

'Wackiest mayor' may visit shrink

By Bill Campbell

The "wackiest mayor in America" yesterday said he will take a complete psychological examination — if the political foe who questioned his sanity foots the bill.

Hoboken Mayor Thomas Vezzetti, answering a challenge from arch enemy and former city law director Salvatore D'Amelio Jr., said he has "no problems" with undergoing a complete psychological examination. But, Vezzetti added, "He's got to pay for it."

Vezzetti was dubbed the "wackiest mayor in America," a title he enjoys, by the Daily News Magazine.

Last Tuesday, D'Amelio filed suit in Hudson County Superior Court in an attempt to have the flamboyant mayor removed from office. D'Amelio, who was fired from his city post by Vezzetti after the two became bitter foes, claims the mayor is "mentally incapable" of serving in the city's top post.

The suit also charges that Vezzetti has refused to "qualify and serve" as mayor and has failed to attend meetings of the City Council. D'Amelio is asking the court to deem the mayor's office "vacant."

In a separate action, D'Amelio is suing mayoral aide Laurie Fabiano for \$10 million. See 'WACKIEST'—Page 8.

'Wackiest mayor' may see shrink

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for allegedly issuing "malicious and libelous" statements about the controversial attorney.

Vezzetti and Fabiano both dismissed the suits as "political interference."

The suits are the latest development in a nearly year-long sparring match between D'Amelio and the Vezzetti administration. Since D'Amelio was appointed law director by Vezzetti last January, the two have fought sharply over municipal policy.

During his 10 months as the city's top attorney, D'Amelio was fired twice, suspended and forced to take vacation time. In October, after D'Amelio promoted seven police officers over the criticism of the mayor and police chief, the City Council refused to consider an override of the dismissal.

Vezzetti last week questioned how an attorney could charge an individual mentally incapable of holding office. "Is Sal a doctor now?" he asked. "How can he judge me without an examination. I will go to any doctor for a psychological examination as long as he pays for it."

D'Amelio said he will request a "complete mental exam" as part of the suit. He

said he is confident that "any qualified doctor" will prove him right.

The D'Amelio suit does not mark the first time Vezzetti has offered to defend his sanity. During the mayoral campaign

of 1985, then-Councilman Vezzetti offered to undergo an exam as long as his opponent, then-Mayor Steve Cappiello, underwent a lie detector test. Cappiello declined the invitation.

Board postpones vote on highrise

By Jim DeRogatis

The Hoboken Zoning Board of Adjustment postponed a vote last night on a ten-story housing project planned for Observer Highway, but members of the board criticized the building's height and density.

The board heard a proposal during a meeting at City Hall from architect Dean Marchetto and developer John Cassesa for a ten-story, 102-unit housing project to be located on the corner of Observer Highway and Jefferson Street.

A vote on the development was postponed until the board's Feb. 20 meeting pending a review of the project by the Planning Board. The Planning Board is considering changes in the city's zoning ordinance and master plan for the Observer Highway area.

Cassesa, a Hoboken fire captain, is seeking variances for lot coverage, rear yard area, and floor-area ratio in order to build the development, which is expected to cost approximately \$8.2 million. Ironically, Cassesa is one of the city's big-

gest delinquent taxpayers, according to tax records at City Hall.

City attorneys are moving to foreclose on property Cassesa owns at 401-411 Jackson St. Tax records revealed that the developer owes more than \$220,000 in back property taxes and interest on the property.

Cassesa owns a total of 22 pieces of property in the city, many of them vacant lots in the southwest region, and he stressed yesterday that he is current on his tax bills on all of them except the Jackson Street site, which he said he is working to pay off.

Board members had said before the meeting that they intended to probe Cassesa's tax situation, but it did not become an issue last night. Board Attorney Peter Daglian said the zoning board is limited by law to considering solely the property on which a variance is sought and cannot refuse to vote on Cassesa's development because he owes taxes on another piece of property.

Cassesa presented tax records. See HOBOKEN—Page 15.

School board votes generous retirement plan

By Earl Morgan

The Hoboken School Board last night rescinded a controversial retirement plan only to replace it with a new one that has already aroused opposition from board critics.

Steve Block, a former board trustee and a critic of the current board, said the new retirement plan will allow Anthony Romano, a former city councilman and outgoing board secretary, to collect \$50,000 in retirement pay.

In other business the board auditor, Robert Geronda said the agency's accounts were in order and there is a \$1.5 million surplus that will probably be used for wage increases negotiated for new union contracts.

The board also established the time, from 2 p.m. to 9 p.m. April 7, that 27 polling districts will be open for school board elections. The seats of three board members will be contested in the election. The date for the drawing of ballot positions for the elections will be Feb. 12 in the board meeting room at the Wallace School.

A resolution authorizing the board to mail sample ballots was defeated.

During the meeting board chairman, Richard England, made a motion to rescind a retirement plan approved at the Dec. 11th meeting. The repeal passed unanimously.

England later submitted a new retirement plan for a first reading or introduction. England said the new plan's most important features allows retirees to collect a total of between 190 and 420 sick days. The plan also offers a minimum of 2 days up to 30 days longevity pay for 15 years employment. The plan also allows a retiree to retain his dental plan for between five to ten years or until their 65th birthday.

England said the old plan was repealed because of a public perception that it contained several illegalities. The board's attorney said some of the language in the old plan did not conform to current rules and regulations regarding pensions and collective bargaining agreements.

Romano went on sick leave several months ago when he reportedly injured himself on the job. But many board critics have complained that while Romano has not been to work, he has been seen often in City Hall working on several real estate development projects. His letter of resignation, effective Feb. 28, was one of five approved by the board last night.

England said Romano will not collect his salary for March, April, May or June. Romano's job will be consolidated into the position of school administrator who will also function as the board's internal auditor. Last night Anthony M. Curko was appointed interim secretary and its believed he will eventually be named permanently in that job.

Steve Block urged England to hold the new plan in abeyance until the new school budget is struck. There are a number of people whose jobs the financially hard pressed board may want to eliminate or consolidate but to pass the plan now could make a difference in some people's decision to go or stay another few years until they have 15 years on the job, Block said. "I think passing the plan now is just bad timing," Block said.

A resolution to appoint an ad hoc committee to study the possibility of closing one of the city's elementary schools was adopted by the board.

While the board voted several months ago not to close any schools England said the matter warrants further study and he named to the committee a group of parents, community members, teacher's union representatives and both critics and supporters of a possible school closings.

Hoboken offices to open despite protest of NAACP

By Bill Campbell

The leadership of the Hoboken NAACP has urged the city to reconsider keeping municipal offices open next Monday, the national holiday observing Dr. Martin Luther King Jr.'s birthday. The Rev. William Beatty, a vice president of the organization, said the city's decision not to observe the holiday "is a slap in the face to the memory of Martin Luther King."

Beatty, pastor of Mt. Olive Baptist Church, said he was "outraged" to learn the city's municipal employees union had traded the holiday for the Friday following Thanksgiving. He said Hoboken is the only municipality in Hudson County not planning to observe King's birthday.

"We are talking about the difference between observing Dr. King's birthday in November and in January. This is not the essence of the day and I don't think (that the city's employees) would have agreed to this arrangement with any other national holiday," Beatty said.

Beatty said he hopes the city's decision to keep municipal offices open is not racially motivated, but "every time I walk through City Hall I can't help but notice that there are no black employees outside of the police department."

He and NAACP president Eugene Drayton, in a statement issued yesterday, warned Mayor Thomas Vezzetti and the city council that "we are putting you on notice that if Jan. 19 is not observed by the city to commemorate the birthday of the late Martin Luther King Jr., there will be steps taken by this organization to assure that all city agencies observe this day."

Beatty said he could not elaborate on the "steps," but added that the Hoboken NAACP is waiting for advice from the national office. "We are awaiting a response from the city and until then we are not sure of our course of action," he said.

"It has taken many years to achieve this goal, therefore, it is our opinion that all city agencies should observe this holiday," said the statement. "Moreover, it is in the best interest of the people of Hoboken to observe this holiday. The policy in the past has always been to observe all state and national holidays; this should be no exception."

City spokesmen were not available to comment on the statement.

Hoboken board postpones vote on highrise variance

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ords showing that he has paid taxes on the five vacant lots he intends to build on.

In his presentation to the board, Marchetto described the development as an L-shaped building which "curves around the corner." The first floor would serve as an enclosed parking garage with 102 spaces for residents.

The design features two wings of eight stories each along Observer Highway and Jefferson Street and rises to a peak of ten stories at the corner. It would be located less than half a block from both the 14-story Skyline Condominiums and the 16-story Presidential Towers, and it would be adjacent to an eight-story housing project along Observer Highway proposed by the OVF Corp. and approved by the board last year.

The Planning Board is currently considering changes in the city's zoning ordinance and master plan that would allow for highrise housing along Observer Highway. Marchetto stressed that he designed the project in keeping with current planning.

Members of the zoning

board questioned the density and height of the project, however. The floor-area ratio, which relates to the density of the building, is currently 2.5 in the area, and the proposed development has an FAR of 4.8. The developer is seeking a variance to build a density of 49,000 square feet more than is allowed by the zoning code.

Board members also questioned the lot coverage, which is 99 percent on the ground floor/garage level. A public deck will be built above the garage, reducing the lot coverage of the building above the first floor, according to Marchetto.

Attorney Neil Deutsch, representing Carol MacKenna and Ray Lemme, who own three buildings under renovation adjacent to the site, criticized "the degree of the variances" for height and density sought by Cassesa, who he claimed "showed no concern for the building's adverse effects to my clients on the quality of light and air."

Board members Joel Freiser and Martin Tuzman also criticized the height and density of the project and asked Cassesa to consider scal-

ing it down before he appears before the board again. "I think the project is too big, and that message ought to be heard," Freiser said.

The board voted 5-0 to postpone a final decision on the variances until an opinion on the development is obtained from the Planning Board. Members also asked Cassesa to obtain certification from the Department of Public Works that the sewers along Observer Highway could handle the flow from the building and other developments nearby.

In other business, the board denied variances sought by Florida developer Martin Conboy to add two stories of housing to a one-story garage at 323 Court St. after hearing testimony from several area residents who criticized the proposed building's effect on the historic neighborhood.

The variances were rejected by a vote of 4-1, with board Chairman Frank Camerone casting the lone "yes" vote. The City Council is expected to vote next Wednesday to replace board members Sergio Germinario, James Greany and Salvatore DeGennaro, who were absent.

Council set for busy week

By Bill Campbell

The Hoboken City Council is scheduled to meet four times in two days this week, marking the busiest work session of the year.

The council will conduct closed sessions on Wednesday and Thursday, in addition to its regular meeting on Wednesday night. The agenda for the closed meetings will include litigation over the city's proposed secondary sewage treatment plant, appointments to the Zoning Board of Adjust-

ment and the status of negotiations between the city and the Port Authority over waterfront development.

On Wednesday at 6 p.m., the council will meet in closed session with special counsel Irwin Kimmelman to discuss lawsuits and fines stemming from the city's efforts to comply with federal Clean Water regulations. The council was to discuss the litigation last week, but the city failed to notify Kimmelman of the meeting, according to mayoral spokeswoman Laurie Fabiano.

Following the closed session, the council will hold its regular meeting at 7 p.m. The agenda includes a resolution to extend Kimmelman's present contract with the city for an additional \$50,000.

On Thursday, the council has scheduled two closed sessions to discuss the status of plans to develop the city's waterfront, and to propose candidates to fill three vacancies on the board of adjustment.

At 5 p.m., the council will meet with its special attorneys for the Port Authority negotia-

tions, Sills, Beck and Cummis, to discuss litigation concerning a disputed \$7.5 million insurance claim. Negotiations for the proposed \$600 million development project have broken down.

Immediately following that meeting, the council will meet in a continuation of last week's session to propose candidates for the board of adjustment. Council members allied with the administration of Mayor Thomas Vezzetti have nominated David Gallagher, Joseph DePalma and Martin Tuzman.

Problems plague Hoboken sewer job

By Bill Campbell

Hoboken Councilman Dave Roberts yesterday said the city will not authorize payment on a controversial sewage project until the contractor "proves" the job is "100 percent" completed.

Roberts, who represents the Sixth Ward, said the \$125,000 sewage project along Washington Street between Sixth and Seventh streets, has been "riddled with cost overruns and delays." He said the contractor, Ambrosio Construction of Jersey

City, will "not be paid one cent" until the project is thoroughly reviewed by the city engineer.

The project, which cuts through the heart of the Sixth Ward, was begun in early October. Property owners and residents along that section of Washington Street have long complained that the century-old clay pipe that runs behind the buildings on the western side of the street had collapsed, spilling raw sewage into backyards and basements.

Roberts said that attempts to install a new line "have almost caused

as many headaches as we've had with the old line."

Roberts, who lobbied the support of area merchants and homeowners, spearheaded council efforts last June to pass a \$250,000 bond issue to finance the Washington Street project. While the city engineer estimated the project would cost \$175,000 to \$190,000, Ambrosio was low bidder at \$123,000.

"We have had constant complaints marked by one setback after another," said Roy Haack, director of Public Works. He said a video

inspection of the line revealed problems in the pipe joints and in laterals, which connect the pipe with individual sewage lines.

Haack also said sections of the sidewalk and the street need to be dug and repaved.

The project, which was expected to take about six weeks, turned into "a two-month nightmare that's still not over yet," Roberts said.

"I understand the complaints that we are getting," he said. "But that's a problem we have when we settle with the low bidder."

Dick Ambrosio, president of the construction firm, said he could fully complete the job "within four, five days at the most."

"I can understand the city's concerns and I'm not going to be paid, and don't expect to be paid until I finish the job," Ambrosio said.

Haack and Roberts said Ambrosio has agreed to a timetable to complete the job, but neither were sure of an exact date.

Haack said residents cannot hook up to the sewer line until Ambrosio completes the project.

Hoboken highrise decision delayed

By TOM GISSSEN
Staff Writer

HOBOKEN—The Zoning Board of Adjustment has postponed deciding the fate of a 10-story, 102-unit building proposed for the intersection of Observer Highway, Newark Avenue and Jefferson Street.

At its Thursday night meeting, the board agreed to seek the advice of the Planning Board and its consultant, Ralph Seligman, before voting on the \$8.16 million project.

John Cassesa, a fire captain and land speculator, is seeking several bulk variances from the zoning board to enable him to build the proposed building at 500 Observer Highway.

As proposed, the apartment building and four-story garage would occupy 18,992 square feet, or about 95 percent of the 20,000-square-foot lot. The majority of the 500 Observer Highway site occupies a corner plot at the northwest intersection of Observer Highway and Jefferson Street. This is at a spot where Newark Avenue crosses the highway.

The four-story, attached garage stands on a single lot that fronts on Hudson Street.

While the zoning allows for a total of 60 percent of the lot to be built on, local architect Dean Marchetto's plans call for the apartment building to cover 72 percent of the lot and the completed garage to raise that total to 95 percent lot coverage. The top of the garage will be decked and used as open space

for the building's occupants, Marchetto said. He asserted that, because it is decked and because of the city's critical shortage of parking space, the garage should not be counted in figuring lot coverage.

