
Committee Meeting

of

JOINT STATE LEASING AND SPACE UTILIZATION COMMITTEE

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

DATE: December 18, 2017
11:00 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
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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APPENDIX:

Letter, addressed to
The Joint State Leasing and Space Utilization Committee
from
Assemblyman Reed Gusciora
District 15 1x

Tabs 6, 7, 8, and 9
Juvenile Justice Costs
submitted by
Joint State Leasing and Space Utilization Committee 3x

pnf: 1-51

NICHOLAS P. SCUTARI (Chair): Good morning, everyone, and welcome to the Space Utilization Committee -- State Leasing and Space Utilization Committee.

Roll call, please.

MR. COSTANTINO (Committee Aide): Senator Scutari.

SENATOR SCUTARI: Here.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Here.

MR. COSTANTINO: Mr. Shaughnessy.

MR. SHAUGHNESSY: Here.

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

SENATOR SCUTARI: Thank you.

MR. COSTANTINO: We're going to do the Open Public Meeting notice, real quick.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: 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 December 14, 2017, as part of the Open Public Meeting Act.

SENATOR SCUTARI: Okay.

The first order of business is the approval of the June 15, 2017 meeting minutes.

I'll move the approval of the meeting minutes; can I get a second?

MR. SHAUGHNESSY: Second.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Here; yes. (laughter)

MR. COSTANTINO: And Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes.

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

The meeting minutes for the November 14, 2016 (*sic*) meeting are approved.

SENATOR SCUTARI: Okay, thank you.

We have several NPL, or Notices for Proposed Leases.

And Mr. Chianese, please introduce yourself; and we'll start.

C H R I S T O P H E R C H I A N E S E: Good morning; my name is Chris Chianese. I am the Director of the Division of Property Management and Construction.

We thank you for this opportunity this morning to speak on some proposed leases.

The first leases we'd like to speak about are NPLs 4698 and 4700. There have been updated estimated bond payment schedules provided this morning.

These are new leases between EDA and the Department of Treasury, DPM&C. The lease payments are calculated to repay the principal debt service and other associated costs.

The proposed sites are located on the Ancora Hospital site and Stuyvesant Avenue in Ewing Township.

JJC reform calls for reducing secure care capacity. The 69,000 estimated square foot facility will contain 72 beds +/- 8 each. The term is for 30 years, or until the bonds are paid off. The total average annual cost for each site is estimated at \$5,312,381.53 a year.

And I'd like to bring up the Attorney General at this time. He would like to speak on these projects.

CHRISTOPHER S. PORRINO: Thank you, sir; Chairman Scutari, Assemblyman, members of the Committee. I appreciate the opportunity to share a few thoughts, with respect to this project.

You know it's rare, in the five years that I've been in State government, where we find opportunities that are socially responsible and actually save money. This is one of them.

You know, I heard soon after coming into the job, from the national advocates, that while New Jersey had made great strides in the way it handled juvenile justice, there was more to do. And in particular, our infrastructure was severely outdated. And more specifically, the national experts and the local advocates -- some of who are here -- explained to me that here is a facility in Jamesburg, New Jersey, that was built a long time ago -- 150 years, roughly, in 1866 or 1867 -- at a time when juveniles were effectively -- those who were delinquent were put off to the side and forgotten.

This facility sprawls across 900 acres; it has 68 buildings, many of them original. And it harkens back to a time when kids who were delinquent were put away. It's built to house thousands. Thankfully, the reforms that New Jersey has already put into place have resulted in fewer and fewer juveniles being detained.

And so, you ask how many individuals are now at this Jamesburg facility that's on 900 acres and 68 buildings? The answer is, 144. And what you have, as a result of that, are decrepit buildings that require an extraordinary amount of maintenance and work just to keep the roofs from falling in; and staffing that is mismatched to the number of individuals who are housed there. You need patrols around this enormous facility, and the list goes on as to why the staffing isn't efficient

What we have done is, we have looked at best practices; we've gotten advice from the Annie Casey Foundation; we've heard input from the local advocates. And everybody agrees that the preferred way, the better way to handle individuals who are young is not to place them in prisons. Jamesburg is like a prison.

And so these new facilities would be designed consistent with best practices, to hopefully achieve better outcomes.

I said when I started that in addition to being socially right, this project is also fiscally responsible. Jamesburg costs \$44.2 million a year to run; \$44.2 million a year. I'll do the division for you: 144 individuals, divided by \$44.2 million, is \$306,000. That's \$306,000 per individual, per year to achieve outcomes that we all admit are not as good as they could be. And if you said to me, "Look, we are spending \$306,000 per kid, per year; but we are having outcomes that are the best in the country, and this is money well spent," I'd still say it was expensive, but at least I'd feel good about myself after having spent it.

We're getting none of that. This is like throwing a large portion of that money into the fireplace every year. This project, when built, will cost about half of what it cost Jamesburg to run. And so the

savings that are created will result in this project paying for itself in the relatively early years of its life; and it will also allow us the opportunity to take some of those savings and put them back into the rehabilitation and the education that's so important.

I don't have to tell everyone who's in this room what we already know, except I will say that kids do foolish things. Kids make terrible mistakes. Many of us have made mistakes as younger people. And I know we look back and we say, "Did I really do that? Who was that?" And that's because individuals who are young -- their brains aren't completely developed and formed. There are real opportunities here to rehabilitate these individuals. We talk about reentry; for all the talk about reentry, and the work -- the great work that Governor McGreevey's doing, who's doing reentry for kids? Who's doing reentry for juveniles? The answer is nobody.

And so when this opportunity presented itself, I knew that it was something that we had to get busy with and do our best to advance.

The last thing I'll say about it is that these individuals, these kids, don't have a voice. They don't understand, or care to understand, the local politics. I understand that local communities have raised concerns about these facilities being built -- one in Winslow on the campus of Ancora Psychiatric Hospital, which is a 600-acre campus; and the other across the street from Trenton Psychiatric Hospital in Ewing. What I'll say about that is, nobody -- no mayor, no town council -- wants to have a juvenile rehabilitation facility built in their town. So, you know, if it were up to the locals, and we had to get the approval of every local committee person and

mayor, this project would never be built, and these kids would continue to suffer, and we would continue to throw money into the fireplace.

What we have done, however, is to reach out and have conversations with those who are concerned. These facilities will be built and designed with input from the communities. The communities will have the opportunity to be heard, with respect to the design of the facilities. And we've also taken steps to make sure that costs and expenses of the communities will be defrayed, year over year.

That's really all that I had to present. I just again will stress that this is a State Commission (*sic*), and I appreciate and am very, very grateful for the opportunity to present to you all. And I think it's important that the Commission act as a State Commission, and not just hew to the local concerns, some of which you'll hear today; and which, I will say, we are not going to ignore. We're going to listen, were going to do our best to incorporate, in the design, concerns that individuals have.

But at the end of the day, these projects have to get built somewhere. And these locations are, in our view, the best in the state, located on State property, in either light industrial areas or on facilities that are institutions already.

That's all I had; I'd be happy to take questions from the Commission, if you have any.

SENATOR SCUTARI: First of all, General Porrino, thanks for coming. I appreciate your coming here today to show the importance of this project to your Office, and yourself.

And in fact, I'll share -- with members of the audience as well -- our multitude of personal and telephonic conversations about this exact

issue that you brought forward -- that you've been working on for quite a while. So it's not like this thing came up today. I know that we met over the summer, and we talked over the fall as well, several times.

