That's just common sense, and that's why I go to all Board of Education meetings to demand they do their job and that's why I opposed a school budget which cuts school teachers instead of waste and unnecessary administrators.

In city government we've also got to get rid of waste, unnecessary jobs, and incompetent management. Every city worker should be respected so long as they do their job competently every day. Political affiliation should have nothing to do with it. That's just good common sense!

The secret service bosses in city hall and on the council want us to believe that there are these big reasons why this is wrong or that is wrong. That's just plain nonsense! They messed things up and we can fix the things they messed up! Because they failed to deal with the problems of small homeowners, they've permitted their developer friends to try to manipulate small homeowners into opposing the needs of tenants. That's the old divide and conquer approach. We've got to unite, all of us, homeowners and tenants because we need each other if we're going to elect a new government next year willing to solve all these local problems. If we all keep our courage and work together we can turn this city government around..

Always a pleasure,
Tom Vezzetti

It's the end of an era in Hoboken, ~~but~~ a new beginning in Bayonne

By Barbara Demick

Hoboken Shipyards Inc., the last vestige of the waterfront city's once formidable shipbuilding industry, announced yesterday it is leaving town.

The Hoboken operations will gradually be phased out and consolidated with another facility owned by the same firm at the U.S. Military Ocean Terminal in Bayonne, the firm said.

Elliot S. Braswell, chief executive officer of Hoboken Shipyards Inc., said in a prepared statement the move is due to "the current poor business climate in the ship repair industry and the need to take prudent austerity measures." He said the Bayonne facility will be upgraded to accommodate the consolidation.

The announcement coincides with the departure of the U.S.S. Kalamazoo, a Navy oil tanker, Monday morning after a

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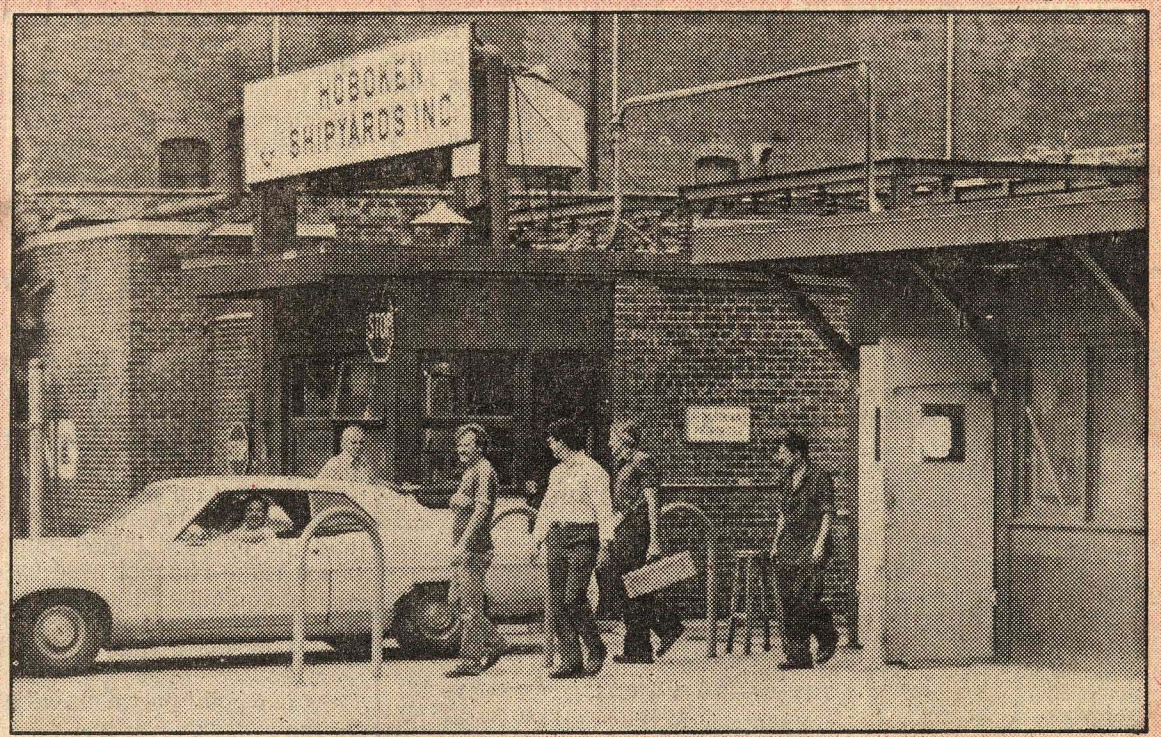

Photo by Steve Golecki

Employees leave Hoboken Shipyards Inc. on their last day of work.

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See END — Page 21.



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End of an era in Hoboken

Continued from Page 1.

nine-month $14.25 million facelift in Hoboken.

Two weeks ago, the Hoboken operation learned it had lost out to a Maine firm on a $11 million contract to overhaul another Navy vessel.

The Hoboken Shipyards Inc. opened in January of last year after Braswell, who operates a similar facility in South Carolina, purchased 46 acres of waterfront property that had been owned by the beleaguered Bethlehem Steel operation.

The firm employed between 500 and 600 people at its peak. But as the work on the U.S. S. Kalamazoo drew to a close, the yards began laying off staff to the present level of 150, according to Patricia M. Kinard, assistant to Braswell.

Ms. Kinard said there was no formalized schedule for the phasing out of the Hoboken operation and no decision as to whether the firm will sell its Hoboken property.

The company has promised to make all efforts to transfer the remaining Hoboken staff to the Bayonne facility.

U.S. Rep. Frank J. Guarini of Jersey City said yesterday that he and other members of the New Jersey congressional delegation are working to get the shipyard a contract to overhaul the Navy frigate, the U.S.S. Sims.

If that contract is awarded to the shipyard, it would provide jobs for some of the laid off workers from the Hoboken facility in Bayonne, according to Guarini.

Guarini speculated that the soon-to-be-defunct shipyard site might become part of the waterfront renovation still in the planning stages for Hoboken. "We'll have the release of 46 acres of downtown Hoboken for spectacular development which could, in the long run, mean more jobs for the people of the city," he said.

He said the site was the most important U.S. shipyard during World War II, when it employed 16,000 workers. Since then, Guarini said, the shipbuilding and repair industry has been most unstable.

"It's feast or famine. These people don't know when they are going to be working or laid off," Guarini said. "The area needs more stability."

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Hoboken
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TUESDAY, JULY 10, 1984

What's next for 46-acre Hoboken Shipyards site?

By Margaret Schmidt

With Friday's closing of the Hoboken Shipyards, some city officials already have visions of a waterfront development extending from the Jersey City border to 14th Street, with only Maxwell House and Union Drydock standing for the "old Hoboken."

Variances to change the zoned land use might be easily obtained, said Mayor Steve Cappiello.

But the ideas of multi-million-dollar projects may be premature, according to Braswell Shipyards Inc., the South Carolina company that owns the site.

"There are no current plans," said Elliot Braswell, chief executive. "The land is open for whatever use it is best suited for."

Disposition of the 46 acres could include selling all or part of it, keeping it for marine purposes, converting its buildings, or tearing down the buildings and altering the usage of the entire site, he said.

