

SOIL POSES THREAT



Officials say the contractor at this construction site on the Hoboken-Weehawken border did not know that soil he trucked in from Newark was contaminated with phenol, a poisonous chemical corrosive to the skin.

Children's play area abuts contamination

By CHRISTOPHER AVE
Staff Writer

A construction site on the Weehawken-Hoboken border a few yards away from a popular children's play area, a county health official said yesterday.

The contractor building a warehouse at the 35 18th St. site did not know the soil was contaminated when he brought it in from Newark, according to the health official.

"It appears to be accidental," Gary Garetano of the Hudson Regional Health Commission said yesterday. "It doesn't appear that it was any intentional dumping."

Garetano said preliminary findings indicate the soil contains phenol, a potentially dangerous chemical. He said the amount in the soil probably is not dangerous unless the soil is rubbed on someone's skin.

The chemical, which has a sweet aroma, also should not be taken internally. In high doses, it can cause headaches, nausea and even death.

Workers told Garetano of suspicious fumes there last week, he said, and a preliminary measure of the soil indicated that the cause was phenol, also known as carbolic acid.

The contractor, Conrad Consulting and Design of Palisades Park, was directed to cover the area with tarpaulins. Conrad Policastro, the head of the business, did not return phone calls for comment yesterday.

No children were seen in the area yesterday, but residents said that a grassy knoll a block from the construction site is a common play area.

Officials speculate that the contaminated soil originated in Newark, from a lot where a city swimming pool is being built. State officials closed that site this week because of similar chemical poisoning.

The address of the local construction site is in Weehawken, but part of the lot lies in Hoboken. Records indicate that permission to build there was granted by the

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HOBOKEN FESTIVAL

Stars will join battle on drugs

Dispatch 8-22-87
By WINNIE BONELLI
Staff Writer

HOBOKEN—Cracking down on drugs is serious business. The Citizens United for New Action, however, intends to convey this message in a most entertaining way beginning at 1 p.m. tomorrow when Adams Street between Seventh and Eighth streets is converted into a combination mini-fair, block party and outdoor musical concert.

While continuous music is expected to attract all age groups, talent co-ordinator Eric Floyd promises to deliver a power-packed lineup collectively called the "Queens of the Night Unite to Crack Down on Crack." Reading like a "Who's Who of Disco," the women include: Gloria Gaynor, whose message is "I Will Survive"; Carol Douglas with "Doctor's Orders" and "Midnight Love Affair"; the "Queen of Hearts," Carol Williams; and Sharon Redd, who asks the poignant question, "Can You

Handle It?"

Uniting these gifted performers on one stage constitutes a preview of future events for Lloyd, who portrays Jerome on the television series "Fame." He is set to accompany an entourage of 20 performers on a 70-stop world tour that is expected to touch base in Asia, Africa and Europe.

Interjecting further variety into tomorrow's program will be actor and bodybuilder Leon Anthony Stevenson, the live inspiration for the new "Sunman" doll. From the silver screen comes 16-year-old Leo O'Brien, whose past credits include "The Last Dragon" and "Rabbit." At the current time, the Englewood resident is sharing star billing with Lou Gossett Jr. in "Cracked Up."

Continuing the musical fare is Dr. York and Atlantic Recording star Carmen with "You and Me," while F.I.R.E.S. keeps on rapping. Rounding out the bill is Desire and 7-year-old Joy Campbell.

Hoboken is tainted soil site

By John Petrick
8-20-87

The state Department of Environmental Protection has confirmed that contaminated soil found at a North Hudson construction site originated from municipally owned property in Newark, where toxic levels of phenol and benzene were discovered this week.

The property—located at 25 West 18th St.—is partially in Weehawken, but the soil itself sits in Hoboken about 50 feet from the city line, officials said.

Newark is being held responsible for testing the soil, and will be liable for removing the waste if and when the time comes.

DEP spokesman Jim Staples said yesterday additional tests must be performed on the soil so it can officially be declared "hazardous" and be disposed of properly.

Fifteen loads of the Newark dirt were transported by contractor Conrad Policastro to the Hoboken land, where a warehouse is being constructed for the ABC Baling & Wire Co. of Weehawken.

The DEP has ordered workers to cover the dirt with tarpaulins, but construction has been allowed to continue.

Though the DEP still needs to pinpoint the classification of hazardous waste, officials said it is likely to be equivalent to the levels found in Newark.

Initial tests performed on the Newark dirt found levels of phenol that "verge on the astronomical," Staples said.

Staples said dead birds were found around the Newark site, and workers will have to wear protective clothing when removing it.

The DEP official said he could not comment on the degree of danger posed to construction workers who continue working on the warehouse, though he noted that the protective covering over the waste minimizes any potential health risks.

Phenol is a caustic compound with anaesthetic properties. Exposure to the chemical in high concentrations can cause dizziness, muscle weakness, ringing in the ears, headaches and death of ingested in high amounts.

It is up to the municipality to halt construction, he said. But just what municipality is

SOIL

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Hoboken Planning Board.

According to city records, the lot's owner is Norman Singer of Teaneck. He did not return a call yesterday.

On Aug. 12, state Department of Environmental Protection officials began investigating the site

for phenol concentrations. The investigation is continuing to discover if the contaminated soil was in fact shipped in from Newark.

Phenol is a vital raw material in the production of dyestuffs, drugs, plastics and perfumes.

Tainted soil in Hoboken

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unclear.

Weehawken officials yesterday said that their town is not responsible for any activities going on at the site. "It is unequivocally, definitely and without a doubt in Hoboken," said Director of Public Safety Richard DeCosmis.

DeCosmis noted that the property does not appear on the township's tax rolls and that all building permits are Hoboken's responsibility.

But an official in the Hoboken Building Department said there was no record of a construction permit for the project.

Hoboken Business Administrator Ed Chius said he was not sure whether a permit was issued.

"It (the dirt) may be in our city, but it's really not our concern," he said.

Officials of the Hudson Regional Health Commission, who initiated an investigation of the site following workers' complaints about chemical odors, said they were also unable to confirm whether the proper permits were issued.

P.A. ignores Hoboken for N.Y. project

By Jim DeRogatis
J.J. 8-19-87

The Port Authority's waterfront development in Queens may become a reality before its sister project in Hoboken.

The P.A. paid \$9.8 million last week to NorVal Inc., a cement importer and distributor, to buy out the company's lease to a large portion of the 92-acre waterfront site at Hunter's Point in Long Island City. Securing title to the NorVal land was described by the P.A. as a "major hurdle to development of the site."

In another recent development, the P.A. and the New York City Public Development Corporation signed an agreement in principle outlining the steps necessary to develop the \$600 million, mixed-use development. The authority hopes to receive final authorization on the project from the city by the first quarter of 1988, according

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Hoboken on site list for transit museum

J.J. 8-24-87

TRENTON (AP) — A state commission is studying eight sites, including Hoboken, for the location of a new museum that would celebrate New Jersey's transportation history and possibly operate a small steam-engine railroad line for tourists and rail buffs.

Of all the locations, an 84-acre, state-owned tract in the Port Morris section of Morris County seems to be generating the most enthusiasm at Railroad and Transportation Museum Study Commission.

"I would say it has been given the most attention. The committee is quite impressed with the Port Morris site so far," said John Willever, state Department of Transportation official who also serves as the commission's secretary.

Other sites being scrutinized include Asbury Park, Whiting, Phillipsburg, Ringoes,

the Belle Meade area of Somerset County and Allaire State Park in Monmouth County.

The commission will evaluate the locations using several criteria, including proximity to tourist traffic, highways and rail lines and conformity with zoning and environmental regulations. In addition, the site must be at least 15 acres.

The Port Morris site seems to meet these conditions in addition to having "a great deal of connection" to New Jersey's transportation history, Willever said.

"There were three types of transportation within a half-mile of the site," he said.

Hoboken and Asbury Park seem less likely to be chosen, because of high land costs and the likelihood of opposition to steam locomotives, which produce thick clouds of smoke, Willever said.

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Security faulted in school break-ins

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However, human error and not the alarm system may be the reason the first break-in at Hoboken High School, officials said.

Police said Thomas Straten, chief school custodian, told them he found the school's first floor a shambles when he arrived at work at 7 a.m. Friday. Straten said he immediately called Sonitrol, who told him no one from the high school called Thursday to activate the alarm, police said. Because no call was made, Sonitrol activated the alarm itself at 2:34 a.m. Friday, Straten told police.

Hoboken High School does not have an overnight security guard and custodians leaving work in the early evening are responsible for locking the

building and calling Sonitrol to activate the alarm system.

Straten said he left work at about 6 p.m. Thursday, leaving two custodians inside the high school, police said. Curko said the Board of Education will be informed at Tuesday's regular meeting of a "confidential personnel matter" relating to the break-in, although he would not specify whether the matter involved the two janitors.

Police said Straten found various school supplies and equipment, plus the contents of several fire extinguishers, strewn about hallway floors throughout the building. Straten estimated the damage at about \$1,000, police said. No arrests have been made, police said.

The second break-in occurred at about midnight Sat-

urday, though the alarm had been activated Friday evening, police said. McVeigh could not say why the alarm system did not work.

On Sunday morning police arrested two juveniles in connection with the second break-in, and recovered six computer components and two bags of food items the youths had allegedly removed from the school, police said. Curko said one printer taken by the boys remains missing.

Curko said the stolen com-

puter items were only a small percentage of the computer equipment inside the building. He couldn't immediately estimate the value of the equipment.

The Sonitrol system consists of a series of microphones placed at various points throughout each school. When a microphone detects a sound inside the building, a signal travels directly to Security-Link's Passaic headquarters and local police are notified. No bells or buzzers go off inside the school, McVeigh said.

The system chosen by Hoboken in 1980 was a poor match for the size of Hoboken High School and can't adequately cover the building, McVeigh said. Security technicians in Passaic can only monitor one school's microphones as a unit, so if a single microphone goes dead there's no way of knowing unless a physical inspection is made, he said.

McVeigh said newer models allow security technicians to monitor microphones individually, and he recommended that the Board of Education install a new system in the high school.

Acting School Business Administrator Anthony Curko said he'll consider McVeigh's suggestions and talk to other security companies before recommending to the Board of Education that security be improved. The board will meet Tuesday evening at the head-

See SECURITY — Page 9

Vezzetti vows not to release funds to schools

By Jim DeRogatis
J.J. 8-20-87

Hoboken Mayor Thomas Vezzetti vowed yesterday to withhold city payments from the Board of Education as a result of what he said were a number of politically motivated hirings Tuesday night.

But it is unclear whether he has the power to act on the threat.

The board named three elementary school principals: Liz Falco, a Jersey City elementary school teacher for 15 years, Kevin Gallagher, a 25-year veteran of the Hoboken schools, and Miriam Pugliese, head of the Hoboken bilingual program. The board also appointed Pat Pantoliano as the head of custodians, a position that has been vacant for a number of years since it was last held by former Councilman Louis Francione.

Falco, the wife of a Hoboken police officer, is a political ally of anti-

administration school trustee Eugene Drayton. Pantoliano is the husband of anti-administration trustee Geraldine Pantoliano.

Vezzetti charged that the appointments were "political payoffs" and were unnecessary in light of the board's current budget crisis. The board is appealing to the state Department of Education to restore \$3 million in cuts to the school spending plan by the City Council.

"By their efforts to pad the payroll with these new positions they are fleecing the city of Hoboken," Vezzetti said. "They are a bunch of gangsters and I am not going to turn over another dime of city money."

Superintendent of Schools Walter Fine defended the appointments. He said the three principals were qualified for the jobs and replaced employees who retired. He added that the head of custodians position is needed

by the system to better oversee the maintenance of school buildings.

The Vezzetti administration has been at odds with the school board since he was elected in 1984. The mayor has frequently charged the anti-administration board majority with political patronage and nepotism.

Vezzetti said he is "sick and tired of the Board of Education and won't finance their shenanigans any more. Let them take the city to court," he added.

The mayor said the recent appointments and a decision by the board to pay \$20,000 for work at Brandt School "were the last straw." The board approved payment to the Ballinger & Son Roofing Co. of West New York despite charges that its work had been inadequate by trustees Joseph Rafter and Raul Morales. The payment was approved by a 3-

2 vote with three abstaining. Rafter and trustee Lourdes Arroyo voted against the expenditure, trustees Pantoliano, Perry Belfiore, and Mario Mercedo abstained, and trustees Drayton, Richard England and James Farina cast the only "yes" votes.

The board's attorney maintains that the vote was valid, but Vezzetti said he has asked Hudson County Prosecutor Paul DePascale to investigate.

The mayor said he also intends to write to state Education Commissioner Saul Cooperman to protest the state's recent Level 3 monitoring report of the Hoboken district.

"If the state can stand behind the Hoboken Board of Education, then they're another bunch of gangsters," he said.

Hoboken is one of five districts in the state which has lost its certification and is under Level 3 monitoring,

a process that could result in a state takeover. The state Office of Compliance released its Level 3 report last month, granting Hoboken a year to rectify its problems.

It was unclear yesterday whether the mayor has the power to withhold funds from the b. Both Fine and acting school Business Administrator Anthony Curko said the mayor does not directly approve monies allocated to the board.

However, city Business Administrator Edwin Chius disagreed. "The mayor has the power to not sign the checks which present the board with their share of the tax levy," he said.

The board is anticipating approximately \$12 million from the city tax collections for its 1987-88 operating budget, an increase of \$3 million from last year's budget. The board has an overall operating budget of \$26 million with state and federal aide.

P.A. is favoring its N.Y. project

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to its annual status report to the state legislatures, released yesterday.

Negotiations over the Hoboken project, however, have not made much recent progress.

The New York and New Jersey legislatures approved measures in 1984 allowing the powerful bistate authority to enter the real estate development field, providing that it undertook equal, parallel projects in both states. The authority subsequently introduced plans for the development at Hunter's Point and a similar \$600 million project named Hudson Center on the Hoboken waterfront.

Hoboken and the P.A. have been negotiating a restated lease to three city-owned piers rented by the authority. That would allow for development of the site but progress has been slow, according to the status report compiled by Phil LaRocco, director of the P.A.'s economic development department.

"Negotiations with the city on the project, and especially on the terms of the restated lease, were halted by the city for the latter part of 1986 and virtually all of 1987 to date due to non-resolution of the Pier B fire insurance issue," LaRocco wrote.

The city was successful last month in a lawsuit to recover \$9.7 million in insurance funds the authority collected from a 1980 fire that destroyed one of the three piers. The P.A. plans to appeal the ruling of Superior Court Assignment Judge Burrell Ives Humphreys, Jersey City, to the state appellate division.

In last year's status report, LaRocco wrote that an agreement on Hudson Center would be in place with Hoboken by the summer of 1986. The current report calls for an agreement by the end of the year, although city officials say that may be unrealistic.

"There are still an awful lot of things we have to work out," said Mayor Thomas Vezzetti. "They haven't answered all the questions in my mind."

Vezzetti plans to unveil a proposed master plan for waterfront development tomorrow that would reportedly place severe restrictions on the height and density of projects and require developer givebacks of affordable housing, public space and infrastructure improvements. Sources said the plan would contradict portions of the Hudson Center proposal.

Another roadblock to the P.A. development is a lawsuit to break the authority's leasehold on the site. The city is joining a suit instituted by a local citizen's group claiming the P.A.'s 1952 lease to the city piers is no longer valid.

Under the terms of the lease, the P.A. retains control

of the piers until 2002. Without the lease, the city is free to attract any developer it chooses for the site, and officials have said they plan to start accepting proposals from other developers in the near future.

The P.A. status report makes no mention of the pending court battle. But Laurie Fabiano, executive assistant to Vezzetti, stated that even without mentioning the fight over the '52 lease, "the P.A. seems less optimistic about the project than it has ever been."

The report concludes by stating that the P.A. is willing to resume negotiations with the city at any time.

P.A. officials may be uncertain about the Hoboken project, but they said it's "all systems go" in Queens. "The agreement with the Public Development Corporation and NorVal constitutes important steps toward revitalizing the Queens waterfront," said P.A. Chairman Philip Kaltenbacher.

School security faulted

By Dominick Calicchio
J.J. 8-13-87

Lax security procedures at Hoboken High School and an inadequate alarm system are leaving thousands of dollars in city-owned computers and typewriters vulnerable to theft, a security consultant said yesterday.

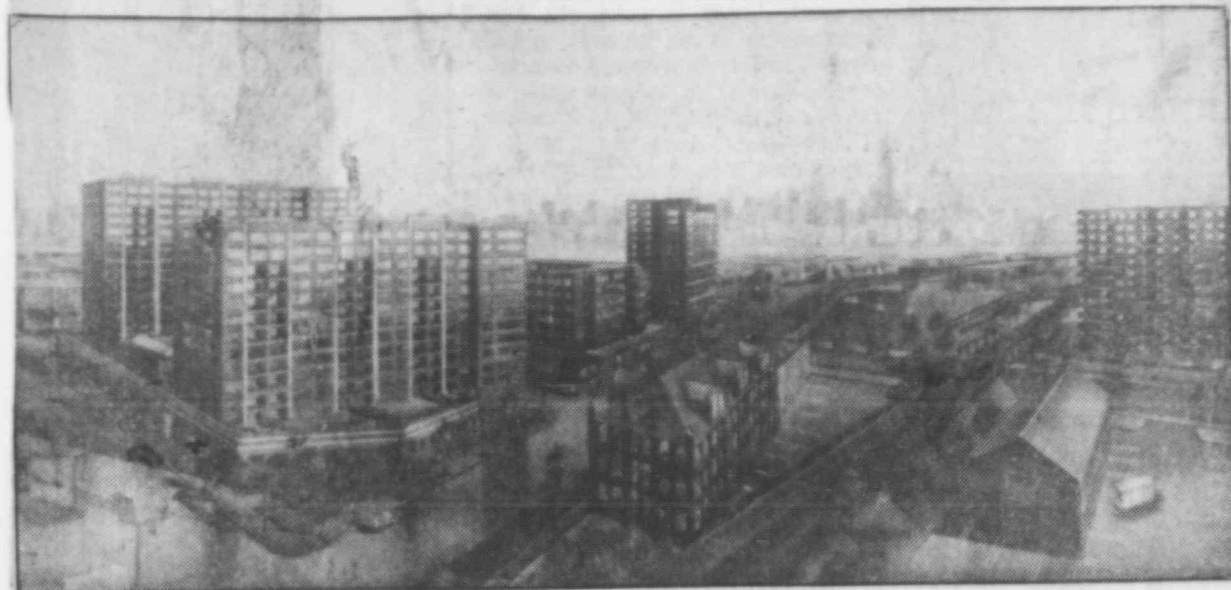
The high school's electronic security system was foiled twice last week by teen-aged burglars who vandalized the school Thursday and made off with six computer components and other school property on Sunday. Two juveniles in connection with Sunday's incident, police said.

It is unclear whether flaws in the school's alarm system or poor practices by school employees were responsible for the break-ins, school officials said.

James J. McVeigh of SecurityLink Corp. in Passaic toured the high school yesterday with school officials and police detectives to examine the Sonitrol system his company installed in 1980. To aid the building's security, The Jersey Journal is withholding details of the faults McVeigh said he found in the system.

The system was installed in the high school, at Ninth and Clinton streets, and in most city elementary schools, at a cost of \$12,175, according to Acting Business Administrator Anthony Curko. The David Rue School on Garden Street was added to the system in 1984 for an additional \$1,490, he said, and the Board of Education pays SecurityLink \$7,900 annually to monitor the system.

Hoboken towers eyed



A rendering of first phase of the River City condominium complex, looking east toward Hoboken from the Jersey City cliffs. The lower building, center, would contain moderately priced condominiums. The tower behind it would house a shopping arcade. In the foreground are Marshall and Newark streets.



The lot between Observer Highway and Newark Street on which The Skyline was built, is shown in a photograph before the tower was erected.

\$180 million project awaits city approval

By JANET WILSON
Staff Writer

HOBOKEN—Plans for a \$180 million development in the gritty southwestern edge of the city, dubbed "Hoboken's answer to Newport" by the developers, will be submitted to the Zoning Board of Adjustment this month.

The first phase calls for two red-brick and glass towers, 14 and 18 stories high, with 440 luxury condominium units. The plans also call for a shopping arcade, a parking garage covered by open courtyard space and a commercial health club.

The towers would be located between Observer Highway and Newark, Jackson and Marshall streets, on land partially occupied by the old My-T Fine factory, in a district now zoned for industrial use. Developers Sandy Weiss and Lou Mont said construction could be completed in five to seven years, if the city's zoning board will give the green light.

"We're ready to go right now," said Mont on Friday. "We feel it's a good project, and we're going to

go ahead and apply."

Mont and Weiss know they have a tough road to hoe with city officials and planners. They said they had approached the Zoning Board of Adjustment about two months ago, and were told it would be in their best interest to withdraw the plans and wait for city planning consultant Ralph Seligman to finish rewriting the master plan. But they said they had gotten tired of waiting, and decided they would apply to the zoning board for the necessary variances.

"This is a sensible project for the city. It's a natural extension of Newport, only slightly less dense with more community feeling," said Mont.

Mont and Weiss are just completing work on The Skyline, a luxury condominium tower one block east of where the new towers would be, and have plans for another building two blocks away across the Jersey City border now before that city's Planning Board.

The second phase of the new development, eyed for seven to 10 years from now, calls for creating a community shopping center complete with a grocery store to replace the Shoprite being closed on Washington Street, mid-rise apartment buildings tucked under the cliffs at the back end of the city near Jersey City, and possibly some townhouses and low-rise affordable housing.

TOWERS

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development, eyed for seven to 10 years from now, calls for creating a community shopping center complete with a grocery store to replace the Shoprite being closed on Washington Street, mid-rise apartment buildings tucked under the cliffs at the back end of the city near Jersey City, and possibly some townhouses and low-rise affordable housing.

The plans for the first phase are expected to be submitted just a month after a judge in Hudson County Superior Court in Jersey City overturned variances for the controversial Presidential Towers project in the same area of the city, about four blocks away.

Reaction to the new project, called River City Condos, was not positive.

"We already have to buy completely new fire trucks because of The Skyline, because the ladders on the old trucks can't reach the higher floors," said one city official. "And what about sewage, and transportation?"

Mont said he and his partner are willing to pay for any necessary sewage retention pools, and other infrastructure work. They also said part of the reason they had picked the southwestern portion of the city was because it would provide easy access in and out of the municipality to Jersey City and the Holland Tunnel. They also have been negotiating with the state Department of Transportation and NJ Transit Corp. to determine exactly where a planned light rail commuter system and bus link will be placed.

"We picked the back part because it will have the least impact on the rest of the city," said Mont. "That's ridiculous," the official responded. "This is a mile-square city. Anything you build anywhere in Hoboken has an immediate impact on traffic everywhere else."

The Madison restaurant in Hoboken has been sold to developer Murray Connell for \$1.1 million. The historic restaurant and bar on the corner of 14th and Washington streets was one of the first businesses renovated in Hoboken as part of the city's renaissance in the early 1980s. A former hotel and later a flophouse, the Madison was owned for several decades by the family of Mayor Thomas Vezzetti and was operated by the mayor himself for many years. Vezzetti said he often slept on a pool table in the bar, where he was "adopted mother to a lot of drunks," many of whom he cared for and put to bed at night.

Vezzetti sold the Madison in 1977 for approximately \$30,000 to then-Mayor Steve Cappiello and Charlie Roberts, a Hoboken firefighter and the brother of Councilman David Roberts. The two restored the restaurant and rented out

apartments on the floors above. The partners put the building up for sale several months ago because of business differences. Murray Connell, a developer who has undertaken numerous housing projects in Hoboken, bought the Madison for \$1.1 million on July 1, according to real estate records.

Connell said yesterday that he plans to reopen the restaurant and renovate the apartments. The developer owns several large apartment buildings in the city, including buildings on 11th Street and Park Avenue that were recently involved in a program that allowed long-time residents to purchase their apartments with the help of city funding.

Meanwhile, the owners of the Brasserie, another landmark Hoboken restaurant, are hoping to reopen. The restaurant's interior was damaged by fire, smoke and water in an early-morning blaze two weeks ago, but the owners are working to restore the eatery at Second and Washington streets.

A former member of Hoboken's Planning Board charged the mayor's administration yesterday with attempting to stagnate development in the city.

Maurice DeGennaro, manager of the city's Columbia Towers senior citizens project, served on the board for more than three years before he was removed by Mayor Thomas Vezzetti two weeks ago.

DeGennaro, who was appointed by former Mayor Steve Cappiello, said his removal from the board was political. Vezzetti aide Laurie Fabiano denied the allegation and said DeGennaro was not qualified to

P.A. handed eviction notice in new maneuver over piers

By Jim DeRogatis

Hoboken has given the Port Authority of New York and New Jersey three days to leave the city-owned waterfront piers.

Mayor Thomas Vezzetti signed a letter yesterday ordering the P.A. to vacate three piers it leases between Newark and Fourth streets. The letter advises the authority that "effective Aug. 23, your tenancy at the premises known as the Hoboken-P.A. Marine Terminal ... is hereby terminated."

The eviction notice was described by city Law Director

William Graves as a legal maneuver to strengthen a lawsuit by the city attempting to break the P.A.'s leasehold. He said the city would probably not take any action to physically remove the P.A. from the piers if it refused to leave.

The letter was the latest volley in an escalating war between the city and the P.A. over the valuable waterfront property and the P.A.'s proposed Hudson Center development plan.

Under the terms of a 1952 lease, the P.A. retains control of the piers until 2002 for the purposes of operating a marine

terminal. The authority has been negotiating with the city since 1984 to build a massive, \$600 million development on the site.

Talks broke down last February when the city sued the authority to recover \$9.7 million in insurance monies collected after one of the piers was destroyed by fire. The city won the lawsuit, which had been instituted by People Advocating Safe Solutions.

PASS is one of several citizens groups that oppose the P.A. as a developer, claiming

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Vezzetti ouster denied by court

By Laurie Kalmanson

A tangled skein of Hoboken lawsuits was partially unraveled yesterday in Superior Court, but it will be months before all the loose ends are tied up.

Former city law director Salvatore E. D'Amelio is involved in three suits by and against city officials, and is one of several defendants in a suit brought by two real estate developers.

The most definitive action in court yesterday was the dismissal of a D'Amelio suit seeking the ouster of Mayor Thomas Vezzetti.

D'Amelio had attempted on Jan. 12, 1987 to remove the mayor from office on the grounds of mental incapacity to serve.

Refusing to hear the suit yesterday, Superior Court Assignment Judge Burrell Ives Humphreys ruled that D'Amelio failed to meet the procedural requirements of filing an action against a public official.

But the judge then allowed a \$10 million suit D'Amelio filed against mayoral secretary Laurie Fabiano to proceed to trial.

D'Amelio alleges in the Fabiano suit that she libeled him during January in newspaper stories about his role in pending police union negotiations.

The suit also names Vezzetti and claims the mayor should be held responsible for Fabiano's alleged libel because he is her boss.

That dispute is scheduled to be heard before Humphreys on Dec. 7.

Another strand of the skein of Hoboken litigation involving D'Amelio was also partially tied up yesterday.

The judge denied a D'Amelio motion for dismissal of a suit filed against the former law director by successor William Graves.

Graves and the Hoboken law department allege that D'Amelio "breached the duty which he owed the City of Hoboken and was enriched and made profits by his breach of legal duty" when the former Hoboken attorney and three partners reaped a \$100,000 profit in a 1986 real estate transaction.

D'Amelio has not yet filed an answer to the suit, which was brought into court for the

first time on May 6. Humphreys yesterday ordered D'Amelio's attorney, William Shulman, to reply within 10 days.

On May 30, 1986, D'Amelio and three partners paid \$265,000 for 210-203 Bloomfield St. D'Amelio was still serving as the Hoboken city attorney at the time.

The Graves suit alleges that there was a breach of public duty when D'Amelio and his partners sold the property and pocketed a \$100,000 profit on Oct. 30, 1986.

Graves specifically objects to D'Amelio speculating in real estate and acting as attorney for himself while he was minding the legal business of the city.

"There's a lot of stuff on the books that says you can't do that," Graves said after the D'Amelio motion for dismissal was denied in court yesterday.

Because city attorney D'Amelio was also the legal advisor to the zoning board, Graves hints in his complaint that there may have been impropriety in the granting of zoning board approval for construction at the Bloomfield St. site while D'Amelio owned the property.

Quoting from the D'Amelio contract to sell the property to David Seligman and John Saracco, the Graves suit presents to the court Paragraph 10 of the document.

"Seller represents that this contract is expressly contingent upon seller obtaining any and all zoning approvals."

The approvals were granted before the sale, and have since been revoked. The last thread in the tangle is the suit brought by the two men who bought the Bloomfield property from D'Amelio.

The buyers are suing D'Amelio, Hoboken and the Board of Adjustment. The present owners of the controversial Bloomfield St. property claim that they have lost money because of the revocation of the zoning variances and the city-ordered shutdown of construction April 17, 1987. Humphreys is studying whether to consolidate the buyers' suit against D'Amelio with the breach of public duty complaint Graves has filed against D'Amelio.

Developer buys Madison for \$1M

By Jim DeRogatis

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City hands P.A. eviction notice from piers

Continued from Page 1

the large bistate agency is too powerful to be adequately controlled by the city. They have urged the city to break the '52 lease with the P.A. and attract private developers for the city-owned portion of the waterfront.

PASS started a lawsuit against the P.A. last fall charg-

ing that it had violated the terms of the 1952 lease by allowing the piers to remain idle and should be removed from the property. Superior Court Assignment Judge Burrell Ives Humphreys, in Jersey City, ordered the city to join the lawsuit two weeks ago.

Graves said he is preparing a "strong technical argument"

to evict the P.A. in court. A first step in the legal fight was the eviction notice, which was unanimously approved by the City Council Wednesday night, signed by the mayor yesterday. P.A. spokesman John Donovan said the authority "hasn't received any notice but one would not be surprised that any particular legal tactic

might be pursued during litigation."

"We have a valid lease on the piers and expect that position to be confirmed," Donovan added.

Graves said that "if the P.A. receives our notice and decides to quit the piers, that's the end of the lawsuit. If not, we'll see them in court."

DeGennaro lashes out at Vezzetti

By Jim DeRogatis

A former member of Hoboken's Planning Board charged the mayor's administration yesterday with attempting to stagnate development in the city.

Maurice DeGennaro, manager of the city's Columbia Towers senior citizens project, served on the board for more than three years before he was removed by Mayor Thomas Vezzetti two weeks ago.

DeGennaro, who was appointed by former Mayor Steve Cappiello, said his removal from the board was political. Vezzetti aide Laurie Fabiano denied the allegation and said DeGennaro was not qualified to

serve on the board.

Vezzetti named two new appointments to the Planning Board, architect William Jones and engineer Pedro Roman. Jones replaced board member Martin Gill, whose term expired, and Roman filled Peter Alicandri's spot as second alternate.

Alicandri was reappointed by the mayor to DeGennaro's spot as first alternate.

In a letter released yesterday, DeGennaro wrote that he "was disappointed that Mayor Vezzetti did not want a balanced board and replaced dedicated, longtime Hoboken residents with new people, inexperienced with Hoboken problems."

DeGennaro claims he was one of the only "outspeak" members of the board. He charged that planning consultant Ralph Seligman, board attorney George Pappas and "certain city officials smother independent thought and actions."

"We would all love an abundance of air, light and space," DeGennaro wrote. "However, for a one-mile square (city), where land is scarce and costly, we must provide the necessary financial support for city programs, city payroll, recreation and schools."

The Planning Board has been considering changes to the Master Plan that would restrict and limit development in many parts of the city. Neighborhood preservationists charge that many of the developments allowed in recent years have been drastically out of scale with surrounding neighborhoods.

Vezzetti released draft guidelines for waterfront development last week that would restrict height to eight stories and limit the number of new units built along the waterfront at 2,000.

DeGennaro criticized the plan and other limits on developers.

DeGennaro criticized the plan and other limits on developers.

Hoboken sluggers may show the Russians how

By Jim DeRogatis

Hoboken's celebrated Sandy Koufax baseball team was thrilled recently to compete in the league's World Series in Puerto Rico, but the next stop for the teenaged sluggers may be behind the Iron Curtain.

Sen. Frank Lautenberg, D-N.J., will make a diplomatic trip to the U.S.S.R. next week and will challenge the Russians to a baseball summit of

sorts, daring them to pit their best young players against the Hoboken team.

Morton Goldfine, a vice president at Hartz Mountain Industries, came up with the idea of the baseball game after reading an article in The New York Times which quoted Russian officials claiming their country invented baseball. Goldfine, a friend of the senator's, is accompanying Lautenberg on the trip at his own expense, according to

a spokesman for the senator.

Many historians recognize Hoboken as the birthplace of baseball. Abner Doubleday staged the first organized baseball game on the city's Elysian Field in 1846. Goldfine reportedly read about the success of the Koufax team and realized it would be especially appropriate to challenge the Russians with a team from the Mile Square City.

Goldfine did not return a

request for comment yesterday, and his public relations firm refused to comment because of an arrangement for "exclusive coverage" with another newspaper.

The Hoboken team made it to the final round of the Koufax League's 19th World Series two weeks ago in Guaynobe, Puerto Rico, before being defeated by a team from California. The Hoboken team members, all 13- and 14-year-old boys, had a 22-1 season record, and were the first team from New Jersey to travel to the World Series.

Team members posed for a photograph in Hoboken City Hall yesterday with their coaches, Mayor Thomas Vezzetti and Goldfine. The senator will present the photo to the Russians next week when he makes his friendly challenge, according to Lautenberg spokesman Jim Abbott.

The senator's trip does have its serious side, Abbott

said. Lautenberg is a member of Congress Helsinki Commission, formed to see that the Soviet honor the human rights accords of the Helsinki pact.

Lautenberg is currently travelling through Poland and Hungary, and is scheduled to meet with Polish union leader Lech Walesa today. The senator will be in Russia all next week, and is expected to meet with officials and dissidents to discuss Soviet emigration practices.

Curbs threaten building

Hoboken may shrink plans for waterfront

By JANET WILSON
Staff Writer

HOBOKEN—City officials unveiled sweeping guidelines for waterfront development here yesterday that would curb drastically new growth, prompting severe criticism from one major developer.

"They may have just killed waterfront development in Hoboken," said Eugene Heller, president of Hartz Mountain Industries.

The guidelines, presented in draft form by Mayor Thomas F. Vezzetti, would chop separate proposals by Hartz Mountain Industries and the Port Authority of New York and New Jersey in half, prohibit all new commuter traffic by car along the Hudson River and require mandatory contributions to the creation of a riverfront park,

affordable housing and other public projects.

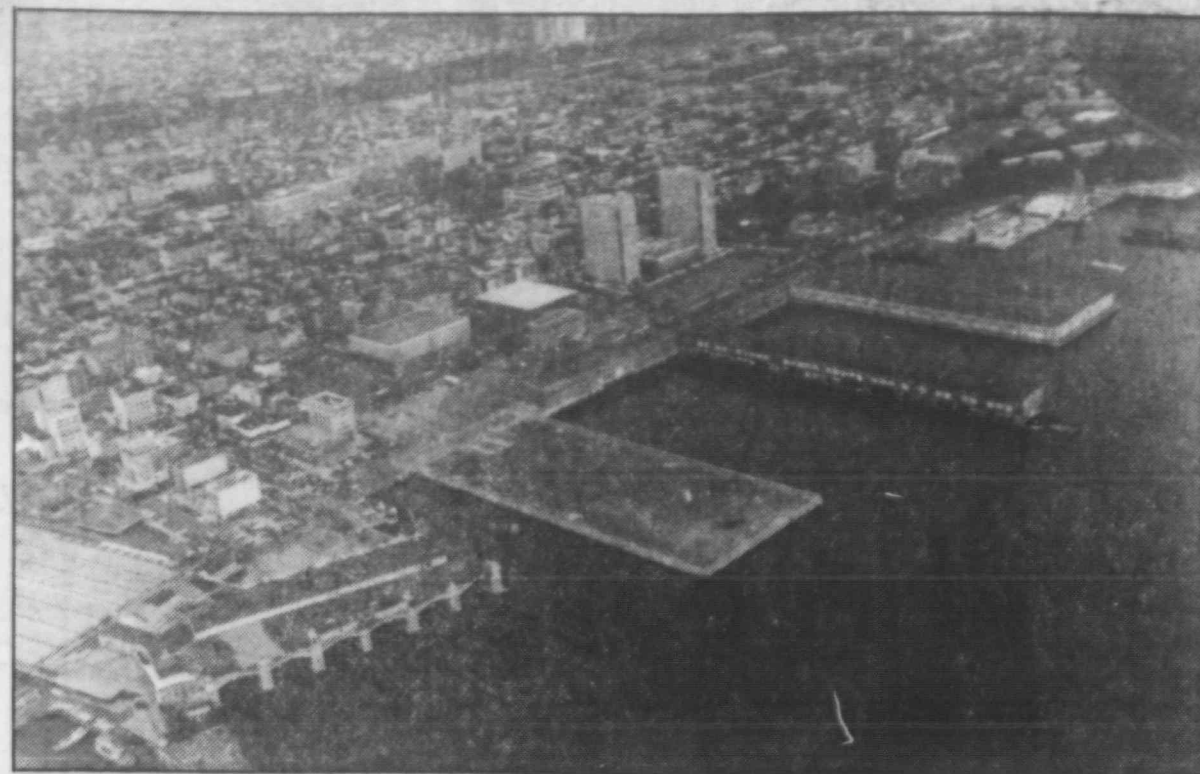
In a separate but related action, the City Council told the authority to get off the piers it rents in the city within three days because it has breached its lease.

PA gets eviction notice from Vezzetti. Page 9.

"This is a fulfillment of my promise to the people of Hoboken two years ago, not to let anyone make the city into one we don't know," said Vezzetti.

