

THE HOBOKEN WATERFRONT

Advisory Committee wants review board for pier developers

By James Kopchans

Developers for a planned \$500 million waterfront development on Hoboken's Port Authority piers should be responsible to a city-wide board of review, according to recommendations made by the city's Waterfront Advisory Committee.

The committee has scheduled a formal presentation on June 21 to release findings made by five subcommittees into a conceptual plan made by the Port Authority for the property. The presentation will start at 7:30 p.m. and will be held at the Council Chamber in City Hall.

The reports are considered important because they will form a basis as to what kinds of development the city will seek from private firms looking to build on the property.

The regional Port Authority has released a conceptual plan on what is said should be included in any development plan for the piers. However, authority officials based the plan on a marketing study of the general region and did not delve into the impact such a development would have on the city.

The conceptual plans include 670 units of middle-class to luxury housing, 60,000 square feet of retail space, one million to 1.4 million feet of office space, and a 400-room hotel. To help finance this development, the authority said it would assume 25 percent of costs once it received legislative permission to become involved in the development.

In appointing subcommittees four months ago, Paul Rotondi, chairman of the waterfront committee, said its members had wanted to be certain of the full impact of such plans and to recommend such changes or additions as needed.

In addition, Rotondi said the reports were to give the City Council a firm base on which to make final decisions regarding the size and shape of such a development if it took place.

"We would hope the council would rely heavily on these find-

ings," Rotondi said. "They are made by a group that has, for the past two years, continually monitored the waterfront in order to determine just what should be put there."

However, Rotondi said he expected the council would make changes in the future based on situations it faces. "These are recommendations after all. They are not chiseled in stone."

The major recommendations made by the subcommittees are, in brief:

- The city should lease the property to the eventual developer, rather than sell the land, and collect revenues through traditional real estate taxes.

- Continuing costs for servicing the development, such as fire, police and sanitation costs, should be covered in this lease as well as some participation in the development's cash flow.

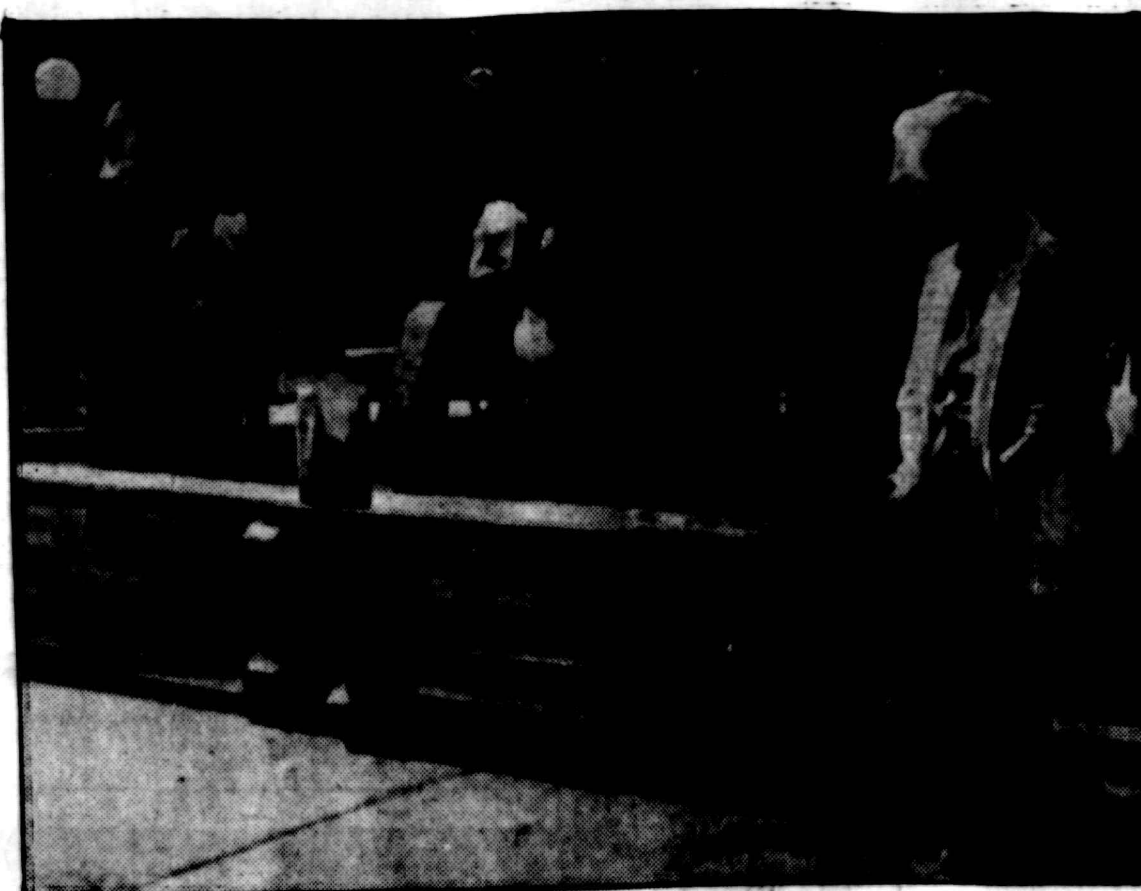
- Establishment of a review panel of representatives of the city, Port Authority as well as members of the business, professional sectors and the general public. The committee suggested that waterfront committee itself could be redesigned to form such a panel.

- Full public hearings on each phase of the development as well as a formal presentation on final plans.

- Require council approval and confirmation.

- Using funding sources generated by the project for building low and moderate-income housing in other areas of the city.

The outlook is bleak for Hoboken's parks



At Hoboken's Elysian Park, a weary walker can find even a broken bench preferable to standing.

By James Kopchans

Hoboken's small and over-used parks face greater decay and destruction from wear and vandalism this summer.

And, with few exceptions, little immediate help is on the way for their repair.

Although city residents use its three parks and other neighborhood playgrounds continually during the warmer months, their care and maintenance have remained low priorities among city officials, especially when their allocations are made in municipal budgets.

"Every year since I first came here, we've had cuts in our operating budgets," said James Farina, who has directed parks

and recreation for the past six years for the city.

Last year was the worst, he said. With budget cuts and layoffs, Farina said he only had a total of about \$25,000 left to purchase equipment to maintain the parks.

"I could've spent \$25,000 in one week fixing the parks," Farina said. "I can't look any more to city funds to help. Instead, I've got to try to get state and federal dollars to run the parks."

However, with the exception of Stevens Park, all money being requested still must be approved by proper state and federal

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The outlook is bleak for Hoboken parks

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funding agencies. The largest application, Farina said, \$1 million being sought from the federal Urban Parks & Restoration Agency to repair and refurbish John F. Kennedy Stadium on Jefferson Street between Ninth and 10th Streets. Hard work by Farina and the city's Community Development Agency has summoned up matching funds for a \$160,000 rehabilitation project at Stevens Park on Fourth and River Streets.

The work, which has already been contracted, will include installation of lighting, new fencing and sidewalks, as well as additional park benches and playground equipment and tree and bush maintenance.

However, Stevens Park is the only park in the city which will be having such work done, Farina said. As for the others: "We'll be trying to do the best we can with what we've got," he said.

"What we need is a long-range plan, probably about a 10-year plan to repair the parks. We can't do it in spurts whenever we get a grant. All we keep doing is a patchwork."

As they stand now waiting for the onslaught of children and strollers during the summer, each of the three parks is hurting. Broken benches and playground

equipment stand scattered throughout them all.

At present, Farina says a roving crew of eight part-time workers cleans and repairs the parks and playgrounds.

Church Square Park has had about 12 dead trees cut down in recent months, Farina said because of their age and vandalized trunks. He said the city will have to wait until autumn to plant new saplings.

In each of the three, the sidewalks are uneven and cracked, posing a danger to strollers walking through them, he said. Another threat comes in the form of youngsters playing baseball and other sports on grass areas.

"They're not supposed to be playing those games in the park but we can't chase them away," Farina said. "There's nowhere else to go."

The city has only two playing fields and they are used continuously by different leagues. "We have baseball leagues running into softball leagues running into soccer leagues," he said.

A parking lot run by his office during the recent state railroad strike has raised about \$20,000 to refurbish the city's Little League Field, Farina said. But, the field is used also for girls' softball and football during the fall.

In all three parks, but particularly in the Elysian Park at 11th and Hudson Streets, nightfall has been bringing out gangs of teenagers who drink and congregate within the dark confines.

Residents near Elysian Park have complained that some teenagers drive motorcycles into the park during the night and urinate in public. These groups have been causing a great deal of destruction, Farina said.

One clean-up done after one weekend in Elysian last summer turned up over 1,000 beer cans strewn about the park. Other clean-ups have turned up similar numbers.

At present, only Stevens has a working restroom, the others being permanently closed by destruction caused by vandals.

"I don't know what it is about bathrooms, but whenever we fix one, they're broken again within a few days," Farina said.

Farina has spoken several times with James Giordano, the city's public safety director, about putting guards or park police in the parks, but manpower shortages have delayed this repeatedly. Although the parks have an 11 p.m. curfew, Farina said, it has been rarely enforced.

'I won't change'



Photo by Thomas P. Costello

THOMAS VEZZETTI, Hoboken councilman-elect, discusses his election victory and plans for the future.

Vezzetti issues warnings, plans

By BILL GYVES
Staff Writer

HOBOKEN—His supporters have placed his bullhorn under lock and key, but Thomas Vezzetti was coming through loud and clear yesterday as he savored his victory over City Council President Walter S. Cramer in the runoff election for the 2nd Ward City Council seat.

Cramer had served on the council for 10 years and had been its president for four.

Vezzetti, speaking at his campaign headquarters on 13th Street, only hours after defeating Cramer in Tuesday's runoff, said he has already mapped out an ambitious schedule for himself — which includes possibly assuming Cramer's position as president of the council. But, he insists, his newfound political success has not spoiled him yet.

"I'm not going to change but I'll change that council, let me tell you. Why should I change? I haven't done anything wrong," said Vezzetti, dressed characteristically in a red shirt with white polka dots and red pants.

"I don't care if no one likes me — that's not my job," he said. "I'm not going to stop making waves. Stop? What? That's what put me into this whole thing here and that's what's going to change this whole city," said Vezzetti, who operated a virtual one-man campaign against his longtime political foe Cramer, canvassing the entire 2nd Ward with a megaphone and addressing entire apartment buildings from the street below.

"I can't miss doing a first-class job in this town. You've got to be kidding. Not because I'm so good, it's just that they're so bad," he said.

Vezzetti says that no one was more surprised than himself when the final results were read to him less than 30 minutes after the polls closed Tuesday night. The results, nearly everyone agreed, were astounding — with Vezzetti securing 1,085 votes to Cramer's 781.

"I'm naive, I won't deny it. I'm naive in every sense of the word," said Vezzetti, who repeatedly is described as a political crusader for the city's common man.

Councilman-elect pledges to 'make waves'

"I understand I have my little peculiarities, but I'll be darned. I'll be the best councilman this city ever had if I have my way," Vezzetti said.

Vezzetti, 55, a security guard at a Manhattan bank who is working on a doctoral degree in history at New York University, says the lessons he learned while tending bar at the old Madison Hotel on 14 Street, which he owned, have prepared him well for a political career.

"I know the eccentricities of human life. I learned one thing in the bar business: They'll try to put you on the psychological defense so they can be on the offense. They try to put you down. That intertwines with politics right to the 10th degree," he said.

"These are political scoundrels we're dealing with here. And that's an understatement. The tragedy of my statement — as dynamic as it is vocabulary-wise — is that it is still an understatement," he said.

Vezzetti, one of the most colorful critics of Mayor Steve Cappelletto's administration, said he has already formulated the first resolution he will introduce at the July 8 council meeting.

"I was thinking of this here. I'm going to ask Mayor Cappelletto to resign as either freeholder or as mayor. You cannot be in conflict of jobs. Absolutely not. We won't stand for it," he said.

Vezzetti's supporters say that their next challenge is to attempt to calm their man down before he actually takes his seat on the council. That challenge, they say, may prove more difficult than having actually landed him in the council in the first place.

"They don't like my orange pants. They say if you've got a good image, you can't wear orange pants. But I just call it being seductively beguiling," he said.

Macri is elected Hudson GOP boss

The Hudson County Republican Committee last night elected Eugene Macri of Hoboken as their chairman.

Macri received about 250 votes to 54 for Anthony Scialone of Jersey City. Mary McCay of Bayonne was re-elected vice-chairman. McCay has been acting chairwoman since Anthony Clemen resigned several months ago to accept a position with the Board of Elections.

Frank Leanza of North Bergen was elected treasurer. Maria Barzaga of West New York was re-elected secretary and Albert Jordan of Jersey City was elected sergeant-at-arms.

Macri described the meeting as orderly. "We hoped there would be a reconciliation after the vote, but there wasn't," he said.

—Frances Ann Burns

Unused school slated for low-income units

By BILL GYVES
Staff Writer

HOBOKEN—An abandoned three-story school building has been sold to the city for \$1 after the board of education unanimously approved Mayor Steve Cappelletto's request that the building be converted into low-to-moderate income housing units to offset the projected development of several hundred luxury units along the waterfront.

The school board's formal approval of Cappelletto's request Tuesday night clears the way for the abandoned Sade Leinhardt School, located at Adams Street between Seventh and Eighth streets, to be transferred to the city's housing authority. The building was closed last year because of declining student enrollment.

Cappelletto's proposal calls for the building to be converted into approximately 40 low-to-moderate income housing units.

The conversion of the building into affordable housing, according to the proposal, would offset the 670 luxury residential units included in the

Port Authority of New York and New Jersey's \$500 million mixed-use development project proposed for the city's waterfront.

The proposal is viewed as being an attempt, at least in part, to protect the city from potential legal action under the state Supreme Court's Mount Laurel II decision requiring municipalities to provide their fair share of low- and moderate-income housing for their residents.

The decision, handed down earlier this year, also indicates that large development projects that exclude low- and moderate-income housing, such as the Port Authority project, may be prohibited.

Several weeks after the Mount Laurel decision was released, Cappelletto said that low- and moderate income housing units would be placed "near the waterfront to offset any sophisticated housing" constructed along the waterfront.

Tenant groups and minority organizations have indicated they were considering taking legal action against the city on the basis of the Mount Laurel decision. No legal action has yet been taken.

Boat restaurant proposal hit

The Hoboken Environment Committee has come out against a new boat restaurant, "The African Queen," at the Newark Street pier in the city because it has not yet acquired the necessary city approval to be there.

In a letter to John Weingart, of the state Division of Coastal Resources, the committee's president, Helen Manogue, said the restaurant, where it's now

situated, destroys the view of the river from the proposed pedestrian plaza being planned in front of the city's Erie-Lackawanna Railroad Terminal.

"This committee does not object to the idea of a boat restaurant on the Hoboken waterfront, as long as it is located in a site which complements other existing uses and supplements proposed uses," Mrs. Manogue said in her letter.

"The African Queen," a former Coast Guard cutter, arrived last month at the Newark Street pier under a nine-month

temporary permit issued by the New Jersey Transit, which controls the pier. The permit does not allow it to be used as a restaurant.

Before it is approved for use as a restaurant, Mrs. Manogue said its owner, George Costa, should first receive approvals from all city, county, state, and federal agencies concerned with waterfront development.

In her letter, Mrs. Manogue said the committee was also concerned because the boat's would pay no taxes to the city, while in competition with other restaurants which do.

Unit trying to save pier

Hoboken's Fifth Street Pier is already slated for demolition next year by Army Corps of Engineers. However, members of the city's Environmental Committee will be meeting tomorrow to look for ways to save the pier and have them rehabilitated.

The committee will meet at 8 p.m. at the Union Club, 600 Hudson St., to discuss the situa-

tion regarding the pier and plan action to halt its demolition. Earlier this month, the city council refused to give the committee permission to use the piers for a River City Festival because of engineering reports calling the pier unsound.

However, committee officials believe the pier can be rebuilt and turned into a park.

Four to duel it out in Hoboken council races

By BILL GYVES
Staff Writer

HOBOKEN—Only five weeks after the May 10 City Council election, voters in two of the city's six wards return to their polling places tomorrow to select their councilman in two runoff races.

Council President Walter S. Cramer faces challenger Thomas Vezzetti, his most persistent and flamboyant critic, in a battle for the 2nd Ward council seat. In the second contest, newcomers Arcangelo Valente and Pat Pasculli will battle each other for the

2nd and 6th Wards in contests tomorrow

6th Ward seat lost by Councilman Nunzio Malfetti, who was defeated May 10.

Cramer was forced into the runoff after he was unable to secure more than half the ward's votes in the May 10 election in which he faced five challengers.

Cramer, however, easily outpolled Vezzetti, 721 votes to 433, and insists that his victory is assured now that the remaining votes will not be split among a

number of other challengers. But Vezzetti—who has been conducting a one-man campaign against Cramer, walking up and down city streets projecting his slogans through a megaphone—insists he has a victory locked up.

"I expect to win. I'm going to win big," Cramer said. "Vezzetti's worn out his welcome with his bullhorn. You can't win an election with a prop. Frankly,

he has no platform.

In the 6th Ward in the May 10 election, Pasculli secured 652 votes to the 20-year-old Valente's 538.

Neither Pasculli nor Valente could be reached for comment yesterday.

The winners of tomorrow's runoffs will join the four council members elected May 10 in beginning their four-year terms July 1.

The terms of the council's three at-large members expire in 1985.

Hoboken eyes inquiry

\$2M tax abatement for project dropped

By BILL GYVES
Staff Writer

HOBOKEN—A resolution authorizing a major tax abatement to a developer of a \$2-million downtown housing project was withdrawn from City Council consideration last night, apparently after it was learned that the project was about to be questioned.

The resolution, which would have authorized an abatement for the construction of 20, two-family homes in one of the city's most blighted sections, bordered by Observer Highway and Newark, Adams and Grand streets.

Councilman E. Norman Wilson Jr. announced earlier in the day that he would move to have the resolution tabled pending a full inquiry into the project. Wilson said the council has not been furnished with several of what he says are vital pieces of information.

"There is an aroma here," Wilson said.

Caparra is involved in a \$2-million project calling for the construction of 20, two-family homes in one of the city's most blighted sections, bordered by Observer Highway and Newark, Adams and Grand streets.

Wilson said the principals of the corpo-

ration have never been identified. In addition, he said, it is unclear whether city officials are involved in the project, which he said could constitute a conflict of interest.

Wilson said the resolution was withdrawn on the advice of the city's law department.

Caparra officials could not be reached for comment last night.

Wilson said the council has not been told whether any of the projected homes have been sold. And if the houses have been sold, the owners have not been identified, Wilson said.

Mayor Steve Cappiello has praised the project as a means of encouraging further development of the area. Approximately 11 percent of the land within the area is vacant, according to city officials.

Cappiello indicated yesterday that the move to postpone the project was politically motivated in that the project is slated for the 4th Ward and not in an uptown section represented by Wilson and other councilman.

In January, the council approved a \$15,000 loan to Caparra to help speed construction of the project, which calls for the development of the housing for families with annual incomes of about \$25,000.

Air Hoboken waterfront recommendations

By John Watson

The Hoboken Mayor's Waterfront Advisory Committee has publicly released its recommendations for the development of the city waterfront.

These include increasing the size of the police and fire departments, retraining local residents for new jobs and constructing a sewage treatment plant that could cost as much as \$50 million.

More than 200 people jammed the committee hearing last night at City Hall.

City Councilman Robert Ranieri, a member of the committee, read aloud the item suggesting a joint effort by Hudson's waterfront communities to build a secondary sewage treatment plant for all the new planned developments.

Ranieri's subcommittee proposed that the cost of the facility could be borne by the

developers, the municipalities and a regional sewerage authority.

His subcommittee also noted that the police and fire crews would have to be enlarged for the developments. The fire department would have to be revamped to handle skyscraper fires instead of calling for shorter buildings.

The reports said the developments probably would not have a strong impact on the public school population, but the cost of garbage disposal and street cleaning would increase significantly.

Mamie Jurkat, another member of the committee, read a report recommending an emphasis be placed on training Hoboken residents to handle the temporary and permanent jobs that will be generated by the waterfront developments.

There was also a recommendation that the

city lease its waterfront property to developers and not sell it.

The report read by Ms. Jurkat also suggested that the waterfront not be used for subsidized housing but reserved for "market rate housing" where rents are determined by what renters are willing to pay.

Loan repayments from the federal grants used to develop the waterfront should be used to build and support subsidized housing in other parts of the city, according to the report. An effort should also be made to retain and support the city's current businesses and industry, the report said.

Summer school's a pleasure for these students

By BETH KUHLES
Special to the Dispatch

HOBOKEN—Did you ever wonder what happens on college campuses when the young students leave for summer vacation?

This summer at Stevens Tech, dormitories and classrooms will be taken over by senior citizens for two weeks, starting Sunday.

Stevens is offering liberal arts non-credit courses for senior citizens as part of the Elderhostel program for the third consecutive year, and senior citizens from around the country are registering for this year.

"It's fun," said Rose Mazo, 79, of Plainfield, a retired Prudential employee. "It's a chance to relax, it's mind-boggling facts and a chance to make new friends."

She and her husband Nathan, 81, a retired RCA worker, have previously participated in the Stevens Tech program and have recently returned from another

Elderhostel program at Ramapo College in Mahwah. Here they took courses on the United Nations, the Supreme Court and the opera.

"It has enlarged our horizons," she said.

The program at Stevens Tech is directed by Dr. Norman J. Horing, professor of physics and engineering physics. He organized the program three years ago.

"My mother told me about it," Horing said yesterday. "I thought it was a great idea."

This year the program is offering two sessions. Each session can accommodate 40 people. The participants must be 60 or older or be the spouse or companion of a senior citizen. They can live on campus for the six-day session or commute from the surrounding areas.

The program offers three courses at each session. Most of the courses at Stevens Tech take advantage of the school's close proximity to New York City. This has drawn many Elderhostelers from other parts of the country.

The program is structured so that the seniors may take advantage of all the courses being offered. "New York, New York—the Cultural Scene" is being taught by Ted Scull, a contributing freelance travel writer for many New York magazines and newspapers. He instructs the seniors on the cultural panorama of the city in the morning and by the afternoon is escorting them around the Big Apple.

"It is wonderful," Scull said. "The group I had last year was terrific. Some of these people are more fun than students I had."

If art is the senior's passion, Beverly Garbaccio will be giving a course on European art.

For nighttime entertainment, participants can do some stargazing in the astronomy course given by Tim Hart of Stevens and Frank Flaherty of Seton Hall University in South Orange.

During the second session, Silvio Locetti of Stevens humanities department lectures on the growth of cities.

Seniors take courses at Stevens Tech in Elderhostel program

Ask delay on salary hike vote

By BILL GYVES
Staff Writer

HOBOKEN—The City Council's revenue and finance committee is expected to recommend tonight that the council postpone a vote on an ordinance granting substantial salary increases to municipal employees, because the city has failed to provide specific details concerning these increases.

Committee chairman E. Norman Wilson Jr. yesterday said the committee would unanimously recommend that the council table the ordinance until information indicating the precise amount of the salary increases, and who would receive them, is presented to the committee. A vote on the ordinance, which would amend the present salary ordinance, is scheduled for Wednesday night.

Wilson said the committee is primarily concerned about increases the ordinance would grant to at least eight department heads and other politically appointed employees. The information has not been presented to the committee, although it was requested Wednesday, he said.

The ordinance would grant a raise of approximately \$2,000 to each department head, increasing their average salary to about \$34,000. It would also increase Mayor Steve Cappiello's salary by

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Roselli sings Italian style

By WINNIE BONELLI
Staff Writer

"I'm the singer from Hoboken that's not ashamed to say so," proudly proclaimed Italian singer Jimmy Roselli. "I'm my own man and hope I always will be."

At times being his own man has proved costly career-wise. An episode with Hoboken's other favorite son, Frank Sinatra, led to a succession of closed doors, despite Roselli's obvious musical talents.

By the time it (the incident) got into print, it was all distorted. What really happened is that Dolly (Sinatra's mother) was chairing a benefit and asked me to perform. She didn't even ask personally but instead sent two guys around.

"As it was, I couldn't make it because I was already booked. If you think about it, Sinatra was much bigger than I was, so why didn't he do it?" asked the burly performer.

Having "fallen from grace" despite the extenuating circumstances, the Neapolitan singer summed up Sinatra's reaction as "Bye, bye Jimmy." Although hard feelings had existed between the two crooners, Roselli theorized, "There's nothing more he can do to me professionally."

Though Roselli's career never managed to reach celestial heights, his 28 albums, including chartbusters like "Life and Love Italian Style" and "Mala Femmina," plus sold-out performances wherever he's booked, testify to his appeal among second and third generation Italians.

Weaned on old-time vaudeville by his grandfather, who reared the boy after his mother died in childbirth, the feisty young-

ster was literally singing for his supper by age 10 when he worked three nights a week at Meyer's Hotel in Hoboken and earned the incredible fee of \$30.

Having cultivated the ability to transcend the footlights, whether in an Atlantic City casino or at Club Bene where he returns this weekend, Roselli conveys an at-home atmosphere. The atmosphere is always relaxed, casual and familiar. This, in part, explains Roselli's ability to maintain a steady, regular following of people who perhaps may have first heard him at the Copa or viewed an Ed Sullivan broadcast.

Ordinarily switching from one language to the other in both song and patter, Roselli generates considerable feedback. "Many people remember hearing their mother or father singing the songs found in my Italian repertoire. They are very receptive and easy to entertain," he explained.

"When I appear in New Jersey, I'm fairly certain in advance that they want to hear the Italian songs," he modestly noted.

His forte is standards like "Our Love Is Here to Stay," "Maybe" and even toe-tapping upbeats like "Five-Foot-Two."

"I have nothing against rock or any of the current crazes; they just aren't for me. I still enjoy singing the kind of songs Al Jolson did and, ironically, they're becoming popular again, even among the young," he said.

Accompanied by his own 26-piece orchestra conducted by Peter Moore of England, Jimmy Roselli's five-show run begins 7:30 p.m. tonight at Club Bene, Rt. 35, Sayreville. Other curtain times are 7:30 and 11:30 p.m. tomorrow and 3:30 and 9 p.m.



Sunday Dinner will be served two hours before tonight's show, 90 minutes prior to the others. Reservations are limited and may be secured by dialing 727-3000.

Parking plan is topic

Newly elected Hoboken Second Ward Councilman Thomas Vezzetti said he will talk today with officials from the Maxwell House Coffee manufacturing plant and the Stevens Institute of Technology about helping the ward by providing parking for residents overnight in their parking lots.

Vezzetti said he is scheduled to speak today with Daniel Kelly, the plant manager for Maxwell House, and will speak later this week with Stevens officials about the problems. He also said he has gotten oral commitment of help from Pat Pasculli, the newly elected councilman for the city's Sixth Ward, which adjoins Vezzetti's ward.

"The people of the Second Ward and the northern section of the city have for too long gone without proper space for parking," Vezzetti said. "Perhaps we can work out an arrangement with Maxwell House and Stevens to provide overnight parking for these residents."

Vezzetti criticized the city's parking authority for failing to provide a parking garage in the city's northern section. "We're being killed up here on parking," Vezzetti said. "It's impossible to park your car here overnight."

Joseph Hottendorf, executive director for the parking authority, has said the authority has been trying to put up a garage in the northern sections, but has had neither the funds nor the space for it.

Man held on rape count linked to 1982 murder

A Hoboken man, captured earlier this week in Puerto Rico, is being held on \$10,000 bail at the Hudson County Jail in Jersey City. He is also a key suspect in the murder of John P. O'Leary, a prominent Union City businessman who was shot to death in October, according to court records.

Angel Santos, 23, was arrested Tuesday in Puerto Rico on a Hudson County indictment charging him with a December rape, and has not been formally charged with O'Leary's murder. Hudson County Prosecutor Harold J. Ruvolet Jr. had no comment on whether he will face charges, but confirmed that he is a suspect.

Santos' common-law wife, Myrna Nunes, 21, was also arrested in Puerto Rico on a warrant charging her with welfare fraud and hindering apprehension. It is charged that she concealed Santos' bloodstained clothing on Oct. 2, the night O'Leary was shot to death in Jersey City. Nunes was released from jail yesterday on a \$7,500 bail bond.

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\$2,000 to about \$40,000, according to Wilson. Wilson said such salary increases were objectionable in light of a projected 8-percent tax increase under the proposed 1983 city budget. The budget, which has not yet been adopted, could also force a continued citywide hiring freeze.

"Is there something they don't want made public?" asked Wilson. "How can we intelligently vote on and approve something without the proper information? We want a lot of things answered."

The City Council is also expected to reject its own salary increase, Wilson said. The council voted in January to forego an anticipated \$1,350-per-member salary increase, prompting administration critics to suggest the council would reconsider their action after the May 10 City Council election in which six council members faced election battles.



Officers of the planned Harbor Alcoholism Treatment Services Center check plans in front of the center's proposed Hoboken headquarters. From left are Joseph C. Pini, business administrator; Rely Regan, director of the state Division on Alcoholism; Tina Leon, coordinator of Alcoholism for Hudson County; Jack King, the admissions director; and John J. Clancy, executive director.

Alcoholic center slated to open in Hoboken

By James Kopchans

In past times, any employee discovered to be an alcoholic would be fired on the spot by his employer.

Alcoholism signified weakness. Rather than seeing the employee as someone in need of help, bosses instead concentrated on the inefficiency and unreliability that the alcohol sufferer displayed.

This has been changing gradually as employers begin to understand that an alcoholic suffers from a disease, much like any other illness, and can be cured. "In fact, employers are finding that rehabilitated alcoholics are excellent workers. They are as compulsive in their work performance as they were in their drinking," John Clancy, executive director of the Harbor

Alcoholism Treatment Services, said.

When it opens in October, the Harbor will become the first such facility built in Hudson County solely for the treatment of alcoholism. Running on a \$1.2 million per year budget, it will be housed in a converted factory building at 1405 Clinton St. and have room for 50 beds for patients.

With one doctor and six nurses on the center's medical staff, The Harbor will be offering a 21-day rehabilitation period that will try to treat the patients in a professional manner.

Besides the medical staff, the center will have 12 alcoholism counselors participating in the programs.

Clancy said that persons referred there for treatment will receive the same care they

would receive in a hospital, but at a lower price.

He said that many of the patients at the center will be referred there from industries and unions that include alcoholism treatment in their employee health plans. Other referrals will come from social workers and municipal courts, he said.

Clancy, a Vietnam veteran, formerly served as director of the Division of Youth Services for Essex County and also helped to found "The Bridge," a multi-service center also in Essex.

Stevens' big gamble with computers pays off

By James Kopchans

A gamble by Stevens Institute of Technology in requiring its freshmen to purchase specific personal computers in addition to their tuition charges seems to be paying off — at least for the moment.

"We had worried about the computer requirement," Robert Seavy, Stevens' director of admissions, said. "But so far we haven't had any significant drop in admissions and acceptances."

When the Stevens board of trustees approved the computer requirement for all new freshmen this year, they hailed it as the school's first step in creating a campus-wide computer network that would increase the educational opportunities for the students. Besides enhancing the school's reputation among other engineering schools, the administrators had hoped it would attract a higher ratio of top-level students.

However, the additional cost of purchasing the computer could also discourage potential students who could not afford the computer on top of the school's tuition charges.

See STEVENS — Page 27.



Mike Young, a student at Stevens Institute of Technology, tries out one of the new DEC-325 computers being required for all freshmen next year. Showing Mike how to run the computer is Barbara Osborn, account manager for the Digital Electronics Corp.

Stevens' gamble on computers pays off

Continued from Page 1

Tuition this year at Stevens is \$6,500. With room, board, and activities and book fees, the average student entering the school would have to pay \$9,440 in his first year.

In its agreement with the Digital Equipment Corporation of Maynard, Mass., Stevens had chosen DEC's Model 325 personal computer as the computer the students have to purchase. Although Digital will be offering the computers at a discount, the machines will still cost \$1,800 each.

Seavy said the school had received 1,889 admissions before the computer requirement was officially announced, although these students did know that computers might be required. Of this amount, he said that about 1,300 were accepted, of whom, he said, the college hoped 500 would final-

ly accept admission and pay deposits.

"Usually about 40 percent of those students we accept, accept us," Seavy said. "So far, things have gone smoothly."

Some students have already informed Seavy that the extra computer charge kept them from attending the school, he said, but added that most of the students were seeking additional financial aid to help with the cost.

A random sampling of guidance counselors at high schools in Hudson County responded to Seavy's experience. Katherine Sharp, a counselor at Bayonne High School, said she has not heard of any student turned away by the requirement. "They're usually grateful to be accepted. They consider it a part of the cost of going to college, like textbooks or room and board," Mrs. Sharp said.

Counselors in Jersey City, Hoboken, North Bergen and Union City also agreed that the students were not discouraged by the computer cost.

However, Seavy said, the big test of the computers' impact will come next spring when the school begins active recruiting of top high school students. "I think it's going to have a positive effect. Anyone going into engineering nowadays must realize he has to be able to use computers."

"We're going to emphasize this and show that the school will be using the computers heavily. We want to make sure they realize that it's a good buy."

"If they look at the cost as a good price to pay for an excellent personal computer, then it will seem a good buy. If they see it as \$1,800 added to the price of tuition, then maybe they won't see it as such a good buy. It all depends on their perception."

Pasculli, Vezzetti win runoffs in Hoboken



Pat Pasculli, center, is mobbed by supporters, including Mayor Steve Casale, in a celebratory scene after his runoff victory for Sixth Ward councilman.



Thomas Vezzetti, center, celebrates his victory in runoff election for Second Ward councilman in Hoboken. (Story on Page 28.)

Big Navy contract goes to Hoboken

The Navy has awarded a \$14.27 million contract for Hoboken Shipyards Inc. to overhaul the USS Kalamazoo, a type of fuel ship known as a replacement oiler.

Hoboken Shipyards is a subsidiary of Braswell Ship Repair Co.

A spokesman for Rep. Frank Guarini, who announced the award, said that in Hoboken Braswell has taken over the shipyard facilities where Bethlehem Steel Corp. had been located.

The congressman had fought unsuccessfully to have a major USS Nitro refitting contract awarded for the shipyard in Hoboken a couple of years. The spokesman for Guarini said the award for the Kalamazoo work was a "major breakthrough."

Sen. Frank Lautenberg and

Sen. Bill Bradley's offices also announced the Kalamazoo award, with Bradley's spokesman supplying additional information.

The overhaul, Bradley's office said, will include general maintenance, hull modernization, outfitting of new communications equipment, drydocking, painting and installation of new weapons equipment, as well as cargo area overhaul.

It will provide 300 to 400 new jobs, Bradley's spokeswoman said.

At least seven other shipyards had been in the running for the contract, she said.

The work will last from September to next June, she said.

Bradley said he was "extremely gratified" that he, Guarini and Sen. Lautenberg were able to persuade the Navy to Award the contract for the

Hoboken work, and that new jobs will offer hope in a city "with one of the highest unemployment rates in the nation."