In addition to lot coverage, Cassesa needs variances for having a floor/area ratio, or FAR, of 4.8 when 2.5 is the maximum permitted. FAR refers to the ratio of the sum of each story's floor area to the size of the lot.

The building will occupy two sides of a corner lot and therefore be L-shaped. Marchetto argued the zoning ordinance is poorly written and does not adequately address how to handle such a building configuration, an argument whose logic even the project's opponents conceded Thursday night.

While conceding that the present ordinance is unclear, board members Martin Tuzman and Joel Freiser both questioned whether the proposed project would be too intensive.

They both asked why Marchetto decided to build 10 stories when he claimed he was designing the building to conform to an already approved project just to the north of it on Jefferson Street. That building, which Marchetto also designed, should be eight stories tall.

Marchetto argued "it's important to enclose the city."

He said part of that enclosure involves the building of a symbolic highrise wall along the length of Observer Highway.

At first logjam but then a break

By Jim DeRogatis
(First of a series) 1-19-87

At some point in the next six months, Hoboken officials will make one of the most important decisions in the history of the city.

The Port Authority of New York and New Jersey has proposed a massive, \$600 million development on the

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Time to break the logjam
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city-owned waterfront piers that will forever change the way Hoboken looks and the way its people live.

The P.A. plans to create office space, shopping and luxury living on the waterfront by attracting developers to construct at least 30 new buildings ranging in height from five to 35 stories or more. The plans include a 400-room hotel, 1,200 housing units, a new bus transportation center, a renovated terminal with resumed ferry service and a 400-slip marina.

Opponents of the project call it "monstrous" and say the scale is too large for a city that has 42,500 people in one square mile. They contend that the city will have no control over the project, that it could cause financial disaster for Hoboken and that it will destroy the last vestiges of character in the post-gentrification Mile Square City.

There are also those who say the project will be the "salvation" of Hoboken, bringing much-needed dollars to the city, financing improvements to the crumbling infrastructure, and significantly reducing the skyrocketing tax rate (one of the highest in the state). They say the project will benefit residents by providing access to a beautifully-renovated waterfront with acres of parkland and open public space.

What is the Hoboken waterfront project? Will it come to be? And most importantly, how will it affect Hoboken if it is approved?

The Jersey Journal begins a four-part series on the P.A.'s Hoboken waterfront project today with a look at the origins of the development and negotiations between the P.A. and the city.

When then-Mayor Steve Cappelletto took office in 1973, the outlook was bleak. Hoboken had lost much of its in-

See P.A.—Page 13.

FREEHOLDER

Cappelletto loses bid in Hudson

Dispatch 1-29-87

Former Hudson County Committeeman Francis J. Pizzuto of Weehawken has won the nod as the Democratic freeholder nominee over Hoboken City Councilman Steve Cappelletto, for the seat now held by Roger A. Dorian, according to a local party leader.

The decision has yet to be announced by the county's Democratic Party mayors, but Pizzuto was picked at a meeting Tuesday in West New York Town Hall attended by elected Democratic municipal officials from Hoboken, Union City and West New York, according to Maurice Fitzgibbons, Hoboken party leader who attended the session.

Pizzuto's nod is important, according to Fitzgibbons, because Democrats often run a Hoboken candidate for the 6th District freeholder seat. Dorian, a Republican, also is a councilman in Weehawken.

The Democratic nominee is the director of the county Division of Civil Defense and Disaster Control and a member of the Weehawken Board of Education. He was a township committeeman from 1975-1979.

Cappelletto reportedly faced another defeat in Tuesday's meeting when his choice for one of the Democratic candidates for the 33rd Assembly District, Hoboken Councilman Robert A. Ranieri, was passed over for Hoboken lawyer Bernard F. Kenny. Kenny has the support of Hoboken Democrats, Fitzgibbons said yesterday.

—Jeffrey Hoff



This aerial view of the Hoboken waterfront displays the possible future site of the Port Authority's Hudson Center development.

P.A. 1952 lease a straightjacket

The Port Authority's 1952 lease to the Hoboken piers is perhaps the most controversial document in the city's history.

The lease was signed by the city, the P.A. and the U.S. Maritime Administration on Oct. 1, 1952. The federal government had been in control of the piers since 1917, and had determined that the P.A. was the agency most capable of running a marine terminal and making \$18 million in much-needed repairs.

Under the terms of the lease, the P.A. would retain control of the piers until 2002. Then-Mayor Fred DeSapio has since been criticized for signing away the city's claim to the land for such a long period, but in 1952 there was no indication that the federal government would ever relinquish control of the waterfront, and the P.A.'s renovations promised to create hundreds of jobs.

The P.A., like the federal government, is exempt from paying city taxes. Instead, the lease stipulated that the city would collect 75 percent of the net profits from the cargo terminal in lieu of taxes.

The only problem with the arrangement was that the piers never realized a profit.

Subsequently, the lease was amended several times through supplemental agreements approved by the city council. The amendments were:

- A 1960 agreement sponsored by then-Mayor John Grogan committing the P.A. to an annual "rent" between \$50,000 and \$100,000 (they had been paying \$75,000 annually since the lease was signed).

- A 1968 agreement signed by Mayor Louis DePascale permanently setting the annual figure at \$75,000.

- An agreement in 1969, an election year, allowing DePascale to borrow \$165,000 from the P.A., a \$5,000 advance for each of the 33 years remaining on the lease. DePascale used the money to lower the tax rate. As a result, he was reelected and the P.A. has paid the city \$70,000 a year as rent on land that is estimated to be worth more than \$30 million.

- An agreement in 1984 signed by Mayor Steve Cappelletto allowing the city to borrow \$1.5 million from the P.A. to purchase the piers from the federal government.

Councilman Patrick Pasculli and others have argued that the P.A. should "tear up" the 1952 lease "as a sign of good faith." They contend that as long as the P.A. retains control of the piers, the city cannot entertain proposals from other developers and will not know if the P.A. is offering the best deal possible.

Pasculli sponsored a resolution last November that would have halted negotiations.

See 1952—Page 13.

State aiding Hoboken with housing program

The Hoboken Community Development Agency has been awarded a \$350,000 grant by the New Jersey Department of Community Affairs to develop a neighborhood preservation/balanced housing program.

CDA officials said they expect about 60 substandard units to be renovated as a result of the grant.

The funds will be used to encourage the maintenance of the neighborhood bordered by Newark, Fourth, Bloomfield, and Clinton streets. Property owners will be offered incentives in the form of deferred payment loans or interest subsidies to improve their buildings.

By providing subsidies for upgrading outdated heating, electrical, and plumbing systems and improving buildings interiors and exteriors, the

CDA hopes to substantially improve existing housing conditions.

The CDA is developing eligibility requirements for the program and the project should begin within the next two months, according to Nancy Sciancalepore. Interested residents can contact Sciancalepore at the CDA.

P.A.'s Hoboken project has a stormy history

Continued from Page 1
dustrial base, the middle class was leaving the city and the number of poor was growing.

The once-thriving waterfront was quiet and abandoned. Shipping was in decline all along the Eastern seaboard, and all of the major shipping lines had left Hoboken by the mid-1960s.

Under the terms of a 1952 lease with the city and the federal government, the Port Authority retained control of Hoboken's piers until 2002 for purposes of operating a marine terminal. The agency built three modern piers between Newark and Fourth streets in the mid-1950s, but it was not enough to keep the shipping lines from leaving.

At the urging of struggling longshoremen, Cappelletto approached the P.A. several times and requested their help in revitalizing shipping on the piers, but authority officials believed Hoboken was poorly suited to serve as a modern cargo facility.

The P.A. began to take an active interest in developing the waterfront for other uses around 1976. Cappelletto met with then-P.A. Chairman Alan Sagner, and the authority began a series of studies for projects on the waterfront. The authority was simultaneously studying the potential for waterfront development in Hunter's Point, Long Island City, Queens with the intention of proposing "sister developments" in New York and New Jersey.

Piers are purchased

Hoboken's most valuable asset, its waterfront, had been under control of the federal government for 67 years, since it was seized in 1917 on the day America entered World War I. Several administrations tried to regain control of the piers and failed, but in 1982, the combined pressure applied by the P.A., Gov. Thomas Kean, Sen. Bill Bradley, and other legislators finally convinced President Ronald Reagan to sell the piers to Hoboken.

Cappelletto believed the piers should be returned without cost to the city in reimbursement for the 65 years of taxes the city lost. City reports

ON THE WATERFRONT

estimated the cost in city services and lost taxes during the time the federal government occupied the piers at \$8.2 million. But after months of negotiations, the lowest figure the federal General Services Administration would accept was \$1.5 million.

According to Cappelletto, the city had two options to raise the money: floating a bond or borrowing from the P.A. as an advance on rental payments. Cappelletto said in a recent interview that he decided to borrow the money from the P.A. because he believed the 1952 lease tied the city to developing the piers with the authority.

But City Business Administrator Edwin Chiusi, who served in the same capacity under Cappelletto, said the administration "wanted to run the sale through real fast," and believed the bonding process would have delayed the sale by several months.

A supplemental agreement to the lease was approved by the city council on Jan. 10, 1984, and the city promised to repay the funds from its share of the profits once waterfront development began. The following day, Cappelletto presented a check for \$1.5 million to GSA Regional Administrator Peter Thomas and proclaimed the "rebirth" of the Hoboken waterfront.

Negotiations begun

The P.A. had been created by joint legislation by New York and New Jersey in 1921 with the intent of facilitating interstate transit. The legislation did not permit the agency to enter profit-making enterprises such as waterfront development, and both New York and New Jersey had to pass amendments permitting the P.A. to enter the development business.

The legislation was approved in May, 1985, and the P.A. and the city began negotiating a restated lease to the piers. The lease is the key document that will determine the amount of control the city has over the development, and the amount of revenue it will realize.

In the excitement following the signing of the bistate legislation, Hoboken and P.A. officials said they expected a signed restated lease by September, 1984. But the date was continually pushed back as negotiations still drag on.

Cappelletto said he was anxious to have a restated lease in place "as soon as possible" because of the progress the neighborhood development was making in Jersey City.

"There was an attitude of 'let's get Jersey City.' We didn't want Jersey City to absorb the market while we sat with our hands on our ass," he recalled.

The P.A. placed a proposal for a restated lease on the negotiating table in December, 1984, "but there were no numbers involved," according to Chiusi. The agency provided the numbers in April, but before an agreement could be finalized, Cappelletto halted negotiations to concentrate on the 1985 mayoral race.

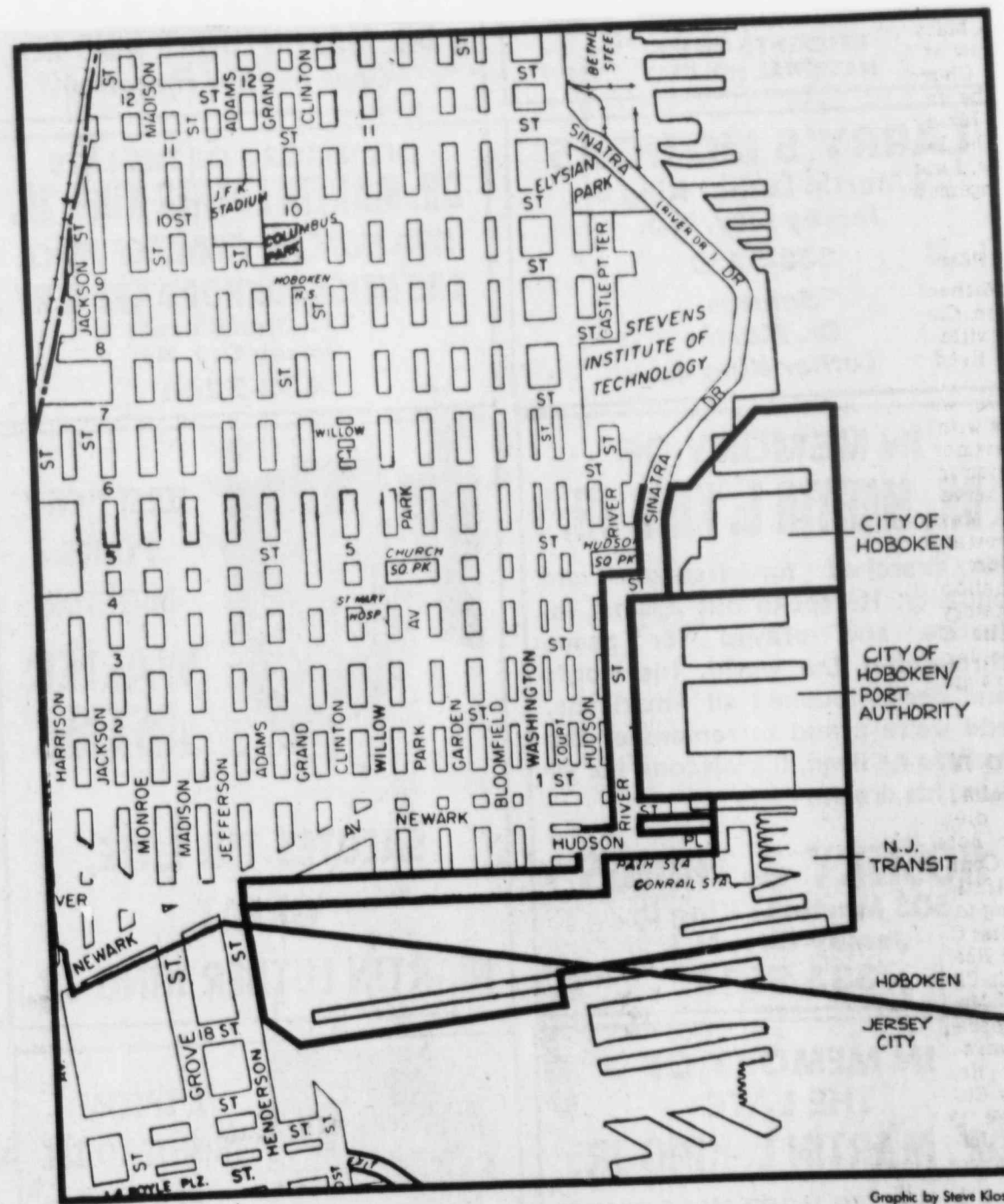
Starting over again

When Mayor Thomas Vezetti won the election, the process of negotiating began all over again.

P.A. officials were apprehensive about dealing with the new administration. "The P.A. was devastated when Tom was elected," Laurie Fabiano, Vezetti's executive secretary, said recently.

Vezetti had heavily criticized the P.A. project in his unique, boisterous style at council meetings and public hearings sponsored by Waterfront Advisory Committee. He frequently called the project "monstrous" and promised during the campaign that he would not support waterfront development as long as the P.A. was involved.

The administration halted negotiations for 13 months after the inauguration, but Vezetti's attitude about the P.A. changed once he was in the mayor's chair. He named Michael Coleman, who ran Hoboken's model cities program over a decade ago, as director



The outlined area on this map of the southern Hoboken waterfront shows who currently owns the property within the proposed boundaries of the Port Authority's Hudson Center project.

of the Community Development Agency, and authorized him to begin meeting with P.A. officials.

"As mayor, I believe I have an obligation to see what they're offering the city," Vezetti recently said of his turnaround. "I still don't trust the P.A. and, if it's not beneficial for the city of Hoboken, I ain't going along with it, and they know that."