Features of the guidelines include:
☐ No tax abatements for any development project.
☐ A maximum of 2,000 more

Please see CURBS Page 11



Hoboken yesterday unveiled guidelines that would curb new development on its waterfront.



Pier A in Hoboken could be replaced by open space under an ambitious waterfront development plan for the city. The Manhattan skyline appears in the background.

SWEEPING VISION

Venice is challenged

Hoboken eyes Hudson as key to its future

By JANET WILSON
Staff Writer

HOBOKEN—Locked inside the dry zoning language and neat sketches of the mayor's plan for waterfront development is a vision that some say could transform the Mile Square City into a virtual Venice-on-the-Hudson, and that others claim would leave this gem of the Gold Coast in the dust.

From water buses ferrying commuters up and down the river, to green parkland hugging the

coastline, to the extension of streets right down to the water's edge, the plan would create an unparalleled amount of open space and access to the riverfront for any municipality in Hudson County.

The plan, released as a rough draft guideline on Thursday, contains several original features.

The one which drew instant criticism from developers was the handling of commercial traffic. Under the plan, every riverfront project would be required to have a slip, or landing dock, on the water.

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CURBS

CONTINUED FROM PAGE 1

residential units for the entire waterfront, stretching from Weehawken Cove to a point south of the Hoboken Terminal.

☐ No parking of any kind for commercial or office space in the waterfront area, and mandatory contributions from developers to build four garages at the edges of the city, from which every commuter to office space along the river would be bused, ferried, or carried by light rail, also at the developers' expense.
☐ Public access to the waterfront on every project.
☐ Creation of a central waterfront park between Fourth and Fifth streets, including possibly an outdoor theater, a public swimming pool and skating rink, a public boat launch and a public fishing pier.
☐ Heights permitted along the river edge would vary, from 25 stories south of the PATH station, to eight stories on the pier property now rented by the authority, to heights not to exceed that of the cliffs in front of Stevens Tech.
☐ The traffic proposals, especially, generated immediate controversy.
☐ "If a man can't drive to work at his own plant, he's not going to build there. Period," said Heller of Hartz. City officials were equally adamant, though, pointing to a study done by consultants in 1983 that showed that, even with no new development anywhere here, the city would reach total gridlock at nine separate entrance and exit points by 1993 because of development in surrounding communities.
☐ "We are a small city, and we're being pinched in every direction," said Laurie Fabiano, a mayoral aide.
☐ Hartz has proposed 13-story mixed-use towers below Stevens Tech that would be scaled back to about eight stories under the new

guidelines. Heller would not comment on whether he would be willing to reduce the height and density of the project. The authority's proposal for a \$125 million, 32-story business-hotel-retail center also is directly affected by the guidelines, but agency spokesmen refused to comment until they had seen the report.

But others hailed the guidelines, especially the news that they could compete for the prime waterfront space now rented by the authority.

"We agree totally with the views of the city on everything down there," said Lou Mont, co-developer of the highrise Skyline project in the southwest corner of the city. He said the creation of parking lots at the edge of the city, and the banning of traffic along the river is "a great idea. You're going to have total logjam downtown otherwise," he said.

Asked if he would submit plans for the piers, Mont replied, "absolutely."

Tom Illing, a member of the Waterfront Advisory Committee, said he was "delighted" with the draft, although he could not comment on specifics since he had not finished reading it.

Vezzetti administration officials said they expect controversy and discussion concerning the draft guidelines.

The guidelines were prepared by consultants David Vander and Ralph Seligman, mayoral aide Fabiano, and Community Development Agency staff members in the last month. The draft was given to the Planning Board, the Zoning Board of Adjustment, and the Mayor's Waterfront Advisory Committee yesterday.

Pieces of it will be discussed and woven into the master plan and new zoning ordinances "as quickly as possible," according to Seligman.

Replacing City Hall

Hoboken city fathers will soon have to deal with an issue close to their political heart, namely the plight of City Hall.

The building is a physical wreck. Indeed, according to one city official, all the facility's major systems need repair.

Plainly stated, it may be time for a new City Hall.

It is true that a community's City Hall should be its civic focal point. As the center of government, it is also the meeting place of the public.

But the place should also be both safe and a source of pride.

Currently, Hoboken City Hall has scaffolding to protect visitors and officials from falling debris. Further, it is a little hypocritical for a city to have its government operate in a crumbling building while at the same time requiring developers and landlords to maintain safe conditions on their properties.

A complete overhaul of City Hall, however, would be costly. Edwin Chius, the city's business manager, says he will propose that the city council appropriate money for the rehabilitation, though it will likely cost several million dollars.

The alternative may be to move city government to the Demarest School, which is bigger than City Hall. All city departments can be consolidated in the school. Today, many city departments have their offices outside City Hall and in various sections of the city.

The Demarest School is underutilized, but there is a movement afoot to retain it for educational purposes. Statistically, studies have indicated that Hoboken can close two schools and still have enough classroom space. But it is important that no school closing decision be made on the basis of the City Hall question. The educational issues, with extensive parental involvement, must take precedence.

Practically speaking, moving the city government into a new location sounds like a better solution to the City Hall problem than renovating the current building. City Hall may have an historic feel, yet the building's deterioration makes it anything but regal.

Hoboken given two weeks for school plan

By Jim DeRogatis

Hoboken educators have two weeks to develop a plan to improve the city's troubled school system.

Superintendent of Schools Walter Fine said yesterday that state officials have given the system until Sept. 11 to develop a plan to correct deficiencies in the schools outlined in the controversial Level 3 report.

Hoboken is one of five districts in the state that have lost their certification and are under Level 3 monitoring by the state Department of Education, a process which could eventually result in a state takeover. The department's compliance office released its Level 3 review of the Hoboken schools last month, pointing to such problems as chronically poor student test scores, a failure by the board to meet the educational needs of the community, lack of a system-wide mission, poor procedures for evaluating teachers, and instruction that is not geared toward helping students to meet state standards for achievement.

The state has given Hoboken a year to develop and implement a plan to correct the district's problems. If the district does not improve significantly in that time, a comprehensive investigation could be launched, the last step before a state takeover.

Jersey City is the only school district in the state to reach the comprehensive compliance phase of Level 3 monitoring.

The Committee for Quality Education, a Hoboken watchdog group which believes the Level 3 report ignored major problems in the Hoboken schools, is expected to petition the state next week to undertake a comprehensive compliance investigation in Hoboken.

The superintendent's plan for improving the district includes hiring a fulltime curriculum director. He said yesterday he has interviewed a number of qualified applicants.

The improvement plan will first be submitted to the Board of Education for their approval, and finally to the state, Fine said.

Weehawken wants own sewer panel

By John Petrick

The Weehawken Council yesterday formally requested the state Local Finance Board to approve the creation of a regional sewerage authority that would include the township, Hoboken and Union City.

The seven-member board would have its own power to issue bonds separate from the three communities, and would take some of the administrative burden off Hoboken's public works department.

Union City and Weehawken use Hoboken's sewage treatment plant, but the state Department of Environmental Protection and Hudson County Utilities Authority have been dealing directly with Hoboken.

Before the new authority can be formed, all three communities and the HCUA must pass ordinances urging the state to approve the concept. Union City and Hoboken have already adopted those measures.

At its meeting last night, the HCUA decided to defer action on the plan. HCUA Executive Director George Crimmins Jr. said the board viewed the plan favorably, but on the advice of counsel decided first to contact the federal Environmental Protection Agency and the state Department of Environmental Protection to ensure there would be no adverse impact on the HCUA's application for a grant to help pay for upgrading Hoboken's facilities.

See WEEHAWKEN — Page 8.

FUTURE

CONTINUED FROM PAGE 1

The city's coastline would be a highway on water, with every commuter required to leave his car at one of four municipal garages and hop aboard a boat to reach his office. Mayor Thomas F. Vezzetti cheerfully accepts comparisons with other water-based cities.

"My Italian ancestors inspired me to make this the Venice of America," he said yesterday.

The fanciful-sounding talk of boats is grounded in a growing alarm among city planners that traffic on land will approach gridlock within three years even if nothing is built anywhere here. With commuters from all parts of the county and state streaming into the PATH station daily, studies show traffic jams could rival midtown Manhattan's by the next decade.

Another feature of the plan would be the construction of "open view" corridors at the end of every street leading down to the river. First through Fourth streets, and 11th through 14th, all would be extended to the water's edge.

Any buildings constructed along the new blocks would have to fit into increasingly narrow triangular plots of land the closer they are built to the river, meaning a structure in the shape of the Flatiron Building in Manhattan easily could appear on every one of the corners closest to the river.

The triangular lot sizes would result in a widening of the new streets as they approached the water's edge. Looking down any of the cross streets from uptown, an uninterrupted, expanding view of the water and the Manhattan skyline would be afforded.

At water's edge, every building except the existing General Foods plant would be fronted by a public walkway, and every project would be required to have public access to the waterfront, again contributing to an open, airy feeling with numerous views. The Maxwell House neon coffee cup would remain a prominent feature of the city's skyline, with all buildings limited to a maximum of eight stories except at the corners of the city.

A more typical and popular design idea is the inclusion of a central waterfront park which would be an extension of Stevens Park — bordered by Fourth, Fifth, Hudson and River streets, down to the river's edge.

P.A. ignores warning to vacate city piers

By Jim DeRogatis

The Port Authority ignored the city's warning to vacate the Hoboken waterfront piers yesterday, setting the stage for a showdown in court.

Mayor Thomas Vezzetti sent the P.A. a letter last week ordering the authority to vacate the three city-owned piers it leases between Newark and Fourth streets. The eviction notice had given the P.A. until Sunday to leave the valuable waterfront property.

But the authority remained a presence on the piers yesterday. Approximately 30 cars owned by P.A. employees were parked on Pier A yesterday afternoon, near a huge sign marking the pier as the future site of the "Hudson Center waterfront development."

The P.A. maintains that its 1952 lease to the piers is valid, and a spokesman said the au-

Stage is now set for court battle

authority has no intention of leaving before the lease expires thirteen years from now.

Mayor prepared to act

Vezzetti, adorned in a ten-gallon cowboy hat, was prepared to padlock the gates to Pier A yesterday "to show the P.A. who's boss," but he was restrained by city Law Director William Graves, who advised the mayor that the battle should be fought in court. Hudson County Assignment Judge Burrell Ives Humphreys has ordered the city to join a lawsuit by a local citizens group at-

tempting to break the P.A.'s leasehold.

Under the terms of the '52 lease, the P.A. retains control of the piers until 2002 for the purposes of operating a marine terminal. However, the authority has been negotiating a re-stated lease with the city since 1984 to build a \$600 million development on the site.

Talks broke down last February when the city sued the authority to recover \$9.7 million in insurance funds collected after one of the piers was destroyed by fire. The city won the lawsuit, which was institut-

ed by People Advocating Safe Solutions.

PASS also started a lawsuit against the P.A. last fall charging that the authority violated the terms of the 1952 lease by allowing the piers to remain idle. The piers have not been used for shipping for more than a decade.

Used for parking

The P.A. removed the pier house from Pier A several years ago, and the large, barren concrete expanse is used for parking by authority employees. The fenced-in pier has also been opened to the public on special occasions, such as Liberty Weekend.

Pier B was heavily damaged by fire in 1980, and the old wooden structure covering Pier C is slowly crumbling into the Hudson River. Both piers

See P.A. — Page 12.

P.A. ignores order to vacate piers

Continued from Page 1

are off-limits to the public. Graves said the P.A. allowed the piers to deteriorate while using their leasehold as a bargaining chip in negotiations with the city over Hudson Center.

"I think we have a very strong technical argument for evicting the P.A.," he said.

The P.A. disagrees. "We have a valid lease on the piers and expect that position to be confirmed," spokesman John Donovan said last week.

The city is due to present its complaint to Humphreys this week. A date for the trial has not yet been set and attorneys said the legal process could take several months.

Meanwhile, it was revealed that the P.A.'s waterfront development in Hunters Point, Queens will pay New York City \$1.5 million annually in lieu of taxes. Hoboken currently receives only \$70,000 from the authority each year.

The Hunters Point development is the sister project to Hudson Center in Hoboken. The 1984 legislation which enabled the P.A. to undertake real estate development projects mandated that the bistate authority launch equal, parallel projects in New York and New Jersey.

The Hunters Point project, however, is moving considerably faster than the Hoboken development. P.A. officials recently secured title to one of

the largest privately owned pieces of property in New York as its development site, and P.A. commissioners signed an agreement of principle on the development with the New York City Public Development Corporation.

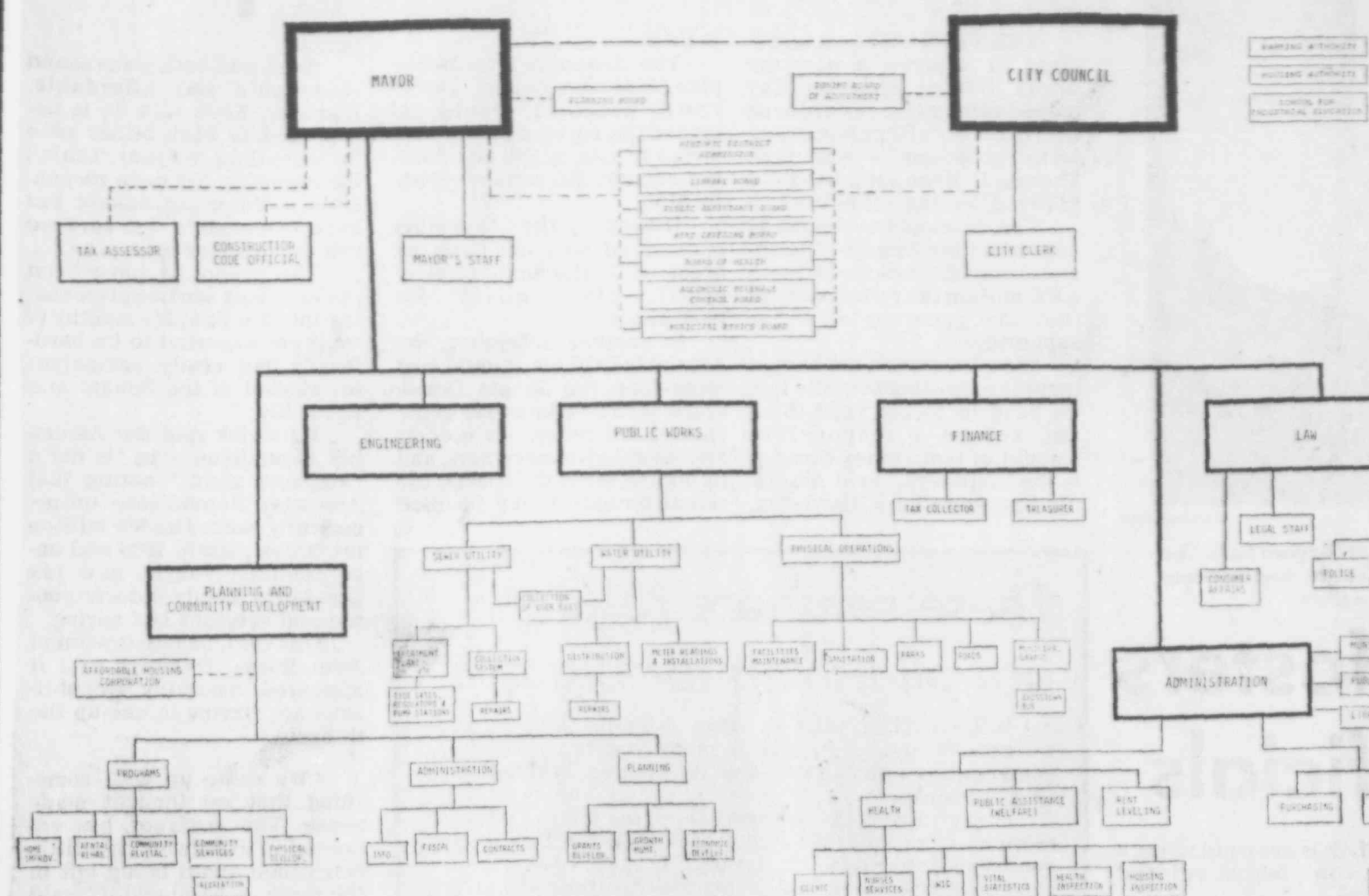
The Associated Press revealed yesterday that an element of that agreement involves a promise by the P.A. to pay New York \$1.5 million in

lieu of taxes annually. Before negotiations with the city broke down, the P.A. pledged to provide Hoboken with \$2.5 million annually during the first four years of the development, but a financial deal was never struck.

The 1952 lease requires the P.A. to pay Hoboken 75 percent of the profits from the marine terminal or a minimum of \$75,000 annually. The terminal never turned a profit, and in 1969, an election year, then-Mayor Louis DePascale borrowed \$5,000 on every remaining year of the lease.

DePascale used the \$165,000 to lower the tax rate. He was subsequently re-elected, and the city has been paid \$70,000 by the P.A. annually ever since.

Plan advances to streamline city government



Mayor Thomas Vezzetti's blueprint for streamlining city government.

Continued from Page 1

month, started at 7 p.m. Wednesday but continued into the early morning due to a lengthy agenda which included 80 resolutions and a dozen ordinances. The council finally voted on the reorganization ordinances at about 1 a.m.

Other plans call for establishing a division of physical operations within the Public Works Department and abolishing the Community Development Agency and re-establishing it as the department of planning and development.

The plans were announced by Vezzetti and his assistant, Laurie Fabiano, last February. The legislation was shelved until after this summer's City Council elections.

Ordinances to establish the department of engineering and the division of purchasing were approved by unanimous votes. The ordinance to create the department of finance was passed by a 8-to-1 vote, with Councilman Steve Cappiello casting the dissenting vote.

The council unanimously agreed to table the division of personnel legislation to "clean up some language problems," said City Business Administrator Edwin Chius.

Administration sources said they anticipated council opposition to the ordinances, which became a campaign issue for anti-administration City Council candidates. Vezzetti supporters control a slim majority on the nine-member council.

"This was just the first

reading of the ordinances," Fabiano, whom Vezzetti credits for developing the initiatives. "But I hope this will be an indication of the final vote."

Appropriations to fund the new departments and divisions, nearly \$140,000, were included in the 1987 municipal budget. Plans call for the hiring of two new people for the directorships, while existing personnel will be upgraded and transferred to the new divisions.

Administration officials said the engineering director will maintain quality control for all major municipal projects while replacing the current city engineer who is hired on a contractual basis. The finance director, who must be certified by the state, will maintain jurisdiction over the Tax Collector and the Comptroller's offices.

The divisions of purchasing and personnel will be created to perform tasks currently undertaken by administrative assistants in the Business Administrator's office.

Chius said the engineering department is expected to save the city money it usually pays contractors while, the finance department is expected "to pay for itself."

He said the creation of the divisions will "save the city more in efficiency than in dollars."

Fabiano said she hopes the other reorganization ordinance will be introduced this fall.

City streamlining plan advances

By Bill Campbell 8-21-87

series of governmental changes.

Hoboken Mayor Thomas Vezzetti's sweeping plan to streamline municipal government received a boost from the City Council when early yesterday morning it approved first readings of key reorganization ordinances.

The council, in separate votes, approved ordinances to create departments of engineering and finance and establish a division of purchasing within the Department of Administration.

The ordinances are considered essential elements of the administration's reorganization plan and are the first in a

Approval of the first readings do not make the ordinances into law. But the council acted to speed up the process by unanimously waiving the 30-day maturity period for the legislation. This would enable a public hearing and final readings during its next session in September.

A fourth reorganization ordinance, establishing a division of personnel in the Department of Administration, was tabled pending revisions.

The meeting, the council's only scheduled session this

See PLAN — Page 7

Waterfront plan warmly received

By Jim DeRogatis 8-24-87

Mayor Thomas Vezzetti's guidelines for waterfront development in Hoboken are being hailed as a "step in the right direction" by city officials and community activists.

The plan, which was presented by the mayor last Thursday, limits new construction to eight stories along most of the waterfront, prohibits commuter or commercial parking, sets the maximum number of new housing units to be created at 2,000 and demands that developers contribute to a number of public amenities.

Hoboken's waterfront is currently considered a "special zoning district" in the city's zoning ordinance, meaning there are no set limits for height and density.

Laurie Fabiano, Vezzetti's executive assistant and an architect of the design guidelines, said the plan represents "the first time Hoboken is saying what it wants on its waterfront instead of reacting to a developer's proposal."

If approved by the Planning Board and incorporated into the zoning ordinance by the City Council, the design guidelines will dramatically scale down the size of waterfront projects proposed by Hartz Mountain Industries and

Vezzetti's guidelines hailed by activists

Stevens Institute of Technology, the Port Authority of New York and New Jersey and Anthony Dell 'Aquila.

The P.A. project proposed on three piers owned by the city between Newark and Fourth streets includes several buildings with heights of 24 and 30 stories.

The Hartz project planned for land owned by the college in the center of the waterfront involves a research and technology center with two buildings of ten and 13 stories.

Dell 'Aquila has not publicly presented his development plan for the northern waterfront, but sources said it involves several high-rise apartment buildings.

Most officials and neighborhood leaders praised the plan as a "starting point" for determining what kind of development is right for the waterfront. Many agreed that the P.A. and Hartz plans were "out of scale" for Hoboken.

"There are parts of the plan I like very much," said Councilman David Bertis, a

pro-development member of the Planning Board. He said he did not think the plan would hurt development in Hoboken.

"I've always felt the high density development should be along the city's perimeter on Observer Highway, not on the waterfront. We can't afford to have that density there or the traffic it would cause," he said.

Traffic problems in the city are a major concern, most officials said. A traffic study included as part of the P.A.'s environmental impact study for its Hudson Center project indicated that several key intersections in the city would be at a state of "permanent gridlock" within the next few years because of developments in Hoboken, Newport to the south and Lincoln Harbor to the north.

"The plan is addressing what I think is a serious problem — access to waterfront," said Councilman Thomas Newman, an active neighborhood preservationist and former member of the city Zoning Board of Adjustment. "The

traffic problem is a limiting factor on development of the waterfront. We don't want to live with constantly congested streets filled with pollution."

The design guidelines would eliminate commuter and commercial parking on the waterfront and require developers to contribute toward building parking garages on the northern and southern borders of the city. People could be brought to and from the developments by shuttle buses or east-west ferries on the Hudson River.

The Hartz project includes 1,000 commercial parking spaces, and the P.A. plan calls for more than 3,000 commercial and commuter spaces. "The problem with that kind of parking is that Hoboken is not a suburban strip that's easy to get in and out of," Newman said.

"I have always thought the P.A. plan was just too big and Hartz Mountain's plan is a problem because of the traffic that would result to the center of the city."

The reduction in heights along the waterfront and the demands on developers for more public space was greeted enthusiastically by several community groups, including

See WATERFRONT — Page 9.

Hoboken to unveil waterfront plan

By Jim DeRogatis Jersey Journal 8-18-87

Hoboken will accept proposals from developers other than the Port Authority for a stretch of city-owned land along the waterfront as part of a development plan to be released Thursday. City officials plan to unveil a master plan for

Hoboken to unveil waterfront plans

Continued from Page 1

posals will continue to be considered, although proposals from other developers will also be welcomed.

Opening the city waterfront to proposals from other developers is a position that has long been advocated by PASS and the mayor's Waterfront Advisory Committee. Both groups believe the city should seek developers other than the P.A. because the city cannot adequately control the powerful, bistate authority.

Fabiano said the waterfront plan, which she called "draft guidelines for waterfront development," will "move the city from the position of reactor to actor. For the first time, we will say what we want to see on our waterfront."

The draft plan was developed over the last month by key Vezzetti officials, including Fabiano and Community Development Agency Director Michael Coleman, with advice from city planning consultants Ralph Seligman and David Vantor. It will be presented to the Planning Board and City Council for input and revisions, Fabiano

said. The plan will become law as the council passes amendments to the zoning ordinance, Fabiano said. Officials would not reveal specifics of the plan until it is released Thursday, but sources said it includes "severe" height restrictions along the waterfront.

Sources said the plan will directly conflict with the Hudson Center proposal, which includes heights up to 40 stories; the joint research center development proposed by Hartz Mountain Industries and Stevens Institute of Technology near Fifth Street, which includes high densities and a 13-story office tower; and plans by developer Anthony Dell 'Aquila for high rise development at the site of the old Hoboken Shipyards on the northern waterfront.

The plan reportedly emphasizes public access to the Hudson River and includes requirements for public recreation on the waterfront. Sources said it will also contain formulas for developer contributions to affordable housing and infrastructure improvement.

Waterfront plan warmly received

Continued from Page 1

the Hoboken Environment Committee and People Advocating Safe Solutions, an anti-P.A. development group.

"I think we can live with eight stories on the waterfront, depending on how the project is put together and as long as there is enough open space," said Helen Manogue, founder of the Environment Committee. "The extension of the Stevens

park at Fourth Street called for in the plan is one of the things the Environment Committee has been recommending for years."

PASS leader Richard Seltzer, who is also a member of the pro-development Help Hoboken Housing, said the plan is "a step in the right direction. The emphasis on public recreation and parks is something Hoboken is in dire need of."

Several members of the council said parts of the plan should be approved with little argument, but Councilman Steve Cappiello objected to the height restrictions.

"It's not high enough for me," he said.

"I would rather see one 24-story building and a lot of open space at the ground level than a row of eight story-buildings. You would have as much air

and light, if not more."

Michael Ocelllo, Planning Board chairman, praised the efforts of the mayor's office in preparing the plan and said he "looks forward" to reviewing specifics with the board. He said the board should complete a review of the design guidelines by the middle of September and forward them to the council with its recommendations.

Hoboken waiting on housing fees

By Bill Campbell 8-24-87

Hoboken will hold up legislation requiring real estate developers to contribute to affordable housing and infrastructure funds until a state team completes its evaluation of user fees.

The team, consisting of officials from the public and private sectors, will present to the City Council in November its recommendations on how much Hoboken should charge developers "to do business in the city," said City Councilman

Dave Roberts, chairman of the council's committee on redevelopment.

Members of the council have been working with municipal consultants and developers for most of the year on the fees. The council is expected to meet September 10 to discuss possible legislation.

Called inclusionary ordinances, the legislation will set a price per square foot that developers must pay the city to implement affordable housing and sewer improvement plans. The city, citing the need for

affordable housing units and improvements to the century-old sewerage system, wants developers to foot the bill.

The state team, headed by officials from the governor's office, has been conducting its own study for about two months, according to Robin O'Malley of the Governor's Office of Policy and Planning.

Although the city has yet to adopt the ordinances, two developers, Gerald Baker, an attorney, and Daniel Gans of West Bank Construction, have already agreed to pay the city

\$186,000 and \$2.2 million, respectively, to create an affordable housing fund.

Roberts said the city will continue to require contributions by developers on a "case-by-case" basis until a uniform fee is established. The city has not yet asked developers to contribute to an infrastructure fund.

"We are going to hold off setting our own fees and introducing any legislation until the state team completes and is

See HOBOKEN — Page 9.

Hoboken waiting on housing fees

Continued from Page 1

sues its report and recommendations in November," said Roberts, whose committee met with O'Malley and other consultants late last week.

"Rather than capriciously set our own fees, which might make Hoboken too expensive to developers, we will take full advantage of what the team recommends," he said.

Among the members of the state team are officials of Real Estate Research Corp., a New York City based real estate market consultant. The firm has performed fee studies in Boston, San Francisco, Miami and Baltimore, according to Roberts.

Anne Bartlett Covell, an assistant vice president for the firm, said she could not comment on the Hoboken study. O'Malley also would not comment on specifics of the plan or

a completion date until it is released.

However, Roberts and City Councilman Thomas Newman, a member of the council's redevelopment committee, both confirmed the report will be released during the first week of November. Neither said they could predict the amount of the fees.

"That's really the \$64 question," Newman said. "No one wants to tackle that issue until all the work is done. We have to look at the strength of the local market to make sure this doesn't become the case of the goose that kills the golden egg," he said.

"We really have one shot to do this right, and given the way real estate cycles work, we might not have another chance to take advantage of this for another 75 years," Newman said.

See HOBOKEN — Page 8

Cops probe use of CUNA grant

By Jim DeRogatis

8-20-87

Hoboken police are investigating the possible misuse of city funds by the leader of a local Hispanic community group.

Police are trying to determine whether Juan Garcia, the executive director of Ciudadanos Unidos pro Nueva Accion, misused a \$15,000 grant from the city Community Development Agency by living in CUNA's offices at 918-920 Willow Ave., according to Det. Lt. Martin Kiely.

"There was nothing in the grant that allowed for Garcia to live on the premises," Kiely said. "He was personally benefiting from the use of those funds by having his rent, Public Service and phone bills paid."

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CUNA has been the subject of controversy since February, when the group was denied an \$18,394 grant by the state Department of Community Affairs and a \$56,559 matching grant by the state Division of Youth and Family Services because of "offering a low level of service," according to a DCA spokesman.

Spokesman Richard Harpster said that after an investigation into CUNA's operations, the department concluded that the group's offices "were in poor condition, few residents used the group's services and the level of service offered was very low." DCA channeled the funding previously allocated to CUNA into another Hoboken Hispanic service group, the Nuestros Ninos day care center.

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Another deal similar to the Bell program comes from American Motors. For the past two months, it has provided its customers with zero-percent financing, said Moon Mullins, a company spokesman. In addition, the company also gives a rebate of \$300, Mullins said.

These financing deals come at a time when dealerships must rid themselves of 1987 models to make way for

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The low rates, according to Philip Wade, director of strategic planning for marketing firm J.D. Powers and Associates, are merely a new version of traditional selling techniques, however.

"This is another form of applying a discount," Wade said. "It has more dramatic impact."

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Dispatch 8-29-87

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Inhaling too much of either substance can destroy a human respiratory system, said a hazardous materials expert at the scene.

Firefighters and ambulances from three municipalities re-

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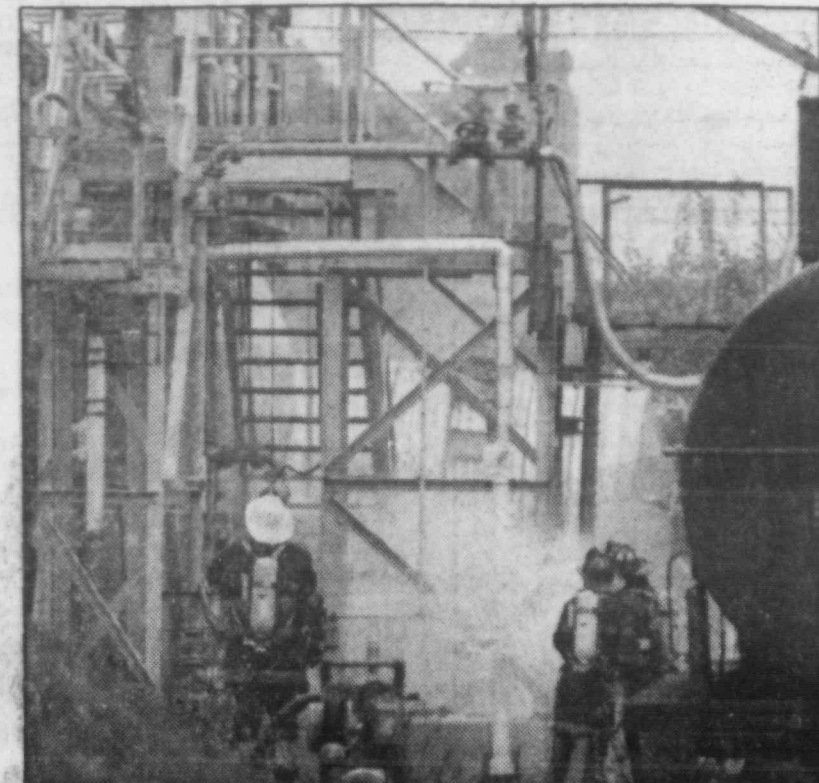
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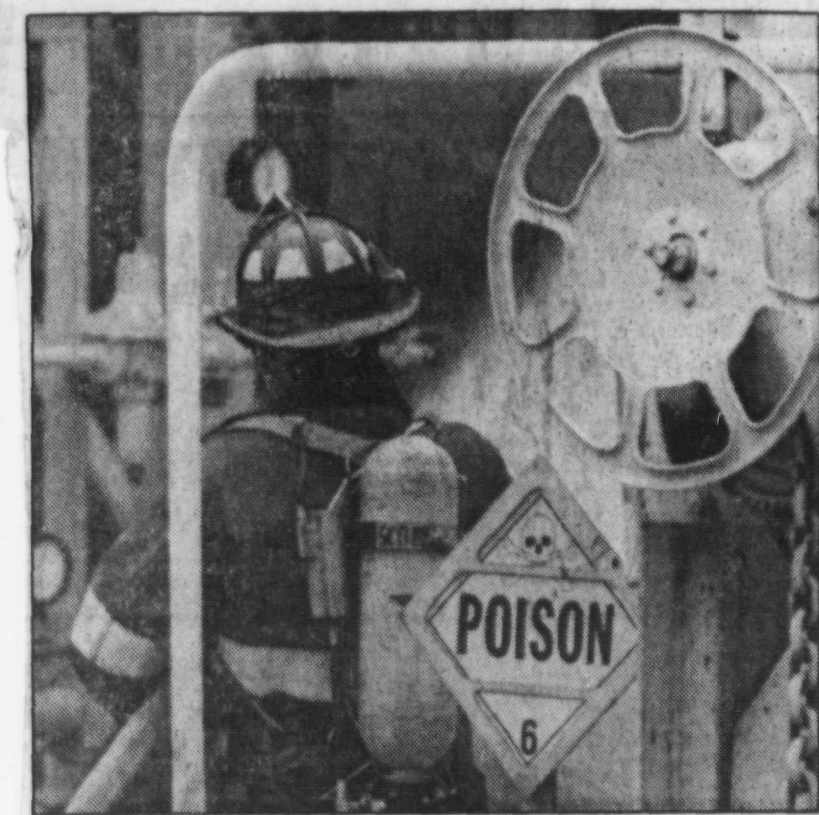
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Please see GAS Page 8



Firefighters and Henkel Corp. personnel check the scene of an acid leak at the company's plant in Hoboken, above. A firefighter hoses down the area where the leak occurred, below.

JOHN DECKER THE DISPATCH



GAS

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"This was a small Bhopal," said Roy Haack, city public safety director. "Five gallons of acid produced a cloud four blocks wide. Can you imagine if it had been at night, and raining, and 200 gallons had leaked before it was discovered?"

Haack and other city officials said they want to relocate the chemical plant, which has operated in the city more than 25 years.

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Councilman Steve Cappiello said he would seek help from the federal government to have the plant relocated, and wanted an inquiry conducted by the Department of Environmental Protection. A DEP spokesman said he did not have time to check the company's safety record, but that he

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Asbestos is found in Brandt School

By Jim DeRogatis

8-28-87

The Hoboken Health Department has discovered asbestos in the Brandt grammar school.

City Health Officer Patricia Mitten said inspectors from her department discovered the asbestos in the basement and sub-basement of the grammar school at 11th Street and Willow Avenue, even though the school had supposedly been cleaned of the potentially hazardous material two years ago.

The Hoboken Board of Education will hire a consultant to determine whether the asbestos is a danger to students. Superintendent of Schools Walter Fine said yesterday.

It was unclear yesterday how much asbestos is present in Brandt, if it is in an area where children are exposed or whether it is in the process of decomposing.

Asbestos was used as insulation in many older buildings. When the material begins to decompose, fibers can easily become airborne.

Doctors have linked an accumulation of asbestos in the lungs to human lung cancers.

School officials declared the city's eight grammar schools "asbestos-free" two years ago after contracting with firms to remove the material.

The state Health Department examined the schools at the time and determined that there was no longer an asbestos problem, Fine said.

Inspectors discovered asbestos remaining in Brandt during a routine inspection several weeks ago, Mitten said. She said she notified school officials and "they were supposed to get back to me and they haven't."

Fine will ask the school board to hire a consultant to examine all of the Hoboken schools for remaining asbestos, he said yesterday.

The system may be eligible for state funds to clean out the material if the consultant determines that its condition poses a hazard to students, he noted.

"I don't think this is a major problem. It shouldn't affect the school opening on time," Fine said.

"But any time you have asbestos, you have to consider it a problem and check it out."

Witnesses say gas was like thick fog

Dispatch 8-29-87

By DARRAGH MACINTYRE

Staff Writer

"You could cut it with a knife, it was that thick," was how one witness described the billowing mixture of hydrochloric and sulfuric gases that swept up to The Doric apartment building in Union City from the Henkel chemical plant in Hoboken.

So thick that many people mistook the fast rising cloud that enveloped The Doric for fog or thick smoke.

Autobody repairman Orlando Martinez was working just a block away from the Henkel plant at 1024 Jefferson St. when he saw the cloud.

"I thought it was from a fire so

I went out and took a look. I was outside for maybe ten minutes before the cops came around and told us to close up and stay inside," Martinez said.

He said he felt nauseous shortly afterward and was considering going to the hospital.

Henkel employee Angel Esponaza got a close look.

"It was like a cloud, but not normal," Esponaza said. "I just wish I had a camera with me."

"The cloud covered that whole building up there," he said, pointing at The Doric.

Gerry Morgan, who was on the 18th floor of The Doric, saw the cloud come up to the building.

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FOG

CONTINUED FROM PAGE 1

"It was like a thick fog, but sort of yellowish," Morgan said. "It came and hung around the building for a few minutes before it blew out."

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"It's a healthy competition," said Tony Nigro, president of AC Chevrolet.

"There are a lot of pro-

grams in the market place, and what it really boils down to is the price of the car," Nigro said.

Others were not impressed. "It doesn't make that much of a difference," said Abe Levy, general manager for DiFeo Volkswagen of Jersey City, where the rate is 9.9 percent. The reduced rate merely forces the dealer to raise the selling price of the cars, he said.