My one question that just came up is, why couldn't you just build it on a lot of-- That piece of land where it's located -- couldn't you just build it in there somewhere? I mean, it's so big.

MR. PORRINO: Senator, there are a couple of issues that-- The best practice here is to build these facilities in places where people can actually get to them. And so what we've seen, over time, in Jamesburg, as compared to other local facilities and county facilities, is the visitation which is so important -- the role that families have to play, that loved ones have to play, that friends play in the rehabilitation of these kids, and keeping them connected to their communities -- is much more difficult in a place like Jamesburg, which is really in a secluded location.

These two locations, in Winslow and Ewing, are easily reachable by mass transit. What we're trying to do is to shuttle people -- we have buses; we were trying to encourage family and friends, etc., to go see these individuals. And what we're seeing is, it's so difficult that they're not getting the kind of attention that we know they need.

And as a young person, you know, when you go through these gates at Jamesburg -- and I went there when I was a young Attorney General -- in wrought iron, right?, above the entrance -- that is still the same as when it was built in 1866 -- there's *Training School for Boys*. It says *State Home for Boys*. If you're a 13-year-old and you're driving through those gates, one place you know you're going is not home. And I almost felt-- I

swallowed hard when I went through, because it feels almost like back then; like it was intended to mislead.

That is not the kind of facilities, not the type of place that we need. These need to be more locally situated. And you know, the expense is no different. The property that we're constructing these facilities on, that are closer to communities, are going to be built from the ground up, just as they'd have to be for Jamesburg.

SENATOR SCUTARI: I think you talked about -- I think I turned your mike off -- I think you talked about the cost per individual; the yearly cost. Did you give me that figure, \$300,000-and-some--

MR. PORRINO: It was \$306,000.

SENATOR SCUTARI: And what's your estimate on the new figures, going forward, after the concept is complete?

MR. PORRINO: It's about a \$20 million savings, per year, overall, in terms of the year-to-year operation. And that's because of the capital costs to keep the facilities at Jamesburg from falling down on themselves, and also because the new facilities can be staffed more efficiently.

SENATOR SCUTARI: And that's because of the way they'll be built in a way that requires that it's less staff-intensive?

MR. PORRINO: Correct, correct.

SENATOR SCUTARI: How much is the per-individual going to be at the latter stages when the project is complete? About -- I know you don't have--

MR. PORRINO: Roughly half; roughly half.

SENATOR SCUTARI: Thank you.

Any questions, Assemblyman, Deputy Treasurer, for the General? (no response)

Once he leaves, you know, he might be gone. (laughter) We won't see him.

MR. PORRINO: You can always get me on the cell phone.

Thank you so much for your time and attention.

SENATOR SCUTARI: Thank you, General Porrino. We appreciate it.

MR. PORRINO: Okay.

SENATOR SCUTARI: I'll invite Assemblyman Wisniewski up to the-- You want to speak on this NPL, correct?

I see we also have another Assemblyman in the back, too.

Assemblyman Wisniewski.

A S S E M B L Y M A N J O H N S. W I S N I E W S K I: Mr. Chairman, thank you very much; Assemblyman, members of the Committee.

I want to start off, first of all, by complimenting the General. I think he made a really compelling argument for the need for the new facilities.

The reason I'm here is an issue that I'm sure is familiar to many of you -- that the way we go about doing these things violates our State Constitution.

When you look at just the agenda, the four items under the EDA projects each talk about 30-year-term leases with the NJEDA. And so I wanted to come here today to say that I'm in favor of all four of these

projects; I'm just not in favor of the way these four projects have come to pass.

They've come to pass because this is the way we have done things in Trenton -- not just this year, not just last year -- but for a very long time. And it is a way of bypassing a fundamental rule in our Constitution, that new debt of the State of New Jersey has to be authorized by the voters. This is a way around having the voters authorize it, and I believe it needs to be said each and every time we engage in this.

There is no end of the compelling reasons why we ought to be doing each of these projects. And in fact, even for the State House renovation -- for which I filed suit -- there was no end of compelling reasons why that needed to be done.

But our Constitution is our Constitution. It was written over 60 years ago by men and women who thought it was important that the citizens of the State of New Jersey weigh in on the obligations, that we create today, that folks -- our children, and quite frankly our grandchildren -- will be obligated to pay.

We can rationalize all we want that this is a small slice. We can rationalize that it is necessary. But we can't rationalize the fact that we are doing an end-run around the Constitution.

The case law is clear that this Commission (*sic*), this body here today -- the votes you're taking -- does not have the authority to create new debt. But approving these leases, that's essentially what you are doing.

And so I wanted to go on the record today that this violates the Constitution, Mr. Chairman; it's perhaps not a popular sentiment in this room today. I appreciate the support of many of the friends I have who are

standing behind me, who are from organized Labor, who really want these projects; and I support the projects. I just think that we, at some point in time, need to start following the rules; otherwise, we're going to make the finances of this State further unmanageable -- if that term doesn't apply today, and I think it does.

Thank you, Mr. Chairman.

SENATOR SCUTARI: Can I just ask you a question, Assemblyman?

ASSEMBLYMAN WISNIEWSKI: Yes.

SENATOR SCUTARI: This issue recently came up regarding the State House renovations. And there was a court decision that upheld the manner in which this-- And I don't disagree with you, theoretically, because I remember the McGreevey -- the *Lance v. McGreevey* decision, with respect to some budget items, where Lance was upheld regarding some budgetary items that indebted forward.

But wasn't that the same issue just recently considered?

ASSEMBLYMAN WISNIEWSKI: That's an excellent point, and I'm glad you raised that.

In *Lance v. McGreevey*, essentially the court said, "Let's not do this again in the future." Judge Jacobsen, looking at the State House financing, the borrowing, said that the cow's out of the barn. How do you undo it? In fact, I believe she was wrong, and that's why there's an appeal.

Obviously, trial-level judges -- as an attorney, you know -- have to follow the law as they see it at that point in time. It's up to the Appellate Division of the Supreme Court to actually set us back on the proper course, and I'm hoping they'll do that.

But I wouldn't be candid with my colleagues in the Legislature if I didn't come here today and say that I believe that this is, again, a similar type of abuse of our constitutional provisions. The Constitution is not a roadmap on how to avoid the debt limitation clause; it is a limitation on issuing new debt. We've chosen, on a bipartisan basis, to look at it as a way to -- or as a roadmap on how to avoid that clause by creating leases and lease/leasebacks. The fact of the matter is, it still creates a long-term financial obligation. And a very simple definition of a long-term financial obligation -- that's a *debt*.

And so the actions today will create debt; the actions today will violate the Constitution. I'm asking, Mr. Chairman, that we start following the Constitution.

Thank you very much. (applause)

SENATOR SCUTARI: Thank you, Assemblyman. I appreciate it.

Any questions, Assemblyman? (no response)

MR. SHAUGHNESSY: No, sir.

SENATOR SCUTARI: Okay; thank you.

ASSEMBLYMAN WISNIEWSKI: Thank you.

(Chair confers with staff)

MR. KAMINSKI (Committee Secretary): Has everybody signed in?

SENATOR SCUTARI: Well, we're just going to read them into the record.

While we're collecting these names from the public, and deciding how much, and if, we're going to let members of the public speak

on the projects, I'm going to let Assemblyman DeAngelo come up out of turn, if that's all right with him. We're not discussing the particular project that he's concerned with; but we know what the project is, and I'll let him address it because I know he has another Committee meeting to get to.