New strategy is tried

The city's negotiating team of Coleman, City Council President E. Norman Wilson and Councilman Robert Ranieri began a series of preliminary meetings with the P.A. in January. The team adapted a new negotiating strategy: instead of preparing its own restated lease to offer as a counterproposal, the city would negotiate

on an issue-by-issue basis, starting with city controls over the development and moving through the financial deal and specifics of the design plan.

The first official round of negotiations began on Sept. 23. Two weeks later, the city council adopted a resolution rejecting the first restated lease.

The city negotiators have refused to discuss specifics of the lease that is taking shape, citing a need for confidentiality. Last November, Coleman told the city council during a public meeting that an agreement was imminent "in the next six months," but the prospects changed several weeks later in the midst of a controversy over \$7.5 million in insurance funds that the P.A. may owe the city.

(Tomorrow: the pros and cons of developing with the P.A.)

1952 P.A. lease is a thorn in Hoboken's side

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tions unless the P.A. surrendered its leasehold. Michael Coleman, the city's chief negotiator, urged the council to reject the resolution, which he called "a serious mistake that could jeopardize any agreement," and the move was defeated by a vote of 5-to-3.

Phillip LaRocco, head of the P.A.'s department of economic development, said in a recent interview that the lease "is an existing document, one of a number of existing understandings with the city" that the P.A. has no intentions of tearing up.

Critics of the P.A. project have charged that if the city chooses not to develop the waterfront with the P.A., the agency could let the piers remain idle until Sept. 30, 2002, when they must vacate.

However, the agency would have to make several million dollars worth of repairs to re-

turn the piers their original condition, a stipulation of the lease.

Some attorneys familiar with the lease believe the city could sue the P.A. to force it to abandon its hold on the piers. Others believe the city could sue to force the P.A. to operate a cargo terminal as specified in the lease, a move that could also force the P.A. off the land.

One lawsuit regarding the lease has already been filed by a Hoboken citizen's group called

People Advocating Sane Solutions.

The suit filed by attorney Richard Seltzer in October charges that the lease is invalid and the P.A. should be ejected from the piers because they have failed to operate a marine terminal.

No hearing date has been set for the PASS suit. The future of the '52 lease remains an important, unanswered question.

—Jim DeRogatis

Engineers countersue in Hoboken sewer feud

By Bill Campbell 88-1-20-87

Hoboken engineers Mayo Lynch & Associates, still fighting the loss of a lucrative contract to design the city's secondary sewage treatment plant, is countersuing a project vendor for "malicious interference" of the disputed agreement.

The engineering firm last week filed the action against Hoboken Wastewater Management in Monmouth County Superior Court, said

Mayo Lynch attorney Marc Arnold. The suits are being heard in Monmouth County because HWM is based in Freehold, he said.

The Mayo Lynch suit is in response to a \$15 million lawsuit HWM filed against Mayo Lynch last September. HWM, the firm the city hired to design an "innovative" sludge processing plan, has charged that Mayo Lynch prevented it from obtaining federal funding to incorporate the technology in the sewage plan.

HWM is seeking more than \$3 million in federal funding to devise the plan.

The Mayo Lynch countersuit comes about a month after it asked the court to dismiss HWM's action. The court, in a written decision, denied the request.

Arnold said Mayo Lynch will file other claims against HWM, but said he could not elaborate on their content.

In October, the Superior Court

found the \$2 million Mayo Lynch design contract with the city invalid for lack of proper public notice. The order was applauded by Mayor Thomas Vezetti who became critical of the engineering firm after the state Department of Environmental Protection denied the project \$20 million in funding. However, Mayo Lynch spokesmen faulted HWM's innovative technology process for delays and, ultimately, the loss of funding. The engineering firm also

maintained, in statements issued last year, that the HWM sludge plan "contains the potential to place a Bhopal or Three Mile Island facility in the heart of Hoboken."

Mayo Lynch, which has received \$788,000 from the city for design work already completed, is fighting in Superior Court for full payment on their now-invalid contract. The city, which awarded the design contract to a New York firm last year, is seeking to recover its payment.

P.A.'s HOBOKEN PROJECT

Stevens' independent plan a jolt to P.A.

Port Authority and city officials were shocked last September when word leaked out that Stevens Institute of Technology was pulling out of the Hudson Center project to develop its portion of the waterfront with Hartz Mountain Industries.

Robert Hand, vice president for external affairs at Stevens, said the college chose Hartz over the P.A. "because of two basic issues: bucks and time."

According to Hand, Hartz offered the college "a more favorable economic package" and will develop the land sooner than the P.A., which had proposed building a research and development center in Phase Two of the project, sometime after 1994.

It is unclear how far along

in negotiations the P.A. and Stevens were when the school announced it was withdrawing from the project. P.A. officials have downplayed the loss of Stevens as a partner and noted that the school was only included in the plans at its own request.

"We're not at all discouraged," said Phillip LaRocco, head of the P.A.'s department of economic development. "It's a good sign. You're seeing development on the waterfront. Hartz is very interested in the project."

Hartz, which is based in Secaucus, was largely responsible for developing the Meadowlands and has proposed major developments in Weehawken and Jersey City. The developer had been considered a leading contender to

ON THE WATERFRONT

undertake some of the private sector work called for in the P.A.'s Hudson Center plan.

Stevens owns more than 10 acres of waterfront between Sixth and Ninth streets, although seven acres are under water. Hartz has proposed building two 300,000-square-foot office buildings, commercial facilities and parking at the site.

The buildings, which would range in height from five to approximately 16 stories, would house a research and technology center and would be connected to the Stevens campus on Castle Point by an elevated passageway at Sixth Street. Stevens hopes to attract communications-oriented businesses as tenants.

The center is being designed by the architectural firm of Wallace, Roberts and Todd of Philadelphia, the firm responsible for planning Hartz's Lincoln Harbor development in Weehawken.

The Stevens board of trustees has twice voted its approval of Hartz's plans, although a spokesman for the firm said it is still "premature" to release the designs to the public.

Once the board of trustees approves a final agreement between Hartz and the school, the plans will be presented to the Hoboken Planning Board for review. If city approval is obtained, a Hartz spokesman

said, the firm is "ready to start construction the following day."

Stevens' withdrawal from the Hudson Center project called into question the P.A.'s negotiations with the third partner in the development, NJ Transit.

LaRocco said the authority "communicates a lot" and has a "good relationship" with NJT, although they have not yet

reached an agreement on the development. "Municipal negotiations must take the front seat," he said.

Meanwhile, Hand said school officials anticipate having a signed agreement with Hartz in early 1987. If Hartz and Stevens reach an agreement, they will have done in four months what the city, the P.A., and NJ Transit have been unable to do in three years. — Jim DeRogatis



The Stevens Institute of Technology campus overlooks the waterfront to be developed jointly by the college and Hartz Mountain Industries.

THE JERSEY JOURNAL, MONDAY, JANUARY 19, 1987

Decline and fall of Hoboken waterfront



When the shipping industry dominated the Hoboken waterfront, it was common to see cruiseliners docked at the piers, as in this 1931 photo.

By Jim DeRogatis

A 1939 guide to New Jersey published by the federal Writers Project wrote that "to almost everybody, Hoboken means two things: beer and ships."

For most of this century, dockworkers loaded and unloaded freighters and ocean liners at piers along the waterfront by day. By night, they drank along in the "Barbary Coast," a thriving row of bars, cabarets and nightclubs that lined Hudson and River streets for several blocks.

In the early 1900s, the Hamburg-American Line, North German Lloyd line, Thingvalla Steamship Company of Scandinavia, the Holland-American line, and the Wilson line moved more than 3 million tons of freight and 700,000 passengers through Hoboken each year. Shipping created thousands of jobs, and the city's population soared to an all-time high of 70,000.

But on the morning of April 6, 1917, government agents stormed into Hoboken and took possession of 17 piers and several ships owned by the German-operated lines. America's involvement in World War I was declared several hours later.

Hoboken became an armed camp overnight as the 22nd U.S. Infantry set up camp in the Elysian fields. Over the next two years, hundreds of thousands of American soldiers departed for European battlefields, and "Heaven, Hell or Hoboken by Christmas" was a common refrain.

Normal cargo activity resumed after the war, although

the government retained control of the piers and the troops moved in again during World War II. Freighters and ocean liners continued to utilize the piers after the war, but with declining frequency.

Work on the piers was dramatically portrayed in the 1952 film, "On the Waterfront." The piers were a rough place to earn a living, but they were an accepted part of life in the city. The Port Authority became a presence on the waterfront in 1952. Hoboken's piers were in need of major repairs, and the federal government believed the P.A. was the agency to undertake the project.

Most of the old wooden piers had already been removed or destroyed by 1950. The P.A. spent \$18 million to build three modern, concrete piers between Newark and Fourth streets.

Pier A was completed and occupied by the American Export line in 1955. Much of what is known today as Piers B and C was originally built by the North German Lloyd line, including the large structure near Fourth Street, and rehabilitated by the P.A. in 1957.

Despite the P.A.'s investment, shipping in Hoboken and on the East Coast in general was steadily declining. The Holland-American line left in 1963. By 1967, ferry service had been discontinued, the Todd Shipyards had left, and the American Export line had closed its facility.

With rare exceptions, the piers were dormant and forgotten by 1970. The Barbary Coast was razed, and Hoboken turned its back on the waterfront. The era of beer and ships was over.

Commission OKs Court Street Plaza

By Jim DeRogatis 88-1-22-87

Court Street Plaza, the 12-story luxury condominium proposed for the Shop Rite Supermarket site in Hoboken, cleared another hurdle in the approval process Tuesday night when the Historic District Commission approved preliminary plans.

Six of the seven commissioners passed a "conceptual approval" of the building, which would occupy the site bounded by Newark Street, Observer Highway, Hudson Street and Washington Street. Commissioner Helen Manogue abstained, citing qualms about the development's height.

Variances for Court Street Plaza were approved by the Zoning Board of Adjustment last month after several months of debate over the height and density of the project. Developers Daniel Gans and George Vallone, principals of West Bank Construction, finally reduced the height from 18 to 12 stories and cut the number of units from 388 to 288.

Fearing that the development's location in one of the city's most historic areas could slow the project's progress, Gans and Vallone originally appeared before the Historic District Commission in August, offering the commissioners a preliminary look at the plans. Designed by Hoboken architect Dean Marchetto, Court Street Plaza has won several architectural awards and been cited for attempting to preserve neighborhood character.

The commission must still

approve specific details, such as light fixtures and window configurations.

The commissioners have offered several suggestions to Gans and Vallone, including that old cobblestones from Court Street be included in the development's courtyard. The developers said they will comply.

The developers must clear one final hurdle before they can proceed with construction. Gans said yesterday that he hopes to appear before the City Council in the next three weeks to change an easement of a right-of-way through the Shop Rite parking lot.

Gans said the existing easement would no longer be needed because Court Street Plaza will create an enclosed passageway for pedestrians to walk from Washington Street to the PATH station at Hudson Place.

The council is not expected to grant the easement change without receiving something in return, however.

The new zoning ordinance, which is expected to be presented to the council in a few weeks, will set formulas for developer contributions to affordable housing and infrastructure improvement funds. The developers have said they believe they have already given the city enough and have no intentions of giving any more, however.

Gans and Vallone rejected the city's offer to apply for an Urban Development Action Grant for the project several months ago.

Booster group aids business for Hoboken

By Jim DeRogatis 88-1-20-87

Most people in Hoboken haven't heard much from Hoboken Advantage since Liberty Weekend, but the city's newest, most ambitious business organization has set some impressive goals for 1987.

Hoboken Advantage was formed last May by the city Community Development Agency as a response to a study of Hoboken's business districts that indicated a need for a strong merchants' organization if Hoboken retailers are to hold their own in coming years against out-of-town shopping malls, including the mall in Newport, Jersey City.

A non-profit corporation, Hoboken Advantage has no real membership but is intended to work for the benefit of all Hoboken merchants.

The organization is staffed by two full-time CDA employees and occupies an office at 91 Willow Ave. It is funded by the CDA, although merchants are eventually expected to assume the cost.

Hoboken Advantage first made its presence felt in Hoboken on Liberty Weekend, when the organization manned an information booth near Pier A and sold posters and t-shirts marking the Statue of Liberty's centennial.

According to Director Don Lilioia, the organization raised \$11,000 that weekend, most of which was used as a loan to Edward Greene to relocate the E. Greene Gallery.

"As a non-profit organization, any money we raise has to be turned right back into the organization," Lilioia said.

The money raised on Liberty Weekend funded Hoboken Advantage through December, and the CDA recently awarded the organization a \$225,000 grant to continue its operations.

"The CDA is funding us now in order to get things off the ground," Lilioia said. "When our funding runs out in 18 months, the merchants are going to have to ask themselves, 'What has Hoboken Ad-

vantage done for us, and is it worth continuing?' They will have to assume the cost of running this office."

He has defined four work areas on Washington Street, the city's main shopping district: physical improvements to the shops, supplementing city services, encouraging the use of public transportation and providing more parking.

Hoboken Advantage will help businessmen improve the look of their stores in numerous ways, including low-interest loans, Lilioia said.

He said he is exploring several grant and loan programs, and he is expecting to hear by the end of the month whether the city was approved for the federal Department of Housing and Urban Development's business loan program.

If the city is approved, Lilioia said Hoboken Advantage will be able to offer businesses loans at rates as low as 5 1/2 percent.

Hoboken Advantage doesn't have the money to replace city services, Lilioia said, but it can supplement what the city provides by paying for extra garbage collection and hiring additional people to sweep Washington Street.

Lilioia has also proposed an "adopt-a-basket" program, through which Hoboken Advantage would purchase trash baskets for Washington Street. Officials at Stevens Institute of Technology have offered to provide a computerized survey of Hoboken's sidewalks so the city can pinpoint which stretches need to be replaced and upgraded, he said, and Hoboken Advantage also hopes to purchase bus shelters and additional benches for the comfort of pedestrians.

To encourage the use of public transportation, Hoboken Advantage funded a program on the Washington Street bus for the four weekends before Christmas so shoppers could ride free and leave cars at home.

Lilioia said he has also met with many merchants to discuss the severe parking shortage in Hoboken.

He said members of the Hoboken Advantage Board are applying peer pressure to stop merchants themselves from taking the few available street spaces, and the committee is struggling to come up with additional solutions.

Hoboken gets tough on sewer

By Bill Campbell

Hoboken officials have given a Jersey City contractor one month to correct deficiencies in a controversial sewerage project.

Public Works Director Roy Haack yesterday said the city and Ambrosio Contracting have agreed on a schedule and deadline for the repair of a Washington Street sewer line the contractor installed late last year. Ambrosio will forfeit his \$125,000 payment if the project is not repaired by late February, he said.

Haack and City Engineer James Caulfield have also instructed the city's plumbing inspector to authorize permits allowing property owners to hook into the new pipe. One merchant yesterday complained that without the hookup, raw sewage will continue to back up into his basement and its smell hurts his business.

The agreement on a timetable stems from complaints by property owners along the western side of Washington Street, between Sixth and Seventh streets. The project, which was expected to take six weeks to complete, was begun in early October and completed shortly before Christmas.