The General Motors spokesman disputed this claim. Newcomer said a dealer would have no reason to raise the price since the dealer needs to sell cars.

Deadly gas leaks at detergent plant

Dispatch 8-29-87

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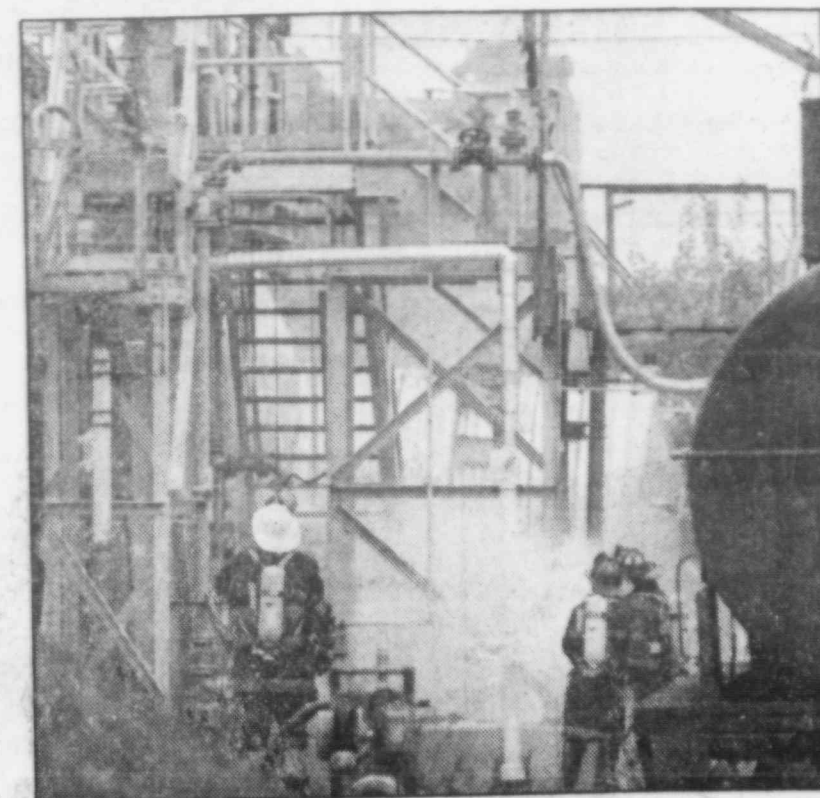
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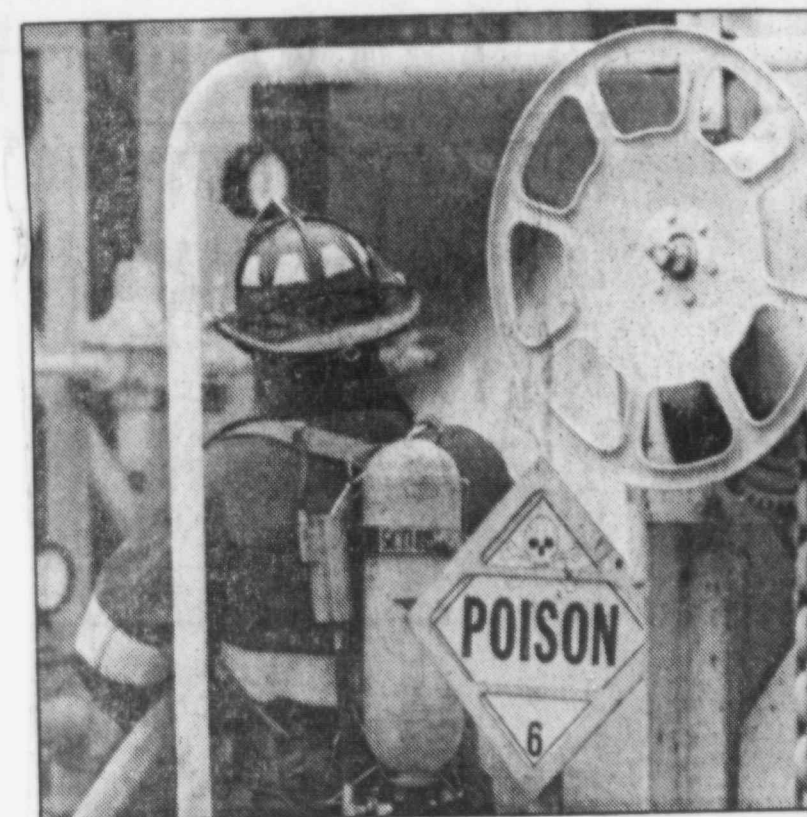
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JOHN DECKER THE DISPATCH



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"I thought it was from a fire so

I went out and took a look. I was outside for maybe ten minutes before the cops came around and told us to close up and stay inside," Martinez said.

He said he felt nauseous shortly afterward and was considering going to the hospital.

Henkel employee Angel Esponaza got a close look.

"It was like a cloud, but not normal," Esponaza said. "I just wish I had a camera with me."

"The cloud covered that whole building up there," he said, pointing at The Doric.

Gerry Morgan, who was on the 18th floor of The Doric, saw the cloud come up to the building.

Please see FOG Page 8

Restrictions dot waterfront plan

By Jim DeRogatis

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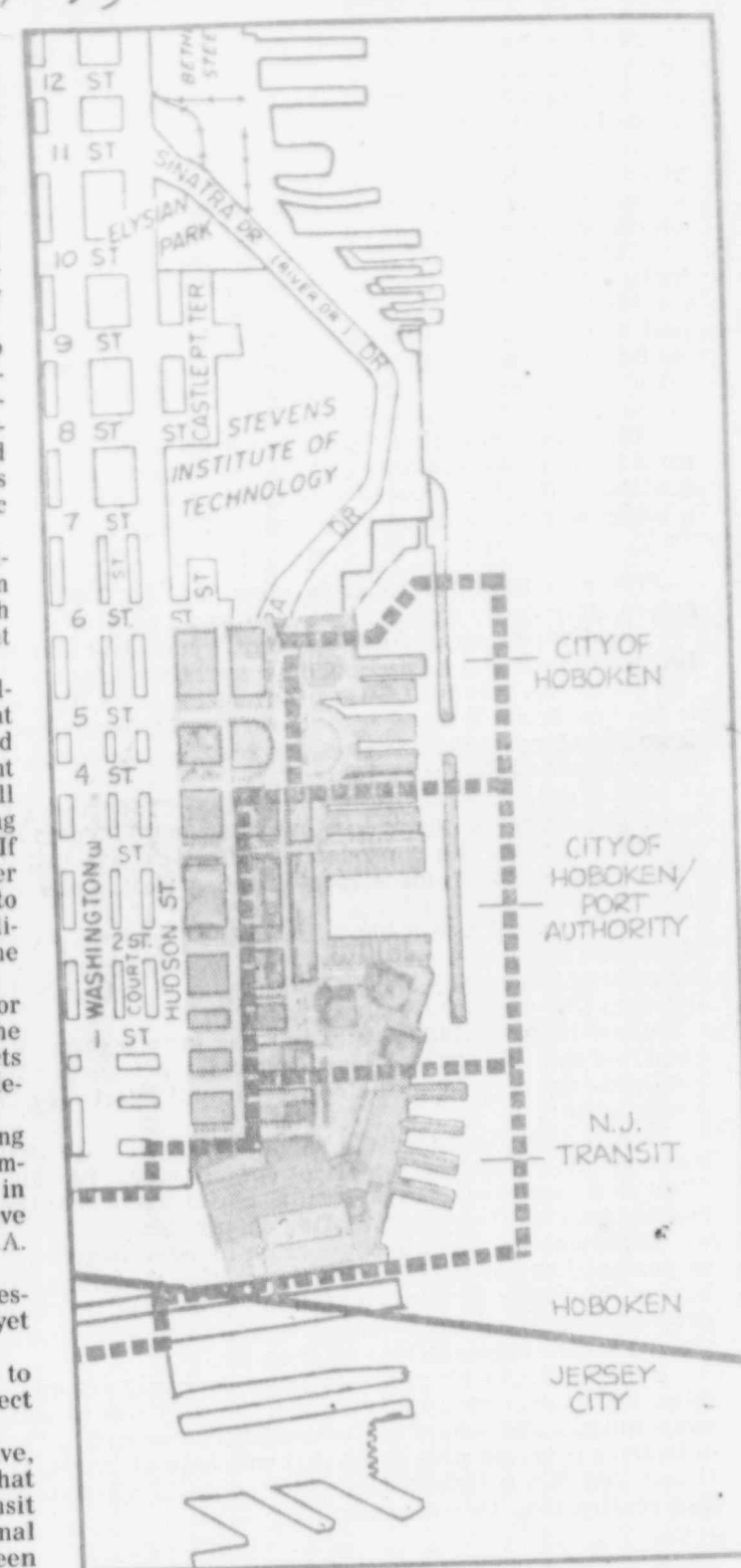
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Extended exposure potentially fatal

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Staff Writer

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The chemical, chlorosulfonic acid, becomes a corrosive gas when it mixes with air. When it comes into contact with people, it breaks through skin and mucous membranes and causes irritation, according to chemical health experts. The longer and more extensive the contact, the greater the breakdown of tissue, causing skin burns and internal swelling.

"If you inhale enough of it," said Jay Young, a consultant with Chemical Health and Safety group of Silver Spring, Md., "you get lung edema, which will weaken the lungs and lead to all kinds of other problems."

"You'd eventually die, and rather painfully, I would imagine," said Jim Staples, spokesman for the Department of Environmental Protection.

No one has died from inhaling the gas, Young said. He could not say whether the concentration of the chemical released yesterday was potentially lethal. He added that sufficient exposure to the eyes could cause blindness.

The DEP measured the concentration of the gas in the air in Hoboken and around The Doric, the Union City highrise more than a mile away where a cloud of the chemical settled, but would not make the results available to the press. Staples would only say that the air around the Doric was "highly acidic."

He said most of the symptoms from exposure to chlorosulfonic acid become apparent immediately and can be alleviated by washing thoroughly. Those who were ex-

posed yesterday were told by local fire officials to shower and change their clothes. The fire officials also hosed down The Doric and cars in an adjacent parking lot.

The clean-up effort was made more difficult by yesterday's rainy and overcast conditions, according to Young and fire officials. Young said the chemical breaks down into hydrochloric and sulfuric acid, which is found in car batteries, when exposed to water.

The rain and the low sky brought the gas cloud down lower, according to fire officials, who said the cloud may have continued traveling or dissipated high above ground if it were not for the weather.

Young said that the Union City firefighters who hosed down The Doric did the right thing despite the chemical reaction it created.

"As long as it's up in the air, it's a potential hazard," Young said. "The only way to knock it down is with water."



A firefighter hoses down cars parked in Union City at The Doric highrise, where an acidic cloud settled yesterday after drifting from Hoboken.

DON SMITH THE DISPATCH

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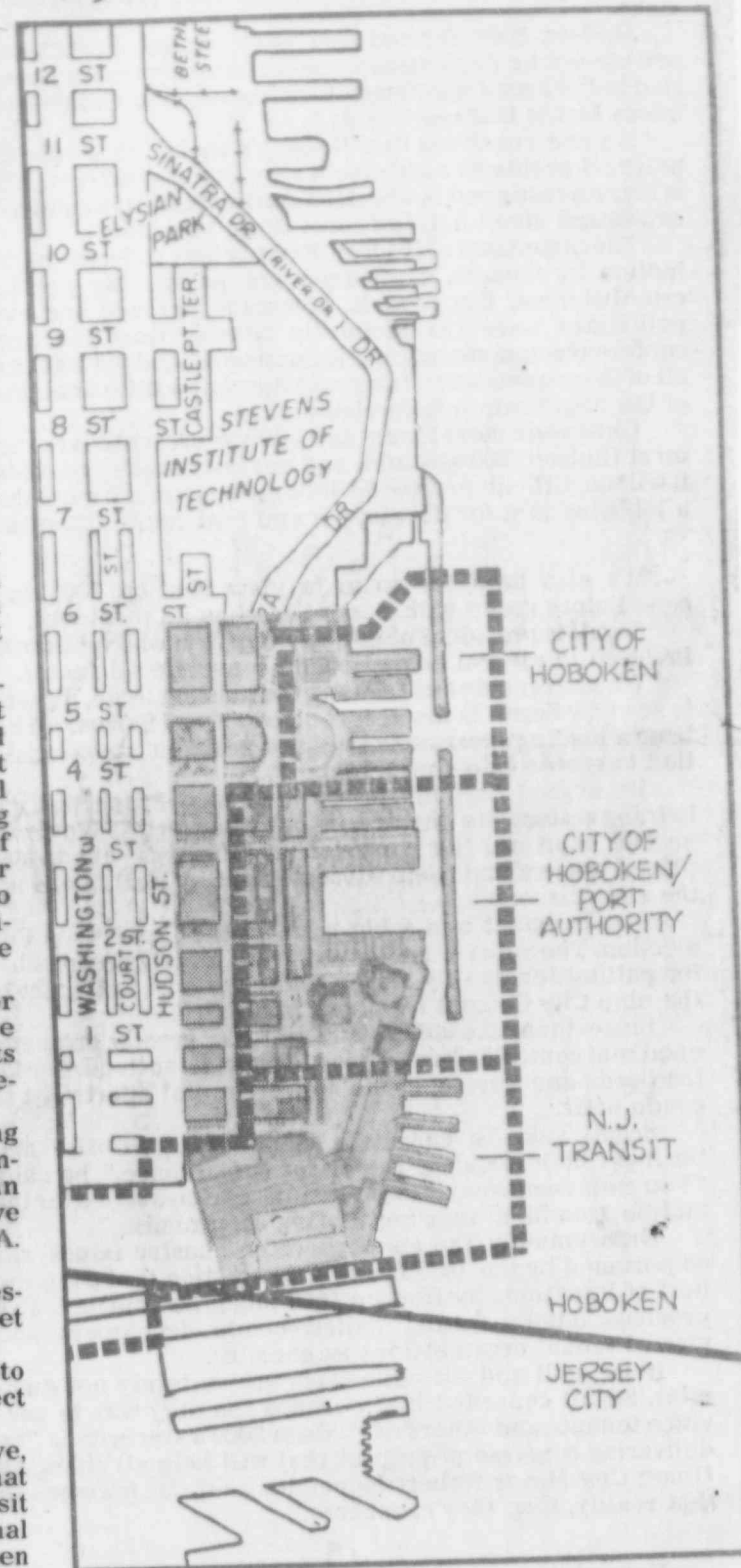
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Virtually any exposure to the chemical that leaked into the air yesterday morning in Hoboken will cause immediate itching and burning. Experts say that extended contact can result in blindness, lung disease and even death.

The chemical, chlorosulfonic acid, becomes a corrosive gas when it mixes with air. When it comes into contact with people, it breaks through skin and mucous membranes and causes irritation, according to chemical health experts. The longer and more extensive the contact, the greater the breakdown of tissue, causing skin burns and internal swelling.

"If you inhale enough of it," said Jay Young, a consultant with Chemical Health and Safety group of Silver Spring, Md., "you get lung edema, which will weaken the lungs and lead to all kinds of other problems."

"You'd eventually die, and rather painfully, I would imagine," said Jim Staples, spokesman for the Department of Environmental Protection.

No one has died from inhaling the gas, Young said. He could not say whether the concentration of the chemical released yesterday was potentially lethal. He added that sufficient exposure to the eyes could cause blindness.

The DEP measured the concentration of the gas in the air in Hoboken and around The Doric, the Union City highrise more than a mile away where a cloud of the chemical settled, but would not make the results available to the press. Staples would only say that the air around the Doric was "highly acidic."

He said most of the symptoms from exposure to chlorosulfonic acid become apparent immediately and can be alleviated by washing thoroughly. Those who were ex-

posed yesterday were told by local fire officials to shower and change their clothes. The fire officials also hosed down The Doric and cars in an adjacent parking lot.

The clean-up effort was made more difficult by yesterday's rainy and overcast conditions, according to Young and fire officials. Young said the chemical breaks down into hydrochloric and sulfuric acid, which is found in car batteries, when exposed to water.

The rain and the low sky brought the gas cloud down lower, according to fire officials, who said the cloud may have continued traveling or dissipated high above ground if it were not for the weather.

Young said that the Union City firefighters who hosed down The Doric did the right thing despite the chemical reaction it created.

"As long as it's up in the air, it's a potential hazard," Young said. "The only way to knock it down is with water."



A firefighter hoses down cars parked in Union City at The Doric highrise, where an acidic cloud settled yesterday after drifting from Hoboken.

DON SMITH THE DISPATCH

JEFF PUNDYK
REPORTER'S JOURNAL

J.J. 9-1-87
Dog's best friend may be a cop

Alice is a little down right now. Her sad black eyes are dulled from pain killers. Her leg is wrapped tight where a broken hip is healing. She lies in the corner of the room, facing the wall.

On the wall above her head is a police badge. Officer Phil's Honorary Junior Police Officer. Name: Alice, K-9. Alice, a black German shepherd who's been living in the Hoboken police headquarters since an officer took her away from a vagrant who was beating her, is recovering from hip surgery. The exact cause of her injury is unknown. She sits by the door of the station, occasionally raising her head when a blue pants leg passes by. But she can't get up, race the officer to his car and make the rounds like she used to. Instead, she looks at her back leg, tries to lift it from her shaved hind quarter — it shakes and falls back into place — and lowers her head into her front paws.

Patrolman Bill Gohde is a little down right now too. Over the past two months, Alice has become his project and he can't stand to see her this way.

"When I saw her after the operation," he said. "I went crazy. It's a big difference seeing her running around and going crazy and just sitting there. She can't come out with me now. She's company in the car. I was more disappointed than her."

Gohde, who gave Alice her name, has made her the unofficial mascot of the police force. Next to her police badge is a hand-written note: Name — Alice; Number of arrests — two to date.

"The guys were just kidding," Gohde said. "She's not a



Hoboken Police Officers Thomas O'Connor and Henry Drayton comfort Alice.

police dog. She just rides with us. She just looks around for food and sandwiches, rides with the guys and sits in the shade or goes to the park. She likes to go to the park."

Gohde, who at home has Sammy, a beagle, and Blacky, a mutt, said the cops took in another dog some time ago, but he disappeared while out on his own one day.

"We don't let Alice out by herself," he said. "If they, know we like her, they'll take her."

Alice is about 8 years old and, when feeling better, her face is bright and alive. When she first arrived at the police station she was in terrible shape. Her leg was pulled out of the socket, Sgt. James Mancuso said. But the cops threw a

See DOG'S BEST FRIEND — Page 7.

Dog's best friend may be a cop

Continued from Page 1

blanket on the floor, put a green bowl and a chew toy by the front desk and started Alice to healing.

"The doctor said she was either hit by a car or a bat or kicked," Gohde said. "We can rule out the car part. But she gets plenty of love here. She loves it here. It's like a new home."

The cops have been chipping in to pay for Alice's medical costs. There's a big plastic jug on the counter and last week a local builder popped in a check for \$100. The Shop Rite

donated a case of dog food, but Gohde is looking for more help. Alice needs blankets, flea collars, or donations. Checks can be made out to the Police Officers Benevolent Association in care of Alice.

On Thursday the stitches come out and Alice's bandages will be removed. Then her serious rehabilitation begins.

"We need to take her for a swim to work the leg," Gohde said.

"We tried Hoboken High School but they wouldn't let her in the pool. We're looking. Maybe Sandy Hook."

Tainted dirt is moved

Dispatch 9-2-87
By JANET WILSON
Staff Writer

HOBOKEN—Fifteen truckloads of toxic dirt were moved closer to a small residential area in neighboring Weehawken yesterday, and will sit there for another four weeks, officials say.

The dirt had been dumped in the half-finished foundation of a warehouse being built by the ABC Baling Wire Co. on the Hoboken side of West 18th Street. The contractor did not know the dirt was tainted when it was shipped in from Newark last month.

The dirt was moved off the site yesterday so that the company can proceed with construction, according to a consultant hired by Newark.

Residential neighbors on the Weehawken side of the street were alarmed to see the dirt sitting by the side of the road yesterday afternoon. But Karen Egnold, of Dresden Associates in Jersey City,

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DIRT

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Newark's consultant, said that as long as the residents do not walk directly through the dirt or rub it on their hands, they are "pretty safe."

The dirt is covered with plastic tarpaulins, as it was on the construction site. Parts of the plastic did blow off the dirt on the former site.

Young children in the adjacent residential neighborhood had used the ABC lot and adjoining fields as a play area, although neighbors said their parents have been keeping them away from the site.

Tests on the dirt, which contains phenol and possibly benzene, are due in three to four weeks, Egnold said. Once the levels of hazardous materials in the dirt have been determined, Newark officials will be able to determine where it needs to be taken for permanent disposal.

DOG'S MEDICAL BILLS

Donations pouring in for Alice

Dispatch 9-2-87
HOBOKEN—Money poured in to the Police Department from dog lovers across Hudson County yesterday after they heard the story of Alice, a German shepherd recovering from surgery.

Newspapers carried the story of the dog, who had been adopted by police here after they took her from an allegedly abusive owner. The department had asked for money to help pay for the surgery, for which a few officers footed the \$150 bill. Alice needed the operation to repair injuries she reportedly sustained from her former owner.

More than \$400 in donations came in yesterday, leaving police here appreciative but shaking their heads.

"It amazes the hell out of you," Sgt. Ronald Clark said, noting that people came from Union City in the north, Bayonne in the south and most places in between, asking how they could donate money for Alice's recovery.

"There are a lot of nice people out there," Clark said. "But we don't want to get too much money."

He said he would set up a special fund for Alice today. It will be used to pay any further medical costs for Alice, and the rest will be preserved to help with other animals the department confiscates.

"You wouldn't believe how many animals we get," he said. Sgt. James Mancuso said that Alice, at least, lived up to all the generosity.

"She's a lot better than a lot of people I know," he said.

—CHRISTOPHER AVE

SURGERY COSTS

Money sought for dog

Dispatch 9-1-87

HOBOKEN—Police here are raising money to help out one of their own. Her name is Alice, and she is a German Shepherd unofficially assigned to the department's K-9 unit. Police took her away from an abusive owner about a month ago and gave her a home in the Police Department's office in the basement of City Hall.

But injuries she sustained from her old owner required surgery, and because Alice's status is unofficial, the city could not pay the \$150 price tag.

"Either she was kicked or beaten with a baseball bat," said Officer William Gohde, motioning to Alice, who sat passively on a mat in the corner of the office.

A few police officers agreed to foot the \$150 medical bill, and now they are asking for some help.

The dog, who reportedly is named after a woman who visits the department regularly, was operated on last Tuesday at the Hoboken Animal Clinic. She was

Puppy love



Hoboken Police Officer William Gohde gives Alice a scratch around the collar yesterday at police headquarters. City police are seeking funds to help pay for Alice's medical bills.

discharged two days later, and is scheduled to have the stitches removed Thursday.

Police still are soliciting funds for Alice's medical bills, a new collar and other items. Checks

should be made out to "Hoboken Patrolmen's Benevolent Association."

Mancuso said Alice deserves the generosity.

—CHRISTOPHER AVE.

Tenant advocates hail ruling

By Laurie Kalmanson

"It could have gone the other way," said a Legal Services tenant lawyer after an appellate panel upheld a controversial 1986 housing ruling Monday.

Hudson County Superior Court Judge Kevin Callahan ruled in March, 1986, that eight Hoboken tenants could not be forced out of their homes within six months because their landlord had not given them proper notice of his new intentions for the building.

Legislation passed months later guaranteed the tenant

rights decreed by Callahan.

This week's appellate ruling upholding Callahan was still hailed as a meaningful renters' victory by tenant representatives because of the ground that could have been lost if the decision went against them.

Callahan had blocked the eviction of the Hoboken octet and ruled that landlord Gregg Zimmerman had illegally served six-month eviction notices to the residents of 127 Madison St.

The Callahan opinion forbade the evictions because Zimmerman had announced

the building was being converted to commercial use without specifying his new plans.

At the time, tenancy laws carried no explicit requirement that tenants be notified of precise new plans for a building when converting from residential to commercial space. Tenants were customarily given six months to find new homes.

"When Callahan issued his opinion, the new legislation hadn't been written, and he went really out on a limb," attorney Gregory Diebold, of the

See TENANT — Page 17.

Tenant advocates hail eviction decision

Continued from Page 1

Hudson County Legal Services Corp., said yesterday. "From the tenants' point of view, Callahan is one of the best judges that has ever sat here."

The appellate decision upholding Callahan shows that the court will now rule in favor of tenants. Maureen Schweitzer-Parrott, the attorney who represented the 127 Madison St. tenants, said yesterday.

"Callahan wrote a courageous opinion," she said.

When Callahan wrote his strongly worded opinion, he said landlords must inform tenants of specific commercial plans for buildings to insure against "speculating by unscrupulous landlords."

In October, 1986, the legislature voted into law almost identical limits on the rights of

property owners to empty out a building.

"Over 5,000 people in Hudson County were under six-month eviction notices in 1986, and Callahan's ruling was part of the impetus for the legislation we passed," said state Assemblyman Charles J. Catrillo, who co-sponsored the legislation with state Sen. Christopher Jackman.

"Our rule extended the eviction time to 18 months and required landlords to say what they were going to do with a building," the assemblyman said.

Zimmerman was unavailable for comment.

"It was a loophole in the law big enough for landlords to drive a truck through," Ira Karasick, a Hoboken tenant attor-

ney, said yesterday. "What Judge Callahan did was to close that loophole, and the legislature affirmed what Judge Callahan did. The appellate decision means that if there were to be a challenge to the law now, you would run and cite this case."

Legal Services still has a number of pending cases affected by the Callahan ruling. The appellate decision should help the tenants in those cases, Diebold said.

"It's a lot more reasonable for tenants than it is for landlords," said attorney Patrick DiMartini, who represents property owners.

A landlord can still legally force a tenant out of an apartment after 18 months if the building is truly being converted to commercial use, and that

still wreaks too much havoc in the lives of tenants, Hoboken city tenant representative Tom Olivieri said yesterday.

"This only delays the inevitable for those eight people. I wish there was a mechanism that would stop the owners from doing any evictions," Olivieri said.

The eight tenants living at 127 Madison St. could still be evicted, he said, but would have to be given fresh 18-month notices.

Landlord Zimmerman would also be required to file a detailed commercial use plan with the Department of Community Affairs, in Trenton, Olivieri said.

"The tenants may still have to leave in 18 months, and I think that's horrible," Olivieri said.



Elysian Federal Savings Bank in Hoboken is being probed by two federal agencies.

Elysian bankers resign under probe

Continued from Page 1

quarter on foreclosed assets, meaning it has been forced to repossess a large amount of property because of bad loans.

A source close to the investigation said federal officials were looking into loan irregularities and the increase in property repossessed by the bank. Stack admitted that property was repossessed in Old Tappan and "maybe one or two other places."

"We are a growing bank and occasionally any big lending institution will have to repossess some property. That is not unusual," he said. He stressed that the bank is in good financial condition.

Another source familiar with practices at Elysian said Stack and Badaracco "were on a collision course" over bank management. The source, who also declined to be identified, called Badaracco "freewheeling, but hardnosed" and classi-

fied Stack as "a conservative banker and very moral" individual.

"He (Stack) tried to point out to Ernie that there were certain things the board and others feel shouldn't have been done, but Ernie didn't like to listen and did things his own way," he said.

Stack said that neither Badaracco nor Bronee gave reasons for their resignations. "But there were no objections from the board," he said. "When you expand, there is bound to be some pull between management on one side and the board on the other."

Despite Stack's assurances that the bank will survive the shakeup, bank officials are concerned that their image may be tarnished, said a shareholder who refused to be identified.

Elysian's refusal to comment on the actions since Friday have caused uncertainty

within the banking community. An official at another Hoboken bank said Elysian experienced a "mini run," noting the increased number of new depositors at his bank who closed accounts with Elysian.

The shareholder said he would have liked the bank to issue a statement when the rumors first surfaced to placate customers' fears.

Stack downplayed rumors of his bank's demise, saying "things spread through the local grapevine quicker than they actually happen." The bank remained open for normal office hours during the reorganization.

Badaracco did not return messages at his office last week when reports of the shakeup began circulating. He could not be reached for comment.

Badaracco's resignation from the bank was met with surprise and sadness from local merchants and property

owners. "I'm really sad because Ernie loaned money to people when other banks had red-lined them," said a downtown merchant who did not want to be identified. "He had an up attitude toward business people who would help the community. He gave me my first mortgage about 10 years ago when it was hard for a woman to get a loan," she said.

"Badaracco was always an outrageous banker," said another merchant who said he had substantial savings in Elysian. "He would take bizarre and courageous steps."

The Elysian Federal Savings Bank was chartered in the 1920s but did not become active until the early '60s. Investors, including Badaracco's father, Ernest Badaracco Sr. and Anton Vezzetti, a cousin of Hoboken Mayor Thomas Vezzetti, activated the charter and moved the bank's offices from River Street to Washington Street.

School asbestos ignored for year

J.J. 9-2-87
By Jim DeRogatis

Hoboken school officials have known of asbestos in the Brandt grammar school for more than a year without cleaning up the hazardous material.

Alternate Ways, Inc., a consulting firm, discovered the presence of asbestos in the school in June, 1986, but school officials took no action, according to city Health Officer Patricia Mitten.

Mitten and workers from the Hudson Regional Health Commission inspected the grammar school at Ninth Street and Park Avenue in April at the request of school Business Administrator Anthony Curko. They also found the asbestos and notified school officials.

But Superintendent of Schools Walter Fine is calling for yet another inspection, and officials have still not moved to

clean up the cancer-causing substance.

Classes begin Tuesday. Asbestos is a chemical compound used as insulation in many older buildings. When the material begins to decompose, small chips can easily become airborne. Doctors have linked an accumulation of asbestos in the lungs to lung cancer.

School officials declared the city's seven grammar schools asbestos-free two years ago after contracting with firms to remove the material. It was unclear yesterday why Alternate Ways was hired to inspect Brandt or how much they were paid, but the company discovered that asbestos remained despite the cleanup.

Mitten said the asbestos is located in the basement, sub-basement and boiler room of the school, but an informed source said the material is also

located throughout the first floor, the nurse's office and the preschool day care center. In addition, open air vents lead to the classrooms from the basement, the source said.

Board of Education President Richard England said Curko discovered the Alternate Ways report "lying around" the Brandt School in April, gave it to Mitten and asked her to conduct her inspection. Curko is on vacation and could not be reached for comment.

Fine said he had no knowledge of the report and was first made aware of the asbestos in April after Mitten's inspection. "If I was aware, we wouldn't have waited to clean it up," he said.

Fine said he will contact the state Health Department to inspect the school to determine

See SCHOOL — Page 17.



On hand to launch NJ Transit's newspaper recycling program yesterday in Hoboken Terminal are, from left, Mayor Thomas Vezzetti; Ellen McShane, from the state Office of Recycling; Edward Borroni, vice chairman of the NJ Transit Board of Directors and Alan Dustin, vice president and general manager of NJ Transit Rail Operations.

Paper recycling begun at Hoboken Terminal

J.J. 9-2-87
Don't throw out this paper. After reading every single word, recycle it.

Using the theme, "Turn Your Old Paper into Good News," NJ Transit kicked off a newspaper recycling program yesterday in Hoboken Terminal.

White-and-blue rolling receptacles have been placed near the train platforms so newspapers discarded by commuters can be collected more easily, said Alan G. Dustin, vice president and general manager of NJ Transit rail operations.

"Commuters can contribute to the statewide recycling effort as well as help keep the rail terminals and trains cleaner," he said. Dustin said the new receptacles are to be used for newspapers only.

Along with placing the receptacles, NJ Transit officials distributed copies of a pamphlet outlining the benefits of recycling. It said re-using old newsprint saves landfill space, cuts disposal costs and conserves energy and natural resources.

"We are hopeful this will prove to be an effective response to New Jersey's recycling legislative mandate," said Edward J. Borroni, vice chairman of the NJ Transit Board of Directors.

A bill calling for more recycling programs statewide was signed into law in April by Governor Thomas H. Kean.

Newspapers will be collected by private recycling companies, Dustin said. NJ Transit plans to expand the recycling program next year, he said.

Troubled Elysian names 3 trustees

J.J. 9-3-87
By Bill Campbell

Elysian Federal Savings Bank, continuing its corporate shakeup, yesterday named three new members to its board of directors.

The troubled Hoboken bank, rocked by the sudden resignations of its two top officers amid a federal probe, has named Louis DeFalco, Francis DiBacco and Stuart Miller to its board, said Elysian chairman William Stack.

Stack, who was appointed chairman last Friday, said the new directors were appointed in an effort by the bank to ex-

pand its board. In a statement issued yesterday, Stack said the appointments mean "the board is now composed of individuals having the talents needed to address the complex management problems facing banking institutions."

The appointments come less than a week after Elysian president Ernest Badaracco Jr. and executive vice president Kathy Bronee resigned from the board amidst a federal investigation into banking procedures.

Sources close to the investigation said this would represent a misuse of

See TROUBLED — Page 13.

School asbestos ignored for year

Continued from Page 1

whether the asbestos poses a danger to students. He could not say whether the inspection will be conducted before school starts.

Fine added that it is unlikely anything will be done to remove the asbestos before Tuesday.

"I don't think the problem is that big," he said.

Several board members said they had no knowledge of the Alternate Ways report and were shocked that no action has been taken at Brandt. The board will discuss the asbestos situation at its meeting Tuesday, according to England.

England said he has asked Curko to study the specifications for the removal of the asbestos, which were prepared by Hoboken engineers Mayo,

Lynch & Associates, to determine whether the blame for the remaining asbestos rests with the engineers or the contractors.

Meanwhile, Mitten is anxious to inspect the city's six remaining grammar schools but has gotten no invitation from school administrators.

"I told them in April that the health department should inspect all schools for any asbestos that remains, but they have not gotten back to me,"

Hoboken to get sewerage funds

J.J. 9-3-87
By Bill Campbell

The federal Environmental Protection Agency has earmarked more than \$29 million to construct a controversial secondary sewage treatment plant in Hoboken.

City and county officials, buoyed by the money and the EPA's finding yesterday that the plant's construction would not have a negative impact on the environment, said they are optimistic the city will receive a grant commitment within the next two weeks.

"We have one foot in the door," said George Crimmins

Jr., chairman of the Hudson County Utilities Authority. "We should have both feet in by the end of the month after the state Department of Environmental Protection reviews the plans."

The finding of no significant environmental impact is the final hurdle the project must clear before funds can be committed to the \$55 million federally mandated project, Crimmins said.

In addition to Hoboken, the EPA has earmarked \$5.5 million for a proposed treatment plant in North Bergen and \$14

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Hoboken to get sewerage funds

Continued from Page 1

million for a plant in West New York.

Last year, the Hoboken project was bypassed for more than \$21 million in federal grants after a DEP review of the plans concluded they were "neither hiddable nor constructible."

The bypass touched off a series of lawsuits and bitter political battles last summer after Mayor Thomas Vezzetti refused to sign a \$296,000 payment due the project engineer, Mayo Lynch & Associates of Hoboken. Last October, a state Superior Court judge found the Mayo Lynch contract invalid and the city subsequently

hired a new design engineer.

Had the project been bypassed again, taxpayers would have had to foot the bill for the plant, said Crimmins. The project, mandated by the federal Clean Water Act, will remove 85 percent of pollutants from wastewater and must be completed by July, 1990.

"I feel vindicated," said a jubilant Vezzetti during a raucous City Hall news conference.

"My administration in one year had to rectify a situation which would have constituted a rape of the city."

Public Works Director Roy Haack said the EPA's finding of no significant environmental

impact was a great step forward for the project.

"We have been working very closely with the DEP on the plans and judging from everything they tell us, we should have no problem (receiving approval)," Haack said.

Once a commitment is received, funding for the projects will be transferred to the Hudson County Utilities Authority, the county agency overseeing the projects.

The Hoboken treatment project also includes Weehawken and Union City.

The three municipalities are in the process of establishing a sewerage authority which will float bonds to pay the bal-

ance of the project. Hoboken and other municipalities who have yet to complete their secondary sewage treatment projects have been barred by the state from issuing sewer hook-ups for new real estate applicants.

Hoboken alone faces millions of dollars in state and federal fines for project delays and for failing to make other infrastructure improvements. The city has been negotiating with federal and state officials to lower the fines.

The city's existing primary sewage treatment plant at 16th and Adams streets removes about 10 percent of pollutants from wastewater.

Troubled Elysian names 3 trustees

Continued from Page 1

tigation said the Federal Home Loan Bank in Washington, D.C. and the U.S. Attorney's office in Newark were probing Elysian Federal for loan irregularities. Investigators told the board to replace Badaracco and Bronee or face further regulatory action, a source said.

Stack said he had no knowledge of the probe and denied that the board was given an ultimatum to remove the offi-

cers. Officials at the FHLE and the U.S. Attorney's office would not comment on the investigation.

In an phone interview Tuesday, Stack said the appointment of new board members was not related to the resignations.

"We recently amended our bylaw allowing us to expand the board. What we have now is pretty much a new board," he said.

However, a bank shareholder said the appointments were part of an overall shakeup of management.

He said the new members were appointed Tuesday, three days after Badaracco and Bronee resigned.

According to Stack, DeFalco is a certified public accountant with offices in Middlesex County.

DiBacco, he said, is a banking consultant whose firm has

been retained by the bank, and Miller is a member of the American Institute of Real Estate Appraisers who specializes in the valuation of investment property.

Other board members include Stack, Charles Lallo Sr., Joseph Narciso and Camille Corea.

Elysian Federal Savings Bank, founded in 1920, has offices at 401 Washington St. and 77 River St.

HOBOKEN

Developer accused of false deal

J.J. 9-2-87
By JUDY TEMES
Business Writer

HOBOKEN—A local developer who received \$1.7 million from the federal government four years ago to produce 300 jobs in an empty industrial building here does not intend to use the building as required under the terms which he received the money, a city official said yesterday.