He has set no time table.

"Maybe with the shipyards gone, there may be a continuation of development up the river in future years," said Cappiello, "if it is deemed to be enough uplands property."

About 20 acres of the Braswell site are under water. Filling it in for development would be difficult and costly and would necessitate statements and environmental studies similar to the activities surrounding Manhattan's Westway project, Cappiello said.

"The city would like to see something that would bring jobs," said Cappiello. "But, it's difficult to use highly taxed property with very little space uplands to attract industry. The next best use would probably be some kind of residential or commercial development."

The site is zoned for industrial use, but the mayor said it wouldn't be difficult for Braswell or a developer to get a variance for residential/commercial usage.

"If it (the site) is no longer adaptable to attract any of form of industry, you must change with the times," he said. "I think it would be an obligation of the city to cooperate with them to use the land to return the fullest taxes to the city."

One city planner, however, said that only Hoboken's northern end provides a concentration of jobs through industry and that it might be unwise to chip away at it.

He said the city would have to act cautiously since the shipyards are next to Maxwell House, Hoboken's biggest employer, and that a housing development might cause conflict if residents decide they didn't want it.

Cappiello said the site may not deter new residents and that complaining residents would never win a court case against Maxwell House because "past practice is usually an important factor in court decisions."

The shipyard closed Friday because the business worldwide is "depressed," Braswell said.

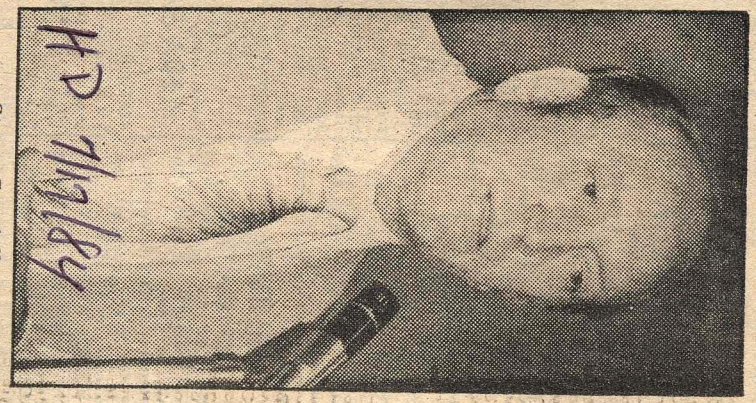
Workers there recently finished repairs on the USS Kalamazoo. The company lost an $11 million contract two weeks ago to a Staten Island company.

Some of the shipyard's equipment is to be moved to a Braswell site in Bayonne, but its offices are still functioning in Hoboken.

Braswell bought the shipyards and a dock in the Bayonne Military Ocean Terminal — a federal site which is non-taxpaying — for a reported $9 million in February 1983 from Bethlehem Steel Corp.

The city and Bethlehem Steel often disputed the worth of the site, Cappiello said.

Cappiello asks rent rule pause



Steve Cappiello
Says clause may be outdated

HD 7/17/84

Cappiello rent fight cease-fire

JJ 7/17/84

By Margaret Schmidt

Hoboken Mayor Steve Cappiello has proposed a four-month moratorium on substantial rehabilitation and vacancy decontrol rent increases.

The ordinance, which would have to be a passed by the city council, will be read at the July 25 meeting but cannot be voted on until the August meeting.

Cappiello, who recently vetoed amendments from current rent control oced said the moratorium is veto let the council "tier, time and iron out arons items that were not cle tly amended version. to

In suggestin moratorium, the mayores council should reconken measures because he ow are no longer necessai

He said subsial rehabilitation that Hoboken has allowed has served a good purpose," Cappiello said. "It has improved a lot of housing from inadequate to adequate. It has also helped drive up high rents and high values on property."

With much of Hoboken having undergone the so-called renaissance, the measures are no longer needed to attract investors, he said.

West New York recently passed a moratorium on substantial rehabilitation and vacancy decontrol. The ordinance stipulates that those whose applications have already been approved are exempt.

Cappiello said his moratorium ordinance was "more or less" the fruit of last week's meeting with legal staffers, rent control board members and the business administrator.

Councilman Robert Ranieri, who could not be reached for comment yesterday, said Thursday that he was planning to reintroduce a moratorium ordinance he had prepared — and the council defeated — last year.

He accused the administration of taking over the legislative role of the city council in the veto of his amendments and the writing of a new ordinance.



Steve Cappiello
Says clause may be outdated

Cappiello asks rent rule pause

By BRAD KELLY
Staff Writer

HOBOKEN—In a move seen as too little too late by his critics, Mayor Steve Cappiello has asked the City Council to enact a moratorium on the city's controversial substantial rehabilitation clause for at least three months.

In a letter written to council members last week, Cappiello said the moratorium would give the council an opportunity to review the administration's suggestions concerning the city's rent control ordinance. Amendments to that ordinance, approved by the council last month, have been vetoed by Cappiello, who has criticized them for being confusing.

One of those amendments places stricter controls on substantial rehabilitation by increasing the amount of money that must be invested in an apartment building to free it from rent control.

But Cappiello said yesterday he may favor amendments that do away with substantial rehabilitation.

Substantial rehabilitation, which allows a property owner to become free of rent control if he invests a certain amount of money in a building, "improved the housing stock in our city," Cappiello said yesterday.

But in the letter he sent to council members, Cappiello said: "While the substantial rehabilitation exception and vacancy decontrol were appropriate vehicles during a time when our houusng needed improvement ... the pendulum has swung. It is apparent that the excesses of real estate speculation are displacing our people ..."

Councilmen Thomas Vezzetti and Patrick Pasculli, whose ordinance to do away with substantial rehabilitation was defeated by the council last month, criticized Cappiello for not asking for a moratorium months ago, when the council was first discussing changes to the city's rent control laws.

Tenants also have been fighting substantial rehabilitation for the past year. Since 1981, about 115 apartments have been rehabilitated. Another 13 rehabilitation applications are pending.

rent fight cease-fire

Councilman Robert Ranieri, who could not be reached for comment yesterday, said Thursday that he was planning to reintroduce a moratorium ordinance he had prepared — and the council defeated — last year.

He accused the administration of taking over the legislative role of the city council in the veto of his amendments and the writing of a new ordinance.

Cappiello wants

7/17/84

By Margaret Schmidt

Hoboken Mayor Steve Cappiello has proposed a four-month moratorium on substantial rehabilitation and vacancy decontrol rent increases.

The ordinance, which would have to be a passed by the city council, will be read at the July 25 meeting but cannot be voted on until the August meeting.

Cappiello, who recently vetoed amendments to the current rent control ordinance, said the moratorium is intended to let the council "take their time and iron out any of the items that were not clear" in the amended version.

In suggesting the moratorium, the mayor said the council should reconsider the measures because he feels they are no longer necessary.

He said substantial rehabilitation that Hoboken has allowed has served a good purpose," Cappiello said. "It has improved a lot of housing from inadequate to adequate. It has also helped drive up high rents and high values on property."

With much of Hoboken having undergone the so-called renaissance, the measures are no longer needed to attract investors, he said.

West New York recently passed a moratorium on substantial rehabilitation and vacancy decontrol. The ordinance stipulates that those whose applications have already been approved are exempt.