The city prevented residents from hooking into the line because of problems in the pipe joints and the laterals, which connect the pipe to individual lines. Recent inspections have revealed that the problems will not prohibit hookups, he said.

Councilman Dave Roberts, who represents the Sixth Ward and sponsored bonding legislation for the project, last week complained that the project was "riddled with cost overruns and delays." The contractor will not be paid, he said, until he "proves" the project is successful.

See HOBOKEN—Page 12.

Hoboken gets tough on sewer

Continued from Page 1

thoroughly completed. The contractor, Dick Ambrosio, said his workers were hindered by weather and the Thanksgiving and Christmas holidays. He said the deficiencies could be corrected "within four, five days at the most."

If Ambrosio fails to complete the project, the city is expected to hire J. Fletcher Creamer of Edgewater, the next highest bidder, to finish the job. State laws mandate that municipalities give bidders one opportunity to correct deficiencies.

Property owners along Sixth and Washington streets have long complained about the century-old clay pipe that runs behind the buildings on the western side of the street. The line collapsed about 20 years ago and residents have since complained of raw sewage seeping into their basements, Haack said.

Project delays have also spurred complaints. Last week, a representative of a newly formed environmental group blamed the city for not monitoring the project.

Yesterday, Nicol DeBari, who owns a travel agency at 612 Washington St., said he will sue the city if Haack refuses to issue him a letter authorizing a sewerage hookup. He said the basement of his building is soaked with raw sewage and the odor has hurt his business.

"I'm drunk on this smell and it makes me real mad," he said.

His problems began, he said, after the new line was installed and after his neighbors hooked up into it. "Never before have I had a problem until five days ago," he said.

Haack said he will not issue DeBari a letter because DeBari can now get a hookup permit. "We are trying to investigate everyone's complaint, but in this case the permit is the official authorization," Haack said.

Weather conditions have been taken into consideration for completion of the project, said Haack.

NAACP rally shuts Hoboken City Hall

Continued from Page 1

ees union asked for this (arrangement)," he said. City Business Administrator Edwin Chius, a member of the administration's contract negotiating team, predicted that King's birthday would be established in future contracts as a permanent municipal holiday, despite last year's "overwhelming" vote by employees

to trade the holiday.

"I expect the mayor will ask for the day in the contracts that we are currently negotiating," Chius said.

Beatty, in a statement to Vezzetti and the council, said the Hoboken branch of the NAACP was "putting the city on notice" that if the municipality did not announce plans to observe the holiday by Monday, "there will be steps taken by this organization to assure that all city agencies observe this holiday."

Beatty declined to disclose the action but said he was awaiting advice from the national office. He was "outraged" when he learned that the city's employees had traded the holiday, he said.

"It is in the best interest of the people of Hoboken to observe this holiday," the statement read. "The policy in the past has always been to observe all state and national holidays. This should be no exception."

NAACP members gathered outside City Hall at about 9 a.m., shouting and waving signs that city officials should be closed. Many municipal workers entered the building through police headquarters on Newark Street to avoid passing the demonstration.

At about 10 a.m., the protesters, led by a police escort and a sound car, marched slowly up Washington Street to the Mt. Olive Baptist Church for the service. Many in the procession chanted "We shall overcome" and "The dream lives on."

The normally outspoken Vezzetti, dressed in a navy blue overcoat and a fedora, marched silently at the end of the parade.

NAACP rally forces holiday for Hoboken city employees

By Bill Campbell

Hoboken municipal employees were given the day off yesterday after 30 or so members of the local NAACP rallied on the steps of City Hall in the cold rain to urge the mayor to close the building in observance of Dr. Martin Luther King Jr.'s birthday.

Mayor Thomas Vezzetti ordered municipal offices to close at 10 a.m. yesterday so workers could attend a memorial service for King at the Mt. Olive Baptist Church. He was reluctant to make the move earlier, he said, because municipal employees voted last year to trade the holiday for the Friday after Thanksgiving.

Since last Thursday, NAACP leaders had been criticizing Vezzetti and the City Council for not closing municipal

pal offices on the federal holiday.

The Rev. William Beatty, pastor of Mt. Olive Baptist Church and a vice president of the NAACP, last week said the decision to keep city offices open "was a slap in the face to the memory of Martin Luther King."

Yesterday, Beatty, NAACP chapter President Eugene Drayton and leaders in the movement to recall Vezzetti as mayor, lashed out at the administration during the rally. The event took on political overtones as the names of the mayor and his administrative assistant, Laurie Fabiano, were chanted by the protesters.

Vezzetti, before announcing the closing, met in his office with Beatty, Drayton and NAACP attorney Salvatore D'Amelio Jr. to discuss the or-

ganization's protest. D'Amelio, the former city law director, and Vezzetti are bitter political enemies. Last week, the attorney filed a suit in county Superior Court to have Vezzetti removed from the mayoral post.

According to Fabiano, Vezzetti "did not feel good" about the planned opening of City Hall. "He called me on Saturday and said he would close the offices early, on noon on Monday. When we found out that there was a memorial service at 11 a.m., he decided to close at 10 a.m."

Vezzetti was unavailable for comment on the latest developments, but on Friday he said he was "saddened" that the planned opening had taken on racial overtones. "This was not my decision. The employ-

See NAACP—Page 6.



Dozens of demonstrators rally in front of Hoboken's City Hall to protest its being open on the birthday of Martin Luther King Jr.

Hoboken will try to settle with Mayo Lynch

By Bill Campbell

Hoboken will seek an out-of-court settlement with the engineering firm that sued the city after its \$2-million sewage plant design contract was ruled invalid.

The Hoboken City Council, meeting Wednesday in a closed strategy session with special counsel Irwin Kimmelman, has authorized city representatives to meet with attorneys for the engineering firm Mayo Lynch & Associates to reach a settlement, according to city officials.

Superior Court Judge Burrill Ives Humphreys ruled the design contract invalid in Octo-

ber. He said the city failed to properly advertise the agreement after it was adopted.

The city subsequently hired another engineering firm to complete the federal- and state-mandated secondary sewage treatment plant. Mayo Lynch, which fell out of favor with Mayor Thomas Vezzetti after last year for federal funding, is seeking to recover payment for design work. The firm is also attempting to block the city from hiring New York engineers Lawler Matfusky and Skelly to complete the \$52-million project.

According to sources who asked not to be identified, the

city will urge Humphreys to appoint a mediator to review Mayo Lynch design plans and set a price on the work. The city is expected to approach Mayo Lynch attorneys with the plan next week.

Neither Marc Arnold nor Theodore Botter, the engineering firm's two attorneys, were available for comment.

Ken Laptook, an associate with the law firm of Kimmelman, Wolfe and Sampson, refused comment on the closed session or the proposed settlement.

Councilman Robert Ranieri, chairman of the council's Committee on Water and Sewerage, said it was the adminis-

tration's "tenor to reach a settlement." He said the administration believes it is in the best interests of the community to approach the court with a plan.

Administration officials would neither confirm nor deny the proposed settlement. However, several council members privately acknowledged the plan saying the city and Mayo Lynch would split the cost of hiring the independent mediator.

Under the proposal, the mediator, probably an engineer, would set a dollar value on the work performed by Mayo Lynch. The firm is then expected to be paid and the workable

portions of the plans are to be turned over to LMS. That firm will then complete the project, sources said.

The city has a July 1988 deadline to complete the project or face stiff fines for violations to the federal Clean Water Act. The city has already been fined by federal and state agencies for violating provisions of the act.

Secondary sewage treatment removes 85 percent of pollutants from the city's waste water.

Humphreys, who two weeks ago asked the city to explore an out-of-court settlement, is expected to approve the plan, sources said.

P.A.'s HOBOKEN PROJECT

Project will be regional model

By Jim DeKogatis
(Third in a series)

The name says it all: Hudson Center, the Port Authority's massive "world class" project in Hoboken is intended to serve as the centerpiece for waterfront development in Hudson County and act as a model for the entire metropolitan region.

But, the P.A.'s grandiose plans also carry a steep price-tag in terms of the project's impact on the Mile Square City.

The project was designed by Stanley Eckstut, formerly of Cooper-Eckstut Associates, the New York planning firm responsible for Battery Park City. It was unveiled during a public hearing at the Demarest School in December, 1984 sponsored by then-Mayor Steve Cappelletto's Waterfront Advisory Committee.

The enabling legislation which authorized the P.A. to undertake the development defined a specific project area in Hoboken including all of the city-owned waterfront from Newark to approximately Sixth streets. At the request of Cappelletto, however, the P.A. studied and proposed a plan for a larger area including two vacant Housing Authority-owned lots between Second and Third streets on Hudson Street.

NJ Transit's property straddling Jersey City and Hoboken was added to the plan at the request of Gov. Thomas Kean, and officials at Stevens Institute of Technology requested that the P.A. include their waterfront land from Sixth to Ninth streets.

Eckstut and P.A. officials have said at public hearings that Hudson Center was designed to be an integrated part of the city, not a walled-in enclave.

Unlike Newport in Jersey City, the development continues the street grid system of Hoboken, and all city streets continue through the project to the river, maintaining an unbroken view of the Hudson.

P.A. officials boast that the project would also include more than 10 acres of open space for "passive recreation," much of it in a greenbelt along the edge of the river between First and Fifth streets.

The project covers a total of 76 acres, although much of the area is under water. According to the P.A.'s 1985 draft development plan report and its design guidelines for the project, Hudson Center would include:

- Six office buildings with 3.15 million square feet of office space. The proposed office buildings include an 18-story transportation center over the current PATH station; an eight-story building at Newark Street and East Drive (a new street that would be created to the east of River Street); an eight-story building at First and River streets, and three buildings of 16, 23, and 30 stories extending over the river at the foot of First Street.
- Five housing complexes in a row along East Drive from Second Street to Fourth Street.

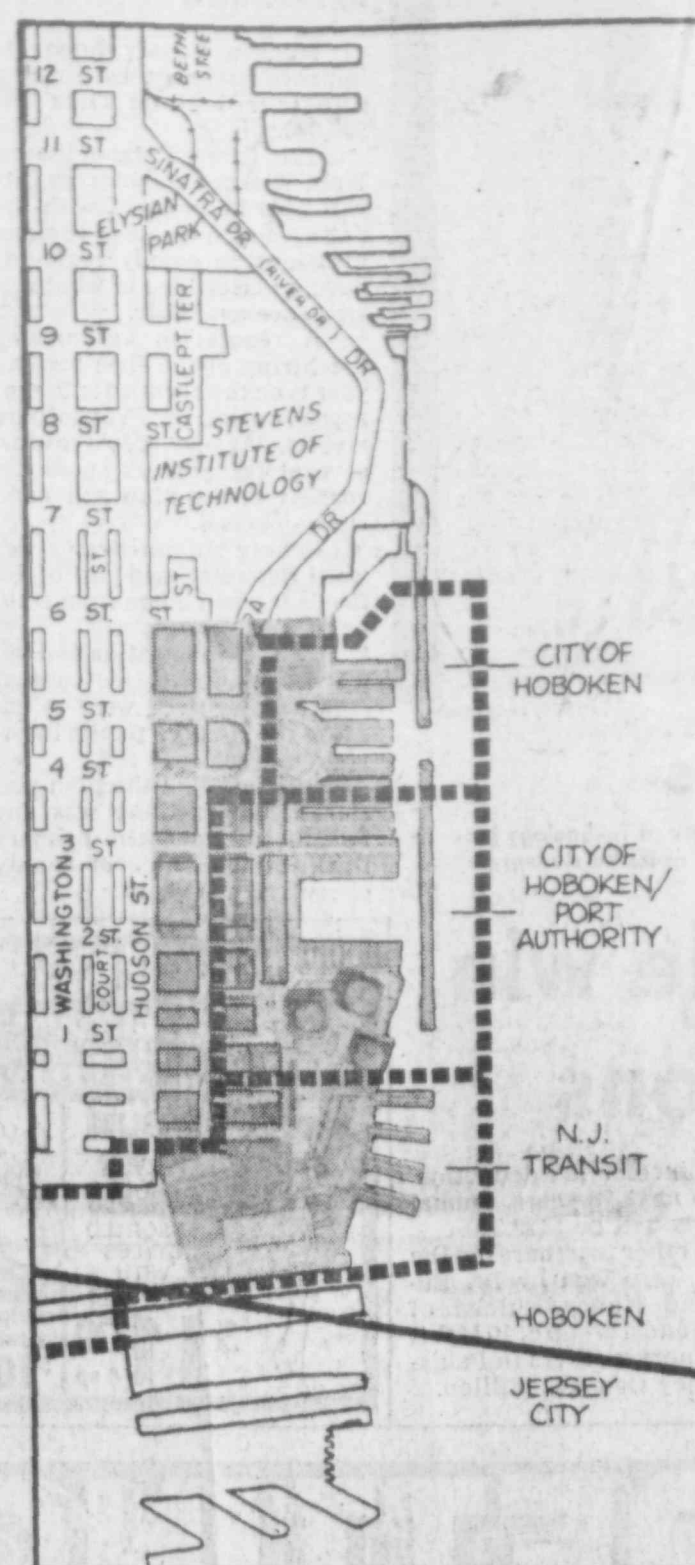
The buildings would have staggered heights between five and 28 stories, with the bulk being 18 stories, and would include a total of 1,200 luxury housing units.

Since the September withdrawal of Stevens from the project, the P.A. has proposed an additional 400 housing units at the northern end of the project on land formerly earmarked for a research and development center.

The P.A. has also suggested building similar 18-story apartment buildings on the Housing Authority sites, although it is uncertain whether the sites will be included in Hudson Center.

The Housing Authority is preparing a request for proposals from outside developers for the lots.

- A 30- to 35-story hotel with 400 rooms rising above the ferry terminal at the foot of Hudson Place.



The Port Authority's Hudson Center development would stretch from the NJ Transit land at the bottom of the illustration to Castle Point near the top, and from parts of Hudson Street into the river where steel decking would be built.

The terminal, a national historic site, would be renovated and ferry service to Manhattan resumed.

Renovations are also planned for NJ Transit's train terminal.

- A 400-slip marina from Second to Sixth streets including docking for "corporate" boats 100 feet in length, docking for smaller "transient" boats and a "recreation" basin for paddleboats, sailing lessons and other amusements.

The marina would be separated from the Hudson River by an approximately 25-foot-wide breakwater that would also function as a fishing pier and promenade.

- Parking for 4,700 cars, including a 1,000-space garage on Observer Highway near the proposed transportation center; 2,100 spaces in a garage near the ferry terminal and the Jersey City border, and parking under the main office and housing complexes.

• About 150,000 square feet of retail and specialty shopping. P.A. officials have said the project would include about 60 shops and restaurants scattered in ground-floor locations throughout Hudson Center.

The project would be built in two phases. Phase One, scheduled for 1987 to 1994, would include the 18-story transportation center, two eight-story office buildings, most of the marina, the main housing complex, and the greenbelt and esplanade.

Phase Two, scheduled for 1994 to 2003, would include the three large office buildings and the hotel.

The city has made no official comment on the Hudson Center plan.

Specifiers of the design are intended to be addressed last in the negotiations with the P.A., and city officials have indicated they would demand several changes in the development plan, including decreases in the height of many of the buildings.