Instead, developer Anthony Dell'Aquila plans to use his sprawling 200,000-square-foot building at 1501 Bloomfield St. for commercial office space and housing, Michael Coleman, executive director of the city's Economic Development Agency said yesterday. Coleman said this would represent a misuse of

funds. Coleman said Dell'Aquila has not stated his plans in writing, but has indicated what he intends to do in talks with city officials.

The U.S. Department of Housing and Urban Development gave the city \$1.7 million in 1983 to help Dell'Aquila develop the building for light industry. Under the terms, the building was to be renovated and used to create 300 jobs by July 3. The developer, however, has been advertising the space for office use, in violation of the terms, said Carmen Valenti, a program manager for the Newark office of HUD, who is overseeing the administration of the grant.

Meanwhile, the building remains emp-

ty. HUD now wants a quick resolution to the problem, Valenti said, adding that the agency is giving Dell'Aquila a deadline for deciding whether he plans to comply and create the jobs, or return the \$1.7 million, plus interest, to the agency. The deadline will be spelled out in a letter to city officials, which Valenti said he plans to mail this week.

Coleman said the city has been urging the developer to opt for the original plan to create the jobs, but it is unlikely Dell'Aquila will. Four years ago, the site appeared most appropriate for industrial use, Coleman said. Since then the market has changed, making office and residential space more desirable.

"In talks we've had with him, our conclusion was that he intends to repay the money, but he feels he would be better off using the site for commercial space and housing," Coleman said.

Until now, the city and HUD have been patiently awaiting a decision from the developer, Coleman said. "But his time has run out."

Dell'Aquila was unavailable for comment.

Coleman said the city does not want the money back. It would rather that Dell'Aquila use the site as originally spelled out in the 1983 agreement. If he does choose to repay the city, Hoboken will lose the \$1.7 million grant from HUD

altogether, he said, explaining that although the money was a loan to Dell'Aquila, it was a grant to the city.

Simply put, if Dell'Aquila continues to make the monthly \$10,000 payment on the loan, the EDA stands to gain that money. If Dell'Aquila refuses it, the agency must return it to HUD, Coleman said.

"We want the money, and we want the jobs," he said, adding that the agency had been planning to use the loan payments for affordable housing, an industrial park, a business incubator program, or a day care center.

"We could use the money for any or all of these projects," he said. "It's a significant amount."

HOBOKEN'S HENKEL CORP.

Gas leak probe set

J.J. 9-2-87
By CHRISTOPHER AVE
Staff Writer

HOBOKEN—The city will hire a hazardous-chemicals consultant to determine if conditions at the Henkel Corp. plant here warrant city action against the company, the public works director said yesterday.

"The mayor has asked me to hire a chemical engineer or a hazardous waste engineer to make a full report," Roy Haack said. He added that the engineer would be selected by the end of the week.

An undetermined amount of the hazardous chemical chlorosulphonic acid leaked from a hose at the Henkel Corp., at 1301 Jefferson St., on Friday morning. The chemical reacted with the rain in the area, sending a cloud of gas drifting over the city toward Union City.

"They are a lot of unanswered questions that everyone is shying away from as to how dangerous those chemicals are," Haack said yesterday. He expects the consultant to complete a survey of the company "three or four days" after starting.

On Friday afternoon, City Councilman Steve Cappiello said he would seek help from the federal government to have the plant relocated.

Mayor Thomas F. Vezzetti said yesterday that he would wait for the consultant's report before deciding if the city should take action against Henkel.

"I have no idea now, until I see the report," Vezzetti said. "If it is considered bad, it should be out of there."

Councilman Dave Roberts said he also would wait to see the results of the consultant's report. Noting that the plant was about 10 blocks away from City Hall, Roberts called the prospect of dangerous chemicals there "very scary."

But Jack Fallon, the Henkel plant manager, said the plant is safe and has nothing to hide.

"We are extremely above-board and we go out of our way to train

"The mayor has asked me to hire a chemical engineer or a hazardous waste engineer to make a full report"

—ROY HAAK

our employees to be safe," he said, adding that the company's 100 employees collectively spend 100 hours every month in safety-training programs.

He said the plant dealt with Friday's spill properly.

According to Fallon, Henkel bought the plant from Standard Chemical Products Corp. in the 1950s. The Standard plant had been operating since the 1920s, he added.

In an unrelated move, Haack yesterday submitted a resolution to establish mandatory recycling to City Clerk James Farina. The council is expected to address the ordinance at its meeting tonight.

The proposal is a model ordinance being considered in response to a state demand for recycling. Haack said the city's goal is to recycle 15 percent of the city's trash by next year, and 25 percent by 1989.

He said the city would begin recycling small amounts of cardboard, newspapers and metal appliances as early as Sept. 8.

Recycling in the city also was addressed by the New Jersey Transit Corp. yesterday. NJ Transit placed a receptacle at the city terminal for commuters to deposit their old newspapers.

The transit plan is also part of the state's effort to institute recycling, according to a transit board official.

School asbestos ignored for year

By Jim DeRogatis

Hoboken school officials have known of asbestos in the Brandt grammar school for more than a year without cleaning up the hazardous material.

Alternate Ways, Inc., a consulting firm, discovered the presence of asbestos in the school in June, 1986, but school officials took no action, according to city Health Officer Patricia Mitten.

Mitten and workers from the Hudson Regional Health Commission re-inspected the grammar school at Ninth Street and Park Avenue in April at the request of school Business Administrator Anthony Curko. They also found the asbestos and notified school officials.

But Superintendent of Schools Walter Fine is calling for yet another inspection, and officials have still not moved to

clean up the cancer-causing substance.

Classes begin Tuesday. Asbestos is a chemical compound used as insulation in many older buildings. When the material begins to decompose, small chips can easily become airborne. Doctors have linked an accumulation of asbestos in the lungs to lung cancer.

School officials declared the city's seven grammar schools asbestos-free two years ago after contracting with firms to remove the material. It was unclear yesterday why Alternate Ways was hired to inspect Brandt or how much they were paid, but the company discovered that asbestos remained despite the cleanup.

Mitten said the asbestos is located in the basement, sub-basement and boiler room of the school, but an informed source said the material is also

located throughout the first floor, the nurse's office and the preschool day care center. In addition, open air vents lead to the classrooms from the basement, the source said.

Board of Education President Richard England said Curko discovered the Alternate Ways report "lying around" the Brandt School in April, gave it to Mitten and asked her to conduct her inspection. Curko is on vacation and could not be reached for comment.

Fine said he had no knowledge of the report and was first made aware of the asbestos in April after Mitten's inspection. "If I was aware, we wouldn't have waited (to clean it up)," he said.

Fine said he will contact the state Health Department to inspect the school to determine

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School asbestos ignored for year

Continued from Page 1

whether the asbestos poses a danger to students. He could not say whether the inspection will be conducted before school starts.

Fine added that it is unlikely anything will be done to remove the asbestos before Tuesday.

"I don't think the problem is that big," he said.

Several board members said they had no knowledge of the Alternate Ways report and were shocked that no action has been taken at Brandt. The board will discuss the asbestos situation at its meeting Tuesday, according to England.

England said he has asked Curko to study the specifications for the removal of the asbestos, which were prepared by Hoboken engineers Mayo,

Lynch & Associates, to determine whether the blame for the remaining asbestos rests with the engineers or the contractors.

Meanwhile, Mitten is anxious to inspect the city's six remaining grammar schools but has gotten no invitation from school administrators.

"I told them in April that the health department should inspect all schools for any asbestos that remains, but they have not gotten back to me."

Hoboken to get sewerage funds

By Bill Campbell

The federal Environmental Protection Agency has earmarked more than \$20 million to construct a controversial secondary sewage treatment plant in Hoboken.

City and county officials, buoyed by the money and the EPA's finding yesterday that the plant's construction would not have a negative impact on the environment, said they are optimistic the city will receive a grant commitment within the next two weeks.

"We have one foot in the door," said George Crimmins

Jr., chairman of the Hudson County Utilities Authority. "We should have both feet in by the end of the month after the state Department of Environmental Protection reviews the plans."

The finding of no significant environmental impact is the final hurdle the project must clear before funds can be committed to the \$55 million federally mandated project, Crimmins said.

In addition to Hoboken, the EPA has earmarked \$5.5 million for a proposed treatment plant in North Bergen and \$14

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HOBOKEN'S HENKEL CORP.

Gas leak probe set

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—The city will hire a hazardous-chemicals consultant to determine if conditions at the Henkel Corp. plant here warrant city action against the company, the public works director said yesterday.

"The mayor has asked me to hire a chemical engineer or a hazardous waste engineer to make a full report," Roy Haack said. He added that the engineer would be selected by the end of the week.

An undetermined amount of the hazardous chemical chlorosulphonic acid leaked from a hose at the Henkel Corp., at 1301 Jefferson St., on Friday morning. The chemical reacted with the rain in the area, sending a cloud of gas drifting over the city toward Union City.

"They are a lot of unanswered questions that everyone is shying away from as to how dangerous those chemicals are," Haack said yesterday. He expects the consultant to complete a survey of the company "three or four days" after starting.

On Friday afternoon, City Councilman Steve Cappiello said he would seek help from the federal government to have the plant relocated.

Mayor Thomas F. Vezzetti said yesterday that he would wait for the consultant's report before deciding if the city should take action against Henkel.

"I have no idea now, until I see the report," Vezzetti said. "If it is considered bad, it should be out of there."

Councilman Dave Roberts said he also would wait to see the results of the consultant's report. Noting that the plant was about 10 blocks away from City Hall, Roberts called the prospect of dangerous chemicals there "very scary."

But Jack Fallon, the Henkel plant manager, said the plant is safe and has nothing to hide. "We are extremely above-board and we go out of our way to train

"The mayor has asked me to hire a chemical engineer or a hazardous waste engineer to make a full report"

—ROY HAAK

our employees to be safe," he said, adding that the company's 100 employees collectively spend 100 hours every month in safety-training programs.

He said the plant dealt with Friday's spill properly.

According to Fallon, Henkel bought the plant from Standard Chemical Products Corp. in the 1950s. The Standard plant had been operating since the 1920s, he added.

In an unrelated move, Haack yesterday submitted a resolution to establish mandatory recycling to City Clerk James Farina. The council is expected to address the ordinance at its meeting tonight.

The proposal is a model ordinance being considered in response to a state demand for recycling. Haack said the city's goal is to recycle 15 percent of the city's trash by next year, and 25 percent by 1989.

He said the city would begin recycling small amounts of cardboard, newspapers and metal appliances as early as Sept. 8.

Recycling in the city also was addressed by the New Jersey Transit Corp. yesterday. NJ Transit placed a receptacle at the city terminal for commuters to deposit their old newspapers.

The transit plan is also part of the state's effort to institute recycling, according to a transit board official.



Photo by Roy Goetting

On hand to launch NJ Transit's newspaper recycling program yesterday in Hoboken Terminal are, from left, Mayor Thomas Vezzetti; Ellen McShane, from the state Office of Recycling; Edward Borroni, vice chairman of the NJ Transit Board of Directors and Alan Dustin, vice president and general manager of NJ Transit Rail Operations.

Paper recycling begun at Hoboken Terminal

Don't throw out this paper. After reading every single word, recycle it.

Using the theme, "Turn Your Old Paper into Good News," NJ Transit kicked off a newspaper recycling program yesterday in Hoboken Terminal.

White-and-blue rolling receptacles have been placed near the train platforms so newspapers discarded by commuters can be collected more easily, said Alan G. Dustin, vice president and general manager of NJ Transit rail operations.

"Commuters can contribute to the statewide recycling effort as well as help keep the rail terminals and trains cleaner," he said.

Dustin said the new receptacles are to be used for newspapers only.

Along with placing the receptacles, NJ Transit officials distributed copies of a pamphlet outlining the benefits of recycling. It said re-using old newsprint saves landfill space, cuts disposal costs and conserves energy and natural resources.

"We are hopeful this will prove to be an effective response to New Jersey's recycling legislative mandate," said Edward J. Borroni, vice chairman of the NJ Transit Board of Directors.

A bill calling for more recycling programs statewide was signed into law in April by Governor Thomas H. Kean.

Newspapers will be collected by private recycling companies, Dustin said. NJ Transit plans to expand the recycling program next year, he said.

Hoboken to get sewerage funds

Continued from Page 1

million for a plant in West New York.

Last year, the Hoboken project was bypassed for more than \$21 million in federal grants after a DEP review of the plans concluded they were "neither biddable nor constructible."

The bypass touched off a series of lawsuits and bitter political battles last summer after Mayor Thomas Vezzetti refused to sign a \$296,000 payment due the project engineer, Mayo Lynch & Associates of Hoboken. Last October, a state Superior Court judge found the Mayo Lynch contract invalid and the city subsequently

hired a new design engineer.

Had the project been bypassed again, taxpayers would have had to foot the bill for the plant, said Crimmins. The project, mandated by the federal Clean Water Act, will remove 85 percent of pollutants from wastewater and must be completed by July, 1990.

"I feel vindicated," said a jubilant Vezzetti during a raucous City Hall news conference.

"My administration in one year had to rectify a situation which would have constituted a rape of the city."

Public Works Director Roy Haack said the EPA's finding of no significant environmental

impact was a great step forward for the project.

"We have been working very closely with the DEP on the plans and judging from everything they tell us, we should have no problem (receiving approval)," Haack said.

Once a commitment is received, funding for the projects will be transferred to the Hudson County Utilities Authority, the county agency overseeing the projects.

The Hoboken treatment project also includes Weehawken and Union City.

The three municipalities are in the process of establishing a sewerage authority which will float bonds to pay the bal-

ance of the project. Hoboken and other municipalities who have yet to complete their secondary sewage treatment projects have been barred by the state from issuing sewer hook-ups for new real estate applicants.

Hoboken alone faces millions of dollars in state and federal fines for project delays and for failing to make other infrastructure improvements. The city has been negotiating with federal and state officials to lower the fines.

The city's existing primary sewage treatment plant at 16th and Adams streets removes about 10 percent of pollutants from wastewater.

Troubled Elysian names 3 trustees

Continued from Page 1

tigation said the Federal Home Loan Bank in Washington, D.C. and the U.S. Attorney's office in Newark were probing Elysian Federal for loan irregularities. Investigators told the board to replace Badaracco and Bronee or face further regulatory action, a source said.

Stack said he had no knowledge of the probe and denied that the board was given an ultimatum to remove the offi-

cers. Officials at the FHLB and the U.S. Attorney's office would not comment on the investigation.

In an phone interview Tuesday, Stack said the appointment of new board members was not related to the resignations.

"We recently amended our bylaw allowing us to expand the board. What we have now is pretty much a new board," he said.

However, a bank shareholder said the appointments were part of an overall shakeup of management.

He said the new members were appointed Tuesday, three days after Badaracco and Bronee resigned.

According to Stack, DeFalco is a certified public accountant with offices in Middlesex County.

DiBacco, he said, is a banking consultant whose firm has

been retained by the bank, and Miller is a member of the American Institute of Real Estate Appraisers who specializes in the valuation of investment property.

Other board members include Stack, Charles Lallo Sr., Joseph Narciso and Camille Corea.

Elysian Federal Savings Bank, founded in 1920, has offices at 401 Washington St. and 77 River St.

Troubled Elysian names 3 trustees

By Bill Campbell

Elysian Federal Savings Bank, continuing its corporate shakeup, yesterday named three new members to its board of directors.

The troubled Hoboken bank, rocked by the sudden resignations of its two top officers amid a federal probe, has named Louis DeFalco, Francis DiBacco and Stuart Miller to its board, said Elysian chairman William Stack.

Stack, who was appointed chairman last Friday, said the new directors were appointed in an effort by the bank to ex-

pand its board. In a statement issued yesterday, Stack said the appointments mean "the board is now composed of individuals having the talents needed to address the complex management problems facing banking institutions."

The appointments come less than a week after Elysian president Ernest Badaracco Jr. and executive vice president Kathy Bronee resigned from the board amidst a federal investigation into banking procedures.

Sources close to the inves-

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HOBOKEN

Developer accused of false deal

By JUDY TEMES
Business Writer

HOBOKEN—A local developer who received \$1.7 million from the federal government four years ago to produce 300 jobs in an empty industrial building here does not intend to use the building as required under the terms which he received the money, a city official said yesterday.

Instead, developer Anthony Dell'Aquila plans to use his sprawling 200,000-square-foot building at 1501 Bloomfield St. for commercial office space and housing, Michael Coleman, executive director of the city's Economic Development Agency said yesterday. Coleman said this would represent a misuse of the

funds. Coleman said Dell'Aquila has not stated his plans in writing, but has indicated what he intends to do in talks with city officials.

The U.S. Department of Housing and Urban Development gave the city \$1.7 million in 1983 to help Dell'Aquila develop the building for light industry. Under the terms, the building was to be renovated and used to create 300 jobs by July 3. The developer, however, has been advertising the space for office use, in violation of the terms, said Carmen Valenti, a program manager for the Newark office of HUD, who is overseeing the administration of the grant.

Meanwhile, the building remains emp-

ty. HUD now wants a quick resolution to the problem, Valenti said, adding that the agency is giving Dell'Aquila a deadline for deciding whether he plans to comply and create the jobs, or return the \$1.7 million, plus interest, to the agency. The deadline will be spelled out in a letter to city officials, which Valenti said he plans to mail this week.

Coleman said the city has been urging the developer to opt for the original plan to create the jobs, but it is unlikely Dell'Aquila will. Four years ago, the site appeared most appropriate for industrial use, Coleman said. Since then the market has changed, making office and residential space more desirable.

"In talks we've had with him, our conclusion was that he intends to repay the money, but he feels he would be better off using the site for commercial space and housing," Coleman said.

Until now, the city and HUD have been patiently awaiting a decision from the developer, Coleman said. "But his time has run out."

Dell'Aquila was unavailable for comment.

Coleman said the city does not want the money back. It would rather that Dell'Aquila use the site as originally spelled out in the 1983 agreement. If he does choose to repay the city, Hoboken will lose the \$1.7 million grant from HUD

altogether, he said, explaining that although the money was a loan to Dell'Aquila, it was a grant to the city.

Simply put, if Dell'Aquila continues to make the monthly \$10,000 payment on the loan, the EDA stands to gain that money. If Dell'Aquila refunds it, the agency must return it to HUD, Coleman said.

"We want the money, and we want the jobs," he said, adding that the agency had been planning to use the loan payments for affordable housing, an industrial park, a business incubator program, or a day care center.

"We could use the money for any or all of these projects," he said. "It's a significant amount."

Banker stirred emotions

By JANET WILSON
Staff Writer

HOBOKEN—To tenants here, he was the owner of the bank that cost them their homes. To developers and businessmen, he was the man who believed in the city's future when no one else would.

Friends and critics alike agreed yesterday that Ernest Badaracco Jr., the resigned head of the Elysian Federal Savings Bank, was the man who singlehandedly financed the conversion of this city into the condominium capital of Hudson County in the early 1980s. He did it by offering loans for renovation and construction at a time when no other bank would consider giving credit to the owner of a low-rent-producing deteriorating tenement building.

At the same time, Badaracco, 55, who sports a fedora and drives a black Mercedes-Benz, according to people who know him, catapulted the assets of his institu-

tion from \$1 million in 1967, when he became president, to \$300 million this year.

Yet today Badaracco's electrical company, founded by his father 74 years ago in the same building at 401 Washington St. where Elysian prospers, is bankrupt, although Ernest Badaracco III continues to do work on his own.

There are persistent rumors of an investigation by the U.S. Attorney's Office in Newark into whether Badaracco illegally used funds from the bank to rescue his financially troubled business, and into whether he pressured contractors to use his electrical company in exchange for financial services from Elysian, although the federal office refused to confirm or deny the reports.

Elysian Federal Savings Bank and Badaracco are both described as quintessential products of this city.

"He is one of Hoboken's blue-

bloods. He's a part of the 'family' that ruled Hoboken for years," said a councilman who did not want to be identified. "Steve Cappiello was the political godfather, and Ernie was the banker."

Yet last week, Badaracco resigned, along with a key aide. Some think the bank will never be the same.

A former employee of the Elysian, Jimmie Barrons, now a city policeman and Realtor, said, "The bank was built on handshakes and a knowledge of the town, and the town's people. He was a man of courage. With him gone, it will never be the same place."

Elysian was founded by Anthony Vezzetti — the uncle of Mayor Thomas F. Vezzetti — and 12 other city businessmen in 1927, with assets of \$1,000. In 1967, the dormant savings and loan institution was insured by the Federal

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BANKER

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Savings and Loan Insurance Corp. with assets of \$1 million.

The fledgling institution was moved to Washington and Fourth streets, to the front of a building owned by Ernest Badaracco Sr., where he and his brother ran a well-established electrical contracting company.

In May 1980, Ernest Badaracco Jr. was named president. The assets were up to \$10 million, and the tremendous growth of the bank was about to begin under his leadership. The strategy was simple, but effective; invest in development of property in a city that every bank had written off as a dead loss.

Pat Tuohy, who moved here in 1975, received backing for nearly a dozen renovation projects from Elysian, including nearly a whole block of restored brownstones on

14th Street between Park Avenue and Garden Street. Tuohy said that, when she arrived, "banks were killing this city. But he (Badaracco) refused to turn his back. He had the courage to give."

Tuohy said Badaracco never had pressured her to use his electrical company in return for giving her financing.

But a long-time tenants' attorney offered a different view of the financier of the city's condo boom. "For years, the talk on the street was that Elysian was the bank financing the deals that jacked them out of their homes."

"A man like this should be remembered," said Barrons, who will co-host a cocktail party "to honor Ernest Badaracco the man" on Sept. 18 at Arthur's Tavern on Washington Street.



Hoboken was turned into a set for commercial makers earlier this week.

Ad commercials spotlight Hoboken

By Maura Sheehy 9-3-87

Lately it's been lights, camera, action up and down the streets of Hudson County as the big commercial-makers from across the river came to find just the right setting for Cherry 7-Up and Schmidt's beer.

In Hoboken, it was the look of Vito's Italian Deli and the feel of the Elysian Cafe they wanted, the scenic qualities of 11th and Garden and the sunset over the row houses on Bloomfield Street they were after. And in Jersey City, it was the feel of the Miss America Diner, an oft-used commercial backdrop, they needed to set off the soda.

"We wanted a neighborhood feel," said Neil Hallenborg, production director for the Schmidt's commercial.

All day Monday and Tuesday trailers and equipment trucks blocked traffic and ate up whole blocks of parking spaces along Washington Street. Sidewalks were cluttered with cameras, bins full of heavy metal tripods, industrial-size extension cords and lights with lenses the size of a giant's monocle.

A whole new kind of people swarmed the streets: grips, gaffers, technicians pointing light meters, panicky clients, surly agency people and bunches of bored extras. They made Washington Street their own little domain with concession tables, racks of clothes, pairs of extra shoes and directors' chairs.

The Schmidt's people brought a crew of 40 technicians, a cast of 12, and five people from the advertising agency to shoot six three-second scenes at different locations uptown. The other four scenes of the final 30-second commercial will be shot in lower Manhattan.

"I'll be a slice-of-life commercial, as they say in the advertising world, and it won't be like these Michelob or Lowenbrau commercials where it's a big group of friends at a bar. This is just a bunch of guys, regular guys having a Schmidt's," according to a production assistant wearing a Schmidt's hat.

They shot a bar scene inside the Elysian Cafe and set up a bar-b-que on a fire escape above to show how and where Schmidt's lovers throw back their favorite brew. They put cameras on the roof of the Tucker's Drugs building on the corner of 10th and Washington and shot diagonally across Bloomfield Street as the sun set over a get-together staged on the roof where the featured beverage was — you guessed it — Schmidt's.

On Tuesday they filmed three guys walking down 11th and Garden, putting on bowling shirts as they went. They put a neon Schmidt's sign in the window of Price King liquor store on 11th and Washington Street to create the feel of Schmidt's as a neighborhood beer.

The Cherry 7-Up crowd setting up on Eighth Street was bigger, busier and a little tenser. At the wardrobe truck art directors and representatives from Leo Burnett advertising agency haggled over which shirt the young, male lead should wear.

"I don't like the grey, let's see him in the pink. Take off the jacket and try the pink," an agency person instructed the actor.

"Are we going to do a belt on him or not?" demanded an assistant.

"Whatever you want, it's your commercial."

The female lead stood by already dressed in a bright green shirt, bluejean overalls and black Hi-Top sneakers with

pink laces. Meanwhile a man who appeared to be talking loudly to himself paced the pavement, waving his arms. He wasn't crazy. He was the director and he was wearing a microphone headset from which he could talk to any of the walkie-talkie technicians.

Extras made small talk while they waited for the action to begin.

"I'm always in black and white," said a man to a woman. "I had a walk-on in Manhattan — a black and white — and now this."

The trade mark of Cherry 7-Up commercials is that everything is in black and white except the pink soda cans. By seven o'clock, Eighth Street looked like a movie lot, all lit up until after midnight, as they shot the male lead walk from his friend's metallic blue Camaro into Vito's deli over and over again.

Vito's turned into a convenience store when they put a pink neon sign reading "FAST-STOP" in the window and filled the glass cases behind the counter with eggs and milk instead of Prosciutto and Provalone. On the opposite side of the street extras dressed as joggers, yuppies and senior citizens on the way back from shopping walked up and down, up and down, up and down.

Curious Hobokenites crowded into every space they could to watch the spectacle. But while Hoboken was looking at the commercial makers, the commercial makers were looking at Hoboken. One extra who asked how the rents were over here, said a friend of his once described Hoboken to him. "He said it looked like there was a war there and nobody cleaned up. Now Hoboken is the place everyone wants to be."

STOP, please



A sign at Park Avenue and First Street in Hoboken yesterday asks motorists to halt. The unofficial sign was placed by residents concerned about the high number of accidents and near misses there.

DON SMITH THE DISPATCH

CUNA will march to get city funds

By Jim DeRogatis

An embattled Hoboken community group is planning to march on City Hall in an attempt to secure city funding.

Ciudadanos Unidos Pro Nueva Accion is planning an "anti-drug" march on Sept. 12 "to demonstrate the support CUNA still enjoys from all sectors of the Hoboken community," according to a letter sent to Mayor Thomas Vezzetti.

The letter from CUNA director Juan Garcia states U.S. Rep. Frank Guarini, state Sen. Chris Jackman, Freeholder Nidia Davila-Colon and Assembly

candidate Bernard Kenny will join the march.

But all denied that they will be participating.

Several other elected officials also were named in the letter, but were unavailable for comment.

CUNA has been shrouded in controversy since last February, when the group was denied almost \$80,000 in funds from the state Department of Community Affairs and the Division of Youth and Family Services because it was allegedly not offering the services

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CUNA will march to get city funds

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it was being paid to administer, according to a state report.

Garcia appealed to the City Council for money to replace the state funds, and the council approved a \$15,000 emergency appropriation from the Community Development Agency. Last month, Garcia appealed to the CDA for an additional \$37,241.

CDA Director Michael Coleman said the request was exorbitant and offered CUNA an alternative: a one-year, \$15,000 grant and space to relocate its offices at the city Multi-Service Center, 124 Grand St.

Even though the state report strongly criticized the condition of the current office at 918-920 Willow Ave., Garcia has opposed relocating CUNA to the Multi-Service Center because he claims the public will not have ready access.

Garcia, who drew an \$1,800 salary from the grant, has said that he sometimes lives in the

CUNA offices. The Hoboken Police Department is investigating CUNA to determine whether Garcia is misusing public funds by living in the group's offices.

The police probe grew out of an investigation last month by the Hudson County prosecutor's sex crimes unit, police said. The prosecutor's investigation found no evidence to substantiate charges against Garcia, but questioned the propriety of Garcia living in the CUNA office, according to a police report.

"The investigation doesn't bother me. We've been investigated before and they haven't come up with anything," Garcia said two weeks ago. He promised to fight the attempt to move CUNA and said he would "fill the council chambers if I have to."

The letter to Vezzetti, dated Aug. 31, states that the march will begin at CUNA at noon and reach City Hall by 3

p.m. It refers to the march as an anti-drug event, but adds that it "(should) be made explicitly clear that the sole purpose of the... action is to demonstrate the support CUNA still enjoys from all sectors of the Hoboken community," new residents as well as old.

The letter also states that CUNA and its supporters will converge on the Sept. 16 City Council meeting and "in the near future, a large contingent of community people will visit the mayor's office in search of answers to the present CUNA situation."

Vezzetti charged that CUNA is attempting to pressure him and council into giving the group what it wants.

"Let them march, it's their right, but that kind of political pressure will do no good," Vezzetti said. "The city has set forth the conditions under which CUNA will be funded, and it's up to Juan Garcia to accept them or not."

Garcia's letter states that Guarini, Davila-Colon, Jackman and Kenny will be among the people marching on City Hall with CUNA.

A spokesman for Guarini denied that the congressman will participate.

Kenny and Jackman said they had no knowledge of the march and also would not participate.

Davila-Colon said she agreed to march to protest drug abuse, but "would have nothing to do with it if it involves (CUNA's) funding."

"It's in their favor if they want to march," Garcia said yesterday, referring to the elected officials. Informed that they had denied their involvement, he said "I have no problems with that."

"I'm going to use whatever I have at my disposal to make sure this place stays open," he said, adding that CUNA already has collected 1,000 signatures on petitions of support.

Ranieri ready to see chemical plant leave

By Dominick Calicchio

Hoboken City Councilman Robert Ranieri last night became the second council member to call for Henkel Corp. to cease its Hoboken operations in the wake of Friday's chemical accident at Henkel's plant at 13th and Jefferson streets.

A cloud of chlorosulfonic acid escaped from the plant shortly before 10 a.m. Friday and traveled northward, where it enveloped the Doric apartments in Union City. At least seven people were hospital-

ized for eye irritation and nausea, including three Hoboken firefighters.

After the accident, Councilman Steve Cappiello said he was looking into possibly forcing Henkel to leave.

Last night, while the council discussed establishing emergency evacuation procedures for dealing with future accidents, Ranieri said he'd rather see Henkel relocate.

"I would much prefer that just as we outlived nuclear waste from coming into the city that we outlaw the chlorosul-

fonic acid," he said.

But Jack Fallon, plant manager at Henkel, cautioned the council and the public last night against overreacting to what he has called a "rare occurrence." Henkel and its predecessor, Standard Chemical Products, have been in Hoboken for 60 years, he said, and have handled chlorosulfonic acid for the last 30 years without incident.

"Suddenly we're painted with tar and the bag of feathers is being prepared," Fallon said, "simply because of the

way the situation is being portrayed in the press."

Fallon said he is aware that people not part of the chemical industry are naturally apprehensive about situations involving chemicals. But, he said, Henkel has always responded to requests from state and local governments for information about its products and safety procedures.

"We do not cover up, we do not hide, we do not try to downplay the seriousness of handling chemicals," Fallon told the council.

Fallon spoke after Hoboken Public Works Director Roy Haack told the council that health and public safety officials from Hoboken, Weehawken and Union City would be meeting at 1:30 p.m. today in Hoboken Mayor Thomas Vezzetti's office to discuss steps to take in wake of the accident.

Haack told the council "it seemed that no one had a handle on what was going on," during Friday's accident and said later that Hoboken was denied access to Henkel's chemical records a year and a half ago.

But Fallon and Henkel's engineering manager, James Mitchell, said the company has always been one of the few to comply with the state Right-to-Know law regarding hazardous materials. Mitchell said Hoboken officials should already have a copy of Henkel's chemical records on file.

Mitchell said Henkel tests its alarm systems each Monday at 10 a.m. and conducts monthly employee-safety sessions and that several have involved members of the Hoboken police and fire departments.

Bank gets new chiefs

President withdraws in shakeup

By JUDY TEMES and JANET WILSON Staff Writers

HOBOKEN—There was a shakeup of top management at the Elysian Federal Savings Bank yesterday amid rumors of continuing investigations into lending practices there.

The savings and loan association denied the reports yesterday, while its Board of Directors appointed a temporary management team to bring the situation under control and replace the president and executive vice president, both of whom resigned Friday.

The Federal Home Loan Bank of New York said there is no investigation of Elysian in progress, but the U.S. Attorney's Office could be conducting an investigation, sources said. An assistant U.S. attorney said she knows nothing of any investigation.

The association continued normal operations yesterday, and remained open for the business day. Executives and members of the board said there was no run on the bank, and depositors were not seen lining up to withdraw money.

Reports of a possible run on the bank, however, prompted several members of the board to stand at the door of the institution's main



The Elysian Federal Savings Bank in Hoboken was open for business yesterday despite rumors that it is the target of one or more federal investigations.

branch at 401 Washington St. to reassure customers that everything was in order.

"It's business as usual," said Joseph Narciso, a member of the board. "Some people were frightened and thought there would be long lines, but as you can see, it's not true."

The directors yesterday appointed Edward Schultz as the new president and chief executive of-

ficer. He will succeed Ernest Badaracco Jr., who resigned Friday among rumors of federal investigations. Linda Williams was named the new executive vice president, succeeding Kathy Bronee. The two are executives from Rochester Consulting Associates, a subsidiary of the First Federal Savings & Loan Association of Rochester, N.Y.

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The two will serve temporarily under contract through the end of the year, said William Stack, the chairman of the board, at which time Elysian hopes to appoint a permanent management team.

Stack said Badaracco's unexpected resignation made it necessary that the bank name a management team to fill the void until the institution has time to name a permanent replacement.

Stack denied reports that Badaracco was forced out of the savings and loan association because of differences in banking practices. Brian Dittenhafer, president of the Federal Home Loan Bank, backed Stack's assertion, saying Badaracco resigned voluntarily.

"There certainly was not an ongoing battle between us," Stack said in an interview at his office yesterday. "We are friends, and are still friends. We grew up together, went to school together ... he was a typical CEO."

Stack could not say what prompted Badaracco's sudden departure after more than 17 years with the association. Badaracco's father was one of the founders of the bank, which opened in 1927 and has been a major bankroller of

several developments here. Barbara Badaracco, his wife, served on the board until a month ago, when she died of a stroke.

Although the Federal Home Loan Bank is not investigating, the U.S. Attorney's Office in Newark was said to have questioned people here two weeks ago with possible ties to the electric company Badaracco used to own.

The company, Badaracco Bros. and Co. Inc., folded three months ago, police and neighbors said. A sheriff's auction was held three weeks ago in the back of the bank, where the company has been located since 1913.

Anthony Russo, a candidate for councilman in the 3rd Ward against Councilman Steve Capriello, said he believes the investigation centers on charges that Badaracco pressured contractors, who received backing from Elysian, to use his electric company.

A local attorney, who requested anonymity, said Badaracco had been accused of using funds from the bank to keep his company afloat.

Stack said Elysian is by no means tied to any electric company Badaracco owned, and rumors that

the association financed the electric company's debts are unfounded.

"Whatever he is personally involved in, he has to answer to himself," Stack said of the former chief executive officer, "but as far as us lending money to the electric company, that's completely false."

Elysian has three offices, two here and one in Fort Lee. The association, which is owned by its members, last year had retained earnings of \$14.9 million, Schultz said, or about 5 percent of gross assets.

The association has assets of \$289 million, up from \$40 million just four years ago. "I'd call that fantastic growth," Stack said.

The association made a net profit of \$2 million in the first six months of this year, according to Stack, who said the amount was slightly above last year's profits.

He said the association may have suffered a 75 percent drop in profits during its first quarter, but he said the institution has rebounded, and the downturn was a one-time problem.

"We are now back to making a profit, which I'm thrilled and happy with. I don't think anyone in our situation can do better," he said.

Stack attributed the association's fast growth to its aggressive pursuit of real estate deals. "I think many area banks missed the golden opportunity of lending in Hoboken," he said. "A lot of these banks wouldn't lend in Hoboken. We did, and we profited by it."

Stack said the association has been forced to repossess some properties, but he called that a normal risk of doing business.

Dittenhafer said Elysian has shown positive earnings, and he is not concerned with its financial position. What he is concerned with is the possibility of a run on the institution, based on published reports, he said.

"Let's face it—the savings and loan industry is under a lot of pressure," he said. "We've been fortunate in New York and New Jersey. But public perception changes very slowly."

Ruling frees sewer funds

Hoboken, N. Bergen, W.N.Y.

By CHRISTOPHER AVE Staff Writer

Federal authorities have announced that sewerage projects in Hoboken, West New York and North Bergen pose no environmental threat, a decision that clears the way for the municipalities to receive almost \$50 million in federal grants.

The Environmental Protection Agency grants are to be issued to the Hudson County Utilities Authority by Sept. 30, barring complications.

HCUA officials delivered letters yesterday notifying the municipalities of the EPA's decision. Hoboken is set to receive the largest grant—\$29,576,223. West New York is scheduled to get \$14,870,035, and North Bergen should receive \$5,507,150.

The amounts represent 55 percent of the expected cost of the municipalities' secondary treatment facilities. The state has ordered all municipalities to upgrade their sewage treatment, and in 1985 imposed a ban on new sewerage hookups.

"It's a great step forward," Roy Haack, director of Hoboken's Department of Public Works, said yesterday. Hoboken officials noted that the grant would lessen by 55 percent the taxpayers' burden in paying for the new facilities.

The announcement signals an end to long struggles to get the grants. The most protracted struggle occurred in Hoboken, where the city is embroiled in a fight with Mayo Lynch & Associates Inc., the engineering firm the city originally hired to build its sewerage system.

But the state last year said the firm's plans were inadequate, and

the relationship between Mayo Lynch and Hoboken soured. The engineering firm sued the city. Mayor Thomas F. Vezetti and members of the City Council in separate lawsuits. A Hudson County judge ruled against Mayo Lynch in three of the lawsuits. Another suit, in which the city and the firm are suing each other for payment of services, is pending.

It still is not certain that the municipalities will get the grants. There is a 30-day waiting period, which began Monday, in which the state must work out details on the separate plans for sewerage treatment facilities.