So, Assemblyman; thank you.

Why don't you tell us about your issue for today?

A S S E M B L Y M A N W A Y N E P. D e A N G E L O: Thank you.

Good morning, Senator, Assemblyman, and members of the Committee.

Again, for the record -- Wayne DeAngelo, Assemblyman, District 14.

But today I am here as President of the Mercer and Burlington County Building Trades Council, representing over 10,000 building trades' members throughout Mercer and Burlington counties.

Over the past couple of meetings, in the past couple of years, I've heard representatives from the State, from the local municipalities talk about construction projects in the City of Trenton that the State owns; specifically, the two that are on the agenda for today.

If I can just talk briefly about that. The State has also noted to us that they have invested over \$4 million, over the past two years, having discussions and hearings on looking at the locations and the types of projects that they want to put here in the city, in the Capital City.

I've also heard representatives from the City of Trenton supporting that location, supporting the projects, seeing it as a positive growth here for the Capital City, as well.

Being in the construction union for the past 30 years -- we've made a lifetime of part-time jobs. Construction is hit and miss, hot and cold; it's not slow and steady like we would like to have our employment, so it's either feast or famine.

And here in the Capital Region of New Jersey, unemployment in the construction trades union is approximately 10 percent. Even though the rest of the state is doing slow and steady, construction usually tails the economy.

This is an enormous amount of work for the men and women of the building trades, putting regional people, local people on local jobs. All of our benefits are self-insured; so if you're not working, there's nothing going into your benefit structure.

No one wants to come into the holiday season on unemployment; and seeing these projects further delayed would be a detriment to their livelihood, to their economy, to their benefits, to their retirement structure.

So I'm asking the Committee, here, today to favorably vote for these projects on the agenda today. Even the ones that we just heard from are fantastic for the men and women of the building trades in the Capital City Region.

And at this point, I'm done with my testimony. I'll entertain any questions that the Committee may have.

SENATOR SCUTARI: Thank you, Assemblyman.

ASSEMBLYMAN DeANGELO: Thank you.

SENATOR SCUTARI: Any questions for the Assemblyman regarding his remarks? (no response)

Okay, thank you.

ASSEMBLYMAN DeANGELO: Thank you.

SENATOR SCUTARI: Thank you for your commentary.

UNIDENTIFIED MEMBER OF AUDIENCE: (off mike)
Good job, Wayne. (applause)

(Chair confers with staff)

SENATOR SCUTARI: Okay; we have just shy of 40 people who are signed up to testify, I think. I can't tell by the sheet, because we don't generally have people testify at this Committee hearing, either for or against these projects.

So in lieu of that testimony, what I'm going to do is, I'm going to have each of those individuals names called by staff, and I'll just ask you to indicate to us whether you're *for* or *against* an NPL -- what that is. Because I can't even tell what it is *for* or *against* that you are.

And we'll make that as part of the record -- that you're either signed up *against* or *for* a particular proposal.

And I see a number of people from unions; I have to assume that they are in favor of these projects, based on Assemblyman DeAngelo's-- And I see some members of the community, that I will assume are against particular areas of this project -- whether it is because of local concerns, or taxation, or constitutional concerns.

So I'm going to assume those are the two positions of individuals who are either signed up *for* or *against*. So because of there being that many people -- and we don't know exactly how many there are -- that's the way we're going to do it today. We are going to read those names into

the record; we'll ask you just one question: if you are either *for* or *against*, and then that will be noted for the record.

(Audience members were called by staff to speak. They spoke from their seats in the audience, off mike, and their testimony was recorded as best as possible)

So staff, why don't we start with Eryn Clark, and ask--
Start with her.

MR. COSTANTINO: Okay; Eryn Clark.

E R Y N C L A R K: (off mike) Hi; I know that you're asking *for* or *against*, but there's a nuance to this that-- If I could just read a very short--

SENATOR SCUTARI: You can submit written testimony, ma'am, but we're not going to take testimony on these issues. It's not that type of Committee today.

I understand-- Are you *for* or *against*, and what is it that you're here about? Because we have several projects today.

MS. CLARK: While I am *for* building a juvenile detention center--

SENATOR SCUTARI: So we're talking about the juvenile--

MS. CLARK: Yes.

SENATOR SCUTARI: Let's just start with the juvenile--

MS. CLARK: Yes, yes -- we're talking about--

SENATOR SCUTARI: So I'm going to ask you, are you *for* or *against* the juvenile detention matters?

MS. CLARK: I'm opposed to the placement. If you could just consider putting it in the dilapidated Trenton Psychiatric campus, instead of adding to another place, right across the street-- I understand that it is

important to put juveniles in a detention center that would actually help them flourish; I completely understand that. And I moved in next to Trenton Psychiatric Hospital with the belief and knowledge that that would be my neighbor for as long as I'm there.

But I did not anticipate that the State would build barbed wire on the other side of my property.

And so I'm *for* the juvenile detention center; but in a way--

SENATOR SCUTARI: You are not *for* this particular project, then; you're *against* it.

MS. CLARK: I'm *against* how this is going through.

SENATOR SCUTARI: Understood; okay.

We'll call the next person.

MR. COSTANTINO: Okay.

SENATOR SCUTARI: Mark that down as *in opposition*.

MR. COSTANTINO: Yes; okay.

It looks like Alford Pasconi (indicating pronunciation).

A L F O R D P A S C U C C I: Pascucci (indicating pronunciation), sir.

MR. COSTANTINO: Pascucci, okay.

SENATOR SCUTARI: Pascucci.

MR. PASCUCCHI: Thank you for the opportunity, gentlemen.

I don't know--

SENATOR SCUTARI: Well, what are you talking about?

MR. PASCUCCHI: Okay; I'm talking about the juvenile detention center as well.

SENATOR SCUTARI: Okay.

MR. PASCUCCHI: And--

SENATOR SCUTARI: *For or against?*

MR. PASCUCCI: I don't know what I'm *against*, sir. With all due respect, in contrast to the Attorney General's comments, there's been zero communication.

The Township has never been notified of any such thing. We found out in our neighborhood when we saw the surveyors there three weeks ago, okay? And the stealthy nature of this is what has people up in arms.

We don't -- I don't know. So if you would, sir, if you would be so good as to put a question mark there. I don't know what I'm opposing. I don't want to give the kids short shrift, and I don't want to deny these fine gentlemen work. There's work aplenty in the state to be done. But I would just implore the State to follow its own rules. Do studies here. Do we know what's going to happen to Jamesburg?

MS. Clark: Do the environmental study.

MR. PASCUCCI: I mean, you know, when Jamesburg falls apart -- it's dilapidated now. What's going to happen when the State abandons it, sir? And these facilities are already (indiscernible).

SENATOR SCUTARI: I'll put you down as an *against, questionable*. (laughter)

MR. PASCUCCI: Sir, thank you for your time, gentlemen.

SENATOR SCUTARI: Okay; call the next name.

MR. COSTANTINO: Fred Dumont.

F R E D B. D U M O N T: *For* all four projects.

SENATOR SCUTARI: Okay; thank you, sir.

MR. COSTANTINO: It looks like Mike Perri.

MIKE PERRI: *For all four.*

SENATOR SCUTARI: Okay.

MR. COSTANTINO: C. J. Gesemyer.