Guarini's aide said that the Hoboken unemployment rate recently was 16.8 percent.

"We hope this is a sign," Lautenberg said, "that the federal government again recognizes the importance of the Northeast in the nation's economy, and we will continue our efforts to ensure that New Jersey receives its fair share of government contracts."

"I'm ecstatic about it,"

Guarini said. "Every federal dollar that is spent recycles itself seven times — in the supermarket, in the barber shop, the gasoline station and the furniture store. I hope it's first of many such contracts."

St. Mary workers back strike

By BILL GYVES
Staff Writer

HOBOKEN—More than 350 health care employees at St. Mary Hospital voted overwhelmingly yesterday to join workers at six other North Jersey hospitals in striking July 7 if management does not agree to provide increased benefits and wages.

The workers, members of District 1190J of the National Union of Hospital and Health Care Employees, voted, 948-12, to authorize the strike in a secret ballot held yesterday afternoon in the hospital's Assumption Hall.

The union represents about 470 maintenance, housekeeping, laboratory and dietary workers — or roughly half of the hospital's staff — according to St. Mary spokeswoman Joan Quigley.

The St. Mary employees join more than 1,000 fellow union members who authorize their leaders by a more than 4-to-1 margin Wednesday night to call a strike July 7. Employees of Barnert Memorial Hospital in Paterson are scheduled to vote today.

The union is asking for increased wages, benefits and pensions and has rejected what it claims have been management's demands for givebacks.

"In order for there to be peace, we must bargain in good faith. Right now, it looks a strike for July 7, 6 a.m.," said union Vice-President Victor Garcia.

Quigley said management does not expect services to be seriously disrupted at the 330-bed hospital if employees strike. The hospital's

nurses and administrators are not represented by 1190J and are not planning to participate in the strike, either directly or indirectly, Quigley said.

"We don't feel there will be a strike," said Quigley. She added that management believes the hospital employees for the strike "to keep their options open."

In addition to St. Mary and Barnert, the strike would affect Clara Maas Memorial Hospital in Belleville, Beth Israel Medical Center and St. Michael's Medical Center, both in Newark, Hospital Center in Orange, Mountainside Hospital in Montclair and St. Barnabas Medical Center in Livingston.

Employees at the St. Barnabas Medical Center authorized a July 15 strike deadline because their contracts do not expire until July 14.



JERRY'S DAY — Jerry Molloy, left, Hoboken's ambassador of goodwill, is presented with an "Appreciation Award" by Sister Annelle Noel, administrator of St. Ann's Home for the Aged, Jersey City. Participating in the award are William J. Wolfe Sr., chairman of the 1983 gala committee; Michael Borsoso, chairman of the program, and Harold Ruvoldt Sr., president of the home's board of trustees.

Plans are 'tutti bono' for Festa Italiana

For promoter Les Jacobi, next week's Festa Italiana in Hoboken has worked out better than he had ever planned it.

The five-day Italian-American festival scheduled to start Wednesday and run through Sunday at the base of the city's Fifth Street Pier, has gone according to plans and with surprisingly little trouble, Jacobi said.

This festival won't be situated on the piers, but on land adjacent to them. Another planned festival, the River City Festival scheduled for the end of August, has been having trouble obtaining permission from the city council to use the piers for their event, because of an engineering report claiming the piers were unsafe. The River City Festival intends to be situated on the piers themselves.

Jacobi spent most of yesterday supervising as over \$6,000 worth of lights were installed about the festival's grounds, including an outdoor stage with

seating for about 2,500 persons. In the next few days, tents, sponsored by various local and major businesses, will be going up on the grounds.

The festival is similar to one sponsored by Jacobi's firm, International Festivals Inc., in Milwaukee last summer. That one drew over 100,000 in four days, but Jacobi said he expected that the Hoboken festival will draw an average of about 10,000 persons a day.

The event will open at 12 noon on Wednesday for handicapped patients from Meadowview Hospital in Secaucus. The patients will be treated to the rides and stands until 3 p.m., when the grounds will open to the general public. On the other days of the festival the grounds will

open at 12 noon and stay open until midnight.

Among the entertainers scheduled to perform on the stage are such popular entertainers as Julius LaRosa, Anna Maria Alberghetti, Pat Cooper, Don Cornell, and The Fabulous Teardrops. Tickets for the festival are \$4 at the gate and \$3 in advance, which may be purchased at the Clam Broth House Restaurant at Newark and River Streets.

The festival is being officially sponsored by St. Joseph's Church, in Hoboken. Among the industries sponsoring stands are Coca-Cola, Anheuser-Busch, Bustelo Coffee, Maxwell House Coffee, Cantani Wines, Lenny's Clam Bars and the Clam Broth House.

Decision on fire captains due

Hoboken Public Safety Director James Giordano said he has not finished reading the transcript of hearings on five city fire captains and will not have a decision on charges of insubordination against them until later

Giordano said he expected to have a decision two weeks ago, but the cases were complex. He served as hearing officer in the two hearing sessions.

The five captains, Eugene Failia, Gerard Petersen, Michael Walidch, John Lisa and Robert Moore, face disciplinary actions for failing to order men to enter buildings last summer suspected as being arson targets.

The captains and officers of the city's fire superiors union have maintained that such an order exposed the men to dangers for which they were not properly trained.

The incident occurred July 31. Should Giordano rule against the captains, the decision may be appealed by the union to the Public Employees Relations Commission.

I remember Hoboken in the 1930s

By Dr. Charles Carluccio

I am a psychiatrist. There are days when my patients' problems overwhelm me, they become enormously complicated, apparently unsolvable mixtures of damaging environment, harmful experience, faulty genes, disordered chemistry and just plain self-destructive bad judgment.

Sometimes, to soothe my mind, I sit back and remember Hoboken in the 1930s, when I was a boy in that special world.

I particularly like to recall our street in the summertime. It had large trees lining both sides that met in the center. Their foliage formed a green gold canopy for the small black automobiles with large rubber tires that passed under it. (I remember all cars as black and very shiny.)

The sidewalks were dappled with warm amber light and shade that gave the impression of a moving mosaic. Almost all the streets were two-way then. Houses sported maroon and yellow striped awnings. On the day that they were placed outside of our windows, summer became semi-official.

Yum Yum and lemon ice made summer truly official. Yum Yum was the more expensive of the two. It was neither as creamy as ice cream nor as icy as lemon ice. With a consistency somewhere in between it was distinct. This delicacy came in soft paper cups that were fluted in such a way that they could be spread out after they were apparently empty. You would then be able to lick up the precious vestiges of cool sweetness.

I remember many Hoboken people. Jimmy, the butcher with a shop on our corner was skinny, vaguely lecherous, a guy who "got around." One day, he casually mentioned having been to the Rustic Cabin in Fort Lee to see Dolly Sinatra's boy, young Frankie, perform.

"He's not bad, but nothing special," reported Jimmy.

I remember the first time I met Frank Sinatra. One cool Saturday morning, a group of us were playing stickball in a schoolyard near his home. This was one of our favorite sports, requiring a broomstick and a tennis ball (usually with about as much fuzz left on it as a ping pong ball).

We were going at it with our usual noisy enthusiasm when a thin young fellow wearing pegged pants, a leather jacket and a porkpie hat turned up in front. "Harold Teen" style, asked us if we would "keep it down." He seemed like a "regular" guy, so we did.

I remember a big Irish kid mulling something about this being Sinatra and since he kept people awake at night with his singing at the Rustic Cabin, our keeping him awake on Saturday morning in Hoboken was no big deal.

I remember Mr. Vincent, the "grocery man" who once filled my order for three cents' worth of "soup greens" and never changed his expression when I recited the words I was taught. "Please charge it, Mr. Vincent."

It was the middle of the Depression. However, the Depression was never depressing — at least not for me and my friends.

I was aware of my parents worrying, but everyone I knew was in the same situation. No one seemed to be particularly depressed or "sad." The same meal for several days in a row meant nothing to a kid. If he liked the food or if he didn't, he ate it because he was hungry.

One of my favorite meals was pasta lentichia — spaghetti with lentils — a hearty, inexpensive peasant dish. Recently, I saw it depicted in glorious color photography as part of an article in a super-chic woman's magazine. It was referred to as "rustic fare."

The recipe was included and it was heralded as part of "new Italian cuisine." They can't fool me. I knew pasta lentichia when...

I remember my maternal grandparents who lived one short block away from us. I also remember my two uncles, both physicians, whose offices were on the second floor of my grandfather's house.

Uncle Joe was the elder brother, quiet, even a little remote but a highly-respected surgeon. My Uncle Jimmy was more outgoing and fun-loving. He would come downstairs between office hours and listen to the Jersey City Giants' games on a cathedral-shaped radio.

I remember him marking the scores on his homemade, pencil-ruled score cards. In my uncles' offices, there was an odor of antiseptics. To me, it was an intriguing, exciting and very pleasant fragrance. I can smell it now.

My father was an attorney and he often took me with him to his office. It was in the same building as one of the local movie theaters.

My mother would scrub the floors of his office on Saturday afternoons. I would occupy myself by reading the latest fiction various book salesmen had sold my father. He was a pushover for book sales.

I'll never forget three of those books — "The Sun Also Rises," by Ernest Hemingway; Kipling's "Jungle Stories," and one that I loved and read to this day, "You Know Me, Al," by Ring Lardner.

But the heavy dark tomes of my father's law library, plus the long waits in his old black Buick while he visited clients did not appeal to me.

It was in the '30s that I decided to become a doctor. Probably, it was 1936, because I recall a particular conversation with my dad.

He asked me if I wanted to become a lawyer and I said, no.

When he asked, "Why not?", the only answer I could think of was, "Law books are too dusty."

I might have added that since I had recently seen a film called "Men In White," I was impressed by the idea of a life that seemed to do something more for and with people — a life like Uncle Joe's and Uncle Jimmy's.

These and other memories of Hoboken soothe my soul in a very special way. They create an inner atmosphere of muted sounds, peaceful rhythms, soft colors and open spaces.

Especially summers — they were friendly and quiet.

Cars and trucks were very few. Evening breezes were particularly refreshing when they blew cool through all the open windows.

Sitting on the fire escape with a glass of Koolade was a special summer pleasure.

There seemed to be trees galore in Hoboken and hedges bordering the house lawn uptown. I felt like Huckleberry Finn whenever I tore off a hedge leaf and tried to whistle through it.

We played boxball, punchball and stickball, accompanied by a running commentary alluding to Yankee heroes such as Babe Ruth and Lou Gehrig. Nights, if your parents allowed you to go out, were tournaments of ring-a-levio and kick-the-can. Moons-up and Johnny-on-the-pony were not exactly athletic events but occasions for raucous hilarity.

Hoboken, for me, was purely and simply, a happy place.

I know that cynics will say that nostalgia isn't what it used to be. But for me, it is even better.

Grant To Produce Jobs

More than 300 new jobs will be developed in Hoboken with the assistance of a United States Department of Housing and Urban Development, UDAG Grant, according to an announcement by Congressman Frank J. Guarini (D 14th).

The grant will assist in the renovation of a 65 year old building located at 1501 Bloomfield ave., which will be rehabilitated for textile and other commercial functions said Guarini. The UDAG funds will be matched by \$5,391,000 in funds provided by the developer's equity and the New Jersey Economic Development Agency loan program.

Approximately 70 construction jobs will be provided during the renovation, according to James Scala of HUD, who made the announcement to Guarini for HUD Secretary Samuel Pierce of Washington.

The developer is Anthony DeLuca.

Guarini praised Mayor Steve Cappiello and his planning staff and that of Hudson County for their work in preparing the application which will assist in reducing Hoboken's 16.8 percent unemployment rate.

School trustee assails education in Hoboken

By BILL GYVES
Staff Writer

HOBOKEN—A critical report on the city school system charges that, despite attempts to upgrade the quality of education, the system continues to educate its students inadequately. The report places at least part of the blame squarely on the board of education itself.

The report, prepared by Trustee Steve Block, suggests that the appointed members of the school board are frequently more interested in political than in basic educational issues.

"Hoboken's public school system has been caught in a vise between a discredited state-government approach to school improvement and a local government intent on using the school system for its own political purposes," Block's report said.

"Despite many efforts to improve education in Hoboken, we still fail to provide students with the skills required by yesterday's society. We are a long way from preparing students for the advanced technology of today and even more dramatic technology of tomorrow," Block stated.

Block's report calls for the creation of a "broad-based" review committee to be established by September that will present detailed recommendations to the board of education.

The board balked at officially adopting Block's five-page report, deciding instead to review it further and consider it again next month. Block termed the board's decision "predictable."

According to Block's report:

- More than one-third of the system's high school students drop out before completing the 12th grade.

- Of the Hoboken High School graduates enrolled in the state's public colleges, 75 percent were "seriously deficient" in writing skills.

- At least 36 percent of the city's ninth-grade students can't read on a sixth-grade level.

- Hoboken High School students average a score of 312 on the verbal portion of the College Board, 104 points below the state average.

- Students at the high school averaged a 363 score on the mathematical portion of the College Board, 90 points below the state average.

- Student enrollment has declined 18 percent in the past five years, while minority-student enrollment has increased to 82 percent. The situation is compounded, according to the report, by the fact that wealthier

Budget cut plan could increase taxes to \$192

The Hoboken City Council hopes to ward off a "taxpayers revolt" Thursday by reducing a proposed city budget that could produce a property tax rate as high as \$192 per \$1,000 of assessed valuation. That would mean a \$45 increase over the 1982 rate.

"This is an outrageous amount," shouted Councilman Thomas Kennedy during a special budget workshop meeting of the council last night. "We could really face a taxpayer's revolt."

The budget woes were blamed on the loss of \$1.3 million in railroad replacement funds from the state, deficits in the water and sewer utilities, unconsolidated municipal departments and union pressures.

The public will get an opportunity to make suggestions on the budget proposal 7 p.m. Thursday at a public hearing in the council room.

"We have to give the people a break," Kennedy continued. "Thursday night we sit, listen and take notes. Then for as many work sessions as necessary we will work on this budget."

The proposed \$22.2 million budget represents a \$2.9 million increase in taxes, according to Business Administrator Edwin Chius.

The city had been expected \$565,000 in railroad replacement funds in 1982 and 1983, but the state did not and does not intend to live up to that obligation to pay the city in lieu of taxes on the rail property. As a result, city taxes are projected to rise.

Also contributing to the increase are the \$3,368 deficit in the water utility and a \$672,000 deficit in the sewer utility.

Chius advised the council to eliminate the water deficit by charging delinquents an 18 percent interest instead of the current 12 percent. The sewer deficit could be eliminated or helped by raising the charges to customers.

Chius noted that Hoboken's sewer utility serves Weehawken and Union City by a contract whose term extends from 1954 until 1992 and forbids a rate increase. He suggested a lawsuit to break the contract and allow rate increases to the two customer municipalities.

Councilman Robert Ranieri suggested instead a joint effort by the three communities to build a new secondary treatment

sewage facility that would also provide for the waterfront developments in North Hudson.

He echoed an earlier suggestion by the Weehawken Planning Board to have prospective developers shoulder some of the costs.

Mayor Steve Cappiello, who sat in on the budget workshop, focused on consolidating municipal departments and standing up to city unions as a means to reduce the budget.

"Everytime we do it, we get pressured off by the unions or (state) agencies," he said.

Last year, the council laid off 58 employees as in a series of steps to cut a budget that threatened a better than \$20 increase in the tax rate.

The municipal employees union brought suit before the Public Employment Relations Commission but lost and the layoffs were upheld in April. The president of the union said yesterday that decision would not be appealed because the union could not afford it.

Kennedy said the moves necessary to cut the budget might require the council to "make decisions to hurt many good and dear friends in this town."

"We have to consolidate the departments," urged Councilman-elect Thomas Vezzetti. "If people have to be cut, they have to be cut."

He agreed with Cappiello that the Public Safety Department could stand consolidation and cuts.

Vezzetti also urged tougher efforts to collect some \$4.5 million in back taxes owed to the city. Chius said he expected the city to collect no more than a third of that amount this year.

away the vast majority of the tax. Dumont said his office is still looking into whether any of the money is still around and into Caruso's reported use of the money to buy a race horse.

"It seems remarkable that he could have used up all this money in that period of time," said Dumont.

In yesterday's proceeding, Caruso was charged with one count of embezzlement, a felony which carries a maximum term of five years imprisonment.

But Assistant U.S. Attorney Steven Gerber said yesterday that it is likely the charges would be changed to cover the full scope of the case. A preliminary hearing is scheduled for July 19, he said.

Hoboken schools topic of argument

By James Kopchinski

Both Hoboken Superintendent of Schools Dr. George Maier and school board member Steven Block agree the city's schools could use improvement. But that's the only thing they agree on.

Block's critical report last week on the quality of education being offered in the schools seemed to put Maier and his staff on the spot. However, Maier said yesterday that Block had unfairly chosen to compare the schools with state averages in putting together the report.

Also, Maier said Block's idea of appointing an independent committee to oversee educational quality would only add to the problems facing school administrators.

The report, which Block presented to the school board on June 16, charges that political manipulations in the school system as well as a general deterioration of state and national standards had combined to provide a poor education for the city's students.

According to facts presented in the report, Hoboken students were dropping out of school at a 37 percent rate and were failing in their proficiency in math and verbal skills.

Block said yesterday that he wrote the report expecting it to spark discussion among the board members about the quality of education and push them towards

needed improvements. He said he had not meant to blame any one group for the problems, but rather to show the blame is evenly spread in all areas of the city's educational system.

To help remedy this, Block suggested the formation of a broad-based committee on educational excellence, which would include leaders of business, higher education, private and public social services, parents and other citizens to join and search for ways of improving the schools.

However, Maier said such a mechanism already exists in advisory councils and Parent-Teacher Associations at the schools. "I question the need for additional groups to come in and compete with one another, duplicating each other's efforts," Maier said.

Maier said he was proud of the system's achievements, pointing to higher scores registered by the city's students in the state's Basic Skills testing and high ratings given to the system by Hudson County Superintendent of Schools Louis Accocella.

"We're always striving for excellence in the schools," Maier said. He pointed out that Block repeatedly compared the Hoboken schools to statewide averages and not to urban schools in Jersey City, Paterson, and Newark, which, like Hoboken, have been designated urban centers by the state.

Hoboken high, Secaucus low in poverty

According to the 1980 census, Secaucus had the lowest proportion of its population in poverty and Hoboken the highest proportion among the 12 Hudson County municipalities.

The county as a whole had 16.93 percent of its population and 14.68 percent of its families living below the poverty level, based on their incomes for 1979, the year before the census surveys were taken.

The 1979 poverty threshold was \$7,412 for a family of four. The threshold was lower for smaller families and higher for bigger families.

Reflecting inflation, the threshold has increased since then. The 1983 threshold is \$9,900 for a family of four.

The census data was released fairly recently, but does not reflect any changes in any of the municipalities since 1980. One

such change has been an influx of relatively affluent newcomers to Hoboken.

Secaucus, according to the census, had 3.77 percent of its population and 2.60 percent of its families living in poverty.

Hoboken had 23.45 percent of its population and 21.27 percent of its families living in poverty.

Jersey City had 21.20 percent of its population and 18.87 percent of its families in poverty.

The percentages of poor persons in the other Hudson municipalities was as follows:

Bayonne, 9.37 percent; East Newark, 9.44 percent; Guttenberg, 8.47 percent; Harrison, 11.88 percent; Kearny, 8.11 percent; North Bergen, 10.6 percent; Union City, 20.30 percent; Weehawken, 12.77 percent and West New York, 18.30 percent.

Seek housing sites

It will be another two weeks before officials of the Hoboken Housing Authority will be able to arrange a meeting with city councilmen about the possibility of constructing new public housing in the city.

Edwin Duroy, a member of the housing authority, said the authority's engineering consultant, Murray Bisgaier, is preparing a list of possible sites that such housing could be built on. He said this list should be ready within the next two weeks.

Once they have the list, Duroy said the members will ask the city council for a meeting to discuss where such a public housing project could be built and how it would be funded.

Duroy and City Councilman Anthony Romano, who is also a member of the authority, had, at the authority's last meeting on June 8, agreed to seek out ways of building new housing.

EMBEZZLE

Continued from Page 1

On seven different occasions, the complaint charges, Caruso embezzled tax deposit checks from the bank. The bank was responsible for turning over the money to the Internal Revenue Service on a quarterly basis. Finally, the IRS began to pursue the printing firm, Alco-Gravure Inc., for being delinquent in paying its withholding taxes, while the firm claimed the deposits had been made by the bank.

Dumont said Caruso used a "kiting system," drawing checks from non-existent accounts, in order to divert the money for his own use.

Caruso had been employed with the

95 River St., Hoboken, branch of the bank since August 1981. He resigned in March.

The branch manager and several employees refused to comment on the situation yesterday, referring all questions to the bank's main office in Newark.

A spokeswoman for Fidelity Union, Elise Schepier, would not comment on why Caruso left or on whether the bank suspected him at the time. She said the bank is undertaking an audit to determine exactly how much money was involved. She added that Caruso's bonding would cover most of the losses.

Although Caruso says he gambled

away the vast majority of the tax, Dumont said his office is still looking into whether any of the money is still around and into Caruso's reported use of the money to buy a race horse.

"It seems remarkable that he could have used up all this money in that period of time," said Dumont.

In yesterday's proceeding, Caruso was charged with one count of embezzlement, a felony which carries a maximum term of five years imprisonment. But Assistant U.S. Attorney Steven Gerber said yesterday that it is likely the charges would be changed to cover the full scope of the case. A preliminary hearing is scheduled for July 19, he said.

Bank teller admits embezzling \$1.6M

By BARBARA DEMICK
Staff Writer

A 22-year-old teller working at a Hoboken bank has confessed to embezzling the staggering sum of \$1.6 million during seven months in what authorities described as an unusually bold and lucrative scheme.

Richard Caruso, listed as living on Bleeker Street, Jersey City, was formally charged with embezzling the money from the Fidelity Union Bank yesterday morning. He was released on a \$150,000 bail bond after his arraignment before U.S. Magistrate Robert E. Cowan in Newark.

According to U.S. Attorney W. Hunt Dumont, Caruso agreed to be questioned by federal authorities on Tuesday and

admitted embezzling the funds in order to pay off gambling debts.

Dumont described the embezzlement as "one of the most substantial we have seen in a while, especially considering the short period which was involved." He said Caruso had undertaken the scheme on his own, to the best of the authorities' present knowledge. He remarked that embezzlement cases involving tellers are common, but such a high sum unusual.

It is charged that between September of last year and March, Caruso managed to steal funds totaling \$1,640,132 from the deposits made by a Hoboken printing firm for its employees' federal withholding taxes.

See EMBEZZLE, Page 9

50-50 winner will get \$3,900

Lucky Mary Cicala of Hoboken, the first resident of that city to win its 50-50 lottery, is \$3,900 richer today.

At a drawing at 4 p.m. yesterday in City Hall, Bob Davis of the Hoboken Volunteer Ambulance Corps pulled Ms. Cicala's winning ticket. She will share the prize with the Hoboken Volunteer Ambulance Corps.

Yesterday's contest was the second of the city's 50-50 drawings. At the first, held on May 4, a Cliffside Park man was the winner.

Pasculli, Vezzetti win Hoboken runoffs 6/15/83

By Earl Morgan

When the Hoboken City Council is sworn in July 1, there will be two new faces — those of Pat Pasculli, who defeated Angelo Valente in yesterday's runoff election, and Thomas Vezzetti, who defeated incumbent Council President Walter Cramer.

Less than 20 minutes after the polls closed at 8 p.m. last night, the ballots were delivered to the city clerk's City Hall office and tabulated.

Vezzetti was the winner in the Second Ward race with 1,085 votes to Cramer's 781.

In the Sixth Ward, Pasculli received 1,102 votes to Valente's 888.

Hailing his victory as a vindication of his unsuccessful effort to capture the council seat six years ago when he lost in a three-way race to outgoing Councilman Nunzio Malfetti, Pasculli

credited his supporters as a major factor in his election.

Pasculli commended his opponent Valente for running a clean campaign.

"I don't want to lead a divided ward and I will contact Valente to see if we can sit down to see if there are ways we can work together for the benefit of all the people," Pasculli said.

Pasculli a Hoboken school teacher, said some of the priorities during the beginning of his term will be grappling with the impending development of the city's waterfront, improving the educational system and addressing the issue of rapidly increasing rents in the mile square city.

Valente, while losing seemed to be as jubilant as his opponent. Surrounded by supporters at his headquarters on Third Street,

Valente said, "I'm only 21 and I think it's incredible that running as an independent I could get this much support."

Valente, a student at Jersey City State College, said he intends to continue to be active and speak out on issues.

"There are 888 people who voted for me and I intend to do the best I can for them," he said.

While Cramer was not available for comment, Vezzetti who has been a perennial critic of the current city administration in general and Cramer in particular, said he intends to continue in his attacks and will attend tonight's scheduled meeting of the school board to demand "Cramer resign from his job as the board of education's business administrator."

Vezzetti, a bank security guard, said he intends to fight the

vacancy decontrol clause in the current rent leveling ordinance.

"Developers and politicians are trying to drive the people of Hoboken away so they can get higher rents from out-of-towners, and that's going to be stopped," Vezzetti declared as his supporters applauded and shouted their approval.

Vezzetti also said he will take a close look at the waterfront development and scrutinize the operation of the board of education.

Vezzetti said he will continue to press for the construction of a Pathmark supermarket in the ward that was a major issue during the campaign. Cramer also supported the supermarket but a veto by Mayor Steve Cappelletto and the council's failure to override it were seen to damage Cramer's standing among his constituents.

Hoboken development bill unlikely in next session 8/8 6/15/83

The New York State Senate will be convening again on July 12 but the chances remain small that the senators will take up legislation enabling the Port Authority to become active in planned \$500 million developments in Hoboken and Hunter's Point, N.Y.

The bill, which will allow the Port Authority to prepare sites and help attract developers, does not appear on this special session's agenda and will not unless placed there by some extraordinary pressure from its supporters, according to Charles Dumas, press spokesman for Senate Majority Leader Warren Anderson.

Dumas said Anderson does not consider the Port Authority legislation a high priority as other bills that the Senate will consider in this session. Also, he said there had been sentiment in the Senate to put the enabling legislation into three recent bills, part of a 10-point agreement by both Gov. Thomas Kean of New Jersey and New York Gov. Mario Cuomo regarding the Port Authority.

"He (Anderson) would like to make certain it follows the proper legislative procedure," Dumas said. "He doesn't like to be rushed and there's been an effort to speed it right through here."

Anderson also is reluctant to place the bill on the agenda over the objections of fellow Republican Sen. John Marchi of Staten Island. Marchi, who is chairman of the Senate Finance Committee, has not rejected the bill, but has voiced some objections to the lack of detail given by the Port Authority concerning its plans for the Hunter's Point site.

"He's not going to push something over Marchi's wishes," Dumas said. "At least nothing that he doesn't feel strongly about."

Marchi is presently undergo-

ing hospital care following a prostate gland operation. His aide, Gerald McLaughlin, said he will be released tomorrow and should be able to attend the opening day of the summer session.

McLaughlin said Marchi wanted to see much more detail on the Hunter's Point project before he would consider supporting it. The text of the bill, specifically mentions Hoboken, but remains vague about plans for New York City.

"The bill does not actually say where the New York City development would be located, but only refers to general development in the city," McLaughlin said. However, Port Authority officials have said the Hunter's Point location was con-

sidered one of the prime sites for development and are conducting a market study at present.

Dumas said Anderson was not trying to present any obstacles against the bill, but considered that it could wait while the Senate takes up more pressing legislation. "When Senator

Anderson opens this session on July 12, every Tom, Dick and Harry who didn't get their bill introduced last session will be up there trying to place it on the summer agenda," Dumas said.

The New York Assembly last Wednesday approved the bill by a 118-to-23 vote and a companion set of amendments by a 133-to-14 vote.

Hoboken councilman-elect gagged 6/14/83

By Earl Morgan and James Kopchans

Thomas Vezzetti may be the councilman-elect of Hoboken's Second Ward but that didn't stop Council President Walter Cramer, his opponent in Tuesday's runoff election, from barring him from speaking at last night's City Council meeting.

After Vezzetti went to the microphone to speak without authorization, Cramer first ordered him ejected from the meeting, but settled for barring him from addressing the council during the public portion of the meeting.

Vezzetti will be sworn in June 1. In other business, the council voted to approve ordinances to pay police and fire department salaries but tabled a third ordinance to pay the salaries of city workers.

The council also tabled a resolution to award tax abatement for the Capparra Homes project that seeks to construct 20 two-family homes in the city.

Councilman E. Norman Wilson and Cramer both said they would not vote for the resolution to pay city workers until the council had more information. Wilson said that the ordinance gave no specifics as to who occupies the job titles benefitting from the salary increases. The matter will be sent to the council's finance committee for further study.

The council again tabled the abatement resolution because it was claimed there was insufficient information about Capparra Homes. See HOBOKEN — Page 2.

TO FIX OLD SITE 4/13

An 85-year-old commercial building at 1501 Stanfield St. will be renovated under a \$1.72 million Federal Urban Development Action Grant to be received by the county.

The grant would renovate the building, located in the northern industrial section of Hoboken, for textile and other industrial tenants and is expected to provide several hundred new permanent jobs when finished.

Hoboken councilman-elect gagged

Continued from Page 1

"We don't know who the principals are, what their interests might be or much of anything else," Wilson said. "This matter really bears looking into."

Last night was not the first time Cramer has barred Vezzetti from speaking at a meeting or even had him ejected from the council chambers, but it will probably be the last, and that fact dominated most of the talk at City Hall yesterday as people speculated on who would replace Cramer as council president.

Cramer's loss was one of the city's most stunning political upsets. Vezzetti used the support of four other defeated candidates as well as an unpopular veto of a Pathmark supermarket in the ward to pull away to a 1,085-to-781 vote victory.

In the city's Sixth Ward, Pat Pasculli defeated challenger Angelo Valente in another runoff by a vote of 1,102-to-888.

Both men will be sworn in on

July 1 with four other council members who won reelection on May 10. However, neither man is considering a strong candidate to assume the presidency of the council.

The new president is likely to come from one of the five members of the council that are considered strongly linked politically to Mayor Steve Cappelletto. These include Anthony Romano, Salvatore Cemelli, Mary Francone, Robert Ranieri and Helen Macri.

Neither Vezzetti nor Pasculli is seen as being considered because they are newcomers to the board. Meanwhile, Councilmen Thomas Kennedy and E. Norman Wilson Jr. are also considered eliminated because of their political opposition to the mayor.

Vezzetti will be no stranger to the council members when he takes his seat. A member of the audience at almost every council meeting, Vezzetti has repeatedly

held up the meetings to question specific items of the agenda and to make speeches favoring or condemning council action.

Vezzetti's presence as well as the loud sport coats and shirts he wears to the meetings have over time become as routine as the roll call and the salute to the flag.

Kennedy supported Cramer in the election, but said he welcomed both Pasculli and Vezzetti on the council. "The people in the Second Ward have chosen Vezzetti as their councilman. I'll be happy to work with him and Pat in dealing with the problems of the city."

Pasculli has campaigned as an independent and on several occasions has strenuously denied any link with Mayor Steve Cappelletto. However, Cappelletto was quite visible at the Pasculli's victory celebration Tuesday and many of his key supporters are also strong leaders in the Cappelletto organization.

Vezzetti unseats Cramer 6/15/83

By BILL GYVES

Staff Writer

HOBOKEN—Administration critic Thomas Vezzetti yesterday trounced City Council President Walter S. Cramer in a runoff election for the council's 2nd Ward seat in what is considered one of the biggest political upsets in the city's history.

Vezzetti, one of Cramer's most persistent and colorful critics, secured 1,085 votes to the incumbent's 781. Vezzetti easily carried three of the ward's five districts, losing the other two by only two votes each.

In the second runoff election yesterday, Pat Pasculli easily defeated Arcangelo Valente, 1,102 votes to 888, to assume the 6th Ward council seat now held by incumbent Nunzio Malfetti, who was defeated in the May 10 election.

Vezzetti and Pasculli will assume

their seats July 1 along with the four council members re-elected last month.

Cramer, who has served on the council for 10 years and served as president for four, will preside at his final council meeting tonight.

Moments after the polls closed last night, Vezzetti was circling the 2nd Ward with dozens of his supporters, thanking the residents for their support and promising he would fight to serve their needs on the council. Vezzetti was barking through the megaphone that became the focal point of his largely one-man election campaign.

"Tommy's really an oddball, but he's honest. That's what the people think and like about him," said Vezzetti's assistant campaign manager, Margie O'Brien, in his campaign headquarters on 13th Street.

Cramer was forced into the runoff

with his lifelong acquaintance and longtime political foe when he was unable to secure more than 50 percent of the total vote in the May election. Vezzetti more than doubled the number of votes he secured in the general election, while Cramer gained only 60 votes.

City officials expressed shock at the margin of victory. Vezzetti's victory over Cramer, who received the strong backing of Mayor Steve Cappelletto, was interpreted to have been as much a protest vote against the present city administration as a vote in support of Vezzetti.

Cramer and Malfetti were the only two incumbent council members defeated in the election. First Ward Councilman Anthony H. Romano, 3d Ward Councilman Salvatore Cemelli and 5th Ward Councilman E. Norman Wilson Jr. were

See VEZZETTI, Page 19

A tribute to Michael J. Milat 8/30/83

By Charles DeFazio Jr.

This coming year marks approximately 34 years' existence for the Housing Authority of the City of Hoboken.

Little do the people of Hoboken appreciate the blood, sweat and tears that went into its creation, early existence and successful growth over those years.

The one driving, courageous guiding light on stage all the time producing this successful municipal drama was a modest, intelligent, hard-hitting attorney, native of his beloved City, Michael J. Milat. Mr. Milat served as Chairman for many years.

No endeavor occupied more of his time during the years he was affiliated than the intricate workings of the Housing Authority.

Michael J. Milat had wit and wisdom to guide

his fellow commissioners and create the policies that guided its staff under the supervision of its first secretary and executive director, M. Edward De Fazio, another local native born attorney.

Mike knew people.

He had a philosophy.

He had an attitude toward life.

And he knew how to live and let others do likewise.

When the history of Hoboken's revival, rejuvenation and re-creation is fully researched and historically recorded, it will undoubtedly show the impact this citizen of Hoboken had on its past, present and future miraculous revival.

Michael J. Milat, attorney at law, spokesman for the poor and rich, defender of the middle class, and dear friend for many, many people, will always be remembered. He should be acknowledged as Saint Michael by great numbers of Hobokenites who had the privilege to know him.

Hoboken Council to reorganize 6/15/83

The elections now over, the Hoboken Council will officially welcome back four of its members who were re-elected and two new council members when it reorganizes tomorrow at 12 noon at the council chambers in City Hall.