A state Department of Environmental Protection spokesman said the state is involved in close talks with the HCUA and the municipalities about technical details in the plan. He would not speculate on the results, or whether the grants would be turned over on schedule.

HCUA Chairman Anthony Russo acknowledged that the final decision probably will not be made until Sept. 30, but said it is likely the municipalities would get the grants.

"It's one foot in the door," Russo said. "Typically, the 30 days go by, and the check is sent. But because of all the legal difficulties, it's an atypical situation."

At Hoboken City Hall, Haack said there should be no problems with getting the grant now. He said the city's new engineer for the sewage treatment plant, Lawler Matusky and Skelly Engineers Inc., was a great improvement over Mayo Lynch.

"It's certainly going to reverse the tide, in terms of what our future is going to be," he said.

Drug probe focus on five bluecoats

By Laurie Kalmanson and Jim DeRogatis

The FBI and the Hudson County prosecutor have been investigating cocaine and marijuana abuse involving five Hoboken police officers and firefighters, a senior municipal official said yesterday.

The prosecutor's case against the five could be presented to a grand jury within two weeks, according to a source close to the inquiry.

"I'm not going to confirm or deny anything," Prosecutor Paul M. DePascale said yesterday.

The FBI reportedly assisted the DePascale probe by providing initial information, and then withdrew.

The five targets of the investigation would face 10 years in prison for official misconduct and five years for cocaine and marijuana possession if the grand jury indicts them and a jury convicts them, a law enforcement source said.

The possible drug possession charges reportedly involved small quantities used for personal consumption.

"If accountants were using the amount of drugs involved in this investigation, it would be a very different situation," a law enforcement source said yesterday.

"What would you do if your

house was burning down, and a coke-head fireman, too high to know what he was doing, answered the call? Or if a cop answered a domestic dispute and he was all coked up?"

A North Bergen police officer convicted of official misconduct and cocaine possession last year is currently serving a 22-year sentence in Trenton State Prison and is ineligible for parole for 11 years.

"Drug abuse among public safety officers is an extremely dangerous crime, and that's why official misconduct charges carry twice as much jail time as the penalties for the quantities of drugs involved here," a source in the prosecutor's office said.

The municipal source believes the number of police and firefighters targeted by the prosecutor could be as many as 15.

But a source closer to the probe maintains that only five public servants are presently believed to be drug abusers.

"And we want them off the force," he said.

Hoboken Fire Chief James Houn said yesterday that he has long suspected drug use among his men, but he has been unable to pinpoint anyone.

"I'd like to know who it is myself," Houn said yesterday.

See DRUG PROBE — Page 15.

Drug probe focus on five bluecoats

Continued from Page 1

No formal notice of a probe has reached his department, he said. Hoboken Police Chief George Crimmins declined comment on the investigation

when reached at his summer vacation home yesterday. The police department provides counseling programs for officers with drug or alcohol problems, Crimmins said, but

he had no information on how many officers have sought treatment.

Only last April, two drug and alcohol-related scandals rocked the Hoboken police and fire departments.

Police officer Kenneth Markey, 25, was arrested on narcotics charges after he shot a 21-year-old woman at a party. The shooting was termed

accidental, and Markey was "allowed" to resign. He had worn his uniform for two years.

Firefighter Kevin Toomey, 31, was charged with leaving the scene of an accident and driving while intoxicated when he rammed his car into several parked vehicles. He was suspended from the force.

Several Hoboken firefighters have needed help with

drug and alcohol problems, according to Edward Chius, the former public safety director who now serves as city business administrator.

The current investigation is almost concluded and assistant prosecutors may begin preparing their grand jury presentations immediately after Labor Day, according to a highly-placed source.

Elysian probe to be lengthy

By Bill Campbell

The federal probe into procedures at the Elysian Federal Savings Bank in Hoboken may continue for as long as three or four months, an official said yesterday.

Brian Dittenhafer, president of the Federal Home Loan Bank in New York, confirmed that auditors from the federal regulatory agency are conducting an investigation of the bank, and said he will monitor banking transactions at Elysian to guard against a run on the institution.

"As long as this issue remains in the press, I will monitor transactions at Elysian on a

24-hour basis," he said. "There is no reason for depositors to panic, our examination is not an issue which should concern them."

Last Friday, Ernest Badaracco Jr., the bank's president, and Kathy Bronee, the executive vice president, submitted their resignations to Elysian's board of the bank.

On Wednesday, the bank named three consultants to its board of directors.

William Stack, the newly appointed bank chairman, has steadfastly denied that the resignations were related to the probe. However, a source who cooperated in the investigation said the two were forced to

resign amidst a probe by the FHLB and the U.S. Attorney's office into loan irregularities.

The source, who asked not to be identified, said FHLB officials are investigating the bank's unusually high delinquency rate on mortgage loans, and the possibility that Elysian was inflating gross profits because several real estate developments owned by the bank's service corporation were several years behind schedule and millions of dollars over budget.

The source, who said he gave testimony to FHLB officials in New York last month, yesterday said the bank has

See PROBE — Page 15.

Probe of Elysian may take months

Continued from Page 1

been under federal surveillance for several months. He said that all major loans issued by Elysian had to first be approved by the FHLB in Manhattan.

Stack has denied knowledge of the investigation and the allegations that the bank is not financially sound. Dittenhafer would neither confirm nor deny that the bank had been monitored.

Badaracco could not be reached.

Dittenhafer said he could not comment on specifics of the probe, but said it may take three or four months to complete. He said the FHLB has not referred any findings to the

U.S. Justice Department for prosecution.

Dittenhafer said he could not comment on a source's allegations of possible wrongdoings, saying, "It may have just been his interpretation" that charges would be levied. He also denied that Badaracco or Bronee were given an ultimatum to resign or the bank would face regulatory action.

However, others close to the bank said it was no secret that federal regulators were examining bank practices. Elysian, which has two offices in Hoboken and another in Fort Lee, has \$295 million in assets but suffered a 75 percent drop in net income from December 1986 to March 1987 and experi-

enced a \$14 million jump in repossessed assets, according to a March quarterly report.

Others said that friction had developed between Badaracco and more conservative members of the board.

Dittenhafer said depositors should not be concerned by the probe, which he termed a routine examination of procedure. Probes, he said, are sometimes done at random. Dittenhafer said auditors will review finances to determine whether federal rules and regulations are met.

The information is then given to FHLB supervisors who must decide whether major banking violations have occurred, Dittenhafer said.

"In general, there are a number of remedies from changes in banking procedures to replacing the management and board of directors," Dittenhafer said. "Any criminal charges we uncover are turned over to the Justice Department for further action," he said.

According to the source, the probe is being conducted by the FHLB in Washington, D.C. from the bank's Manhattan office.

He said he was told to provide additional testimony to an assistant U.S. Attorney.

Dittenhafer would neither confirm nor deny the source's information. Officials at the U.S. Attorney's office would not comment.

Hoboken to meet Henkel

Dispatch 9-4-87

HOBOKEN—City officials plan to meet today with representatives of the Henkel Corp. to determine if the city will take any action in response to a chemical leak at the Henkel plant here.

The city called for the meeting after talking yesterday with officials from Union City, Weehawken and the Hudson County Regional Health Commission. That meeting, which was closed to reporters, was held in Mayor Thomas F. Vezetti's office at City Hall.

Public Works Director Roy Haack also said he would name a chemical consultant today to conduct a survey of the Henkel plant at 1301 Jefferson St., where the leak of chlorosulphonic acid occurred Saturday morning.

Haack had said Tuesday that he was searching for a consultant to report on the plant's safety. Henkel officials said then that the leak was no more than five gallons of the poisonous chemical, but that has not been confirmed.

The acid reacted with the rain falling that morning to produce a billowing white cloud of hydrochloric and sulfuric acids—substances which, in concentrated form, could lead to severe injury or death.

The cloud drifted to Union City, surrounded The Doric apartment tower there, and caused skin burns and nausea to three firefighters and four civilians, who were treated at hospitals and released.

—CHRISTOPHER AVE

DOG

CONTINUED FROM PAGE 1

People have also contributed stuffed animals, dolls, quilts and grooming services. More than 150 letters have been received, and countless contributions dropped into a jar on the precinct desk.

When they heard Alice needed swimming therapy, two women, from Jersey City and Secaucus, offered to contribute their outdoor pools.

When Lebrink brought Alice in off the street on July 12, he and fellow officers set up their own fund of \$500 to pay for surgery on her left hip at the Emerson Animal Hospital in Emerson.

"She had severe degenerative joint disease caused by an injury months ago," said Dr. Robert Fitzpatrick of the animal hospital. "She could have been hit by a car, beaten or taken a fall."

Alice's pain could be likened to that of severe arthritis, said Fitzpatrick. She will be walking normally, and without pain in four months, he said.

"All the people on Washington Street stop me when I take Alice for a walk," said Sgt. Ronald Clark. "They ask me how she's doing."

Alice's fund overflowing

Dispatch 9-5-87

By WALTER OWEN Staff Writer

HOBOKEN—When police here decided to get Alice, 5, a German Shepherd crippled by a hip injury, back on four feet, they looked for money.

Now, with over \$2,000 in an "Alice" account at the Garden State Bank here, they want to say thanks and, enough.

"She has brought morale back up at a time when the department needs a boost," said Sgt. Walter Lebrink. "Officers who normally don't talk to each other now have something in common."

The department plans to keep Alice. An officer from the PBA and one from the Superior Officers Association have access to the account for the unofficial department mascot.



Alice, beloved mascot.

Please see DOG Page 10

Probe could lead to police arrests

Hoboken, N. Bergen are focus

By JOHN ROFE
Staff Writer

An investigation into drug use by Hoboken police officers and firefighters is expected to yield arrests by the end of the month, a city official said yesterday.

In addition, the North Bergen police force is also under investigation by Hudson County Prosecutor Paul M. DePascale, according to a high-ranking North Bergen official. The official did not specify the nature or the extent of the investigation into that department.

DePascale would neither confirm nor deny either investigation, but law-enforcement sources said the inquiries and the recent arrest of a Jersey City police officer on marijuana possession charges are part of a concerted effort to attack police corruption in the county.

Angelo A. Busacco, North Bergen's acting police chief, said he could neither confirm nor deny that an investigation is taking place.

In Hoboken, a city official said

Dispatch 9-5-87

The Dispatch

HOBOKEN COPS PROBED

By JUDY TEMES
Business Writer

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In Hoboken, a city official said

All Hoboken schools will open

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—All city schools will be open Wednesday, Board of Education officials say, despite an unresolved fight between the school board and the city that could result in a large cut in the board's budget.

A preliminary state hearing on a budget cut is not scheduled until Oct. 21. The board, trustees said last week, will not decide on closing any schools until then.

Even after the hearing and the state's decision, board members do not expect to close any schools, according to Trustee Lourdes Arroyo.

"We have never discussed closing a specific school," she said, "because at this point the majority of the board does not believe that there's going to be that big of a cut."

At the center of the long-running debate is the \$3 million that the City Council ordered the school board to cut out of its budget. The school board appealed the cuts to the state Department of Education, which will issue its final decision on the requested cut after the October hearing.

And then the board last month angered Mayor Thomas F. Vezzeiti by appointing three elementary school principals. The board made

the appointments on the assumption that it would regain the slashed \$3 million.

The mayor, whose political foes form the school board majority, called the appointments "scandalous patronage" and threatened to sign over nearly \$1 million in tax money scheduled to go to the school board.

It is unclear what effect Vezzeiti's threat will have on the budget situation. Schools Superintendent Walter Fine did not return several messages left at his office last week.

City Hall sources privately acknowledge that the state educa-

tion department, led by Commissioner Saul Cooperman, tends to side with local school districts in budget disputes such as the one now facing the city. But even if Cooperman restores the entire \$3 million, some schools may still face being closed because of declining enrollments.

The Demarest School, at Fourth and Bloomfield streets, has room for about 1,000 students but only about 400 have enrolled, according to Trustee James Farina. The school was mentioned as a possible site for a new City Hall when city Business Administrator Edwin Chius last month said the city should sell the current City Hall.

Festivals, fairs, beaches to draw crowds

The annual festival of the Madonna dei Martiri today through Monday in Hoboken is one of New Jersey's leading Labor Day weekend events. Food, music, nightly entertainment, games of chance and fireworks will be the order of the 61st annual celebration which honors the patron saint of Molfetta, Italy. The festivities are centered at the Madonna dei Martiri Society's headquarters at 322 Adams St. Following a Mass at St. Francis Church, Third and Jefferson streets, the highlight of the feast will be today when a statue of the "Mother of Martyrs" is carried through the city streets where worshippers will try to pin dollar bills on the statue's clothing and ribbons. Fireworks will be shot off tomorrow evening over the

Little League Field at Fourth and River streets.

In honor of the Labor Day holiday, municipal, state and federal government offices will be closed.

The Jersey Journal will not publish Monday. Banks will be closed and all Hudson County municipalities have cancelled street sweeping and parking meter collection. Public libraries will also be closed.

Postal services will be suspended, except Special Delivery and Express Mail.

Garbage collection will continue throughout the county uninterrupted. PATH will operate on a Saturday schedule. There will be no construction on the George Washington Bridge

or the Lincoln and Holland tunnels. Buses will operate on Sunday schedules.

New Jersey State Police announced that it will have a stepped-up enforcement program on roads patrolled by state troopers until midnight Labor Day.

The travel outlook for the state's roads also appears bleak this weekend. The New Jersey Turnpike Authority anticipates more than 2.5 million vehicles will use the state's major artery on the weekend dedicated to the state's working men and women.

Attorney General W. Cary Edwards has ordered intense surveillance of interstate highways and other roadways patrolled by state troopers in an effort to curtail the number of

traffic deaths.

Air traffic is also expected to be heavy at Newark International Airport although overall passenger traffic is expected to be 9 percent less than a year ago because of the acquisition of People Express by Continental Airlines.

The schedule for the weekend is filled with activities including the week-long Flemington Fair, the annual Labor Day parade in Plainfield and the final weekend on the beaches of the Jersey shore.

A state fair atmosphere has prevailed in the western part of the Garden State with the 131st Flemington Fair. Horse, sheep and cattle shows have dominated the program along with country music, car races, high

wire acts.

One of the highlights Monday will be the "dash for cash" pig races, with the winners paid in beer.

Some 13 bands and 10 floats have been entered in the Labor Day parade in Plainfield that last year attracted 25,000 people. A fireworks display culminates the day's activities.

Along the coast, people are expected to flock to the shore for the traditional final weekend of the season, complete with sun, sand and, of course, the music of Bruce Springsteen.

State health officials are expecting no problems this weekend because of debris washing ashore, something that has plagued the shore communities this year.

Elysian banking family's firm declared insolvent last June

Dispatch 9-5-87
By Anthony Baldo

A Hoboken-based electrical company run by the Badaracco family was declared insolvent in June and has been liquidated, court records show. The family is also central to the founding of and recent shakeup at Elysian Federal Savings Bank.

Ernest Badaracco Jr. resigned as president of the bank last week amid a federal investigation into banking procedures.

His father, Ernest Badaracco Sr., activated the bank's charter in the early 1960s along with Anton Vezzeiti, a cousin of Hoboken Mayor Thomas Vezzeiti.

The elder Badaracco is also listed in court papers as the president of Badaracco Brothers & Co., an electrical firm.

The company on June 18 filed a copy of deed assignment for the benefit of creditors with the state Superior Court law division, probate section.

Badaracco Brothers assigned the Millburn law firm of Kleinberg, Moroney, Masteron & Schachter to handle the matter. Yesterday, one of the firm's lawyers, who asked not to be named, said such a filing with the state courts is the equivalent of a federal Bankruptcy Code filing.

A copy of deed assignment filed in state courts is rarely

used, the lawyer said. There is "greater ease of administration than under bankruptcy," the lawyer said. "The estate can be liquidated a lot sooner."

The court papers show that Badaracco Brothers owes \$267,714.63 to general unsecured creditors, who will receive payments over priority creditors of the company. Of the amount, Ridgefield Park-based EDI (\$120,974.74) and Fairview-based Fairview Electric (\$40,994.86) are owed the most money.

The Internal Revenue Service, the state Division of Taxation and the state Employment Security Division are

See ELYSIAN — Page 4.

Elysian banking family's firm declared insolvent last June

Continued from Page 1

listed as priority creditors of the company, but the amounts owed to them aren't disclosed.

The court papers say that Badaracco Brothers had accounts at First Jersey National Bank.

The papers, however, do not disclose loan agreements.

Badaracco Brothers, besides inventory and other assets, listed \$479,000 in receivables in the court papers. Receivables are monies that a company expects to receive from customers within a one-year period.

The Millburn lawyer would not disclose who owes money to Badaracco Brothers. The law firm is collecting the receivables on Badaracco Brothers' behalf.

The lawyer said a record of the receivables will be disclosed in court filings once a final accounting is made.

An auction in July to sell off Badaracco Brothers' other assets brought in \$25,875, the court papers show.

No telephone number exists for the firm anymore, and the number of the Badaracco family is unlisted.

The Federal Home Loan Bank in New York is currently investigating the Elysian situation.

Observers have portrayed the younger Badaracco as a "free-wheeling but hardnosed" banker who directed the bank to make real estate loans that haven't worked out.

A March quarterly report showed that the bank experienced a \$1.4 million jump in the quarter on foreclosed assets, meaning it has been forced to repossess a large amount of property because of bad loans.

Henkel and city meet on leak

Dispatch 9-5-87
By JUDY TEMES
Business Writer

HOBOKEN—City officials met yesterday with executives from the Henkel Corp. to work out ways to avoid a toxic chemical leak similar to one that occurred last week.

The plant manager at Henkel characterized the meeting as "cooperative and constructive" and said he doubts city officials will force the company to leave in response to the incident.

"I understand what some people may think, but I don't think the City of Hoboken would want us out," plant manager Jack Fallon said. "We contribute to

the tax base, and we employ many people who live here."

Fallon made his comments in response to some City Council members who have said they would like to see Henkel move. He said the company takes full responsibility for the spill and will cooperate in any investigation of its property. Henkel already has taken some measures to avoid a future incident, but will cooperate in doing what is asked by the city, he said.

Public Works Director Roy Haack met with Fallon yesterday afternoon behind closed doors. Haack could not be reached yesterday, and other city officials were unavailable for comment on the

"I understand what some people may think, but I don't think the City of Hoboken would want us out. We employ many people who live here."

JACK FALLON
PLANT MANAGER

meeting.

Haack has appointed a consultant to review Henkel's operations, and a report will be prepared about the leak.

The acid that leaked from the plant at 1301 Jefferson St. on Aug. 28 reacted with the rain that day to form a billowing white cloud of hydrochloric and sulfuric acids. In concentrated form, the mixture can cause serious injury or death. It caused skin burns and nausea to three firefighters and four residents who were treated and released by local hospitals.

The cloud drifted to Union City, surrounding The Doric apartments there. The leak from an outdoor hose on the

grounds of the factory spilled at least five gallons of a highly poisonous substance called chlorosulphuric acid onto the ground. Rain transformed the substance into a toxic cloud that hung over four blocks of Union City.

Henkel makes detergents used in shampoos, and the West German company employs about 100 workers at the plant here.

Fallon said the company will continue to meet with city officials and the consultant next week to determine the cause of the incident, and find ways to prevent it. "Perhaps we can all learn something from this," Fallon said.

Tired and sad, Badaracco quit post at Elysian

Dispatch 9-4-87
By JUDY TEMES
Business Writer

HOBOKEN—The president of the Elysian Federal Savings Bank resigned last Friday under pressure from the death of his wife and long days on the job, the chairman of the institution's Board of Directors said yesterday.

But William Stack said he still does not understand fully why Ernest Badaracco Jr., president for five years and a member of the institution's board for more than 17 years, left Elysian so suddenly.

Badaracco, known here as the man who believed in the city's future at a time when no one else did, resigned as president of the savings and loan association with another top official amid reports of a federal investigation into lending practices at the institution. His

departure caused a shakeup at the top level of management, leaving some depositors concerned for the future of the association.

One Hudson County resident said he plans to close out his account, even though it will cost him the interest on his six-month certificate of deposit.

"I certainly am worried," he said. "I have no confidence in the FSILC, nor, to some extent, the bank," he said. "There is too much manipulation and fraud at these savings and loans. So many of them have gone under. That's what's coming into my mind. What else can I think?"

The Federal Savings and Loan Insurance Corp. insures the deposits of all savings and loan associations up to a maximum of

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BANK

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\$100,000 for each account. The Elysian customer, who declined to give his name, said he plans to transfer his money into a bank protected by the Federal Deposit Insurance Corp.

Most of Elysian's customers appeared less concerned about the management shakeup, and left their deposits untouched.

"I'm just here taking out my Labor Day money," said Debbie Culhane of this city. "You worry about it, but the money is insured. You just have to have faith in our system."

Another customer at the institution yesterday said she is satisfied with the service provided by Elysian. "I'm sure they wouldn't do anything underhanded," said Mary Sauro, who also lives here.

The president of the Federal Home Loan Bank Board in New York said yesterday that the agency's field officers have examined Elysian's records as part of a routine yearly practice. Even if the examination results in further inquiries, it would not be unusual, said Brian Dittenhafer.

He said the agency, which oversees savings and loan associations, is not conducting a formal investigation. "As far as the individual depositors go, everything is safe," he added. He said he could count on his "fingers and toes" how many depositors at Elysian have more than \$100,000 on deposit. The FSILC insures all funds up to \$100,000.

Samuel R. Alito Jr., the U.S. attorney in Newark, said yesterday that he cannot comment on any pending investigations, and cannot say whether there is any investigation into the lending practices of the association.

"It is an ironclad rule around here that we cannot comment," Alito said yesterday. "To do so would be harmful."

Alito also declined to comment on a possible investigation by his office of an electric company owned by Badaracco.

Unidentified sources said they know of people tied to Elysian who have been questioned by representatives of the U.S. Attorney's Office about lending practices.

The electric company, Badaracco Bros. and Co. Inc. of this city, was run by Badaracco's wife and folded when she died of a stroke a month ago. Stack said Badaracco had no wish to operate the company himself.

Anthony Russo, a candidate for councilman in the 3rd Ward against Councilman Steve Capriello this month, said he believes the investigation centers on allegations that Badaracco pressured contractors whose projects were backed by Elysian, to use his electric company.

Stack has denied that any money from Elysian was used to help Badaracco's electric company. He has also denied the existence of any federal investigations.

He said Badaracco left suddenly last Friday for what he believes are personal reasons. He said the former association president is now unemployed, but plans to enter the construction business.

Badaracco and another top official were succeeded Wednesday by two consultants from Rochester.

"He was working 15 hours a day, and, with his age, the pressure from the job and the death of his wife, he wanted to get out," Stack said. "He's got a teenage son at home. It's not easy."

Elysian reported \$2.1 million in profits for the first six months of this year.

City expecting \$50M for its housing fund

By Earl Morgan 9-9-87

Over the next 10 years Hoboken should receive nearly \$50 million for affordable housing from contributions paid to the city from local housing developers, according to Michael Coleman, director of the city's affordable housing program.

Coleman spoke during a workshop session of the city council last night that acquainted the council members with a number of ordinances scheduled for public hearings and votes at the next council meeting.

The ordinances to be considered at the meeting to be held next Wednesday at 7 p.m. include a measure fixing user fee; an interim treatment facility fee ordinance, a sewerage impact fee ordinance, an infrastructure fee ordinance and an inclusionary affordable housing ordinance.

The next council review session will also feature projected financial totals from developer contributions. It will also include a briefing from Hugh McGuire, a property appraiser and tax specialist.

Coleman told the council

From developers in next 10 years

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Coleman told the council

under the guidelines enunciated by Coleman, commercial developers on the waterfront will not have to contribute as much to affordable housing as inner city and residential developers. Coleman answered that since commercial developers on the waterfront will be providing recreation space and other amenities they should not be required to make the same affordable housing contribution.

While a draft of the ordinance calling for developer contributions will be ready Friday, figures concerning the payments developers will have to make will not be included. The user fee ordinance es-

See CITY — Page 10.

City expecting \$50M for its housing fund

Continued from Page 1

establishes fees for residential property for the operation and maintenance of the secondary sewerage treatment works. Fees will be collected by a soon-to-be-established inter-city sewerage authority that will be operated by Hoboken, Union City and Weehawken, the three municipalities that presently use the Hoboken sewerage treatment facility. The ordinance was already passed on first reading by all the municipalities and a public hearing on it will be held next Wednesday, 7 p.m. in the Hoboken City Council Chambers.

The sewer use ordinance establishes fees for industrial and commercial sewerage customers for the operation and maintenance of the secondary sewerage treatment works, and regulating the amount of pollutants to be discharged by the individual customer. The public hearing on the ordinance will also be held next Wednesday.

The interim treatment facility ordinance establishes fees charged to developments requiring hookup permits based on the improvements to the primary sewerage treatment works.

The impact fee ordinance provides fees to partially defray the cost of construction of a secondary sewerage treatment system. The infrastructure fee ordinance will provide partial funding for improvements in water distribution systems and sewage collection systems and includes repairs for streets and roads.

The passage of these ordinances is required to make Hoboken eligible for a U.S. Department of Environmental Protection grant to construct a secondary sewerage treatment plant.

Henkel faces spill probe

By JOHN ROFE Staff Writer

HOBOKEN—A Rockland County engineering firm could be appointed next week to inspect safety conditions at Henkel Corp. in the aftermath of a chemical spill that sent seven people to local hospitals last month, the city's law director said yesterday.

The appointment of Lawler Matusky and Skelly of Pearl River, N.Y., still must be approved by the City Council, which is scheduled to meet Wednesday, according to Law Director William Graves. He said the council also would have to approve payment for the survey.

Graves said Public Works Director Roy Haack would have to place both items on the agenda for tomorrow. A City Hall receptionist said Haack was in meetings out of town all day and could not be reached. Graves said he expected the items to be on the agenda because "someone has to push it."

City officials and Henkel managers met to discuss the inspection, which was called for after at

least five gallons of chlorosulfonic acid leaked from the detergent factory Aug. 28.

The acid, which is potentially lethal, mixed with rain to form two other lethal chemicals that sent seven people, including three firefighters, to area hospitals suffering from burns and nausea.

Graves, who was not at the Friday meeting, said Henkel officials agreed to the inspection. A receptionist for Jack Fallon, manager of the Jefferson Street facility, said her understanding was that an inspection was forthcoming but that no date had been set. Fallon did not return a call seeking comment.

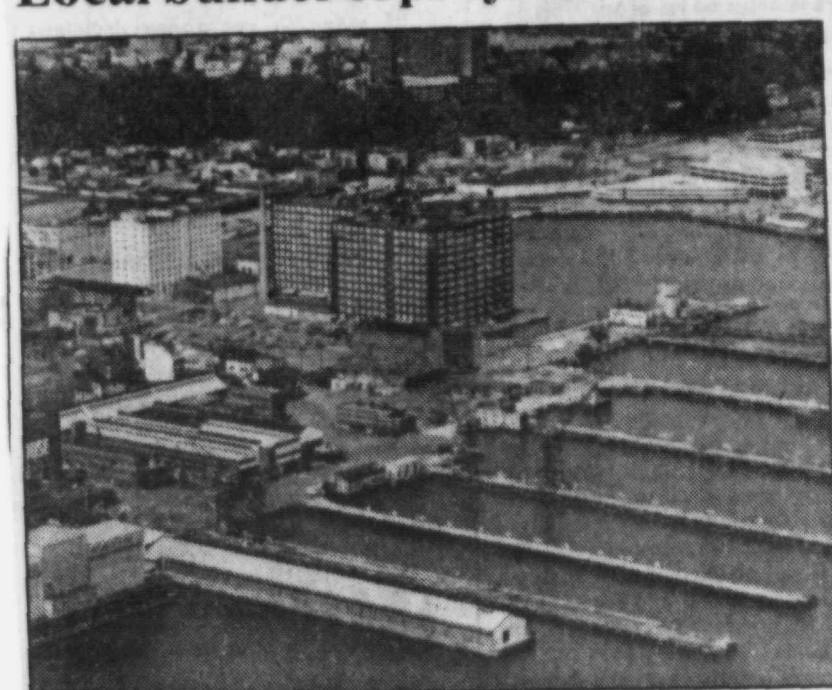
Graves also said that the cost of the survey had not been established and that he did not know how long it would take to complete.

The state Department of Environmental Protection conducts monthly inspections of the plant and will continue to do so, according to a spokesman there.

Lawler Matusky and Skelly also is doing design work for the city on a sewage treatment plant.

HOBOKEN WATERFRONT

Zeckendorf pulls out



These Hoboken piers jutting into the Hudson River are expected to be developed by two city men after one of them beat out a New York real estate tycoon for the rights to the properties.

By JUDY TEMES Business Writer

HOBOKEN—A local builder has beat out a New York real estate tycoon, William Zeckendorf Jr., in a bid to turn an old industrial site into a "world-class" mixed-use development on the northern waterfront.

Murray M. Connell, a native of New Zealand and a relative newcomer here, has signed an agreement with city native Anthony Dell' Aquila to develop a sizable chunk of the Gold Coast waterfront here.

The property includes the old Standard Brands building, an office complex and the Bethlehem Steel Corp. shipyards, that Dell' Aquila controls under a bankruptcy agreement.

The two will have a master plan for the site within 90 days, a spokesman for Connell said.

Connell is to be the lead partner in the deal, the spokesman said.

HOBOKEN

Continued from Page 1

although he said he had no knowledge of the financial arrangement between the two developers and did not know how much Connell bid for the project.

Zeckendorf, one of New York's leading developers and currently best known for his sprawling project on Union Square, confirmed yesterday that he had been speaking with Dell' Aquila for four to five months, but he said the Hoboken landlord and garment industry executive broke off the talks about two weeks ago.

"He has his way of doing business," Zeckendorf said, referring to Dell' Aquila. "He just walked away."

Speaking from his Manhattan office, Zeckendorf speculated that Dell' Aquila must have received a better offer from Connell. He declined to say why he did not go higher.

Connell declined an interview, but his spokesman said the Zeckendorf deal did not fall through because Connell offered better terms. "He (Zeckendorf) was not outbid," the spokesman said.

Connell and Dell' Aquila have known each other for a long time, work well and are comfortable together, the spokesman said. "They thought it would be everyone's best interest if it was a Hoboken project. They both have Hoboken's best interest at heart."

Connell said he is willing to work within the city's new stringent guidelines for development on the waterfront.

Connell, 48, is a former airline pilot and a pharmacist by profession, who moved here in 1976.

He started with a small home-repair business in Bergen County, employing four people. The Connell Construction Co., which owns several Hoboken properties, employs 105 people now.

Connell recently purchased the Madison Hotel on Washington Street, and he owns the Union Club on Hudson Street, a block of five-story houses on Willow Avenue between 11th and 12th streets, a row of houses on Park Avenue and several other small to mid-size properties.

He and Dell' Aquila are both small-time businessmen who have outsmarted larger developers with more money to get a piece of the Gold Coast. Dell' Aquila beat out Hartz Mountain Industries several years ago to gain control of the Bethlehem shipyards.

This is, however, Connell's first major waterfront development project, said Michael Coleman, executive director of the city's Economic Development Agency.

Coleman said city officials are taking a wait-and-see attitude toward this newest twist on the Dell' Aquila holdings.

Connell's spokesman described the proposed mixed-use project as "world class," but Coleman said the partners first need \$5 million to clean up the Bethlehem shipyards site to meet environmental standards before any work can begin.

That's why officials felt positive about the possibility of someone with Zeckendorf's caliber backing the project, he said.

"Zeckendorf is a world-class developer," Coleman said.

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Assembly OKs Hoboken tax aid

By Joseph Albright

TRENTON — The Assembly last night approved legislation appropriating \$1 million to Hoboken to offset tax increases.

The sponsor, Assemblyman Ronald Dario, Union City Republican, said he will telephone Senate President John F. Russo, D-Ocean, today urging him to schedule the measure for a vote Monday. The Senate now must concur with the Assembly amendments before it can be sent to Gov. Thomas H. Kean for his signature.

The Senate had amended the Dario bill to make the \$1 million as a loan, repayable once there was a settlement with the Port Authority on Hoboken pier fires.

Dario said Hoboken lost more than \$2 million in property taxes because of the bankrupt Hoboken shipyards.

Assemblyman Jose O. Arango, West New York Republican, a co-sponsor, said Hoboken also suffered from a recent loss of \$650,000 in federal aid and \$400,000 in municipal purpose tax assistance.

In other action yesterday, the Assembly enacted, 67-1, legislation sponsored by Arango appropriating \$400,000 to establish at least two resource centers for Hispanic women in the state.

Arango merged his bill with a Senate-passed version. Arango said the centers would provide career information, education and training, and information on financial, legal, health care, public assistance and child care matters, Arango said.

The Assembly also enacted legislation providing \$150 million to school districts statewide to pay for interest and principal on locally issued bond notes.

Assemblyman Frank J. Gargiulo, North Bergen Republican, a co-sponsor, said it would provide \$22.5 million for Jersey City.

Gargiulo noted the money for school construction was needed because \$100 million for school construction authorized in 1978 is virtually exhausted.

The Senate Revenue, Finance and Appropriations Committee approved legislation by Sen. Edward T. O'Connor Jr., Jersey City Democrat, appropriating \$20 million from the Petroleum Overage Reimbursement Fund for energy programs to help senior citizens and the handicapped.

Assemblyman Joseph V. Doria Jr., Bayonne Democrat, yesterday introduced legislation appropriating \$32 million to the State Sports and Exposition Authority to construct an aquarium in Liberty State Park on the Jersey City waterfront.

Third Ward race will heat up

By Jim DeRogatis

The candidates in the special run-off election for Hoboken's Third Ward City Council seat say they will step up their efforts in the last week of the campaign.

Third Ward voters will go to the polls Tuesday as Anthony Russo attempts to upset Councilman Steve Capiello in his bid for a second term. The campaign has been of the quietest in recent political history, but a flurry of activity is expected as election day draws closer.

The election is likely to be remembered as one of the strangest in Hoboken's turbulent political history. Voters will have had to cast three ballots to choose a Third Ward representative.

Voters first went to the polls on May 12 to choose between four candidates vying for the council seat: Capiello, Russo, Frank "Pupie" Raia and Cesidio Del Boccio. Capiello and Raia finished with the highest number of votes, earning the right to compete in a run-off election on June 12.

Capiello defeated Raia in the run-off, but Russo challenged the results of the original election in court. Russo

had trailed behind Raia by only nine votes, and he maintained the results were tainted by a number of voters who had been improperly registered by a Raia campaign worker.

Superior Court Judge Dorothea O'C. Wefing overturned the May 12 results and ordered a new run-off election between Capiello and Russo.

The third round in the Third Ward battle will be fought Tuesday, and the polls will be open from 8 a.m. to 8 p.m.

Both candidates have been running low-profile campaigns, with a minimum of newspaper advertisements and political posters. However, workers in both campaigns said efforts will intensify this week.

A Russo worker said the candidate has been concentrating on mailings throughout the ward and to specific neighborhoods. Russo will begin heavy door-to-door campaigning this week, along with some final mailings and an advertising campaign.

Meanwhile, Capiello workers have been walking the streets, and the councilman said he will join them this week. He also plans a newspaper advertisement.

Located in the center of the city at its western edge, the Third Ward has traditionally been a Capiello stronghold. The ward is still predominantly made up of Italian families, although new construction and rehabilitation projects have attracted many new residents in recent years.

Key to the election are the votes of Raia supporters. Raia, who ran with Mayor Thomas Vezetti's backing, received 952 votes in the June run-off to Capiello's 1,142 votes.

Neither Raia nor the mayor has made a public endorsement, but Russo believes he will claim votes that originally went to Raia. "Those votes are anti-Capiello votes," he said.

While the voters may be looking at issues, the candidates are expected to be looking at each other for irregularities at the polls. Already, Capiello said he has submitted the name of a voter registered by a Russo worker to the Board of Elections for a residency investigation, while Russo has challenged several Capiello absentee ballots.

The ward was rocked by one voter scandal several weeks ago when the Hudson

See THIRD WARD — Page 11.

HOBOKEN RESPONSE

Dispatch 9-10-87

School plan is on table

By CHRISTOPHER AVE Staff Writer

HOBOKEN—The Board of Education is expected to accept a plan tonight responding to a critical state review of the district.

The plan, which Superintendent of Schools Walter Fine is compiling with his staff and an outside consultant, is designed to address several directives contained in the state Level III review released in July.

State and Hudson County officials initially imposed an Aug. 21 deadline on the district's plan, but at Fine's request extended their deadline until tomorrow.

Fine said that, given the deadline, the board probably would accept the plan.

"The county has asked us to

have this plan in their hands" by tomorrow, and the board must vote on the plan before giving it to the county, he said.

According to Fine and board Secretary Anthony Curko, the plan will not dispute the findings of the state's review.

"We're not refuting anything," Fine said. "There aren't going to be any surprises."

Fine said that if county or state officials find any fault with the plan, it will probably be because the state, in Fine's opinion, issued a deadline that was too strict.

"They have probably not given us sufficient time" to do the best possible job, he said. "But I think they are going to feel it is a very good plan, given the time."

Curko said he was planning on

spending most of last night working on the plan, which is slated to be presented to the board tonight at 9:30. The meeting is a continuation of Tuesday's regular board meeting.

The state review lists several directives to the district, including the revision of curriculum, adoption of a model for implementing new programs, adoption of staff development programs and revision of employee evaluation procedures.

Fine said he accepted the review when it came out in July. Members of the Committee for Quality Education, however, called the report too lenient and said the group would issue a detailed response. The response is expected this week.

College renames oldest building

By CHRISTOPHER AVE Staff Writer

HOBOKEN—Stevens Tech officials got some help from a high place yesterday as they renamed the school's oldest building.