One reason the negotiators have avoided addressing the Hudson Center plan is that the P.A. released virtually no information on the impact the development would have on Hoboken until recently. After repeated requests from the city, the P.A. finally presented a copy of its draft Environmental Impact Statement to the city Dec. 15. The EIS, a complex report, examines aspects of how a

See PROJECT—Page 15.

Project will be regional model

Continued from Page 1

development would affect life in the community around it, and it is a prerequisite for obtaining federal grants.

According to the P.A., the Hudson Center project could have heavy impact upon the following aspects of city life:

- Traffic and parking. The P.A. has said the project was designed to minimize traffic and make maximum use of public transport, but the EIS indicates that Hudson Center would generate an additional 1,400 automobile trips an hour during morning and afternoon rush hours by 1990, and more than 4,000 automobile trips an hour by 2002.

- When combined with the traffic generated by other developments in Hoboken, Weehawken and Jersey City, the result would be "intolerable delays and congestion" on the main roads leading in and out of the city, according to the P.A.'s own figures.

- The authority took the construction of several "mitigating measures" for granted in its report, including a widened Observer Highway, a new highway proposed by the state Department of Transportation around the rear of the city near the Palisades and a new light rail system. But, there are no immediate plans for the rail system, and the DOT estimates that construction of the highway would not be completed until 2002. The already overcrowded city streets would have to bear the increased traffic burden in the meantime.

- The city has not yet responded to the P.A.'s traffic study, although Michael Coleman, the city's chief negotiator, has said, "there is a need for an innovative solution" to the traffic problem, which he called the biggest posed by the development.

- Infrastructure. The P.A. has promised to bear the cost of all major infrastructure improvements required by the project, including repairs to the bulkheads and the construction of new streets, sewer lines and parks.

Sewerage no problem

In the EIS, the P.A. contends that the city would be able to accommodate Hudson Center's water and sewerage needs with little or no problem. The P.A. believes the sewerage repairs (already begun by the city) and the construction of the federally mandated secondary sewerage treatment plant will leave Hoboken with more than enough capacity to handle the project's estimated 600,000 gallons of sewage per day, an amount the authority claims the city could handle even under present conditions.

The P.A. also says the city has contracted with Jersey City to purchase 10 million gallons of water a day but uses only 6.5 million gallons. Hudson Center is expected to require only 600,000 gallons of water a day.

City officials said the sewer lines near the development are among the best in the city and could handle the increased strain. In contrast, the sewers in the city's southwest sector are still the same wooden ones installed before the Civil War.

- Population density. The P.A.'s EIS states that 2,800 permanent residents would be added to Hoboken's population by 1993 as a result of the project, an increase of about 5 percent.

- Coleman considers the P.A.'s current housing plan "impractical" and said he will ask for a reduction in the number of units. He said there would be more than 5,000 housing units built in an area of several square blocks within the next few years as a result of Hudson Center and other proposed developments.

According to Coleman, a Manhattan-based housing design consultant he declined to name is preparing a new housing plan for the project. "Instead of five highrises, there will be less density and a different design concept," Coleman said. He refused to elaborate.

The city is also expected to ask the P.A. for contributions to an affordable housing fund. The P.A. has no plans to in-

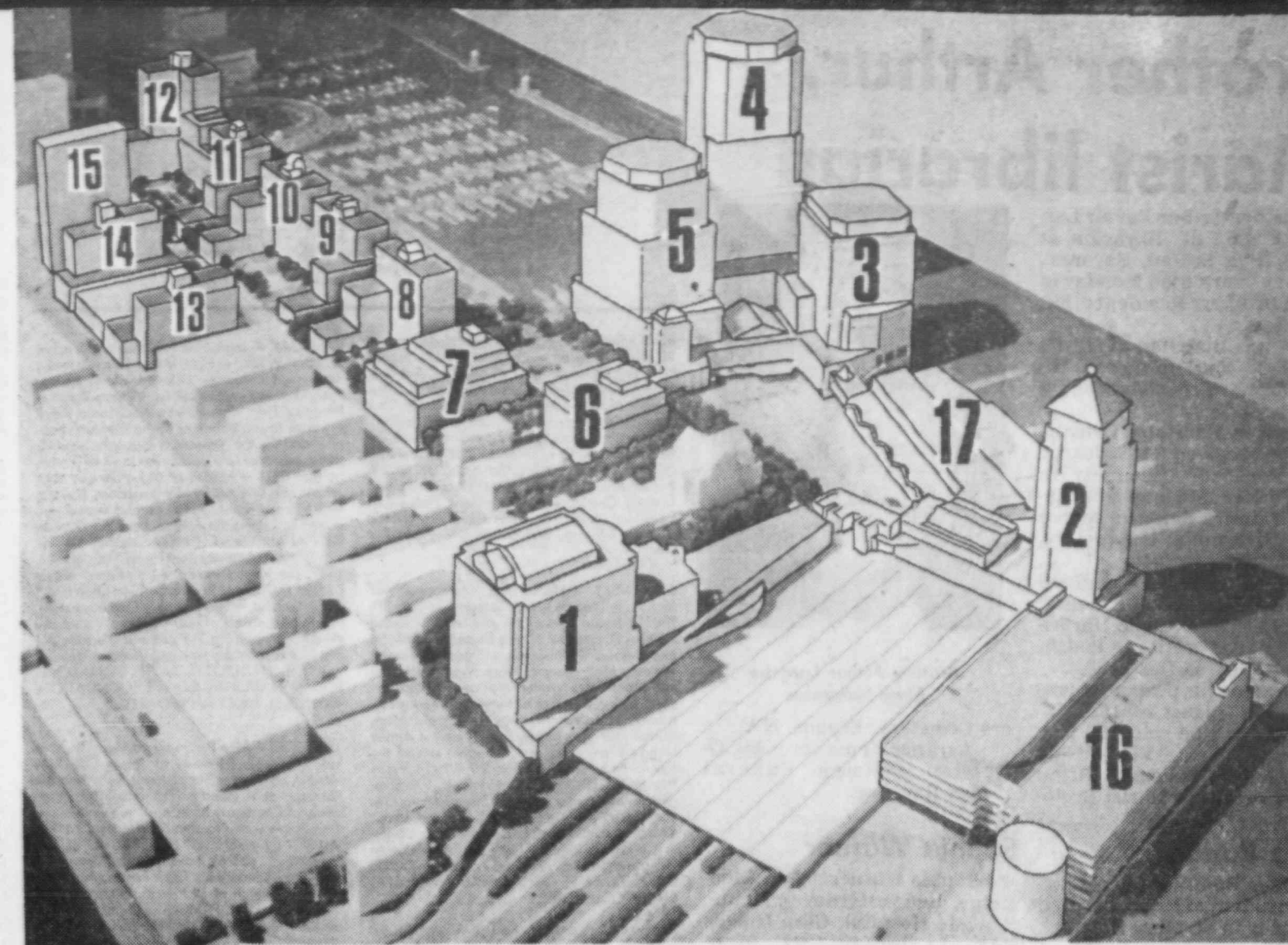
clude affordable units in the waterfront housing and states in the EIS that "waterfront market rate housing would provide maximum revenue that could result in more money ultimately to the city for it to use in helping to foster additional low- and moderate-income units elsewhere in the city."

- City services. The P.A. has said it expects the city to provide all police, fire, garbage-hauling and ambulance services to the center. The authority does not provide information in its EIS on how much garbage Hudson Center is expected to generate, and it says that levels of police and fire protection would be reviewed as the development progresses.

Coleman recently indicated to the City Council that the city negotiating team has agreed to provide the services as part of a preliminary agreement on controls. The agreement has been strongly criticized by WAC, which contends that "supplying such services to the commercial and transportation portions of the project may well end up costing the city more than it nets from these portions of the project."

According to the EIS, Hudson Center would not have a serious impact upon the Hoboken school system, attracting only an estimated 160 students. The report notes that student enrollment in the Hoboken public schools has been steadily declining and would not be burdened by the small increase in enrollment.

- Environment. The bulk of the P.A.'s approximately 300-page EIS addresses the environmental problems posed by Hudson Center, and the report generally concludes that the long-term impacts would be negligible to birds, fish and terrestrial and biotic vegetation on the waterfront.



The buildings numbered in this Port Authority model of Hudson Center would be: 1. Bus transportation center and office building — 18 stories. 2. Hotel with 400 rooms — 30 to 35 stories. 3. Office building — 30 stories. 4. Office building — 23 stories. 5. Office building — 23 stories. 6 and 7. Office buildings — eight stories. 8, 9, 10, 11. Luxury housing highrises — staggered heights, mostly 18 stories. 12. Housing tower — 28 stories. 13 and 14. Housing Authority-owned lots; the P.A. has proposed two 18-story highrises on the location, although the authority has since issued requests for proposals for the site. 15. Marine View Towers, existing housing project. 16. Proposed parking garage that the Port Authority says will intercept traffic from Observer Highway. 17. Erie-Lackawanna ferry terminal.

Much of Hudson Center would be constructed on steel decking over the river and no landfill is involved in the project, according to the P.A. The Westway development in Manhattan was successfully halted by environmentalists after years of conflict when it was determined that landfill associated with the project would have disturbed many species, including the endangered striped bass.

The P.A. also states that air pollution created by traffic associated with the development

"will meet the National Ambient Air Quality Standards," and "noise impacts... will meet Hudson County standards and standards set by the federal Department of Housing and Urban Development's guidelines," although critics dispute the claims.

- Local business and industry. The P.A. has promised to allow Hoboken merchants the first opportunity to occupy retail space in Hudson Center, and the P.A. states in its EIS that "it is expected that the

project will improve business in the Washington Street retail district" because of the new residents it would attract.

Community Development Agency officials believe Hoboken merchants would be "hit much harder" by the shopping mall at Newport in Jersey City than by shopping at Hudson Center. The CDA has begun several programs to support the remaining industries in Hoboken, and is researching programs to protect industries from the northern waterfront on pressure to withdraw once de-

velopment begins.

According to the EIS, Hudson Center would generate about 21,000 jobs, including 12,000 temporary construction jobs. The P.A. also estimates that the project would be responsible for "\$1 billion in economic activity," although it does not define "economic activity."

(Tomorrow: The key players in the waterfront struggle, and their opinions of Hudson Center's chances for becoming a reality.)

'A WASTE'

Vezzetti wants to can county government

By ANDREW KIRTZMAN
Staff Writer

Never one to shy away from a challenge, Hoboken Mayor Thomas F. Vezzetti embarked on an effort yesterday to abolish Hudson County government.

County Executive Edward F. Clark responded with what he called a better idea: Abolish Hoboken's government — and all the municipal governments — and leave the county body standing.

Both acknowledged they would have a hard time doing either.

Vezzetti, however, plans to give it a try. At a meeting yesterday of the North Hudson Council of Mayors at North Bergen Township Hall, Vezzetti said he would conduct a study to convince the people that the county government is a waste of their money.

"We need county government like we need a hole in the head," he said. His comments elicited en-

thusiastic responses from two other mayors at the meeting. Leo Gattoni Sr. of North Bergen and Paul Amico of Secaucus, and Vezzetti said Weehawken's Stanley D. Iacono "is all in favor of it."

The mayors also had their doubts.

The county government, presided over by Clark and nine part-time members of the Board of Freeholders, spent \$60 million last year on county hospitals, county parks, the county court system and the

county welfare system, among other things.

Few mayors have not wished aimed at some point that the entity would simply go away, pointing always to the large chunk of municipal support the Jersey City-based bureaucracy requires. But few have had the specific ideas, or the energy, to realize their wishes.

Amico, for instance, said Secaucus tried a few years ago to See VEZZETTI, Page 8

Hoboken getting sewer pacts in order

By Bill Campbell
S.S. 1-30-87

The Hoboken City Council is expected next week to approve an agreement with the bond counsel for the proposed secondary sewerage treatment plant, as part of the continuing effort to correct professional service contracts which had been improperly ratified.

A resolution hiring the New York firm of Finley, Kumble and Wagner to advise the city on funding apparatus for the proposed \$52 million municipal facility was added to the council's agenda for Wednesday. The firm is to receive a fee not to exceed \$125,000, according to the resolution.

The firm was originally hired by the city last May as

counsel for the issuance of \$2.5 million in bond anticipation notes for the first phase of the project.

The resolution comes less than a week after the council re-ratified the contracts of two other project consultants, Government Finance Associates and Arthur Young & Company.

The contracts of more than half a dozen Community Development Agency consultants have been re-ratified since December. The actions stem from the Hudson County Superior Court's decision which ruled Hoboken's \$2 million sewerage design contract with Mayo Lynch & Associates invalid.

According to the October ruling by Assignment Judge Burrell Ives Humphreys, the city failed to disclose the

amount the firm was to be paid. The city subsequently hired another engineering firm to complete the project.

Upon review of all professional service agreements, which are awarded without competitive bidding, the city discovered errors similar to the Mayo Lynch pact. Except for the engineering firm, all other consultants with faulty contracts have been rehired.

Finley, Kumble and Wagner, a Manhattan law firm, was instrumental in devising the ordinance last June issuing \$2.5 million in bond anticipation notes earmarked for project consultants as "start-up" costs.

According to their agreement with Hoboken which runs through June, the firm will ad-

vised the city for preparation of the ordinance and issuance of bond anticipation notes and long-term tax exempt bonds.

The city expects to issue about \$40 million in bonds for the sewerage project. It is also hoping to receive some \$20 million in federal grant money.

On Jan. 21, the council re-ratified the \$35,000 contract of project rate consultant Arthur Young & Company and the \$75,000 contract of financial analyst Government Finance Associates.

Resolutions re-ratifying all the sewerage consulting contracts were sponsored by Councilman Robert Ranieri, chairman of the council's Committee on Water and Sewage.

The meeting is scheduled for 7 p.m. in City Hall.

Hudson awaits rental ruling

By JEFFREY HOFF
Staff Writer

Does Hoboken have the right to force a landlord to rent an apartment? Tenants and landlords across Hudson County are waiting for the county's top judge to give his answer to that question, and they may get a partial response today.

The Help Hoboken Housing developers group is seeking an injunction preventing the city from enforcing its anti-warehousing ordinance. After a long court-room debate yesterday, in which issues of affordable housing and condominium conversions were highlighted, Assignment Judge Burrell Ives Humphreys of Hudson County Superior Court in Jersey City said he would announce today whether he will grant the injunction.

Initially passed in June, the law would require landlords to register apartments vacant over 30 days and rent them after 60 days or face fines of up to \$500 daily.

The law has yet to be enforced, however, because in August, HHH filed suit in federal court charging the law is unconstitutional and conflicts with state law. It lost that case but a restraining order was in effect from August until late November when Herbert J. Stern, the then judge in U.S. District Court in Newark, dismissed the challenge.

Five other Hudson municipalities have passed similar ordinances, and enforcement has picked up notably after Stern's decision.

Although no fines have been issued in the county, West New York in particular has made landlords rent about 20 apartments.

Hoboken officials said they were establishing a system to enforce the law when HHH filed suit in the state Superior Court in Jersey City early this month with almost identical charges with its federal suit as well as a claim that the law violates the state constitution.

Stern did not rule on whether the anti-warehousing law is "pre-empted" by state condominium conversion and anti-eviction laws and these are the principal questions before Humphreys.