At the meeting, council members Anthony Romano, Sal Cemelli, Mary Francone, and E. Norman Wilson Jr. will again receive the oath of office from City Clerk Anthony Amoroso as will newcomers Pat Pasculli and Thomas Vezzetti.

The council will then vote for a new president to take the place of Walter Cramer, who lost his reelection bid to Vezzetti and will appoint committees for the next year.

VEZZETTI

Continued from Page 1
all re-elected to the council. Fourth Ward Councilman Mary Francone was elected to the council two months after being appointed to complete her husband Louis's unexpired term.

The terms of the city's three at-large council members expire in 1985.

School board accused of political harassment 8/27/83

Anthony Russo, who tried unsuccessfully to win election as councilman in Hoboken's Third Ward, is now charging that the city's board of education is using political harassment in delaying its approval of an extension of his leave of absence from the schools.

At its meeting Thursday, the board voted to table Russo's application for a leave at the request of its president, Otto Hottendorf. Hottendorf could not be reached for comment, but another board member, Robert Wendelken, said the application was tabled to allow Hottendorf to check whether it was actually Russo's second or third request for a leave.

"They've never done this before," Russo said. "They never hold up any request for extension from anyone who requests them."

Russo said he believed the board held it up and may even refuse it because Russo ran against the incumbent Sal Cemelli, a supporter of Mayor Steve Cappelletto, in the May elections.

Russo requested a leave at the beginning of this year to accept another educational position. He said he requested another leave for the next school year because he is being considered for another position which he would not identify for personal reasons.

Wendelken said there were no political reasons for the delay, and said he expected that the leave would be approved at the next board meeting. He said he spoke to Russo Thursday night and explained this.

CAPTAINS 8/8 6/25/83

Continued from Page 1

Capt. Eugene Failla, who had an additional insubordination charge filed against him for allegedly impeding an investigation into the original incident, was demoted to firefighter as a result of the ruling, according to sources.

The four other captains — John Lisa, Robert Moore, Gerard Peterson and Michael Waldich, will be expected to pay their fines in five monthly installments of \$100 each, according to sources.

The penalties facing the five captains ranged from a minimum of an official reprimand to a maximum of dismissal from the fire department.

City officials immediately condemned the captains' action at the time, with Mayor Steve Cappelletto describing their refusal to order their men into the building as a "flagrant disregard for human life."

But the captains insisted throughout their

nine-month hearing that such a search was not included in their contract with the city. The inspection ordered was a "reckless endangerment" of their lives, since an armed arsonist could have been lurking inside the occupied structure, the captains argued.

Firefighters discovered a liquid accelerant and burnt newspapers in the building's stairwell three days before the captains were ordered to command their men to enter the Clinton Street structure.

"I am very confident we will have this ruling overturned on our appeal," said Bergin, the president of the Hoboken Fire Officers Union which represents 37 captains and deputy chiefs in the department.

Bergin said his members decided at their April meeting to authorize union attorney David Solomon to appeal any guilty ruling issued by Giordano. Solomon argued throughout the case that Giordano should be replaced as hearing officer as a result of statements attributed to him in a local newspaper concerning the July 31 episode.

"If any of the men involved (in this case) were political cronies, they would probably be receiving award citations," Bergin said. "This order was dangerous and could have caused the death of one of our men."

Waterfront Plan Gains 8/7/83

Hoboken's \$300 million waterfront renovation may not have to wait until next year after all.

Word is that the New York State Senate may remove the remaining hurdle to the Port Authority of New York and New Jersey to go ahead with its plan, when it considers waterfront bills in August.

The New York legislature finished its 1983 session earlier this week and was not scheduled to return until next year. But Senate Majority Leader Warren Anderson, who controls the floor agenda, has decided to call the senate back into session July 12.

The legislation has already been passed by the New

Jersey legislature and signed by New Jersey Gov. Thomas Kean. New York Gov. Mario Cuomo has already voiced his support for the bill.

"The agenda isn't set," said Richard Matthews, an aide to Anderson. "It would be possible for this issue to be taken up during the summer."

Hoboken group to play 8/30/83

The Hoboken Chamber Orchestra will perform outside of Hoboken for the first time on Monday, with a concert at Liberty State Park, Jersey City, at 1 p.m.

The concert is entitled "Overtures and Some." It will include the overtures from Mozart's "Marriage of Figaro" and Rossini's "Barber of Seville" and "Italian in Algiers" as well as performances of Brahms' "Hungarian Dance No. 1," Aaron

Copeland's "John Henry" and Sibelius' "Valse Triste."

The concert will be part of a New Jersey Salutes the Arts program on Sunday and Monday at the south embankment of the park.

New Jersey Salutes the Arts is part of Harbor Festival '83. Both are sponsored by the Harbor Festival Foundation, with the support of the foundation's New Jersey contributors and the Port Authority.

Condition of street sweepers changes operating schedule

By James Kopchans

In order to conserve the city's two mechanical sweepers, Hoboken will start an alternating schedule for street sweeping until further notice.

Mario Mercado, supervisor for the city's central garage, said he devised the schedule to cut down on the wear and tear on the city's machines, each of which is over eight years old.

The machines are old and they should be replaced. They were not well taken care of when

the city first got them and now they break down too often," Mercado said.

The city has included appropriations for the purchase of two new sweepers in this year's proposed municipal budget. However, this could be cut before the council makes its final decision on the budget.

The schedule started this week. Mercado said the sweepers would operate only on Monday and Tuesday this week in the areas west of Willow Avenue.

Next week, the sweepers will operate only on Wednesdays and Thursdays and will go back on Monday and Tuesday the week after that, and so on.

Regular schedules will be followed on the streets east of Willow Avenue.

"I have only two machines and they are in bad condition. If one of them goes, I don't have the proper back-up to finish the job," Mercado said. "At least this way, I can conserve the machines and make sure the job is done."

Hospital, workers hold contract talks

HOBOKEN—Negotiations between management and nearly 500 employees at St. Mary Hospital resumed yesterday in an attempt to avert a walkout by workers scheduled for Thursday.

Hospital spokeswoman Joan Quigley said representatives of both sides met yesterday afternoon in the hospital's Assumption Hall. Negotiations were adjourned and are scheduled to resume Tuesday, she said.

The hospital's maintenance, housekeeping, dietary and laboratory workers voted overwhelmingly

on June 23 to authorize a strike if talks fail. The workers joined fellow members of District 1199J of the National Union of Hospital and Health Care Employees in authorizing the strike that would affect six other North Jersey hospitals. The employees are seeking increased wages and benefits.

Quigley said management remains confident the strike will be averted. But, she said, the strike would not seriously disrupt services at the 330-bed facility because the hospital's nurses and administrators are not expected to participate.

Hoboken awarded \$1.7M for building

By JOHN SWANSON
Special to The Dispatch

HOBOKEN—The federal government has awarded the city a \$1.7-million federal Urban Development Action Grant to rehabilitate an 85-year-old building at the north end of Bloomfield Street for office and multiple commercial use.

The grant was announced today by the offices of Sens. Frank R. Lautenberg and Bill Bradley, both D-N.J. The city plans to use it to pay developer Anthony Del Aquila to overhaul the 20,000-square-foot building at 1501 Bloomfield St., near the Maxwell House plant on the city waterfront.

The project is estimated by federal authorities to create 70 construction jobs, and 300 new jobs when the building is ready for use.

A spokesman for Del Aquila said, "We are simply delighted at the award," and said it "makes economically feasible a project that would not have been able to happen."

Numerous companies have already sought rental space in the building, said the spokesman, including one textile firm, but he said it has not been determined who would move in.

The spokesman said preference would be given to companies that plan to engage people who are eligible under the Jobs Training Partnership Act rather than "Fortune 500 companies."

Garbage in litter baskets, seedy shops, are no-nos

With summer coming, Hoboken Public Works Director William Van Wie said there have been more reports of persons putting full household garbage bags in litter baskets throughout the city.

"Those litter baskets are meant only for passersby who need a receptacle for litter they may be carrying," Van Wie said. "I'm urging residents to stop using the baskets for their household garbage."

By putting their garbage into the baskets, Van Wie said the

baskets were filling too quickly and leaving no room for persons who wanted to use it for litter.

Also, Van Wie said he would be issuing warnings to factory owners notifying them that they must maintain the outside of

their buildings. This includes cleaning and sweeping the sidewalks and cutting weeds and grass on their property. If they do not comply, Van Wie said, his department would start issuing summonses.

Hospital workers to decide on vote

Health care employees at St. Mary Hospital in Hoboken were scheduled to decide today whether they will endorse the strike vote delivered yesterday by fellow union members in Newark yesterday.

In a secret ballot at Newark's Terrace Ballroom yesterday, members of District 1199J of the National Union of Hospital and Health Care Employees voted 844-to-80 to authorize their leaders to call a walkout.

The contracts with most of the six North Jersey hospitals employing union members expire a week from today. The major issue is health and welfare benefits.

Some 600 employees of St. Mary Hospital will be considering and voting on the issue today, according to a union spokesman.

A strike deadline has been set for 6 a.m. July 7. Talks are scheduled to resume next week. The vote in Hoboken today will determine if the local health care workers also walk off their jobs on that date.

Aberdeen David, president of the union, said the workers were being pushed into a strike by management's demand to eliminate health care benefits for union members and their families.

To decide use of piers

The Hoboken Council will return to the difficult question of authorizing use of the city's Fifth Street pier for this year's River City Festival when it meets Wednesday. At its June 1 meeting, the council had voted to table authorization to the Hoboken Environmental Committee for use of the piers for the popular festival, as it had done in the past four years. In doing this, the council pointed to a state engineering report that described the pier as hazardous. However, Council President Helen Macri said yesterday the City Engineer James Caulfield will give the council a full report on the pier's condition. The council will use that in making its final decision, she said. The council meeting will begin at 10 a.m. at the council chambers in City Hall. It will be preceded by a public caucus starting at 9 a.m.

Hoboken seeks to solve north end parking snag

Hoboken Councilman Thomas Vezzetti, who has been trying to ease the crunch on parking spaces in the city's northern section, said he is now trying to arrange a meeting between the city's Parking Authority and Maxwell House and the Stevens Institute of Technology to work

out a solution. Vezzetti said he has spoken to officials from both Maxwell House and Stevens and received some promises of aid. Now, he said, he wanted to have all sides brought together to see if something could be implemented. The city's northern section, which does not have a municipal parking lot, suffers from a shortage of parking spaces, particularly during the evening hours.

Vezzetti has been talking with the Maxwell House and Stevens to see if they could provide night parking for residents of the city's northern section.

Hoboken council led by Macri

By CHUCK SUTTON
Staff Writer

HOBOKEN—Councilwoman Helen Macri was elected president of the City Council yesterday, the first woman in the county to hold such a position, by a 5-4 vote.

It was not an easy election at yesterday's council reorganization meeting, an indication of the political division on the council. Six City Council members were sworn in before a standing-room-only crowd, amid a meeting marked by cheers, jeers and boos.

The crowd politely applauded the swearing in of 6th Ward Councilman Patrick Pasculli, 5th Ward Councilman E. Norman Wilson Jr., 4th Ward Councilwoman Mary Francione, 3rd Ward Councilman Salvatore Cernelli, 2nd Ward Councilman Thomas Vezzetti and 1st Ward Councilman Anthony H. Romano.

The boos and jeers came when Councilman-at-Large Thomas Kennedy nominated Wilson for the top spot after Macri was nominated.

With Councilman-at-Large Robert A. Ranieri absent, the vote would have been a 4-4 tie, with Macri, Romano, Cernelli and Francione supporting Macri and Wilson, Pasculli, Kennedy and Vezzetti backing Wilson. But seconds before the vote was to take place, Ranieri made his way through the crowded room to cast the deciding vote for Macri.

A second incident of the meeting occurred when Vezzetti charged that Mayor Steve Cappiello was "ramming his nomination (for municipal magistrate) down our throats."

"Why don't you shut up?" a woman in the third row shouted at Vezzetti. "I was elected to the council," she said.

MACRI

Continued from Page 1

"make this a town we can all live in, and I'm going to do my job," he replied.

Vezzetti said that while he liked Maurice Gottlieb, the mayor's nominee, he said Cappiello had not informed the council of the pending vacancy to give the members an opportunity to consider other candidates.

Vezzetti, who unseated former Council President Walter S. Cramer in a June 14 runoff election, has a reputation as a constant critic of the mayor. In a rare move, Cappiello rose to the judge's bench high above the council to respond to Vezzetti.

The mayor said he had submitted several names as possible candidates, with Assignment Judge Thomas S. O'Brien of Hudson County Superior Court selecting Gottlieb. Cappiello said the council had been aware of the vacancy.

Hoboken builder wants tax abatements

Officials for the projected Caparra Homes housing project in Hoboken are now saying that tax abatements being held up by the city council are crucial if the project is to survive.

Edwin Duroy, a Caparra official, said the abatements are needed to allow moderate-income homeowners to purchase the properties in the southwestern section of the city. Without the abatements, Duroy said, the properties would be too expensive to be sold to families of limited means.

The project has been in the works for more than two years by the non-profit Caparra Corp. It calls for 20 two-family homes to be constructed in the area on First Street between Jefferson and Grand streets.

Each house would be purchased by a homeowner who meets federal Housing and Urban Development guidelines. These homeowners would then rent their upstairs apartment to a low-income tenant under federal Section 8 rent subsidy guidelines.

The 20 homes already have prospective buyers. Each is expected to cost about \$100,000 to construct, Duroy said. The \$2 million project, he said, would be built through private mortgages and with about \$300,000 in Section 8 monies from HUD.

However, Duroy said that without the abatements, the amount of rents received would not be enough for the homeowners to meet financial commitments. Although the government does pay a large portion of the tenants' rents, Section 8 housing does not allow the landlord to raise rents.

The city council voted on June 15 to table Caparra's request for an abatement saying it did not have enough information about the project to pass it.

If passed, the abatement would be based on a percentage of the construction cost for each building. Duroy said this percentage would be worked out with the city's law department and approved by the council.

Hoboken council to hold closed budget sessions

By John Watson

After getting an earful of irate Hoboken taxpayers' comments at last night's public hearing on the proposed \$22.2 million city budget, the City Council has agreed to begin closed-door budget cutting sessions Tuesday.

"I think they really mean business," observed Mayor Steve Cappiello, who sat in on the emotion-charged hearing.

The city's current tax rate is already the highest in the state and will be at least 8 percent with even the most skillful cuts, according to Business Administrator Edwin Chius.

The speakers spared no one in laying the blame for the city's tax woes. Their list of culprits included the mayor, police and fire department superiors, the railroads, the council and municipal labor unions.

Homeowner Mary Perry laid some of the blame on people who have not paid their property taxes or water bills. The delinquents owe approximately \$6 million.

"We who pay our fair share should be recognized," Mrs. Perry said while urging the council to crack down on the delinquents.

Councilman E. Norman Wilson said he is leading a committee of council members to conduct a study comparing the number of people hired to do city jobs in Hoboken with their counterparts in similar municipalities. He said the results of that study will be written and made available to the public.

Edward C. Babcock, director of governmental research for the Hudson County Chamber of Commerce, called on the council to rescind the raises for city department heads. Some of the raises are as high as 30 percent.

Babcock said the Police and Fire Departments are "top-heavy with brass." He said a professional from the outside should be hired to draw up a new table of organization for the departments.

Vincent Iacone chastised the council for denying permission for a Pathmark supermarket to open when the city could have received \$350,000 to offset the tax problems. Roco Cavallo complained of the tax abatements the city gives to some developers and erodes tax income.

Councilman-elect Thomas Vezzetti called for consolidation of municipal departments. He said that it would be possible for all the city departments to be joined and run by the business administrator.

Councilman Thomas Kennedy, who chaired the hearing, said the taxpayers' suggestions "have not fallen on deaf ears." He said the council hoped to produce a tax rate that is "fair and decent."

Vezzetti offers advice to Cappiello

A confrontation between two Hoboken elected officials yesterday at the Hudson County Administration Building over the way the county freeholders conduct themselves and their meetings led to a compromise yesterday.

Newly elected Hoboken Councilman Thomas Vezzetti, who frequently attends sessions of the freeholder board as a spectator, greeted Steve Cappiello, Hoboken Mayor and freeholder chairmann often the target of Vezzetti barbs, with an admonition.

"With all due respect, Steve," said Vezzetti, "I think you should resign, either as mayor or as freeholder." Vezzetti has persistently chided Cappiello and other officials for maintaining dual jobs at the taxpayers' expense.

"You should think seriously about this," Vezzetti pressed on. Wearing a slightly pained expression and cradling his head in his arms, Cappiello replied: "I will."

Apparently encouraged by this acknowledgment, Vezzetti then turned his attention to the freeholders' agenda and reminded board members that under their rules, the public is prevented from talking about any of the resolutions on the agenda until after the board has voted on them.

"You've got to change this," Vezzetti declared. In response, Cappiello said that he would "sit down with you" as soon as possible to work out some legislative remedy "satisfactory to all parties."

The meeting then concluded in harmony.

School budget adds taxes

By James Kopchans

A \$23 million school budget for the Hoboken school system that was approved by the City Council at its June 15 meeting, will mean at least an \$11 increase in city taxes, unless cuts in the municipal budget offset it.

The budget, which represents almost a \$1 million increase over the last school year's budget, will require \$6,133,190 in local property taxes. The last budget, which ended its fiscal year last night, required a local tax levy of \$5,732,273.

Edwin Chius, the city's business administrator, yesterday estimated the school budget would cost at least a \$11 increase in the \$147.33 per \$1,000 assessed valuation tax in the city. Chius has included this figure in

predicting for a tax rise of as much as \$45 because of increased municipal costs and the loss of state railroad replacement aid.

The council approved the budget unanimously during its raucous meeting June 15. The budget had before then been approved by the city's board of education and the city's board of school estimates.

However, both Councilman E. Norman Wilson Jr. and Councilman-Elect Thomas Vezzetti yesterday objected to the way it was presented and voted on it.

"No one knew it was coming up and nobody noticed that it had passed," said a surprised Vezzetti, who normally makes it a point to follow almost every resolution voted on at council meetings.

The resolution approving the budget was not included on the agenda of the meeting. The council did not allow for public comments before the voting, according to Vezzetti. The June 15 meeting was also one of the noisiest meetings, at least partly caused by several loud air conditioners.

Wilson said that although he voted for the measure, he objected to the way it was presented. "We didn't have a chance to look it over and it was a very loud meeting," he said. He voted for approval because he felt the board needed the money to maintain the schools and meeting because it had to be in place by July 1.

"This is something that

should have been prepared earlier in the year so that we could spend more time on it," Wilson said.

School officials have contended the additional amounts were needed to balance anticipated cuts in school education subsidies and increased wages expected to come out of present negotiations on a new teacher contract.

Meanwhile, Wilson said yesterday that the council's revenue and finance committee, which he heads, has come up with a series of recommendations to the council on how to cut the municipal budget in order to drop an anticipated tax rise.

These recommendations will include separating elected and appointed officials from a list of general municipal workers slated

to receive salary increases as the result of collective bargaining agreements with the city's municipal unions; requiring directors to submit names and titles and salaries of all workers hired since Dec. 31 of last year as well as all workers who hold civil service posts without proper certification.

It will also include resolutions making the city's board of education more accountable for performance and expenses of the city's schools as well as giving the council tighter control on future school budgets.

Finally, the recommendations will include calling for investigations to find out why a total of \$4.7 million in back taxes and another \$1.3 million in owed water account payments have not been collected by city officials.

Hoboken group awarded \$9,244 anti-crisis grant

A supplemental Crisis Intervention grant in the amount of \$9,244 has been awarded to the Hoboken Organization Against Poverty and Economic Stress, said Kean. "I believe the grant will be of significant benefit to the citizens of Hudson County."

John P. Renna, commissioner to the State Department of Community Affairs, said that the grant will be forwarded to the recipient in the forthcoming future.

"The contract is being prepared," said Renna. "When preparations are completed, the funding will be made available and the project can proceed."

"I am delighted that we were able to provide assistance for the Hoboken Organization Against Poverty and Economic Stress," said Kean. "I believe the grant will be of significant benefit to the citizens of Hudson County."

John P. Renna, commissioner to the State Department of Community Affairs, said that the grant will be forwarded to the recipient in the forthcoming future.

"The contract is being prepared," said Renna. "When preparations are completed, the funding will be made available and the project can proceed."

A day of sunshine and the arts



JIM MURPHY of Passaic flies through the air with the greatest of ease during a skateboard exhibition at the Harbor Festival at Liberty State Park yesterday.

Music from classical to bluegrass highlights arts festival at Liberty State Park

Hoboken's finest orchestra opens 8-hour program

By MARITES CHICHOLO
Staff Writer

JERSEY CITY—Hundreds of people from around the country gathered yesterday at Liberty State Park for a glorious Independence Day in the sun were treated to a generous helping of the arts — from a classical music concert to a puppet show.

The eight-hour show, which started at 12:30 with the Hoboken Chamber Orchestra attracted hundreds, most of whom were simply out for a beautiful day in the park. Most drifted by from the picnic grounds to the U.S. Flag Plaza to hear the show, often finding a spot on the open field to lay their blanket for easy listening.

"This is wonderful," said a Bayonne man.

The show featured a variety of performers, most of whom are from New Jersey. The Gene Phelps Junior Quartet entertained an early-afternoon audience with a modern and classical jazz program, followed by Marcia Lane, who shared folk tales through dramatic storytelling.

Another band, Skyline, performed original bluegrass music. The modern dance group Live Weight offered bits of chamber parties, the South and women's work.

The festival concluded with a Brazilian samba group which treated audiences to lively, exotic Afro-Brazilian music.

"You've got to take advantage of a natural audience like this," said Lucy Holland, who organized the program. "The goal is to present many different aspects of the arts and to reflect the mixed ethnic and cultural richness of the state."

The project, New Jersey Celebrates the Arts, which cost about \$15,000 in performance fees, was organized by the Harbor Festival Foundation and was sponsored by the Port Authority of New York and New Jersey. This year's presentation — the first of its kind at the park — was geared toward the whole family, with an emphasis on the children, Holland said.

The Hoboken Puppet Show mesmerized its young fans, who were gathered around the stage. "They were talking with the puppets, which was great," Holland said.

The mask-making exhibit presented by the educational-arts team attracted its share of youngsters. Children covered with aprons fashioned from plastic garbage bags sat anxiously watching for 30 minutes as members of the team applied strips of plaster of Paris on their faces, making individualized molds. When the molds dried, the children were encouraged to customize their masks.

"It's very goofy," said one youngster.

As the youngsters sat around, the older members of the crowd sat in beach chairs they had brought and enjoyed the program.



DON BAY of Clifton, a member of the Earth Surf skateboard team, clears the high jump yesterday at Liberty State Park.

"It's wonderful. I'm here every Fourth of July, and this is the best I've seen," said Beautiful P. Love of Jersey City.

Photos by Bruce Johnson



JIM MURPHY leaps from one skateboard to another as Don Bay lies down for the stunt yesterday.

Festivities include a workshop on mask-making for the kids



The help wanted sign outside the employment office of the Hoboken Shipyard is blank, but that could change with the awarding of naval contracts to the new owner, Braswell Shipyard Inc.

St. Mary strike is averted

HOBOKEN—The union representing 470 employees at St. Mary Hospital has reached an agreement with management, avoiding a threatened walkout at the 330-bed facility, a hospital spokesman said yesterday.

The workers, members of District 1184 of the National Union of Hospital and Health Care Employees, voted Thursday to accept a 14-percent salary increase over a two-year period, the spokesman said.

"It was settled amicably," he said.

The workers voted overwhelmingly on June 23 in favor of authorizing their leadership to call a strike if management did not agree to increased wages and benefits.

The union represents maintenance, dietary, housekeeping and laboratory employees at the hospital, which is located on Willow Street.

'Live where you work' 7/21/83

Mayors of the state's largest municipalities have agreed to seek state legislation which would give them the option

of requiring police and firemen to live where they work.

The mayors attending yesterday's meeting of the Coalition of Urban Aid Mayors voted unanimously for a resolution supporting the residency option. It was sponsored by Jersey City Mayor Gerald McCann.

Endorsing the proposal were the chief executives of Newark, East Orange, Trenton, Camden, Hoboken, Asbury Park, Lakewood, Irvington, Kearny, Gloucester, Hamilton and Neptune.

The group also praised the efforts of McCann and the Hudson County state senate delegation in defeating a bill which would have liberalized collective bargaining for teachers' unions.

Vows to push for Navy facility 7/7/83

Although hopes had been raised by the visit of U.S. Senator Frank Lautenberg yesterday at the Hoboken Shipyards, Hudson County will still have to wait another month before the Navy makes its decision about basing a five-ship Surface Action Group (SAG) in Hudson.

Lautenberg, who toured the facilities with its owners, Braswell Shipyards Inc., and Mayor Steve Capiello, said he had wanted to be able to announce the decision, but like everyone else has to wait until the Navy decides.

"I expect them to make up their minds within a month and until then I will try everything to make sure they choose this area," Lautenberg said. "I'm going to be quite a pest."

Should Hudson be selected as a home port for a Navy SAG, it would mean an influx of 4,000 military personnel with a total payroll of \$68 million directly into the county as well as a spinoff of \$75 million in direct and indirect civilian jobs.

As proposed under a Port Authority presentation, the Bayonne Military Ocean Terminal would serve as the main home port for the ships, which will include a battleship, a cruiser and three destroyers. Repairs on the ships would be done at a graving dock owned by Braswell at the Bayonne terminal and at the Hoboken yards.

Lautenberg said he was impressed by the facilities available at the Hoboken yards, especially by the four floating drydocks,

now sitting idle. When in action, these docks can service ships up to the size of battleships, but have lain empty for the past year because of the general slump in commercial shipping, according to Elliot Braswell, president of the firm.

One of these docks will soon be used to overhaul the huge naval supply ship, the USS Kalamazoo, which will put into port there this year. During its 10-month repair, the ship will generate over 400 jobs at the yards, which now only employ about 150 workers, according to Allan Kinard, drydock manager.

The repair is part of a \$14,272,866 contract recently awarded to Braswell for repair. Kinard said yesterday the company is already preparing bids on

five other naval frigates, which will require servicing next year. Each of these contracts is expected to run between \$10 million and \$14 million, he said.

Lautenberg, who is a member of the Senate's Commerce Committee, said he has been working with both the New Jersey and New York delegations in the House of Representatives to increase the amount of military spending in these states.

At present, the state is projected to receive \$2.5 billion in government contracts this year, which roughly means per capita spending of \$336 per person — well below the national average of \$539 per person.

"We just want our share," he said.

Wants more safety along Sinatra Drive 7/21/83

Hoboken Mayor Steve Capiello has proposed a new ordinance to the city council designed to increase pedestrian safety along the Sinatra Drive, which runs parallel to the city's waterfront.

The ordinance establishes a "no stopping or standing" zone on the eastern side of the drive. This zone would run from the beginning of property owned by the Stevens Institute of Technology (at approximately Eighth Street) to the intersection of Fourth and River streets.

There is no sidewalk on this

section of roadway, Capiello said, and the ordinance would insure the safety of pedestrians walking along the eastern side of the road. This area will be striped and designated as a walkway, the mayor said.

Also, the ordinance would establish a six-hour meter zone at the northern end of Sinatra Drive, starting at 11th Street from 11 a.m. to 5 p.m. weekdays, excluding holidays. Capiello said this zone would help to discourage commuters from parking in this area.

Hoboken school buildings are in desperate shape



Graffiti continue to plague the Hoboken school system as this wall of the Wallace Elementary School suffers. The problem, which has stumped school officials, is part of a list of problems concerning the physical condition of the school buildings as they age and deteriorate.

By James Kopchans

Most of the Hoboken public school buildings are in serious trouble and will need immediate repairs if they are to continue in service through the end of this century. Tiles fastened to the outside of the city high school have fallen off in big chunks,

boilers at the Brandt and Demarest elementary schools need to be replaced, the roofs and drains at Brandt, Calabro, and Wallace schools need repair. Nearly all the school buildings will need pointing done on their exterior brick fronts.

See HOBOKEN — Page 17.

Hoboken housing proposal reworked

By BILL GYVES
Staff Writer

HOBOKEN—A proposal to construct a \$2-million housing project in one of the city's most blighted areas reportedly has been redrafted, slicing nearly in half a requested tax abatement that has come under heated questioning by the City Council.

Trustees of the Caparra Home Improvement Corp., a non-profit Hispanic group that has proposed the construction of 20 two-family homes for moderate-income families in the First Street area, are expected to complete the amended proposal within a week, according to sources.

The houses would be built in an area bordered by Observer Highway and Newark, Adams and Grand streets.

Councilman E. Norman Wilson and other council members have criticized Caparra's abatement request, saying it would be unjust to approve the abatement when the city faces a tax increase of up to 27 percent this year.

The city currently has the state's second-highest tax rate, at \$147 for every \$1,000 of assessed property. Nearly 60 percent of the city's property receives some form of abatement or is totally exempt from city taxes, according to Wilson.

Wilson has charged that "at least half" of the persons listed as potential owners of the 20 homes included in Caparra's proposal are "on the city payroll." Persons who are in any way employed by the city should not be eligible for major tax abatements, Wilson has said.

Abe Lao, president of the corporation, could not be reached for comment yesterday, and a list of the potential homeowners was not available. But a source close to Caparra said the corporation now is seeking a tax abatement that would have the owners paying nearly \$6,000 in taxes annually, as opposed to only \$2,300 sought under the original proposal.

"There comes a time when it's wise to retreat. I'm not saying it's a full retreat, but it is a retreat," the source said.

Wilson said yesterday that he had not official-

Council members criticized Hispanic group's tax abatement request for 20 homes

ly been notified of the change in the proposal. "If they are going to be paying taxes, then it's a different story. But I think there's a hooker in there somewhere," he said.

As outlined in the Caparra proposal, released in September, each of the 20 homes would house a family with an annual income of around \$25,000.

Supporters of the project say the homes, which would be valued at about \$100,000 and financed by both private and federal funds, could spur further development of moderately priced housing in the area.

Almost 11 percent of the land in the area slated for the project currently stands vacant. Supporters of the proposal, including Mayor Steve Cappelletto, insist that even with a major tax abatement, the development could be as much as double the tax revenue currently generated by the property.

The project's supporters have insisted that extended delays in the approval of the abatement could jeopardize the project.

The abatement request was hastily withdrawn from the City Council's June 15 agenda, apparently after it was learned that the project was about to be questioned. The request again was withdrawn from the council's agenda Wednesday, reportedly on the advice of the city's law department.

Housing crunch hurts poor

By James Kopchans

In a clear sign of the housing crunch affecting the poor in Hoboken, over 200 persons lined up for hours yesterday morning to have a chance at getting one of 55 new low-income housing units being offered in the city.

Most of those standing in line had arrived by 6 a.m. and waited patiently for the doors at the registration office at the city's YMCA to open at 10 a.m. The first person on line, Esther Morales, said she arrived with three friends at about 3:45 a.m.

Officials at Applied Housing Inc. had held the registrations to determine which families would be given apartments at its newest federally subsidized apartments, Elysian Estates, located at 1300-1312 Washington Street.

Raul Morales, the area manager for Applied Housing, said the firm would only give applica-

tions to the first 165 persons on the line. The others would be put on a waiting list for vacancies should they develop in the future.

However, the chances of this happening are slim. "With rents as high as they are and good housing at a reasonable rate hard to find, people who find good housing are not giving it up," Morales said.

Of the 55 apartments that will be available at the Elysian Estates, 32 are one-bedroom, six are two-bedroom, and 17 are three-bedroom units. Four of these apartments are equipped for handicapped tenants.

Each of the units is governed under the federal Section 8 housing program, which will provide subsidies towards the rental of the units. However, to get an apartment, tenants have to meet federal Housing and Urban Development standards.

See HOUSING — Page 8.

Hoboken schools in bad shape

Continued from Page 1

Meanwhile, in the buildings' interiors, piping and heating systems break down routinely, several of the schools need new blackboards and woodwork is slowly collapsing.

The city superintendent of schools, Dr. George Maier, has asked repeatedly for work on the buildings. The schools' business administrator agrees with him as do the schools' architectural consultant and the president of the board of education.

Meanwhile, County Superintendent of Schools Louis Accocella has pointed out the repairs needed and the state Department of Education has ordered that major repairs be carried out.

However, no central plan has yet been devised by the school board to correct the problem and except for two bond issues, no large amounts of money has been set aside for repairs and renovations.

"What I've wanted is for the buildings to be tight, by which I mean that they be weatherproof and waterproof," Maier said. "Right now, they are not tight."

The board has the funds in hand from a \$2 million bond issue to make them tight for the time being. And even though the money represents a far cry from an \$18 million construction plan proposed in 1979 for the schools, the funds would help the schools with their most immediate problems.

And even though they have money sitting in bank accounts, the city's school board has proved hesitant about moving forward with the projects. As a result, the money has lain idle since being appropriated by the city council in July of last year.

The city's school buildings fall neatly into two areas: the old buildings, which still serve the majority of the system's students include the Connors, Kealey, Demarest, Rue, Brandt, and Leinkauf (now closed) elementary schools. These buildings were all built within 20 years of each other from 1900 and 1922.

The new buildings, Hoboken High School, Wallace and Calabro elementary schools, were built

after 1961. In between these years, the city boards chose to do no major construction on the schools.

"What we're seeing are problems caused by years of neglect by the school boards," Walter Cramer, the school district's business administrator, said. "Between the time Brandt was finished in 1922 and the high school started in 1961, the board did nothing to repair the schools."

The money that could have been used for major repairs instead went into personnel and other expenses, Cramer said. As a result, the older schools are now beginning to wear down and the cost of repairing them is growing each year.

The serious nature of the schools' structural problems first came to light as part of a study by the engineering firm of Mayo Lynch & Associates in 1978. At the time, the firm said it would take a minimum of \$1 million in each of the older schools to repair deficiencies there.

A year later, the state education department ordered the city to close the David E. Rue School because of its unsound structure that had caused bricks to fall off the building's walls. The state also ordered the city to make major repairs on its other buildings.

In answer to this, Maier and other school officials offered an \$18 million construction plan in 1979 that, among other projects, would have built a central educational complex in the southwest section of the city, replacing Connors, Kealey, and Leinkauf schools.

However, financing of this project was risky as it was based on promises of over \$12 million in state aid and a \$5.6 million bond issue that would have had to be passed by the voters. In January of 1980, the city council refused to authorize the bond issue and the project died.

Although other renovation plans were discussed, the only ones approved were a bond issue for a \$1.6 million renovation of the Rue School and the \$2 million bond issue passed last July.

The Rue School was to have

been completed in September, but delays caused by disputes between the subcontractor and Mayo Lynch, which is serving as consulting engineers, has pushed that back over and over again.

The school is now scheduled to open in September, although that date is still far from certain.

These delays have sparked anger from parents of students who had attended the Leinkauf School. That school was closed last summer as an economy move by the board. The students were to have been part of Rue, but instead have wound up in Demarest.

