
Committee Meeting

of

JOINT STATE LEASING AND SPACE UTILIZATION COMMITTEE

LOCATION: Committee Room 7
State House Annex
Trenton, New Jersey

DATE: January 8, 2018
11:30 a.m.

MEMBERS OF COMMITTEE PRESENT:

Senator Nicholas P. Scutari, Chair
Assemblyman Raj Mukherji
Robert J. Shaughnessy Jr.



ALSO PRESENT:

Carl T. Costantino
Office of Legislative Services
Committee Aide

Mark S. Kaminski
Committee Secretary

Gary A. Kotler
Committee Counsel

Ed Oatman
Senate Majority
Committee Aide

Meeting Recorded and Transcribed by
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SENATOR NICHOLAS P. SCUTARI (Chair): Call to order.
Roll call, please.

MR. COSTANTINO (Committee Aide): Sure.
Senator Scutari.

SENATOR SCUTARI: Here.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Here.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Here.

MR. COSTANTINO: Senator, you have three votes (*sic*) in the affirmative; you have a quorum.

SENATOR SCUTARI: Okay.

Read the Open Public Meeting Act.

MR. COSTANTINO: Sure.

Notice of this meeting of the State Leasing and Space Utilization Committee was provided to the Secretary of State, *The Trentonian*, and the State House press on January 5, 2018, as part of the Open Public Meeting Act.

SENATOR SCUTARI: Thank you.

Our first order of business is our-- Believe it or not, it's 2018, so we have our annual election of Committee Chairperson.

Do we have any motions?

ASSEMBLYMAN MUKHERJI: It would be my privilege to nominate the Honorable Nicholas P. Scutari, Senator, from Linden, as Chairman of this august Committee. (laughter)

MR. SHAUGHNESSY: I'll second it.

MR. COSTANTINO: Here we go.

SENATOR SCUTARI: Thank you both.

Roll call.

MR. COSTANTINO: Roll call.

Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: Congratulations, Senator.

SENATOR SCUTARI: Thank you.

MR. COSTANTINO: You have three votes in the affirmative.

SENATOR SCUTARI: Thank you; thank you for your confidence. (laughter)

All right; thank you, thank you, thank you. (applause)

Okay, our next order of business is the approval of the December 18 meeting minutes.

Anything on the meeting minutes? (no response)

Seeing none, I'll entertain a motion.

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: Senator, you have three votes in the affirmative. The meeting minutes for December 18 are approved.

SENATOR SCUTARI: Okay, great. Thank you.

On to new business, which would be presentations on the Notices of Proposed Leases.

Director, how are you?

C H R I S T O P H E R C H I A N E S E: Good; thank you, Senator.

I'd like to thank the Committee today for the opportunity to present the proposed leases.

And first on the agenda -- Tab 1 is No. 0439, the Department of Law and Public Safety; it's for the State Police. It was advertised; it is located at 769 Route 40, in Pilesgrove, New Jersey.

The term is 10 years upon completion of renovations and occupancy; with two, 5-year renewal options. The total annual cost is \$279,000 for 9,000 square feet, which includes gas and electric.

As I had mentioned, the lease was advertised. The program has grown, so requirements are 9,000 square feet of office space for State employees and client services, with 42 on-site parking spaces for staff and visitors at no additional cost to the State.

The need is created due to the existing facility being undersized, and insufficient parking.

SENATOR SCUTARI: I just have a question, and it's more of a general observation.

The staff has been very good at looking at and considering options of buying versus leasing, when we know that it's a facility that we're going to be at for a long period of time -- particularly Motor Vehicles. You had a bunch of construction that was going on for a period of time; and I think, also, State Police. How are we -- where are we with any other actions down that road? Are we out of space at this point; do we still have that under consideration before approving decade-long leases and those things?

MR. CHIANESE: Senator, over the last eight years or so, we've reduced the number of leases by 55. We have also reduced the total amount of square feet by 600,000 square feet, give or take.

We've also been looking at a financial model which would show the cost -- the proposed cost of leases, against buying and renovating, or building. So it's something that we're going to look at in the future; and that will be our commitment down the road.

SENATOR SCUTARI: Thank you. I just want to continue to have that dialogue. I know we've been having it for, probably, as long as I've been on this Committee; and even before so, with Senator Sweeney and Assemblyman Cryan when they were on here. Because when I read the minutes of those meetings, before I even started, that was kind of one of the things that they put forward. And I know that we've actually gone down that road, so I appreciate that; but I don't want to-- Just by virtue of blowing through these leases, don't think that I'm not thinking in those terms and continuing to think that way.

So I appreciate that due diligence as we go forward, with respect to long-term options other than leases, when it's possible and when it's feasible.