Cappiello said his moratorium ordinance was "more or less" the fruit of last week's meeting with legal staffers, rent control board members and the business administrator.

rehabilitation exemption from rent control should be replaced by a one-time capital improvement rental surcharge. Further, vacancy decontrol certifications should be eliminated or strictly limited by time periods or to very-low-rent dwellings.

Many blame the measures for spiraling rents in Hoboken and for the displacement of low and middle-income residents.

"Much of the substantial

Cappiello explodes at Vezzetti

7/84

By BRAD KELLY
Staff Writer

HOBOKEN—Fourth of July celebrations may be over, but fireworks were flying in Mayor Steve Cappiello's office yesterday.

Cappiello surprised City Councilmen Thomas Vezzetti and Patrick Pasculli and his secretary, Angela Servello, yesterday when he lit a firecracker and threw it at Vezzetti. The firecracker exploded, but Vezzetti was unharmed.

"You think you can drive me crazy?" Cappiello said to Vezzetti. "I'll drive you crazy!"

Prior to the incident, Vezzetti, a critic of the current adminstration and a candidate for the 1985 mayoral election, stationed himself outside of Cappiello's door and began yelling at the mayor. Once inside Cappiello's office, Vezzetti continued his tirade while Pasculli and Servello looked on.

At that point, Cappiello, sitting behind his desk, calmly lit the firecracker and tossed it at Vezzetti. "Mayor, you scared me," said Servello.

"Well, he didn't scare me. It takes more than a firecracker to get rid of Tom Vezzetti," Vezzetti said.

He and Cappiello regularly hurl insults at each other during shouting matches that can be heard throughout the second floor of City Hall.

The first-time councilman has said he believes he can be the next mayor of Hoboken. Cappiello, who has been mayor 12 years, has not said whether he will seek a fourth term.

Cappiello expressed no regrets later in the afternoon. He said he wished he would have put the firecracker where it would have done more damage.

Council rehab vote awaited

By BRAD KELLY
Staff Writer

HD 7/26/84

HOBOKEN—Mayor Steve Cappiello's request to the City Council last night to place a three-month moratorium on substantial rehabilitation was turned into an ordinance that would abolish it.

Substantial rehabilitation, a rent law allowing property owners to become free of control after they have invested a certain amount of money in a building, has been blamed by its critics for the displacement of low- to moderate-income tenants. Supporters of the law say it is necessary to upgrade the city's housing stock and provide for decent living conditions.

The ordinance to do away with the controversial law was expected to be voted on late last night by the council.

"Now the challenge is out," said Councilman Robert A. Ranieri, who has criticized the timing of Cappiello's moratorium suggestion.

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The question last night was whether the council members who once opposed the ordinance would support it now that Cappiello has come out against substantial rehabilitation.

Since 1981, approximately 15 buildings, many multi-family, have been rehabilitated. The same number of applications are pending before the city's Rent Leveling Board.

Union City OKs rehab moratorium

7/20/84

By GEORGE GARNEAU
Staff Writer

UNION CITY—The city yesterday joined a countywide trend toward curbing large rent increases allowed by increasingly used substantial rehabilitation clauses in many local rent control laws.

The Board of Commissioners tentatively approved a three-month moratorium on new applications for rent decontrol under the clauses.

Substantial rehabilitation clauses, which vary according to municipality, generally allow landlords to escape the constraints of rent control if they make "substan-

The owners of two buildings here — rejected for substantial rehabilitation rent decontrol — have appealed to Hudson County Superior Court in Jersey City. Four more applications are pending, Wichert said.

Other municipalities are grappling with the emerging issue of substantial rehabilitation rent decontrol. West New York has a moratorium on decontrol applications and is considering repealing its substantial rehabilitation provision. Weehawken has a moratorium on applications, and Hoboken is considering one.

Continued from Page 1

Ranieri has fought for the abolition of the law for almost a year. His ordinance to eliminate substantial rehabilitation however, never received the required number of council votes for passage. Ranieri feels Cappiello could have openly supported his efforts and influenced certain council members to vote in favor of the ordinance.

The question last night was whether the council members who once opposed the ordinance would support it now that Cappiello has come out against substantial rehabilitation.

Substantial rehabilitation was adopted by the council in 1973 to improve the city's housing stock, which at that time consisted of a large number of tenements, according to city officials. Many officials now say that law is being abused by landlords who can find tenants willing to pay the high market rents that the city's rehabilitation has brought about.

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Substantial rehabilitation clauses, which vary according to municipality, generally allow landlords to escape the constraints of rent control if they make "substantial" renovations.

"We feel the ordinance is a little gray and unclear as to what 'substantial rehabilitation' means," said Mayor Arthur Wichert. Wichert said city lawyers would draft new language that "clears up" the vagueness of the ordinance.

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Jersey City has stymied tenant efforts to eliminate its substantial rehabilitation clause. North Bergen does not have one.

In Hudson County, substantial decontrol clauses, ignored for years, have generated intense controversy

See REHAB, Back Page

Continued from Page 1

in recent months as landlords in growing numbers have applied for gigantic raise rents in return for substantially renovating their properties.

Use of the clause has grown as property values, demand for rental apartments and rents have all risen sharply in recent years.

Substantial rehabilitation provisions were intended as a means of improving aged housing by providing landlords with the incentive — higher rents — to pay for renovations. Landlords say decontrol is needed to stimulate rehabilitation of buildings that otherwise would decay because artificially low, controlled rents discourage investment.

Tenants say substantial rehabilitation decontrol is an unnecessary loophole that is abused by landlords seeking to bypass rent control and cash in on the soaring rents of a booming housing market.

In one case on Montgomery Street in Jersey City, decontrol was used to raise monthly rents from $225 to $700, according to Chuck McGroarty, president of the Jersey City Tenants Association.

"There is strong feeling that this is abusive, and it's a problem," McGroarty said yesterday, promising to make substantial rehabilitation decontrol a major issue in city elections next year.

The immediate problem of decontrol provisions, as in Union City, is: What, exactly, constitutes "substantial rehabilitation?" Generally, provisions define it as an amount of money required to be spent on improvements. Usually it is a percentage of the building's assessed value.

Tenants say landlords are taking advantage of low assessments to invest a minimum and get maximum rents. McGroarty said that in one instance, a landlord spent just $16,000 and was granted rent decontrol.

There also has been dispute about which improvements qualify under rehabilitation. Questions about the laws persist, such as: Do items such as separate heat and hot water heaters — which cost tenants more on utility bills than if included in rents — qualify as legitimate expenditures?

Tenant organizations oppose substantial rehabilitation decontrol clauses, arguing that capital improvement surcharges, commonly in effect, allow landlords to recoup their investments adequately through higher rents during the life of the improvements — without decontrolling rent.

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See REHAB, Back Page

EDITORIAL

Where Has All the Industry Gone?