C. J. G E S E M Y E R: *For all projects.*

MR. COSTANTINO: George Grant. (no response)

SENATOR SCUTARI: No response?

MR. COSTANTINO: No response.

SENATOR SCUTARI: Okay; next.

MR. COSTANTINO: William G. Brown III. (no response)

Okay; no response.

SENATOR SCUTARI: No response.

MR. COSTANTINO: Charles--

UNIDENTIFIED MEMBER OF AUDIENCE: You know, I think they're in the hallway; maybe they can't hear.

SENATOR SCUTARI: Well, when we clear out, they'll have another-- We'll call their names again.

MR. COSTANTINO: William-- I'm sorry.

Charles Whalen.

C H A R L E S F. W H A L E N III: *For all four projects.*

MR. COSTANTINO: Okay.

SENATOR SCUTARI: Thank you, sir.

MR. COSTANTINO: It looks like Roger--

SENATOR SCUTARI: Lay?

MR. COSTANTINO: Lay? I'm not sure what that last letter is.

R O G E R N. L E I P: *For all four.*

SENATOR SCUTARI: What's your name, again, sir, so we can get--

MR. LEIP: Leip.

MR. COSTANTINO: Leip?

MR. LEIP: Roger Leip.

MR. COSTANTINO: Okay.

SENATOR SCUTARI: Roger Leip; okay, thank you.

MR. COSTANTINO: Mr. DeAngelo--

SENATOR SCUTARI: Mr. DeAngelo was here -- the Assemblyman -- and he was *for* the projects.

MR. COSTANTINO: I just have a *Steve*. (laughter)

SENATOR SCUTARI: Let me just read these in the right-- First, we have Wayne DeAngelo, mark him in as -- he testified in favor; Assemblyman Wisniewski, *against*; against.

Okay -- *Steve*? Anybody named Steve? (no response)

MR. COSTANTINO: I'm not sure what that--

SENATOR SCUTARI: No response?

UNIDENTIFIED MEMBER OF AUDIENCE: *For* all four. (laughter)

SENATOR SCUTARI: No?

MR. COSTANTINO: Stephen Mattson.

S T E P H E N A. M A T T S O N: I'm just here as an observer.

SENATOR SCUTARI: Okay; no position.

MR. COSTANTINO: No position.

MR. MATTSON: I have no opinion.

SENATOR SCUTARI: Okay; next, Gerald--

MR. COSTANTINO: Gerald Henry.

GERALD HENRY: Just an observer.

SENATOR SCUTARI: Gerald Henry is--

MR. COSTANTINO: Gerald Henry?

SENATOR SCUTARI: No position.

MR. COSTANTINO: No position.

SENATOR SCUTARI: Okay, next.

MR. COSTANTINO: John Italiano.

JOHN R. ITALIANO: Just an observer for the Judiciary.

SENATOR SCUTARI: Okay; he's just-- No position, please.

MR. COSTANTINO: No position.

Paul Campanella -- that's DPM&C.

Is he here?

PAUL J. CAMPANELLA: Yes, I'm here.

MR. COSTANTINO: No position?

MR. CAMPANELLA: No position, sir.

SENATOR SCUTARI: Thank you.

MR. COSTANTINO: Diana Rogers.

DIANA ROGERS: Yes; the City of Trenton.

I'm here for the Taxation Building, as well as the Health Building; and I am *for*.

MR. COSTANTINO: Okay.

SENATOR SCUTARI: Okay; thank you.

You represent the city?

MS. ROGERS: I represent the City of Trenton, yes.

SENATOR SCUTARI: Okay, thank you.

And just for the record, I had a conversation with the Mayor recently regarding that project as well.

MR. COSTANTINO: I have a--

SENATOR SCUTARI: Diana Rogers?

MR. COSTANTINO: No, no; we just did that.

SENATOR SCUTARI: Oh, I'm sorry.

MR. COSTANTINO: We're on Benekin--

SENATOR SCUTARI: Ras--

MR. COSTANTINO: I'm not sure if it's an *H*, or--

SENATOR SCUTARI: Rashawn Benekin. (indicating pronunciation) (no response)

MR. COSTANTINO: No response.

SENATOR SCUTARI: Okay; no response. We'll go back--

MR. COSTANTINO: Anne LaBate, are you speaking on these two?

A N N E L a B A T E: Yes. I am *against* the speed, and the process, and lack of process, for all four.

I would love to speak more.

MR. COSTANTINO: Okay.

SENATOR SCUTARI: Okay; next.

I A N A D I K I D J I E V A: It's Iana Dikidjieva.

SENATOR SCUTARI: Iana--

MS. DIKIDJIEVA: Iana Dikidjieva.

SENATOR SCUTARI: Okay; thank you. (laughter)

MS. DIKIDJIEVA: I also request the Commission's (*sic*) leader to read in a statement from Assemblyman Reed Gusciora.

SENATOR SCUTARI: We have that.

MR. COSTANTINO: We have that statement, actually.

SENATOR SCUTARI: And I actually spoke to Reed on a multitude of occasions recently.

So I appreciate that; thank you.

MS. DIKIDJIEVA: Okay. We would have appreciated the opportunity to address the Commission on the--

SENATOR SCUTARI: Is he here? Because I'll let him speak.

MS. DIKIDJIEVA: He's not here.

SENATOR SCUTARI: Okay; then we're not going to do that.

Do you have a position *for* or *against*?

MS. DIKIDJIEVA: I am very strongly *opposed* to the combination of these projects at the eleventh hour.

SENATOR SCUTARI: You are, or Assemblyman Gusciora is?

MS. DIKIDJIEVA: I am; now--

SENATOR SCUTARI: Okay.

MS. DIKIDJIEVA: --in this case, I was speaking for myself -- that I find it very shocking that the Commission will not actually accept testimony from the public. And I beg your leave to find out how we may submit this testimony prior to taking a decision.

UNIDENTIFIED MEMBER OF AUDIENCE: Good point.

SENATOR SCUTARI: Submit it.

MS. DIKIDJIEVA: Submit it when and how; and when will you take that decision?

SENATOR SCUTARI: Well, we're going to make the decision today.

MS. DIKIDJIEVA: We were anticipating that we would have the opportunity--

SENATOR SCUTARI: You submitted it in advance of the hearing.

Okay; let's go on to the next person. Mark her down as *against*.

MR. COSTANTINO: I did.

It looks like Patrick Scharnitz. Is there a --

PATRICK SCHARNITZ: Patrick Scharnitz; *for* all four.

MR. COSTANTINO: Okay.

SENATOR SCUTARI: Okay; next.

MR. COSTANTINO: Is it John Whittington?

JOHNNIE WHITTINGTON: *For* all four.

MR. COSTANTINO: Okay.

Brian Farley.

BRIAN FARLEY: *For* all four.

MR. COSTANTINO: Scott Costner.

SCOTT C. COSTNER: *For* all four.

MR. COSTANTINO: I'm going to call Kevin Brown, JJC. (no response)

SENATOR SCUTARI: Okay; I guess they have no position.

MR. COSTANTINO: No position; no response.

KEVIN M. BROWN: Here.

SENATOR SCUTARI: Did you hear--

MR. BROWN: I'm actually not here to give a position.

SENATOR SCUTARI: Right; no position.

MR. COSTANTINO: No position; okay.

SENATOR SCUTARI: Next.

MR. COSTANTINO: John (*sic*) LeBaron.