According to the judge, Ira Karasick, an attorney representing the Campaign for Housing Justice tenants group, had clearly explained the apparent rationale for the law when Karasick said its point is "to provide affordable housing."

"People are trying to rent apartments, and they are not able to," Karasick said.

Humphreys retorted it is ironic that "in the middle of a housing shortage you have apartments that aren't being rented." Karasick said many people will be "unable to get apartments in Hoboken unless this ordinance is enforced."

HHH attorney Roger Sauer charges, however, that compliance with the ordinance "will have the effect of terminating entire con-

dominium conversions." Sauer has said passage of the ordinance will curtail the common practice of landlords paying tenants to leave their apartments. Vacant or partially vacant buildings are more valuable because they are easier to sell or convert to condominiums.

When Humphreys questioned whether the ordinance is designed to slow the condominium conversion process, Maureen Schweitzer, who represents the city, explained that apartments for which a landlord has filed the first notice to convert is exempt from the law.

She argued that the ordinance is designed to guarantee tenants their rights under state condominium conversion laws by ensuring units are occupied when landlords apply for conversion with the state.

Under state law only low-income senior citizens and handicapped tenants are protected from evictions within some four years once a conversion is registered with the state.

Hoboken to decide school fate

By Jim DeKogatz

Hoboken officials will decide today whether the Hudson School must be shut down because of fire safety violations.

City Fire Code Official Richard Tremietti said he will conduct an in-depth inspection of the school with city electrical and building inspectors to determine the extent of work that needs to be done to bring the school up to code.

Tremietti inspected the school last week after receiving a complaint and found numerous violations, including no approved fire alarm system, inadequate exits and exit signs, and blocked fire doors, he said. Tremietti said he will be forced to shut the school if inspectors determine today that it will not be able to provide the necessary safety measures in the immediate future.

"I'm optimistic that we can solve a lot of these problems and get away with only closing the school for a week or so to make repairs," Tremietti said. "But if I have to close the school, I will. The safety of the children comes first."

A private school with about 100 gifted and talented students, the Hudson School is located in the same century-old building that houses the Hoboken Public Library and the Industrial School on the corner of Sixth Street and Park Avenue. The Hudson School rents its space from the city.

Tremietti said the fire violations do not affect the library but if the inspectors decide to close the Hudson School, the Industrial School will likely be shut down as well.

Assistant City Attorney Thomas Calligy said he is trying to determine who is responsible for the costs of bringing the building up to code. Tremietti said the city may decide to issue a bid for an electrical alarm system that could service the entire building, but some of the specific costs for fire safety measures may have to be borne by the Hudson School.

The Hudson School has been housed in the building since 1978. Tremietti said he was forced to make his inspection since he received anonymous complaints but added that the city is inspecting all local schools to see that they comply with the recently strengthened fire code.

Suellen Newman, director of the school, said the school will cooperate with city inspectors and "do everything we can to comply with the requirements as quickly as possible."

Newman's husband, Thomas, was elected to the City Council in a special election last November. Newman attributed the complaints that prompted the inspection to political foes but said he believes the fire code official "is only doing his job and trying to keep politics out of this."

VEZZETTI

Continued from Page 1

pull out of the county government. The state Legislature, however, "was too smart for that," he said, as its members feared other eager municipalities would have to be granted permission to secede as well.

"This body would have to do its homework — what we'd do with the courts and other services — and not just get involved in a lot of rhetoric," Amico said of Vezzetti's idea.

But would you be interested? Vezzetti wanted to know.

"I'd be a leader," Amico responded.

Vezzetti, a feathered bowler hat in front of him, was satisfied.

Vezzetti's primary example of the county body's inefficiency is his contention that it took the county 20 years to agree to repair the 14th Street Viaduct, which connects Hoboken with Union City. The experience, he said, made him happy to be the one to do the homework on a plan.

Clark, who was not at yesterday's meeting, responded to charges of inefficiency with a suggestion that the mayors look at the efficiency of their own towns.

"You'll find taxpayers finding a lot more money for municipal services and Board of Education services," he said.

Besides, he added, someone has got to administer the county programs.

A better idea, whose time has not yet come, Clark said, would be to eliminate the municipal governments and replace them with one central government — "like a big city" that, he suggested, truly would eliminate government waste.

"You wouldn't have four separate fire departments within a quarter of a mile of one another," he said.

Clark said, though, that he would not take a formal position on a potential proposal.

There was no vote on Vezzetti's idea yesterday.

Jersey City Mayor Anthony R. Cucchi, who is not a member of the group, said yesterday that he would welcome a study, but is skeptical about the practicality of Vezzetti's idea. He said he also has reservations about eliminating the main source of regional planning for Hudson County.

"It takes an awful lot to make people think regionally," Cucchi said. "You can't be an island unto yourself."

Charges mar King's holiday

By TOM GISSEN

DISPATCH 1-30-87
HOBOKEN—A rally ostensibly organized to protest the city's contractual agreement to celebrate the late Rev. Dr. Martin Luther King Jr.'s birthday in November rather than in January yesterday took on political overtones as some protestors charged Mayor Thomas F. Vezzeiti with insensitivity and administration supporters accused rally organizers of perverting King's memory.

At about 8 a.m. yesterday, members of the city branch of the Na-

tional Association for the Advancement of Colored People, Recall '86 supporters and others gathered in front of City Hall. The protesters had come to voice their objections to the city's policy of celebrating King's birthday on the day after Thanksgiving rather than on either its true date, Jan. 15th, or on the designated national holiday, which falls on the third Monday in January.

Eugene Drayton, president of the local NAACP unit and the rally's chief organizer, asserted close to 200 people participated in the rally.

See CHARGES, Page 8

CHARGES

Continued from Page 1
while administration sources put the number at about 40. The official police estimate is that 100 people attended.

Drayton said the administration's decision to keep City Hall open was "disrespecting to Dr. King and a slap in the face of the black community."

Councilman Joseph DellaFave, a strong supporter of the mayor, charged Drayton and others at the rally were using King's memory to promote their own political agenda. He called the rally, "the worst bastardization of Martin Luther King Day I've ever seen."

"It was despicable," he added.

Originally, the municipal offices were to have operated on a regular work schedule yesterday. But, during the weekend, Vezzeiti decided to close City Hall offices at noon. While the rally was going on outside, Vezzeiti reportedly learned that a commemorative service had been planned for 11 a.m. The mayor then decided to close the offices at 10 a.m. and urge all city employees to attend the ceremony, an administration spokesman said.

"He had no other choice but to close City Hall," Drayton said of the rally's effectiveness.

"We're going to be very involved in the election and selection process. I'm sure we can be spoilers," Drayton said yesterday of the NAACP's involvement in the May municipal election.

Shortly after 10 a.m., the protesters marched up Washington Street to the ceremony at the Mt. Olive Baptist Church at 727 Washington. Frank "BB" Weick, a Recall '86 organizer and ardent opponent of Vezzeiti, used a bullhorn to blast the administration as he marched.

Weick said he participated because he has long supported union movements and believes the holiday should be observed.

Although the choice of a day became a political football yesterday, in the long run, the issue is likely to come down to dollars and cents and ultimately be decided at the bargaining table.

In 1977, nine years before the federal government recognized Martin Luther King Day as a national holiday, the city included the day in its list of official paid holidays. Business Administrator Edwin Chius said yesterday. But the 1977 contract with the non-union Hoboken Municipal Employees Association was not ratified until late in the year, when King's

birthday had already passed. Consequently, the union agreed to substitute the Friday following Thanksgiving for the holiday.

That informal arrangement, which provides city workers with a four-day weekend, has been continued and since formally written into the contract. "Day after Thanksgiving Day (in lieu of Martin Luther King Day)," appears as the 12th delineated holiday in Article XVI of the most recently ratified three-year contract, which expired at the end of 1986.

Chius said he opposes celebrating King's birthday in November because it leads to spending extra dollars on overtime for needed services that cannot be neglected for four straight days. He cited emergency maintenance at the municipal garage and cleaning of the continuously operational police station as the type of maintenance that must be performed, regardless of holiday schedules.

Chius said he would like to have the city conform to the federal holiday. But, he added, he is looking for an exception whereby the union either gives up another holiday or a vacation day in return for taking off the third Monday in January.

James Fisher, president of the Hoboken Municipal Employees Association, said he wants the third Monday in January in addition to the 13 paid holidays listed in the most recent three-year contract, which expired at the end of last year.

"I will not sign a new contract that does not include an additional holiday that is Martin Luther King's birthday," he said yesterday.



Boxes and bags of garbage piled at Third and Washington streets, Hoboken.

Trash collection complaints mount

By Jim DeRogatis

88-1-30-87
Hoboken residents, angry about the quality of trash removal service by the city's new contractor, added another complaint yesterday as garbage piled up outside many homes.

Browning Ferris Industries, which began hauling Hoboken's trash in December, did not pick up garbage yesterday as the company observed Dr. Martin Luther King Jr.'s birthday. Several residents called The Jersey Journal and City Hall to complain.

"LaFera picked up the garbage 365 days a year, holiday or not," one resident said, referring to LaFera Contracting of Newark, which held the city's garbage contract for more than 20 years.

BFI was awarded a one-year contract several months ago when they bid \$152,000 less than LaFera's one-year base figure. A long court battle followed, which BFI won.

Many Hoboken residents seem unhappy with the new contractor, however, and city

Director of Public Works Roy Haack said he has received 50 complaints in the last month. According to Haack, residents claim BFI's garbage haulers are noisy, spill trash on the sidewalks and roadways, block the streets and cause morning traffic jams, pick up the trash late in the day, or don't pick it up at all.

Haack was to meet with BFI officials yesterday to iron out problems, but the meeting was postponed until Thursday. "We're going to try and resolve

the situation," Haack said. "There are no drastic problems that can't be worked out."

The director said BFI is unable to pick up the city's garbage on holidays because the landfill in the Meadowlands, where Hoboken's garbage is dumped, is closed, and state health laws prohibit garbage contractors from storing refuse in their trucks overnight.

Haack said garbage will be removed from throughout the city today.

Hoboken

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rector for the Community Board Training Institute in New York. Tuzman, a registered architect, had served as an alternate board member.

The council's vote followed more than two hours of discussion in closed session. Each of the three new board members was interviewed at length by the council members.

Anti-administration Councilman Robert Ranieri attempted to block the new appointments and argued in closed session for the re-appointment of DeGennaro, Greany, and Germinario. Although he voted to approve Newman's resolution, Ranieri said he believes "a potential cloud exists over the appointments... because of the procedure used," but he did not elaborate.

City Planner Ralph Seligman appeared before the council during the public caucus to discuss an ordinance introduced by Newman last week instituting the first in a series of major changes to the city's zoning ordinance. The council will vote on the changes next week.

The ordinance before the council would eliminate the concept of floor-area ratio in the R-2 and R-3 districts of the city, the highly developed residential center of Hoboken. Floor-area ratio is a formula that attempts to limit the density and height of buildings by limiting the ratio between the size of the building and the size of the lot.

But, according to Seligman, "FAR is probably the most misunderstood concept ever put in the zoning ordinance." The zoning board has granted many variances to developers seeking more height and density, consistently ignoring FAR requirements.

The new zoning ordinance will set a standard of 60 percent lot coverage, which is higher than the current law, but will strictly limit height of new construction to five stories or the prevailing height, according to Newman and Seligman. Prevailing height is calculated according to existing buildings surrounding a development.

The proposed ordinance will allow 100 percent lot coverage on the ground floor of a building if the floor is to be used as a parking garage. It also eliminates a loophole formerly provided to developers building "infill" housing whereby they were not required to provide on-site parking.

WATERFRONT

Hartz, Stevens plan office towers

By TOM GISSEN
Staff Writer

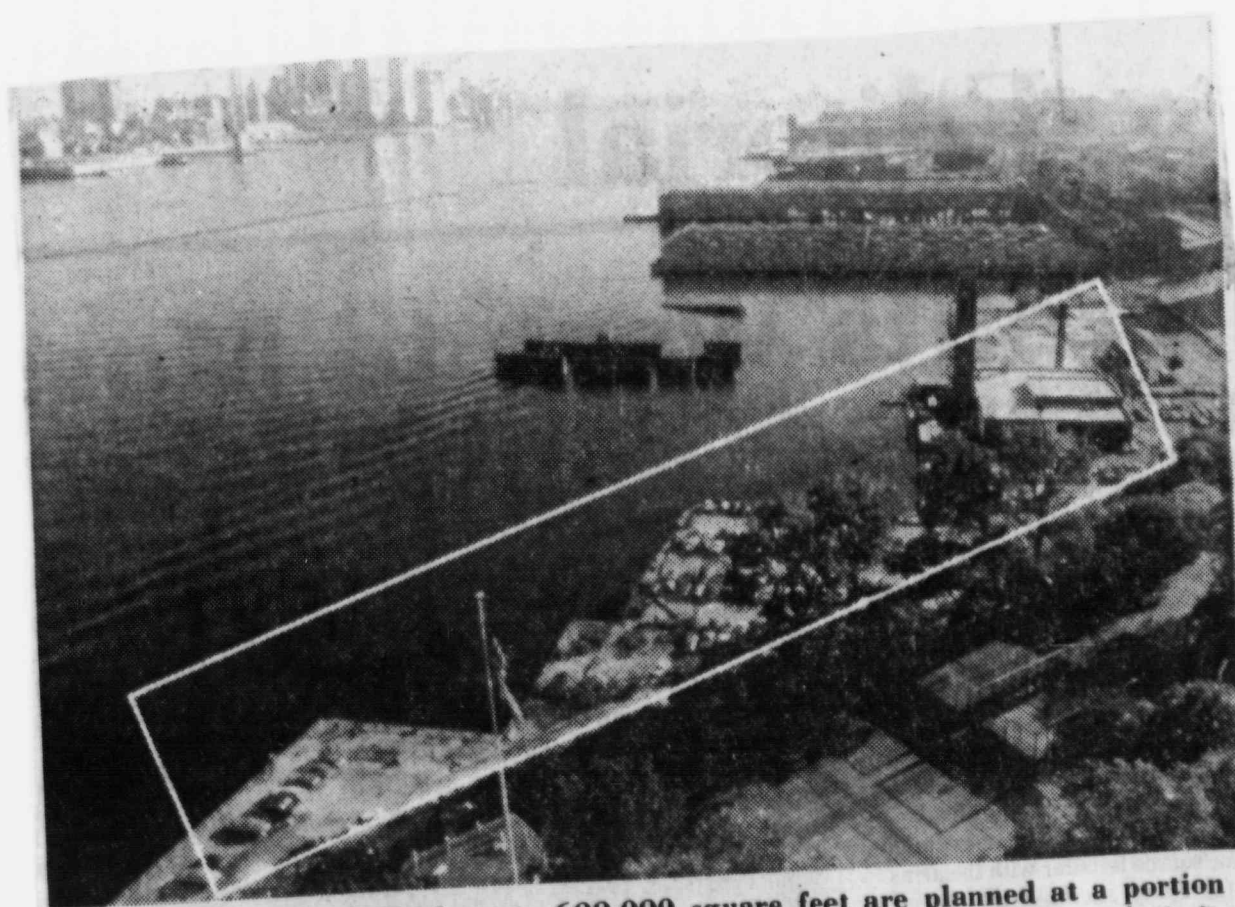
HOBOKEN—Two midrise office towers are to be built along Frank Sinatra Drive here under an agreement announced yesterday by Hartz Mountain Industries, which will develop the property, and Stevens Tech, the site owner.