By Angelo Valente

The Hoboken Shipyards are closing. Iron gates will be shut tight with steel chains fashioned somewhere else in America and the last ship, the USS Kalamazoo has steamed down the river. Never again will a great steel ship tower over the city. Never again will the whistles blow for work in this city. Never again. It's more than a piece of our history that's sailing out of the harbor, to a very great extent a piece of our present is on board that last ship as well. When the Hoboken shipyards closed this year the largest single parcel of property on the waterfront fell, for at least a time, dormant. It's much more than the jobs that have been lost. For years now the jobs have been eroding, that's not news in a city whose face is changing as radically for as many residents as this city. The jobs are gone and so many of the traditions that built this city. There will be ample time to discuss what we've lost and what we've gained in that. The real issue is now, as it always seems to be these days, now that this is gone, what is left? What's to become of this prime parcel of real estate in one of the most hotly contested investment areas of the nation? Is the property to be put to good use, is it to benefit the residents of Hoboken, or is it to join with the rest of the once vital port city and become little more than a billboard for New Jersey facing New York? Hoboken has lost more than its quaint immigrant charm. The very marrow of its urban bones has been literally sucked dry by speculation and profiteering, much of it officially sanctioned by City Hall, not without benefit to many of those in government, while the burden of operating that same city government has fallen hard on the shoulders of the taxpayers. There is virtually no tax base left in this city, no jobs for its residents short of the public payroll where many appointees are at best questionably qualified, and now there is this. In the Hoboken shipyards there is a magnificent opportunity to offset the damage done by years of speculation. Here we have an opportunity to use an industrial site for industrial purposes. The Hoboken shipyards can and must be utilized for maximum benefit to the people. Jobs can be created, office spaces, light manufacturing, perhaps even the revival of the ferry service to New York which once upon a time lent a kind of dignity to our city. There are a thousand possibilities for the betterment of our city in the empty shipyards at the edge of town, but I wonder if the best interest of the city is being considered. I have a recurring nightmare that some day the only taxable industry in Hoboken will be the sale of toothpaste and pajamas to the part-time residents of this town. Perhaps with the loss of the shipyards we have lost a part of heritage, but there is a far more insidious element of our heritage that I fear we will not have lost in this.

Angelo Valente is a 4th Generation Hobokenite, is a founder of the Hoboken Neighborhood Alliance and a leader in the Hoboken Reform Movement. Valente is the Governor's appointee to the Hoboken Housing Authority Commission. □

Vezzetti asks council to remove Helen Macri

By Blanca Quintanilla

A wave of shock and surprise swept through the Hoboken Council members and audience at last night's meeting when Councilman Thomas Vezzetti asked the council to remove Helen Macri as its president.

"I want you removed as the president," Vezzetti shouted. A few seconds after Vezzetti made his request, some people sided with him and applauded as President Macri asked the city clerk to include the resolution on the agenda.

The affair came about as Councilman Robert Ranieri withdrew a resolution he had introduced to the council asking for a tax abatement for Ray Lenne. After listening to residents talk against tax abatements, Ranieri decided to withdraw the resolution.

Vezzetti thought that Ranieri had no right to withdraw the resolution and told President Macri that he was going to sponsor the resolution so that the board would vote on it.

Macri refused to bring the issue back saying that Ranieri was in his right and could withdraw the resolution.

"You are playing games," with the law firm of Sills Beck Cummings Zuckerman Radin and Tishman to assist in legal services regarding the redevelopment of the Hoboken waterfront. The Newark-based firm has done work for the Newark Airport.

A lawsuit against LaFera Contracting Co. for costs incurred by the city as a result of the garbage strike was voted against by the council. The vote was 5-4 against the suit.

In one of the most hotly debated issues, the council voted against a resolution introduced by Pasculli and Vezzetti that the city council hold two meetings instead of one in July and August.

"If we have two meetings," Pasculli said, "we can address our most crucial problems and we don't have to deal with a massive agenda."

People attending the meeting seemed surprised when the council voted 6-4 against the two meetings, especially since last night's agenda included 47 resolutions and 14 ordinances.

First signs of disorder during the meeting emerged as Pasculli was advising the council to pass a resolution accepting fire and construction inspections.

Hoboken Fire Captain Ray Falco said that the firemen conduct fire inspections in Hoboken.

Pasculli replied that hiring a third party agency to conduct inspections would reduce city expenditures from $170,000 to $30,000.

Falco said that an outside firm would not be there to help residents in an emergency situation and told the people that Pasculli's figures were incorrect.

"Yours is a politically appointed job," Pasculli shouted at Falco. "You are one of Mayor Cappiello's clowns."

Pasculli and Falco continued their argument after the meeting outside City Hall.

The council did agree on an ordinance to introduce a moratorium on substantial rehabilitation. Mayor Cappiello had asked the council for a 120-day moratorium, but Councilman Ranieri recommended that the council adopt a permanent moratorium until they come up with a better rent control ordinance.

"The challenge is on this table," said Ranieri. "We are

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Macri refused to bring the issue back saying that Ranieri was in his right and could withdraw the resolution.

"You are playing games," Vezzetti told the council. He than asked the council to remove Macri.

Councilman Pat Pasculli seconded the resolution and the council voted.

The panel voted 7-to-2 not to remove Macri as president. Vezzetti and Pasculli voted to remove her.

Council members had a caucus before the regular meeting in which they listened to a presentation by the mayor's Waterfront Advisory Committee.

The caucus part of the meeting lasted four hours, and the regular part of the council meeting lasted almost three hours.

During the Waterfront Advisory Committee presentation, Paul Rotondi, committee chairman, advised the city fathers to hire legal consultants to work with the committee and the City Council.

The committee also advised the City Council to get the city engineer to review infrastructure problems that can be attributed to development, and to begin estimates of potential cost in solving these problems. Particular attention, the committee says, should be paid to water, sewer and road systems as well as parking.

"At this point, the City Council has to be involved," Rotondi said. "You are going to have to hire engineers and planning assistants."

The council authorized the Community Development Agency to come to an agreement with Ralph B. Seligman to serve as planning assistant and to prepare "comprehensie studies in areas of neighborhood industrial and waterfront development."

The council also authorized the Community Development Agency to enter negotiations with the law firm of Sills Beck Cummings Zuckerman Radin and Tishman to assist in legal services regarding the redevelopment of the Hoboken waterfront. The Newark-based firm has done work for the Newark Airport.

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People attending the meeting seemed surprised when the council voted 6-4 against the two meetings, especially since last night's agenda included 47 resolutions and 14 ordinances.

First signs of disorder during the meeting emerged as Pasculli was advising the council to pass a resolution accepting bids from specifications for services of a third party agency to conduct construction code inspection, in Hoboken. This would include electrical, plumbing, fire and construction inspections.

Hoboken Fire Captain Ray Falco said that the firemen conduct fire inspections in Hoboken.

Pasculli replied that hiring a third party agency to conduct inspections would reduce city expenditures from $170,000 to $30,000.

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"The challenge is on this table," said Ranieri. "We are going to say stop to substantial rehab for some time. Owners who want to improve their property can always file for capital improvement."

Hoboken council wants budget director to stay

7/84

By James Kopchains

The Hoboken City Council now wants to make their new budget director official by creating a permanent position for the director.

The council had hired the director, Joseph Lisa, two months ago on a three-month basis to advise the council on financial matters and help them in preparing the municipal budget.