Meanwhile, the board has moved slowly in authorizing work funded by the \$2 million bond. Board sources have said the hesitation has been caused by the Rue problems. Should the project run over the cost projected for it, the board would have to make it up through its free balance, the source said.

If so, the board would then have to re-appraise its plans for the \$2 million to make certain that they, too, did not run over cost. This could mean a substantial scaling down of these plans.

At present, the Rue repairs are still within cost, according to school authorities. However, the board has recently put out bid specifications for repair work to the school's gymnasium floor and replacements for its auditorium seats, which were not in the original plans. Costs like these could push it over estimate.

Cramer had denied the board has held up action because of Rue. He said he believed the board has been moving at an acceptable rate of speed while remaining cautious of how it is spending its money.

Cramer pointed out that the board did not actually receive the money from the bonds until the sale of the bonds in December, even though they were first authorized in July. The board could not move, he said, until those bonds were sold.

The plans for spending the \$2 million include: \$875,000 for Brandt, largely for repairs to its roof and exterior walls; \$370,000 for Demarest for brickwork

pointing and a replacement boiler; \$255,000 for the high school to repair its exterior tiles and panels; \$185,000 for Kealey for brickwork repair and pointing; \$120,000 for Connors for pointing and waterproofing; \$75,000 for Wallace for repairs to the roof drains and parapets; and \$70,000 for Calabro also for roof drains and parapets; and \$150,000 for the building at the John F. Kennedy Athletic Field.

An additional \$100,000 is included to cover cost overruns.

Even with the repairs, the work will only be patchwork, according to Cramer and Anthony Curko, the board's internal auditor. Curko said he estimated that several more millions of dollars may have to be spent in the near future on these same buildings.

Maier pointed out that the work planned mainly concentrated on the exterior of the buildings. "We have piping that needs to be replaced and blackboards that need to be replaced. The woodwork is also coming apart at different points. These need repairs, too."

At present, the district is using a roving crew of seven men to go from school to school making repairs and doing basic maintenance, Maier said. Their repairs, though, are only made when things break down.

Besides the age of the buildings, Maier said many of them have also been hurt by vandalism by the students. Although he said the problem has lessened over the years, he said the damage still being done has cost the board thousands of dollars and hurt the buildings.

He pointed to the Wallace School for an example of an epidemic problem in the schools, spray-paint graffiti. "We have bought machines to take the stuff off, but as soon as we do it, it goes right back on."

All of the city's schools have been hit hard with graffiti, including the Rue School, Maier said, but none as bad as Wallace. That school has had its walls blanketed from one end to another with spray-painted messages and names.

Hoboken school budget stands

A \$23 million budget for the Hoboken school system still stands despite a determined effort in the Hoboken Council yesterday to rescind it and to cut its appropriations.

The council voted 3-to-3 with two abstentions and one absent to turn down a resolution introduced by Councilman E. Norman Wilson Jr. to rescind the council approval of the budget so that cuts could be made to put off an expected \$11 tax increase caused by the budget.

In other business yesterday, Wilson, chairman of the council's finance committee, announced a seven-point series of recommendations designed to cut municipal expenses immediately. Major points in his recommendations are an immediately salary and hiring freeze and a complete review of all municipal and school expenses.

Meanwhile, the council also approved the use of only a small portion of the city's Fifth Street Pier and its adjacent land by the Hoboken Environment Committee for its annual River City Fair.

Wilson's school budget resolution would have rescinded the council's June 15 approval of that budget, two weeks before new councilmen Thomas Vezzetti and Pat Pasculli were sworn in. In introducing it, he said it would give the council the chance to

review fully all school expenditures as well as give a strong message to the board of education that the council was concerned over the way the school funds were being allocated.

However, Steven Block, a member of the school board, told the council before the vote that approving Wilson's resolution could mean that many of the younger teachers in the system could be laid off.

"Such a step, unless it is done with the most careful planning, could cause only a further deterioration of the system," Block said.

The original vote on Wilson's resolution was four votes against and three votes in favor with Pasculli abstaining and Robert Ranieri absent. Voting against were Anthony Romano, Sal Cemel, Mary Francone and Council President Helen Macri, while Wilson, Thomas Kennedy and Vezzetti voted for it.

Pasculli abstained, explaining that he worked as a teacher in the Hoboken schools and feared that voting on such a measure could constitute conflict of interest. At this, Vezzetti and several members of the audience demanded that Romano, who is employed as the assistant secretary to the school board, also abstain for the same reason. After consulting with City At-

torney Lawrence Florio and receiving permission from the other council members, Romano did so.

The measure needed a majority vote to be approved. Since the vote ended in a tie, it was defeated.

Wilson had earlier in the meeting introduced the seven recommendations which he said were agreed to by the council's Revenue and finance committee.

He said he would introduce these recommendations in resolution form at the next council meeting on Aug. 17 at 10 a.m. The recommendations include: a freeze on all hiring; a halt on all salary increases, overtime and promotions for municipal employees; the end to merit increases for the time being; the removal of elected and appointed officials from salary lists that include other municipal employees; a complete review of all civil service position in city government; a review of all school expenses; and evaluations of each municipal department by an independent agency.

"These recommendations will not have a great impact on spending this year," Wilson said, "but would have on spending next year."

Concerning the River City Fair, the council had originally delayed its decision due to a state Department of Environmental Protection report that called the pier unsafe. However, another professional engineer, James

Caulfield, reported to the council that the crowds could walk safely on about 125 feet of the pier running from the shore.

As a result of Caulfield's recommendation, the council approved allowing the fair to be held on the shore and the first 125 feet of the pier.

In other business, Mrs. Macri has agreed to review the conduct of the city's Community Development Agency regarding an application for a tax abatement from the nonprofit Caparra Homes Corp. Wilson has asked for a special committee to be formed to look into the matter but Macri said it would be taken up by the council's CDA committee at its meeting Tuesday.

The council also voted against a proposal to change the time of the Aug. 17 meeting from 10 a.m. to 7 p.m.

Robert Van Ingen, acting president of the city's municipal employees union, complained about council failure to approve contracted raises that were supposed to go into effect on July 1. Mrs. Macri explained the increases were part of an overall salary resolution under review by the council and would be approved retroactively at the Aug. 17 meeting.

"This should not have happened," Van Ingen answered back. "Both the police and fire departments receive their increases on time. We are being treated as second class citizens by this city's administration."

Housing crunch felt by poor in Hoboken

Continued from Page 1

To be considered, the combined household income of each applicant can not exceed: \$13,850 for households of only one person; \$15,800 for two persons; \$17,750 for three; \$19,750 for four; \$21,000 for five; and \$22,200 for six persons.

In addition, other tenant selection criteria such as credit checks and housekeeping investigations would be used in determining the new tenants for the Elysian Estates, which are scheduled to open at the end of this summer.

All four women who headed the line yesterday said they believed they met all requirements. And though each one had a different reason for seeking an apartment, the reasons were all indirectly blamed on the current housing shortage in the city.

Mrs. Morales, the first in line, said she lives alone in a small apartment on Madison Street, where the rents are too

high for such an old apartment. The next in line, Miriam Zunzunegui, said she needed the apartment because of the crowded conditions where she lives now.

"I live with my sister and her family. There's just not enough room for everyone there," she said.

For Santa Arocho, the third person on line, her family has already been served an eviction notice by their landlord who wants to renovate it and sell it at a higher rent. She said she was hoping for a three-bedroom apartment for her and her husband and their three children.

Margarita Jimenez, the fourth on line, also needs a three-bedroom unit for herself and her four children. "I want to live decently," she said explaining that the landlord of her house has been demanding a high rent from her for an apartment which she described as being in bad condition.

Board reserves tavern decision

Noise complaints against a Hoboken tavern resulted in the city's board of adjustment vote to reserve its decision on a request for a variance to extend the backyard of the tavern at 514 Observer Highway.

The tavern owner, Monserrate Santiago, who appeared before the board last night, was scheduled to appear before the board to request a variance to extend the backyard of the tavern to investigate the matter further before making a decision.

In other business, the board voted to grant variances for the extension of two other backyards and one for the construction of a two-story home.

The backyard variances were granted to Roger Miller for his home at 530 Washington St., and Harvey Gerger for his property at 117 Clinton St.

A variance was granted to Jose and Ana Fernandez to construct a house and two-car garage at 156 Newark St.

Dutchess Manufacturing Corp., 300 Observer Highway, was scheduled to appear before the board on a request for a variance to construct a building and parking lot at 350-356 Newark St., but representatives of the firm told the board they were not prepared last night and asked for a postponement until the board's next meeting, Aug. 18. It was granted.

New tax rates show big drops

Hoboken and Jersey City rates not set

By Ronald Leir

Jersey City and Hoboken property owners can expect delays in getting their tax bills by July 15 since neither city has as yet adopted its 1983 municipal budget.

As a result, the Hudson County Board of Taxation has been unable to strike tax rates for those cities. The rates are used to project the amount of taxes to be paid.

On behalf of these taxpayers who will be receiving late bills, the tax board will seek permission from John Baldwin, director of the state Division of Taxation, to allow "reasonable extensions of time for filing tax appeals by aggrieved taxpayers beyond Aug. 15."

Jersey City's governing body is due to consider an amendment to its proposed municipal budget on Tuesday which, if acted on, must be approved by the state. Division of Local Finance before the budget can be officially adopted.

It couldn't be readily learned what Hoboken's intentions are for clearing that city's budget. Yesterday, the county tax board voted to strike tax rates for the 10 other municipalities in Hudson.

Weehawken, which only a year ago was in state receivership because of overexpenditures, rebounded strongly by showing a decrease in its rate of about \$15 per \$1,000 of assessed

Municipal tax rates in Hudson County

| TAXING DISTRICT | Rate 1982 | Rate 1983 | Up + Down - | Ratio % |
|----------------------|-----------|-----------|-------------|---------|
| BAYONNE | \$ 88.27 | \$ 88.47 | \$ +2.20 | 99.69% |
| EAST NEWARK | 65.33 | 57.32 | +8.01 | 96.66 |
| GUTTENBERG | 51.85 | 50.20 | -1.65 | 94.88 |
| HARRISON | 42.00 | 39.12 | -2.87 | 91.30 |
| HOBOKEN | 147.24 | 118.18 | -29.06 | 80.26 |
| JERSEY CITY | 61.67 | 61.63 | -0.04 | 99.77 |
| KEARNY | 45.58 | 45.59 | +0.01 | 99.98 |
| NORTH BERGEN | 28.47 | 33.71 | +5.24 | 114.23 |
| SECAUCUS | 65.16 | 67.99 | +2.83 | 104.35 |
| UNION CITY | 75.51 | 68.05 | -7.46 | 90.15 |
| WEHAWKEN | 3.55 | 3.33 | -0.22 | 93.81 |
| (Garbage Rate Add'l) | 108.12 | 108.17 | +0.05 | 99.95 |
| WEST NEW YORK | 10.85 | 10.73 | -0.12 | 98.94 |
| HUDSON COUNTY | 1.31 | 1.15 | -0.16 | 87.74 |
| COUNTY VOC. SCHOOL | | | | |

valuation, leading all other communities thus far.

Mayor Stanley Iacono, of Weehawken, credited a "teamwork" approach by members of the Town Council, town manager Richard Turner and state advisers with helping "put our finances in order."

By the mayor's calculation, the owner of a home assessed at \$50,000 should, on the average, realize an annual savings of about \$800 in taxes, based on the rate falling to \$73.51.

Said Iacono: "When we came into office we inherited a \$2.5 million deficit but with the acquisition of nearly \$4 million in

back taxes from Seatrains that we used to pay off our back bills and with prudent spending, we've managed to recover, even being able to hire seven additional policemen and four more firemen. And with the development of our waterfront, we should be able to stabilize our tax base, and make Weehawken the oasis of Hudson County."

Secaucus also reflected a tax reduction of a bit more than \$13 per \$1,000 of assessed valuation but tax officials pointed out that the just completed revaluation would probably have some bearing on the result.

See NEW — Page 17.

Lautenberg pushes jobs



CHIEF HENRY KESSLER, left, stands with Sen. Frank R. Lautenberg in front of a fire engine at the Hoboken Shipyard yesterday.

Tours Hoboken shipyard

By CHUCK SUTTON
Staff Writer

HOBOKEN—U.S. Sen. Frank R. Lautenberg toured the Hoboken Shipyard Inc. yesterday in his campaign to get defense contracts for companies in the state.

New Jersey's Democratic junior senator posed for photographs on the docking pier where the U.S.S. Kalamazoo is scheduled to berth on Sept. 30 for a 10-month overhaul, a \$14-million contract that Mayor Steve Cappelletto said Lautenberg lobbied "very aggressively for."

"Since 1951, New Jersey's share of prime contracts has decreased by 50 percent," Lautenberg said. He said that while states get an average of \$539 per capita in military contracts, New Jersey's share of military contracts is only \$336 per capita.

The senator, accompanied on his tour of the sprawling shipyard by Elliot S. Braswell, executive officer of Hoboken Shipyard, said that while it would be better for the country to spend money in areas other than defense, the United States must be able to protect its borders.

"While the money is being spent, some of it should go here," Lautenberg said of Hoboken. The white-haired senator, attired in a blue pin-striped suit, donned a hardhat and safety glasses for his tour.

Some of the shops in the plant appeared like ghost towns, where men once busily repaired such well-known ships as the Queen Elizabeth II, but which now stood silent.

"This area is much like the state of New Jersey itself. The white-collar professionals seem to be doing well. The unemployment is most affecting the working class. And while there is only 7 percent unemployment as a whole in the state, among the people of the cities, the blacks, Hispanics, the young, the unemployment is often 50 percent," Lautenberg said.

Plant managers said they were anxiously awaiting the Navy's announcement of where it will station the Surface Action Group. Bayonne is one of the sites in the running for it.

Stationing the squadron there would bring a half-dozen ships to the area permanently. Furthermore, say yard officials, the law would require that about 30 percent of the repair work on the ships be done by shipyarders in the area, work of which they hope to get a share.

Lautenberg said his office is keeping tabs on the Navy's progress in making the decision, which is due in about a month.

Braswell also said the shipyard intends to bid on an additional five overhaul contracts from the Navy ranging between \$10 million and \$14 million.

Lautenberg said ships in the yard means more jobs in the area, a payroll, new residents in the area, and more money in the local economy.

"Only 2.1 percent of the total defense budget, is spent in New Jersey. We have to make sure that New Jersey shares more in that. In reality, we should get twice that amount in defense spending," Lautenberg said.

School watchdogs proposed

By BILL GYVES
Staff Writer

HOBOKEN—A proposal to establish eight principal-appointed review committees to monitor the quality of education in each of the city's schools is expected to be adopted tonight by the board of education.

The plan is considered a counterproposal to one calling for the creation of an independent citywide citizens' review committee to analyze the system and present recommendations to the school board. This plan was presented last month by school board Trustee Steven Block in a highly critical report on the quality of the city's school system, and is also scheduled to be considered at the board meeting.

Board President Otto Hottendorf said yesterday that he and five other appointed school board trustees would reject Block's proposal tonight in favor of the counterproposal, which was forged by Superintendent of Schools George Maier. This plan calls for the principals of the individual schools to appoint the members of each review committee. Hottendorf said.

Block is expected to be the only one of the seven trustees voting in favor of his own proposal. "He won't even get a second if he comes to the school board," Hottendorf said. "I can't see how his proposal will help the educational system one iota."

Block's report cited system-wide deficiencies in student abilities in reading, writing and mathematics, placing much of the blame directly on the superintendent of schools and the school board. He called for a committee to be formed independently of the school system to ensure an impartial review.

Hottendorf said Block, who has been an educator for 17 years and heads the board's committee on educational evaluation and planning, "lacks the academic expertise" to manage the review system properly.

"People want to be the superintendent when in fact we already have a superintendent whose job is to review the system," said Hottendorf, referring to Block.

Block yesterday denounced Maier's proposal. He said the committee members could not adequately review the \$300-student system because they would be appointed by administrators of that system.

New tax rates show big drops

Continued from Page 1

Although Secaucus shows a tax ratio of 134 percent, tax officials note that the revaluation was designed to bring all town property to a "true" assessment of 100 percent but a state formula used to calculate the ratio brings it to that figure. Basically, though, individual property values will double in assessment.

As a result, even though the tax rate for the town is down, individual property taxes are likely to rise because of the higher assessments.

Three get state grants

Hoboken, the Bayonne Economic Opportunity Foundation and the North Hudson Community Action Corp. have all received grants from the state Department of Community Affairs, totaling more than \$48,000, according to Gov. Thomas H. Kean. The BEOF and NHCAC are receiving Supplemental Crisis Intervention grants to provide support for energy conservation education, community mobilization and energy assistance to low-income households in the area. Kean said. The BEOF will receive \$8,905 and the NHCAC will receive \$12,645. Hoboken will receive a \$25,000 Neighborhood Revitalization grant to provide additional neighborhood revitalization services to the area. Contracts for all three grants are currently being prepared according to John P. Renna, commissioner of the Department of Community Affairs. He added funding will be made available as soon as these preparations have been completed.

Hoboken may boost housing fines

In an effort to force landlords to make required repairs to their properties, Hoboken housing officials are considering requesting higher fines for violations from the city council.

According to Jude Fitzsimmons, the city's chief housing inspector, the city's law department is working on a resolution raising the minimum and maximum fines allowed for housing violations from the present \$100-to-\$250 range to a \$250-to-\$500 range.

"We've reached a situation where for many landlords it may be cheaper to pay fines for violations than it would cost to do the

repairs in the first place," Fitzsimmons said. "Hopefully, by raising the fines we can make these landlords do the repairs quicker. The fines would have more bite to them."

To change the fines would require the council to pass an ordinance changing the city's housing code. Councilman Thomas Vezzetti has already agreed to sponsor such an ordinance.

Fitzsimmons said the law department was checking to see if changing the fines would conflict with state housing codes. The department will choose the appropriate language for such an ordinance.

Hoboken board expected to reject independent review committee but OK alternative

Block also said that the concept of establishing eight separate review groups rather than one system-wide committee was inferior, since it would not result in a cohesive set of recommendations for the improvement of the system.

Block said he would continue to press for the establishment of the independent review committee. But he acknowledged that such a committee would be largely ineffective without official school board approval. The review committee, without school board recognition, would probably be denied access to school records, data and personnel, Block said.

"There hasn't been a legitimate review of the school system from the citizens' point of view for at least 10 years," Block said. "The point is that we have to hold the system accountable and not allow it to come up with self-justifications for what it does."

According to Block's report:

- More than one-third of the system's high school students drop out before completing the 12th grade.
- Nearly 75 percent of the city's high school students are "seriously deficient" in writing skills.
- At least 50 percent of the city's ninth-grade students cannot read on a sixth-grade level.
- Student enrollment has declined 18 percent in the last five years, while "minority" student enrollment has increased to 82 percent.

Hoboken would welcome a science center — if it brings along a taxpaying neighbor

By James Kopchals

Members of the Hoboken Mayor's Waterfront Advisory Committee have informally agreed that a proposed state science and technology center would fit into their plans for seeing the city's waterfront developed — so long as it could be tied in with a tax-paying tenant.

Hoboken is one of three sites, along with Jersey City's Liberty State Park and an unidentified site in Morris County, being considered for the \$100 million New Jersey Science-Technology Center. These three are the only ones still being considered from a list of 100 possible sites selected 18 months ago by the state Research and Development Council, which is spearheading the center.

Paul Rotondi, president of the Hoboken committee, said the committee members have already informally discussed the planned center, which would be New Jersey's first dedicated solely to science and technology.

However, until a final decision is announced in September, Rotondi said the committee will put off formal discussions.

The site in Hoboken is at the city's Fifth and Sixth street piers, which are currently owned by the city and pay no taxes. City officials have tried repeatedly to interest developers in the 14-acre site in efforts to return it to the city's beleaguered tax rolls.

See SCIENCE — Page 18.

Science Center welcome — if it brings taxpayer

Continued from Page 1

"We feel strongly that any project that goes on that site should be a tax-paying one," Rotondi said. "Perhaps we can tie it in with a cultural center that will be part of the city's tax base."

Plans for the science center have been on a large scale. As envisioned, the center would be the largest of its kind in the country with 500,000 square feet of commercial space for exhibits and science research.

The center will take about 15 years to finish with the first phase (180,000 square feet at an estimated \$40 million cost) scheduled to begin in 1986. The second phase would start in 1990 and the third in 1995, according to Samuel J. Faiello, executive director of the R&D Council.

Faiello said that once opened in 1989, as many as 2 million persons a year would use the center to view exhibits at its museum and to participate in seminars and research work there.

Helping has been the support by both Jersey City Mayor Gerald McCann and Hoboken Mayor Steve Cappelletto for the center as an excellent addition to major waterfront developments planned in their cities.

Both Hoboken and Jersey City officials have tried to downplay the competition between the two cities for the center. Cappelletto, while saying

that his city offered the better site, said he did not consider it a direct competition, saying the center could benefit the county whether located in Hoboken or Jersey City.

Tom Golodik, a spokesman for McCann, said that although the two cities had to be in competition since one would be chosen and one not, it was a competition forced upon them by an outside group.

The Jersey City site in Liberty State Park would be more accessible to cars than the Hoboken one and could provide more space to the center to build on and construct a parking lot. In addition, the Liberty State Park is already tax exempt land and thus would not be concerned with taking possible rates from the city.

The Hoboken site is closer to public transportation, being within walking distance of a major PATH, bus, and New Jersey Transit train station. The site also sits between a planned \$500 million waterfront development at the city's Port Authority piers and the Stevens Institute of Technology, one of the nation's top engineering schools.

"A science center in Hoboken would be a complement to the Stevens Institute of Technology," Cappelletto said. He added that any such plan for the center would have to be carefully considered by the city council and the waterfront committee before it could be approved.

HCUA lends receptive ear to plan for second agency

By BILL GYVES
Staff Writer

A proposal calling for four North Hudson municipalities to form an autonomous utilities agency to coordinate a projected \$50 million upgrading project of that region's sewerage system drew a cautious but cordial reaction last night from the Hudson County Utilities Authority.

HCUA Chairman Michael T. McFaul said the agency would reserve comment on the specifics of the proposal until a report formally presented by Hoboken Councilman Robert A. Ranieri has been carefully examined.

"We agree in spirit with your (report)," said McFaul. "There are some points I may disagree with, but I think you're going in the same direction as we are."

Although McFaul congratulated Ranieri on coming directly before the agency with his proposal, sources suggest the agency will attempt to block the proposed split through legal action.

The formation of the autonomous agency, unofficially titled the North Hudson Utilities Authority, is considered by some HCUA commissioners to be, at least in part, politically motivated. Ranieri's proposal is considered by some within the county agency to be an outgrowth of the larger political battle between North and South Hudson Democrats, according to sources.

Ranieri's proposal calls for estab-

Ranieri outlines need for autonomous North Hudson sewerage panel

ishment of a utilities authority consisting of representatives from Hoboken, Weehawken, West New York and Union City. The autonomous body would be directly responsible for the upgrading of two sewage treatment plants in Hoboken and West New York to accommodate the hoped-for multibillion-dollar development of that region's waterfront.

The NHUA would use the HCUA as a funneling agency for federal funds, amounting nearly \$20 billion that would be appropriated for sewerage improvement projects under legislation co-sponsored by Reps. James J. Howard, D-3rd, and Frank J. Guarini, D-14th.

The NHUA, however, would have the power to float bonds to help finance the projected \$50 million upgrading project of the two plants. Neither of the two plants presently provides secondary treatment of raw sewage, as state and federal law requires, according to Ranieri.

"Hoboken, Weehawken and West New York are on the threshold of major waterfront development which

will multiply the sewage volume to be treated and glaringly spotlight the mandates concerning our present deficiencies. It is not our intention to sit idly and jeopardize the revamping of the waterfront and the subsequent positive vibrations this will have on all Hudson County and its citizens," said Ranieri.

"With all due respect, the HCUA does not singularly have the present ability to resolve the Hoboken-North Hudson sewerage problems," said Ranieri. "We see no ability on the part of the authority to come in immediately and solve the problem we have."

Ranieri asked the HCUA for its cooperation in achieving a "family venture" to alleviate the strain on the aging countywide sewerage system in a cost-effective manner.

Some HCUA members are said to be wary of the proposal, in that Ranieri is vying for an Assembly seat in the Nov. 8 election, according to sources. The fact that Ranieri is running for state office, in fact, was ordered read into the official record of last night's meeting.

No Hoboken budget

By BILL GYVES
Staff Writer

HOBOKEN—The City Council last night tabled two controversial budget compromise proposals that together would reduce by 25 percent a projected \$44 increase in the city's tax rate.

The council postponed until Monday night action on the two proposals to cut \$1 million and \$495,000 from the 1983-1984 school budget and 1983 city budget, respectively. If adopted, the two proposals would result in an \$11 cut in the projected 27-percent increase in the city's tax rate, which already is the second highest in the state.

Hoboken is the only Hudson County municipality that has not yet adopted a budget for 1983.

and it has the highest tax rate in the county, at \$147 per \$1,000 assessed valuation.

City Business Administrator Edwin Chius said last night that state officials have ordered the city to adopt Mayor Steve Cappiello's proposed \$22-million budget or an amended version of that budget by Monday night.

The council adjourned after a heated three-hour debate after reviewing a series of budget-cutting proposals. The council was expected to vote on a proposal calling for a 6 percent across-the-board budget reduction. But that plan alone, council members acknowledged privately, would have been politically unacceptable in that it would have required widespread layoffs and salary reductions.

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Continued from Page 1
The council is expected to vote Monday night on a proposal forwarded by the president of the board of education, Otto Hottendorf, that calls for the school board to transfer to the city \$1 million—\$500,000 this year—in surplus funds in exchange for a \$1 million capital improvement bond issued backed by the city in 1984 at 10-percent interest.

Councilmen Robert A. Ranieri and Thomas

Kennedy blasted the proposal, insisting that the surplus funds be transferred to the city without the bond issue tie-in. The school board, they argued, should be forced to "tighten its belt" along with other city agencies and departments at a time of financial uncertainty.

"That in my opinion is not biting the bullet, it's passing the buck," said Ranieri.

"I don't see why we should have to compromise. If it (the school board) can give us \$1

million this year, why should we give it back next year," said Kennedy. He proposed the board of education transfer \$500,000 to the city budget with no reciprocation.

A second proposal, presented by Chius, calls for an amendment to Cappiello's budget calling for an average 6-percent cut in the city's operating costs this year. The measure will require "concessions" but will not result in the laying off of any full-time city employees, Chius said.

Chius said the reductions in various budget line items, none of which exceed 10 percent, will require the elimination of \$100,000 in benefits, some salary reductions, possibly including those of the mayor and council, and a general freeze on promotions and overtime.

Chius argued that drastic steps are needed in order to accommodate the city's loss of \$2 million in revenue and \$800,000 lost in tax appeals. Only \$6 million in city revenue is generated through taxes, and nearly 60 percent of the city's property is under some form of tax abatement or is exempt from city taxes, Chius said.

"The city is in desperate shape. Unless the council is willing to look at the problem, then we are going no place," said Ranieri.

"Do we have the right to go out on that narrow line of questionable finances?" said Ranieri, referring to Hottendorf's proposal. "Do we have the right to mortgage the future of this city?" the councilman asked.

Other proposals reviewed by the council include: A more careful review of applications for tax abatements; the consolidation or elimination of some city departments; and the sale of some large portions of city-owned property.

Hoboken public safety budget 'uncuttable'?

By James Kopchans

A person could forgive Jim Giordano if he walked about Hoboken City Hall yesterday asking people if they had a spare \$248,000 to lend him.

That's the amount the City Council proposes to cut from Director Giordano's Public Safety Department budget. Giordano insists such a cut would be impossible in his department.

The council is proposing a 6 percent across-the-board reduction in all municipal department budgets in a frantic effort to cut a proposed \$22-million budget that would raise the local property taxes by \$44 per \$1,000 of assessed value.

The current tax rate is \$147.33, the highest of any city in the state. The council was scheduled to

meet in City Hall at 4 p.m. today to discuss the proposed budget cuts and perhaps vote on them. The proposal, in addition to lopping off 6 percent from the department's budgets, requires that the cuts be made without any layoffs.

However, Giordano said yesterday this would be impossible in his department, which includes police and fire departments as well as the city's traffic signal crew.

"It would be totally impossible to make up such a sum just by cutting expenditures. There are no expenditures to cut. We've already spent nearly 70 percent already," Giordano explained.

"They're asking us to operate a 12-month department on an 11-month budget."

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The Public Safety Department is the largest department, standing at about \$8 million. Of that, nearly \$2 million is funded directly by the state, leaving a little over \$4.1 million to be made up by municipal revenues. This figure is \$810,000 more than last year's figure, due mostly to salary increases negotiated in a new contract.

Although the council proposed the 6 percent cuts to help stem the tax rise, they actually have little effect on the increases.

Edward Chius, the city's business administrator, said yesterday the actual causes for the increase lie beyond the control of the council at this moment. Of the \$44, Chius said only about \$6 was caused by increased expenditures, and that was mostly due to the contract agreements with municipal employees.

Of the other estimated \$38, Chius said approximately a \$5 and \$11 were caused by increases

in county and school taxes respectively.

The remaining \$22 was caused by a sharp drop-off in revenues available to the city, Chius said. This includes a loss of nearly \$1.13 million in state railroad reimbursement aid, as well as a loss in ratables due to recent tax appeal decisions.

The city suffered a large loss recently when it settled a tax appeal out of court regarding the assessment of the Hoboken Shipyard property on the northern end of the waterfront. That settlement dropped the assessed value of the property by nearly \$1 million, thus cutting the amount of tax revenues received from the property.

Meanwhile, a decision by the council last year to use a surplus in revenues from the city's water utility has boomeranged, Chius said. By using all the surplus last year to help cut a projected \$28 tax increase, Chius said the city does not have any surplus remaining to help offset the projected cuts in this year's budget.

ON THE WATERFRONT

N.Y. Senate stalls piers development bill

By James Kopchans

Any legislative action concerning a planned \$500 million development on the Port Authority piers in Hoboken will now have to wait until at least September.

The New York State Senate yesterday met in a special summer session and voted on a number of bills before leaving on summer recess. The legislation that would enable the Port Authority to start the waterfront development in Hoboken and Hunter's Point, Queens, was not on the agenda and will now have to wait until the Senate reconvenes in the fall.

"The bill did not make the agenda and it's doubtful that the Senate will come back another day and reconvene," said Dick Matthews, press spokesman for New York Senate Majority

Leader Warren Anderson. "For all intents, the bill will not be taken up until the fall."

The legislation would allow the P.A. to fund 25 percent of the cost of the developments in Hoboken and Hunter's Point.

Since the authority is a bi-state agency, it requires approval from both New York and New Jersey to become effective. The New Jersey Legislature and the New York Assembly have already passed the basic approvals, but the bill has been stalled in the Senate by Anderson and other Republican senators who demand more information.

Meanwhile, the Hoboken Planning Board has decided to keep communication open with New York City planning officials concerning the progress of both developments.

See N.Y. — Page 10.

N.Y. Senate stalls bill

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The board met last week with Peter Magnani, director of the Queens office of the New York City Department of Planning, and his assistant Betty Macintosh. Both New York officials are involved with the Hunter's Point project.

Ralph Seligman, consultant to the Hoboken board, characterized the meeting as informational. Both agencies, he said, would have to be roughly in the same position should the proposed developments ever begin to materialize and the Hoboken board wanted to compare how its New York counterparts were planning to handle it.

This did not mean that both planning agencies would work together on the projects, which are linked by the legislation now being held up in the New York Senate, Seligman said. But, he said each side would continue to communicate as it goes along.

One area in which the New York planning officials were interested was creation of a special review district, which the Hoboken board has already done on the waterfront. In Hoboken, the entire city's waterfront is covered in a single special review district, which means that except for special uses, every form of development on the waterfront must apply for review and approval by the planning board.

The Hunter's Point site is zoned for light industrial use at present, Seligman said. Both Magnani and Macintosh said that city planning officials were considering making it a special district similar to Hoboken's.

Contractor may sue Hoboken

The Deerpath Construction Co. of Union is threatening a half a million dollar suit against Hoboken if it fails to pay for renovations done at the David Rue School through July 31.

Deerpath had been hired to do renovations including structural, plumbing and electrical work in the downtown school. According to a spokesman for Deerpath, renovation was substantially completed at the end of last month.

On Tuesday, at a meeting of the Hoboken school board, four board members voted to terminate the contract with Deerpath, because the firm allegedly failed to live up to its timetable and did poor work.

"I have no idea why they're claiming breach of contract," said Don Michaels, head of operations at Deerpath. Michaels blamed the project's architect for delays on the work.

"Right now they owe us \$150,000 for work we did," Michaels said. Another \$300,000 was due to Deerpath and the sub-contractors, he asserted, for cost overruns.

"The problem is this was supposed to be a \$2 million job and then they cut it back to \$1.5 million, but they still wanted the same work as if it were for \$4 million."

Michaels said he hoped the dispute would go to arbitration so the matter could be worked out. Failing that, he said, his company would have to sue.

"We have photos of the whole school and all the work we did. Under AIA guidelines, that building is safe and functional," the Deerpath spokesman said.

In a subsequent private meeting, the school board members reportedly considered trying to recover some of the approximately \$1 million already paid to Deerpath for the work done.

Hoboken captain restored to rank

Hoboken Fire Captain five demoted by Giordano following hearings into charges the five captains disciplined by Public Safety Director James Giordano spect suspected arson targets for insubordination, has been restored as a fire captain until a final hearing into the matter by the state Civil Service Department.

Giordano said the decision to restore Failla to rank came through a "mutual agreement" with the Civil Service officials.

Muscular Dystrophy carnival outgrows back yard

By THOMAS DIPIAZZA
Special to The Dispatch

HOBOKEN—What began five years ago as a backyard carnival run by two children who were touched by the plight of the youngsters they saw on the Jerry Lewis Telethon has grown into a two-block-long flea market to benefit the Muscular Dystrophy Association.

George Wolf, 11, and his sister, Moria, 10, asked their parents if they could do something to raise money for Lewis' youngsters after watching the telethon five years ago, according to their mother, Hanna Wolf. The children began with a backyard carnival featuring booths, games of chance and baked goods.

The following year, the fundraiser became a gate sale, and then a small flea market which was followed by a block-long flea market last year.

This year, the family has scheduled the flea market on Aug. 7 on Jackson Street between Second and Fourth

streets. Mrs. Wolf said she expects 100 or more professional vendors to display their wares, which will range from food, to antiques, to clothing.

"There will be just about anything you could want," Wolf said. "I don't think you could ever list them all."

The Wolf children explain their interest in helping victims of muscular dystrophy in very simple terms.

"We kept watching the telethon and we saw other people helping and we thought it was a nice thing," George said. "We felt good inside to start the carnival."

"Those kids can't move their muscles, so we wanted to help them," Moria said.