JENNIFER LeBARON, Ph.D.: Jennifer LeBaron, no position.

MR. COSTANTINO: Oh, I'm sorry.

SENATOR SCUTARI: Thank you.

MR. COSTANTINO: Okay; Jen.

Scott Costner.

MR. COSTNER: *For* all four.

MR. COSTANTINO: Okay.

And then I'm going to double back -- Keith -- is it Poujol?

(indicating pronunciation)

KEITH POUJOL: No position.

MR. COSTANTINO: No position.

Drew Opielski.

DREW OPIELSKI: *For* all four.

MR. COSTANTINO: Okay.

Eric Rittenhouse.

ERIC RITTENHOUSE: *For* all four.

MR. COSTANTINO: Regina--

REGINA PODHORIN-ZILINSKY: Podhorin-Zilinsky?

SENATOR SCUTARI: Yes, yes.

MS. PODHORIN-ZILINSKY: That's me; a 36-year resident of the City of Trenton.

I am *against* all four projects, based on the lack of resident input; although I am for any building we can do in the City of Trenton and the environs.

MR. COSTANTINO: Okay; duly noted.

SENATOR SCUTARI: Thank you.

MR. COSTANTINO: Mr. Maloney.

M I C H A E L K. M A L O N E Y: One hundred percent *yes* on all four.

MR. COSTANTINO: I have Anne LaBate again. We've already heard from you, Ms. LaBate.

MS. LaBATE: You mean, somebody put me on the list before I did?

MR. COSTANTINO: Yes.

MS. LaBATE: Thanks, team.

Well, then, let me use that opportunity to let you know that the Stakeholders Allied for the Core of Trenton group will be filing suit, if in fact you guys vote to move forward with this; just so that's out there in the public -- we will file.

SENATOR SCUTARI: Thank you.

MR. COSTANTINO: Anthony -- it looks like Norillo.
(indicating pronunciation)

S E R G E A N T A N T H O N Y F. N O C I T O: Nocito.
(indicating pronunciation) No position.

SENATOR SCUTARI: Okay; thank you.

MR. COSTANTINO: Nicole--

SENATOR SCUTARI: Nicole Molamut.

UNIDENTIFIED MEMBER OF AUDIENCE: She's with DCF;
I don't think she has a position.

SENATOR SCUTARI: Okay.

MR. COSTANTINO: No position.

Jim Gordon.

J I M G O R D O N: I am *for* Labor; I am *for* the General's description of best practices; and I am *against* the siting and the process of the siting, and the dearth of planning on the Taxation and Agriculture buildings.
(applause)

SENATOR SCUTARI: So, we'll mark you down as *against*.

MR. COSTANTINO: Okay.

I have a Tim Lizura.

T I M O T H Y J. L I Z U R A: Just -- EDA staff; no position.

SENATOR SCUTARI: No position; EDA.

MR. COSTANTINO: Okay; and then finally I have a Maureen
-- I think it says--

M A U R E E N H A S S E T T: Hassett.

MR. COSTANTINO: Hassett

MS. HASSETT: EDA staff as well.

SENATOR SCUTARI: Okay; so no position.

MR. COSTANTINO: No position.

SENATOR SCUTARI: Okay.

Believe it or not, we have a pretty good grasp of the positions of each of the individuals who either said *for* or *against*. It's not like this is the first time we've thought of or discussed this project.

As you can tell from this binder (indicates), we've had a lot of information submitted to us, either *for* or *against* a project. I've discussed the matter, at length, with the Assemblymen who were here; as well as Assemblyman Gusciora, and the Mayor of Trenton, and the Senate

President, and the Governor's Office, and the Attorney General. And I can speak for Assemblyman Mukherji that we have had probably dozens of conversations with respect to not just this particularly project with JJC, but the other projects that are in Trenton.

So it's not like -- please don't take it as a sign of disrespect that we do not understand or want to consider your positions with respect to either *for* or *against*. I can speak for myself, and I think I can speak for Assemblyman Mukherji, that we know what your positions are; we understand the *for* and the *against*. There are a number of people who suggest that this has not been done as publicly as it should have been; there are people who don't want it in their particular location; there are people who do not believe that the budgetary way in which this is going forward meets the constitutional muster; there are people here from unions who want to see the jobs created and the manufacturing of these sites go forward in an expeditious fashion; there are people who have objections to the way, and the manner, and the substance-- Not just the substance, but the form in which these matters have gone forward.

So I think we have a grasp, even though we didn't hear from you at length, in terms of your specific objections. I can tell you that I think I know what they are. Because we have thought about these projects and considered your positions, and the *fors* and the *againsts*, and the *wheres* and the *whatfors* for a long period of time.

I can tell you that General Porrino reached out to me last year, or the early part of this year -- which is almost a year ago now -- to start talking about and discussing with us his position, with respect to how this

would go forward. I also put him in touch with the Assemblyman to begin those discussions as well.

We're aware of the *fors* and the *againsts*, with respect to those NPLs. So on NPL 4700--

MR. GORDON (off mike): Excuse me, Mr. Chairman, are you aware of the lack of an environmental impact study?

SENATOR SCUTARI: I am aware of that, sir.

MR. GORDON: Okay.

SENATOR SCUTARI: I am aware of a number of different things, believe it or not. But we're not going to take comments like that, okay? So anybody who shouts out, we're not going to take that.

And I appreciate it; you're not wrong. But we don't run the meeting in that fashion.

So with NPL 4700 and 4698, I'm going to ask for any further discussion from the Treasurer-designee or Assemblyman Mukherji before we continue.

Any comments?

ASSEMBLYMAN MUKHERJI: Which numbers are these?

MR. COSTANTINO: They are 4700 and 4698.

SENATOR SCUTARI: We're going to take them individually; but if you have any commentary regarding 4700 or 4698--

MR. SHAUGHNESSY: No, Mr. Chair.

SENATOR SCUTARI: Okay; thank you.

Assemblyman, anything?

ASSEMBLYMAN MUKHERJI: No, Mr. Chairman.

SENATOR SCUTARI: Okay; I'll entertain a motion for 4700, then.

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: I'll second the motion.

SENATOR SCUTARI: Roll call on 4700.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: Senator, you have three votes in the affirmative, none in the negative. The motion to approve NPL 4700 is approved.

SENATOR SCUTARI: Okay; 4698 -- can I have a motion?

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Roll call on that.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: I do wish-- And I appreciate the General's comment that community input, beyond the basic NIMBY issues -- which I believe to be substantive, based on what I've received in my District Office and what I've read -- will be incorporated into the process as it is implemented.

Those reservations aside, I vote to approve.

Thank you.

MR. COSTANTINO: Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes, also.

MR. COSTANTINO: Senator, you have three votes in the affirmative. The motion to approve NPL 4698 carries.

SENATOR SCUTARI: Okay; thank you.

Let's go on to the Trenton-- Which ones--

All right; Tab No. 1 is NPL 4688, and--

No, no; I misspoke. We're not going to go to Tab 1; we're going to go to Tabs 6 and 7.

So NPL 4696 and NPL 4697.

Okay; Mr. Chianese -- those are Tabs 6 and 7.

MR. CHIANESE: Thank you, Senator.

For NPL 4696 and 4697, this is a new lease between EDA and the Department of Treasury, DPM&C. Lease payments are calculated to repay the principal debt service and other associated costs. As I had mentioned earlier, there has been an updated estimated bond payment schedule released earlier today to the Committee.