Hartz President Gene Heller said he expects the waterfront project will take about 23 months to complete and cost between \$60 million and \$70 million. Hartz officials estimated the completed project will produce \$1.2 million in real estate taxes annually.

The 3.5-acre site now is used by the college for surface parking, a physical plant and "Big John," the world's tallest plumbing and toilet testing facility. Currently, no taxes are paid on the land because its use is academically related.

Hartz's plans call for two office towers and a four-story parking garage that will accommodate about 1,000 cars. The two towers are to be about 60 feet apart and connected at ground level by one or two stories.

See HARTZ, Page 10



TWO OFFICE TOWERS of up to 600,000 square feet are planned at a portion of land owned by Stevens Tech in Hoboken. The \$60 to \$70 million project, to be on waterfront property highlighted in the photograph, came about when the institute made an agreement with the site developer, Hartz Mountain Industries.

HARTZ

Continued from Page 1

A 13-story, 315,000-square-foot tower will occupy the northern end of the site with a 10-story, 285,000-square-foot section just to the south. The garage is planned for the site's southern portion and will adjoin the 10-story office tower.

As required by the state Department of Environmental Protection, a public walkway will line the Hudson river. A pedestrian bridge, 37 feet above Sinatra Drive, will link the development to the campus.

Officials of both Stevens and Hartz said they hope the linkage will extend beyond the foot bridge. While they said there is no legally binding agreement to lease the completed development to hi-tech companies, they are being recruited.

Hartz, which is solely responsible for the selection of tenants, has been handling the recruiting, but has not yet signed anyone, company of-

ficials said.

Stevens also plans to recruit technology companies in the hopes that its students and faculty will profit both academically and financially from having such resident professional contacts.

Stevens and Hartz officials have declined to discuss the financial specifics of the 95-year lease. But according to a source who requested anonymity, the amount of money Stevens receives is tied to the rental fees Hartz can collect its tenants.

Hartz must still receive approvals from various governmental agencies, including the city's Planning Board and the DEP before construction can begin. Heller yesterday expressed hope that the approvals could be obtained within six months.

Heller said he expects the 13-story office tower, the waterfront walkway, pedestrian bridge and

some of the parking and site infrastructure to be completed within 15 months of the company receiving all the necessary approvals. Within another 12 months, he said he expects the entire project to be completed.

If Hartz fails to receive any approvals or if a governmental board orders the project scaled back, the developer can terminate the lease, said Bob Hand, Stevens' vice president for external affairs.

Hand directed the five months of negotiations that led to the Stevens Board of Trustees' vote last Wednesday approving the project. Hartz hired the New York City financial consulting firm of Carodin Corp. and the Newark law firm of McCarter and English to do the actual negotiating, Hand said.

Although the board overwhelmingly approved the project, the vote reportedly was not unanimous.

Hartz plans start at Stevens by July

By Jim DeRogatis

Hartz Mountain Industries hopes to begin construction of a commercial development on waterfront land owned by Stevens Institute of Technology in Hoboken by July.

Stevens and Hartz officials unveiled a model and plans yesterday for a \$60 million research and technology center proposed for 12½ acres of waterfront land the college owns between Sixth and Ninth streets.

But Mayor Thomas Vezetti said he is "leery" of Hartz and will expect "givebacks" from the developer in the form of contributions to affordable housing and infrastructure trust funds and parking for Hoboken residents if the project is to be approved by the city.

Last Wednesday, Stevens signed a 95-year lease allowing

Hartz to develop its portion of the waterfront, said Dr. Kenneth C. Rogers, president of the college. Neither Rogers nor Hartz officials would reveal specifics of the financial deal, however.

Rogers said the school "is thrilled" with the development plan. The project will result in profits that will enable the college to lower tuition, provide jobs for students and create a "significant amount" of rentals for the city, he said.

Designed by Philadelphia architects Wallace, Roberts & Todd, the development includes two buildings of 10 and 13 stories with 600,000 square feet of office space; a ground-floor arcade with 20,000 square feet of space for stores and restaurants; and a six-story parking garage. Much of the project would be built on steel decking over the Hudson River.

The project would be connected to the Castle Point campus by an elevated passage over Frank Sinatra Drive, and it would accommodate a riverfront walkway for pedestrians. Hartz officials said care was taken not to block the view of the river from Castle Point and to develop a style in keeping with the rest of the college campus.

The school hopes to attract computer- or communications-oriented businesses as tenants. "We will be calling upon the attributes Stevens has as a high-technology school to attract technology-oriented tenants," Rogers said.

Hartz will oversee renting space in the development, Rogers said. Hartz President Gene Heller said a "number of businesses... in New York" have expressed an interest in the project, but he did not name

the companies. Stevens' portion of the waterfront was originally included in the Port Authority's \$200 million Hudson Center development plan, but the school announced its intentions of developing with Hartz last September.

School officials criticized the financial deal offered by the P.A. and said Hartz would develop the land sooner.

The P.A. and the city are negotiating a restated lease to the city-owned portion of the waterfront that would allow the authority to attract private developers to construct a "world-class" mixed-use development. P.A. officials have said Hartz expressed an interest in developing with the P.A., and Heller said the company is still interested "if the proposal ever comes about."

Heller stressed that Hartz's See HARTZ—Page 12.

Hartz plans start at Stevens by July

Continued from Page 1

plan for Stevens is similar to what the P.A. plan proposed for the college-owned land, and he contended that the developers would not need variances to build. The area is currently zoned for a maximum height of two stories, however, and the development will be subject to review by the city zoning and planning boards.

Although Mayor Vezetti and members of the City Council attended yesterday's news conference at Stevens, the Hartz/Stevens plan has not been officially presented to any city board or agency. Heller stressed that Hartz is seeking to "expedite" the approval process and begin develop-

ment "as soon as possible."

"We will be working with town officials (to obtain permits) and in six months we hope to have the building permits to start construction," he said. Morton Goldfine, a Hartz vice president, added that "before the ink is dry on the plans, we're hoping to have the steel set in the foundations."

But city officials warned that the developers will have to make several concessions to Hoboken for the project to be approved. "They are going to be subject to the same givebacks that any other developer in this city will be subject to," Vezetti said.

The City Council is considering a new zoning ordinance

which includes formulas for mandatory contributions from developers to trust funds for "affordable" housing and infrastructure improvements. "This will be city law and it will affect all developers, including the waterfront," said Michael Coleman, director of the city Community Development Agency.

"I don't make the laws," Heller said. "We will do whatever we are required by the city to do."

Vezetti said he would also like to see Hartz provide additional parking in their plan to accommodate downtown Hoboken residents. Plans include 968 parking spaces available to Stevens students and teachers

and tenants in the development. But Heller said he is open to discussion with the city on parking.

Despite assertions by Stevens and Hartz officials that the project will kick off a "rebirth" of the Hoboken waterfront, Vezetti said he "still has serious reservations about the project."

"I'm hesitant about the plan and I'm leery of Hartz as a developer," Vezetti said. "Their project in Secaucus is monstrous, and look what they're doing in Journal Square, tearing down the Loew's Theater."

Hartz has been responsible for developing much of the Meadowlands.

Fire codes may disrupt school

Dispatch 1-20-87



Photo by John Decker

THE DOORS of the Hudson School in Hoboken will remain open, at least temporarily, according to a ruling by Richard Tremietti, deputy fire chief.

By JANET WILSON

Staff Writer

HOBOKEN—The Hudson School will not be shut down to correct fire safety violations, although a brief closing still may be necessary this school year to build reinforced exits and protected stairways.

"I can't rule out shutting down the school in the future if we need to, for construction work, but everything that could be done immediately to correct serious violations has been done," Deputy Chief Richard Tremietti of the Fire Department said after reinspecting the building yesterday.

The second inspection of the school this week, which is located in a building owned by the city at Fifth Street and Park Avenue, uncovered additional serious violations.

Corrections made since the Jan. 22 inspection:

EXIT signs made of brightly colored cardboard have been posted on all the doors.

Several fire drills have been held.

Numerous obstacles partially blocking doors in various classrooms have been removed.

But a visit to the school by Tremietti and the city building and electric inspectors found "additional important violations," including exposed electrical wiring, and duct work shared with the Hoboken Public Library, located in the same building. The exposed materials could spread dangerous smoke quickly and lethally in the event of a fire.

The private Hudson School enrolls students in the fifth through ninth grades. More than 40 teachers instruct 97 pupils.

It rents space from the city-owned Industrial School, an evening program, at 506 Park Avenue, which also shares the turn-of-century rambling wood-and-stone structure with the city's public library.

The next step, in correcting violations, Tremietti said, is to determine what exactly must be done to make the building safe, and who is responsible for the costs. He said the situation is unique because the property is owned by the city, and the library and adult school share the same building with the private school. Safety standards for libraries and for adult schools are not as stringent as those for any full-time schools for children.

His office will complete a report by early next week, and a meeting will be held between all of the involved parties, he said.

While everyone says the safety of the children is paramount, there is potential disagreement over who will assume the costs of renovation.

"The city owns the property," said Sullen Newman, founder and director of the Hudson School.

"The tenant should be required to pay for things that the tenant needs," said Ed Chius, business administrator for the city, referring to the stiffer standards for buildings housing children.

Chius said some form of agreement would have to be made with the Hudson School in advance before work could be done. Newman said the school would try to do its best to contribute financially.

The Industrial School receives funding from both the city and the state, with the state matching every dollar that the city spends, so the city would have some help in its share of the renovation costs.

Lots of dough riding on game

By Jim DeRogatis

The owners of Mario's Classic Pizza in Hoboken have bet a lot of dough on the Giants in Sunday's Super Bowl — 100 pies' worth, to be exact.

Lifelong Giants fans Mario Labunia and John Lalicato, co-owners of Mario's near Seventh and Garden streets, have bet two Denver pizzerias in Denver 50 pies each that the Giants will beat the Broncos in Sunday's big game.

If the Giants win, Little Cesar Pizza and Domino's Pizza in Denver will pay the owners of Mario's to make 50 pizza pies. If the Broncos win, the two Hobokenites must pay the Denver establishments to do the same.

"We agreed with the managers in Denver that whoever wins the bet will deliver the pies to the local homeless shelters," Labunia said.

Labunia, 30, said he has "been a Giants fan all my life, for as long as I can remember." Mario's Classic Pizza is decorated with a number of Giants pennants and "Let's Go Giants" posters, but Labunia said he and his partner "wanted to do something special."

"We called up information in Denver and got the phone numbers for two of their pizza places. We talked to the managers and they thought the bet was a great idea," Labunia said.

And Mike Ilitch, president of the Denver-based Little Cesar chain, explained, "I am a big football fan, and I thought it was an admirable idea from Mario when he called us up and offered the bet."

Ilitch plans to donate the pies to three Denver shelters "when the Broncos win, and I'm confident that (Denver Quarterback John) Elway and the boys'll take us there," he said.

But Labunia is equally sure of a Giants' victory. "They'll definitely win. I wouldn't have made the bet if I didn't think they were going to," he said.

"We agreed with the Denver people on a price of \$3 a pie, and when the Giants win, they're going to pay us. I'll make the pies and deliver them

to any of the local homeless shelters that want them — Hoboken, Jersey City, Weehawken, Union City."

So while the Giants and Broncos are concentrating on Gatorade and Orange Crush, there'll be some fans in the teams' home states thinking mozzarella cheese and tomato sauce.



Photo by Mark Wyllie

Pie in the sky?

The crew at Mario's Classic Pizza in Hoboken hopes they'll be the wide receivers of 100 pies after Sunday's Super Bowl. That's what they've bet two pizzerias in Denver. From left are Mirella Albulia, Joe Rutigliano, Mario Albulia, Sabido Amato and Romeo Santoro, loyal Giants fans, all. (Story on Page 11)

Restated lease is the key

89. 1-20-87

Mayor Thomas Vezetti's newly appointed Waterfront Advisory Committee shocked and angered both the administration and the Port Authority in January when it released a detailed examination of a proposed restated lease to the city-owned piers.

The restated lease is the key document that will allow the P.A. to develop the piers. It will determine the amount of control the city can exercise over the project and the amount of revenue it will realize.

According to WAC, the lease proposal on the table at the time of Vezetti's victory over former Mayor Steve Capiello in July, 1985 would have provided Hoboken with little or no control over the project and could have cost the city money instead of providing revenue.

WAC's report on the lease was significant because it showed that the P.A. was not going to look after Hoboken's interests. The P.A. provided New York with a much more attractive deal for the "sister development" in Queens.

The lease was a creation of the understandings the city and the P.A. had reached. The scenario of "Here's the restated lease, take it or leave it," was never the case.

Whether the 99-year lease was a product of the P.A. alone or a joint effort between the agency and the city, it definitely provided the P.A. with the better deal. As outlined by WAC, the problems with the lease included:

• The P.A. could have changed construction plans by as much as 49 percent — overbuilding or underbuilding — without the consent of the city so the final project could have had no resemblance to what was approved by the city.

• The P.A. could have forced the city to condemn property outside the defined project area so it could be in-

largely because New York officials had been more effective as negotiators.

The origins of the lease are unclear. Members of the Capiello negotiating team say it was placed on the table by the P.A. in April, 1985, in the midst of the mayor's bid for reelection, as a "first step" in the negotiating process.

"The P.A. was low-balling in that document and we knew it," said Councilman Robert Ranieri, a member of the current negotiating team who also served as a negotiator under Capiello. "We had no intentions of accepting that deal."

Paul Rotundi, owner of the Dan Dee Bag & Belt Factory in Hoboken and chairman of the Capiello WAC, said the city's negotiating strategy was "to let the P.A. make the first move."

But P.A. officials said the proposed lease was developed in conjunction with the city.

"The P.A. did not propose the restated lease to the city unilaterally," said Philip LaRocco, who has the "bottom line responsibility" in negotiations as the P.A.'s director of economic development.

"The lease was a creation of the understandings the city and the P.A. had reached. The scenario of 'Here's the restated lease, take it or leave it,' was never the case."

Whether the 99-year lease was a product of the P.A. alone or a joint effort between the agency and the city, it definitely provided the P.A. with the better deal. As outlined by WAC, the problems with the lease included:

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Mayor Thomas Vezetti halted negotiations with the P.A. after his election in 1985, but feels he's obligated to hear the P.A.'s offer.

corporated into the waterfront plan.

• The P.A. would not have to submit to city health and fire ordinances and would only seek federal and state permits if it deemed them "applicable."

• The revenue-sharing plan would have provided Hoboken only with an upfront "rent" of \$225,000 a year, and Hoboken's investment of the land in the project would not have been recognized.

• Hoboken would have received 50 percent of the net profits from the project, but only after the P.A. deducted its expenses and the other two partners in the project, Stevens Institute of Technology and NJ Transit, were paid.

• The city would have been required to provide fire protection, ambulance service, garbage collection, and general police services, without compensation.

After Capiello was defeated in the June, 1985 mayoral election, there was widespread speculation that the outgoing administration would sign the lease, but it remained on the negotiating table when Vezetti took office. In October, the city council passed a resolution officially rejecting it.