The council is scheduled to introduce an ordinance at its Wednesday meeting creating an official position of budget director/internal auditor with a salary range of between $29,000 and $37,000 per year.

The director, if approved, would be under the direction of the city clerk, James Farina, and would be answerable directly to the council members. He would not be connected with the city administration.

Under the description of the position, Lisa would be responsible for reviewing the annual and supplemental debt statements; analyze accounts and records and prepare statements concerning the financial problems of the municipality; analyze and review the municipal budget; review the annual municipal audit; as well as monitor the operations of various city departments, agencies and offices.

The council has scheduled a caucus for Monday at 7 p.m. and the regular meeting for Wednesday at 7 p.m., both at the Council Chambers in City Hall.

Rally to protest Hoboken budget

7/84

The Hoboken Neighborhood Alliance has scheduled a rally for all residents of Hoboken to protest the city's proposed $23 million 1984 municipal budget for this Wednesday at 6:30 p.m. at the Hoboken City Hall.

The rally has been called to coincide with the regularly scheduled meeting of the Hoboken City Council. HNA has repeatedly called for the state budget officials to be called into Hoboken to review the budget and make recommendations.

At the rally, leaders will try to question council members on the budget and their delay in bringing the budget up for approval. The group, which was formed about nine months ago, has held many meetings on the budget and is currently reviewing it.

In a related matter, Council President Helen Macri has called a special budget workshop of the council for Monday at 4 p.m. at City Hall to discuss the budget items.



Hob Reporter 1/25/84

OFF THE RECORD

Looks like Cappiello is definitely on for a fourth term as Mayor next May.

But, there was a theory around that Mayor Steve would have avoided running for a fourth term as Mayor in '85 if he could have gotten some kind of cushy job with prestige more important than pay. Now, the theory seems to be corroberated by some new info on events of several months ago.

Our sources at the state level say that Council President Helen Macri and her husband, Eugene — both Hudson County Republicans — were pushing Republican Gov. Kean"s appointments secretary for jobs for Democrats:

Mayor Cappiello to get a big Port Authority position.

Former Councilman Walter Cramer to get some kind of judicial position.

Councilman Sal Cemelli to get a state job.

Why?, you might ask. It's rumored that the deal was that Cappiello would then back Helen Macri for Mayor, giving Hoboken a big first — a Republican mayor.

It seems however that the Governor and the Governor's secretary would have no part in giving Cappiello, Cemelli and Cramer patronage jobs from a Republican administration. As it turned out, the governor didn't consider the Macris much of Republicans either, and, in fact, their proposed deal may have lowered the state Republican committee's estimation of them even further.

Cappiello without any prospect of a big job and with his very narrow win for freeholder must run for Mayor in order to protect any chance of getting a big political job in the future.

★ ★ ★

On the real estate front it seems that condomania is finally catching up with Hoboken. There are several brokers who are very, very nervous about an impending glut of condominium units in Hoboken. It seems the apartments aren't selling quite as fast as the brokers/developers would like. There is a proposal afoot to create a hotline, along with a lot of publicity, to push condominium sales in Hoboken. This will require cooperation on a scale never seen among the various brokers and developers. We bet it won't come off.

★ ★ ★

All that activity on the Fourteenth St. end of town up near the Standard Brands Bldg. owned by Della Quilla seems to have fizzled. There were bulldozers, trucks and — (did we see city workers and city equipment on Della Quilla's land?) — policemen were posted to push everybody off the land a couple weeks ago. Now everything seems quiet. How come? And by the way what's happening with that million dollar

continued on page 17

ecord

continued from page 2

UDAG Grant that Della Quilla received from the city? Where is it going?

★ ★ ★

Two months ago the city was laying everybody off. Now you may have noticed that there are advertisements for Hoboken city jobs appearing. What's the story here?

NOTES:

Who was the city worker supervising eight CETA workers at Councilman Romano's property on Court and Hudson Streets between 8:30 a.m. and 10:30 a.m. on July 13?

new info on events of several months ago.

Our sources at the state level say that Council President Helen Macri and her husband, Eugene — both Hudson County Republicans — were pushing Republican Gov. Kean"s appointments secretary for jobs for Democrats:

Mayor Cappiello to get a big Port Authority position.

It seems Maurice Fitzgibbons has been bucking for a position on the mayor's ticket.

How come the people who set up for President Reagan did not contact Helen Macri, (City Council President and head of the Republican party in Hoboken by popular vote) about the President's visit? They, in Washington, contacted Pat Caufield and Angelo Valente, the recognized heads of the Republican party. Could this be the political death toll for Heler and Gene Macri? Time wil tell. It seems they're at odds with the mayor. Is all crumbling for Steve Cappiello' Who's left? Jimmy Farina?

Let's not forget to thanl

ered the state Republican committee's estimation of them even further.

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Eileen Cappock for her hard work and Mike McFarland of Maxwell's for his work and generosity in donating food and drink at the baseball plaque dedication. □

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continued on page 17

Mount Laurel verdict triggers a state constitutional crisis

By Jerome G. Rose

Last year the New Jersey Supreme Court rendered its decision in Southern Burlington County NAACP v. Township of Mount Laurel (Mount Laurell II) in which it provided several remedies to enforce its decision that every municipality in "growth" areas must provide a realistic opportunity for the construction of housing to meet its "fair share" of the low and moderate income housing needed in the "region." All lawsuits challenging the validity of municipal zoning laws are now heard by three specially appointed judges who have come to be known as the three "housing and zoning czars" of the state.

The Mount Laurel II decision has created a state constitutional crisis because of the usurpation of legislative and executive powers by the New Jersey judiciary and by the blatant disregard by the court of the principles of democracy. The decision encourages developers the judge determines in each case that the zoning is invalid and specifies the number of housing units for low and moderate income persons that must be provided by the municipality. The court then exerts all of its influence to get the parties to settle the case by having the municipality adopt a zoning ordinance that provides for the specified number of low income units.

The municipality is placed under great pressure to settle. The costs of litigation (consisting mostly of attorney and planner fees) are extraordinarily high. The chances of winning an appeal in the state Supreme Court are non-existent; the chances of escaping out of the state court system by an appeal to a federal court are conjectural at the present time. The most coercive force causing municipal capitulation in Mount Laurel litigation is the threat of the "builder's remedy" by which the judge may authorize a builder-plaintiff to proceed with developer will move on to other conquests elsewhere leaving the defendant-municipality and the court to deal with the progeny of financial and administrative problems created by this act of judicial licentiousness. The municipality will be left with such problems as determining the eligibility of future occupants of low cost units, achieving and maintaining racial balance, and finding a source of revenue for continuing subsidies to maintain the low cost of the subsidized units, among others. To achieve the Mount Laurel objectives the court will have to maintain continuing jurisdiction. Municipal governance by black-robed administrators is a fearsome prospect for 1984 and beyond in New Jersey.