The need was created because the current Taxation Building has become obsolete. The location of the new building is proposed to be on John Fitch Plaza and Warren Street in front of the Labor building.

The term is for 30 years, or until the bonds are paid off. The total average annual cost is estimated at a little over \$6.8 million. The building will be able to accommodate over 1,150 employees in 209,000 square feet.

DPM&C will be moving in leased sites from outside of the City of Trenton, which will increase the State's footprint in the City of Trenton, as well as potentially allow us to close leases. The approach that was taken was cost-effective and reasonable. Development is consistent with the City of Trenton master plan, and will take place on State-owned land, which means no acquisition costs.

There have been over 10 open public meetings, resulting in the eliminating of a cafeteria to create foot traffic in Trenton -- in the Taxation Building, that is. And also as a result of these public meetings, the site was changed from -- initially, we were thinking about Market and John Fitch Way; and it is now on Warren and John Fitch Way. So it would be less than a five-minute walk for the employees who are in the new Taxation Building to walk to State Street, so the occupants can patronize retail and food establishments.

SENATOR SCUTARI: Okay; thank you.

Questions, Assemblyman Mukherji?

ASSEMBLYMAN MUKHERJI: Yes, I do.

SENATOR SCUTARI: Please.

ASSEMBLYMAN MUKHERJI: Thank you, Chairman.

I have a few questions. But just so I don't mislead anybody, I plan to vote in favor of items 6 and 7. I don't want to hold up a quarter-of-a-billion dollar project where significant planning has gone into it, and the creation of the jobs out of that project.

But I have a number of concerns, and a couple of questions you might be able to help with.

So first, are you aware of the Capital City Redevelopment Corporation requirement that an impact study be done; and was such a study completed? I don't know that it's been made available to this Joint Committee.

MR. CHIANESE: Yes, I am aware. And I'd like to call up Tim Lizura from EDA.

MR. LIZURA: Good morning, Mr. Assemblyman.
Tim Lizura.

ASSEMBLYMAN MUKHERJI: Good morning, Tim.

MR. LIZURA: Good to see you.

President and Chief Operating Officer of the New Jersey Economic Development Authority; as well as staff to the CCRC.

We are absolutely aware; and in fact, we are accelerating the presentation to the CCRC for the impact statement. The impact statement will be completed, by our planning colleagues at the DCA, in order to line up this project against the standards set forth in the downtown plan.

With that, we'll get comments back; at which point we'll finalize the design. We hope to be completed with the presentation by the end of January.

ASSEMBLYMAN MUKHERJI: Just in case you might be helpful for a couple of the other questions, why don't you stay up here?

MR. LIZURA: Absolutely.

ASSEMBLYMAN MUKHERJI: So with respect-- Certainly, the Legislature has been a proponent of public-private partnerships; and that often works better when you're talking about a public use and government tenants. Is that something that the State considered here?

MR. LIZURA: This feasibility work began in 2014, at which point we explored private leasing, new construction, and renovations to the existing buildings. Through that process, working with DPM&C, we found the most fiscally responsible alternative was to do, effectively, a build-to-suit lease/leaseback ownership model.

We did -- based on the conversation of late, based on the requests from DPM&C -- look at what the cost of these two buildings, combined, as privately financed projects, would cost. It's more than the tax-exempt bonds that we're able to issue with. We would expect that that cost would be almost \$200 million more expensive, over the 30 years, assuming a 300-basis-point adjustment in the total cost of financing it.

So the lowest cost alternative to finance any building is a tax-exempt bond, backed by the State lease. That tax-exempt bond option would go away if this was a build-to-suit by a private institute -- a private developer. Conservatively, a 300-basis-point adjustment -- when you look at equity returns and private sector debt returns, we think 300 basis points is a fairly good estimate; it will cost \$200 million more over the 30 years in extra rent payments.

So with that, we believe this is the more fiscally prudent--

ASSEMBLYMAN MUKHERJI: Does that preclude mixed use; or could that be done without a public-private partnership if the project would be adjusted to incorporate a lot of feedback that suggests that mixed-use would be both economically viable, and possibly preferable, to what's before us in its current form?

MR. LIZURA: Sure. There is certainly an option for mixed-use through this vehicle. We did a project about 20 years ago -- the Trenton

office complex that has retail on the ground floor. That was done in the exact same structure, where taxes and bonds-- At the end of the term the State received those buildings for a dollar. So it doesn't preclude -- this structure doesn't preclude a mixed-use.

ASSEMBLYMAN MUKHERJI: Neither of these sites -- and forgive me, Mr. Chairman, I am incorporating questions about Tab 7, to the extent that they're related to Tab 6 -- but neither of these sites is within walking distance of the train station. And I understand the arguments about moving forward with it now, rather than the delay. That would be occasioned by taking another look at those aspects of the project as to the location. But has there-- Have you analyzed the impacts on parking? And could you very, very briefly summarize?

MR. LIZURA: I think I should turn to our colleague from DPM&C for parking.

MR. CHIANESE: Yes, we have analyzed parking. And the plan is, when the Health and Agriculture Building employees move to the new Health Building, and the Taxation Building -- Taxation employees move to the new Taxation Building, it's pretty much a swap in the number of the employees. So we feel as though we have, right now, enough capacity to handle parking for our employees.

MR. LIZURA: And I think we also identified several bus stations that are -- bus stops that are proximate to both locations.

ASSEMBLYMAN MUKHERJI: So I guess, then, just conceptually, it's more about how we got here -- right? -- because it's here before us, and we want to move forward.

I have spoken to representatives of the building trades, for example, who are very supportive of the project, and would nevertheless be supportive of -- as we move forward, assuming that we authorize -- and I believe we will today -- in terms of incorporating mixed use in the project.

But up the road, to this day, I'm just wondering-- And I have tremendous respect for you personally, and the work that you've done during your tenure at the EDA. But given the EDA's mission of catalyzing economic development throughout the state, you know, this land is not within the city's designated commerce center; it's not within a half-a-mile parameter of mass transit. We want State employees -- we want to encourage mass transit for State employees to get to work. So did it really come down to the fact that we needed to utilize the State land, and utilize this tax-exempt bonding mechanism? Would it not have made sense to look at -- try to use this as a catalyst for greater local economic development? Is this a wasted opportunity in that regard? And is there anything that can be done, once authorized, to try to heed those concerns, moving forward, without occasioning further delay? Or is it just too exorbitant a difference in cost to consider those alternatives?

MR. LIZURA: There are a lot of questions there.

ASSEMBLYMAN MUKHERJI: Yes.

MR. LIZURA: I think you can't look at these in isolation, right? These are part of a much larger plan. In fact, we lined up the Taxation Building along with the city's master plan for the redevelopment of that whole area of the city. I mean, that-- You can't view the Taxation Building as being just a point in time. You have to deal with what that will hope to look like in 10, 15 years.

The demolition of the Health and Agriculture buildings will allow those sites to become part of the redevelopment and the fabric of that area of the city.

So I think this is a piece of a much larger puzzle that will unveil itself over the time. The reality is, today development in the city -- market-rate development is not really supported without a subsidy. And we don't really have subsidies in the State today to support the types of development that we do; someday, maybe we will. So I think you have look at this almost as a marathon, not a sprint; but it's a step in the direction of redevelopment.

I think there are also pieces which have gotten a little lost in this conversation, including the notion that our original plan was to demo the existing Taxation Building. So we've actually removed the budgetary items for demolition of the Taxation Building, with the goal of putting that building back out for an RFP for a private sector redevelopment.

