
Commission Meeting

of

STATE HOUSE COMMISSION

LOCATION: Committee Room 12
State House Annex
Trenton, New Jersey

DATE: June 14, 2007
9:00 a.m.

MEMBERS OF COMMISSION PRESENT:

Fruqan Mouzon, Chair
Senator Bernard F. Kenny Jr.
Assemblyman John S. Wisniewski
Assemblywoman Marcia A. Karrow
Debra Bell
Charlene Holzbaur



ALSO PRESENT:

Samuel Crane
Secretary
Robert J. Shaughnessy
Counsel

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

TABLE OF CONTENTS

	<u>Page</u>
Gene Hayman Manager Office of Real Property Management Division of Property Management and Construction New Jersey Department of the Treasury	3
Judeth Piccinini Yeany Chief Bureau of Legal Services and Stewardship Green Acres Program New Jersey Department of Environmental Protection	8
Alyssa Wolfe Counselor and Legal Policy Advisor to the Commissioner New Jersey Department of Environmental Protection	8
lmb: 1-15	

FRUQAN MOUZON (Chair): Good morning, everyone. This is the State House Commission's quarterly meeting. We are in compliance with the Open Public Meetings Act and are ready to proceed.

Secretary Crane, will you please call the roll.

MR. CRANE (Commission Secretary): Counsel Mouzon.

MR. MOUZON: Here.

MR. CRANE: Assistant State Treasurer Bell.

ASSISTANT STATE TREASURER BELL: Here.

MR. CRANE: Director Holzbaur.

MS. HOLZBAUR: Here.

MR. CRANE: Assemblyman Wisniewski.

ASSEMBLYMAN WISNIEWSKI: Here.

MR. CRANE: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Here.

MR. CRANE: Mr. Chairman, you have a quorum.

The first order of business is to approve the minutes of the March 15, 2007 meeting.

ASSEMBLYWOMAN KARROW: So moved.

MR. MOUZON: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

ASSEMBLYMAN WISNIEWSKI: I abstain, because I wasn't at the last meeting.

MR. CRANE: Okay.

Under New Business, we begin with the Department of Treasury requests: The New Jersey Department of Treasury, on behalf of the Governor's Office, requests approval to accept the donation of a 2007 GMC Savana van from the Governor, Jon Corzine. I think everyone knows what this is about. It is required that the Governor be transported in a State vehicle. The Governor has previously announced that he would purchase this van for his transport in the short term, and it is necessary for us to accept the donation on behalf of the State.

ASSEMBLYMAN WISNIEWSKI: I'll move it.

ASSEMBLYWOMAN KARROW: I'll second it.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Approved.

The New Jersey Department of Treasury, on behalf of the State Police, request approval to accept the donation of a vehicle from the National Insurance Crime Bureau. This vehicle will be used in criminal auto theft investigations, and would be used solely for that purpose.

ASSEMBLYWOMAN KARROW: Moved.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Approved.

MR. CRANE: Items Nos. 3 and 4 are being held, pending receipt of additional information before they'll be brought before the Commission.

Item No. 5: The Department of Treasury requests approval of a lease of the DEP residential property located at 535 Route 519 to Patrick and Patricia Sasaki for \$998 a month.

ASSEMBLYWOMAN KARROW: Moved.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (Ayes respond)

Opposed? (no response)

Approved.

The Department of Treasury requests approval of a lease of a DEP residential property located at 42 Neilson Road for \$768 per month.

ASSEMBLYMAN WISNIEWSKI: Sam?

MR. CRANE: Yes.

ASSEMBLYMAN WISNIEWSKI: Just a quick question. How did we come up with these numbers -- the 768?

MR. CRANE: Gene.

ASSEMBLYMAN WISNIEWSKI: The only reason I ask is, I just was looking at values recently with something I do as an attorney, and getting a residential property at a lease for 768 a month seems like a pretty good deal.

GENE HAYMAN: It might be.

We recently had a market analysis, which isn't a full-blown appraisal, but it gives an idea of what rentals are. The problem with this is, when we acquired the property in 2002 the rent was set at \$200. So we can't be unconscionable in increasing the rent, so we are increasing it at a pace that's acceptable to everybody. And we're up to 768, from 200 in 2002. So--

ASSEMBLYMAN WISNIEWSKI: And going forward, is it going to be increased by the CPI?