Muscular dystrophy is a broad category which includes 40 different neuromuscular diseases, according to Helen Reisfield, district director of the Northern New Jersey Muscular Dystrophy Association. She said the muscles of MD victims, who are usually children, deteriorate and are replaced by fatty tissues. The disease

is usually fatal.

There are 1,300 MD victims in Northern New Jersey, she added. Reisfield said that, once an individual is diagnosed to have MD, her association will cover the cost of all patient services.

"We will not charge our patients or their families one penny," she said.

The Muscular Dystrophy Association also runs clinics and camps and supports research. Reisfield also said that all money which is raised locally goes toward helping area victims.

The Wolf family hopes to raise at least \$1,000 from this year's flea market. The Wolf family began preparing for this year's project three months ago. Despite the annual growth in the scope of the fundraisers, Mrs. Wolf said the projects will never become too much work.

"We'll just get more help," she said. "It's something we do because we want to do it."

Hoboken family's project expands into highly professional flea market two blocks long

Leveling board makes suggestions on improving rent ordinance

The Hoboken Rent Leveling and Stabilization Board met last night to make a few recommendations to the city fathers on the local rent ordinance.

First, the board discussed the improvement of market value through substantial rehabilitation.

"Three hundred and sixty-four units can become decontrolled if the application for substantial rehabilitation is submitted. This means people who are paying \$200 and \$300 could not

possibly afford it after the rehabilitation," explained Sister Norberta to the rest of the board.

"Because our assessment of property value is old, and real estate value has increased, we are working with illegal property value," she said.

Sister Norberta said that a fair deal for the owner and the tenants would be the market value since the owner could make improvements in the building and the tenants would not be affected

by higher rents.

But Michael Mastropasqua, chairman of the board, said, "No law is going to be fair to both sides. You just can't change only one side of it."

The board agreed to let the city law department come up with some changes and suggestions.

"I will support the ordinance, whatever it is, whether I like it or not," Mastropasqua said. Some problems arise when

applying the market value with substantial rehabilitation. "Using the market value in applying the cost and value of the property up and everyone will turn away from rehabilitation," said Joseph Santiago, rent board administrator.

"We look like we are the devil. If we restrict ourselves to one thing and it doesn't work for the homeowners, we'll look bad," Mastropasqua concluded.

Hoboken throws budget in Trenton's lap

Continued from Page 1

By rejecting the budget presented by Mayor Steve Cappiello's administration, council members said the state Department of Local Finance may devise a budget based on last year's budget.

Councilman E. Norman Wilson said, "How can you vote for a budget that called for that sort of increase? It would destroy the small homeowners and the renters in the city."

Newly-elected Councilman Thomas Vezetti, who has been a staunch critic of Cappiello's administration, called the vote "the council's finest hour."

Wilson, who is the chairman of the finance and revenue committee, said he believes that a budget mandated by the state would be based on last year's budget and would probably call for a tax increase of approximately \$12 per \$1,000 of assessed valuation.

The resolution cutting \$485,000 from the operating portion of the budget was suggested

last week by City Administrator Edwin Chius. The cuts are to be made without any layoff of permanent employees but will depend on city workers agreeing to concessions in benefits in their bargaining agreements with the city.

The resolution to cut the school budget \$1 million was also proposed by Chius last week. The cut in the operating budget and the reduction in school funding would decrease the tax boost by \$10 or \$11, Chius said.

The school cut will actually be in two parts. Half of the cut will be made during this year and the other half during 1984.

The resolution containing the list of reforms along with the hiring and promotion freeze also invites the city's chamber of commerce to assist in the review of governmental functions and the hiring of an "impartial consultant to review the city's public safety department looking for ways to increase its efficiency."

The resolution also provides for the "monitoring of the board

of education's spending." A council committee is to be created within 45 days to supervise compliance with the ordinance. The committee is also empowered to make recommendations for efficiency and improvements.

Andreula claimed he walked in on a caucus that violated the Sunshine Law.

"I walked in and there they were, the whole council sitting around a table," Andreula said. "When I came in they pushed me out and said they were holding a private meeting to discuss personnel matters."

Andreula said the council's public notices for the meeting made no mention of a closed door session and when he announced to the standing room only crowd that was waiting for the meeting to start that a closed caucus was being held, the audience became angry.

When asked about the incident, Councilman Wilson denied that it was an illegal meeting. Vezetti said he was not aware of any violation of the Sunshine Law.

The council also passed a resolution containing "reforms," including a hiring and promotion freeze aimed at saving money.

Just before the meeting began, Frank Andreula, a Hoboken resident and Cappiello opponent, claimed he walked into a closed meeting of the council in the city clerk's office that was a violation of the Sunshine Act since no mention was made of a closed session in published announcements of the meeting.

See HOBOKEN—Page 9.

State may tell Hoboken to fire 75

By James Kopchins

Figures expected today from the state on a new Hoboken municipal budget could mean as many as 75 layoffs for city employees and a \$17 increase in the city's tax rate.

Mayor Steve Cappiello said yesterday he expected that between 50 and 75 employees out of the 300 employed by the city could face the ax because of expected cuts in the budget that will be mandated by the state.

Meanwhile, unidentified officials at the Hudson County Tax Board yesterday said they expected Hoboken to experience a \$17 jump in its \$147.33 per \$1,000 assessed valuation because of the anticipated state cuts.

By turning down a proposed \$22.2 million

budget Monday night, the City Council placed the budget in the laps of the state Department of Local Government Services. The rejected budget called for a \$44 tax increase.

The department is expected to reveal its figures to Hoboken officials this morning. It's been preparing a budget based on last year's budget, which could mean a cut of between \$2 million and \$3 million in the proposed \$22.2 million budget.

On Tuesday, Cappiello ordered notices sent to all city employees that they could be laid off on Sept. 9. The mayor said department heads would not know which employees need to be cut until the figures are available.

"Right now, we don't have much say in the whole matter," Cappiello said. "The state will be

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Hoboken Council wants to tighten city's belt by 6%

The Hoboken City Council has tentatively agreed to make a 6 percent "across-the-board" reduction in all municipal department budgets in hopes of reducing a projected \$44 increase in the tax rate.

City policemen and superiors, apparently responding to published accounts of council members' criticism of the Public Safety Department's \$6 million budget, turned out in

large numbers for last night's special meeting of the City Council.

The police remained silent through the meeting and were out of uniform and off duty, according to sources. The department's budget is the city's largest.

The apparent consensus reached by the council last night is not binding because it was not ratified by a formal vote. A source on the council

said a meeting is tentatively scheduled for tomorrow evening to strike a new budget that reflects the 6 percent cuts.

The council is expected to add a caveat to the budget reduction and forbid layoffs to accommodate the budget cuts. One council member said there was apprehension that otherwise the budget

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Fire capt. get \$1G from men

By BRAD KELLY

Staff Writer

HOBOKEN—City firefighters yesterday gave more than \$1,000 to five fire captains disciplined on insubordination charges last month for refusing to obey a superior's command to order their men into a Clinton Street building suspected of being an arson target.

The money will be used to pay for legal moves, including an appeal to the state Civil Service Commission against the ruling handed down by Public Safety Director James W. Giordano, according to Bill Bergin, president of the Hoboken Fire Officers Association.

Giordano fined the five captains \$500 each and demoted one to firefighter last month, nearly 11 months after the event.

Bergin said all 91 firefighters in the department contributed to the defense fund after the director's ruling was

made public.

Mike Bavaro, president of Firefighters Local 1078, said yesterday that the firefighters wanted to collect the money because "had it not been for the officers, the firefighters would have been ordered into the building, and of course we would also have refused."

Bergin said the captains refused to obey the command because placing unarmed firefighters in a building where an arson might occur was not their job and posed a threat to their lives.

He said part of the money would help pay for copies of the hearing transcripts and attorney's fees.

Union attorney David Solomon was authorized last month to appeal Giordano's ruling, Bergin said.

The five captains are John Lisa, Robert Moore, Gerard Peterson, Michael Walidich and Eugene Failla. Failla was demoted to the rank of firefighter.

All Hoboken workers given layoff warnings

By BRAD KELLY

Staff Writer

HOBOKEN—All city employees received termination notices with their paychecks yesterday, said Mayor Steve Cappiello.

Cappiello said there definitely would be layoffs but he did not estimate how many. He said, however, that the majority of layoffs will be in the "department having the biggest part of the budget," which is public safety, which includes the police and fire departments.

He said he will be meeting with both police and fire union leaders today to discuss the situation.

The notices were sent out to comply with Civil Service regulations that require the filing of such notices to legalize any firings that may take place.

The question of just how many employees will be laid off and from which departments could be answered tomorrow when the state finishes the city's budget.

Barry Skokowski, director of the state Division of Local Government Services, said yesterday that the budget would be ready tomorrow and that it was "bleak for the city." Skokowski had been working on a budget even before Monday night, when the City Council rejected the proposed \$22-million levy 9-0.

He said the budget would be basically the same as last year's, with possible changes in mandated expenses such as Social Security, pensions and bond debt service.

"They (the city) have been spending for seven months on a projected budget that is not going to come to realization," Skokowski said. "It will be up to the city in the next five months to resolve the problems they have."

City Council President Helen Macri said yesterday that it is not known just how that problem will be resolved until the city receives the budget, but added the resolutions adopted

this week by the council will play a part.

Those resolutions call for moratoriums on pay raises, overtime and hiring.

She said she would hate to see anyone get laid off, but added the termination notices were sent to inform the employees that some layoffs might be coming within 45 days.

Many council members agree that a state-mandated budget should decrease the amount the tax rate will be raised by as much as \$25 to \$27 for every \$1,000 of assessed valuation. The present rate is \$147 for every \$1,000 of assessed valuation of property.

But Skokowski said yesterday that he still was not sure his preparation of the budget would have such an effect.

"They (the City Council) gave it (the budget) to me in my lap. They will blame me for the tax increase," the state official said.

Skokowski said that, although working into the budget the council's resolution to reduce the school budget by \$1 million for the last half of 1983 and the first half of 1984 was not part of his responsibility, he presumed he would do so.

Hoboken budget voted down, 9-0

By BRAD KELLY

Staff Writer

HOBOKEN—The City Council yesterday voted 9-0 not to adopt the 1983 municipal budget.

This places the responsibility for preparing a budget in the hands of the state, which, according to Mayor Steve Cappiello, may draft one by the end of this week.

"I notified the state when the meeting concluded and was told it was already working on one," Cappiello said.

Before the council meeting, several members were not sure what effect a state-submitted budget would have on the city. But after the unanimous vote, Councilman-at-large Thomas Kennedy said he felt the state document would have a direct impact on the tax rate this year and in years to come.

Councilman E. Norman Wilson Jr. said the rejection of the budget could mean a smaller tax increase.

"Based on what we hear, the tax rate should come lower than what was proposed under the mayor's budget," Wilson said.

Wilson estimated that the tax rate, which is currently \$147 for every \$1,000 of assessed valuation, would increase by only \$12 to \$15 under the state-proposed budget. He said that under the mayor's proposal, the tax

See BUDGET, Page 7.

BUDGET

Continued from Page 1

rate would have increased as much as \$40. Cappiello said a state-mandated budget would mean two things for the city:

- "It forced us to go beyond what we really wanted to do, so we don't know if we can deliver the services to the public;
- "On the other hand, it should force a lower tax rate."

Barry Skokowski, director of the state Division of Local Government Services, the arm of state government that monitors local finance, said the refusal of the City Council to adopt the budget was "a horrible thing."

"I will put the budget together in a vacuum, which will definitely hurt the city because I don't really know what its needs are," Skokowski said.

"It's a shame, really that 500 other municipalities were able to do it. Why can't Hoboken?" he asked.

But Kennedy said, "There is absolutely no way that I'm embarrassed doing what's best for all of Hoboken."

Earlier in the meeting, the council voted 7-0 to amend the proposed \$22-million budget by tacking a total of \$1 million from the board of education's budget for the last half of 1983 and the first half of 1984. Councilmen Patrick Pasculli and Anthony H. Romano did not cast their votes on this issue because they are currently employed in the Hudson County school system.

But even with the proposed budget trimmed down to about \$21 million, the council voted it down amid cheers from the large crowd gathered in the council chambers.

Cappiello said he was notified by representatives of local teachers unions that they intend to take legal action against the council regarding the budget cuts.

The council also adopted a set of resolutions that will be implemented regardless of the state-mandated budget, according to Kennedy.

Those resolutions are:

- No promotions for anyone employed by the city in any department.
- No pay raises except those dictated by contract or arbitration (includes police and fire department personnel).
- No overtime.
- A continuation of the hiring freeze.
- The City Council and board of education to monitor the board.
- The Chamber of Commerce to study each city department and make recommendations to the council and its president.

Hoboken merchants hire cops to protect their turf

By BRAD KELLY

Staff Writer

HOBOKEN—If everything goes well, tonight will be quieter, safer for businesses and apartments on Washington Street between Fifth and Sixth streets.

In fact, the nights have been that way for the past week, ever since a group of landlords and storeowners, tired of their block being used as a "local hangout" for the city's youth, hired off-duty city patrolmen.

Dave Roberts, owner of the Hoboken Daily Newsstand on the corner of Fifth Street, said yesterday that he understands youths need a place to get together, but "Fifth and Washington doesn't owe Hoboken (that) place where kids can go."

Roberts said before the extra security, as many as 150 youths would be on the block, with about 40 of them directly in front of his store.

"Do you know how hard it is to get customers to come in," he said, adding that many of the teenagers, ranging in age from 12 to 19, play loud music over their radios.

But it was not only loud music that prompted two landlords and eight storeowners to chip in for a patrolman.

According to Patricia Narciso, who, along with her husband, owns the Town and Country Antique Shop, the large amount of vandalism affecting businesses on the block was a major reason.

Roberts said vandals have broken into his store basement twice in recent months.

Many of the 10 storeowners, who are currently paying \$17.50 each a week for the patrolmen to be on duty from 6 p.m. to 11 p.m. Monday through Sunday, do not put the blame for the need of extra security with the police force, but rather with the city.

"We deserve a certain amount of police services for the taxes we're paying," Roberts said.

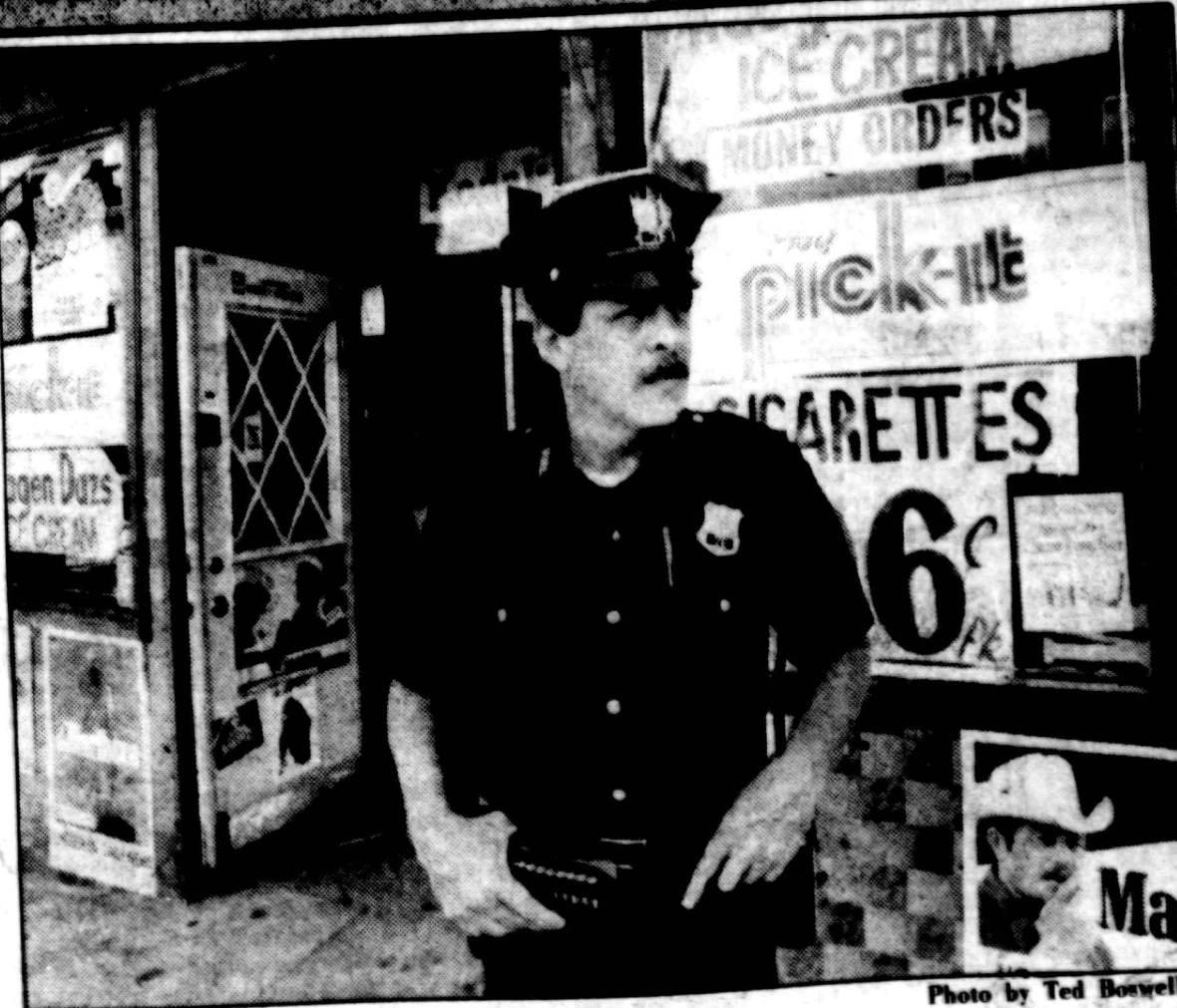


Photo by Ted Bonnell

OFFICER WALTER LEHBRINK patrols Washington Street between Fifth and Sixth streets in Hoboken yesterday.

State's budget \$1.2M less than Hoboken nixed

The state Department of Local Government Services has prepared a tentative \$21 million municipal budget for Hoboken, about \$1.2 million less than the budget the city council rejected Monday.

The new budget will probably mean an increase of city tax rate of between \$16 and \$20, according to City Comptroller Matthew Cannerozzi. This had been expected by city officials.

Meanwhile, leaders of the city's police unions threatened yesterday a "Fear City" campaign should patrolmen be laid off due to the city's financial condition. Hoboken Police Benevolent Association President Thomas Meehan said the campaign would include distributing leaflets to city residents and outsiders warning of possible increases in street and home crime he said would come about because of the layoffs.

Mayor Steve Cappiello had said on Wednesday that between 50 and 75 city employees could face layoffs because of the city's financial condition. He has already ordered layoff notices to all of the approximately 500 city employees in anticipation of the firings.

Barry Skokowski, director of local government services for the state, said his staff should have all figures finished by this morning and will then submit them to the city. Basing it on last year's \$19,936,222 budget, Skokowski said the final figure would be about \$21 million and would include an increase of about \$2.5

million in the amount of taxes needed to fund the budget.

Cannerozzi said such an increase in taxes would mean a \$16-to-\$20 tax increase.

Concerning the "Fear City" campaign, Meehan said it would be modeled after a similar action taken by the Newark Police Department.

According to Meehan, the police union would have leaflets and pamphlets printed explaining the situation regarding crime and the department's inability to cope with it because of a lack of personnel.

"We understand the city has financial problems, but they created it themselves," Meehan said.

"There hasn't been a patrolman hired in this department in years," Meehan said. "Last year a state police study said we needed 120 men at this time in the department for this city, but we only have 110. It's insanity to lay off police and firemen at this time."

Lt. Frank Turso, president of the city's police superiors union, agreed: "We've been on an austerity program since 1979. It's time to stop picking on the police department."

Capt. William Bergin, head of the city's fire officers' union said on Wednesday that the city's fire services also could not withstand layoffs. "We don't have the manpower now. I don't know what's going to happen now," he said.

State-drawn budget exceeds the worst fears of Hoboken

By James Kopchans

Hoboken received a copy of its state-prepared \$21 million municipal budget and city officials say the news is much worse than they had anticipated.

The \$21,285,318 budget may cause layoffs of up to one-half the city's municipal work force while socking city taxpayers with a \$30 jump in their municipal property tax rate.

The state's budget cuts nearly \$1 million in operating costs (including a \$500,000 cut in the city's public safety appropriations) while chopping only \$700,000 from the amount of tax revenues needed from city property owners to fund it.

See STATE-DRAWN — Page 18.

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The city's administration had proposed a \$22,213,277 municipal budget to the City Council. The council rejected it because of a projected \$44 in the city's \$147.33 per \$1,000 assessed valuation tax rate.

In doing so, the council placed the budget in the hands of the state Department of Local Government Services, whose staff finished it yesterday. City Comptroller Matthew Cannerozzi went to Trenton yesterday morning to pick up the figures.

"It's some heck of a budget, that's for sure, it's just some heck of a budget," Mayor Steve Cappiello said yesterday.

City officials had hoped the state, which had said it would base its figures for this year's municipal budget on the 1982 budget, would be able to lower the amount needed from taxes, while keeping cuts to the operating budget as small as possible.

Cannerozzi said the \$1 million cut would mean layoffs in almost every department. The City Council had tried to cut \$495,000 from the budget without layoffs to permanent full-time personnel, but this plan ended when the council failed to approve the budget.

"A lot of the fault for this has to lie with ourselves," Cannerozzi said. "We waited seven months to get a budget and now it's too late to make cuts without layoffs."

Cappiello said the new budget could mean as many as 35-to-50 percent layoffs in the city's 500-strong work force. Most, he said, would probably be temporary, lasting from September to December.

He said he would meet with department heads next week to see where the layoffs will come. Both Cannerozzi and Cappiello said the tax rate will probably climb much higher than the \$16-to-\$20 increase they had expected, but it was too early to tell just how high. Other sources have put the increase at close to \$30.

The biggest blow to the city's finances this year has been a drop of anticipated state aid totaling about \$1.5 million. The bulk of this aid (\$1.1 million) came from state reimbursement aid for the

city's New Jersey Transit railroad property at the southern border of the city.

A spokesman for the state local government services office said the first priority of the department was to keep a balance between city services and relief to the large tax rate increase.

The hardest hit is the city's public safety department, which covers the police and fire departments.

Jim Giordano, public safety director, had requested a \$4,138,712 budget, about \$500,000 more than last year due mostly to a two-year, 15 percent salary increase given by a state arbitrator to police and firemen in contract negotiations.

In the city's budget now, the public safety department reverts to the 1982 budget figure of \$3,628,806 — a drop of \$509,906 from what Giordano had requested.

These figures do not include policemen paid out of state Safe and Clean Neighborhood funds.

Other departments suffering big cuts were:

• Public Works: Requested: \$1,934,300; Received: \$1,770,760.

• Health and Welfare: Requested: \$705,688; Received: \$684,086.

• Administration: Requested: \$850,172; Received: \$769,761.

The city's 1983 tax rate will be officially set Wednesday at a meeting of the Hudson County Board of Taxation in the county administration building.

The board has set rates for the 11 other municipalities. The board has not indicated the amount of the new rate, but several tax experts predict it should rise \$34 above last year's \$147 per \$1,000 assessed valuation, making it \$181.

Hoboken's rate will be the highest this year, being well above Jersey City's new \$135.99 per \$1,000 rate. Hoboken also had the county's highest rate last year.

Commuters begin to say farewell to 30-cent fare

By BRAD KELLY

Staff Writer

HOBOKEN—"It was just too good to last" were the words of one commuter who was waiting in the Hoboken terminal for a PATH train yesterday.

Port Authority Board of Commissioners gives go-ahead to fare increase — Page 6

"Yes, 30 cents was nice," he said, looking around the terminal at the hundreds of commuters who like himself are scheduled to start paying 50 cents to ride the PATH trains starting Sunday.

Most commuters riding the 10 a.m. trains into New York yesterday agreed that 50 cents was tolerable, perhaps even fair.

"I'm sure inflation has raised the cost of operating the trains," said Tom Edmonds, a

teacher at Riverside Arts and Crafts in New York City, who takes the PATH train every day from Hoboken. "Fifty cents is good."

A young woman from Hoboken who works in New York City said, "Thirty cents, now that's a giveaway. Sure, sometimes there are delays, but you have to understand that. I think 50 cents is sufficient."

"I expected it," said a student at the Parsons School of Design in New York. "We've lived with 30 cents for so many years. I think we can live with 50 cents too."

One woman who regularly takes PATH to go shopping in New York City said she did not mind the 50-cent fare, but when it came to the proposed 75-cent fare scheduled for sometime next year, "It's entirely too much."

Other commuters shared her sentiments.

See FARE, Page 6



Photo by Ted Boswell

THE SIGN on the PATH turnstiles will be out of date when the fare rises to 50 cents Sunday.

Mayor: 25 to 50% may go Hoboken layoffs seen

By BRAD KELLY

Staff Writer

HOBOKEN—Mayor Steve Cappiello said yesterday that as many as 25 to 50 percent of the city's 500 employees could be laid off within the next two months as a result of a state-mandated budget.

Barry Skokowski, director of the state Division of Local Government Services, said yesterday that the city's budget would be a little more than \$21 million, which is \$1 million less than the mayor's proposed \$22.3-million budget would have been if approved by the City Council.

He said the budget was based on the city's 1982 budget of \$19.6 million, with approximately \$2 million added for mandated increases such as pensions, social security and debt service. The budget is expected to be brought to the mayor's office this morning, he said.

The state had to prepare the city's budget because the City Council voted Monday not to approve the municipal budget sponsored by the mayor.

Cappiello said all temporary personnel would be laid off on Aug. 10 and Civil Service employees would be let go exactly one month later.

Skokowski criticized the City Council earlier this week for not passing the municipal budget and called its 9-to-0 vote a "horrible thing" for the city.

The budget 'would have forced hundreds of tenants into the streets'

— Councilman Kennedy

But Councilman Thomas Kennedy contends the council would not have had to vote down the budget if federal funds, including \$1.13 million in replacement revenue on state-owned local railroad properties, were paid to the city.

"I don't want to see anybody laid off, but if we had passed the budget, it would have forced hundreds of tenants into the streets," Kennedy said, referring to a projected \$44 tax increase.

Several council members said that a state-mandated budget would lower that increase

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LAYOFFS

Continued from Page 1

between \$12 and \$15. The tax rate currently is \$147 for every \$1,000 of assessed valuation of property.

But city Comptroller Matthew Cannerozzi said yesterday that he felt the tax rate would be increased \$16 to \$20.

Taking into account the 45-day requirement for layoff notices that were sent out to city employees this week, the city will have been spending for over eight months on the now-rejected municipal budget and is slated to have only three months to meet the state-mandated budget figures.

The council this week passed a number of resolutions that included hiring, promotion and overtime freezes to lessen the number of proposed layoffs.

Councilman E. Norman Wilson said he would take a cut in salary if it would help the situation, but did not know if other council members would do the same.

Cappiello met with municipal union leaders earlier this week to inform them of the impending cuts.

Bill Bergin, president of the Hoboken Fire Officers Association, said before one member of the fire department is cut, "every crony of the administration has to go."

Honoring St. Ann



Photo by Bruce Johnson

ST. ANN'S statue is carried through the streets of Hoboken yesterday during the annual feast for the saint. See story on Page 17.

Hoboken lays off 16 city workers

The Hoboken Public Works Department has laid off 16 workers — the first full-time city employees to lose their jobs due to cuts in the city's municipal budget.

The layoffs will go into effect on Sept. 10. William Van Wie, department director, announced the layoffs in a letter to John Collins, office manager for the state Civil Service Department.

Among the workers being laid off were Al Chicazzola, maintenance foreman, and Charles Florio, water meter supervisor. The other 14 workers were designated as laborers, Van Wie said.

Meanwhile, the city's business administrator, Edwin Chius, said he would meet today with union representatives from the city's police and fire departments to work out a plan to save its members from possible layoffs.

One plan to be discussed is an extension of the unions' contract, which runs out at the end of this year, for another year with no increase in salary, Chius said. It would have to win approval from the union leaders, their membership, the City Council and possibly even the state Department of Local Government Services, Chius said.

Eight provisional and temporary employees were laid off by the department on Aug. 10. In all, Van Wie has laid off 24 men, more than one-fourth the 91 employees in his department.

"This has been one decision I wish I never had to make, but the city has told me I have to cut men," Van Wie said.

The director said he had wanted to wait until Aug. 31 before announcing the layoffs, but said he had to send the letter to Civil Service by today.

"If I'd waited until the end of this month there was a chance that Civil Service would send letters to the men informing them of the layoffs. I felt it would be better if I tell them now myself so that they don't remain dangling. If I can save anyone before Sept. 10, I will do so. You have my word on that."

In making the layoffs, Van Wie said he looked at the years each man has had in the department and his specialty. The men laid off stretch back in service to 1975. Van Wie said he chose to lay off laborers rather than specialized positions because he felt it would give him more flexibility in coping with the extra work.

The 67 men Van Wie has now are the lowest number in the department in recent times and represent a total turnaround from the 150-plus workers in the department during the early 1970s.

Although the Public Works layoffs were the first involving full-time municipal employees, they are not expected to be the last. Estimates vary that between 35 and 50 percent of the city's 500 employees may lose their jobs on Sept. 10 as the city tries to cope with a \$21 million budget set by the state.

The state prepared the budget after the City Council failed to pass a proposed \$22.2 million budget because of a feared \$44 rise in the city's tax rate. As it happened, the state's budget forced up the city tax rate by \$35 to a state record of \$162 per \$1,000 assessed valuation.

The meeting today is specifically meant to find ways of avoiding layoffs in the police and fire departments, one of the top priorities of the city administration, Chius said. The plan Chius will present would have members of both departments agree to extend their present contract (which gave the members a 15 percent raise over the past two years) for 1984 with no salary increase.

This would allow the city to pay the salary increases owed this year through an emergency allocation approved by the City Council. The emergency allocation would free money from this year's budget to save jobs within the departments and allow the city to distribute payment throughout next year.

However, Chius said, the state may not approve the plan because of the troubled financial condition of the city.

Thousands pay honor to St. Ann in Hoboken

By BRAD KELLY

Staff Writer

HOBOKEN—The Feast of St. Ann was held yesterday, as it has been for the past 70 years, and once again thousands of people flocked to St. Anna Church on the corner of Seventh Avenue and Jefferson Street to pay homage to the statue of Mary's mother.

Some did it by pinning dollar bills or jewelry to the green cape draping the shoulders of the saint; others by carrying the statue through the streets of the city.

Of those showing their love for the saint, most were women. In fact, 10 to 12 women carry the statue, taking turns with other women who follow close behind.

"The dedication these women have for St. Ann is amazing," said Nick Goldsack, chairman of St. Anna Day. "I've seen some carry the statue the entire seven-hour journey through the streets." He estimated the statue weighed close to 500 pounds.

One woman who had just taken her place

beside the statue said, "This is an honor, a tradition. Our mothers did the same thing years ago, many in bare feet."

The woman looked up at the statue. "She's beautiful, devoted, the mother of a blessed child — and in her late years."

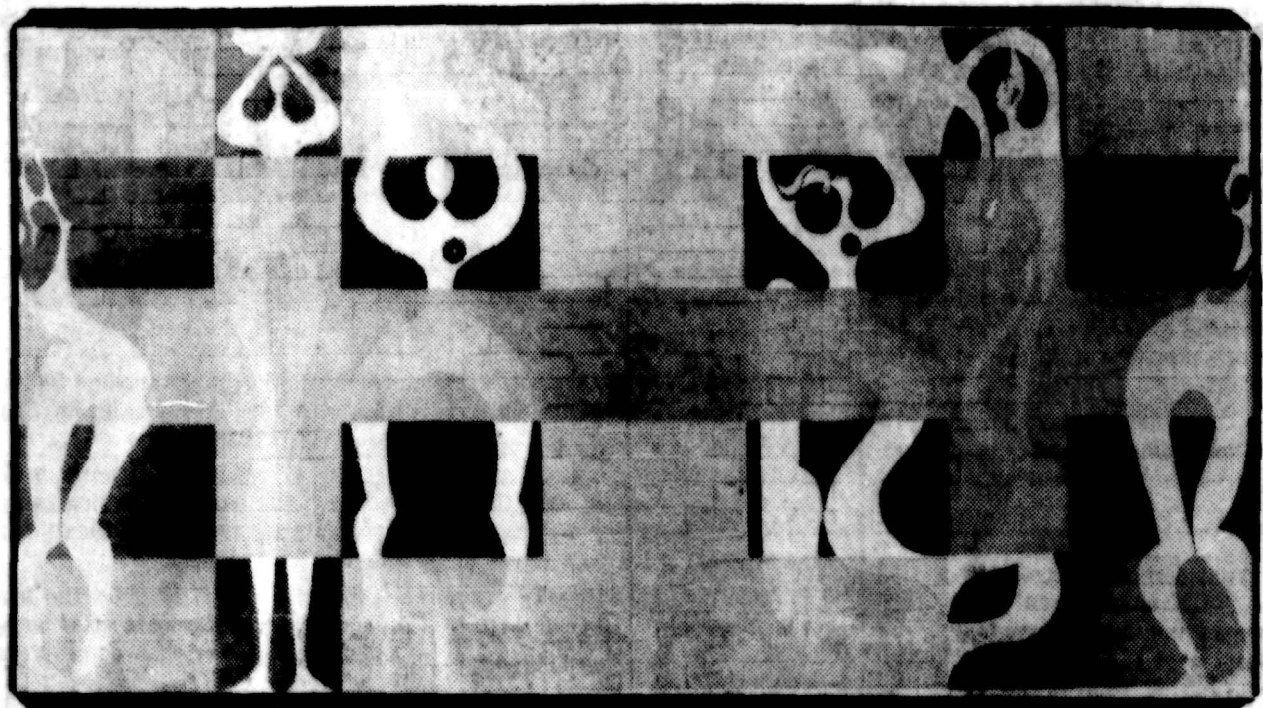
The day began with an 11 a.m. solemn high mass at St. Anna Church given by Bishop John Pitarro, archdiocese of Seton Hall University in South Orange. It would end when the saint was brought back to the church, some seven hours after it was hoisted onto the shoulders of several devoted women and paraded through the streets of the city.

During the procession, the statue of the saint would be taken in front of certain houses whose owners gave a small donation to the church. The saint's face would be turned to look on those homes.

Mayor Steve Cappiello said St. Anna Day, which is funded by the parish, is a catalyst for the community because many people who moved away come back for an annual visit.