The Mount Laurel decision raises serious constitutional questions about the propriety of the judicial role. Elected officials are ordinarily reluctant to get involved in intergovernmental conflicts of this kind. However, the ire of elected officials is beginning to foment in New Jersey. Legislation has been proposed providing for an 18 month moratorium of Mount Laurel lawsuits. Legislation is also pending calling for a constitutional amendment to reinstate and reaffirm the supremacy of municipal zoning power. More comprehensive legislation has been proposed calling for the establishment of a state planning commission to revise the State Development Guide Plan and another bill would create a planning mechanism to determine municipal housing needs and restore the presumption of validity for municipalities whose land use regulations have been certified. But interparty conflicts have thus far prevented the state Legislature from facing up to its responsibilities. In the meantime fearful municipal officials are relinquishing their authority and mandate to the judicial zoning czars.

Jerome G. Rose of Princeton is a professor of Urban Planning at Rutgers University.

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The Mount Laurel II decision has created a state constitutional crisis because of the usurpation of legislative and executive powers by the New Jersey judiciary and by the blatant disregard by the court of the principles of democracy. The decision encourages developers to challenge alleged exclusionary zoning by the promise of a "builder's remedy." The standard of zoning validity imposed by the court has been devised so that no municipality has been able to comply. In fact there is not a zoning ordinance in the state of New Jersey that is valid under the requirements of the decision.

Once a developer brings suit, there is not very much a defendant municipality can do. As Henry Hill, an attorney who represents developers in several pending Mount Laurel lawsuits has described so colorfully: "In Mount Laurel lawsuits, municipalities are like baby harp seals during the period Canadian harp seal hunts; they can slither and bleat; but only for a short time."

At the trial, professional planners provide information upon which a judge makes public policy decisions usually reserved to elected legislative officials. A court appointed planner, with the assistance of about 20 planners involved in pending litigation, has delineated the "regions" of the state and has devised a formula to calculate the "fair share" obligation of each municipality in each "region." After hearing the planning testimony on both sides the judge determines in each case that the zoning is invalid and specifies the number of housing units for low and moderate income persons that must be provided by the municipality. The court then exerts all of its influence to get the parties to settle the case by having the municipality adopt a zoning ordinance that provides for the specified number of low income units.

The municipality is placed under great pressure to settle. The costs of litigation (consisting mostly of attorney and planner fees) are extraordinarily high. The chances of winning an appeal in the state Supreme Court are non-existent; the chances of escaping out of the state court system by an appeal to a federal court are conjectural at the present time. The most coercive force causing municipal capitulation in Mount Laurel litigation is the threat of the "builder's remedy" by which the judge may authorize a builder-plaintiff to proceed with his proposed development unless the municipality can prove that there is a serious environmental or planning problem.

The builder's remedy is a flagrant usurpation by the judiciary of legislative power. Instead of being a passive forum for the resolution of disputes between private parties, the courts now seek to control the entire subject of exclusionary zoning by encouraging, provoking and inciting litigation against municipalities. Once the issue is in court, housing and land use decisions for the municipality and the state are made by one of the three judges rather than by elected officials. By this technique the court has used the builder's remedy as a device to seize continuing jurisdiction over a contested public policy issue.

The builder's remedy is a flagrant usurpation by the judiciary of the executive power. It puts the Mount Laurel judges in the position of high prestige procurers, who for a price, will permit a developer to have his way with the municipality's land. The price of the municipal abduction is the developer's agreement to provide a substantial number of units for low income persons. After satisfying his desires, the developer will move on to other conquests elsewhere leaving the defendant-municipality and the court to deal with the progeny of financial and administrative problems created by this act of judicial licentiousness. The municipality will be left with such problems as determining the eligibility of future occupants of low cost units, achieving and maintaining racial balance, and finding a source of revenue for continuing subsidies to maintain the low cost of the subsidized units, among others. To achieve the Mount Laurel objectives the court will have to maintain continuing jurisdiction. Municipal governance by black-robed administrators is a fearsome prospect for 1984 and beyond in New Jersey.

The Mount Laurel decision raises serious constitutional questions about the propriety of the judicial role. Elected officials are ordinarily reluctant to get involved in intergovernmental conflicts of this kind. However, the ire of elected officials is beginning to foment in New Jersey. Legislation has been proposed providing for an 18 month moratorium of Mount Laurel lawsuits. Legislation is also pending calling for a constitutional amendment to reinstate and reaffirm the supremacy of municipal zoning power. More comprehensive legislation has been proposed calling for the establishment of a state planning commission to revise the State Development Guide Plan and another bill would create a planning mechanism to determine municipal housing needs and restore the presumption of validity for municipalities whose land use regulations have been certified. But interparty conflicts have thus far prevented the state Legislature from facing up to its responsibilities. In the meantime fearful municipal officials are relinquishing their authority and mandate to the judicial zoning czars.

Jerome G. Rose of Princeton is a professor of Urban Planning at Rutgers University.

City council may call halt to rent hikes

JJ 7/31/84

By Margaret Schmidt

The Hoboken City Council is studying a proposed moratorium on substantial rehabilitation rent increases which is designed to give the mayor and council time to reconsider the city's rent control ordinance.

A council committee on rent control was scheduled to meet last night to discuss the moratorium, which Councilman Robert Ranieri has suggested be "permanent."

A 120-day moratorium on both substantial rehabilitation and vacancy decontrol increases was proposed by Mayor Steve Cappiello at Wednesday's council meeting. The council however, decided to call for an indefinite moratorium on substantial rehabilitation only.

If it approves the ordinance, vacancy decontrol will be unaffected. The next council meeting is Aug. 22.

"The mayor and council of the City of Hoboken shall reconsider the policy of the vacancy decontrol provisions and determine if and to what extent they are still a necessary exception to rent control," the ordinance says.

Although some view the moratorium as a benefit in

Rent control

JJ 8/2/84

Common sense on the part of tenants, politicians and The Jersey Journal would presuppose opposition to rent control in Jersey City, especially since New York's infamous example displays itself across the river.

New York rent control is, in fact, the root of Jersey City's current revival. It is ironic that Jersey City residents seek to abort this trend through their own misguided and shortsighted imitation.

Years of bureaucratic control over the New York rental market was and continues to be the obvious, direct cause of deteriorating building maintenance, building abandonment, condominium conversion and the near halt on new rental construction. These fruits of rent control leave the residential population of New York divided between the poverty-stricken and the ultra-rich.

As the middle class continues its flight across the Hudson, perhaps

Council members to attend forum

8/8/84

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The Campaign for Housing Justice of Hoboken will host a rent control forum Monday at 8:30 p.m. in St. Matthew's Trinity Lutheran Center, 731 Washington St.

Three council members have agreed to answer questions about the city's efforts to rewrite the rent control ordinance and its pending moratorium on substantial rehabilitation rent increases.

Council President Helen Macri and Councilmen Thomas Kennedy and Patrick Pasculli have said they will attend, Margaret M. O'Grady, campaign spokeswoman, said.

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"The mayor and council of the City of Hoboken shall reconsider the policy of the vacancy decontrol provisions and determine if and to what extent they are still a necessary exception to rent control," the ordinance says.

Although some view the moratorium as a benefit in restructuring the rent control ordinance, others fear the indefinite time frame will allow Cappiello and the council to act too slowly.

"I want substantial rehabilitation outlawed," said Councilman Thomas Vezzetti. "The others want to play around with it."

The question of what to do with the current rent control ordinance has been before the council for more than a year.

A compromise ordinance was passed June 20, but Cappiello vetoed it June 29 and said he feared it was too lenient.