MR. HAYMAN: Yes.

ASSEMBLYMAN WISNIEWSKI: Thank you.

Move it.

MR. MOUZON: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

The New Jersey Department of Treasury, on behalf of the Department of Corrections, requests approval to dispose of four former single-family employee residences along with 15.5 acres, located on the grounds of the East Jersey State Prison, that have been deemed surplus to the Department's needs.

ASSEMBLYMAN WISNIEWSKI: Sam, just-- I saw on the note here that it's going to be offered to Woodbridge Township first. How will that be communicated to them? Will they get a letter? Will they be made an offer?

MR. HAYMAN: A letter was sent to the mayor. The Township has already expressed interest in the property. The DAG's office is currently dealing with the counsel for Woodbridge Township. It's going to be offered at the fair market value. The appraisal came in at 1.2 million. I believe there's probably room for negotiations if a reverted clause or a non-flip clause, or things like that, are put in.

ASSEMBLYMAN WISNIEWSKI: Okay.

Thank you.

Move it.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Passed.

The Department of Treasury, on the behalf of the division of Motor Vehicles, requests approval to grant an easement to PSE&G for the installation and maintenance of poles and power lines necessary to supply power to a \$66 million Department of Transportation roadway project.

ASSEMBLYMAN WISNIEWSKI: Move it.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

We'll note that Senator Kenny has attended the meeting.

SENATOR KENNY: Good morning.

MR. CRANE: The Department of Treasury, on behalf of the Department of Law and Public Safety, seeks approval to grant an easement to PSE&G for installation and maintenance of a natural gas pipeline on the grounds of the New Jersey Training School for Boys.

ASSEMBLYWOMAN KARROW: Moved.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Ordered.

The Department of Treasury, on behalf of the Motor Vehicle Commission, requests approval to sell a 1-acre parcel of vacant land to Washington Township for a highway improvement project.

ASSEMBLYMAN WISNIEWSKI: Move it.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

We're now moving to Items 11 and 12, which are the Department of Transportation. New Jersey DOT requests approval to enter into a five-year lease on a 3,336-square-foot parcel of land with an adjoining property owner for the use of additional parking for a strip shopping center.

ASSEMBLYMAN WISNIEWSKI: Move it.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

The New Jersey DOT requests approval to sell a 3,150-square-foot parcel of land to the city of Paterson to be used as part of their redevelopment plan.

ASSEMBLYWOMAN KARROW: Move.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (ayes respond)

Approved.

Item No. 13-- These are the beginning of requests from the Department of Environmental Protection. The first one is: The New Jersey DEP requests approval to convey up to a quarter acre in fee and easements to Morris County, in connection with a bridge replacement and roadway improvements to Green Pond Road and Lower Hibernia Road.

ASSEMBLYWOMAN KARROW: Move.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (ayes respond)

Approved.

The New Jersey DEP, on behalf of the Township of Stafford, requests approval to allow the establishment of a 10-foot-wide, 1,250-foot-long subsurface water line easement of up to half of an acre of Lighthouse Park.

ASSEMBLYWOMAN KARROW: Move.

ASSEMBLYMAN WISNIEWSKI: Is that a half acre or a quarter acre -- 0.29?

MR. CRANE: It is a 10-foot-wide easement of-- It will total half an acre -- up to a half an acre lengthwise.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

The New Jersey Department of Environmental Protection requests approval to convey a total of up to 1 acre of property to the New Jersey Department of Transportation, in connection with emergency spillway/dam repairs, roadway improvements, and bridge replacement on Landis Avenue, Route 56. This is in Pittsgrove Township, Salem County.

ASSEMBLYMAN WISNIEWSKI: Move it.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Approved.

The Department of Environmental Protection requests approval to lease a historic residential property located at 1175 Canal Road, along the D&R Canal. This is in Franklin Township, Somerset County.

ASSEMBLYMAN WISNIEWSKI: Move it.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

The New Jersey Department of Environmental Protection requests approval to lease the area known as the former Jungle Habitat property, administered by Ringwood State Park, to West Milford Township for 10 years, with a possible 10-year renewal. This is located in West Milford Township, Passaic County.