Gov. Thomas H. Kean drew a crowd of about 100 professors, students, politicians and other curious onlookers as he spoke from the top of the steps of the old "A-building" at Fifth and Hudson streets. The 117-year-old building was renamed "Edwin A. Stevens Hall" in honor of the founder of the school.

Kean, flanked by the institute's administrators and watched by, among others, Mayor Thomas F. Vezetti, was in fine campaign form as he joked about the importance of engineering.

"Engineering, then, is getting more and more prestigious," Kean said with mock seriousness. Home-makers, he said, are now being called domestic engineers just as garbage collectors are referred to as sanitary engineers.

"I have a cousin who calls himself an aquatic engineer," he said slowly, relishing his point.

"He does the dishes."

The crowd roared with laughter.

The governor, who was an hour late to the ceremonies, spoke after the hall had been dedicated. He later posed for photographers with Lawrence L. Stevens Jr., a great-grandson of Edwin A. Stevens, standing near the building's new name-plate.

Kean noted — seriously, this time — past engineering greats who had graduated from Stevens Tech. He said the school had a "wonderful vision" for engineering and called it "a New Jersey success story."

The building served as the school's sole academic structure when the school opened in 1870. It was known as the Main Building, the Administrative Building and, finally, the A-building, its name until yesterday.



Gov. Thomas H. Kean, right, addresses professors yesterday at Stevens Tech in Hoboken.

Third Ward race to heat up in Hoboken

Continued from Page 1

County prosecutor arrested Ann Calabrese, Capiello's co-campaign manager. Calabrese was charged with voting twice, once under her current name and again under her maiden name.

Calabrese was released on bail pending trial, and she has been campaigning door-to-

door for Capiello, which Russo said will hurt the councilman's campaign.

"This is the sort of voter fraud they've been perpetrating for years, and people are starting to see that," he said.

However, Capiello pointed out that it was Russo's wife, Michele, who registered Calabrese to vote.

"The way he operates is to throw out a lot of allegations against the other guy in the hope of taking the focus off of what he's doing," Capiello said.

A teacher in the Hoboken school system for 18 years, Russo, 37, has run for the council unsuccessfully four times. He said he is a political independent who has been beaten by machine politics in his attempt to provide honest government to the ward.

A civic activist and the head of the Anthony Russo Civic Association, Russo also serves as the non-salaried

chairman of the Hudson County Utilities Authority. He has three children.

The 64-year-old incumbent served as mayor for 12 years but was defeated in his bid for a fourth term in June, 1985. He won election to the Third Ward council seat several months later in a special election to fill the term of Councilman Salvatore Cemelli, who resigned.

Capiello was a member of the Hoboken Police Department for 13 years before he entered politics. He and his wife, Dorothy, have three children.

Battle of sexes flares

By RENEE M. LYNCH
Staff Writer

HOBOKEN—The city's softball director is calling a dispute concerning field playing time an example of male chauvinism, while a coaches' representative is blaming the controversy on poor administration.

An argument last week between softball director Grace Weyouche and Tom Cerbo, treasurer of the Managers and Coaches Association of Hoboken, pits the city's girls against the boys for practice and playing time on the Little League Field at Fourth and Hudson streets.

The girls team was scheduled to play a tournament game Thursday night and received permission from city Business Administrator Edwin Chiusi to take the field at 4:45 p.m. However, the PAL Football League had taken the field for a practice session, and the boys' coaches refused to leave the field until 5:25.

The tournament game started 45 minutes late, and not until after police officers were called in to settle the dispute and calm down coaches, who some say had started a bellowing match sprinkled with foul words.

Weyouche yesterday argued that the Hoboken Boys Little League and PAL teams have been unfair to her players. She cited a time earlier in the summer when the girls softball team postponed its practices for a few days until the boys had completed their all-star games. She said she had hoped the same consideration would be given her girls when they were playing their tournament.

"When I grew up here, there was nothing for young girls," Weyouche said yesterday, "and now that we've organized the teams, we are having trouble trying to just play our games."

"The girls are always left out of it," she said. "These teams are the only sort of recreation for girls, and there is no reason why they shouldn't have the

field. The bottom line is male chauvinism."

Cerbo yesterday denied any charge of discrimination and said he was behind the girls' teams 100 percent. He claimed field precedence for the PAL teams, however, because they have played on the field for more than 30 years.

"The Hoboken Little League Field was made for Boys Little League," Cerbo said. "The softball teams were thrown together without any recreational input, and the city should be responsible to find facilities for them, not us."

"We took them (the softball teams) off the street and let them play, and now they're trying to take the field from us," Cerbo said.

Cerbo was offered use of the high school field from 6 to 8 p.m. but turned it down because he said it could be dangerous for the boys, who range in age from eight to 13, to be on the streets that late at night.

REPORT

CONTINUED FROM PAGE 1

ducting shoddy research and violating its own guidelines for its reviews. It demands that the state begin a comprehensive compliance review of the district, which would move it only one step away from a state takeover. The state Level III review of the district, released in July, criticized the district but said there was no basis for moving it any closer to a takeover.

CQE's report, accompanied by a 150-page appendix, is a wide-ranging, detailed critique of the state review. The review was issued because of the district's low test scores, the county's second-lowest after Jersey City's.

In the review, the state charged that CQE was more interested in political gains than in educational reform, and blamed the 2-year-old organization for contributing to the district's problems.

The CQE report, in contrast, says the district's problems run much deeper than the review indicates. It charges that the state review was too lenient on district officials and says that the review violates the state's own guidelines for such reviews.

The eight-member Board of Education currently has two CQE members, who were backed by Mayor Thomas F. Vezetti in last year's election. CQE was formed in 1985 after Vezetti ousted Mayor Steve Cappelletto on a platform emphasizing educational reform.

The strongly worded report includes dozens of examples of what it calls errors in the gathering and analysis of information in the state review. The result of these errors, the report says, is that city Board of Education officials are allowed to "express unchallenged opinions about their own performance, what's wrong with the district, and who is to blame" in the review.

In its introduction, the CQE report states:

"By including a series of unexamined opinions, the report presents rumors, superficial and incomplete findings, erroneous and mistaken conclusions, and it lacks serious and credible causal analyses.

Among the report's allegations: "The review's methodology was flawed. 'Whatever merit the report might have is diminished by the absence of rigorous methods in

the collection and evaluation of evidence," it states.

The state made passing mention of deeprooted problems but failed to analyze them. The report also asserts that the majority of the review's information was gathered through interviews with an unrepresentative sample of citizens.

Interviews were conducted in an office adjacent to the superintendent's office, which the report calls "an immediate environment that may have influenced their responsiveness and willingness to candidly inform the team."

The state failed to hold Superintendent of Schools Walter Fine and his assistant, Francis McGorby, sufficiently accountable for district failings such as low test scores, declining enrollments and skyrocketing budgets. The two have held top administrative posts for the past 10 years.

The state ignored an entrenched pattern of patronage in the district. The report says the state failed to examine or note "a long history in Hoboken of staffing patterns and hiring practices based far more on political expediency than organizational need or professional competence."

"Such hiring practices, commonly called patronage, led over the years to excessive staffing and overspending, and to the promotion of management personnel whose primary qualification was personal or political connection rather than proven administrative expertise," the report continues.

Because of these and other flaws, the CQE report says, the state's review should not be considered valid.

Walter Carroll, the assistant state education commissioner for county and regional services, said Cooperman had given him the report to read, but it will be at least a week before he will read it.

McCarroll said he is awaiting the school board's reply to the Level III report, which is due to be submitted for county approval today. He added that he will respond to the CQE report, but probably not for "a while."

"While I understand they think it is serious," McCarroll said of CQE's report, "our agenda is pretty well set."

CAPPIELLO OR RUSSO

3rd Ward vote today

HOBOKEN—The polls for today's 3rd Ward City Council runoff election will be open from 7 a.m. to 8 p.m. at four locations.

The race, between incumbent Steve Cappelletto and Anthony J. Russo, is the third such election in the ward in about four months. A judge found voting irregularities in the first election, held May 12, and voided the results of the June 9 runoff.

According to Joe Ciano, a Hudson County Board of Elections official, no special precautions will be taken to ensure that no further irregularities happen. He added, however, that the board spent yesterday examining absentee ballots and voter registration records.

"We want to eliminate any chance of improper activity," Ciano said.

He said election challengers from the two candidates' camps will patrol the polling places as a further precaution.

Polls will be at 501 Adams St., 220 Adams St., 445 Ninth St. and 800 Clinton St.

—CHRISTOPHER AVE

3rd Ward runoff set for tomorrow

Ex-mayor is likely victor

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—Steve Cappelletto, the 3rd Ward councilman, is the clear favorite to defeat Anthony J. Russo in tomorrow's City Council runoff election. But Cappelletto, a former mayor, still may be facing the end of a long political career here, whatever the election's outcome.

Political insiders say Cappelletto often speaks of stepping down, possibly before his next term expires. And by his own admission, Cappelletto, 64, is "slowing down" and looking to life after political office.

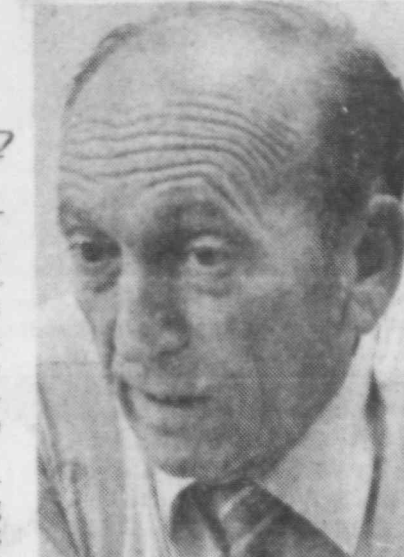
"I'll be involved in community activities until I die," he said after being asked about his political future. "That doesn't say I'll run again."

Neither is he declaring that he won't. But some observers expect Cappelletto to defeat Russo and retire after the term rather than run again.

"I don't know what he has left to prove," Councilwoman Helen A. Cunningham, a political opponent, said.

And Maurice Fitzgibbons, the city's Democratic Party chairman who entered city politics under a Cappelletto administration, also said Cappelletto may be thinking about leaving office.

"I think Steve is viewing it as his last election," Fitzgibbons said. "I don't think he would



STEVE CAPPIELLO
Represents 3rd Ward



ANTHONY J. RUSSO
Faces an old foe

ever run for mayor again."

Tomorrow's race was ordered by a Judge Dorothea O'C Weaving of Hudson County Superior Court in Jersey City after she found irregularities in voter registration lists in the May 12 election. It is the second 3rd Ward runoff. Cappelletto won the May 12 election and the June 9 runoff.

Observers are expecting a low voter turnout tomorrow, a factor that traditionally helps the incumbent.

"This election is a real sleeper," Cunningham said. "It's like, the politicians know about it, and nobody else does. Like it or not, I think Steve Cappelletto is going to win again."

The 3rd Ward is a tightly-knit downtown neighborhood, heavily Italian and with many resi-

dents the children or grandchildren of immigrants. It has been the seat of Cappelletto's power for 23 years.

All of this should bode well for Cappelletto, a 3rd Ward native whose parents spoke Italian at home and who, to many, represents the prototypical "old-timer."

Cunningham and Fitzgibbons said Russo has not secured enough solid support in the community or in City Hall to unseat the former mayor.

Russo himself appears undaunted by the apparently long odds. "I don't ever give up on anything," said the five-time Cappelletto opponent. "I have shown I have a stand-up-and-fight attitude."

School survey ripped

Hoboken review is pointed

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—A state review of the troubled school district here contains "rumors, superficial and incomplete findings" and should be ignored, a local group that was attacked in the review has charged.

The Committee for Quality Education, a political reform organization, sent a 64-page report to Commissioner of Education Saul Cooperman Monday night and released it yesterday. A state official said Cooperman had passed the CQE report along to a subordinate and there is no guarantee any of its recommendations will be followed.

Committee charges

The Committee for Quality Education charged that the state's Level III report:

- Violates the state's own guidelines for Level III reviews
- Lacks multiple sources of data
- Does not include a representative sample of interviews
- Ignores "machine politics" in the city
- Ignores the city's fiscal crisis

Source: The Committee for Quality Education.

The report charges the state with ignoring obvious facts, compare **REPORT** Page 20

Hoboken may trash scavenger

Continued from Page 1

nor fender benders on city streets, according to police reports.

Haack said his patience with the firm ended yesterday, five days after his third meeting with representatives of the firm. He said that BFI officials on Friday assured him that week-old garbage on Court Street and uptown sections of the city would be picked up.

"Each time it's the same old story," Haack said. "We meet with their representatives and give them a list of complaints and we're told it will be taken care of. Now it's been almost a week and none of that garbage we discussed has been removed."

Telephone calls to BFI were not returned.

BFI was given approval to haul the city's garbage by the state Superior Court last November after a six-month legal battle between the city and another contractor over the contract. LaFera Contracting, the former garbage hauler, charged the \$861,000 BFI contract was not valid due to discrepancies in the bidding form

and contract specifications.

LaFera, which held the municipal contract for more than 20 years, bid \$1.13 million for the one-year base bid.

Haack said the complaints against BFI were abnormally high, adding that complaints against LaFera averaged about one per day "which was usually resolved by the firm."

Hoboken Law Director William Graves said withholding payment to BFI is "an option," but said the city's first course of action may be to file a complaint with the state Public Utilities Commission, which regulates trash haulers.

"If we are to have a real confrontation with BFI, I'd say we should first go to the PUC for relief," he said. "Of course,

withholding payment is always an option."

Graves said he has not spoken to Haack about a possible course of action.

The City Council, which authorizes the monthly payments to BFI, is also expected to consider action against the firm. At least two council members said they are leaning toward withholding payments to BFI, but would not publicly announce the proposal until after consulting with Graves and other city officials.

BFI also holds scavenger contracts in Secaucus and Union City. The firm has come under attack by Secaucus officials who have issued two formal letters of complaint to the firm.

Hoboken may trash scavenger

By Bill Campbell
J.J. 9-10-87

Hoboken officials are fed up with the municipal garbage hauler and may stop payments to the firm until all complaints are resolved.

Public Works Director Roy Haack said yesterday he wants the city to withhold payments to Browning Ferris Industries (BFI), the Fairfield-based garbage contractor. Last week 22 residents complained about garbage pickups, bringing the total to 600 this year, he said.

"We are going to take drastic steps to straighten out this mess," Haack said. "We're get-

ting to the point where we are fed up with (BFI's) service and their assurance that everything will be resolved."

Complaints about the garbage hauler began in January, less than a month after BFI began carting Hoboken's garbage. The number of complaints against BFI is significantly higher than those against its predecessor, Haack said.

Haack said he has received complaints that the haulers are noisy, spill garbage on sidewalks and streets, block streets, cause morning traffic jams, pick up trash late or not

at all. Residents also complained at City Council meetings this year, including one critic who claims he saw BFI workers drag garbage cans across the hood of his car.

To compound the problem, BFI's drivers and garbage haulers have also been involved in several traffic accidents. This spring, a driver fell asleep behind the wheel of his truck and plowed into seven cars on Newark Street, police said. No injuries were reported.

This summer, at least two other BFI drivers were in mi-

See HOBOKEN — Page 15.

Bill's defeat praised

Cucci, Williams oppose takeovers

By CHRISTOPHER AVE
Staff Writer

Officials in Jersey City and Hoboken, two cities enmeshed in the state school review process, reacted differently to the state Senate's rejection of the Kean Administration's school-takeover bill.

In Jersey City, which has a school district teetering on the edge of such a takeover, officials praised the Senate for its restraint. In Hoboken, which the state says is working its way out of the review process, the reaction was more ambiguous.

"I was happy to hear that the true meaning of this legislation was understood by the state Legislature," Franklin L. Williams, Jersey City schools superintendent, said yesterday. "It's a very destructive piece of legislation. It's against our American Constitution."

The legislation, defeated Thursday, would have given the state the right to take over any school district judged to be educationally deficient by the review process that Jersey City and Hoboken are now involved in. The bill included provisions giving the state the right to fire tenured district employees, a controversial point that was expected to anger many legislators.

Williams said the bill, which still is reintroduced in a similar form later in the session, would give the state education commissioner too much power.

"The whole philosophy of a takeover is an element that is

Please see **REACTION** Page 8

HOBOKEN RESPONDS

9-point ed plan bared

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—The superintendent of schools here has completed his response to the state's Level III review of the troubled school district, including a provision to hire a curriculum director for \$65,000 a year.

The response, which the city Board of Education approved late Thursday night and sent to the Hudson County super-

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REACTION

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destructive, he said. "We can't let that happen in this country. It's dangerous."

Williams specifically objected to financial powers the bill would give the commissioner. Since school districts are financed by local taxes, Williams said, the state would be imposing taxes whenever it demanded more money for a local district.

Mayor Anthony R. Cucci was less strident in his criticism of the bill, but said he, too, was pleased it was defeated.

"It's not that I'm gloating or claiming any victory," Cucci said. "It's just legislation that has clauses in it that I can't accept."

Cucci, who has softened his initially aggressive stance toward the state Department of Education in recent weeks, also said the bill would give the state too many fiscal powers.

"The main thing is, it gives a blank check that they could impose on our taxpayers," he said.

Mayor Thomas F. Vezetti, of

PLAN

CONTINUED FROM PAGE 1

intendent of schools Friday, contains a nine-point educational plan and a 21-point fiscal plan to regain the district's state certification.

"I think they're going to feel it's a good plan," Hoboken School Superintendent Walter J. Fine said.

The district fell into Level III monitoring because of low test scores, the second worst in the county behind Jersey City's. The district has the highest cost per pupil in the county.

Those deficiencies, among others, prompted the state's Level III report, which ordered the district to draw up a response but did not launch the comprehensive compliance review — the final step before a state takeover.

Trustee James J. Farina said the district's response should spur improvement.

"I think Walter Fine and the board is (sic) on the right track to get us out of Level III and get our certification back," Farina said.

Highlights of the district's response are:

□ It will hire a curriculum director, change the curriculum and draw up a statement of its mission. Fine said he has several "excellent paper candidates" for the curriculum director's job, a position Fine says will be at the center of the district's renewal effort. Interviews are scheduled to begin at the end of this month.

□ It will establish a management council, a basic skills committee, a staff trainer and councils in the various schools to improve staff development and

communication.

□ It will create evaluation committees to suggest new ways of evaluating administrators, teachers and staff, and move to allow school principals influence over teacher hiring.

□ It will evaluate the special education and bilingual departments, and ask the state to audit special-education procedures.

□ It will develop internal monitoring procedures and produce an end-of-the-year evaluation.

Deadlines for the components vary. Farina said the district should see concrete improvements in a year, and the improvements will continue for five years.

The state's Level III review — to which the district is responding — itself was criticized last week by a local school-reform group for being too lenient. The Committee for Quality Education released a detailed critique of the state's review on Thursday, including allegations of deep-rooted patronage on the school board.

"That's their opinion, and they're entitled to it," Fine said of the CQE report, declining further comment on it.

Farina charged that CQE's report was politically motivated. "Well," he said, mentioning to a newspaper story about the report, "it must be getting close to election time again."

Walter J. McCarroll, the assistant state education commissioner for county and regional services, said last week the department will not deal with the CQE critique for at least a week.

Hoboken hopefuls in debate

Candidates agree on waterfront

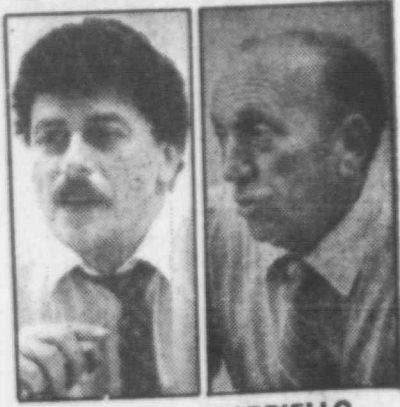
By CHRISTOPHER AVE
Staff Writer

Both candidates in next week's City Council runoff said yesterday they would support highrise development on the city's waterfront, bucking the administration's waterfront plans.

Steve Cappiello, the incumbent, and Anthony J. Russo, chairman of the Hudson County Utilities Authority, spoke in a debate at the Hudson Dispatch offices in Union City. The pair are running for the 3rd Ward seat in a runoff ordered by a court judge, who threw out the results of a runoff election held May 12.

The election is scheduled Wednesday. Although the campaign has been volatile at times, the candidates, who sat side-by-side as they spoke, found many areas of agreement in the hourlong debate. One of those areas was waterfront development.

"If a developer is coming in and asked to pay fees and funds and is not allowed to build above 8 stories," Cappiello said, "I'm not sure that that guy is not going to say, 'Hey, I can't make any money here.'"



RUSSO CAPPIELLO

Russo said he was not familiar with the administration plan, but generally agreed with Cappiello that highrises should be allowed on the waterfront.

"A little higher should be the watch-word on the waterfront development situation," Russo said.

Cappiello added that he would not oppose a proposal to develop the waterfront jointly with the Port Authority of New York and New Jersey, which Mayor Thomas F. Vezetti ordered out of the area last month.

Vezetti, who also last month introduced his sweeping plans to reduce the scale of new waterfront development, said he was not fazed by the candidates' opposition.

"That's the best compliment I've gotten," Vezetti said. "They're both of the same mentality — just the people we don't need."

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DEBATE

CONTINUED FROM PAGE 1

running Hoboken."

Russo did differ with Cappiello: The challenger stressed the ease developers have making money on the Hoboken waterfront.

"That's the Gold Coast," Russo said. "If a developer can't make a large profit on the waterfront, he shouldn't be there in the first place."

On the topic of city-wide development, Russo said he wanted to preserve the "homeyness" of Hoboken and did not favor high-rises anywhere but the waterfront. Cappiello said he did not want to tamper with much of central Hoboken, but said any property in the proximity of the Hoboken Terminal would be attractive and should be developed fully.

Other highlights of the debate: □City Taxes and Land Values.

Russo charged that Hoboken "has more tax-exempt land than in any city in the country." He said this was a major factor in the city's tax rate, the county's highest.

Cappiello, who was mayor of Hoboken before he was unseated by Vezetti in 1985, said his mayoral administration continued policies of his predecessors by allowing tax-free development.

"We continued those rehabilitation programs so that we could continue to acquire housing," he said. "Those tenants were poor, and 75 percent or 80 percent minority. They now enjoy a quality of life they never would have known."

□Education. Cappiello said he believes patronage exists on the Board of Education and said dis-

trict jobs should be governed by Civil Service requirements.

However, he said he supports the current board's administration, and added that he "philosophically" disagrees with the district's bilingual education program.

Russo, who works as a district special-education instructor, said that part of the district was free of problems other parts of the school district faced. He said that all three of his children went to public schools, and that if he ever became displeased with their education, "that's when I would start protesting."

□Theme of the Campaign. Both candidates, who had accused each other of mudslinging in previous campaign statements, said political infighting had gone too far in city politics.

Russo said "petty politics" had played too big a role in the City Council.

"I don't think positive action comes from that," he said, adding that his struggle with City Hall to have an illegal loading zone removed from a grocery store in the ward was an example of such pettiness.

Cappiello said he wanted to stress a "spirit of cooperation" among different elements in city government and outside of it.

"I don't think we should dilly-dally with each other politically," he said.

Both candidates said they would stay involved politically if they lost the election.



Zeppoli is on the menu at Tony Roma's booth at Fourth and Jefferson streets.

Photos by Mark Wylie

Martiri Feast shakes up Hoboken

By Maura Sheehy J.J. 9-8-82

"In Italy the fireworks go all night and they shoot thousands of bombs, so all Molfetta shakes," says Michael Minervini, twisting in his chair at the Society of the Madonna dei Martiri clubhouse.

The feast in Hoboken is mild by comparison say society members sitting on the open step of the Adams Street clubhouse or around it in folding chairs.

It is Monday, the final day of the Feast of the Madonna dei Martiri and a day of blissful rest after Sunday's crescendo of devotion and celebration. The men are eating the last slices of pizza from the huge oven still out from the street and watching the rain.

For these Italians from Molfetta, the feast is their greatest tradition and it has survived another year in the new country despite the twin threats of newcomers upset by the bombs and fireworks and the problem of instilling love of the tradition in the less-enthusiastic Molfetan youth.

Most newcomers to Hoboken don't know the story of the Madonna dei Martiri (Mother of the Martyrs).

"If they did, they might not mind so much about the noise," hopes 92-year-old Nick Cortellino, charter member of the society since 1927, the first year of the feast in Hoboken.

"The story goes like this, and I have heard this from my mother, my grandmother, my great-grandmother," begins Nino DeCandia. The other men are silent.

Centuries ago, in the small fishing village of Molfetta, on the Adriatic Coast about halfway up the boot, fishermen pulled up a picture of the Madonna in their nets.

According to DeCandia, "From over the sea come Albanians. They say, 'The Madonna belongs to us,' and try three times to take her. But the Madonna makes the sea disappear. It was dry. Finally they say, 'If we can't take it, it must be there,' so they make a sanctuary for her behind the church." From then on, a yearly feast on Sept. 8 has marked the day the sea dried up and the Madonna stayed in Molfetta.

As time went on male Molfetans joined the Merchant Marine and when the boats docked in the United States the sailors disappeared to make a new life here until almost the whole town resettled in Hoboken, he says.

In 1927, a Madonna brought from the church in Molfetta made its first tour through the streets of Hoboken. This year 10 men rotated to carry the newer statue, over 600 pounds, for seven hours from St. Francis Church, Third and Jefferson streets, past the houses of all the people who put in a request. On the way, people donated money and jewelry which were attached to her robes. All of the proceeds from the feast are to be sent back to a home for the aged run by the church in Molfetta, according to the society.

It's only in the last three years that the phone in Hoboken Police Headquarters has rung off the hook with people complaining about the feast, according to Lt. John Carrier. Over 60 calls came in this Sunday, mostly from people who had no idea what was going on, all the people who put in a



The statue of the Madonna is carried in procession.

he said. Veteran Hobokenites have made their peace with the feast, so to speak.

"Some people are adamant and irate, they want to know, 'Do they have a permit?' some are just worried. They think it's an explosion and they want us to send units over immediately, or they think there's a fire from the smoke," says Carrier. One woman called to say her parakeets were going crazy, he adds.

The police give a little history lesson on the phone and sometimes it calms down the callers.

"We say it's been a tradition for over 85 years, it's part of their religion. I told one woman, 'It's freedom of religion is what you've got here.' She said, 'Oh, so if it's part of my religion to go nude on the street, that's OK?'" Patrolman Robert DeStafano says.

And on the street, the reaction is similar.

"I wondered what that parade was. It was sort of a pain in the neck, all the noise, it ticked me off," said one new resident. "Now that you tell me what it is, it seems sort of quaint and provincial. Maybe they could use silencers on those explosions or contain it within a few hours."

The suggestions for compromise are well-intentioned no doubt, but they would hardly pass at the clubhouse.

The noise, explains DeCandia, "says to the Madonna the people are content." And the bombs and fireworks are expressions of thanks for another year of life and answered prayers, he adds.

The men at the clubhouse know what they're up against. "They go to City Hall, they complain, they write to the newspaper. But this is tradition for us. They don't believe what we believe. In five, 10, 20 years from now the feast could die out," says DeCandia.

About 40 years ago, Hoboken was populated by Germans and Molfettesi — and 80 percent were Molfettesi according to DeCandia — the feast drew busloads of devotees from Boston, Philadelphia and New York. Bombs exploded the skies for nine nights. "Years ago we were the block of the vote," explains DeCandia.

FOE

CONTINUED FROM PAGE 1

Garcia organized a "Stop Drugs" fair last month, and has planned a march tomorrow from his offices to Washington and 14th streets, then down to City Hall. Garcia said the parade is being held to show that community members are aware that drug abuse is rampant in the city, and that it should be a priority for administration and school board officials.

Garcia, formerly John Efrain Ramos, said he changed his name after he was released from federal prison in 1963 because he wanted to "begin a new life." Juan is the Hispanic form of John, and Garcia is his mother's maiden name, he said.

Garcia, a native of Puerto Rico who came to New York City with his family at the age of 2, said he had "done everything you do in New York except homosexuality."

By the time he came to Hoboken in 1963 at the age of 28, he had been convicted on charges ranging from rape to selling cocaine in a federal prison.

Garcia said he was quickly caught up in work as an interpreter for non-English-speaking Puerto Ricans here: work in which he increasingly became an advocate for the working poor. But he also continued to be arrested through the 1960s, and in 1967, he was sentenced to five years in Trenton State Prison for drug possession and burglary.

Freed after three years, Garcia returned to this city, and continued work as a community activist. He was arrested six more times between 1971 and 1983, but not convicted, and he said the arrests were made by local police who were harassing him. He described how three officers broke into a community meeting he was holding in the back of CUNA's offices in 1983, without a search warrant. None of the officers al-

legedly involved could be reached for comment.

From 1978 to 1985, Garcia received money from the state Division of Family and Youth Services for an after-school youth counseling program. But that funding was discontinued after critical reviews of his office and programs. State inspectors found few children participating in his programs, and criticized what they called improper staffing and training for counseling. Garcia said the reports and the cutoff of funds were political, because he had refused to campaign for Republicans.

Garcia received funds from the local Community Development Agency after losing state money. When that agency refused in March to pay for \$7,000 in overdue bills, he was able to keep CUNA's doors open by obtaining funding from the City Council and private businessmen.

But local police are investigating him again on charges that he has misused city funds by sleeping in CUNA's offices. Garcia said that he is making no salary for his "24-hour duties" as a night watchman of CUNA's property, and as a counselor for depressed teenagers who call at "1, 2, or 3 in the morning."

"If anyone is being defrauded, it's me," said Garcia. CDA officials offered him office space in its Multi-Service Center at 123 Grand St., but Garcia said CUNA no longer would be a community-based organization if it were inside a city-owned building, and that young people in the midtown neighborhood, near the public housing projects, would be deprived of his services.

He also said meetings held by adults such as tenant associations would not have access to an open space in the evening if he was in CDA, with hours limited to 9 a.m. to 4 p.m.

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School watchdogs want new review

By Bill Campbell J.J. 9-11-82

Critics of the Hoboken school system are outraged with the results of a state probe of schools and have urged the New Jersey Department of Education to again investigate the troubled school district.

The Committee for Quality Education, a local education watchdog group, said yesterday in its own analysis that the state hadn't gone far enough in its critique when it conducted a Level III report of the school district.

The state's report, released two months ago, identifies a number of deficiencies within the school system including inadequate curriculum, overly passive instructional strategies, a lack of leadership, poor accounting practices and low staff expectations for student achievement.

However, the CQE analysis charged the state report ignored problems with patronage, staffing and hiring practices, and a lack of parental involvement. According to the CQE, the state report was "neither comprehensive nor highly professional."

"I thought the state report was so poorly done that it was detrimental to us and any other reform groups," said school board trustee Joseph Rafter, a

CQE member. "People tend to think that if a report is issued by the state of New Jersey then it must be first-rate. That's not the case here and we want to set the record straight."

The 63-page CQE analysis, 10 pages longer than the state Level III report, contains a point-by-point critique of the state's findings. The analysis concludes by urging Commissioner of Education Saul Cooperman to start a comprehensive compliance review of the schools.

Hoboken is one of five districts statewide that have lost their certification and are undergoing state Level III monitoring. Jersey City is the only municipality undergoing a comprehensive compliance review. Hoboken and the other districts have been granted one year to implement corrective action plans.

Observers said CQE's request was an unprecedented move because it would require the state to admit it may have erred in its original report.

But Rafter said he was optimistic Cooperman would intervene and order a second review of the system. "The difference in quality in the (state report) and the (CQE review) is staggering. I have to be

optimistic," he said. The CQE issued a copy of its analysis to Cooperman's office on Tuesday and released copies to the news media yesterday.

The commissioner received his copy Wednesday and forwarded it to the office of county and regional services for review, according to Ed Richardson, a spokesman for Cooperman.

Superintendent of Schools Walter Fine, who has been a target of CQE, said he would not comment on the analysis until he has received a copy. He said he accepts the state's report and is developing a corrective action plan for the district.

The CQE analysis points to "deficiencies" in the state report concerning the role of CQE and critiques the governmental functions, management and organization, school site level, and fiscal operations sections of the report.

The CQE analysis claims that the methodology used by the state investigators violates the fundamental tenets of accepted research and evaluation procedures.

Among the defects cited are:

- The absence of quantified interview data.
- The absence of multiple

Watchdogs want new school review

Continued from Page 1

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Foe of dope has dark past

Records show CUNA's head served time in several prisons

Dispatch 9-11-82

By JANET WILSON
Staff Writer

HOBOKEN—The organizer of an anti-drug march on City Hall this weekend is a convicted heroin dealer and rapist, according to federal prison records.

Juan Garcia, 52, director of Citizens United for New Action, a city-funded agency at 920 Willow Ave., has made headlines in recent months because of his struggles to obtain continued funding for a drug and social services counseling program for children.

But Juan Garcia's real name is John Ramos, and between 1951 and 1983, he was arrested 33 times on charges such as rape, atrocious assault and battery, possessing, using and selling heroin and cocaine, burglary and assaulting a police officer.

He has served time in federal prisons in Kentucky, Missouri, and Pennsylvania. He spent three years in Trenton State Prison, and has served sentences in New York state and municipal prisons.

Garcia responded matter-of-factly to questions about his criminal record yesterday, saying, "I am no longer an addict," and

insisting that his past experiences give him "unique" qualifications for working with urban children.

"Everyone knows about my past — it's no secret. I'm not ashamed of it, it helps me with these kids," he said. Garcia has received criticism from state officials who formerly financed his after-school homework and counseling program, saying it did not appear to reach more than a handful of children.

Garcia said he reaches many neighborhood children, from elementary through high school-aged students. One 15-

year-old girl in CUNA's offices yesterday said she had known Garcia since she was small, and liked him because she could talk to him.

Michael Coleman, director of the Community Development Agency, which has funded CUNA, said he had heard "rumors" about Garcia's drug arrest but it never was held against him in obtaining financing. But the CDA will not provide further funding for CUNA because Garcia refused to agree to move his agency to the CDA offices.

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Advice agency may seek aid

Dispatch 9-16-82

By JANET WILSON
Staff Writer

HOBOKEN—Juan Garcia, the head of a counseling service for children here whose criminal record includes convictions on rape and heroin distribution charges, may apply to the City Council to grant him \$37,000 that city and state agencies have denied him.

Garcia, whose real name is John Efrain Ramos, spoke at a council caucus Monday night, and received limited support from Councilman Robert A. Ranieri. Garcia told the council that his criminal history was long behind him, that he had only been convicted on one rape charge when he was 16, and that the only reason he was put in jail was because the 14-year-old girl's mother was racist and did not want her having intercourse with a Puerto Rican. Ranieri said it should be de-

cided once and for all if Garcia was running a good or bad program, and recommended that he apply to the council for funds to continue operation of Citizens United for New Action, his counseling service.

Garcia lost funding for CUNA from the state in 1983 because its inspections found "inefficient and inadequate" operations, including a lack of professional staff and of actual programs. The city Community Development Agency provided funds in 1986 and for the first half of this year, but refused to give him more funding after reports that he was sleeping in the agency and that the structure was unsafe.

The CDA told Garcia he could operate a counseling program at its Multi-Services Center at 124 Grand St., for which the agency would provide limited funding, but Garcia rejected the offer.

Hoboken wants landlord cases kept apart

By Laurie Kalmanson

The City of Hoboken has filed court papers asking that landlords be prohibited from consolidating several challenges to real estate regulation with another Hoboken case.

A landlord coalition based in Jersey City and several other property owners want their cases to be heard with a challenge to a Hoboken law prohibiting landlords warehousing rental apartments.

A hearing on whether other parties can join the Hoboken case is scheduled before Assignment Judge

Burrell Ives Humphreys today.

The Hoboken law department filed papers yesterday arguing that landlord challenges to its quick rental law should be heard separately from challenges to similar Jersey City legislation.

Both ordinances prohibit landlords from deliberately keeping rental apartments off the market, and subject violators to fines.

The rationale for keeping apartments vacant in a tight housing market is the comparative ease with which units in a vacant building can be sold as condominiums, tenants'

groups say.

Since New Jersey law grants apartment tenants from three to 40 years of continued residency after a landlord announces condo conversion plans, real estate speculators are willing to pay higher prices for an empty building.

Hoboken passed its quick rental law in June, 1986, and a group called Help Hoboken Housing filed a federal suit challenging the ordinance on August 1.

The federal suit alleged that the law was an unconstitutional violation of property rights.

A temporary restraining order was granted against the ordinance on Aug. 4. By October, the Campaign for Housing Justice joined the federal case.

The citizens' group won a motion for dismissal on Nov. 26.

Still resolved to fight the law, Help Hoboken Housing filed a Superior Court suit on Jan. 7, 1987, claiming the law was unfair to property owners.

The Campaign for Housing Justice joined the Superior Court suit one week later.

Help Hoboken Housing lost its motion for an injunction against the

law on Jan. 30, and everyone agreed to go to a full trial on May 18.

But the trial was postponed. By July 2, Jersey City had passed a similar quick rental law, and a landlord group called the Committee for Housing Alternatives asked to challenge the Jersey City law by joining the Hoboken case.

The Hoboken law department argues that the Jersey City landlord group should not be allowed to bring its complaint into the Hoboken case because "it would needlessly complicate the litigation," according to the papers filed yesterday.

Council plan

Continued from Page 1

issue requests to develop a three-block parcel of city-owned land on Observer Highway. The City Council, which has designated itself as the city's redevelopment agency, hopes to select a developer by November.

The ordinance would also cover two city-owned parcels on Hudson Street adjacent to the municipal garages and piers A, B and C.

The council will meet at 7 p.m. in the council chambers at City Hall.

School sparks are still flying

By Laurie Kalmanson

Although legislation to authorize state takeover of troubled school districts was narrowly defeated last week, the tense political battle over control of education remains.