So this is definitely a process; it's not an end of the conversation, it's really the beginning of the conversation, in our mind.

ASSEMBLYMAN MUKHERJI: I hope that's true; because I will tell you-- I mean, this job is inherently parochial. So for me to suggest that I'm not troubled by the lack of deference to the local legislative delegation that represents this area -- namely, Assemblyman Gusciora, Assemblywoman and Treasurer-designee Muoio -- you know, it's something like-- DEP has a plan to build a large commercial marina on the south side of Liberty State Park. If that goes before the State House Commission-- Buy the way, that's a horrible idea; and if that goes before the State House Commission-- Because I am intimately familiar with Jersey City, with the

Park and its benefits for my constituents and so forth. And I have studied it, and familiarized myself thoroughly with many issues there, because I'm there. I would hope that someone getting some materials to read, just before one meeting, from another district -- my colleagues on the State House Commission would defer to me. And I guess I'm just a little troubled that I'm not able to afford -- because of all of the circumstances-- Not that I'm not able; but that I'm not affording the courtesy that I would expect. And I hope that since you've called this the *beginning of the process*, that you will strive -- and your colleagues, and the sister agencies involved will strive -- to incorporate, I think, critical feedback from the delegation. But we can't afford to slow this down, so I appreciate--

MR. LIZURA: We will; we will in fact do that.

ASSEMBLYMAN MUKHERJI: --you answering my questions.

MR. LIZURA: I will also note that we've engaged a partnership with several of the community players -- so, the City, the County, the State, the EDA -- we've created an MOU for redevelopment coordination that I don't think this city has really seen in the recent past. Greater Trenton is part of that community, and others.

With that, we've engaged a consultant to do some site identification so that we have sites available for private sector developers; that when they approach us, and they approach the City, that these sites are available and characterized so we can accelerate the investment of the private sector community.

I also think there's a bit of a question of, just, philosophy. My personal philosophy is, I think the train station is where private investment

should go; and I think that area of the city would actually be harmed if it was commandeered by the State in order to have a--

ASSEMBLYMAN MUKHERJI: Not creating ratables?

MR. LIZURA: We're not creating ratables; and State workers go home at 5:00 p.m. So, I mean, I think around the train station you want to have residential communities, you want to have private offices. And I think that's -- you're better served, from our perspective, engaging the private community of offering those sites, than the areas where these buildings are being built; certainly at the moment.

ASSEMBLYMAN MUKHERJI: But that's not-- Do you have an argument against mixed use in this project?

MR. LIZURA: No, not at all. No, sir.

ASSEMBLYMAN MUKHERJI: I appreciate that; thank you.

SENATOR SCUTARI: Yes, that's the -- the last part of Assemblyman Mukherji's comments -- I want to echo.

You have to communicate with Assemblyman Gusciora, Senator Turner -- I actually haven't spoke to her about this -- because if they were sitting in this Committee, then you'd be talking to them; but they're not. We talk to them. And so you really have to engage them in this process, as it goes forward. Otherwise, nothing else is going to move at this point now.

Obviously, we've been engaged in this discussion for quite a period of time; and we did talk to the Assemblyman and some others regarding it. But I want to encourage you to continue to have that dialogue; not just with them, but with local governing bodies and members of the

community so you can try to utilize their experience with the city, and incorporate their feelings into a project that's so important to the city.

MR. LIZURA: We will do that.

Thank you, sir.

SENATOR SCUTARI: Thank you.

Anything further, Assemblyman?

ASSEMBLYMAN MUKHERJI: Thank you.

MR. SHAUGHNESSY: Fine, thank you.

SENATOR SCUTARI: Okay; so what is our next NPL?

MR. COSTANTINO: We are going to do them individually.

SENATOR SCUTARI: Yes, okay.

MR. COSTANTINO: NPL 4696.

SENATOR SCUTARI: Okay; call that.

MR. COSTANTINO: Okay.

On a motion to approve NPL 4696; make a motion.

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: Second.

SENATOR SCUTARI: Okay; roll call.

MR. COSTANTINO: On the approval of NPL 4696; Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes; my concerns are on the record. I have made them known.

Yes.

MR. COSTANTINO: Okay.

And Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: Mr. Chairman, you have three votes in the affirmative, none in the negative. The motion to approve 4696 is approved.

SENATOR SCUTARI: Okay; let's do the next NPL, please.

MR. COSTANTINO: Do I have a motion to move 4697?

SENATOR SCUTARI: NPL 4697.

ASSEMBLYMAN MUKHERJI: So moved.

MR. SHAUGHNESSY: I'll second that motion.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: On the motion to approve 4697;
Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Again, I've made my concerns
known.

Yes.

MR. COSTANTINO: Okay.

And Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes, sir.

MR. COSTANTINO: Mr. Chairman, you have three votes in the affirmative, none in the negative. The motion to approve 4697 carries.

SENATOR SCUTARI: Okay; thank you.

All right; let's go back--

MR. COSTANTINO: Back to No. 1

SENATOR SCUTARI: --to No. 1.

The Department of Public Safety.

MR. LIZURA: Thank you, Commission. (*sic*)

SENATOR SCUTARI: Thank you.

Department of Law and Public Safety; Tab No. 1 is NPL 4688, State Police, 71 West Park Avenue, in Vineland.

It's a new 10-year lease with Cumberland County Improvement Authority to replace the existing State Police space at 101 Haddon Avenue in Camden.

Okay; Assemblyman, any questions?

ASSEMBLYMAN MUKHERJI: No.

MR. SHAUGHNESSY: No, sir.

SENATOR SCUTARI: Concerns? (no response)

Okay; can I get a motion on NPL 4688?

MR. SHAUGHNESSY: I'll move that.

ASSEMBLYMAN MUKHERJI: Second.

SENATOR SCUTARI: Roll call, please.

MR. COSTANTINO: On the motion to approve NPL 4688; Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: Mr. Chairman, you have three votes in the affirmative, none in the negative. The motion to approve 4688 is approved.

SENATOR SCUTARI: Okay; thank you.

(gavels)

Okay, now that the room is clearing out, please take the conversations outside. We've given you as much deference as we could; we want to continue to move on with our agenda.

If you have conversations, be happy be to take those outside.

Okay; next is Tab No. 2, which is NPL 4691, Administrative Offices in Cherry Hill, for a new two-year lease to replace existing spaces at the same previously mentioned location, 101 Haddon Avenue.

Okay; any questions or concerns on that?

ASSEMBLYMAN MUKHERJI: No.

MR. SHAUGHNESSY: No, sir.

SENATOR SCUTARI: Okay; can I have a motion?

MR. SHAUGHNESSY: Yes.

ASSEMBLYMAN MUKHERJI: Second.

SENATOR SCUTARI: Roll call on NPL 4691.

MR. COSTANTINO: Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes, sir.

MR. COSTANTINO: You have three votes in the affirmative, none in the negative. The motion to approve 4691 carries.

SENATOR SCUTARI: Okay.

The next is also a replacement of the same facility; it's Tab No. 3, NPL 4695, Adult and Juvenile ISP, at 4 Executive Campus in Cherry Hill, to replace the space at 101 Haddon Avenue in Camden. That's a new two-year lease.

I've been taking all your thunder here. (laughter) I know you like it better this way

Go ahead; tell us about that real quick.