MR. MOUZON: Move.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

No. 18 is a request from the Department of Environmental Protection, on behalf of the Division of Parks and Forestry -- requests the ratification of 7-year revocable license/lease, issued by the Tidelands Resource Council, for the construction and operation of a ferry dock on submerged lands adjacent to Liberty State Park. This is located in Jersey City, Hudson County.

ASSEMBLYMAN WISNIEWSKI: Move it.

ASSEMBLYWOMAN KARROW: Just a question.

Is the DEP here on this?

Thanks, good morning.

JUDETH PICCININI YEANY: Good morning.

ALYSSA WOLFE: Good morning.

ASSEMBLYWOMAN KARROW: I don't really have, personally, too many concerns about this, because I think that this is the (indiscernible). It's a good thing. But having experienced the DEP so many times not helping -- which is the only euphemism I can use in a nice way -- not helping businesses in New Jersey-- And I can give you multiple examples -- Phillipsburg UEZ, where I've got a cleanup site that's sitting empty because the DEP is sitting on the lease documents. I've got businesses in Mansfield Township, in the Highlands Preservation area, where the businesses can't get waivers to expand, even though literally 20 feet on the other side of a railroad track is the planning area, and they own that land. And they can develop that all they want. I'd like an explanation on the hypocrisy of the DEP allowing, in a pristine wetland, to have a private developer put up a ferry dock for a residential development that's going to be exclusive.

MS. PICCININI YEANY: Well, first of all, we're talking about submerged lands -- completely riparian lands. And what we're doing is, we're piggybacking onto an approval that the Tidelands Resource Council had already issued quite a while ago. But there's a dispute about whether the land in question is under Tidelands' jurisdictions, or whether it's under regular DEP jurisdiction. So it wasn't that it came to us first for this action. We're seeking to reinforce what the Tidelands Council already decided.

I don't know if you want to address the rest of it.

MS. WOLFE: Hi, I'm Alyssa Wolfe. I'm Counsel to Commissioner Lisa Jackson.

I would just like to add that in the examples that you gave, Assemblywoman, those projects, I'm assuming, did not comply with regulatory laws. In this example, this project has to comply with all State and Federal regulations and laws. So I think there might be a distinction between the examples that you gave versus the one that we have before us right now. This project is regulated by the Waterfront Development Law, and has ascertained and received permits to permit the development.

ASSEMBLYWOMAN KARROW: Well, actually, the one that I'm talking about in Phillipsburg, specifically -- it's just, the DEP is just sitting on it. And the other one's the Highlands Act; but the first one is just the DEP sitting on it. And we just approved, for instance, this lease to a gentleman to restore a historical house in Somerset County, on the D&R, in exchange for rent. You know, we just jumped through hoops in my district regarding Cedar Lake Horse Farm, trying to get something similar. It was approved by this Commission. And then the winning bid on the redevelopment project up there has finally bagged the whole project because of overregulation by the DEP. Those buildings are now falling down, which was also once a beautiful pristine horse farm. And you know, I just find your agency and the regulatory arm of it to impede business, to impede fixing structures, to impede redevelopment projects. And the hypocrisy of it--

You guys need to get on a policy. You need to get on a policy that is with the Governor's plan for economic growth and redevelopment, or you're going to get on a policy that you're going to continue driving businesses out of the state. And I'm going to vote for this because it's going to help do the latter (*sic*). But, you know, I just feel compelled to bring up the fact that this is a rather pristine area, and for whatever reason it's going to get developed. But it's just hypocritical.

MS. WOLFE: Assemblywoman, if I might add, I mean -- I don't know that the area is pristine. Oh, sorry. I don't know that I would necessarily call this a pristine area, number one.

SENATOR KENNY: Point of clarification, if I may, Assemblywoman?

ASSEMBLYWOMAN KARROW: Absolutely, Senator.

SENATOR KENNY: What pristine area are we talking about?

MS. PICCININI YEANY: I interpreted the question to refer to where the dock was being placed. But what I think--

SENATOR KENNY: Okay, fine.

MS. PICCININI YEANY: --what Ms. Wolfe is referring to is that the development site itself is not pristine. This is a former trucking company property that's considered to be contaminated.

ASSEMBLYWOMAN KARROW: Right. You're absolutely right. That was exactly what I was talking about.

MS. PICCININI YEANY: Okay.