Okay; that's kind of my general thing with respect to all of these.

Any questions on NPL 0439?

MR. SHAUGHNESSY: No.

SENATOR SCUTARI: Can I have a motion?

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative, none in the negative. The motion to approve NPL 0439 is approved.

SENATOR SCUTARI: Thank you.

NPL 4038, the Public Defender in Elizabeth.

MR. CHIANESE: The advertisement was waived for this lease, because it will be a short-term lease, that's located at 65 Jefferson Avenue in Elizabeth.

It's an extension until October 31; it's a one-year extension from October 31, 2017. The total annual cost is \$572,426.61 for one year, for 19,300 square feet. It's a short-term lease until the space at 17 Caldwell Place in Elizabeth is available for occupancy. They need to remain in this

location, without disruption of services, until the new location becomes available.

SENATOR SCUTARI: So the plan is to move into the Caldwell Place location? Who owns that? Is that one of -- that's not one of the county properties at Caldwell. Is that a private--

C H A R L E S J. C O N N E R Y: It's Parking Authority.

MR. CHIANESE: Parking Authority.

MR. CONNERY: Elizabeth Parking Authority.

SENATOR SCUTARI: It's the Elizabeth Parking Authority -- Caldwell Place?

MR. CONNERY: Yes, we've just been working through our construction documents--

SENATOR SCUTARI: I can't hear you; your mike's not on.
There you go.

MR. CONNERY: I'm sorry; we've been working through the construction process with them. It's going a little bit slower than we had anticipated, or that they had anticipated. So this is just a stop-gap.

SENATOR SCUTARI: Got you; okay.

Anything else? (no response)

Can I have a motion on the--

ASSEMBLYMAN MUKHERJI: Moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: On the motion to approve NPL 4038; Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative, none in the negative. The NPL is approved.

SENATOR SCUTARI: Okay, the next is the Chancery Division, Judiciary, Mount Holly; NPL 4689.

MR. CHIANESE: The advertisement was waived for this NPL because we're dealing with a government entity.

It's located at 120 High Street in Mount Holly. The term is a 5-year lease extension and expansion at the Burlington County Courthouse. The total annual cost is \$114,970 for 6,185 square feet.

The existing lease is a month-to-month; and the parties agreed to a new lease with 2,800 additional square feet of space. The need is for office space for judges and clerical support staff. The added space is for a second General Equity Judge in Burlington County. The judge's space is going to be backfilled in Newark.

SENATOR SCUTARI: The owner of the building is the County of Burlington, is that what it is?

MR. CONNERY: Yes.

SENATOR SCUTARI: Okay.

Any questions on the NPL? (no response)

Seeing none, I'll entertain a motion.

ASSEMBLYMAN MUKHERJI: Motion.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: On the motion to approve NPL 4689;
Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative;
the NPL is approved.

SENATOR SCUTARI: Okay, next is the Department of Labor.
Two NPLs, 4686 and 4679, with the Cumberland County Improvement
Authority for the first. Who's the second one with -- 4679? Who is that
with?

MR. CONNERY: That's a reference in here to the other lease.
That was one -- if we're talking about the same thing -- you had approved in
the last meeting. We put the State Police from 101 Haddon Avenue in this
same building under a separate lease.

SENATOR SCUTARI: Okay.

Any other questions on that?

MR. SHAUGHNESSY: No, sir.

SENATOR SCUTARI: Okay, a motion for 4686.

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call.

MR. COSTANTINO: On the motion to approve NPL 4686;
Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative,
none in the negative. The motion to approve 4686 carries.

SENATOR SCUTARI: Thank you.

Any questions on 4679? (no response)

Seeing none, I'll entertain a motion.

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call on 4679.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: The motion to approve 4679 is
approved.

SENATOR SCUTARI: Okay, next -- the Department of
Children and Families, NPLs 4687 and 4693.

Director.

MR. CHIANESE: This is a new 10-year lease with two, 5-year renewal options at a new location, located at 100 Quincy Place in Kearny.

The lease was advertised. The total annual cost is \$798,270 for 29,550 square feet. There are two, 5-year renewal options.

This site provides for 155 on-site parking spaces at no additional cost. The current lease expires December 31, 2022. The State can terminate the lease at any time after December 31, 2017, with one year's notice.

The existing facility is undersized and does not have sufficient parking. Children and Families requests an expansion and relocation in Hudson County. This will enhance Children and Families' ability to fulfill its mission of support for children and families in the Hudson County area.

SENATOR SCUTARI: Any questions? (no response)

Did you address both of those? I'm sorry.

MR. CHIANESE: It was 4687.

SENATOR SCUTARI: Yes; all right.