Ranieri, who wrote the amendments, has questioned Cappiello's motives and asked why he didn't contribute to the year-long proceedings.

Vezzetti has called the veto a political ploy as Cappiello goes up for reelection to his freeholder seat in November.

If the moratorium is enacted, fully-documented substantial rehabilitation applications would be exempted. Only applications brought after work is completed will be allowed to go through.

Four complete applications are waiting to be heard by the rent control board in September, said Joseph Santiago, executive director.

Approximately one notice of vacancy decontrol rent increases is received each month, he added.

Critics of the two policies say they are responsible for spiraling rents in Hoboken, while proponents say they are necessary incentives for sales and improvements of multi-unit buildings.

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As the middle class continues its flight across the Hudson, perhaps local tenants, politicians and the Journal might ponder their common strategy in light of such an example. Short-run gains for the few hardly begin to dent the inevitable cost of rent control to the future welfare of Jersey City and its residents. — CAROLYN E. LOCHHEAD, Jersey City tenant

BAR HARBOR, Maine (UPI) — Chemicals similar to human sex hormones can reduce the weight of obese mice the human equivalent of 20 pounds a week without any apparent side effects, a senior scientist said.

The substance can also prevent diabetes in mice prone to the disease and halt its progress once it has started, said Doublas Coleman, a senior scientist at

THE JERSEY JOURNAL, WEDNESDAY, AUGUST 15, 1984

Rush on city's apartments discu

By James Kopchains

Hoboken council members had a chance Monday to meet with city residents to clear the air over the city's growing housing crisis.

At a meeting of the newly-formed Campaign for Housing Justice, five council members discussed the rush on apartments.

The council is to vote on a moratorium on all "substantial rehabilitation" rent increases on Wednesday at 7 p.m. at City Hall.

Council President Helen Macri and members Thomas Kennedy, E. Norman Wilson Jr., Thomas Vezzetti and Patrick Pasculli spoke to more than 60 people at the meeting.

The discussion centered on the city's displacement problems. Allen Krantz, moderater, said, "The discussion gave residents the chance to speak out with real passion about their pains and their sufferings caused by the crisis."

Margaret O'Grady, a Campaign member said the discussion brought politician and citizens closer on the issues. "It was a step toward what we want to do. It's about time the city was given back to the voters."

Several times, the discussions grew heated as each council member made a case for their version of a new city rent control ordinance to alleviate the problem.

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Several times, the discussions grew heated as each council member made a case for their version of a new city rent control ordinance to alleviate the problem.

The Campaign, in existence for about six months, is an offshoot of the Hoboken Clergy Coalition. According to Krantz, it aims to provide three services to city tenants: educational meetings and publication, legal defense funds and a political action committee to pressure politicians for changes in rent laws.

Krantz said the group has about 100 members, according to informal records.

Rent moratorium near

Union City commissioners are expected to hear final arguments tomorrow on an ordinance to establish a moratorium on substantial rehabilitation applications.

The moratorium arises out of a conflict between landlords who interpret substantial rehabilitation in their own way, while arguing that the city's ordinance is vague and unconstitutional. City officials have countered with the moratorium.

Landlords have reportedly tried to get rents increased by as much as 150 percent on the grounds that they have made substantial investments in their properties.

Mayor Arthur Wichert said the moratorium would give the city time to review its rent laws.

"We need to look at the gray areas in the ordinance, which is 10 years old, come up with clearer language and properly define what substantial rehabilitation is," he said.

He said he would probably create a panel composed of tenants, landlords and realtors to advise on the rent law, and expects to come up with an entire new rent law within 90 days.

Wichert said that all the people affected by the existing rent ordinance, landlords, realtors and tenants, are interpreting it in their own way, creating situations which would be stopped once a clear and concise rent law is established.

Tenants dispute rent hike notice

JJ 8/2/84

Tenants of the Grogan Marineview Towers in Hoboken say the notification process for a rent increase next month violates state regulations.

Letters notifying 350 tenants that their rent will go up by 8 percent Sept. 1 were to be mailed and hand-delivered yesterday, said Anthony Cupano, financial analyst for the New Jersey Housing and Mortgage Finance Agency. The agency approved the increase yesterday.

The Marineview Plaza Tenants Association, however, said the notices should have gone out Tuesday to comply with the HFA's regulations. The discrepancy would be grounds for a court appeal, said Annette Illing, spokewoman for the group.

"The newly determined rent schedule shall be effective on the first day of the second full month following mailing of notices to the tenants and other interested parties," according to the HFA regulation.

Ms. Illing interpreted the rule to mean notices of the Sept. 1 increase should have been mailed in July.

The agency, which must approve increases for the state-funded project, interpreted it to mean a flat 30 days.

The 30-day interpretation is standard, said Richard Godfrey, assistant executive director of the HFA's legal department. He said he believes a court would find no "material difference" between the interpretations and would side with the agency.

Meanwhile, Mayor Steve Cappiello said he hoped to have the agency rescind its approval and he is scheduled to meet with HFA representatives today.

Cappiello wrote a letter to the agency calling the increase "excessive" and unwarranted by improvements at the site.

The tenants association wrote a seven-page letter protesting the hike and said "the net result" will be "to drive moderate-income people from the Marineview project and the City of Hoboken, bringing in wealthier people."

The towers are for moderate-income tenants. Families with less than $45,000-a-year salaries can be admitted. If tenants' salaries go above the qualifying level after they move in, they must pay a surcharge to the city.

The 350 tenants affected by the September increase received a 13 percent increase in September, 1983. Eighty other tenants began paying a 10 percent increase in April.

Rents for the 350 tenants range from $286 to $591 a month. With the increse, they will pay $309 to $638 a month.

Tenants affected by the April increase pay $347 to $715 a month, Ms. Illing said.

The September 1983 and April increases are being appealed in court.

Housing for poor under considera

JJ 8/8/84

Members of the Hoboken City Council met with Joseph Barry, of Applied Housing Associates yesterday to discuss the possibility of federally subsidized housing he plans to develop.

Subsidizing the project would provide low-income housing in Hoboken, but bring in less in taxes than if the homes were designed for higher-income families.

While Barry said that several sites are under consideration for the development, he would not pinpoint specifically what areas are being reviewed.

He said a location would be chosen that was most economically feasible.

There will be a public hearing on the project at the council's next meeting.

Barry, an authority on subsidized housing for low-income tenants, has been active in Hoboken for over a decade, trying to transform slums into housing for the city's poor.

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He played a role in organizing and raising funds for construction of the Columbian Towers, a 135-unit project for senior citizens.

8/84

HAND submits petitions seeking nuclear-free zone

By James Kopchains

Petitioners filed over 2,600 signatures yesterday at Hoboken City Hall for a referendum to establish the city as a nuclear-free zone.

The petitioners, associated with the anti-nuclear group Hoboken Action for Nuclear Disarmament (HAND), handed the petitions over to Assistant City Clerk Frank Fortunato for counting and ratification. If ratified and put on the Nov. 6 general election ballot, the referendum would be the first public-initiated referendum in known memory in the city, according to Fortunato.