MS. WOLFE: I just want to add, if you would like us to take a look at some of the developments that you're having difficulty with and that you think that we're an impediment, we'd be happy to take a look at those.

ASSEMBLYWOMAN KARROW: I appreciate the offer. My legislative director is sitting out there laughing, and probably has documents on her right now. So, thank you. I will take you up on that offer.

SENATOR KENNY: Thank you very much.

I wasn't going to comment on it, but this is in my domain in Hudson County, and particularly the area around Liberty State Park, points north and south. And this is one of the greatest achievements in the last 30 years in the State of New Jersey -- has been the development of the Hudson River Waterfront. And I, too -- as every legislator -- have had issues with DEP, but I have found that they have never been hypocritical. They may have disagreed with some legislators representing their districts, but I think the word *hypocritical* is not appropriate. I have worked on the Hudson River Waterfront with the DEP and the Tidelands for the better part of 20 years. They are extraordinarily difficult negotiations. And I know how much work has gone into this and what has been done to the Hudson River Waterfront, the New York Harbor -- where this dock will be; the ferry that will provide access to the shoreline, to the golf course, to economic development, to Liberty State Park, to Ellis Island, to the Statue of Liberty, to the Central Railroad Terminal, to lower Jersey City, to Northern Bayonne.

This has been a work in progress for a quarter of a century. And I have gone tooth and nail with DEP and the Tidelands bureau over many issues. I have not always been successful, but I have never challenged their integrity and certainly would never refer to them as being hypocritical. I have never succeeded in all my challenges with these agencies. But this is an outstanding application. This ferry will provide access from lower Manhattan to Jersey City, Hudson County; will continue to make Hudson County the economic engine of the State of New Jersey.

And I'd be happy to entertain items that are not on this agenda in the future, as long as I sit on this committee. But this is a worthwhile application and should have the support of this committee.

Thank you.

ASSEMBLYWOMAN KARROW: Senator, I absolutely agree with you regarding the project, and I am absolutely supporting it. And I think it's a very important redevelopment project. And I didn't want you to take from my statements that I was not in favor of redevelopment, because I think it is critically important for the economy of New Jersey to do this project. I have just had, you know -- in my district, I see things that-- You know, there are projects that do not move forward that are similar, that are business projects that are important for redevelopment in my district. And I'm encouraged by your statements. I'm encouraged by the fact that you have had such a fine relationship with the DEP. But I want you to please know that I am very much in favor of the redevelopment of the Hudson Waterfront. Absolutely.

SENATOR KENNY: Well, I didn't say I had a fine relationship with the DEP. (laughter)

ASSEMBLYMAN WISNIEWSKI: Does anybody?

SENATOR KENNY: That was my point. I think it's an agency that has integrity. They have a difficult job. And I have never, in my 20 years -- have never pitted an application that's come before me with an application in my district that may have not been given approval. And I don't think that's appropriate. That was my point.

So I would-- I think there was a motion.

ASSEMBLYWOMAN KARROW: Yes.

SENATOR KENNY: I'll second it.

ASSEMBLYWOMAN KARROW: I know there's a second. I seconded it.

SENATOR KENNY: Okay.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Mr. Chairman, we should take a motion to convene as the Board of Trustees of the Judicial Retirement System.

ASSEMBLYMAN WISNIEWSKI: So moved.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

The Commission is now sitting as the Board of Trustees. There are three items on the agenda today.

Approval of the minutes from the meeting held on March 15, 2007.

MR. MOUZON: So moved.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

ASSEMBLYMAN WISNIEWSKI: Abstain.

On Item No. 2 is confirmation of death claims, retirements, and survivor benefits.

ASSEMBLYWOMAN KARROW: Move.

MR. MOUZON: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Item No. 3 is the financial statements as of March 30, 2007.

ASSEMBLYWOMAN KARROW: Move.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Approved.

A motion to adjourn as the Board of Trustees of the Judicial Retirement System?

ASSEMBLYWOMAN KARROW: Move.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. CRANE: All in favor? (ayes respond)

Opposed? (no response)

Motion to adjourn as the State House Commission?

ASSEMBLYMAN WISNIEWSKI: Move.

ASSEMBLYWOMAN KARROW: Second.

MR. CRANE: All in favor? (ayes respond)

Before you guys run out the door, I'd better get the motions in.

(laughter)

(MEETING CONCLUDED)