The Jersey City and Hoboken school districts remain under state investigation for educational and administrative deficiencies. Both school systems would have been likely targets for state takeover if the bill defeated in the State Senate Thursday had passed.

Its defeat, 21-18, has not cooled state officials eager to wrest troubled school districts

away from local control. "We could take over deficient school districts through the courts, or go back through the legislature. It won't be clear for a couple of weeks, because the governor is away," William McCarroll, assistant commissioner of education, said.

"We are absolutely not giving up plans to intervene in deficient school districts," McCarroll said.

"We're happy the bill was defeated," said Franklin L. Williams, superintendent of the Jersey City Board of Education. "They've had their foot on our head for the last two years."

Williams, who recently survived an ouster attempt by a faction on the nine-member board, said the takeover legislation was motivated more by the political ambitions of sponsor Gov. Thomas Kean, than concern for education.

"The governor is trying to use education as a stepping stone to greater things for himself," Williams said. "He said at the governors' conference that education is an issue. I think he's trying to make a place for himself as vice president."

"My belief is that a year

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School sparks still fly

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from now we will be operating a deficient school district someplace in the state," McCarroll predicted. "We are talking about thousands of youngsters who are being truly cheated of an education. They are being ripped off."

Williams insists that the state is the cause of educational shortcomings in the school, and is unlikely to offer real solutions.

"Our budget is \$172 million a year, about \$30 million less than what we need. The state can't do it any better than we could do it. They're not going to give us any more money," Williams said. "They've been holding us with one hand and slapping us with the other. They have monitored us and criticized us, but they have not come up with any solutions."

There are 30,000 students in the Jersey City schools, according to the superintendent. "Anything short of a full takeover is absolutely and totally insufficient," McCarroll said. "The bottom line is, they're guilty of educational child abuse and they should be out on their families."

The state wants the power to remove local principals, replace board of education members, and change administrative staff in districts too troubled for less dire remedies.

"It would be hard not to be able to make an improvement in the Jersey City schools," McCarroll said. "In no sense of the word do we feel this is the end of it."

Kean reacted to the defeat of the takeover legislation by vowing not to support any of the seven Republican senators

who helped defeat the bill.

If necessary, he said, he will consider taking over troubled districts through his executive order powers, but any such order would inevitably face lengthy court challenges.

Kean vetoed a weakened version of the bill in June because the Senate had restored the job protection of tenure for principals of targeted schools.

Meanwhile, he said, students in poor districts are suffering, often at the hands of "boards of education that are simply dumping grounds for political hacks."

State education investigator Richard Kaplan said that his office is continuing with its inquiries into alleged mismanagement in the Jersey City schools. By the end of the year, he expects a \$116,000 consulting study to answer questions about alleged educational and financial deficiencies, and a \$68,000 fiscal audit is due in Kaplan's office by mid-November.

"We are investigating whether rehiring and appointments are political and not based on professional qualifications," Kaplan said.

State education officials said they found reasons to believe "the left hand and the right hand don't know what they're doing in terms of programs for bilingual education, remedial programs and special education," in the Jersey City schools, Kaplan said.

"They are not practicing sound fiscal oversight. The payroll account, which is several million dollars a month, has been unreconciled in seven years. The buildings are dirty and the work order requisitions have no follow up."

3rd Ward votes again tomorrow

By Bill Campbell

For the third time in five months, Hoboken's Third Ward voters will go to the polls tomorrow to select their City Council representative.

Despite pre-election hoopla in May, a month-long court battle over improper voter registrations, and the arrest of a campaign worker who voted twice, both candidates, incumbent City Councilman Steve Cappiello and challenger Anthony Russo, have, for Hoboken, run relatively quiet campaigns.

Cappiello, the former mayor and two-term councilman, finished first against four candidates in the May municipal election and defeated second place finisher Frank "Pupie" Raia in the June runoff.

Russo, a special education teacher and chairman of the Hudson County Utilities Authority, finished out of the running in May, but won a spot on tomorrow's ballot by successfully challenging the voter registrations of 44 people, many newcomers to the city, who voted for Raia.

Russo had trailed Raia by nine votes in the May election until Superior Court Judge Dorothea O.C. Weffing ordered a new contest between Russo and Cappiello.

Observers attribute the low-key campaigns to three reasons: a lack of enthusiasm by voters who have already



Steve Cappiello
"A lot to offer"



Anthony Russo
"Sensitive to needs"

Here is a look at the candidates running in tomorrow's special Third Ward runoff election:

Steve Cappiello
Cappiello, 64, was a member of the Hoboken police department for 13 years, attaining the rank of sergeant, before he began his political career in 1963. He oversaw much of Hoboken's "renaissance" during his three terms as mayor, and has been credited with spurring the city's current real estate boom.

Cappiello held the Third Ward seat from 1963 to 1973, when he was elected mayor. He served three terms as mayor but lost to Thomas Vezzetti in June, 1985. He recaptured his

Anthony Russo
Russo, 37, has been an unsuccessful candidate three times for the Third Ward seat. He says he's simply an honest man who cares about families and neighborhoods.

The head of the Anthony Russo Civic Association, the candidate has been a civic activist in the ward for a number of years.

He serves as chairman of the Hudson County Utilities Authority and has served on the HCUA for six years. Russo has been a teacher in the Hoboken public school

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3rd Ward votes again tomorrow

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gone to the polls twice, the inability of candidates to build substantial war chests, and a commitment by Mayor Thomas Vezzetti to remain neutral in the election.

Even the arrest in July of Ann Calabrese, Cappiello's co-campaign chairperson, for voting twice failed to raise the ire of Third Ward residents.

But Cappiello and Russo say they are both confident they can drum up enough support to win the ward. Russo claims Calabrese, who is still going door-to-door campaigning for Cappiello while she awaits trial, will hurt Cappiello in the polls tomorrow. He stresses his honesty and his opposition to special interest groups and political machines.

Cappiello supporters suggest that their candidate, who was also Third Ward councilman from 1963 to 1973, has a traditional block of votes in the ward and Russo may suffer a backlash from new voters who resent the registration challenge and may sit out the election.

Cappiello supporters also

point out that Russo supported Cappiello against Vezzetti in the 1985 mayoral election. They say that move was a major factor in Vezzetti's decision not to back Russo.

Russo, however, says Raia's votes are "anti-Cappiello" votes and points to the eroding support for his opponent in the ward since 1985.

Nonetheless, both candidates will be keeping close watch on the polls to guard against irregularities. Cappiello has already charged one voter registered by Russo does not live in Hoboken.

Located in the center of the city at its western edge, the Third ward has a strong Italian and Hispanic population and is dominated by one-and-two family homes. Redevelopment has begun to affect the ward and many new residents are settling there to escape the higher rents in areas close to the waterfront.

Here are the candidates' opinions on issues which affect the ward and the city:

• **Taxes:** Russo says he will commit money to capital improvement

projects to support long term taxpayer relief. He has also supported plans to sell city owned property and collect delinquent taxes.

Cappiello has called the city's financial stability the biggest issue facing the Third Ward. He is a proponent of increasing the amount of real estate development to expand the city's base of ratepayers.

• **Sewerage:** Cappiello says he supports a dedicated maintenance fund to rehabilitate the city's crumbling sewerage system.

Russo points to his roll as chairman to the Hudson County Utilities Authority as an advocate of bringing federal and state grant money to Hoboken for repair projects.

• **Port Authority waterfront development:** Russo says he opposes the PA's proposed development as "cold and isolated from mainstream Hoboken."

Cappiello says he has reversed much of his support for the PA's project since losing the mayoral election in 1985. He maintains that other developers should be sought.

• **Other development:** Cappiello says the con-

struction of high density high-rise projects along portions of the waterfront and the city's perimeter. He said those projects should be built in areas which would not disturb normal life in the city.

Russo claims the real estate development has not been monitored or planned properly over the past 15 years. He says neighborhoods have been disturbed by uncontrolled development.

• **Affordable housing:** Russo believes that developer impact fees and public-private partnerships are the best way to generate affordable housing.

Cappiello says there is always a need for affordable housing in urban environments and is willing to support projects to create housing which would not be a burden on taxpayers.

JOBS

CONTINUED FROM PAGE 1

"There will be significant development on city-owned properties," Pasculli said. "We want to make sure Hoboken residents get a fair shot at these jobs. Economic and residential development must go hand in hand with job opportunities for local residents."

The idea for the program came from Jersey City's experience with the Newport project, Pasculli said. Much of the initial construction jobs there were awarded to out-of-state contractors and workers, embittering local residents, who needed the jobs just as badly.

The concept of tying development to jobs for local residents is a new one, and yet untested in practice or in the courts in this state. The president of the New Jersey Business and Industry Association praised the idea, but said he is sure it will be challenged legally.

"There are lots of questions that must be answered," said Bruce Coe, president of the Trenton-based organization. "If a company spends 60 days trying to find a resident to fill a job, obviously that's detrimental."

It also remains to be seen how the program would be enforced. For developers building on city-owned land, the requirement will be spelled out in a contract, and it will be left to the EDA to monitor how well its terms are carried out. The city can use its power over building permits to ensure that the employer lives up to his end of the bargain, said Michael Coleman, executive director of the EDA.

The contracts will be realistically tailored to the needs of the individual employer, Coleman said.

The Hudson County Private Industry Council will use federal

funds to help train city residents for the types of jobs expected to be available. The council agreed to participate in the jobs program earlier this summer, said Bernard F. Kenny Jr., a city resident who is the attorney for the council.

Kenny said the ordinance has been tested legally in several cities outside of the state, including New York City, Buffalo, N.Y., and Washington.

The high unemployment rate here is a product of the city's industrial past. With manufacturing plants shutting down, many local employees lost their jobs, and are unqualified for the new office jobs opening up.

"This shows we are taking responsibility for our economic health," said Pasculli. "We are not waiting for outside intervention. We are trying to take care of our needs with our own resources."

Steve Cappiello

Continued from Page 1

system for 17 years and currently serves as a special education teacher.

He and his wife, Michelle, have three children.

"The people of the Third Ward have an opportunity for honest and independent government for the first time in decades," Russo said.

"I have fought over the years for neighborhood concerns, trying to be sensitive to the needs of people." — Bill Campbell

Although he often speaks of retiring from politics, Cappiello said he is seeking another term because, "I still have a lot to offer this city."

Anthony Russo

Continued from Page 1

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Jobs surety sought

Hoboken seeking to share in boom

By JUDY TEMES

Business Writer

HOBOKEN—City residents would have first crack at all jobs generated by the building boom here, under an ordinance to be voted on tomorrow night.

The ordinance is the first of its kind in the state, officials here said, and one that other municipalities may follow in the future to harness development along Hudson County's Gold Coast and use it to reduce high unemployment in the county.

If passed, it would require developers building on city-owned property to give city residents the first chance at all jobs, be they blue- or white-collar.

The jobs program would be extended to developers building on their own land, who would be asked to consider city residents for jobs on a voluntary basis.

The program would be coordinated by the city's Economic Development Agency, which would match job listings from developers and companies moving into the city with lists of residents seeking jobs.

The program is aimed at reducing the city's unemployment rate, which stands about 11 percent today, said City Council President Patrick Pasculli, the sponsor of the ordinance.

Please see JOBS Page 8

Cappiello in squeaker

Incumbent victorious over Russo

Dispatch 9-16-87
By CHRISTOPHER AVE
Staff Writer

HOBOKEN—Incumbent Steve Cappiello edged out Anthony J. Russo for the 3rd Ward City Council seat yesterday. Cappiello won with 1,092 votes to Russo's 967 votes.

Cappiello, a former mayor and still a key player in the city's political scene, said he was not surprised by the close vote.

"It was an uphill fight," he said, surrounded by cheering, sweaty supporters who crammed into his campaign headquarters, reaching for his hand. He said that an attorney for Russo harassed voters.

Please see CAPPIELLO Page 11



Hoboken Councilman Steve Cappiello hugs a supporter last night after winning a special 3rd Ward election over Anthony J. Russo.

Russo-Cappiello showdown today

By Bill Campbell *9-15-87*

Polls will be open from 7 a.m. to 8 p.m. today in the Third Ward as voters select their City Council representative.

Incumbent City Councilman Steve Cappiello faces civic activist Anthony Russo in a special runoff election for the Third Ward council seat. Cappiello, a two-term councilman, has held the seat the past two months as a holdover council member.

Russo forced a new election in July when he successfully challenged the registrations of 44 people who cast ballots for Frank "Pupie" Raia, the second-place finisher, in the May election.

Cappiello finished ahead of Raia, Russo and another candidate in the May election and defeated Raia in a June runoff.

Russo, 37, is a school teacher and chairman of the Hudson County Utilities Authority in

Jersey City. He operates a civic association in the ward and has run for the council seat unsuccessfully three times.

Cappiello, 64, is the former three-term mayor who also represented the ward in the City Council from 1963 to 1973. He is a former police sergeant.

All six ward seats were up for grabs last May, with legal challenges filed over the results in the Third and Fifth wards.

The state Superior Court

has yet to decide candidate Helen Manogue's challenge to Councilman E. Norman Wilson's one vote victory in the Fifth Ward in May.

Polling stations in the Third Ward are:
• First District, Community Room at 220 Adams Street.
• Second and Third districts, P.S. 3, 501 Adams Street.
• Fourth District, Community Room at 445 Ninth Street.
• Fifth District, Hoboken High School, 800 Clinton Street.

CAPPIELLO

CONTINUED FROM PAGE 1

before the polls closed.

Russo, who is the chairman of the Hudson County Utilities Authority, was in his campaign headquarters a few blocks away when a few grim-faced campaign workers totaled the votes. When the totals were complete, Russo announced them to the crowd, then said he had been forced to fight the press, other council members and dirty tactics by Cappiello in his campaign.

"Mr. Cappiello is still slime-bag," Russo told his supporters, who cheered at the statement.

Such statements were typical of the tenor of the campaign. The candidates had traded accusations in campaign literature and advertisements taken out in a local newspaper.

Turnout was considered light for the election, which was the ward's third this year. Judge Dorothea O'C Wefling of Hudson County Superior Court in Jersey City called for this election and voided a June 9 runoff after finding voting irregularities in the May 12 race.

Cappiello said he had received support from supporters of Frank "Pupie" Raia, who came in second in the first election and in the June 9 runoff, but was disallowed from yesterday's race by the judge. Campaign workers for Russo had said earlier yesterday that they had seen Raia actively campaigning for Cappiello.

When asked about the report, Cappiello said: "I would think that would be natural that he would want to help."

Cappiello, who has hinted that he might step down at the end of this term, said Raia was one of the "people that now look to be

the new leaders in the 3rd Ward, so to speak. You'll begin to see new faces on the horizon."

Asked if Raia was one of those new faces, Cappiello said, "Pupie Raia will be one of those, as well as other young people."

Raia could not be reached last night.

Cappiello, who was mayor of the city for three terms before being unseated by Thomas F. Vezzetti in 1985, won the previous two races by small margins and had been considered the favorite yesterday. The 3rd Ward, a tightly knit, largely Italian community, has been the seat of his considerable power in the city for more than 20 years.

Both candidates spent the day crisscrossing the ward, shaking hands and keeping close tabs on the latest voting figures. A low turnout was expected, a factor traditionally favoring the incumbent.

Cappiello was outside the polling place at 501 Adams St. just after noon yesterday, smoking his trademark cigar, examining a small piece of paper with partial vote totals from the June 9 runoff.

He said it appeared that the totals were similar to the previous race, which also was considered to have a low voter turnout.

Yesterday's sunny skies and moderate temperatures, however, gave Russo and his staff some hope that turnout would be higher than expected.

After the results were in, Cappiello was asked if he would ever run for office again. "I'm going to run for my boat," he said with a somber face, "and a couple days of fishing."

Cappiello beats Russo

Continued from Page 1

1973 before his election as mayor and subsequent defeat by Thomas Vezzetti in 1985.

Cappiello said he was not surprised by the slim margin, which he attributed to harassment at the polls by Russo supporters. He also said that some of his supporters took the victory for granted.

Russo blamed much of the defeat on Raia, saying he paid some of his supporters not to vote.

Vezzetti, who supported Raia in the May and June contests, remained neutral in the special runoff. However, many of the mayor's closest supporters privately rooted for a Cappiello victory.

Raia, a real estate developer, attended the Cappiello victory celebration, but said he made no private endorsements or pledges of support for Cappiello. "All I will say is that the results are obvious," he said. "Cappiello has won."

Cappiello said Raia provided some support which, in turn, netted his campaign some votes. "It's normal that he'd

want to help," Cappiello said.

The Third Ward campaign officially kicked off in April with the ballot selection of candidates. The contest between Cappiello and Russo was unusually quiet until Cappiello launched an advertising campaign attacking Russo's high absentee record as a school teacher.

Russo, the chairman of the Hudson County Utilities Authority, countered with a full page ad in a local weekly proclaiming "Steve Cappiello Lies," complete with a copy of his teacher evaluation.

"The school ad was was nothing but unfounded lies," Russo said outside his headquarters.

The Cappiello victory does little to alter the balance of power on the City Council. Vezzetti's fragile majority holds the edge but it may slip from the mayor's grasp as the 1989 mayoral campaign approaches.

Cappiello said he would remain in office as long as he remains healthy.

"I plan to run again," he said. "Run to go fishing."

Cappiello beats Russo in runoff

By Bill Campbell *9-16-87*

Veteran Hoboken Third Ward Councilman Steve Cappiello yesterday scored a narrow victory over challenger Anthony Russo to retain his seat on the nine-member council.

Cappiello, a two-term council member, won the special runoff election with victories in three of the ward's five districts, ending what observers called one of the longest campaigns in the city's history.

Cappiello, 64, received 1,092 votes to Russo's 967.

Russo, 37, who lost three previous council elections, conceded defeat shortly after the polls closed. "I will continue to be involved in civic and political activities in the ward,"

he told supporters outside his Adams Street headquarters.

"It's all over and we have won," a happy but tired Cappiello told campaign supporters at his Jefferson Street headquarters. "I pledge that I will continue to represent you and the interests of all the people," he said clenching a cigar.

Cappiello declared victory at 8:15 p.m. as supporters hoisted him atop a table.

Russo caused yesterday's election by successfully challenging voter registrations of 44 residents in May. Cappiello, a former three-term mayor, won the May contest, finishing ahead of Frank "Pupie" Raia.

Russo and another candidate. Cappiello defeated Raia by 190 votes in a June runoff, but

the state Superior Court, upholding Russo's challenge, overturned that election and ordered the contest between Cappiello and Russo.

Cappiello served on the council the past two months as a holdover.

Political pundits considered Cappiello a heavy favorite to win the contest. However, Cappiello's eroding base in the ward, coupled with a surprising show by Russo, severely narrowed what some said would be a 300-vote margin.

The victory may be bitter-sweet for Cappiello. Observers predict that the campaign was his last. He served as Third Ward councilman from 1963 to

See CAPPIELLO — Page 12.

CITY RESIDENTS

Hoboken passes program for jobs

Dispatch 9-12-87
By CHRISTOPHER AVE
Staff Writer

HOBOKEN—The City Council last night unanimously approved a plan to require developers of city-owned properties to give city residents first crack at all new jobs.

The council also passed ordinances providing for mandatory recycling and residential sewer-user fees.

The jobs plan, which was drafted jointly by the Community Development Agency and council President Patrick Pasculli, will require contractors, developers and employers working on municipal land to sign an agreement with the city giving local residents first-crack at jobs at those sites. Developers of privately-owned land will be asked to help get local residents jobs on a "good-will" basis.

"It is not a pressured approach," Jean Forrest, CDA economic coordinator, said. "It has been used in other cities

successfully."

She added that each development would be examined individually, with no set quotas or rules applicable to every city-owned project.

The recycling plan, which is in response to a state mandate to institute recycling, is aimed at recycling 15 percent of the city's garbage by next September, and 25 percent by September 1989. Public Works Director Roy Haack said some components of the program will begin as early as Oct. 1.

The sewer-user fees, Haack said, will be imposed on residences on a scale based on the number of bedrooms in the structure. Haack said approval of the plan is needed to insure getting \$29 million in federal funds to build a new sewage-treatment facility.

In other business, the council approved the appointment of Nellie Moyeno as city Hispanic affairs officer.

Hoboken not surprised by state's suggestions

Dispatch 9-12-87
By CHRISTOPHER AVE
Staff Writer

HOBOKEN—City officials said yesterday they were not surprised at the state's Distressed Cities Program report, because they had been working with the state for months before the report was released.

"It's what we expected," mayor aide Laurie Fabiano said, noting that a large portion of Tuesday's report, the fiscal recovery plan, had been written by the city.

The state Division of Local Government Services report, basically an audit of city financial practices, criticized the administration for "poor record keeping and lack of oversight" in spending practices. It recommends that the city create new departments, implement a program to enhance cash realization, and review the Crosstown Bus Lines operation with an eye

toward increasing the 25-cent fare.

The city already has addressed some of the state proposals by creating new Departments of Finance, Purchasing and Engineering, and planning to abolish the Community Development Corp. A report on the bus line has been completed. These moves, Fabiano said, will help bring spending practices into line.

"We believe we have already come a long way in rectifying the problems that exist," Mayor Thomas F. Vezzetti said.

The report was required under a 1986 state aid package that provided \$17.5 million in emergency aid to Hoboken and other cities. The analysis of each city hall is followed by recommendations for improving wasteful or poor practices and a promise to continue watching operations closely.

Hoboken gets bus choices

9-9-87
By Joseph Albright

TRENTON—The wait will get longer and the price higher for Hoboken bus riders if the city follows the recommendations of the state Community Affairs Department for the Crosstown Bus system.

An analysis report requested by Hoboken said the city had two choices: Maintain the service at a reduced level or sell it.

Young professionals using the service during rush hours and senior citizens are willing to pay an increased fare, according to the report.

The state report said the fare should be increased to 30 cents for senior citizens and 50-75 cents for all other riders.

The city could purchase a new bus or invest money for repairs of the present buses, the report added.

The report said it is not necessary to operate the bus every half-hour during the late morning and afternoon hours. The service could make half-hour runs between 6:30 a.m. and 9:30 a.m. to accommodate commuters. Then, between the hours 10 a.m. and 4 p.m., the service could reduce runs to every 2 hours. This would accommodate the senior citizens, as well. Between 5 p.m. and 7 p.m., the service would resume half-hour runs to accommodate commuters.

Builder and city agree on sewage

Dispatch 9-16-87
By JOHN ROFE
Staff Writer

A \$10.7 million office building on the Hoboken waterfront will have its first tenant next month following an agreement yesterday between city officials and the developer.

The agreement centers around sewage created at the new Baker Waterfront Plaza at 2 Hudson St. Because of a ban against new sewer hookups in the city, the developer must treat the sewage at his own expense.

The developer, Gerald H. Baker, agreed in Hudson County Superior Court in Jersey City to pay for the treatment of 1,000 gallons of sewage daily until Hoboken upgrades the gates and regulators in the area, which would allow for a direct, or "wet," hook-up of the building to sewer lines.

Baker gained a court order in February granting the eight-story project a "dry" hook-up. Baker went to court because Hoboken has been under a ban denying new wet hook-ups since October 1985, because its sewage treatment facilities did not meet state standards.

The building is expected to create 25,000 gallons of sewage daily when it is fully occupied. Baker has agreed to pay for treatment of the sewage.

The city agreed to complete the improvements, which include cleaning and removing asbestos from sewer line, by Oct. 30, and also agreed to have gained the proper permits from the state Department of Environmental Protection allowing for the hook-up.

Baker has called the office building "the catalyst" to waterfront development in Hoboken. City Attorney William Graves said the tenant that plans to move in on Oct. 1 will leave office space in Manhattan for Hoboken.

Hoboken, Union City struggling

Dispatch 9-16-87
Associated Press

TRENTON—State officials who investigated Hoboken and Union City found that problems such as shoddy record-keeping, overspending and untrained employees are compounding financial problems there, according to a report released yesterday.

In Union City, officials found vacation records were kept so poorly that none of the more than 600 employees were listed as having taken any vacation time during 1985, the report by the state Division of Local Government Services said.

Investigators said there are as much as \$2 million in uncollected traffic fines in Union City, and the city could be losing millions in taxes on buildings that are completed but not yet occupied.

The team of officials investigating Hoboken found "poor record keeping and lack of oversight" resulted in the spending of money that was not available. Officials also found a payroll system in such disarray that it must rely upon the bank to know how much money it has.

The report also cited "deficient and haphazard" record keeping by the Hoboken Municipal Court.

The report was required under a 1986 state aid package that provided \$17.5 million in emergency aid to the cities. The analysis of each city hall is followed with recommendations for improving wasteful or poor practices and a promise to continue watching operations closely.

The finance experts also found numerous problems in municipal operations in Irvington, East Orange and Camden. The division found city budget affairs generally were well-run in Paterson and Trenton, and it plans to release a more com-

prehensive report on operations in troubled Orange.

Although East Orange officials overspent their convention costs during 1985, they spent \$35,000 to send 70 delegates to the League of Municipalities Convention and another \$15,000 to send seven staff members to a conference in Arizona.

In Camden, the analysts found a city residency requirement has made it difficult to hire competent and qualified employees in some departments, and has led to the employment of some who are not adequately trained.

They also found confusion over city policies, uncoordinated use of computers that often end up unused, inaccurate spending records and confusion in the treasury office, according to the report.

Friction between Camden's purchasing office and senior city management is hurting the efficiency of that office, the report said.

It also found inaccurate spending records, an overburdened comptroller, confusion in the treasury office, a disorganized and dilapidated finance office and poor tax collection procedures.

The report also found "virtually non-existent" cash investment efforts existed before 1986, and when efforts began new investments yielded \$280,000 in interest during 1986 alone.

In East Orange, state officials cited inexperienced finance department employees, a lack of supervision and "some incompetency and apathy among employees, especially in the treasurer's office."

They also found outstanding bills dating 11 months, poor investment practices and bank accounts that sometimes were overdrawn because of poor record keeping, the report said.

Hoboken's till hasn't profited by renaissance

By Joseph Albright

TRENTON — The financial rewards of Hoboken's renaissance have been small, a state report said yesterday.

However, things could turn around as the city yesterday laid the cornerstone for its 1987 fiscal recovery plan with the State Community Affairs Department.

The plan relies heavily on the current revaluation of all real property scheduled for completion in 1988.

The significance of Hoboken's revaluation — the first since 1969 — was revealed by the State Community Affairs Department in releasing its Distressed Cities report. Hoboken is one of a number of ailing cities receiving state aid as part of a Distressed City plan requiring the cities to reevaluate their financial planning.

"It is expected that a new and complete revaluation will correct gross discrepancies in the present assignments and put the city on firm financial ground," the report observed. It declared present assessments are not only "antiquated, they are unfair and inequitable."

The report also said investigators found "poor record keeping and lack of oversight" resulted in the spending of money that was not available. Investigators also found a payroll system in such disarray that the city must rely upon the bank to know how much money it has. The report also cited "deficient and haphazard" record keeping by the municipal court.

Hoboken experienced a so-called renaissance but the financial benefits have been small the report noted, adding "it will be at least three years before we receive substantial revenues from major development and three years until the secondary sewage treatment plant is completed."

"During this critical period it is essential that the city continue to receive state aid under the Distressed Cities Program," the report went on.

"As Hoboken's tax rate is high we cannot rely on the already overburdened taxpayer," the recovery plan declared.

Hoboken advised the department it is preparing to raise most fees in the city: Alcohol Beverage Control fees by 20 percent; Construction Code permit fees will be raised enough to cover all costs for the office, various fees levied by the Board of Health will be increased, at least 10 taxi medallions will be auctioned.



J.J. 9-16-87

The thrill of victory, the agony of defeat

Winner of Hoboken's Third Ward runoff election, incumbent Councilman Steve Cappiello, is joined by supporters, above, while, at right, challenger Anthony Russo reacts to his loss. (District tallies of the 1,092 - 967 vote are on Page 12.)

Photos by Mark Wyllie



Law urged to bar P.A. as waterfront developer

By Bill Campbell

The Mayor's Waterfront Advisory Committee has urged Hoboken to adopt legislation barring the Port Authority from developing a waterfront project.

In a position paper issued yesterday to the City Council, the WAC, a persistent critic of the P.A.'s proposed \$600 million waterfront project, said a formal rejection of the project is essential if Hoboken is to regain the pier property currently leased to the bistate agency.

"It has become clear that the P.A. is a major obstacle to waterfront development which

must be removed," the paper said. "The P.A. has consistently dealt with Hoboken in a belligerent and dishonest manner."

Council President Pat Pasculli, leading critic of the P.A., said he would have no reservations about sponsoring an ordinance to deny the P.A. from developing the property, adding that the city should immediately solicit proposals from other developers.

"We must get the ball rolling, regardless of the lease or litigation," Pasculli said.

Negotiations between the city and the P.A. to construct a mixed-use development on pier property broke down last February when the city sued to

recover \$9.7 million in insurance collected by the authority after one of the piers was destroyed in a 1980 fire.

The city won the lawsuit which was instituted by a citizens' group, People Advocating Safe Solutions. PASS also started a lawsuit against the P.A. last year charging the authority violated its lease with the city.

Under the 1952 lease, the P.A. retains control of the piers until 2002 for the purpose of operating a marine terminal. But the property has stood idle for more than a decade.

Last month, the P.A. ignored an eviction notice issued by Mayor Thomas Vezzetti,

claiming it has no intention of leaving until the lease expires in 13 years.

Vezzetti, who has often vigorously disagreed with the positions taken by his advisory committee, had no comment yesterday on the WAC position paper.

However, an administration official cast doubts on the WAC recommendation, saying the P.A. may be "a valuable trump card to play off other developers."

"We're on the offensive," the officials said.

Pasculli said he would ask the municipal law department to review the WAC paper and draft a resolution for introduction

at the council's next caucus session in October.

"The P.A. is doing us no good by holding this lease over our head and depriving the city of valuable revenue from that property," he said.

WAC member Tom Illing said a council resolution denying the P.A. the right to develop the piers would send a message to the courts and state legislature that Hoboken is dissatisfied with the P.A.

The six-page position paper cited the insurance litigation and lack of economic benefits from the proposed developments as the justification for not continuing negotiations with the P.A.

KOUFAX ALL-STARS

Hoboken 9 eyes Soviets

By DOUGLAS LAVIN

Staff Writer

HOBOKEN—The city's champion teenage baseball team might be pitching in Moscow next year.

If a final agreement can be slugged out between the Soviet Union, which is starting an amateur baseball program, and sponsors in this city, where organized baseball began, the city's

teenage team and five coaches could be playing in Moscow in June.

The trans-continental goodwill game has received the backing of the Soviet sports authority, Sen. Frank R. Lautenberg, D-Montclair, City Hall and Hartz Mountain Industries, whose vice president, Morton Goldfein, came up with the idea.

Goldfein, who could not be reached for com-

Please see BASEBALL Page 10

Hoboken CDA plan approved

By Bill Campbell and Dominick Calicchio

A plan by the Hoboken Community Development Agency designed to spur local employment was approved last night by the City Council.

That doesn't mean everyone in City Hall is convinced it will work.

Mayor Thomas Vezzetti said he had serious questions about the council's "first-source" ordinance requiring developers of city-owned land to hire Hoboken residents. He said he would have to be "convinced" the plan would work before signing the ordinance into law.

"I just don't know if this is constitutional," he said. "It seems we'll be wide open for legal challenges."

The ordinance requires that Hoboken residents be hired for a wide range of jobs created on city-owned or tax abated property. The Hoboken proposal is the first of its kind in Hudson County and is expected to be used as a model for other municipalities.

Proponents said the measure wouldn't supersede union contracts brought into the city by firms that relocate. The plan was formally presented in a news conference yesterday at the CDA offices on Grand Street and approved last night by the council. The program was developed by CDA planner Jean Forest, City Council President Pat Pasculli and Bernard Kenny, an attorney for the Private Industry Council (PIC) and a state assembly candidate.

The law is primarily targeted for development planned on city-owned parcels on Observer Highway, lower Hudson Street and the waterfront piers A, B and C. Developers may be required to sign a first source agreement with the city before they are awarded the project, Pasculli said.

Hoboken has an unemployment rate of over 11 percent, according to Pasculli, well above the state and national averages. He said the ordinance was intended to bolster employment by providing jobs within the city.

The ordinance would authorize the city to enter into individual contracts with developers and employees to specify a percentage of Hoboken residents to get jobs. The PIC county employment agency would be responsible for recruiting, training and placing local residents into a range of jobs.

While most administration officials agree with the merits of the ordinance, some said efforts to enforce the law would be unrealistic. The ordinance calls for the hiring of a first source coordinator who, among other things, will sign complaints and testify against violators.

"I have no problems with the spirit of the ordinance," said mayoral aid Laurie Fabiano. "But I do see problems if we have to go to court to enforce it."

Vezzetti also said he agreed with the concept but questioned the ordinance's legality and the need to hire a coordinator. "It seems pretty outrageous," he said.

But Forest said the plan is intended as a good faith effort by local employers to hire Hoboken residents and doubted that the city would have to enforce it.

In a separate matter at last night's meeting the council approved payment of more than \$20,000 to be divided among six temporary CDA employees.

Asbestos-removal plan in abeyance

By Bill Campbell

The Hoboken Board of Education is holding off on plans to remove asbestos from the Brandt grammar school until state health officials have a chance to inspect the building.

School Board Secretary Anthony Curko said he has urged the state Department of Health to inspect Brandt and the city's six other grammar schools for asbestos before taking measures to remove the potentially hazardous material.

Curko is awaiting a response from the state to a Sept. 2 letter by the school board asking for a reinspection of all schools, he said. He wants all the schools reinspected to insure that the material has been completely removed, although he said there was no evidence to suggest that asbestos exists in any other school building, he said.

State health officials could not be reached to comment on

the status of the request or a reinspection program.

Asbestos was discovered in Brandt School in 1986, two years after education officials declared the city's grammar schools asbestos-free. However, the board has not taken action to remove the cancer-causing substance.

An environmental consulting firm, Alternate Ways, Inc., discovered asbestos at Brandt School in June 1986, and the Hoboken Health Department and the Hudson County Regional Health Commission confirmed the presence of the material during a reinspection last April.

Most school officials said they were unaware of the Alternate Ways report until the April inspection. However, school board trustee James Farina said his colleagues were informed of the problem after the report was released, but

See ASBESTOS — PAGE 8.

Asbestos-removal plan in abeyance

Continued from Page 1

the matter did not seem urgent. "The report did not stress that the problem was an emergency," Farina said. "There were so many other problems with the schools that this did not seem urgent."

Asbestos is a chemical compound that was used as insulation in many older buildings. When the material begins to decompose, fibers can easily become airborne, and it is at that point that the asbestos becomes a potential health hazard. Health officials have linked an accumulation of asbestos in the lungs to lung cancer in humans.

Curko said he wants to determine if state funding is available to clean the Brandt School of the asbestos while the board ponders if a consultant should be hired to determine the danger to students and teachers.

The material has been found in the basement, the sub-basement, the boiler room of the school on Ninth Street and Park Avenue, and may exist in the open air vents leading to the classrooms, according to Hoboken Health Officer Patri-

cia Mitten, who said she urged school officials to contain the areas where asbestos was found, including the air vents.

Curko said the safeguards would be taken until the state inspection is completed.

"As much care should be taken as possible to contain the asbestos," Mitten said. "And I really won't be completely satisfied that the material does not pose a health hazard until it is removed."

Although the school board and administrators decided the asbestos problem in Brandt as not serious enough to close the school, they say they are not underestimating the potential danger.

"Whenever there is asbestos found in a school, even a little bit, it is a problem," Curko said.

However, he said classes would continue to be held in the building unless the state concludes the problem is serious.

Farina said the board would act on the problem during its Sept. 29 meeting. "No matter what, we will have something on the table at the meeting," he said.

Suit delayed on Hoboken rental law

J.J. 9-16-87

A hearing on the validity of Hoboken's "anti-warehousing" ordinance? Laws requiring landlords to rent apartments as they become vacant has been postponed until Tuesday.

The landlord suit challenging the quick rental law has been consolidated with similar objections to a Jersey City law which also prohibits landlords from deliberately keeping apartments empty.

The Hoboken law department objects to the consolidation.

Tenant lawyers support the ordinances as tools to control rampant real estate speculation in Hudson County. Since New Jersey law grants apartment tenants from three to 40 years of continued residency in buildings being converted to condominiums, vacant buildings fetch higher prices from speculators interested in condominium conversions.

The delay was called to give all parties time to read court papers filed late by Hoboken. The law department filed its objection to the consolidation Monday. The papers were due in court last week.

Mood of backers, harbinger of vote

Continued from Page 1

three terms as councilman, is Hoboken establishment personified.

Hearing the final count shortly after 8 p.m., Russo thanked his campaign workers. He then spoke of Cappiello in profane terms and charged that some members of the City Council had conspired to make certain he lost.

He vowed, however, to continue "to be involved in civic and political activities in this ward."

Russo's wife, Michelle, known for her vociferous sup-

port, told the crowd Frank "Puppie" Raia admitted paying would-be Russo supporters to stay away from the polls.

"I told them take the money and still come out," she said. "What's he gonna do? Take the money back from you tomorrow?"

Raia, at Cappiello's victory party last night, said he stayed out of the special election, after being defeated by Cappiello in the June runoff.

Cappiello, sharply dressed in a light brown suit and gold tie, said "It's all over, we won. We should be very happy."

Mood at HQ foretold vote

By Dominick Calicchio

All an outsider had to do to tell who was going to win last night's Third Ward council election in Hoboken was compare the two candidates' headquarters.

Though incumbent Councilman Steve Cappiello defeated challenger Anthony Russo by just 125 votes, Cappiello's supporters were whooping it up and Russo's supporters were down in the dumps long before the numbers justified those reactions.

At 7:30 p.m., with the polls still open for another half hour, a modest, mostly Hispanic crowd with children stood outside Russo headquarters on Adams Street seemingly already sensing defeat. The sight of their candidate nervously wiping his brow and loosening his tie while taking early returns on the phone probably didn't help matters.