Any questions on 4687?

MR. SHAUGHNESSY: No, Chair.

SENATOR SCUTARI: Can I have a motion?

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call on 4687.

MR. COSTANTINO: On the motion to approve 4687;
Senator.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative, none in the negative. The motion to approve NPL 4687 carries.

SENATOR SCUTARI: Okay; No. 7 is NPL 4693, the Willowbrook Center in Wayne.

MR. CHIANESE: It's a new 10-year lease with two, 5-year renewal options at the new location, which is 201 Willowbrook Center in Wayne.

The total annual cost is \$607,500 for 27,000 square feet. There are 150 on-site parking spaces at no additional cost. The existing facility is undersized and does not have sufficient parking.

The State can terminate this lease at any time after March 31, 2016 (*sic*), with a six-month written notice.

Children and Families requested an expansion and relocation in Passaic County. The need is for Children and Families to fulfill its mission of support for children and families in the Passaic County area.

The State has a right to terminate this lease at the completion of five years, with a 180-day prior notice.

SENATOR SCUTARI: Okay; any questions on NPL 4693?

MR. SHAUGHNESSY: No.

SENATOR SCUTARI: Seeing none, I'll entertain a motion.

ASSEMBLYMAN MUKHERJI: Moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: The motion to approve NPL 4693 carries.

SENATOR SCUTARI: Okay; thank you.

Tab 8 is NPL 4423, Law and Public Safety, Division of Gaming Enforcement, Human Services, Commission for the Visually Impaired, on Atlantic Avenue, Atlantic City lease.

Director.

MR. CHIANESE: This is a 5-year lease extension. The total annual cost is \$1,017,420.80 for 39,743 square feet.

There are 105 parking spaces at no additional cost. Law and Public Safety has indicated a need for space and parking to accommodate State-owned vehicles, staff, and visitors.

SENATOR SCUTARI: Thank you.

Any questions on NPL 4423?

MR. SHAUGHNESSY: No, Chair; I'll move it.

ASSEMBLYMAN MUKHERJI: Second.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative; the motion to approve NPL 4423 carries.

SENATOR SCUTARI: Okay.

We have some additional NPLs.

Tab No. 9 is the Juvenile Justice Commission.

MR. COSTANTINO: We're skipping that one.

SENATOR SCUTARI: We're skipping that one.

MR. COSTANTINO: Yes; No. 9, correct?

SENATOR SCUTARI: It's being held, correct?

MR. CHIANESE: No. 9, we're skipping; we're still working on that.

MR. COSTANTINO: Okay.

SENATOR SCUTARI: Tab 10 is the Division of State Parole in Pleasantville; a new 10-year lease with two, 5-year options.

Director.

MR. CHIANESE: The location is 600-800 East Black Horse Pike in Pleasantville. It's a new 10-year lease, with two, 5-year renewal options at the new location.

The total annual cost includes utilities, and it is \$198,330.12 for 8,958 square feet. It includes 40 parking spaces.

When Parole vacates its existing space, the space will be renovated for the Division of Taxation Northfield Office to occupy, as will

the balance of the building once the Public Defender's Office vacates its portion of the building.

These steps will allow the State to close the Northfield lease. The need was for the District Office of the Parole Board to serve as a command center to oversee daily operations of Atlantic and southern Ocean counties.

SENATOR SCUTARI: Okay; thank you.

Any questions on NPL 4701?

ASSEMBLYMAN MUKHERJI: Motion.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative, none in the negative. The motion to approve 4701 carries.

SENATOR SCUTARI: Thank you.

The final Tab is No. 11; 4703 is the NPL -- the Department of Treasury, on West State Street, Trenton.

Director.

MR. CHIANESE: Thank you.

Advertisement was waived on the basis that the space planning request is specialized and unique because of the proximity to the Governor's

Office and the Treasurer's Office; and there is also wiring that was left behind when the State previously utilized this building.

It's a short-term lease -- four years, with renewal options to accommodate space needs of the new Administration due to the closure of the Executive State House pending renovations.

The total annual cost, which includes utilities, is \$298,947 for 14,165 square feet. The space will occupy a unit that is now located at 225, and will also serve as a Conference Center to the Governor's Office.

SENATOR SCUTARI: Thank you.

And I like how we call four years a *short term*. (laughter)

Any questions? (no response)

Can I have a motion?

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call, please, on NPL 4703.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Aye.

MR. COSTANTINO: And Deputy Director Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: You have three votes in the affirmative, none in the negative. The motion to approve 4703 carries.

SENATOR SCUTARI: Okay.

All in favor of adjourning?

(affirmative responses)

We're adjourned.

(MEETING CONCLUDED)