The clerk said the petitioners needed about 1,900 signatures to place the five-part ordinance on the ballot. However, the ordinance will first have the opportunity to be brought bfore the city council to person or firm engaged in the production of weapons or components.

According to Marc Arnold, the attorney who drew up the ordinance, all portions of the ordinance should be able to stand up to any legal challenge. If one of the clauses is struck down in court, a severability clause in the ordinance would allow the other clauses to remain in force.

"Municipalities have the power to protect their own citizens," Arnold said. "At present, a nuclear emergency exists on which the municipality has a duty to legislate for such protection."

Arnold drew up the ordinance on behalf of the Committee of Petitioners for HAND. This committee consists of five Hoboken residents, Mary Jo Anderson, Judith Karpova,

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If turned down, Fortunato said, the referendum would automatically go on the ballot.

Meanwhile, Thomas Lunghard, vice president at the Stevens Institute of Technology in Hoboken, expressed concern over one clause in the proposed ordinance that would prohibit all research furthering weapons development within the city.

The school neither has nor is planning to do any research directly involving nuclear weapons or power, Lunghard said. However, he said it has performed research on ship design and guidance systems for the military that could be construed as weapon development, he said.

The five points of the proposed ordinance include:

- No nuclear weapons, delivery systems or components shall be produced or stored within the city limits.
- No radioactive waste shall be produced or stored within the city.
- No research furthering nuclear weapons development shall be conducted within the city, subject to constitutional rights.
- Any plans to transport radioactive waste through the city should be told to the mayor and council prior to its movement and the city would then be ordered to act through legal means to stop the shipment.
- The mayor and council shall not do any business or award any contract to any person or firm engaged in the production of weapons or components.

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Arnold drew up the ordinance on behalf of the Committee of Petitioners for HAND. This committee consists of five Hoboken residents, Mary Jo Anderson, Judith Karpova, Miranda Spencer, Gloria Gouty and Al Desetta.

Ms. Karpova said yesterday that the ordinance was an action that needed to be done in Hoboken. "In our own small way, we are trying to stop the building of nuclear weapons that threaten us all."

As for prohibiting firms involved in nuclear production, she said that it could only help by putting pressure on them to abandon their nuclear weapon production. "If we can put economic pressure on these companies — well, it's our lives we're talking about here. With this in mind, we can't be too restrictive towards such industries."

Ms. Karpova said the ordinance does not include any enforcement because the committee felt that any such enforcement should be the responsibility of the city's governing body.

Lunghard said he would not comment directly on the school's official position towards the proposed ordinance. He said he would have the school's attorney check the ordinance to determine if the questioned clause could affect Stevens.

Hoboken Business Administrator Edwin Chius said he supported the ordinance and did not think the fifth clause would limit the city.

"To my knowledge none of the companies we do business with has any dealings with nuclear development, so it wouldn't affect us at all."

Tenants could lose homes in Union City confusion

By DEBRA GERSH
Special to The Dispatch

UNION CITY—During the last six months, 520 21st St. was apparently not rent controlled, was rent controlled and was decontrolled.

Varying city records list 520 21st St. as a three-unit building, a four-unit building and a six-unit building.

This confusion could cost the building's tenants their homes.

Under the local rent control ordinance, a four-unit owner-occupied building is rent controlled, while a three-unit owner-occupied structure is not.

The owners of all buildings covered by rent control are supposed to list their rents with the city. But deviations from allowable rents often go undiscovered.

Peter Varsalona of Jersey City, attorney for Diane Bove, said that when his client purchased the building, apparently in late 1983, she was given a list of rents and had no idea that the building was rent controlled.

The city could not have intervened at this point, as Bove never registered the property transfer.

In February, when two of the tenants, Lidia Ramirez and Miriam Hechavarria, went to City Hall to complain that they were not getting any heat, they discovered that the building, which at that time housed four units, qualified for rent control and that rents had been set under the previous owner.

James Anderson of Union City, the attorney representing the tenants at that time, said he obtained for the tenants — with the approval of Bove's attorney — rebates for the rent overcharges. .

Ramirez's rent dropped from $375 to $302, and Hechavarria's rent fell from $350 to $239 a month. They are now the only tenants in the main building.

On March 30, Bove received a letter from Leonard Rybicki, a city construction official, stating that the attic apartment violated the housing code and must be renovated or vacated.

Bove vacated the apartment, which had been occupied by two tenants, and on June 15 wrote to Amber Perez at the Rent Control Board asking whether the building was still rent controlled.

Perez advised her in a letter that "the building is now not under ... rent control being that it is a three-family with owner-occupied."

Last week, tenants received notices that their rents would be increased to $450 a month as of Sept. 1.

Ramirez and Hechavarria said they will not be able to afford the increase. Varsalona, however, said that with the existing rents, Bove has been operating at a loss and has been unable to make mortgage payments on the building. He said

Rents spiral upward, and renters must pay or move out

back is not physically attached to the main house, it does not count as a unit of the main house. Opinion on this differs.

The municipal Tax Assessor's Office said that if the two buildings are owned by the same person and on the same property, they are considered one unit.

Housing inspection reports from past years list the property as Apartments 1, 2, 3, 4 and 5. However, some housing inspection reports list the units as Apartments 1, 2, 3, 4 and rear.

Until the investigation is completed, no one can determine whether the building can be rent controlled. Meanwhile, the tenants will be forced to pay $450 a month.

Donald DeLeo, a Hackensack attorney who specializes in tenant-landlord disputes, said it is legal for a landlord to close a vacant apartment even if it means the building will no longer qualify for rent control. If, however, the landlord puts the apartment back on the market

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Ramirez and Hechavarria said they will not be able to afford the increase. Varsalona, however, said that with the existing rents, Bove has been operating at a loss and has been unable to make mortgage payments on the building. He said she is only raising rents to what she feels is the fair market price.

"She (Bove) doesn't want to hurt the tenants, but she's trying to do what's fair," said Varsalona.

The controversy concerning whether the building should be rent controlled centers around a building in the rear yard that is being rented to Hector Leiva, Lidia Rivera and their two daughters.

The building is listed on the same tax roll as the main house, but whether it is considered a unit of the main house will determine whether that building has enough units to fall under rent control.

Perez said the matter is under investigation, but that right now she considers the building decontrolled and said the tenants must pay what the landlord asks. She also contended that, if the building in the back is not physically attached to the main house, it does not count as a unit of the main house. Opinion on this differs.

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Donald DeLeo, a Hackensack attorney who specializes in tenant-landlord disputes, said it is legal for a landlord to close a vacant apartment even if it means the building will no longer qualify for rent control. If, however, the landlord puts the apartment back on the market, he said, the landlord must put the building back under rent control and may have to refund some of the money from overpaid back rents.

Rent control laws are only as enforceable as there are people to file complaints, according to DeLeo. He said there are no rent control inspectors here and said the only way a violation is brought to light is through tips from tenants and others.

So the situation at 520 21st St. today is: The tenants cannot afford the rent if the landlord raises it, and the landlord insists she cannot meet expenses (let alone make repairs), if she does not raise the rents.

If the building after inspection is considered rent controlled, Bove can apply for a hardship increase. But the only choice left to the tenants will be to pay or to move.

Rents spiral upward, and renters must pay or move out