MR. CHIANESE: Which one are we on?

SENATOR SCUTARI: We're on NPL No. 4695.

MR. CHIANESE: No. 4695 is located at 4 Executive Campus, at 77 Cuthbert Boulevard in Cherry Hill.

The term is two years, with three, one-year options. The total annual cost is \$246,580 for 12,239 square feet.

It's a short-term lease while we prepare to advertise. The need is for office space for 34 State buildings (*sic*), as you had mentioned. The need is created by the sale of the building where they are currently housed.

SENATOR SCUTARI: I just have a question on the other two that I went forward with.

One is a ten-year; one is a two-year -- of the Law and Public Safety. The State Police Headquarters is a ten-year, and the Administrative Offices is a two-year. Can you explain to us why? And if we're going to stay in the State Police-- Because we've been building State Police Headquarters as well.

MR. CHIANESE: Yes.

So the reason why it's a 10-year lease for Law and Public Safety is because we were able to advertise this and go out for a longer-term lease; where for the other Law and Public Safety -- it is through the Cumberland County Improvement Authority. It's a two-year lease, so we're going to advertise for that. During the two years, it's more of a box move; so we handled that with a short-term lease, and then we'll advertise it in the next two years.

SENATOR SCUTARI: And I know I'm going backwards, but with regard to the State Police Headquarters, was there any thought of a build-out there, I mean, in Vineland? I don't think they're going to be out of business down there in Vineland.

MR. CHIANESE: Not at this time; but in the future, yes.

SENATOR SCUTARI: Well, that's 10 years in the future now. Okay.

C H A R L E S J . C O N N E R Y : Well, with regard to that one, we're actually helping the State -- the Municipal Improvement Authority, because they had this building; it was--

SENATOR SCUTARI: Your mike's not on; I can't hear you.

MR. CONNERY: Pardon me?

MR. COSTANTINO: Your mike.

MR. CONNERY: Oh, I'm sorry.

The Cumberland County Improvement Authority actually owns this building, and--

SENATOR SCUTARI: Which one? The 71 West Park Ave.?

MR. CONNERY: Yes.

SENATOR SCUTARI: Okay.

MR. CONNERY: And we've actually had great success with them in doing long-term leases. In fact, I think you approved one for Motor Vehicles with them, where we have an ownership interest. So we've had a great relationship with them, and this seemed like a natural fit.

SENATOR SCUTARI: Got it. It is a governmentally owned building, then.

MR. CONNERY: Yes.

SENATOR SCUTARI: Got you; okay.

All right; any other questions about NPL 4695? (no response)

Seeing none, I'll entertain a motion.

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 Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: Senator, you have three votes in the affirmative, none in the negative. The motion to approve NPL 4695 carries.

SENATOR SCUTARI: Thank you.

Okay, next is the Department of Children and Families.

Why don't you talk to us about that one?

MR. CHIANESE: Sure.

NPL 494 for Judiciary; it's located at Colwick Business Center, 55 Haddonfield Road, in Cherry Hill.

The term is for ten years, with two, five-year options. The total annual cost is \$1,079,645 for the first five years; and then \$1,187,609.50 in years six through ten. The lease was advertised, and the need is for 292 State employees and parking to accommodate staff, State vehicles, and visitors.

Once again, this was created by the sale of the building in Camden.

I'm sorry -- DCF.

SENATOR SCUTARI: And was there an exploration of a more permanent facility, rather than 10 to 20 years' worth of leasing for this?

MR. CONNERY: We did not explore a purchase or built option.

SENATOR SCUTARI: See, now, after all these years, I thought you always did that, because I ask you almost every time. (laughter)

MR. CONNERY: Well, we--

SENATOR SCUTARI: I mean, I go back to when the Senate President sat on this Committee, and I read his transcripts. And he would ask -- well, it was probably-- I don't know if you were sitting there, but--

So go ahead; I cut you off.

MR. CONNERY: Well, to be completely candid--

SENATOR SCUTARI: Well, let's not start now. (laughter)

Okay; seriously.

MR. CONNERY: We always look at that--

SENATOR SCUTARI: That's why we have put them under oath; starting next meeting, everybody goes under oath.

MR. CONNERY: I mean, it's something we can certainly consider. In this case, we're actually looking to make this transition quickly. And to be-- This was a site that -- we looked at two sites; this was the lowest cost provider by far. This site actually works out great for DCF; they are thrilled to be in this location. But we could never build something like this and get out of 101 Haddon in the timeframes that we're sort of prescribed as.

SENATOR SCUTARI: Okay; understood.

So it was not a possibility, given the timeframes for the date, vacating the Haddon Avenue location.

MR. CONNERY: Correct.

SENATOR SCUTARI: All right; so there's the reason. See, I knew there was a good reason.

Okay; I'm good. That's all I have on that.

Anything; anything? (no response)

I'll entertain a motion on 4694.

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: Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes, sir.

MR. COSTANTINO: Chairman, you have three votes in the affirmative, zero in the negative. The motion to approve NPL 4694 carries.

SENATOR SCUTARI: Thank you.

Can you now address the Department of Community Affairs and the Office of the Public Defender, NPL 4692?

MR. CHIANESE: Yes; for 4692, it will be located at 520 Market Street in Camden, which is City Hall. The term is for 20 years. The total line and cost is \$777,401.85 for 28,445 square feet.

This is all-inclusive, which means it includes rent, utilities, janitorial, repairs, and maintenance of the site, as well as a capital fund. The lease is with the County of Camden; the need is for 83 occupants and some parking to be provided. The need is created by the sale of the building in Camden.

SENATOR SCUTARI: Same question; I'm assuming you have the same answer -- which is, you couldn't consider any kind of permanent build-out or buying of this particular spot because it's also part of the moving out of the 1001 Haddon Avenue, I'm assuming?

MR. CONNERY: Yes, Senator.

MR. CHIANESE: That is correct. Also, City Hall is where the Sherriff's Office is; and with security concerns sometimes, that was a plus to this building.

SENATOR SCUTARI: Is it the big, tall building down there? Is it going to be in there?

MR. CHIANESE: With the tower.

SENATOR SCUTARI: It's in the tower; okay. All right; so it's kind of a partnership with the city.

MR. CHIANESE: Yes, we believe it's good for Camden.

SENATOR SCUTARI: Got you.

Okay; any other questions? (no response)

Seeing none, I'll entertain a motion.

MR. SHAUGHNESSY: 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: Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: The motion to approve NPL 4692 is approved; three votes in the affirmative, none in the negative.

SENATOR SCUTARI: Okay; I think that's all the business for today.

If there are no other concerns, I'll entertain a motion to--

All in favor? (affirmative responses)

--to adjourn; I'm sorry.

MR. SHAUGHNESSY: All in favor? (laughter)

SENATOR SCUTARI: Assemblyman?

ASSEMBLYMAN MUKHERJI: Second; or "aye" -- voice vote.

SENATOR SCUTARI: You can call the roll on that.

MR. COSTANTINO: That works. (laughter)
Senator Scutari.

SENATOR SCUTARI: Yes.

MR. COSTANTINO: Assemblyman Mukherji.

ASSEMBLYMAN MUKHERJI: Yes.

MR. COSTANTINO: And Mr. Shaughnessy.

MR. SHAUGHNESSY: Yes.

MR. COSTANTINO: The meeting is adjourned.

SENATOR SCUTARI: Okay; thank you, everyone.

(MEETING CONCLUDED)