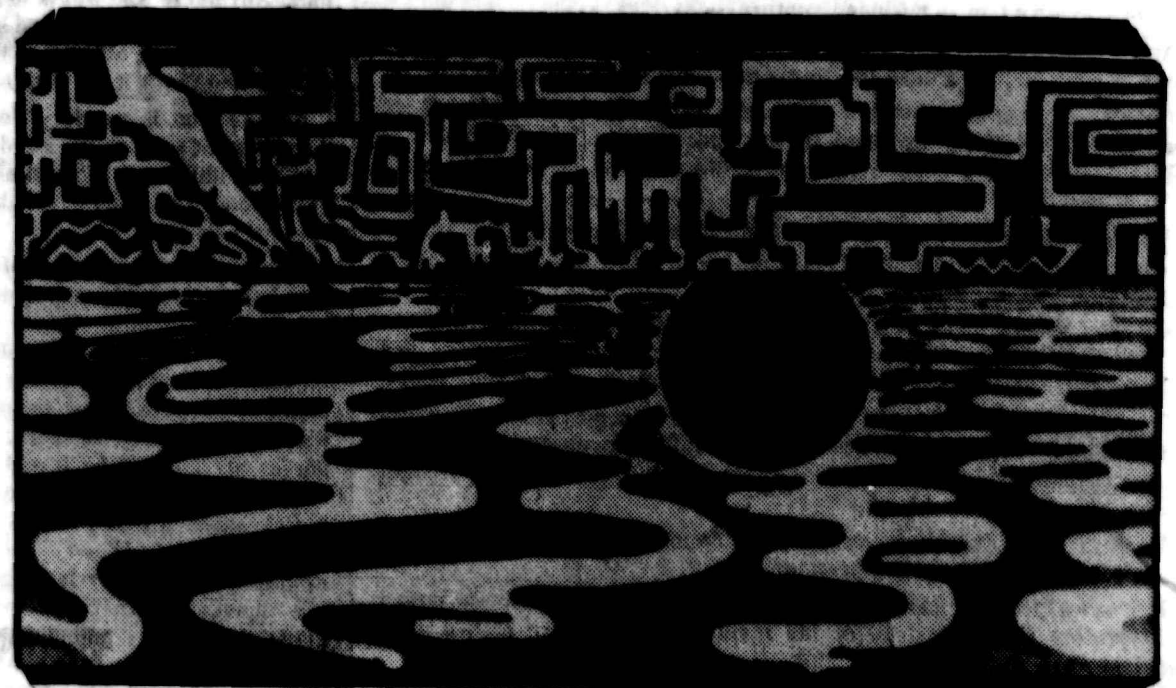
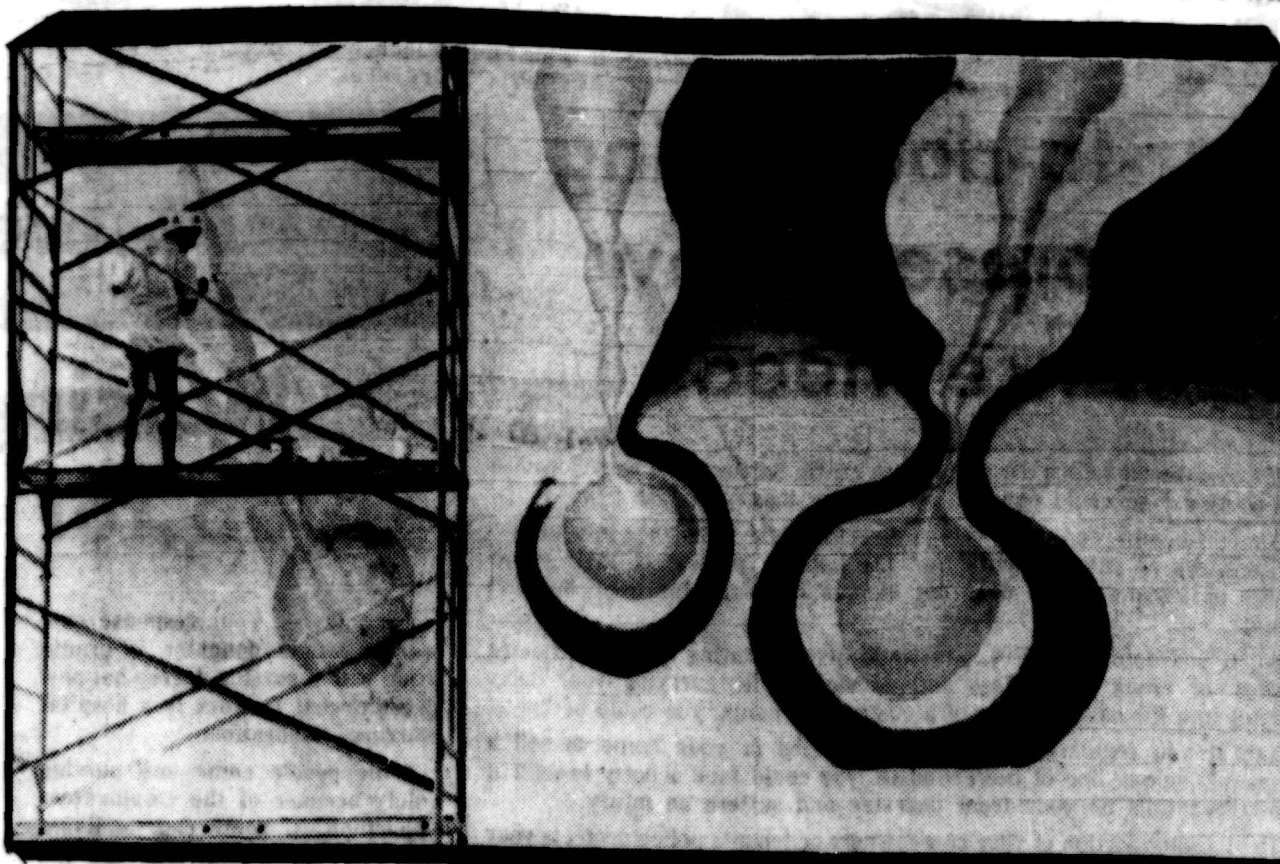


A row of Hoboken brownstones reproduced on a wall — put together some paint, an empty wall and some elbow grease, and VOILA!



The walls come alive on a Hoboken street

Artist Patricia Charnay-Mesa of Jersey City works high on a scaffold on one section of a giant mural at 13th and Madison streets in Hoboken yesterday. The Universal Folding Box Corp. provided wall space for the work and supplied the Hudson County artists with the tools of their trade as their contribution to Hoboken Celebration 1983.



Photos by Bill Bayer

Freshmen enter age of computers

By MARITES CHICHICO
Staff Writer

HOBOKEN—Members of the class of 1987 who will begin their studies at Stevens Tech here next month have been picking up their own personal computers, as required by the college.

Stevens, one of the first colleges in the country to implement such a plan, made it mandatory for the approximately 561 incoming freshmen to own their own computer, which must be equipped with a data bank and a printer.

"Computers are here to stay," a Stevens spokeswoman said, explaining that the decision came from the administration, which believes that it is important for the students to be very familiar with machines that will play a large part in their professional lives.

The use of computers will be integrated into the whole curriculum, said Jane Henderson, a spokeswoman for the institute.

Special work stations, equipped with a 14-foot counter top, overhead lighting, power outlets and circuit breakers, have been installed in the dormitory rooms, Henderson said.

The mini-computer, a Digital Equipment Corp. (DEC) Professional 325, has a 16-bit microprocessor with a 512 KB memory. It retails for more than \$4,400, Henderson said.

The students, however, are being charged only \$1,800 for the entire package, with Stevens picking up the difference.

The institute has about 60 terminals available to the students. The demand for access has sometimes resulted in long waits for the students. Most of the required work could be done in the personal computers, she said, which would somewhat ease the demand on the campus equipment.

"I'm sure some of them will mind the additional cost. But if they are required to have a computer, they might as well get a good piece of equipment," she said.

Some upperclassmen already own their own computer, she said, and the institute will require all future students to do the same.

Arrested

Freddie Castro, 27, of Hoboken, was arrested in that city's Columbus Park for possession and sale of a controlled dangerous substance yesterday afternoon, said Hudson County police. According to police, Police Officer Paul Tamburelli allegedly spotted Castro making a narcotics sale and, during a subsequent investigation, found the man to be in the possession of 13 purple-colored pills believed to be mescaline.

Hoboken seeks ways to avoid layoffs

By BRAD KELLY
Staff Writer

HOBOKEN—City firefighters and patrolmen may not have to be laid off because of a budget deficit, according to city Business Administrator Edwin Chius.

Talks this week between Chius and local union officials have centered around an "all or none" policy concerning layoffs, with both sides looking into ways to offset the public safety department's \$481,000 shortfall, the city official said yesterday.

"There is a slight possibility it can be done," said Chius. "Maybe at next week's meeting there will be a 50-50 chance."

Chius said it is up to the union leaders to introduce alternatives to offset the shortfall. Meanwhile, the administration plans to contact the state Division of Local Government Services to ask for emergency appropriations.

City, union leaders discuss alternatives

Chius said the city will ask the state for as much money as is needed to avoid layoffs and will take whatever the state gives it.

Although Chius said he did not know how much the city would request, Bill Bergin, president of the Hoboken Fire Officers Union, said the amount would have to meet almost the entire \$481,000 shortfall.

Chius said the city may receive emergency appropriations from the state if it can show the state it has been making "a sincere effort to live within its budget."

Bergin said the various unions were looking into the possibility of patrolmen and firefighters not using their

clothing allowance checks due in December, which could save the city approximately \$40,000.

He said at this time union officials are discussing only minor concessions, which will not be of much help if emergency appropriations do not come through.

He said if the city does not receive emergency appropriations, "We will be back to square one."

He said his union will make no large concessions, such as salary cutbacks, until the administration takes positive steps to make similar cutbacks.

Bergin is asking that the position of public safety director be eliminated.

He said the administration's assurance it will look into emergency appropriations was a sign it was making a "positive effort" to avoid any layoffs.

Any emergency appropriations the city receives from the state for its 1983 budget will have to be made up in its 1984 budget, Chius said.

Clergy Coalition to reopen its shelter for homeless

After suspending operations through the summer months, the Hoboken Clergy Coalition has decided to reopen its shelter for homeless persons for the coming colder months.

Clare Nicholetti, coordinator of the shelter, said the coalition opened a soup kitchen in the basement of St. John's Lutheran Church, 300 Bloomfield St., on Aug. 15 and followed that with an overnight shelter for adults on Monday.

Last winter, the coalition opened a shelter on short notice after failing to obtain a site and support from the city on a homeless shelter. "The shelter was planned and operated on a haphazard basis. It was experimental," she said.

As a result, the shelter operated largely on a day-to-day basis with volunteers rising and falling in number each day it remained open.

This year, Ms. Nicholetti said, the shelter has been planned over the past month. Funding has been found to hire two counselors to watch over the shelter overnight, she said, while regular volunteers have been scheduled to help in the kitchen and the shelter.

A maximum of 30 beds will be available for homeless adults needing shelter for the night, she said.

Hoboken seeks emergency state funds

By BRAD KELLY
Staff Writer

HOBOKEN—City Business Administrator Edwin Chius yesterday said he will ask the state for at least \$500,000 in emergency appropriations if fire and police unions agree to extend their current contracts for 1984 with no salary increases.

The emergency money would be used to offset budget deficits in the public safety department, he said. Any emergency appropriations the city receives for its 1983 budget would have to be made up in its 1984 budget.

All four unions negotiating with the administration — Police Supervisors Union, PBA, Fire Officers Union and Local 1078 of the International Association of Firefighters — are scheduled to renew their contracts with the city next year.

The unions have agreed their members would not use clothing allowance checks due in December, which could save the city approximately \$40,000, Chius said.

But he said there was one union which may not concede to its members not getting a salary increase next year. He would not identify that union.

He said, though, that if the union did not make the concession, he would not ask the state for the emergency appropriations.

Chius said that as it stands now, the concessions

City asks for same fire, cop contracts

concerning salary increases would play a major role in making up the emergency appropriations.

Chius said he also will ask the state for emergency appropriations to meet its garbage disposal contract with LaFera Contracting Co.

The city's \$1.3-million contract is \$211,000 more than last year's, according to City Council President Helen Maceri.

Maceri said last month that if appropriations were granted by the state, the resulting amount to be cut from the public works department would be \$20,000.

Earlier this week, Public Works Director William Van Wie predicted that 16 permanent employees, including the maintenance foreman and water meter supervisor, would be laid off effective Sept. 10.

Van Wie's prediction was the first word on the number of permanent employee layoffs there would be in each city department.

Chius yesterday said two layoffs in the administration

department are expected, but the number may increase to four permanent employees.

He said the law department's six attorneys have taken a large salary decrease to avoid two of them being laid off.

Layoffs in the public safety department will depend on the negotiations between unions and the administration, he said.

If the state grants both emergency appropriations the city is expected to ask for, most of the approximately 40 temporary city employees laid off earlier this month will not be rehired in 1984 to help pay for those appropriations, according to Chius.

Before the city can ask the state for those appropriations, the City Council must give its approval.

Chius said he spoke with council members yesterday and was told the council wants to avoid any police and fire department layoffs.

Barry Skokowski, director of the state Division of Local Government Services, has said he would only give the city emergency appropriations if they would be used to alleviate a health hazard or if the city could prove it had tried everything possible to stay within its budget.

Last month the state gave the city a budget that was approximately \$1 million less than the mayor's budget, which had been voted down by the City Council.

At least \$500G sought from state to offset budget deficits

Church opens soup kitchen

A soup kitchen for the hungry will be open seven days a week for dinners in the St. John's Lutheran Church, Third Street and Bloomfield in Hoboken. The kitchen opened yesterday.

Meals, served by volunteers, will be given between 7:30 p.m. and 8 p.m., according to Clare Nicholetti, a former nun. Donations from local sources and from a regional food bank will be used.

The church is also being outfitted to provide a shelter for homeless people, expected to open Monday. Its facilities will serve only adult men and women at the present time.

River City fun fair has serious purpose

By BRAD KELLY
Staff Writer

HOBOKEN—Waterlines, sanitary facilities and electrical lines are being installed on the Fifth Street Pier in preparation for the city's River City Fair planned for this weekend.

The fair, sponsored by the city's community development agency and the Hoboken Environment Committee, has for its theme "Save the Fifth Street Pier."

Helen Manogue, chairwoman of the committee, yesterday said the pier is scheduled to be demolished by the Army Corps of Engineers as part of its Hudson River clean-up program.

The committee wants the pier, which was taken over by the city in a tax foreclosure, to be used as a public park, Manogue said.

The city has very little public outdoor space and we feel the pier, which is 800 feet long and 250 feet wide, could be used for cultural events and other fairs," she said.

She said the pier could bring in revenue for the city if businesses were located along its perimeter.

The city is considering using \$650,000 from the state Green Acres program to put a fishing pier approximately 15 feet wide and 500 feet long in place of the old pier.

Manogue said the committee feels the money should be put into the rehabilitation of the existing pier.

She said the remaining cost of the rehabilitation, approximately \$650,000, should come from businesses which develop on Piers A, B and C, or the city-owned land above the Fifth Street Pier.

The committee plans to hand out buttons and circulate petitions urging city officials to preserve the pier, Manogue said.

The fair, scheduled 10 a.m. to dusk Saturday

Hoboken groups want city to rebuild Fifth Street Pier as recreation area

and 10 a.m. to 9 p.m. Sunday, will feature music from bands playing rock, country, jazz and blues, she said.

Also planned are a flea market, food stands and a fire safety demonstration scheduled by the Hoboken Fire Department.

The Newark Museum is scheduled to bring animals from its children's zoo.

The fair was first held in 1974 on the Stevens Tech dock to protest the proposed location of an oil refinery at the old Todd Shipyard at 16th Street and Park Avenue, Manogue said.

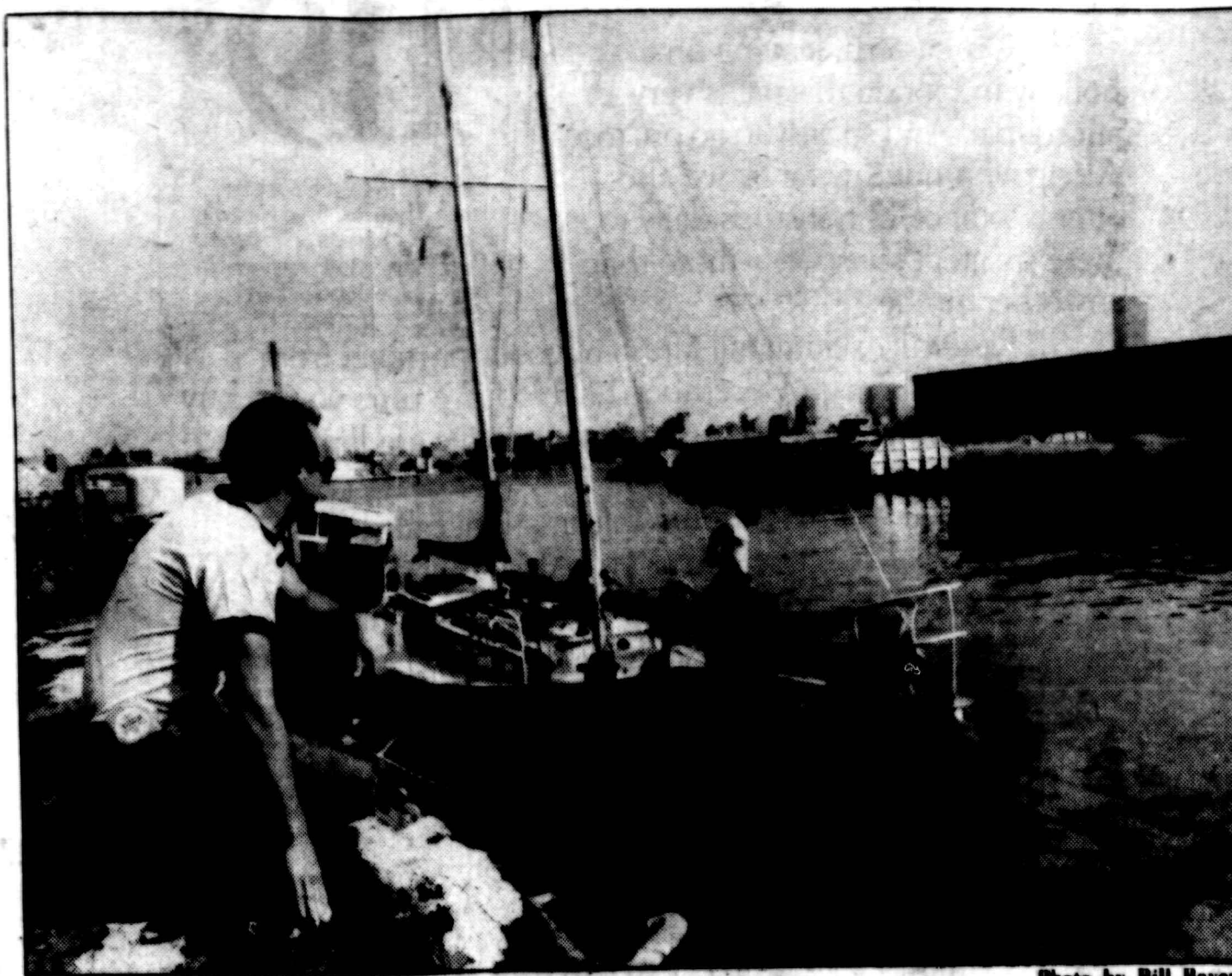
It was instituted as a means to bring focus on the waterfront... that it should be used as a place for people, not oil tanks," she said.

The fair was held the following year at the same place, but in 1976, Stevens Tech condemned the dock, fearing its possible collapse, Manogue said.

The fair was not held for the next four years while the committee searched for a new location.

In 1980, it was able to use the Fifth Street Pier after the city took it over, Manogue said, and the fair has been there ever since.

Manogue said the CDA and the committee are financing the fair, whose estimated cost is about \$6,000.



PIERRE MANERI, left, and Tony Talarico check out a sailboat for the annual River City Fair to be held this weekend at the Fifth Street Pier in Hoboken.

Photo by Bill Meyer

Fireman is given job back

By BRAD KELLY
Staff Writer

HOBOKEN—Bill Bergin, president of the Hoboken Fire Officers' Union, is claiming victory over City Hall following the temporary reinstatement of Eugene Failla as fire captain by the state Civil Service Department.

Failla and four other captains were fined \$500 each and Failla was demoted to firefighter, effective June 30. Public Safety Director James W. Giordano ruled the men were insubordinate when they refused to obey a command to order their men into a Clinton Street building suspected of being a likely target for arson, July 31, 1982.

The Civil Service Commission earlier this month granted an interim restraint of the demotion pending an administrative law judge hearing scheduled later this month.

A request for the restraint was filed by David Solomon, the attorney representing the five fire captains in their appeal of Giordano's ruling.

"We're happy with the restraint," Bergin said. "This is another case of fighting City Hall and winning."

But Giordano yesterday said the temporary reinstatement of Failla to fire captain was no indication of how the hearings might turn out and was simply a formality.

A state Civil Service department spokesman said the demotion restraint did little but keep both parties in "status quo" until the hearings.

Since Failla has been reinstated as fire captain, the city will not be responsible for back pay if it loses the case, the spokesman said.

Bergin said he was confident the Civil Service department will find the fire captains innocent of the charges against them and called Giordano's ruling a "vicious vendetta to get at Failla."

He said the vendetta stemmed from a grievance case Failla won against the city which allowed him to attend Coast Guard drills.

Giordano said he would not comment on anything Bergin had to say.



Photo by Ted Roswell

THE SINK in this bathroom is held up by a stick at 328 Madison Ave. in Hoboken, where tenants are planning a rent strike.

Hoboken rent strike slated

By BRAD KELLY
Staff Writer

HOBOKEN—Tenants at two apartment buildings on Madison Street are planning a rent strike starting today, charging that their rents are too high and the buildings are unsafe, according to Juan Garcia, general organizer for the Alliance of Tenants Organization.

Some 16 families currently live in the two attached buildings at 328 and 330 Madison St. owned by Daniel Janssen of Lyndhurst. They say they pay from \$310 to \$375 each month and have to put up with what they call inadequate electricity, constant plumbing leaks and deteriorating walls and floors.

Maria Valez shares a two-room apartment with her daughter, Rosa, and two grandchildren.

Rosa walks into the bathroom and points to the sink, which is held up by a broken mop handle. A bucket has been placed underneath the sink to collect water because there is no piping.

The walls in the apartment are peeling and cracking. Holes have been repaired with plaster and newspapers. Water from a fourth-floor bathroom leaks into their second-floor bathroom.

"The water bugs are as long as my fingers," she said, holding out her hands.

Janssen could not be reached yesterday, despite messages left on an answering machine at his residence.

In other apartments in the buildings, conditions are similar.

Hector and Carmine Roman and their six children live in a four-room apartment on the fourth floor and have to use outlets from a vacated apartment across the hall for their electricity.

A son, Luis, 11, has developed a rash that covers his entire body. Some tenants said it was caused by lead poisoning from a green paint that was used on much of the building's interior.

But Tricia Mitten, a health officer with the city's health department, said that although it is a case of lead poisoning, the boy picked it up in an apartment in New York City.

She said she tested the green paint in the Romans' apartment and found high enough levels of lead to order Janssen to scrape and panel the walls.

Rosa Valez said she contracted a similar rash when she moved into the apartment building six months ago.

City Chief Housing Inspector Jude Fitzgibbons said a state-mandated inspection of the two buildings in April revealed numerous structural, electrical and plumbing violations.

He said sink leakages could damage foam ceiling walls, get trapped in the building's light fixtures and cause a fire.

Many tenants say they use a fourth-floor bathroom to take showers because there is no hot water going to the lower floors.

A leak that apparently originates from the pipes leading to the shower drips into two second and third floor bathrooms, tenants say.

According to tenants, the leak has not been repaired in at least two years.

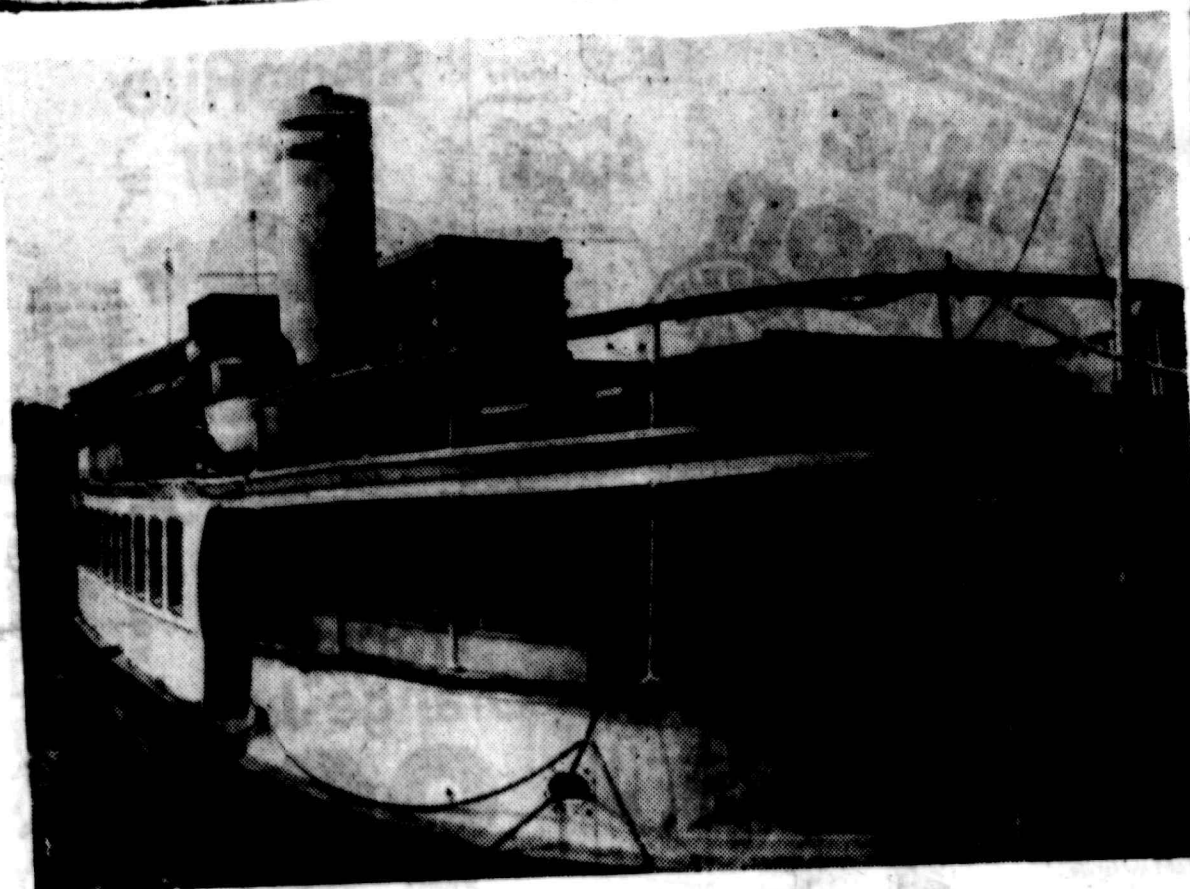
According to James Powers, assistant chief inspector for the state Bureau of Inspections, the landlord has several ongoing violations dating back to a state inspection in 1978.

Powers said he planned to turn the case over to the Habitual Offenders Unit at the bureau.

He said the unit would expedite the case and perhaps impose higher fines on the landlord.

Fitzgibbons said the city would conduct a reinspection of the apartment buildings sometime next week to see if the landlord had abated violations cited during the April inspection.

Tenants have said they will continue to withhold rent payments until all the violations are met by the landlord.



The S.S. Victoria berthed at the foot of First Street in Hoboken.

New floating restaurant is anchored in Hoboken

A new floating restaurant has dropped anchor in Hoboken waters, taking the place of the African Queen which sailed to parts unknown two weeks ago.

The S.S. Victoria, steamship built in Elizabeth, New Jersey, in 1930, was brought to the city from its home in Providence, Rhode Island, by its owner, George Pappas.

Pappas said the Victoria will be part of the waterfront development being coordinated between

New Jersey Transit, the pier owner and the city. Taxes will be paid to the city when the ship is assessed. The rent, in the form of a five percent tax on gross income, will go to the state.

Pappas, as restaurateur who has five dining operations in his experience, said that rough water had prevented him from making the Providence-Hoboken trip weeks earlier.

The ship, which has no engine, was hauled by tug Thursday to the downtown pier. Conditions set by the city for it to operate include building water and sewage hookups, expected to take several weeks.

The floating restaurant, which will cost approximately \$400,000, will seat 100 in its dining room and about 60 in the lounge. A European-trained chef will prepare dishes for a mostly seafood menu.

Following repairs and redecorating, the Victoria is expected to open next month.

Bubbling pools in Hoboken

The state Department of Environmental Protection Agency is looking into possible health hazards as a result of unauthorized dumping at the far end of 14th Street and under the viaduct.

The dumping came to light following Monday's tour of the area by Hoboken Councilmen Thomas Kennedy and Norman Wilson Jr. Kennedy said that in addition to piles of what appeared to be construction debris, he saw pools of an unknown substance bubbling from an underground source.

Wilson said the area was rat-infested and that he personally observed several on one visit.

A commercial dumping company on an adjacent lot also complained that their property was being littered by someone else's junk.

According to Pat Mitten, city health officer, the DEP official suggested that the "bubbling pits" may be a result of compressed garbage underground releasing methane gas.

According to Mayor Steve Cappiello, a city police officer was posted in the area several months ago but was eventually reassigned.

"We can help some people who have things to get rid of. They should call us before they throw these things on back streets or open lots," he said.

Delay sought in suit

Hoboken's municipal employees union is being asked to delay any action on a threatened lawsuit against the city until the city council's revenue and finance committee meets early next week. According to Councilman Norman Wilson Jr., the committee will hold a closed door meeting on personnel matters on Tuesday and an open meeting on Wednesday. The committee is expected to examine ways to approve a promised salary increase to municipal workers while holding it back from the "top brass." Other matters included by the finance committee at yesterday's meeting included an update of the sale of city-owned properties, estimated at 74 buildings and lots. Council members Helen Macri and Sal Cemelli, as members also of the school board of estimate, were instructed to bring school budget breakdowns for 1984 to the next finance committee session. Wilson said he expected work to begin on the next year's budget as soon as next month.

Church group gets \$10,000 gift

The Lutheran Church of America has contributed \$10,000 to a local church group for a housing advocacy project which begins this fall, according to the Rev. Paul Hagedorn, pastor at St. Matthew Trinity Lutheran Church.

Rev. Hagedorn, a member of the Hoboken Clergy Coalition, said that the Campaign for Hous-

ing Justice will add that money to a growing pool of nearly \$10,000 in contributions from other church groups.

"Our budget is considerably more than that," Rev. Hagedorn said of the project which has as its goal to protect tenants and small homeowners against displacement. The money collected will pay salaries for a staff of tenant advocates and a "legal dimension" still to be worked out.

In another action of the

Hoboken Clergy Coalition, Shelter Committee, a decision was made to open a soup kitchen for the homeless on Aug. 15. It will be located in St. John's Lutheran Church.

Firefighters blast Hoboken council

By Lisa Vives

Spokesman for the city's firefighters lashed out at City Council members yesterday for approving pay raises for the administration while cutting Hoboken jobs and allowing a whopping tax increase to go through.

According to Mike Revano, president of the firefighters union, the fire safety unit might lose 47 employees to make up for a \$290,000 projected budget shortfall by the end of the year.

Meanwhile, according to Bill Bergin, head of the fire officers association, top administration officials, including the mayor, received salary hikes of 25 percent this year.

Councilman Norman Wilson Jr., head of the council's finance committee, expressed surprise at news of the increases which Bergin revealed at the council's lengthy meeting yesterday.

After consulting with Eddie

Chius, city business administrator, Wilson said the matter of the salary hikes was even worse than he thought.

Wilson accused the business administrator of not providing the full dollars and cents details of the salary hike that his committee approved in January.

"There has not been full disclosure on the increases. The raises in January were a lot greater than we suspected and were led to believe," he said.

Chius who charged Wilson with not reading the ordinance for salary increases when it was introduced.

"Either he didn't read the ordinance or he didn't ask the right questions," Chius said. "I intend to make full disclosure of all increases for wages over \$20,000 by next week. That's not part of my job, but it will be useful to me later on," he said.

Robert Van Ingen, representing municipal employees whose July pay raise was held up by City Council

votes, gave a brief description of yesterday's council meeting.

"It stinks. We're the only group that didn't get the second half of our raise this year," he said. "I told them, if I don't hear by Friday what's happening to our raises, we're going to sue the city for breach of contract."

The long morning meeting was marked by acrimonious charges of city mismanagement, and accusations were leveled at council members who failed to cut back the "dead wood."

"My family has been here over 125 years," said Capt. Robert Moore of the firefighting unit. "We have jobs in this city created for friends, given out as rewards, and several dual city job holders. Instead of our council members cutting these jobs from the payroll, they let the state make the budget and now it's the little guy who's getting knocked out."

Summing up, Bergin made four recommendations to council members to save firefighters jobs and cut waste.

"First, they should get the Board of Education with their largest pair of scissors. The city has 450 workers serving 45,000 Hoboken residents, but the school system has 750 workers serving only 5,000 students," he said.

His second recommendation was to eliminate three assistant school superintendents at \$57,000 a year, which he called "unnecessary."

Clearing up Blue Cross and Blue Shield accounts where the city is paying thousands of dollars for deceased workers or employees who have left the city, was a third recommendation. The over-payments, he said, were revealed to him by the comptroller.

Finally, Bergin said abuses of city car privileges should be controlled. One fire chief, he said, was picking his wife up in the suburbs with the city car, while refusing it to his deputy chiefs.

Hoboken doo-wop night benefits two organizations

By JEANNE FABER
Community Editor

The good times will roll and two organizations will benefit, when some of the greatest oldies acts take the stage Aug. 28 at Hoboken's Feskin Field at 6 p.m.

The March of Dimes, in coordination with the Hoboken Little League, will present such familiar groups as The Cletones of "Heart and Soul" fame, The Harptones, who felt that "Sunday Kind of Love" and Earl Lewis and the Chaneels with "That's My Desire." Other featured acts who are also donating their time and talents to the show are Johnnie and Joe ("Over the Mountain"), Bobby Jay and the Highteppin' Laddies ("Yes, Oh Baby, Yes"), The Heartaches with their own rock-a-pele sound, and Yosemite, adding a Southern rock and roll flavor.

Bobby Jay, a disc jockey from WWRL in New York will be the master of ceremonies for the evening. Don K. Reed of WGBS-FM, the king of the Sunday night Doo-Wop Show, is also scheduled to appear.

Other invited guests are The Willows and The Silhouettes, as well as some noted sports figures.

Concert-goers should bring their own lawnchairs or blankets. The Hoboken Little League will be selling Italian favorites and other refreshments.

Tickets are available in advance at Feskin Field for \$2, or at the gate on the day of the show. A raindate is scheduled for Sept. 11. According to Tony Borelli, one of the masterminds behind the concert, 600 tickets have already been sold.

"It's really been amazing how this whole idea has blossomed," Borelli said. "I was working with the Hoboken Little League and we needed to raise money. I had a local band lined up to do a concert, when I ran into a friend, Tom Greve, who also has a band. I asked him if we could work something out to make it a bigger and better concert."