Three blocks away, meanwhile, in Cappiello's Jefferson Street headquarters, a predominantly old-time male crowd raucously munched on turkey sandwiches and pizza, washed down with soft drinks. Their candidate didn't arrive until after the final results were in.

Russo claimed during the campaign to be an independent candidate who wouldn't bow to special interests. Facing opposition from both the rival Mayors Thomas Vezzetti and Cappiello camps, observers said, he was hard-pressed to pull off a victory.

Cappiello, meanwhile, with three terms as mayor and

See MOOD — Page 12.

Sewer pact signed on Baker office building

By Laurie Kalmanson

"This is a happy kind of case, in which the public interest and a private interest combine," said Superior Court Assignment Judge Burrell Ives Humphreys as he signed an agreement reached yesterday by Hoboken, the state Department of Environmental Protection and a property developer.

Since Hoboken voted in Nov., 1985 to honor a state imposed ban on sewerage hook-ups, the city has been under court order to modernize its crumbling treatment facilities and developers have had trouble getting permission to turn on their pipes and allow tenants to move into buildings.

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has all but completed his \$10.7 million office building at 2 Hudson Place, and is anxious for tenants to move in.

A consent agreement was hammered out before Judge Ives Humphreys yesterday allowing Baker to exchange \$150,000 in sewerage treatment improvements for an exemption from the hook-up ban.

Baker Waterfront Plaza is now authorized to accept the first tenant in its eight-story, 93,000 sq. ft. building on Oct. 1, providing all parties live up to the terms of the complex agreement.

"It's a small price to pay, really," developer Baker said after court yesterday. "Other developers are sitting around and complaining about the ban, but we put up our building

and people will be moving in."

Baker figures the \$150,000 spent on sewerage improvements will handle about 25,000 gallons of water a day, about twice the amount of effluent he expects his building to release.

The agreement signed yesterday calls for a schedule of user fees to be in place by Sept. 1, 1988.

Hoboken is presently embroiled in several other sewerage disputes with private developers and public agencies. Federal grants worth \$30 million could be jeopardized if the city fails to meet various planning and construction obligations.

Part of the agreement yesterday included a timetable set by the DEP for sewerage construction in the city.

If Hoboken fails to stick to the DEP schedule, fines running from \$1,000 per day will be charged against the city treasury.

The city and DEP also agreed yesterday on settlement of \$410,800 in fines that have already accrued for violations of previous agreements with the DEP.

Hoboken has consented to pay \$250,000 in fines within 30 days, law director Bill Graves said, but the money will not be coming from the treasury.

As part of a deal with developer Hartz Mountain Industries, which is seeking local sewerage hook-ups, the company has agreed to pay the \$250,000, Graves said.

The 46-count agreement was signed yesterday after a

day of good-natured but intense negotiation with the Hoboken Department of Public Works, the law department, the DEP, and Baker.

The key components of the sewerage system that must be fixed are machines known as tide gates and regulators.

The equipment keeps Hudson River water from flowing back into the sewerage system at high tide and sweeping out unclean water.

Deadlines for Hoboken compliance with environmental rules include a Sept. 8, 1990 time limit for meeting federal Clean Water standards, and an initial construction deadline of March 8, 1988 for a new secondary treatment plant.

Real winner may be Raia

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—The real winner of Tuesday's 3rd Ward race may have been someone who was not allowed to run.

Steve Capiello, the powerful incumbent and former mayor, beat Anthony J. Russo in a close vote for the City Council seat. But after the election, Capiello—who recently has talked of retiring—said Frank "Pupi" Raia was one of the "new faces on the horizon" that he might support as a ward leader in the future.

The development is significant because Raia most often has been identified with Capiello's arch-rivals, the administration of Mayor Thomas F. Vezzetti.

Raia came in second to Capiello in the first 3rd Ward race on May 12 and also in the June 9 runoff. But Judge Dorothea O'C. Wefing of Hudson County Superior Court in Jersey City ruled that Raia improperly registered voters in the May 12 race. The result of the suit was that a new election was held Tuesday without Raia.

Raia said he welcomed Capiello's apparent blessing.

"In the beginning, he looked at the administration against Steve Capiello," Raia said, "but now he looks at Frank Raia as Frank Raia."

Raia, who received Vezzetti's endorsement in the first 3rd Ward election, said he was the man who could bridge the yawning gap between the administration and Capiello—bitter rivals during Vezzetti's 2½ years as mayor.

"He sees the light that I'm the guy in the 3rd Ward," Raia said of Capiello.

But Russo, who sounded bitter at his defeat Tuesday, charged that Raia is an opportunist who, along with Raia's campaign manager, Councilwoman Helen Cuning, openly supported Capiello to get the former mayor's approval.

"They were all against me for self-serving motives," Russo said.

Raia denied that he openly supported Capiello, calling the charge "way off base."

Raia said that if he had supported Capiello actively, he would have made sure that all 180 of the voters whose registrations were voided by Wefing had re-registered and voted for Capiello. "Only 40 of them re-registered," Raia said.

Cuning, who is seen as a supporter of the Vezzetti administration and a foe of Capiello, said she did nothing to help the Capiello campaign.

"I did not bring one voter to the polls except my mother, who was sick," she said. "I wasn't involved."

People on both sides of the Russo-Raia debate say they are cautious about Capiello's pronouncements about retirement. "He is a good politician, and he knows when to say the right things," Raia said. Russo also noted Capiello's political skills, adding that Capiello "has talked about retiring for years."

Both Russo and Raia said they would remain involved in 3rd Ward politics, and neither ruled out another try at the City Council seat if Capiello steps down.

Hiring ordinance gets Vezzetti OK

By Bill Campbell

HOBOKEN Mayor Thomas Vezzetti, in a change of posture, signed into law yesterday an ordinance requiring employers to hire local residents for new jobs created on city-owned land.

The ordinance, which authorizes the city to enter into "first source" agreements with real estate developers and employers doing business on city-owned or tax abated property, was approved unanimously by the City Council on Wednesday.

The ordinance becomes municipal law in 20 days. "The ordinance has been thoroughly reviewed by the law department and Law Director Bill Graves, so it must be constitutional," Vezzetti said. "So I have decided not to veto it."

Earlier this week, Vezzetti said he had serious questions about the constitutionality of

the ordinance. Vezzetti said he approved of the concept, but doubted the city had enforcement powers.

Vezzetti, as recently as yesterday morning, pondered vetoing the measure, to allow the council to amend unacceptable language. But, after meeting with Community Development Agency planner Jean Forest, an architect of the plan, Vezzetti said he changed his mind.

Vezzetti said he opposed creation of a job for a first source coordinator to sign complaints against violators. Under the law, the city is empowered to enter into contracts with developers to set a quota of local workers to be hired for a phase of construction, and later, to bind all employers on the property to hire city residents.

The coordinator, who mon-

See HIRING — Page 10.

Hiring ordinance gets Vezzetti OK

Continued from Page 1

itors the program, would draft contracts with employers to set local hiring quotas and develop penalties for compliance failures. The council has yet to nominate a program coordinator or set a salary for the position.

"I am convinced that this law can be enforced, and I firmly believe we should do everything possible to create new jobs," Vezzetti said. The mayor said he also met with a local manufacturer who wanted to voluntarily comply with the or-

dinance in an effort to expand his business.

The ordinance, first of its kind in Hudson County, is aimed at creating jobs at city-owned parcels on Observer Highway, Hudson Street and Piers A, B and C along the southern waterfront.

Municipal officials are hoping to capitalize on the local building boom and lower the city's 11 percent unemployment. "First source" agreements have been enacted in Newark, New York City, Washington, D.C., and other cities.

FERRY

CONTINUED FROM PAGE 1

for off-peak use of the vessels for pleasure or business cruises. The agency is doing this to provide operators with a chance to offset expected losses from a mass transit ferry, a spokesman said.

The mass transit ferry was proposed earlier this year as part of the agency's five-year, \$5.8 billion capital spending

plan. The agency envisions a service with four ferries carrying 4,500 passengers in each peak hour in the morning and afternoon.

The authority said in its capital plan that the service is expected to cost \$150 million to establish. That would include the cost of terminal construction in Hoboken and Battery Park City in Manhattan and the cost of four vessels.

The ferry is expected to begin service in 1989, and rates will be competitive with the \$1 fare charged on PATH, the authority said.

The ads request any private operators interested in designing or constructing the ferries, or operating the service, to contact the agency. Formal requests for proposals are expected to be issued next month.

"Demand for waterborne transportation is growing rapidly in the harbor, and this is a unique opportunity for private firms to participate in this new and exciting market," said Louis J. Gambacini, assistant executive director of PATH.

Several other privately-operated ferries already are providing service from Hudson County communities. Arcorp Properties of Weehawken recently expanded its daily service into the evening hours and has added a Saturday service. A ferry service by Direct Line is scheduled to be launched today from the Newport project in Jersey City. The ferry will make daily runs to midtown and lower Manhattan.

HOBOKEN-N.Y.C.

PA is seeking ferry operator

By JUDY TEMES
Business Writer

The Port Authority is looking for a private sector partner to design and operate its proposed commuter ferry between Hoboken and lower Manhattan. The bistate agency is inviting partners to participate in the

venture through advertisements that will appear in newspapers starting this week.

Although the Port Authority of New York and New Jersey's goal is to provide peak-period mass transit service via the ferry, it will consider proposals

Please see FERRY Page 8

Hoboken set for new store

PR Newswire

NEW YORK—R.H. Macy & Co. yesterday unveiled Aeropostale, its initial entry into specialty retailing that will include a Hoboken outlet.

The company plans to open three Aeropostale stores in November—in Hoboken, at the Mall at Short Hills and at the Stoneridge Mall in Pleasanton, Calif.

The stores will carry an expanded line of Macy's Aeropostale private label fashions and accessories, store officials said.

Macy's Aeropostale concept is derived from the early 1920s

French Airmail service between Northwestern Europe, North Africa and South America.

Store interiors are being designed to create an environment reminiscent of the era, featuring period antiques, video monitors running films of the time and other elements.

Similarly, officials said, the Aeropostale fashions will feature rugged designs, such as Macy's own brand of denim items and hand-painted leather jackets—all targeted to both male and female customers in the leisure wear and weekend market.

Hoboken Koufax team may visit USSR in June

Hoboken's Sandy Koufax baseball team may represent the United States in a baseball tournament in the USSR next year.

Team officials have no comment, saying only that there is a press conference Monday morning at Hoboken City Hall. Sources say plans for a visit to the USSR will be announced at the press conference.

The Soviets, who have recently made a big organization push for baseball, have scheduled a national tournament next June. If details can be worked out, they may invite Hoboken to participate.

The Sandy Koufax team, managed by Joe Reinhard, Bill Culhane and Walter Lebrink, finished fourth in the World Series this past summer in Puerto Rico. The team won 22 of 23 games in the regular season.

New Jersey Senator Herman Lautenberg (D), who recently finished a tour of Poland, Romania and the USSR, and Mayor Tom Vezzetti will be on hand for the conference.

The idea for a visit to the USSR came from Morton Goldfein, a vice president at Hartz Mountain Industries.

"Who knows, maybe if we go it could lead to a thawing out of relations and could possibly solve the arms race problems," says Reinhard. "Wherever the team goes, I go."

"It would be incredible, more dramatic than the World Series in Puerto Rico," says Culhane.

All schools 'asbestos-tainted'

By Dominick Calicchio

All Hoboken schools should be considered asbestos-tainted until state retesting proves otherwise, according to the city's top health official.

All seven city elementary schools and Hoboken High School are open for classes.

In a Sept. 4 letter to the Hoboken superintendent of schools, city Health Officer Patricia Mitten recommended that schools follow the exact precautionary measures state

health officials outlined in 1981, when the school asbestos problem was first discovered.

City health and school officials want all public schools reinspected for asbestos following recent reports that the Board of Education failed to act last year after learning asbestos remained in the Brandt School despite a 1984 system-wide cleanup.

"Until the state makes an inspection of the other schools which were mentioned in the Oct. 7, 1981, report, it should be

assumed that asbestos removal was not complete in those schools also, and precautions should be taken," Mitten wrote to School Superintendent Walter Fine.

Asbestos is a chemical compound used to insulate walls and pipes in many older buildings. Health officials have reported that asbestos can decompose into small fibers that may cause lung cancer.

Mitten recommended that

See ALL SCHOOLS — Page 10.

All schools 'asbestos-tainted'

Continued from Page 1

school floors be wet-mopped each day, instead of dry-swept, to reduce dust; that school personnel refrain from smoking, and that protective clothing be worn by maintenance workers when making repairs on piping. Anthony Curko, business administrator said he's still awaiting a response from the state regarding his Sept. 2 request for new inspections. Yesterday United States Testing of Hoboken conducted bulk and air-quality tests at Brandt School, Ninth and Garden streets, Curko said. That test was ordered by the board, not the state, he said. James Ruff of U.S. Testing, who took samples from Brandt, said it is too early to determine the asbestos content. Curko said the results should be available for Tuesday night's board meeting.

Hoboken is in a mess with trash

By Dominick Calicchio

In two weeks Hoboken is scheduled to begin a new era in trash removal. Yet none of the new regulations are in place and City Council members aren't even convinced the old era is straightened out.

Last night the council approved an ordinance giving it power to impose laws complying with the state's Oct. 1 starting date for mandatory recycling. Public Works Director Roy Haack said, however, the city has yet to figure out if

Will dump old garbage removal rules

trash-separating will be done by individuals or by the city's trash collection contractor.

"We have to evaluate which is cheaper," he said. "To have the community do it on their own or to have the private company do it."

Mandatory recycling implemented by Gov. Thomas H. Kean has already begun in municipalities elsewhere in the

state. The state law requires that leaves, newspapers, glass and aluminum and food waste be put in separate containers.

Haack said last night that Hoboken will start by separating leaves, then work in the other categories gradually.

Meanwhile several council members said the city has enough trouble getting trash collected the old-fashioned

way. Complaints have been mounting, they said, against the city's contractor, Browning Ferris Industries of North Jersey.

After the council voted to pay BFI more than \$100,000 for one month's services, Council President Patrick Pasculli said it may be the last check the company receives from Hoboken.

Councilman E. Norman Wilson added that Haack has been keeping a file of resident complaints against BFI.

"We're only going to get them to shape up by withholding payments," he said.

Councilman Joseph Della Fave said complaints on record range from "missed pick-ups and sloppy pick-ups," to "workers being rude and abusive."

He said the file would be thicker if people weren't hesitant about signing their names to complaints.

Della Fave said Hoboken entered the contract with BFI last year because the company had bid about \$250,000 lower than the closest competitor.

"Of course there's always that argument whether better service offsets the extra cost," he said.

Della Fave said that's something the city will consider when bids are taken on the next trash collection contract.

Sewer pact signed on Baker office building

By Laurie Kalmanson

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Hiring ordinance gets Vezzetti OK

Continued from Page 1

itors the program, would draft contracts with employers to set local hiring quotas and develop penalties for compliance failures. The council has yet to nominate a program coordinator or set a salary for the position.

"I am convinced that this law can be enforced, and I firmly believe we should do everything possible to create new jobs," Vezzetti said. The mayor said he also met with a local manufacturer who wanted to voluntarily comply with the or-

dinance in an effort to expand his business.

The ordinance, first of its kind in Hudson County, is aimed at creating jobs at city-owned parcels on Observer Highway, Hudson Street and Piers A, B and C along the southern waterfront.

Municipal officials are hoping to capitalize on the local building boom and lower the city's 11 percent unemployment. "First source" agreements have been enacted in Newark, New York City, Washington, D.C., and other cities.

Real winner may be Raia

By CHRISTOPHER AVE

Staff Writer

HOBOKEN—The real winner of Tuesday's 3rd Ward race may have been someone who was not allowed to run.

Steve Capiello, the powerful incumbent and former mayor, beat Anthony J. Russo in a close vote for the City Council seat. But after the election, Capiello—who recently has talked of retiring—said Frank "Pupi" Raia was one of the "new faces on the horizon" that he might support as a ward leader in the future.

The development is significant because Raia most often has been identified with Capiello's arch-rivals, the administration of Mayor Thomas F. Vezzetti.

Raia came in second to Capiello in the first 3rd Ward race on May 12 and also in the June 9 runoff. But Judge Dorothea O'C. Wefing of Hudson County Superior Court in Jersey City ruled that Raia improperly registered voters in the May 12 race. The result of the suit was that a new election was held Tuesday without Raia.

Raia said he welcomed Capiello's apparent blessing.

"In the beginning, he looked at the administration against Steve Capiello," Raia said, "but now he looks at Frank Raia as Frank Raia."

Raia, who received Vezzetti's endorsement in the first 3rd Ward election, said he was the man who could bridge the yawning gap between the administration and Capiello—bitter rivals during Vezzetti's 2½ years as mayor.

"He sees the light that I'm the guy in the 3rd Ward," Raia said of Capiello.

But Russo, who sounded bitter at his defeat Tuesday, charged that Raia is an opportunist who, along with Raia's campaign manager, Councilwoman Helen Cuning, openly supported Capiello to get the former mayor's approval.

"They were all against me for self-serving motives," Russo said.

Raia denied that he openly supported Capiello, calling the charge "way off base."

Raia said that if he had supported Capiello actively, he would have made sure that all 180 of the voters whose registrations were voided by Wefing had re-registered and voted for Capiello. "Only 40 of them re-registered," Raia said.

Cuning, who is seen as a supporter of the Vezzetti administration and a foe of Capiello, said she did nothing to help the Capiello campaign.

"I did not bring one voter to the polls except my mother, who was sick," she said. "I wasn't involved."

People on both sides of the Russo-Raia debate say they are cautious about Capiello's pronouncements about retirement. "He is a good politician, and he knows when to say the right things," Raia said. Russo also noted Capiello's political skills, adding that Capiello "has talked about retiring for years."

Both Russo and Raia said they would remain involved in 3rd Ward politics, and neither ruled out another try at the City Council seat if Capiello steps down.

Hoboken Koufax team may visit USSR in June

J.J. 9-19-87

Hoboken's Sandy Koufax baseball team may represent the United States in a baseball tournament in the USSR next year.

Team officials have no comment, saying only that there is a press conference Monday morning at Hoboken City Hall. Sources say plans for a visit to the USSR will be announced at the press conference.

The Soviets, who have recently made a big organization push for baseball, have scheduled a national tournament next June. If details can be worked out, they may invite Hoboken to participate.

The Sandy Koufax team, managed by Joe Reinhard, Bill Culhane and Walter Lebrink, finished fourth in the World Series this past summer in Puerto Rico. The team won 22 of 23 games in the regular season.

New Jersey Senator Herman Lautenberg (D), who recently finished a tour of Poland, Romania and the USSR, and Mayor Tom Vezzetti will be on hand for the conference.

The idea for a visit to the USSR came from Morton Goldfein, a vice president at Hartz Mountain Industries.

"Who knows, maybe if we go it could lead to a thawing out of relations and could possibly solve the arms race problems," says Reinhard. "Wherever the team goes, I go."

"It would be incredible, more dramatic than the World Series in Puerto Rico," says Culhane.

Hoboken is in a mess with trash

By Dominick Calicchio

In two weeks Hoboken is scheduled to begin a new era in trash removal. Yet none of the new regulations are in place and City Council members aren't even convinced the old era is straightened out.

Last night the council approved an ordinance giving it power to impose laws complying with the state's Oct. 1 starting date for mandatory recycling. Public Works Director Roy Haack said, however, the city has yet to figure out if

trash-separating will be done by individuals or by the city's trash collection contractor.

"We have to evaluate which is cheaper," he said. "To have the community do it on their own or to have the private company do it."

Mandatory recycling implemented by Gov. Thomas H. Kean has already begun in municipalities elsewhere in the

state. The state law requires that leaves, newspapers, glass and aluminum and food waste be put in separate containers. Haack said last night that Hoboken will start by separating leaves, then work in the other categories gradually.

Meanwhile several council members said the city has enough trouble getting trash collected the old-fashioned

way. Complaints have been mounting, they said, against the city's contractor, Browning Ferris Industries of North Jersey.

After the council voted to pay BFI more than \$100,000 for one month's services, Council President Patrick Pasculli said it may be the city check the company receives from Hoboken

All schools 'asbestos-tainted'

By Dominick Calicchio

All Hoboken schools should be considered asbestos-tainted until state retesting proves otherwise, according to the city's top health official.

All seven city elementary schools and Hoboken High School are open for classes.

In a Sept. 4 letter to the Hoboken superintendent of schools, city Health Officer Patricia Mitten recommended that schools follow the exact precautionary measures state

health officials outlined in 1981, when the school asbestos problem was first discovered.

City health and school officials want all public schools reinspected for asbestos following recent reports that the Board of Education failed to act last year after learning asbestos remained in the Brandt School despite a 1984 system-wide cleanup.

"Until the state makes an inspection of the other schools which were mentioned in the Oct. 7, 1981, report, it should be

assumed that asbestos removal was not complete in those schools also, and precautions should be taken," Mitten wrote to School Superintendent Walter Fine.

Asbestos is a chemical compound used to insulate walls and pipes in many older buildings. Health officials have reported that asbestos can decompose into small fibers that may cause lung cancer.

Mitten recommended that

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All schools 'asbestos-tainted'

Continued from Page 1

school floors be wet-mopped each day, instead of dry-swept, to reduce dust; that school personnel refrain from smoking, and that protective clothing be worn by maintenance workers when making repairs on piping. Anthony Curko, business administrator said he's still awaiting a response from the state regarding his Sept. 2 request for new inspections. Yesterday United States Testing of Hoboken conducted bulk and air-quality tests at Brandt School, Ninth and Garden streets, Curko said. That test was ordered by the board, not the state, he said. James Ruff of U.S. Testing, who took samples from Brandt, said it is too early to determine the asbestos content. Curko said the results should be available for Tuesday night's board meeting.

He said the file would be thicker if people weren't hesitant about signing their names to complaints.

Della Fave said Hoboken entered the contract with BFI last year because the company had bid about \$250,000 lower than the closest competitor.

"Of course there's always that argument whether better service offsets the extra cost," he said.

Della Fave said that's something the city will consider when bids are taken on the next trash collection contract.

FERRY

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for off-peak use of the vessels for pleasure or business cruises. The agency is doing this to provide operators with a chance to offset expected losses from a mass transit ferry, a spokesman said.

The mass transit ferry was proposed earlier this year as part of the agency's five-year, \$5.8 billion capital spending

plan. The agency envisions a service with four ferries carrying 4,500 passengers in each peak hour in the morning and afternoon.

The authority said in its capital plan that the service is expected to cost \$150 million to establish. That would include the cost of terminal construction in Hoboken and Battery Park City in Manhattan and the cost of four vessels.

The ferry is expected to begin service in 1989, and rates will be competitive with the \$1 fare charged on PATH, the authority said.

The ads request any private operators interested in designing or constructing the ferries, or operating the service, to contact the agency. Formal requests for proposals are expected to be issued next month.

"Demand for waterborne transportation is growing rapidly in the harbor, and this is a unique opportunity for private firms to participate in this new and exciting market," said Louis J. Gambaccini, assistant executive director of PATH.

Several other privately-operated ferries already are providing service from Hudson County communities. Arcorp Properties of Weehawken recently expanded its daily service into the evening hours and has added a Saturday service. A ferry service by Direct Line is scheduled to be launched today from the Newport project in Jersey City. The ferry will make daily runs to midtown and lower Manhattan.

French Airmail service between Northwestern Europe, North Africa and South America.

Store interiors are being designed to create an environment reminiscent of the era, featuring period antiques, video monitors running films of the time and other elements.

Similarly, officials said, the Aeropostale fashions will feature rugged designs, such as Macy's own brand of denim items and hand-painted leather jackets—all targeted to both male and female customers in the leisure wear and weekend market.

HOBOKEN-N.Y.C.

PA is seeking ferry operator

By JUDY TEMES

Business Writer

The Port Authority is looking for a private sector partner to design and operate its proposed commuter ferry between Hoboken and lower Manhattan. The bistate agency is inviting partners to participate in the

venture through advertisements that will appear in newspapers starting this week.

Although the Port Authority of New York and New Jersey's goal is to provide peak-period mass transit service via the ferry, it will consider proposals

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Hoboken set for new store

PR Newswire

NEW YORK—R.H. Macy & Co. yesterday unveiled Aeropostale, its initial entry into specialty retailing that will include a Hoboken outlet.

The company plans to open three Aeropostale stores in November—in Hoboken, at the Mall at Short Hills and at the Stoneridge Mall in Pleasanton, Calif.

The stores will carry an expanded line of Macy's Aeropostale private label fashions and accessories, store officials said.

Macy's Aeropostale concept is derived from the early 1920s



Players and coaches from Hoboken's teenage baseball team cheer for the camera yesterday as they crowd around Senator Frank R. Lautenberg, D-Montclair, center, Mayor Thomas F. Vezetti, right, and Hartz Mountain executive Morton Goldfein during a conference announcing the team's upcoming game against the Russians.

KOUFAX CHAMPS

'To Russia with love'

Hoboken athletes raring to play Soviet nine

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—William "Chilly" Agosto, the cleanup batter for the city's championship teenage baseball team, didn't sound fazed yesterday by the prospect of hitting against Soviet pitching next year.

"We've been told they're old," said Chilly, who at 14 bears a passing resemblance to Willie Mays of the old New York Giants, another noted power hitter.

"But I'll teach them how to hit," Chilly continued, "how to play baseball."

Agosto's team, which won the district, state and

North Atlantic regional Sandy Koufax League championships, finished fourth in the nation after losing in the World Series in San Juan, Puerto Rico. The team has been invited to play in a Soviet tournament in June.

At a press conference at City Hall yesterday, Sen. Frank R. Lautenberg, D-Montclair, Mayor Thomas F. Vezetti and Morton Goldfein of Hartz Mountain Industries announced the Soviet invitation and posed with the team.

"To Russia with love!" team members shouted as photographers clicked away.

"To Russia with victory," replied Lautenberg sternly.

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Hot water loss

steams tenants

By Dominick Calicchio

Residents in nine Hoboken public housing buildings were without hot water for more than two days this week.

A leak in an underground steam line which left 450 Hoboken families without hot water since Monday was fixed late yesterday afternoon, said city Housing Authority officials.

The leak occurred in the main feed line connecting the boiler of Hoboken's Andrew Jackson public housing complex with the project's nine northernmost buildings, said Robert Cloud, the Housing Authority's superintendent of maintenance.

Workers have blamed the

acidity of the soil surrounding the pipe for the corrosion that led to the leak.

The 19-building Jackson complex is in the western end of the city, with apartments on Jackson and Harrison streets between Third and Sixth streets. Cloud said the leak affected buildings 11 through 19.

Yesterday welders from Boiler Industries, 810 Madison St., Hoboken, replaced the damaged section of the line with a new 90-foot-long, 10-inch-diameter pipe, Cloud said.

He said city engineering officials determined that the pipe was too corroded to be patched temporarily, so it had to be replaced.

After residents reported the loss of hot water early Monday morning, officials traced the trouble to a section of the line passing beneath the rear parking lot, between buildings 10 and 11, Cloud said.

Cloud said steam had been leaking through a series of small holes in the pipe.

"The holes were in multiples," Cloud said.

"They looked like machine-gun shots."

Yesterday several residents affected by the leak stood outside their homes, discussing the situation with a city inspector.

"Maybe you like taking ice-cold showers," said one woman, "but not me."

Asbestos questions remain

Continued from Page 1

Last night the Board of Education said it has already implemented U.S. Testing's recommendations for temporary containment of the asbestos fibers. They include covering exposed asbestos with sheet metal, secured with duct tape, the report said.

One parent, Marjean Huebner, questioned whether teachers could keep children from peeling back the tape and re-exposing the asbestos.

The board, however, addressed U.S. Testing's findings in sketchy terms. Questions from the public were fielded only by the board. No representative from U.S. Testing was in attendance.

Mayor Thomas Vezetti, who is at odds with the board, said he was "outraged" that the board didn't have a spokesman from the firm present.

"Of course they should be here," the mayor said. "They should be here automatically."

Business administrator Anthony Curko said the U.S. Testing inspector couldn't at-

tend because he had a night-school class.

The board has been pressed to answer why the Brandt School wasn't fully cleaned out in 1981 and why the board hired a South Jersey firm in 1984 to re-inspect only Brandt School.

Last night Joseph Lynch of Mayo Lynch & Associates, a Hoboken engineering firm which

conducted the original clean-up, told the board he had fully complied with specifications outlined by state inspectors.

Regarding the 1984 re-inspection, board president Richard England said no records have been found answering why inspectors from Alternate Ways, Inc., were hired three years ago.

School asbestos questions remain

By Dominick Calicchio

Questions persist in Hoboken on conditions inside the asbestos-plagued Brandt School despite assurances last night from the Board of Education.

In announcing it has acted on the findings of U.S. Testing, the board failed to mention that only part of the four-story school at Ninth and Garden streets was inspected.

The report, submitted by James Ruff, field coordinator for U.S. Testing, said the firm only performed tests last Wednesday in areas "designated by school administration as containing suspected asbestos-containing material."

Those areas were the sub-basement, basement and classrooms and stairwells on the ground floor, often "easily accessible to the children," the report said.

The report indicated no

tests were performed on the three upper floors.

The report also said U.S. Testing wasn't given access to the ground floor crafts room, but inspectors surmised asbestos presence by observing through the room's windows.

The school's kitchen, custodian's office, custodial storage room, boiler room and pump room also contain asbestos, the report said.

Conditions in the Brandt School have been a topic of concern since it was revealed last month that the board was aware of asbestos in the school for more than a year, but did nothing to remove it. Asbestos had supposedly been removed from all city schools six years ago.

Asbestos is a chemical compound, formerly used in building insulation, that can cause lung cancer.

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RUSSIA

CONTINUED FROM PAGE 1

The invitation was issued by Valery V. Tkachuk, deputy chief of the Soviet State Committee for Physical Culture and Sport. But the idea was actually Goldfein's. He said he thought of a possible Soviet-American game after he read a news account of a Soviet claim to have invented baseball.

"They play a game over there called 'lahpta,'" Goldfein said. "It's played with sticks and a ball. I guess they claim that that's baseball."

But baseball, as every good city resident believes, was reportedly first played at the Elysian Fields here in 1846. Goldfein, well aware of the city claim, contacted the team and asked Lautenberg to help set it up.

The senator met with the Soviet sports authority in late August when he was touring the Soviet Union. He began nego-

tiations to set up a game, and now, after receiving the formal invitation, the team is awaiting further details.

"It's unbelievable," coach Joe Reinhard said at yesterday's press conference. "This is it, the coup de grace." He then offered Lautenberg a job pitching for the team. The senator previously had called himself a Hall-of-Famer. "It's the Data Processing Hall of Fame," Lautenberg added.

"I heard they're big — real big," third baseman Derek England said of the Soviet baseball players. Despite such intimidating foes, England said the team is "all excited" about the challenge.

"They'll all be like soldiers, right?" offered fellow team member Dominick Della Fave. Vezetti, for one, was confident of victory. "It's going to be a great occasion for all us Hobokenites," he said.

Locals will play ball with Russians

By Bill Campbell
and Sebastian D'Elia

If ping-pong opened the diplomatic doors to China, perhaps baseball will do the same in the Soviet Union.

At least that's what Hoboken Mayor Thomas Vezetti hopes will be the outcome from next summer's baseball summit between the Hoboken Sandy Koufax team and a group of Soviet players.

Sen. Frank Lautenberg, D-NJ, surrounded by all 17 members of the championship Koufax team and the mayor, announced yesterday that the

Hoboken sluggers have been invited to participate a tournament in the USSR in June.

The invitation was a result of Lautenberg's human rights mission to the Soviet Union and Poland in August, and stems from a Russian claim that they invented the sport of baseball.

The concept for the tournament was developed by Morton Goldfein, a vice president for Hartz Mountain Industries and friend of Lautenberg, after reading a story on the Russian claim to the sport.

The Hoboken team of 13- and 14-year-old boys finished

the 1987 season with a 22-1 record en route to becoming the district, state and North Atlantic Regional champs. The team placed fourth in the Sandy Koufax World Series held last month in Guaynobe, Puerto Rico.

"These players will be ambassadors of goodwill," Lautenberg said. "And they will cooperate in this role in the best way, by competing on the athletic field."

Lautenberg said the Soviets have softened their view on the origins of baseball, begrudgingly admitting the sport's roots in American soil.

N.Y.C. police probe boat fire

Dispatch 9-22-87

By CHRISTOPHER AVE
Staff Writer

HOBOKEN—New York City police are investigating the sudden explosion of a 40-foot boat just off the waterfront here near the Erie Lackawanna Ferry Terminal.

An eyewitness said yesterday that he had seen people in the water soon after the boat exploded late Sunday, but a New York police detective investigating the incident said he did not expect to find survivors or victims.

"Against the fire's glow, it looked like there were people swimming in the water," said Hoboken Police Sgt. Ed Mecka. Mecka had seen the blaze shortly after 9 p.m. from his residence at Marine View Plaza. He said he told police and Coast Guard investigators what he had seen, and a local police report includes Mecka's statement.

But Detective William Glynn of the New York City Police Department said he did not expect to find any victims after a New York Harbor Patrol search ended at 1 p.m. yesterday without finding anything.

"As it stands right now, we have no further information supporting" Mecka's statement, Glynn said.

According to reports from local police, the Coast Guard searched the area around the ship with two boats and a helicopter Sunday night, while the New York Harbor Patrol responded with three boats and a helicopter.

The searches Sunday night and yesterday, as well as a police search of the coastline here, were negative.

According to the reports, the Coast Guard sank the boat after it burned to the water line. By that time, the boat had drifted toward the center of the harbor.

Hoboken Police Sgt. James Tuminaro, who also lives at Marine View Plaza, said he had seen the boat explode.

"This was not like a little engine fire," he said. "The boat went up in a giant fireball. It just went up all at once."

He added that if the fiery boat had drifted back into the piers rather than out toward the center of the harbor, "the whole place would have went."

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Locals will play ball with Russians

Continued from Page 1

bers and coaches posed for photos with Vezetti and Goldfein.

Goldfein, who accompanied Lautenberg on the trip at his own expense, gave the photos to the senator to present to Soviet officials.

Lautenberg received the invitation recently from Valery Tkachuk, deputy chief of the USSR State Committee for Physical Culture and Sport.

While the Hoboken players hope to prove their superior talent on the field, coaches and officials see the trip as a way to foster relations between the two super powers.

Lautenberg said the baseball summit would be the first meeting of its kind between the U.S. and the USSR.

"I don't know what to expect," said Chipper Benway, a Hoboken player. "I've never been there before."

"I never thought this would ever happen," said Coach Bill Culhane.

"We're making history," he said.

Goldfein will head a county-wide fund-raising drive to pay for the team's expenses and the team will man a soda



Coaches Joseph Reinhard, left, and William Culhane are surrounded by the Hoboken squad that will face off with their Russian counterparts.

stand at Saturday's Lackawanna Terminal Festival in Hoboken.

In addition, the Hoboken

school system will offer the players workshops in Soviet culture and language in preparation of the visit.

"The only thing I know about Russia is that it's up north somewhere, I think," said slugger Willie Colon.

Out-of-town home team is welcomed

By Sebastian D'Elia

The sign at City Hall for the Hoboken Sandy Koufax baseball team said "Welcome, Northeastern Champions — Hoboken, N.J."

But while 16 of the 17 players hail from the mile-square city, Hoboken has hardly been a home for the squad.

The team, which finished fourth this year in the Sandy Koufax World Series in Puerto Rico, never played a game in Hoboken.

"I think that's peculiar," said Sen. Frank Lautenberg (D-

NJ). "I just know that this is a team of outstanding young men. I certainly hope that they can find a solution to their problems."

A solution may be in the works.

At the request of Councilman Joe Della Fave, Mayor Thomas Vezetti is calling a meeting with the Board of Education to discuss the rehabilitation of Kennedy Stadium.

which has gained the dubious reputation of being one of the worst-kept fields in the state.

"The fact that the Sandy Koufax team does not have a

field is a disgrace," said Della Fave. "But you just can't wave a wand and get new facilities. I wish it were as easy as that. We are going to have to fix up Kennedy Stadium."

The field has been a source of political friction in the past. A year ago the bleachers were condemned and razed. Although city officials promised to rebuild the stands, nothing has been done.

For a couple of weeks in July this year, the field remained closed to baseball as the mayor and the Board of Education wrangled over the

budget, leaving the city's Babe Ruth baseball teams homeless.

The playing surface was once characterized by one visiting coach as the "Grand Canyon" and is overrun by weeds. The outfield fences have holes that give vandals easy access.

Bill Culhane, one of the Sandy Koufax team's three coaches, said he still wouldn't mind playing there once it has been modified.

"It's a home advantage," he said. "We haven't had that in five years since we've joined

See OUT-OF-TOWN — Page 7.

Out-of-town home team is welcomed

Continued from Page 1

the league." The league, named after Los Angeles Dodgers left-hander Sandy Koufax, calls for smaller dimensions than are available at Kennedy Stadium. Instead of the mound's being the traditional 60' 6" away from the plate, the pitching rubber stands at 54'. The base paths

are 80' long instead of the standard 90'.

As a result, the team played most of its 23-game season in towns like Glen Rock, Waldwick and Wayne. Nevertheless, modifications could be made to Kennedy Stadium to allow both the smaller and larger field dimensions.

Hoboken may also seek help from Hartz Mountain Industries in refurbishing the stadium. The company recently paid for the re-sodding and beautification of Weehawken Stadium and may be willing to work out the same arrangement for Hoboken, according to company Vice President Morton Goldfein.

"Anything is possible," said Goldfein, who is chairing the fund-raising effort for the Koufax team's trip to Russia. "One of the things that could come out of this (fund-raising) is a playing field for the team."