Tom works for the March of Dimes, so we decided to see if we could arrange something together," he continued.

A chance meeting one night with the Del Vikings at Mile Square City was what really set the ball rolling. Borelli approached the group about performing in his concert. They had a prior engagement but said they would see what they could do.

"The next thing I knew, I was getting

phone calls from all these groups wanting to be in the show," Borelli said. "I got a call from Don K. Reed of CBS radio and he put me in touch with Bobby Jay, who also does oldies shows at the Bottom Line."

Before he knew it, Borelli found he had to turn down acts. "I'm hoping to produce another show in the winter, to have more of these groups involved," he said.

Just when he thought the oldies show was about as spectacular as it could get, another chance meeting expanded Borelli's reach into the realm of television. During last week's Giants-Jets exhibition game, Borelli found himself talking with a man who works for Prime Cable of Hoboken.

The next day Borelli received a phone call from an interested Howard Witt of the cable company. Prime Cable intends to film a commercial spot at Feskin's Field today, and to video tape the concert to be shown at a later date.

Borelli says he has also heard from WCBS-TV, which is planning to send a news team to cover the concert.

"I just can't believe how this idea has grown," Borelli said. "I guess I was just lucky enough to be in the right place at the right times."

Hoboken artists win top number of fellowships

The New Jersey Council on the Arts has approved fellowships for 34 individuals in Hudson County, including 21 in Hoboken.

The number of Hoboken fellowships was more than the amount of their fellowships for residents of any other municipality for fiscal year 1984.

And Hudson had more than 20 percent of all the fellowships approved by the council for fiscal year 1984.

The fellowships are for the creation of new works of art in various media.

The council has approved a total of \$223,500 in fiscal 1984 fellowships to individuals

throughout the state. Those grants are in addition to the grants approved by the council for various arts groups.

The Hudson recipients and the amount of their fellowships are as follows:

For choreography, Virginia Laidlaw-Chu of Weehawken and Mark Morris of Hoboken, \$3,000 each.

For music, Eve Beglarian, \$1,000, and Frank Brickle, \$500, both of Hoboken.

For visual arts mixed media, Jersey City artist Kaare Rafoss, \$3,000, and Hoboken artists Arthur Tsuchiya, \$3,000,

Linda Braun, \$1,000; Gene Felner, \$1,000; Rohn Finard, \$1,000 and Sue Johnson, \$500.

For visual arts graphics, Debra Weier, Hoboken, \$3,000; Ben Jones, Jersey City, \$1,000 and Jill Schiffer, Hoboken, \$500.

For visual arts painting, Celia Parker, Hoboken, \$3,000; Gail Buono, Jersey City, \$3,000; Alison Weld, Hoboken, \$3,000 and Matthew Schley, Jersey City, \$500.

For visual arts sculpture, Gale Sasson, Jersey City and Patricia Lay, Jersey City, \$3,000 each; Vern Yenor, Jersey City, \$1,000 each and Mary North of

Weehawken and Leonid Sokov of Jersey City, \$500 each.

For crafts, Anne Tenenbaum of Hoboken, \$500.

For photography, Geanna Merola of Hoboken, \$3,000, and Bruce Tamberelli and Andrew Garn of Hoboken, \$500 each.

For film video, David Davidson, Emily Hubley and Nora Jacobson of Hoboken, \$3,000 each and Paul Ryan of Hoboken, \$1,000.

For poetry, James Ruggia of Hoboken, \$1,000 and Joel S. Lewis of North Bergen, \$1,000.

For playwriting, Seamus McGraw of Hoboken, \$3,000.

Hoboken's taxpayers complain of 'the price you pay for politics'

Politicians took a roasting yesterday from some Hoboken homeowners and storekeepers following announcements of a 27 percent tax boost.

Specifically, the Hudson County Board of Taxation certified Hoboken property tax at \$183.29 per \$1,000 of assessed value. An average homeowner can expect to pay more than \$2,500 in taxes this year, according to one estimate.

"That's the price you pay for politics," said the owner of an up-town liquor store. "It won't hurt me directly. It will hurt people who pay rent and they'll have less money to spend. So indirectly it will hurt me."

Property taxes can be passed on to tenants by a special formula

according to Hoboken's rent law. The tax-passalong, divided among the apartments, stays in effect until the end of the tax year.

But Juan Garcia, director of CUNA, a local tenant organization, said that few landlords rolled back the tax increase at the end of the year as they are legally required to do.

"Landlords pass along the increases but never the decreases," said Garcia. He said he doubted that any would appeal their tax bill as many small homeowners successfully do.

"Why should they?" he asked. "The tenants pay the increase and it doesn't cost the landlord a penny."

Mismanagement and high

salaries for department directors were blamed by several storeowners for the new tax rate.

"If I had \$100 to live on, I wouldn't spend more than that," said a grocery store clerk who thought the city government had overspent.

Pat Pasculli, a city councilman, blamed the city's failure to act earlier on the budget for the current chaos over taxes and jobs.

"Now we have high increases and less services," Pasculli said. "This budget should have been brought before the city council in the early months of the year — not now after 60 percent of it is already spent."

The tax boost, for Bonnie Berger, owner of Jennie Rebec-

ca's County Store, was an unfortunate fact of life. But she said if the city provided more services, a garbage can, for example, and a tree, she would consider it a fair trade.

"It's really a disaster," said one homeowner whose taxes will jump by \$800 this year. "We've got no school system to speak of, terrible parks, no recreation program and a short-handed department of public works."

"Let the directors who make \$40,000 a year take pay cuts or work as volunteers," said Bill Perry, who described himself as an ordinary citizen. "It's not the loss of industries which is killing the city. It's the high salaries that we pay our city officials."

Pier dispute mars fairs

Hot weather, high humidity and gray skies failed to deter hundreds of Hobokenites and their guests who came out this weekend for the city's fourth annual River City Fair.

Vendors of hot food and beer did good business as did sellers of fruit cups, paper flowers, Hoboken memorabilia and River City Fair T-shirts. Everybody agreed that sales were better Sunday than the day before.

Michele Fisk, who makes hand-carved wooden toys with her husband Bob in Edgewater, noted with disappointment that Saturday's turnout seemed to be the lowest it had been in the four years they'd sold at the fair. She also complained that there were no buyers this year for a replica of the Hoboken ferry carved in poplar, a high ticket item but usually a good seller.

Not enough publicity and other organizational problems were the tip of an iceberg of a more serious controversy which put co-hosts of the festival on different sides of the fence.

"What this weekend is really about is saving the Fifth Street Pier," said Helen Manogue, head of the Hoboken Environmental Committee and co-sponsored of the fair. Her table with petitions, Save-the-Pier buttons and fact sheets was positioned at the entrance to the endangered pier.

Fifty steps from Manogue's table was the large, covered booth belonging to the city's Community Development Agency. The city agency has said

that the pier is too expensive to repair, that demolishing and rebuilding it would cost almost as much as fixing it, and that there are other public pier sites which could be developed in its place.

"We've been an advocate of comprehensive planning for at least 10 years," said Manogue defending her "save-the-pier" movement. "But people have a right to say what they want for Hoboken. Our perception is that the CDA wants to give the pier away to developers."

Manogue accused the city of approving waterfront plans which would ultimately deny residents access to the piers for the next 10 years.

A spokesman for the city

"If the city really had guts, they would find the way to restore the Fifth Street pier and return it to the people of Hoboken," she declared as she greeted, a constant stream of

new arrivals to the fair, among them Councilman Thomas Vezzetti. Manogue said that Vezzetti was the only political figure to attend the weekend event.

Thomas Ahern, director of economic development for the CDA, who manned the city's booth decorated with photos and a scaled replica of the proposed pedestrian plaza, said that residents would always have as much access to the city's piers as they have today. Presently, he pointed out, all piers are private property and are set off from the public by a fence.

Louis Lewison, age 25 and a native Hobokenite, said he hoped the pier would stay open to fishing and declared himself against the construction of "600 condo units" on the waterfront.

Bobby Mack, age 28, also born in Hoboken, agreed and said he hoped the city would fix up the pier to use all summer long.

African Queen set to sail and some in Hoboken glad

By Lisa Vives

The African Queen will steam away from Hoboken's shores in the next few days but not soon enough for at least one community watchdog group.

The refitted ferry, with three dining floors, had been renting dock space from New Jersey Transit at the rate of only \$200 a month.

To members of the Hoboken Environment Committee, that low rent gave the boat-restaurant an unfair edge over other eating places starting up in the developing area.

Added to its internal problems, the African Queen had been unable to obtain proper permits and OKs from the agencies involved.

Mayor Steve Capiello, for one, did not sound sorry to see the boat go.

"There's another boat which has made an application for the same pier. I wish him (the owner of the African Queen) luck."

Although sources said that the Queen would be relocating to Exchange Place, in Downtown Jersey City, city officials there said they knew nothing of the move.

"It's still a long way down the road," said Gene Scanlon, a mayoral aide. "We have talked about it, but that's as far as it's gone."

A spokesman for New Jersey Transit described the connection

with the African Queen and NJT as "landlord tenant relationship." "Naturally we would have liked to see them make money," the spokesman said. A higher rent was also anticipated if the restaurant had done well.

Housing aide defends Hoboken tax breaks

Tax abatements should not be blamed for this year's tax crisis, according to one city housing official, who defended the practice of tax breaks to developers of low and moderate income housing.

"Abatements brought new revenues to the city and helped turn some neighborhoods around," argued Sal Santaniello, director of housing and neighborhood preservation.

Close to half a dozen city housing projects have tax abatements which means they make "a payment in lieu of taxes," Santaniello explained. Only a few buildings pay no taxes at all. Examples of those are churches and Stevens Institute.

The abatement allows developers to pay only a portion of rents collected instead of a standard tax. "The developer can never pay less than what previous taxes on the property would

bring," he said.

Santaniello acknowledged that the city is planning no more tax breaks in the future, except possibly for a new school.

Last month, the Caparra Home Improvement Corp., a non-profit Hispanic group, asked for a tax abatement in order to construct 20 two-family homes for moderate-income families.

That request was withdrawn from the City Council's agenda and is on a "back burner," the city official observed.

Explaining how abatements work for the city, Santaniello referred to the Willow Avenue project which turned a slum building into decent and affordable housing. Owners of brownstones in the area had been trying to unload their homes at almost any price. Today, Santaniello said, they can get five times what they asked for then.



DOO-WOP ON THE FIELD — A concert featuring the sounds of the '50s and '60s will be held Aug. 28 at Hoboken's Feskin Field for the benefit of the March of Dimes and the Hoboken Little League. The concert is scheduled to be taped by Prime Cable. Gathered to finalize plans are, from left, Tom Greve and Tony Borelli, the program's producers, Howard Witt of Prime Cable and Carmine Pietropaulo of the Hoboken Little League Coaches and Managers Association.

How the squeeze hits John Q. Hoboken

By James Kopchansky

When one shoe falls, can the other be far behind? That's what the average Hoboken resident must be thinking as he finally begins to feel the effect of the city's worst financial crisis in years. Already, businessmen and private homeowners have felt the first shoe: an

astronomical tax increase that raised the city's tax rate (already the highest in the state) from \$147.33 to \$189.29 for each \$1,000 in assessed property value. As they go this month to pay their property taxes, many are finding a 27 percent increase listed on the bottom lines of their tax bills. This has not made any of them happy.

The tax increase has already sparked one recall drive and produced much griping and rumblings among taxpayers. Yet, the uproar over taxes may be nothing compared to what could follow when the residents feel the first effects of mandated cuts in the city budget. This past week has seen an inkling of this when Public Works Director

William Van Wie announced the layoffs of 16 permanent employees, effective Sept. 10, on top of the eight provisional workers laid off on Aug. 10. Van Wie's personnel cuts will mean a loss of about one-quarter of his manpower strength, which observers have said is already understaffed. For the city as a whole, the ex-

pected cuts will almost certainly be felt for a long time. "There's no way we can cut that much money and not have city services suffer," Mayor Steve Cappiello said in assessing the situation. "What we are going to have to have is patience and understanding from the public until we can right ourselves." See HOW—Page 21.

How the squeeze hits John Q. Hoboken

Continued from Page 1

Many city workers both privately and publicly acknowledge that many of the drastic cuts would have been avoided had the budget been prepared earlier in the year. However, with only four months to go, the city has to take drastic actions to cut the \$700,000 lost.

Business Administrator Edwin Chius said he should announce the cutting sometime this week. Until then, all plans must remain speculative.

In preparing the plans, Chius said the main priorities have been garbage collection, police and fire protection, and the maintenance of public buildings. From what has been heard confidentially and what has already been announced, the following cuts and their effects will include:

• **Public Safety:** This still remains ambiguous because of the plan Chius is discussing with the police and fire unions. Should it be approved, he said many and possibly all of the projected layoffs in this department could be avoided this year. Director James Giordano must make up a projected \$481,000 deficit in this \$3.6 million budget this year.

While police patrols and firehouses will probably be maintained as close to regular as possible, officers in both departments assigned to special duties like the department's anti-arson force and its licensing officer, may be taken back into the department for regular duty.

The return to two-man patrol cars from one-man cars being demanded by the city's police unions will not be done this year.

• **Public Works:** When Van Wie made his layoffs this week, he did so mostly from laborers on the city's street and maintenance crews. These men will be replaced when needed from general laborers stationed at the city's

municipal garage, he said.

However, such work as snaking out sewer lines and repairing potholes will take longer.

"We can only do them when we have the chance, I hope the public will understand," Van Wie said. Public Works faces a deficit of about \$181,000.

• **Garbage Collection:** Chius said he will ask the state for an emergency appropriation to help the city meet its \$1.3 million collection contract with LaFera Contracting Corp.

Should the city receive it, many of the cuts in Public Works could be avoided. However, the regular collection of refuse will not likely be affected.

• **Street Cleaning:** The city had expected to put out a bond issue to buy two new mechanical street sweepers. However, with its financial troubles, this has been put off indefinitely.

Until then, the present schedule which has streets east of Willow Avenue cleaned once a week while streets west of Willow are cleaned every two weeks will continue.

• **Health, Welfare and Recreation:** These departments suffered heavily in 1982 as the city cut its financial belt by laying off many of its workers. As a result they did not suffer many cuts this year.

One provisional employee has been laid off in the welfare department, Director James Farina said, but other than that it should not be affected too greatly.

• **Law:** The department's six attorneys have already agreed to take salary decreases for the remainder of the year to avoid two of them being laid off, Chius said.

Without this, the city's municipal court calendar could have backed up into an intolerable mess. The law department had to make up a projected \$16,000 deficit.

• **Library:** Word is out that as

many as two full-time librarians may be cut and library hours severely limited to make up its deficit.

Already one junior librarian has been laid off.

• **Community Development Agency:** Much of its financing is provided through state and federal sources and will not be affected greatly by the budget.

The city is expected to keep its commitments to projects already started by the agency, but will probably be very selective in the future about new projects requiring city funding.

• **Schools:** To help the council cut the tax burden on the city, the board agreed to take \$1 million from its surplus accounts to reduce the amount of money it will require from city finances.

The money, which was earmarked both to start capital improvement projects within the schools and to be used as a cushion to cover any raises won by teachers in their ongoing contract negotiations that go over those projected by the board of education.

Without this cushion, several school officials have complained it would force them into an inflexible bargaining position that could lead to labor trouble when the schools open next month.

Also, recently several councilmen have announced whether a planned bond issue to cover capital improvements to the schools would actually be passed next year.

Meanwhile, a meeting was held Thursday between Chius and leaders of the city's police and fire unions to avert a sharp cut in personnel in both departments.

The plan discussed is considered risky because it would ask the general membership to approve the extension of their present contracts for another year without a salary increase. In addi-

tion, it would require both council and state permission on a \$500,000 emergency appropriation.

Yet without it, Hoboken residents may see a sharp drop in the number of police and firemen on duty throughout the last four months of this year.

Although the exact number of officers facing layoffs won't be known until this week, some estimates have had nearly 48 firemen and a slightly lesser number of police officers facing the loss of their jobs.

In all, estimates have varied between 35 and 50 percent of the 500 city employees would be laid off as the city wrestles with a much smaller budget than anticipated.

For some of these workers it could mean an inconvenience of about four months; others may find their jobs forever lost to them.

Chius, along with City Comptroller Matthew Cannozzi and city auditor Frank Italiano, has been meeting regularly with city directors since the state forced the city's hand by preparing a \$21.5 million municipal budget on July 28.

That budget came about after the city council failed to pass a proposed \$22.2 million budget that would have kept city services at their present levels, but would have produced a \$44 rise in the tax rate.

With the city's budget thrown into the state lap after passing the budget deadline, the state Department of Local Government Services prepared a municipal budget adhering strictly to the same amounts appropriated for the departments in 1982.

This would have been fine, except that several departments, particularly public safety, had increased their budgets caused by new contracts worked out with the city unions.

And even with the cuts, the new budget caused the \$35.96 increase in the tax rate.

Hoboken budget set

Tax boost sets record

By BRAD KELLY
Staff Writer

HOBOKEN—The Hudson County Board of Taxation yesterday made history by setting Hoboken's tax rate at \$189.29 per \$1,000 of assessed valuation.

It's the highest in the history of the tax board," said Hudson County Tax Administrator Stanley Kosakowski.

The board's action ended the speculations circulating at City Hall ever since the state's imposition of a \$21.5-million budget last week.

Earlier this week, the City Council officially received the state-mandated budget and sched-

uled a closed session for next week to discuss its effects.

Kosakowski said homeowners will be paying an average of \$2,760 in property taxes this year.

He said residential properties make up 45 percent of the city's total ratables, with industrial, commercial and apartment buildings accounting for the rest.

Based on property sales during the past two years, the assessed value is 32.80 percent of the true market value.

Several council members have voiced dissatisfaction with the tax increase and are blaming the state.

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TAX

But, according to Anthony Angilini, assistant director of the state Division of Local Government Services, the tax rate would have been even higher if the City Council had passed the amended mayor's budget.

17 years for slaying

A Hoboken man was sentenced to 17 years in prison yesterday for aggravated manslaughter.

Joseph Lugo of 214 Madison St. was sentenced by Hudson County Superior Court Judge Lawrence Bolder for the beating death of Raul Lopez, 27, also of Hoboken. Lugo pleaded guilty July 13.

Lopez died May 1. He had been declared brain dead after being beaten unconscious April 24 in the Hoboken PATH station.

Lugo and several friends had been harassing Lopez on the train, where Lopez was returning from his daughter's christening in New York, police said. According to police, Lopez slashed Lugo with a broken bottle in the PATH station.

Cappiello seeks Koch's pier OK

By BRAD KELLY
Staff Writer

HOBOKEN—Mayor Steve Cappiello yesterday said he plans to meet with New York City Mayor Edward I. Koch and will urge him to change his position on the Port Authority's waterfront development plans in New York and New Jersey.

Koch yesterday proposed changes in the legislation authorizing the Port Authority of New York and New Jersey to proceed with proposed projects in Queens, N.Y., and Hoboken that will cost an estimated \$1 billion combined.

Koch wants the legislation amended to subject the Port Authority development to the same taxes a private developer would pay, according to Port Authority spokesman Thomas Young. He also is asking that both projects be

developed simultaneously.

"I hope to talk with the mayor and explain our point of view... the suffering my city went through for 45 years regarding the seizure of waterfront property by the government," said Cappiello, referring to Piers A, B and C, which had been under federal jurisdiction last year.

The city contends that it lost \$70 million in taxes while the piers, seized from a German firm during World War I, were under federal jurisdiction. The legislation that Koch is now questioning, which has been passed by both houses of the New Jersey Legislature and the New York Assembly, authorizes the Port Authority to sponsor the development of 130 acres of waterfront property in Hoboken, including the three piers.

According to the Port Authority, the Hoboken project could create at least 10,000 temporary and 4,500 permanent jobs and would bring the city revenue from properties leased to developers.

Cappiello said he wants Koch to "relinquish his present position" and take one that is "more towards an understanding of us."

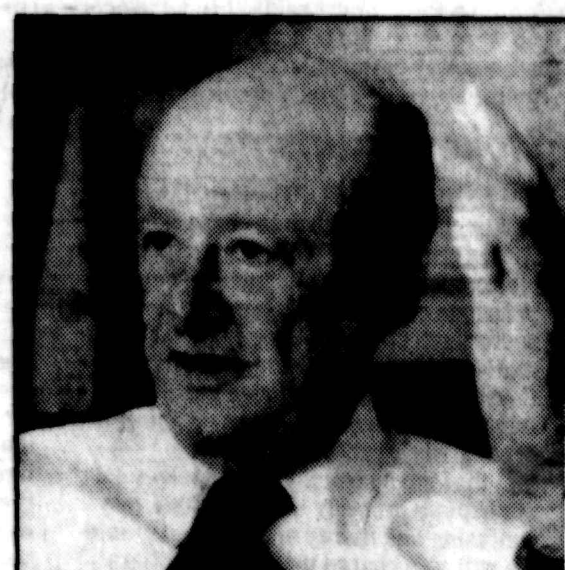
Larry Simonberg, a spokesman for Koch, said, "The mayor doesn't want to defeat the legislation, he just wants it more clarified."

Koch's position is supported by New York state Sen. John Marchi, R-State Island, majority chairman of the Senate Finance Committee, which is reviewing the legislation.

Marchi has to put the legislation on See PIER, Page 9



Steve Cappiello
Seeks more 'understanding'



Edward I. Koch
Wants bill 'clarified'

Those perking pools just coffee grounds

A bubbling substance discovered at city-owned property around 14th Street and the viaduct in Hoboken has been identified.

It is coffee, a state environmental protection official said yesterday.

Mixed with molasses, it is a by-product of a coffee substitute manufactured by General Foods. It is supposed to be dumped by the Haulaway Co. of 1419 Adams St., the state official said. But it is often stored overnight or over weekends, allowing the liquid to leak out, he said.

"The stuff is solid waste, it's not a chemical or hazardous waste," noted Anthony Falcon, regional DEP inspector.

"Still, it could sink into the ground water so we've told Haulaway they have to dispose of it quickly and not leave it lying around."

Besides the liquid waste, Falcon said he was surprised by the quantity of debris and garbage that was piled up in the area. "There's an unusual amount of clandestine dumping there. It appears to be by someone who has no fear of being caught."

PIER

Continued from Page 1
the agenda before the committee can take action on it, and, according to Simonberg, "It will not go forward the way it stands."

Simonberg said the issue is whether the legislation authorizing the Port Authority to undertake major residential and commercial developments in Hunters Point, Queens, is safeguarding the city's interests.

Peter Goldmark, executive director of the Port Authority, sent a letter to Koch earlier this week calling the proposed amendments to the legislation "terrible and probably fatal to the

program."

Young said Koch has made an apparent "flip-flop" concerning his proposals. He said that earlier this year Koch rejected a proposal to subject the Port Authority to the same taxes that would be levied on the private sector. Koch is now calling for such a proposal, he said.

Young said the mayor also requested last year, when the legislation was being prepared, that it not specify the site, a view he no longer holds.

A spokesman for Gov. Thomas H. Kean said that proposal "could be difficult."

City and state officials from both New York and New Jersey would not say yesterday how long they think the legislation could be stalled.

Soaring tax rate spurs Cappiello recall move

Continued from Page 1

cities, Jersey City would have a higher tax rate.

"Reading Mayor Cappiello's remarks, it is obvious that he either doesn't know anything about assessments or is carefully trying to mislead people in both Jersey City and Hoboken," said McCann.

"His comparison of homes assessed at \$40,000 in both cities founders very quickly. No matter how they tried to figure a home with an assessment of \$40,000 pays taxes at that rate, \$7,331 in Hoboken and \$5,439 in Jersey City. Local taxes have nothing to do with true values or the county's equalized valuation ratio."

"He can dance around with the figures all he wants and make all the comparisons he wants," continued McCann. "It's not going to make it any easier when Hoboken taxpayers have to open their wallets up and pay 25 percent more in taxes for 50 percent less in services."

McCann said Cappiello is en-

vicious of the interest developers have shown in Jersey City, "where they can deal with honest, business-like elected officials who can offer a degree of tax stability."

The Jersey City mayor also criticized Hoboken for relying on the state to finalize its budget.

Hoboken short \$750G

By BRAD KELLY
Staff Writer

HOBOKEN—The City Council announced yesterday that the city's shortfall would be about \$750,000 until the end of the year.

"We will have to cut \$750,000 out of the budget to make ends meet," said Council President Helen Macri.

City Business Administrator Edwin Chius and City Accountant Frank Italiano met with Mayor Steve Cappiello and the council last night to announce the shortfall figures and to look into securing state emergency appropriations.

On July 29, the city received a budget of \$21.3 million from the state after the council rejected the mayor's proposed budget of approximately \$1 million more. Italiano has been going over the budget for the last two weeks to find what the shortfall would be in each department.

The largest shortfall figures fell within the departments of public safety and public works.

Macri said the city is going to ask the state for \$211,000 in emergency appropriations to meet its contract with LaFera Garbage contractors.

She said the \$1.3-million contract is \$211,000 more

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HOBOKEN

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than last year's. "We can't leave people with a health hazard," she said in giving reasons for the request to the state.

Barry Skokowski, director of the state Division of Local Government Services, said yesterday that if the city came to him requesting emergency appropriations, he would have to review the request to see if the money would be used to alleviate health hazards.

"My primary concern is to make towns protected," he said.

Macri said that if the appropriations were granted, \$20,000 would have to be cut from the department of public works budget.

The department of public service would have to make up the largest shortfall — \$481,701.

Macri said it will now be up to each director to "take care of their departments." She said the directors are scheduled to meet with Chius later this week to discuss possible layoffs.

Chius said the state budget is forcing city officials to apply good management skills that he said have been lacking in the past.

Councilman Thomas Vezzetti said his proposals to cut jobs from the top level on deaf ears at the meeting last night.

He said he believed many of the directors' positions should be cut.

Minor fire doused

By BRAD KELLY
Staff Writer

HOBOKEN—Firefighters responded to a one-alarm fire in a 2nd-floor apartment at 1 Marine View Plaza yesterday, the first blaze not involving a kitchen ever reported there, according to fire officials.

The fire department received a report of the fire at 2 p.m. and sent one truck and three engine companies with 14 firefighters under the command of Deputy Fire Chief Raymond Sheehan to the apartment complex located at Fourth and Hudson streets.

Sheehan said the fire, which started in the bedroom of Apartment 22H, was contained there and was extinguished around 2:20 p.m.

He said the cause of the fire was unknown, although no arson was suspected.

According to Sheehan, there was extensive fire damage to the bedroom and excessive smoke and water damage to the rest of the apartment.

He said several corridors and stairwells on the 22nd floor sustained water and smoke damage as well.

According to Sheehan, the occupant was in the apartment at the time of the fire, but no injuries were reported.

He said the apartment would not have to be vacated.

Sheehan said the fire was confined to the bedroom because each unit is constructed of concrete and steel.

Koch is suspicious of Hoboken development

By DAN COLLINS
United Press International

NEW YORK—A \$500 million waterfront development project for Hoboken will not be put ahead of a similar development for Queens, if Mayor Edward I. Koch has his way.

Koch yesterday urged new guidelines for the \$1 billion projects in Queens and New Jersey, but a New York Port Authority representative said Koch's proposals, if accepted, would "probably be fatal to the program."

The Koch proposal was also denounced by spokesmen for New York Gov. Mario M. Cuomo and New Jersey Gov. Thomas H. Kean.

The mayor released a memorandum from him and state Sen. John Marchi, R-Statens Island, calling for legislation to limit the amount of commercial office space to be included in the waterfront projects.

Besides the limit on office space, the demands

NYC wants project tied to one in Queens

include the simultaneous beginning of both projects, a requirement that Hunter's Point pay the same state and city taxes as if it were developed privately, and a requirement spelling out the exact dimensions of the Hunter's Point project.

"I don't want to be sitting here sucking my thumb watching office buildings going up in Hoboken" while the Hunter's Point site remained undeveloped, Deputy Mayor Kenneth Lipper said in explaining the reason for the proposal to begin both projects simultaneously and develop them in tandem.

The memo went to PA Chairman Peter Goldmark, Cuomo and Kean.

The PA is planning the development of a \$500 million waterfront project in the Hunter's Point section of Queens and a separate \$500 million waterfront project in Hoboken, PA spokesman Mark Marchese said.

Legislation authorizing the development of both projects must be approved by the state legislatures of New York and New Jersey. New Jersey has already approved the legislation but New York has not.

Last week, Koch said he was dissatisfied with the authorization bill submitted in New York and would propose changes in the legislation to make it more specific. The mayor initially approved of the proposed bill that he now finds inadequate.

"In the spirit of frankness that we both enjoy, I think the proposed changes in the memo are terrible, and probably fatal to the program," Goldmark said in a memorandum to Koch released by the PA.

Timothy Russert, counselor to the governor, also criticized the mayor's switch on the proposed legislation.

"This sudden change in policy certainly would jeopardize something of great importance to the region and the city. As to the state, we have entered into an agreement and fully intend to keep our word," Russert said.

Kean's press secretary, Carl Golden, said, "Those conditions are not in the memorandum of understanding that Gov. Cuomo and Gov. Kean signed. We have lived up to the conditions in the memorandum and we expect New York to."

"You cannot develop projects like Siamese Twins. You cannot slow down one for the other if there are unanticipated delays," said Goldmark.

Hoboken councilmen urge retail zoning for uptown

By BRAD KELLY
Staff Writer

HOBOKEN—Councilmen E. Norman Wilson and Thomas Kennedy will ask the City Council tomorrow to reconsider amending the zoning law for the I-1 district to allow construction of large retail centers in that northern section of the city, Wilson said yesterday.

In May, Mayor Steve Cappiello vetoed a City Council resolution allowing construction of a Pathmark shopping center in the uptown area, arguing that the building of retail stores there would interfere with the construction of an industrial park.

The council failed to overturn the veto in a 5-3 vote

Pathmark in area was vetoed by Cappiello

that was one short of the required two-thirds majority.

Council members Anthony H. Romano, Mary Francione and Helen Macri supported the veto and Councilmen Wilson, Kennedy, Salvatore Cernelli and Nunzio Malfetti opposed it. Councilman Robert A. Ranieri, who voiced opposition to the project, did not vote.

Councilmen Walter S. Cramer and Malfetti were defeated in the May City Council elections by Thomas Vezzetti and Patrick Pasculli. There may be no change

in the political balance, however, because while Vezzetti is a Cappiello critic, Pasculli had Cappiello's support in the elections.

But Wilson is hoping that unhappiness with the city's tax rate, currently \$183.29 per \$1,000 of assessed valuation, may have some influence on the issue.

"We have the land just lying there and the tax rate grinding people up," Wilson said.

Wilson said the proposed amendment would add

commercial development to the area which is currently zoned for industrial development.

The amendment affects a vacant five-acre site at 15th and Washington streets, which was targeted for a proposed Pathmark.

Wilson said Pathmark had agreed to pay full property taxes and he estimated the store would create about 240 jobs.

He said if the council decides to take the issue up again, a final vote on it could take place by mid-September.

"We don't know if Pathmark is still interested," he said.

Firefighters warn city on layoffs

By BRAD KELLY
Staff Writer

HOBOKEN—City firefighters and fire captains dragged the administration over the coals during yesterday's City Council meeting, blaming possible layoffs in the fire department on what they termed its bad management.

They also warned the administration that even one firefighter layoff would endanger the lives of city residents.

"It's murder," said Michael Bavaro, president of Local 1078 of the International Association of Firefighters. This brought a thunderous round of applause from the standing-room-only crowd of concerned residents that filled the council chambers.

Hoboken council tables 100% tax abatements. Page 3.

Bavaro said many of the 13 deaths in the Pinter Hotel fire last year were a direct result of the department's continuing manpower shortage. He said the number of firefighters has decreased from 132 to 90 since 1972.

According to Bavaro, taxpayers are currently paying for six engine companies, but only four are operational. He said the other two are not being used at this time because there are not enough men to operate them.

He said if the city was comprised of one- and two-family homes, the administration would be right in reducing the number of firefighters.

He said the city, however, is structured around multiple-family dwellings, and any further reduction in the number of firefighters would make it impossible "to send our men in to a burning building to save

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FIREFIGHTERS

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Firefighter Joe LaBruno said more lives could have been saved last year if the fire department would have had just one more truck company.

"How many more do you want to see lost?" he asked the City Council.

Fire Chief James Houn said last week that there may have to be departmental demotions and elimination of the fire prevention unit.

Bavaro said demotions would be demoralizing and unfair to any firefighters who have been studying for promotions.

Referring to the possible elimination of the fire prevention unit, he said, "the best way to fight a fire is to never have to fight it in the first place."

Bill Bergin, president of the Hoboken Fire Officers Union, said the department should not have to pay for what he termed the administration's failure to adopt the city budget, resolve its waterfront problems and collect back taxes.

Speaking during the public hearing portion of the meeting which lasted a little more than an hour, Bergin recommended that positions in the

board of education be eliminated.

He asked for the consolidation of the positions of board secretary, assistant board secretary and business manager into one position.

He also called for the elimination of the position of public safety director, saying such a move would put much-needed police officers back on the city's streets.

"Nonessential political jobs are a thing of the past," he said. "They cannot be allowed to exist."

He called on the administration to meet with members of the fire department to discuss alternatives to layoffs, including the reorganization of the department's vacation plan, which he said could save the city \$100,000.

Bavaro said the number of structure fires in Hoboken has increased by 97 between 1981 and 1982. He said last year there were 1,001 structure fires.

He said each fire engine must have a minimum of three men and a captain and each fire truck a minimum of three men for those vehicles to be operational.

He said if just one firefighter is laid off, either an engine or truck will become inoperative.

He said if that happens, "we will soon become a volunteer outfit that just surrounds and drowns."

Hoboken landlord gets 13% hike

By BRAD KELLY
Staff Writer

HOBOKEN—The New Jersey Housing Finance Agency has approved a 13-percent rent increase for Marine View Plaza apartments, Mayor Steve Cappiello said yesterday.

Integrated Resources, owner of the low-to-moderate-income housing units, cited increased operating costs and payments on debt services for the application of the rent increase, according to HFA management officer Gordon Reeder.

Cappiello raps Marine View hike

Reeder said that, since Marine View Plaza was financed by the HFA, the agency has the power to approve any rent increases filed by the owners.

"We have our own set of rent regulations, and any increases are approved by our agency through the regulatory process," he said in reference to developments mortgaged by the agency.

Reeder said the rent increase was reviewed for 30 days by the agency before any decision was made.

"They (Marine View Plaza) have operated at a loss for a number of years. There was a need to raise rents," he said.

"There will probably not be another application for a rent increase for the year ... at least I hope not," Reeder said.

Cappiello voiced disapproval of the rent increase on the grounds that the city was not notified of the action.

Although he agreed the state had the right to approve the increase in its lease arrangement, "it should have notified the City Council of its actions," the mayor said.

He said he would have liked the council to review the owner's application form to see whether the reasons for a rent increase were justified, because if they were not, "we could object as loudly as the other tenants."

Cappiello said he had not seen the application and did not know whether it was justified, but added he thought the increase was not consistent with rent control board levels.

He said the rent increase may have been 5-percent higher than rent control board levels.

Cappiello said he told the HFA that the city "would like to be notified of these actions in the future."

Marine View Plaza, at the corner of Third and Hudson streets, consists of 432 units in two buildings, according to manager Joe D'Alonso.

Architect says dullness mars Hoboken rebirth

By James Kopchansky

To build a new house or to remodel an old one requires time, effort, finances, and imagination.

And it's this last ingredient that has been in short supply in the rash of new building and renovation that has been taking place in Hoboken in recent years, according to Dean Marchetto, one of the most prominent architects designing in Hoboken today.

"Most developers have been operating on the principle of returning the most profit for the least expenditure," Marchetto said. "This isn't to say they've been slipshod or building poorly. It's just that they have not been as concerned with their architectural design. They've just been unimaginative."

To Marchetto, the architects who designed the brownstones and at the turn-of-the-century Hoboken had a very good idea of what their clients wanted in a house.

"They understood the city and they understood what the people who lived here needed," he said. Their buildings are useful and functional, yet they are aesthetically well-designed.

It's these old brownstones that Marchetto has taken to heart in designing structures for developers in the city. In each of his designs, he said his chief concern has been in integrating his designs into the greater design of the neighborhood.

It's been a formula that has led to outstanding success for Marchetto. At the present, \$3 million worth of housing he has already been commissioned to design about \$6 million in future development in the city. And all this since he first moved to the city in September.

Prior to going into private practice, Marchetto had been one of the top architects at the prestigious firm of Gwathmey Siegel & Associates in Manhattan. In the two years there, Marchetto was awarded a series



Dean Marchetto
Success formula

of awards for his designs. His design for Gwathmey's new headquarters on 10th Avenue in Manhattan won him mention as one of the top interior designs by Interiors magazine.

His biggest design in Hoboken has been a \$2 million, 20-unit condominium apartments at Second and Bloomfield Streets. According to Marchetto, the design is meant to fit in with the red-brick brownstones in the neighborhood largely by the use of a facade fronting a modern building.

The space between the facade and the main building will be used as hallway and stairwell space. It's now being built by its developer, West Bank Construction of Hoboken, and should be completed by next year.

For Marchetto, returning to Hoboken has been one of the most exciting decisions he has made. A native of the city, he spent most of his life in North Bergen, while picking up an architecture degree from the New York Institute of Technology.

Now, he both lives and works at his personally-designed office on Eighth Street. "Hoboken is just such a fertile ground for new building and reconstruction. I will probably be here for a long time."

Hoboken taking plaza work bids

Hoboken will begin accepting bids Monday for a \$850,000 pedestrian plaza to be constructed in front of the Erie-Lackawanna Terminal following approval of the project by the city council and the city's historic commissions.

The pedestrian plaza will not be an active recreation park, according to Tom Ahern, director of economic development. It will include a sitting area shaded by trees, a fountain, and a number of architectural design details to conform with the terminal's historical style.

Ahern stressed that no city money will be spent on construction of the park-plaza. Instead, grants from the state Green Acres program, the Hudson County community development

fund and Community Development Block Grant money will pay for the work.

While the proposed plaza is tax exempt, the development is expected to attract private developers to locate businesses in the railroad building.

Security for the plaza area will be provided by New Jersey Transit which has its police headquarters in the terminal building. The plaza will be active 24 hours a day but loitering will be discouraged.

Pedestrian Plaza, noted Ahern, is the first park being built by the city along its waterfront. Anticipating its future use for concerts and cultural events, cables have been laid to provide extra electric power for bandstands and stages.

Closing date for the receipt of bids is Sept. 21. Construction is expected to begin almost immediately after and Ahern said he expected the plaza would be completed in the spring.

Library cutting back on hours

The budget crunch affecting municipal services in Hoboken has now forced the city's public library to cut down on its operating hours when it reverts back to regular schedules starting Sept. 6.

As of Tuesday, the library will be open from 10 a.m. to 5 p.m. on Mondays, Wednesdays, and Fridays and from 10 a.m. to 8 p.m. on Tuesdays and Thursdays,

while on Saturdays it will remain open between 10 a.m. and 1 p.m.

The library's juvenile department will be open Mondays to Fridays from 1 to 5 p.m. and on Saturday from 10 a.m. to 1 p.m. All special morning programs held in the juvenile department will now be held in the afternoon, according to Terry Sasso, acting director of the library.

Hoboken council to hear budget cuts

The city's plan to cut its budget is expected to be released tonight at the caucus meeting of the Hoboken City Council.

The council has scheduled a closed meeting at 5 p.m. in the City Clerk's office to discuss the projected \$700,000 cuts by the state from the city request.

Following the closed meeting, the council will meet in public caucus at 6:45 p.m. to con-

sider resolutions and ordinances scheduled to be decided at its first meeting in September. That meeting is scheduled for Sept. 7, but is expected to be delayed until Sept. 8 at 10 a.m.

City Business Administrator Edwin Chius said yesterday that he had completed the projected cuts in personnel and supplies but would not release them until it is first shown to the council members.

Tax breaks under fire in Hoboken

By BRAD KELLY
Staff Writer

HOBOKEN—Earlier this month the city was handed its highest tax rate in its history from the Hudson County Board of Taxation. Around the same time, the administration of Mayor Steve Cappelletto sent layoff notices to 500 employees in anticipation of a possible 20-percent reduction of the city's work force.

It did not take long for public outrage to the rate of \$183.29 per \$1,000 of assessed valuation to surface, as homeowners, businessmen and city officials began questioning the city's tax abatement policy of the past 10 years.

"Just how many people are paying their fair share of taxes?" one city official asked.

Of the city's approximately 16,000 residential units (based on the 1980 Census), 4,107 are receiving some form of tax abatement or exemption. Almost 10 percent of all properties receive abatements.

Since that 10 percent is added to the roughly 50 percent of the city properties are tax-exempt, including 1,350 residential units under the city's housing authority, 40 percent of the city's residents pay the bulk of the \$18 million that must be raised by taxation this year for the Hudson County, city and school district budgets.

Woodrow Monte, the city tax assessor, said the city provides three types of abatements.

In 1978 the city started giving out five-year abatements on improvements to multi-family

See TAX, Page 7

Illegal dumpers fouling the streets of Hoboken

By Lisa Vives

Trash is being illegally dumped along 14th Street under the viaduct and is creating a health hazard and drawing rats, said two Hoboken city councilmen following a tour yesterday.

"We had a complaint on the debris several months ago by a trucking company in the area," said Councilman Thomas Kennedy. "He said his insurance was going to be cut in 48 hours if the problem remained."

A payloader from the city's Department of Public Works pushed most of the trash to a far corner of the site, Kennedy said. But new complaints about more dumping were received last week.

Councilman Norman Wilson

Jr., who accompanied Kennedy on the tour, said Jefferson Street trash was piled so deep that a motorcycle would not be able to pass.

"I don't think it's fair to expect the city to remove the stuff, especially with the fiscal trouble we're in," Wilson said. "The companies who are dumping this stuff should be the ones made to take it away."

Wilson acknowledged that responsibility for the dumping would be hard to prove.

"The problem is that it's definitely rat-infested," Wilson said. "I threw a brick over there and four rats jumped out."

Wilson said he would suggest that sanitation inspectors investigate the illegal dumping and that a request for aid be made to the state.

Hoboken fires 13 workers

By BRAD KELLY
Staff Writer

HOBOKEN—A minimum of 13 official termination notices were handed out yesterday to city temporary workers, according to city Business Administrator Edwin Chius. They were effective immediately.

Yesterday's layoffs marked the beginning of the city's attempt to meet a \$750,000 shortfall caused by a state-mandated budget. That

budget is approximately \$1 million less than the mayor's proposed budget which was rejected last month by the City Council. Chius said complete layoff figures were not available for the departments of health and welfare and public safety, but there would be "at least two, maybe more" in the public safety department. It is believed these layoffs will involve clerical employees. Termination notices will continue to be handed out between now and the end of the month because many temporary workers are

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Ride designed to save lives

By BRAD KELLY
Staff Writer

HOBOKEN—New Jersey Transit plans to take more than 400 youngsters on a train ride tomorrow that could save their lives, according to L. Richard Mariani, an NJT spokesman.

The train ride is part of the city's school safety program. While the children are being taken from the Erie-Lackawanna Terminal here to Waldwick some 20 miles away on the Main Line, an NJT police officer and an NJT safety representative will be talking to them about the dangers of trespassing on railroad property.

According to Mariani, the program, which began with Conrail and was picked up by NJT in 1975, "recognizes accidents that happen throughout the state each year."

Mariani said suicide or carelessness account for approximately 15 train-related deaths each year in New Jersey, most of them involving adults.

He said many people who walk along railroad tracks never hear the train coming or think the train will be on the other track.

"There is not much an engineer can do once he spots someone on the tracks," Mariani said.

He said the average stopping distance for a train traveling 50 mph is about one mile.

"There is not much we can do to prevent trackwalking," Mariani conceded, "except point out the dangers of it."

He said the program is aimed at children between the ages of 6 and 15, and more than 65,000 children throughout the state have participated in it since 1975.

He said NJT normally holds these safety discussions at schools located near NJT train lines, but decided to keep it going during the summer months and hold them on the trains.

Mariani said the program is principally designed to safeguard children, but also can help the engineer.

400 children will be told trespassers often die

He said a train-pedestrian collision is a "traumatic experience" for a train engineer and NJT engineers "go through it at far too great a frequency."

Mariani said tomorrow's program will include a film showing interviews with people who have been crippled or had limbs amputated as a result of being struck by a train.

He said the film was not intended to "gross anyone out," but to show the children "you don't get a second chance at this."

The seminar will also discuss railroad vandalism.

According to Mariani, there have been 289 incidents of stones being thrown at passing trains and 200 incidents of objects being placed on railroad tracks so far this year on routes run by TNJ.

"There have also been several switch tamperings," he said.

Mariani said there is no particular area in the state with a critical vandalism problem. But, he added, the Northeast Corridor, which extends from Boston to Washington and includes both Amtrak and NJT lines, is prone to suicides.

Children in the city's recreation programs and day-care centers will take part in the seminar, which is open to any youngster 6 through 15 living in Hoboken.

The train is scheduled to depart at 10 a.m. from the terminal at Hudson Place.

For more information, interested persons may call Maurice Fitzgibbons at 420-2089.

HOBOKEN

Continued from Page 1

now taking vacation time, Chius said.

Mayor Steve Cappelletto said "most" of the city's temporary personnel will receive final termination notices, but did not know how many that would be. Neither he nor Chius could furnish a total for the city's temporary workers.

The temporary workers who will be kept are the court interpreter, rent control board administrator, a public works department carpenter, and two licensed operators for the water utility and the sewage treatment plant, according to Chius.

Chius said a preliminary list of permanent personnel layoffs has been completed, but would not comment further until that list is discussed with the mayor, the City Council, the staff and the labor organizations involved.

Chius said he expects to complete the list and give a final word on the exact number of layoffs by the end of the month.

Fire layoffs asked

By BRAD KELLY
Staff Writer

HOBOKEN—The city's fire department may have to lay off 24 firefighters by Dec. 31 to meet a \$290,000 salary cut, city Business Administrator Edwin Chius said yesterday.

Chius said that based on the approximately \$6,200 left to be paid to the city's 92 firefighters, a total of 48 firefighters could be laid off.

"That's the worst it could be, but we can't live without that many," he said.

"It just shows you, though, how tragic the situation is," he said.

Chius said half that number would probably be realistic.

Fire Chief James Houn said there will be demotions in rank before any layoffs begin.

On July 29, the city received a budget of \$21.3 million from the state after the City Council rejected Mayor Steve Cappelletto's proposed budget of approximately \$22.2 million. Shortfall figures in each city department were made public Monday and Chius is scheduled to continue to meet with department directors to discuss budget reductions.

City Council President Helen Macri said exact layoff figures would be reached within the next two weeks.

Chius said the fire department would "have to go below" the number of personnel currently employed, which is 127. He said one of the six fire companies may have to be closed, but which one that would be depends on staff number and location.

"Hopefully we won't have to close two," Chius said.

Chius said there is a possibility the city will have to ask the state for emergency appropriations for the department, but "we will do everything possible to avoid that."

Houn said there will be movement within the

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LAYOFFS

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department, a possible consolidation of fire companies and possible elimination of the fire prevention and public relations details.

Houn said the fire prevention unit, which investigates suspicious fires and enforces fire codes, is "very vital," but the department must maintain its firefighting capabilities.

TAX

Continued from Page 1

Monte estimated that approximately \$10 million in ratables was lost last year, which could account for about \$16 of the tax rate increase.

Councilman E. Norman Wilson Jr. said one way to decrease the tax rate would be to broaden the city's tax base, which would generate a greater amount of ratables.

According to Wilson, approximately 90 percent of the city's property owners are receiving tax abatements or exemptions.

Monte said abatements and exemptions were offered as an incentive for businesses to locate in the city, but some abatements are good for 40 years.

He said a typical abatement, which many of the applied housing owners are receiving from the city, requires that the owner pay 15 percent of shelter rent in lieu of taxes.

The tax rate increase of nearly \$40 would have been about \$9 higher under Mayor Steve Cappelletto's budget which was voted down last week by the City Council.

That budget was asking for \$9.5 million to be raised through taxation which is \$200,000 less than what the state mandated.

TAX

By BRAD KELLY
Staff Writer

Continued from Page 1

homes. Under that plan, the city can provide up to a \$10,000 abatement on the assessment per unit for anyone renovating a building that is at least 20 years old. He said the abatement decreases by 20 percent each of the five years and then is eliminated.

Monte supports this abatement, saying it provides better living conditions for tenants and increases a property's assessment after the renovations are completed, which translates into an eventual increase of property taxes for the city.

He said a \$20,000 abatement on a property assessed at \$22,000 could increase that assessment to \$28,000.

The second type of abatement falls under the Limited Dividend Non-Profit Housing Corporation Act, which was passed by Congress in 1968 and is used for all of the city's low-to-moderate-income housing.

Under this program, tenants in abated, low-income housing pay rents that are 30 percent of their income, and the federal government subsidizes the difference between what is paid in rent and the true-rent value.

Owners of these housing projects are only allowed an 8-to-10-percent profit. Any additional profit is collected in the corporations' accounts to be divided between the state and the city when the abatement runs out.

Although Monte does not criticize the intent of the abatement, which he said is to encourage non-profit housing projects by government-financed mortgages, he questions the length of those abatements, some set at 40 years.

But Business Administrator Edwin Chius said the city must comply with federal regulations that set the abatement for the life of a building's mortgage, which could be 20 to 40 years and sometimes longer.

Since most of the 40-year abatements were given out by the city in the early '70s, protected properties will not be put back on the city's tax rolls until the 21st century, Monte said.

The third type, or Fox-Lance abatement, set up by the state Urban Renewal Corporation and Association Act of 1961, works the same way as the limited dividend but has a 20-year limit.

He said the city's total of ratables (taxable land and improvements) has been decreasing continually, which, in turn, forces an increase in the tax rate.

City officials point out that long-term abatements on low-to-moderate-income housing managed by Applied Housing Associates for limited dividend partnerships prevent those properties from increasing the city's ratables for too long a time. The partnerships include the Church Towers, Marian Towers, Clock Towers, Hudson Estates and Bloomfield Manor, a total of 2,750 units.

A city's tax rate is arrived at when the amount to be raised through taxation is divided by the total of ratables, currently \$100 million in the city, according to Monte.

Properties currently abated were assessed at about \$7 million this year, according to Chius. This means the city is not receiving \$7 million in ratables.

property. Although nothing can be done about abatements given out by the city 10 years ago, many officials say future abatements must be scrutinized, if not curtailed. Chius said there probably will be only one more limited dividend abatement for low-to-moderate income housing.

He said that if the city's board of education transfers the abandoned Sadie Leinlauf School building to the city, it probably will be used for 150 units of abated housing. The plan has come under criticism by several City Council members.

Another hotly contested piece of property is a 5-acre parcel at 18th and Washington streets, which has been leased to Pathmark by its current owner, Seymour Heller.

In May, Cappelletto vetoed a council resolution allowing construction of a Pathmark, and the council failed to overturn it.

Councilman E. Norman Wilson Jr. has since asked the council to reconsider the resolution, saying the shopping center would pay full property taxes and create 240 jobs.

Chius said the "proposal was stupid" because the shopping center would require all five acres, which would not justify its \$200,000 yearly payment in taxes.

Although abated residential properties do not pay property taxes, they do pay 15 percent of total shelter rent in lieu of taxes, which amounted to \$880,561,000 last year, according to Chius.

He said the city's abatement program was started in the early 1970s to "save a dying city." Chius said abatements turned slum areas into decent, low-income housing units for the city's poor and increased the value of surrounding areas.

The city, he said, has a commitment to provide housing for everyone and therefore he opposes increased condominium development.

Chius said 1,000 condominium units have been constructed or are slated for construction. He said that although condos will give the city a large tax base, it also will force people who cannot afford expensive rents out of the city.

According to Chius, abatements have become the scapegoat for the city's financial problems. He said a gradual decrease in federal aid of approximately \$800,000 during the last 11 years, plus \$1.1 million in railroad revenue the state promised the city but never gave, is the root cause of the city's current financial situation.

He said the city had anticipated receiving \$500,000 from the state in railroad revenues for the 1982 budget, but was told in late December that it would not be receiving it. Since word from the state came late, the \$500,000 could not be cut in the 1982 budget, but had to be offset in this year's budget, according to Chius.

He also said the high tax rate is a result of the city's low assessments and that the only salvation for the tax base would be to build the waterfront or give up a commitment to people who have lived in the city all their lives.

The city has not found developers for the old Todd Shipyards and the Fifth and Sixth street piers. The Port Authority of New York and New Jersey project for the city's waterfront, which would bring developers to Piers A, B and C, is being held up by the New York state Senate.

Chius said one limited-dividend abatement, the Grogan Marine View Plaza, which offers only middle-income housing, actually pays more in lieu of taxes because the rents are higher there than in the low-to-moderate income housing units.

Fred Bado, director of the city's community development agency, said any criticism of tax abatements is hindsight now, especially since the federal government will be phasing out their subsidy programs during the next few years.

But an abatement given by the city two years ago for a 130-unit senior citizen housing project being constructed on prime real estate just several blocks from the PATH station has many officials fuming.

One senior city official said that abatement was "sacrilegious" and should have been built in the northern section of the city, where it would be near the Pathmark.

But Chius said that when the property was up for sale, no one offered to buy it. He said the building's location was the best place for senior housing because it would save money on city-subsidized senior citizen buses.

The same senior city official said he knew of at least 10 developers interested in the

Hoboken faces 25% tax hike

By BRAD KELLY
Staff Writer

HOBOKEN—The city's tax rate is expected to increase \$35.99, a city official said yesterday, in the wake of the state's imposition of a \$21.3-million budget.

The projected 25 percent increase would bring the current tax rate of \$147 for every \$1,000 of assessed valuation to \$182.99.

"I predicted this three years ago," said City Tax Assessor Woodrow Monte, referring to the increase.

"I could foresee what we were spending and what we were losing the way we were going," he added.

Monte cited two reasons for the tax increase:

- The amount of money to be raised by taxation for municipal and school purposes has increased from last year.

- The amount of ratables (land and improvements on which tax is assessed by the city) has continually been decreasing.

The tax rate is arrived at when the amount to be raised through taxation is divided by the amount of ratables, according to Monte.

The amount to be raised through taxation for both budgets this year is about \$15 million, which does not

include other items that will increase that amount, including the Hudson County tax.

Mayor Steve Cappelletto said that, under the city's state-mandated budget, the amount to be raised through taxation increased by \$3.3 million to \$9.6 million. He said the amount to be raised by taxation for the board of education's \$9.8-million budget increased to \$5.6 million.

Monte said these increases, combined with a decrease in the amount of ratables, account for the high tax rate.

He said the amount of ratables was "lower now than they've ever been," and attributed the loss of ratables to fires, demolitions and city takeovers of lands and buildings. He said reduced tax assessments won by property owners who successfully appealed their assessment also contributed to the lower ratable figure.

Monte said it was hard for the city to defeat assessment appeals filed with the Hudson County Board of Taxation by property owners because, in each case, it is up to the city to prove a property's true value.

He said that, as a result, owners were usually able to negotiate a lower assessment.

See TAX, Page 11

Hoboken prepares to bite the bullet

Hoboken municipal employees have been ordered to take all of their vacation time before Sept. 10 as the city prepares to phase in a new budget drawn up by the state.

The budget, still under review by city officials, is actually the same budget as the city had for 1982 with some additional monies to cover emergency expenses from last year, said Matthew Cannerz, comptroller.

More money had been sought to cover salary increases won by police, fire and municipal workers this year. One option now being discussed to save jobs is rolling back the higher salaries which recently went into effect.

Although it is still not known how many layoffs will be required to conform with the state-ordered cuts, estimates are that close to 50 percent of the city's 500 workers will be let go.

Property taxes are expected to increase by \$35 per \$1,000, giving Hoboken the highest tax rate countywide.

Yesterday department directors met with Mayor Steve Cappiello and discussed how to distribute the projected layoffs

equitably throughout the year. Public Works Director William Van Wie, with a total staff of 89, said he was already considering how to provide essential services once his department is cut.

"We'll have to let go of the unskilled laborers and provisional employees," he said. The cutbacks may mean there are not as many street cleaners in the street. It may take longer to get a "snake-out" (cleaning of sewer lines).

As of Aug. 10, Van Wie said, nine provisional employees will be terminated, including carpenters, a welder, sewer and water pipe repairmen.

Also, until further notice, all overtime except for emergencies will be denied department-wide. Emergency overtime will be reimbursed with time off.

A meeting with city auditor Frank Italiano is scheduled for this morning to determine how the cutbacks will be made. A special session of the City Council has been called for tonight at 6 p.m. to formally receive the budget.

Reaction among city workers

to the fiscal crisis was unbelievably and pessimistic. "I never thought it would get this bad," said one city hall worker shaking her head. In public safety, police who had hoped for new hirings and new equipment, joked about who would be first to go. Policemen, who do not pay unemployment insurance tax, are not eligible for benefits when laid off.

"It doesn't look too good," said Robert Van Ingen, acting president of the city's municipal union, who added that he expected to be called to see the mayor this week.

The vacation order, he predicted, would hurt many employees who had made plans and sent away deposits for holidays in the fall.

Responding to the vacation issue, Cappiello said that employees with a hardship could come in to the office and request special consideration for their case.

Asked if the City Council had made a mistake by not approving its own budget, Cappiello replied, "Time will tell if they made a mistake."

Politics cloud waterfront development

By James Kopchansky
Slowly, reluctantly, Hoboken's hopes for development on its waterfront become more intertwined with politics in New York City.

And despite Mayor Steve Cappiello's claim that he wants no part of the New York politics, he may still find himself drawn into the battle before it's over.

The latest salvo has been an article on The New York Times' Op-Ed page yesterday. Written by Kenneth Lipper, the city's Deputy Mayor for Finance and Economic Development, the article sets down Mayor Edward Koch's opposition to aspects of legislation that would lead to the Hoboken waterfront development and called for modifications in the bill, now before the New York State Senate.

The legislation is expected to be voted on during the fall session

of the Senate. It has been there since the state's Assembly passed it in June.

If passed, the bill would clear the way for the Port Authority to prepare waterfront sites in Hoboken and Hunters Point, Queens, for massive commercial and residential developments. The Hoboken project has been estimated at about \$500 million, while the Queens project is expected to be comparable in scope.

However, both Koch and State Senator John Marchi (R-Staten Island) have formed an unexpected alliance against the bill. Both see it failing to define the timing, magnitude, location, and tax status of the two projects.

Atop these concerns has been an over-riding worry that approval of the legislation would take businesses and revenues away from the city without a comparable return of revenues.

"What New York City needs and wants is reasonable modification of the Port Authority's waterfront bill in order to protect our citizens' jobs, economic development, and tax base," Lipper wrote in the Times' article. These sentiments echo a theme in Koch's release earlier this month which announced his opposition to the bill.

Standing firmly in support of the bill has been the Port Authority, New Jersey Governor Thomas Kean, most top New Jersey political and economic leaders, and political leaders from Queens. Cappiello, who has tied himself to the Port Authority project from the start, sees the legislation as the city's main hope of reviving its waterfront.

Yesterday, Cappiello said he did not intend to become involved with the dispute directly. "I want nothing, absolutely, to do with New York politics," the mayor

joked. However, he said he did expect to become involved in any negotiations that start with Koch and Marchi and the bill's supporters.

Cappiello has already tried several times to arrange meetings with Koch to discuss the situation, but has so far failed to make an appointment.

"I don't believe that Mayor Koch is looking at the New York port as a whole," Cappiello said. "This legislation can only help New York City because it will make it the main focal point of the entire port area."

One of the keys to the legislation's passage may be the support of the Queens legislators. Borough President Donald Manes is presently on vacation in the Orient, but his press spokesman, Sam Samuels, said Manes' first priority on his return tomorrow will be to meet with Koch to discuss the situation.

Rents rising too in Hoboken

By BRAD KELLY
Staff Writer

HOBOKEN—Rents will be going up as a result of the city's property tax increase, the rent-leveling board administrator said yesterday.

Landlords and homeowners received their yearly tax bill this month. Rent administrator Joseph Santiago said about 40 landlords have come to his office every day for the past two weeks, asking how much they can increase their rents as a result of the hike in the city's tax rate, now \$183.29 per \$1,000 of assessed valuation.

Landlords passing property tax increase on to tenants

The tax rate jumped from \$147 per \$1,000 to the current rate after the state handed down a 1983 budget that was about \$1 million less than Mayor Steve Cappiello's proposed budget, which was voted down by the City Council last month.

Santiago estimated that the average rent increase will be from \$10 to \$15 per month. Rent increases

become effective Oct. 1.

He said the biggest rent increase he has seen so far is a scheduled \$71 increase for a 10-unit apartment building on Willow Avenue.

According to Santiago, that increase is the result of the tax rate plus a reassessment of the building, which raised property taxes by \$7,600.

"I felt bad about passing that one along, but the landlord got hit both ways," Santiago said.

Santiago said a rent increase is determined by the difference between a landlord's 1982 and 1983 tax payments. That difference is then divided by the number of tenants and the number of months in a year to arrive at the increase.

Santiago estimated that most of the 1,556 buildings now registered with the board will be hit with rent increases. He said another 2,500 buildings not registered with the board will also face rent increases.

Job axe ready to fall

It will be at least another week before police and firefighters in Hoboken receive word on just how many of them will lose their jobs due to budget cuts in the city's public safety department budget.

James Giordano, the city's public safety director, said he should know by the end of next week just how many layoffs there will be in his department. The city's public safety department

was the hardest hit of any department, losing about \$500,000 under a budget prepared for the city by the state Department of Local Government Services.

Giordano had originally submitted a budget totalling \$4.1 million, which was about \$500,000 more than year. This increase was largely due to increased salaries granted to police and firefighters under new contracts. However, when the council

failed to pass a municipal budget in July, the state stepped in and ordered the city to adopt one prepared by the state and based on last year's budget. For Giordano, this meant the \$500,000 cushion was gone.

Giordano said he has been trying to work out some money from other departments to add to his department, but as he expected there has been little help since all departments in the city

have suffered large budget cuts themselves.

Also, hopes that veterans of both departments would retire early to avert layoffs are slim.

Giordano said, since many members will want to work at least another year under the new contract to receive higher pension benefits when they retire. The director said he did not expect any retirements within the department until July.

Hoboken to make station plaza a pedestrian haven

By BRAD KELLY
Staff Writer

HOBOKEN—The City Council yesterday approved plans for an \$850,000 state- and federally funded pedestrian plaza to be constructed in front of the Erie-Lackawanna Terminal.

Fred Bado, director of the community development agency, presented plans for the project, which is to include lighting, benches, trees

and an interlocking brick pavement.

The plaza will be an open area where people can stroll and look at the copper facades of the Erie-Lackawanna Terminal and ferry building or the waterfront and the New York City skyline. Bado said.

He said the area designated for the project, which will include the parking lot in front of the terminal, is 1 to 1 1/4 acres in size.

The land is currently owned by the

state Department of Transportation. Bado said, New Jersey Transit Corp. operates the trains coming into the terminal and uses the parking lot for its vehicles. He said those vehicles would be relocated.

Bado said NJ Transit was terminating parking arrangements previously made with a private operator that charged commuters for parking in the lot, and the drivers using it would have to park elsewhere.

According to Bado, \$425,000 for the project will come from the state Green Acres program, \$135,000 from Hudson County community development funds under the federal jobs bill and \$290,000 from Hoboken's community development funds.

He said no funds from the city's tax revenue would be used for the project.

Although the land is tax-exempt, Bado said, the proposed plaza would

upgrade the area and bring more people into the city. He said the plaza may also attract private developers to locate businesses within the ferry building.

He said state legislation was passed two years ago that allowed the city to collect taxes on the development of a proposed movie studio within the ferry building.

That proposal by Hoboken Stages Co. of New York fell through earlier

this year, but Bado said the legislation may be broad enough to apply to other private developments.

Bado said bids are expected to be submitted to the City Council by September, and if they are awarded, the project could be completed by next summer.

The architectural firm of Abel Bainston and Associates of New York designed the plaza, according to Bado.

Hoboken eyes layoff of 100

By BRAD KELLY
Staff Writer

HOBOKEN—The city may have to lay off a total of 100 employees to meet a \$750,000 shortfall, a senior city official said yesterday.

The latest figure, which represents 20 percent of the city's 500 employees, is a realistic one, the official said.

After the state handed down a budget last month that was \$1 million less than the mayor's proposed budget, which was defeated by the City Council, Mayor Steve Cappiello predicted that 25 to 30 percent of the city's employees could be laid off.

The official disclosed yesterday that a 20 percent reduction could be expected, but that the reduction might increase to 25 percent if the state does not grant emergency appropriations to offset a possible shortage of police and fire personnel.

City Business Administrator Edwin Chius said he would ask for emergency appropriations from the state to help meet a \$481,000 shortfall in the public safety department.

He did not say how much the city would ask for, but said he hoped it would not be too much, because any

Chius: Most temporaries will be eliminated

allocation would have to be paid back in next year's budget.

The City Council is currently looking into securing \$211,000 in state emergency appropriations to meet the city contract with LaPera Garbage Contractors.

Approximately \$45,000 in temporary personnel salaries is in the process of being eliminated, a process which affects almost the entire number of temporary employees, according to Chius.

Many of the city's approximately 40 temporary employees received official termination notices last week, with more scheduled to be issued later this month, he said.

Three clerical workers, two in the administrative department and one

LAYOFFS

Continued from Page 1
in the public works department, have been laid off, as well as four sewer plant workers, two police department telephone workers, the mayor's aide and a junior librarian, according to Chius.

He said at least six temporary workers in the public safety department are expected to receive termination notices, including four from the Municipal Garage.

The average salary for temporary employees is approximately \$10,000, he said.

Some city officials have speculated that an across-the-board salary cut for all city employees would avoid any layoffs. So far that issue has not been brought up by labor organizations, officials said.

Final word on the exact number of layoffs is expected by the end of the month.

3 drug suspects seized in Hoboken

By DENISE BUFFA
Staff Writer

HOBOKEN—Three Jersey City men were arrested and charged with possession of and intent to distribute eight pounds of marijuana yesterday afternoon, police said.

The three men were trying to sell the marijuana to a Hispanic man out of the trunk of a rented 1975 Buick when motorcycle Patrolman David Costello spotted them, police said.

Upon seeing Costello, the three closed the trunk, got into the car and drove away, according to police. The fourth fled on foot, they said.

The three were stopped and arrested at 1:23 p.m. in front of 1301 Park Ave., and they surrendered

without a struggle, police added.

The more than 25 grams of marijuana was retrieved in solid brick form and transported to police headquarters in radio cars, police said.

According to police, all three arrested were officially charged with possession of a controlled and dangerous substance with intent to distribute.

The men were identified as Daniel Taylor, 34, of 108 Bidwell Avenue; Ossie Wade, 38, of 345 Claremont Ave.; and Pamela Blakely, 31, Avenue. All three were in the Hudson County Jail in Jersey City last night, police said.

The attempted sale took place in front of 1317 Garden St., across the street from Police Chief George Crimmins' house, police said.

Mass layoffs expected today in Hoboken

By Earl Morgan and James Kopchansky

Close to 90 percent of Hoboken's temporary and provisional workers are expected to lose their jobs today as city officials put into effect cutbacks announced earlier this month.

In a surprise move yesterday, Anthony F. DeBarri was named by Mayor Steve Cappiello to replace Robert Wendelken on the city's board of education. DeBarri began serving his term immediately and sat with the board and actively participated in its meeting last night.

Permanent city employees also are facing job cuts, but yesterday few department directors knew who would be cut, or when. Pink slips which have been sent to all permanent employees become effective Sept. 9.

Business Administrator Edwin Chius said he was calling a meeting with department directors for today to discuss an auditor's report which predicted large deficits or "shortfalls" for the end of the year.

Even though layoffs of permanent workers have not officially been announced, Michael

See MASS — Page 12.

Burden to shift to homes

By BRAD KELLY
Staff Writer

HOBOKEN—Industry and businesses may be paying lower property taxes under the city's revaluation scheduled to take effect in 1984. City Business Administrator Edwin Chius said yesterday.

Speaking before members of the Hoboken Industry and Business Association, Chius said homeowners whose properties are currently assessed low will be hit hardest by the revaluation.

The association, which has 70 members from the business community, held a meeting at the Malibu Diner on 14th Street to ask administration officials what effect the city's tax rate would have on the taxpayers and tenants of Hoboken.

Chius, answering questions on behalf of the administration, said properties that are currently assessed high may be paying fewer taxes when the tax rate drops because of the revaluation. Businesses currently are usually assessed high.

On the other hand, he said, properties currently assessed low, which include most homes that were not reassessed in 1970, could be paying higher taxes next year.

The recent sale of a one-family house on Garden Street for \$215,000 — in an area where the average house is assessed at \$13,000 — has aroused concern about its effect on property assessments.

Under the city's revaluation, all properties are scheduled to be assessed at market value.

In response to other questions raised by the association, Chius said that although the immediate impact of the state-mandated budget would mean a higher tax rate and layoffs of city employees, the long-term impact would be better fiscal management concerning future budgets.

After the City Council voted down the mayor's proposed budget last month, the state gave the city a 1983 budget based on the city's 1982 budget, creating a \$750,000 shortfall.

The mayor's budget would have resulted in a further \$8 increase in the tax rate while causing minimal layoffs, Chius said.

The current tax rate is \$183.29 per \$1,000 of assessed valuation. It was changed last month from \$147 per \$1,000.

Chius said last week that there could be 100 city employee layoffs.

Tax formula may benefit industry