Many observers believe the restated lease was an error on the part of the P.A. that caused the Vezetti administration to halt negotiations for some 13 months. Members of the administration and WAC have charged that, regardless of how the lease originated, it was "irresponsible" for the P.A. to support such a deal for the city.

LaRocco denied the charges, however. "We were further along in the negotiating process with the former administration and that was an appropriate draft document at the time," he said. "Times change." — Jim DeRogatis

Judge urges city to pay Mayo Lynch bill

By Bill Campbell

Hudson County's top judge has urged the Hoboken City Council to consider paying the engineering firm Mayo Lynch & Associates \$150,000 for design work on a proposed secondary sewage treatment plant.

Superior Court Assignment Judge Burrell Ives Humphreys, during a conference with attorneys for the city and the embattled engineering firm, said the payment could be made but wouldn't affect litigation be-

tween the two parties.

He also instructed attorneys to submit to the court today names of independent "experts" to review design plans prepared last year by Mayo Lynch, the firm whose contract with the city Humphreys found invalid.

Mayo Lynch attorney Marc Arnold called Humphreys' recommendation "encouraging" but said the payment to the firm "is not a settlement."

"We see no problem with getting the money because we

earned it," Arnold said. "But this is not all we want."

He said the firm, which has already been paid \$788,000, is seeking a \$300,000 payment which the council approved last summer. When Mayor Thomas Vezetti refused to authorize the funds, Mayo Lynch sued the city.

Humphreys last October upheld Vezetti's contention and ruled the contract invalid because public notice of the initial agreement did not clearly specify the cost of designing

the project. Mayo Lynch, whose contract was worth nearly \$2 million, wants to be paid for design work already completed.

The firm is also trying to enjoin the city, which in November awarded the design contract of the proposed \$52 million plant to the New York engineering firm of Lawler Matkus and Skelly.

A city official yesterday said the council would most likely be advised not to pay Mayo Lynch. The city's attor-

ney, Kenneth Laptook, said he could not comment on Humphreys' financial recommendation or his law firm's advice to the council.

He said he did not know what bearing the council's previous payment had in Humphreys' decision.

The city has been exploring an out-of-court settlement with Mayo Lynch. Last Wednesday, the council, during a strategy session, advised counsel Irwin Kimmelman to meet with representatives of the firm.

Under the proposal, an independent expert will set a dollar value on the existing design plans. Mayo Lynch would be paid for the workable portions of the plans, which would then be turned over to LMS for completion.

Arnold said the city's awarding of partial payment "was not prompted by us." He said Humphreys proposed the payment due to the length of the litigation.

Humphreys set no date for response.

Is project a blessing or a curse?

Continued from Page 1
approved the design plan and signed the lease.

• The city must have legal jurisdiction over the project area, including the right to determine the use of and access to streets, byways, parks, and open spaces.

The enabling legislation places the project area under the jurisdiction of the P.A., and the authority has the power to make and enforce regulations in the area. For example, it could institute a curfew in a "public" park or close a road without approval from the city, according to WAC.

• The developer must not have the power, independent of the city, to acquire public or private property by condemnation or eminent domain.

The legislation governing the P.A. grants the authority the powers of condemnation and eminent domain within the project area, and the project boundaries are subject to "marginal changes." The P.A. could, for example, redefine the project area and seize a private citizen's property if it deemed necessary, WAC said.

When the city negotiating team began working on a restated lease with P.A. officials in September, the first item on the agenda was city control over the development. During a closed meeting of the City Council on Oct. 30, Michael Coleman, the city's chief negotiator, announced that the P.A. agreed to grant the city several important control powers, including:

P.A. would get limits

• The P.A. would be committed to minimum and maximum levels of development that could not be changed without consent from the city.

• The authority would be forced to submit all design plans to the city, conform to city permitting and code standards or the equivalent, and seek certificates of occupancy from the city.

• The P.A. would not be able to change the public streets or parks shown in the development plan without the consent of the city, and access to these areas could not be cut off or limited without the city's permission.

• The authority would not be allowed to exercise its powers of condemnation or eminent domain "without consent of the city in each instance," according to Coleman.

Coleman contends that the agreements with the P.A. uphold WAC's control principles, but the committee released a report several weeks ago criticizing the control agreement. WAC charges that the P.A. can only be adequately controlled through bistate legislation, which they claim "would not be forthcoming in any reasonable period of time."

ON THE WATERFRONT

According to the WAC report, the agreement "fails to establish the city's control over the development." But Coleman and members of the Vezetti administration counter that, "in the unlikely event" that the P.A. breached the restated lease, the city could always sue the authority or turn to the governor for assistance. The P.A. is answerable to the governors of New Jersey and New York, who have veto power over any action by the authority.

P.A. can make payments

The second argument surrounding the P.A. involves financing. According to Coleman, the major advantage in developing with the P.A. is that the authority is the only developer that can give the city large annual payments during the next few years.

The city is under state mandate to revalue all city property by 1988. The revaluation will shift the tax burden from condominium owners to owners of single-family dwellings, and many long-time Hoboken residents will face a drastic increase in their tax bills, officials predict. The city is in need of large upfront payments from a waterfront developer over the next five years to offset the increased tax burden residents will face after the revaluation, Coleman said.

Three forms of revenue

When the city negotiators begin addressing finances with the P.A., they are expected to ask for three forms of revenue:

• Upfront payments. Although Coleman has refused to specify the amount of upfront money he is seeking from the P.A. over the next few years, he told the City Council on Nov. 14 that he is hoping the P.A. will provide enough revenue to cut the annual tax rate in half.

The P.A. would have to pay approximately \$12 million a year for the city to halve the tax rate. Sources close to the negotiations said Coleman was being "overly optimistic" and the actual figure the city expects the P.A. to pay for the first four to five years of the development is closer to \$6 million.

WAC contends that Hudson Center may realize less profit than the city thinks. The group charges that private sector investors and developers will be discouraged from becoming involved in the project because of an agreement that prevents the authority from attracting New York businesses as tenants in the development.

But top P.A. officials are optimistic. They contend that, when completed, Hudson Center will be a "world class project" that will attract businesses and residents from around the world. Stephen Berger, the newly appointed P.A. chairman, is so optimistic that the project will be successful that he believes it will help finance improvements to the authority's bridges and tunnels.

"Our goal is to make money on (the Hoboken and Hunter's Point) projects to support the transportation infrastructure," he said in a recent interview in Manhattan Inc. He denied that the P.A. is "backing away" from the projects.

(NEXT: the P.A.'s vision of the Hoboken waterfront and its possible impacts on life in the city.)

Because of its vast resources, the P.A. could afford large upfront payments during the initial years of a development, while other developers could not, Coleman said. It is expected that, after the initial years of the development, Hoboken will receive smaller, fixed annual payments in lieu of real estate taxes. The P.A. is a governmental agency which cannot be taxed.

• Profit-sharing. In addition to the fixed payments, the city will likely claim a percentage of the profits from the development that will be set in the restated lease, according to members of the negotiating team.

• Contributions to citywide funds for infrastructure improvement and affordable housing. The city council is expected to set formulas for the contributions that will be included in the new zoning ordinance and applied to all development in Hoboken. The contributions will fund the construction of affordable units throughout the city and finance infrastructure improvements where needed, Coleman said.

New financial offer

The first restated lease proposal, which was strongly criticized by WAC, included only small set payments and a profit-sharing plan where the city would have been paid only after the P.A. deducted all of its expenses — with a 30 percent markup. The lease was rejected by the city council in October.

P.A. officials placed a new, unsolicited financial offer on the negotiating table late last year. The proposal includes another profit-sharing arrangement as well as \$2.5 million annual payments during the critical first four years of the development. City negotiators have said the new offer is also unacceptable, but they claim it indicates the P.A.'s willingness to consider Hoboken's needs.

WAC has cautioned the city against relying on any profit-sharing arrangement with the P.A., however. If the P.A. lost several tenants and did not realize a profit, the city could be faced with paying for the increased services.

P.A.'s HOBOKEN PROJECT



This open space near the city-owned Piers B and C along Hudson Street is the place where the Port Authority plans to erect a row of highrise luxury apartment buildings. The pier shed, inset, would be demolished by the P.A. for Hudson Center.

J.G. 1-20-87

Is waterfront project a blessing or a curse?

By Jim DeRogatis
(Second in a series)

Depending on your point of view, the Port Authority's proposed \$600 million waterfront development could either "save" Hoboken or be its ruin.

The city and the P.A. are negotiating a restated lease that would allow the authority to attract developers to build a row of high-rises with millions of square feet of office and retail space, 1,200 luxury housing units, a new bus transportation center, and a 400-slip marina on the city-owned piers.

Since its formation in January, Mayor Thomas Vezetti's Waterfront Advisory Committee has strongly criticized the Port Authority and urged the city to seek another developer for the waterfront. WAC's major argument against developing with the P.A. is that the city would not be able to exercise the same control over the authority that it would normally have with a private developer.

The P.A.'s role in the Hudson Center project is a unique one. It would manage and oversee the massive development, but would not actually be involved in construction. Private sector investors would fund much of the construction and the actual building would be done by private developers.

Developers, in effect, would sublease portions of the project from the P.A., which would lease the site from the city. The city would have no direct control over the developers.

A powerful bistate agency, the P.A. can be controlled only through legislation passed by both the New York and New Jersey state legislatures.

It is not subject to unilateral regulation

by local municipalities or by either state.

"The P.A. would appear to be the most dangerous developer imaginable in that it is virtually immune from city controls," WAC wrote in a report released last August. "Not only would the city have no idea what development it would ultimately get, it could not even be sure that the development would benefit and not hurt the city and its residents, or that the P.A. would be bound by its agreements."

WAC recommended a number of control principles the city should hold when negotiating with the P.A., including:

• The city should give no approval to the waterfront development unless and until it reviews and agrees to a final, complete, and fixed development plan.

The bistate enabling legislation which allows the P.A. to develop the Hoboken piers permits the authority to change at will the boundary of the project area, the size, placement and configuration of buildings, and the construction schedule. Those provisions are also in the P.A. proposed restated lease. The city could reach an agreement with the P.A. on one development plan, and the authority could build something substantially different, according to WAC.

• The developer must be subject to all local and state fire, health, safety, building, and environmental regulations, and the project must have initial and periodic reviews and approval by the mayor, City Council, and Planning Board.

Since the P.A. is not subject to unilateral regulation from either New Jersey, New York, or local municipalities, it would not have to submit to city reviews once the city

See IS WATERFRONT—Page 7.

BLOW TO GENTRIFICATION

Anti-warehousing law upheld

By PETER WEHRWEIN
Staff Writer

In a sweeping opinion in favor of Hoboken's anti-warehousing ordinance, Hudson County's top judge said it does "seem to be a sin" to keep apartments empty to make a profit.

Drawing from the state Supreme Court's Mt. Laurel decisions, the Doonesbury cartoon strip and what he saw one night in the county's

family court, Assignment Judge Burrell Ives Humphreys of Hudson County Superior Court in Jersey City denied a request by a landlords' group for an injunction to stop Hoboken from enforcing the ordinance.

In a oral opinion that lasted almost an hour, Humphreys dwelled on the county's housing crunch and the effects of gentrification that began in Hoboken about seven years ago.

Characterizing the denial of shelter as "inhuman," Humphreys said the county's poor have no place to live.

"When people have no place to go for shelter, it does seem a sin to keep vacant apartments so the owners can reap a larger profit in the future," he said.

Although Humphreys' ruling yesterday did not end the lawsuit brought by the landlords' group, he

said the group's chances of having the anti-warehousing ordinance thrown out were slim.

"This really makes my year," said Tom Oliveri, the city-employed tenant advocate.

By keeping apartments vacant, or "warehousing" them, landlords can make more money if they sell their buildings to real estate developers who, in turn, want to convert them from rental apartments to condominiums.

The anti-warehousing ordinance, passed by the Hoboken City Council

in June, requires landlords to register vacant apartments with the city. If they are not rented in 60 days, the landlord can be fined up to \$500 a day, under the ordinance.

The landlords' group, Help Hoboken Housing, went to federal court last year to get the ordinance thrown out on constitutional grounds, asserting that it interfered

with private property rights and violated anti-trust legislation.

Judge Herbert J. Stern of U.S. District Court in Newark turned back the legal challenge, but the landlords revived the lawsuit in the state courts.

The landlords' main argument in the state case is that state laws governing condominium conversions should preempt anti-warehousing ordinances.

But Humphreys said yesterday that the anti-warehousing ordinance was compatible with the state's housing and anti-evictions laws, not in conflict with them.

He also said attempts to protect and provide affordable housing fell under the "broad reach" of a municipality's police powers to protect the health and welfare of its citizens.

The Doonesbury cartoon to which Humphreys referred was published last year.

Set in Hoboken, it portrayed a "yuppie" couple looking for an apartment. The strip quoted a real estate agent as telling the couple not to rush him, the judge said, because "I have to find out how to get rid of the minorities and elderly who are there."

Humphreys said he attended a night session of family court recently and was shocked on how many cases stumbled onto the question, "Where can I go?"

Wherever people looked, Humphreys said, "the answer was the same: No room at the inn."

Oliveri said a recent study commissioned by the city found that 350 to 550 apartments in the city are being warehoused.

Maureen Schweitzer, assistant city attorney for Hoboken, said after Humphreys' ruling that the city would begin enforcement of the ordinance. The first step is to hire an inspector, she added.

Warehousing ban is enforceable

By Jim DeRogatis

Hoboken can begin enforcing its controversial "anti-warehousing" law for the first time in the wake of the refusal of Hudson County's top judge to grant an injunction against it.

Assignment Judge Burrell Ives Humphreys yesterday denied a motion by Help Hoboken Housing, a group of realtors, developers and landlords, for an injunction to block Hoboken from enforcing the law, which prohibits landlords from holding vacant apartments.

The challenge to Hoboken's law has been watched closely in several Hudson County municipalities with similar ordinances, including

West New York, Weehawken, and North Bergen. The Jersey City council is considering an anti-warehousing law modeled after Hoboken's.

In refusing to grant the injunction, Humphreys called the practice of warehousing a "sin" that causes even worse problems, particularly for the poor.

Humphreys approved a motion by the Campaign for Housing Justice, a vocal tenants or-

ganization, to join the city in defending the law.

HHJ is attempting to overturn the law by contending it is pre-empted by existing state laws and violates the state constitution. The group was defeated in federal court last November when it attempted to prove the law was unconstitutional.

Drafted as a response to Hoboken's affordable housing crisis, the anti-warehousing

law requires landlords of buildings with four or more units to rent apartments within a 60-day period or face fines of up to \$500 a day per unit.

It is intended to bring more "affordable" rental units on the market and prevent real estate speculators from buying buildings, evicting the tenants, and keeping apartments vacant so they can sell or "flip" the building to another developer at a higher price.

Humphreys spoke for nearly two hours yesterday offering the reasons for his decision against the injunction. The judge said he has become aware of Hudson County's acute housing shortage by occasionally serving in the family court system.

According to Humphreys, "the traditional duty of an innkeeper is to provide housing, and the city has an interest in enforcing that." To be granted

an injunction, HHH attorney Roger Sauer would have had to have met several standards, including proving that he had "a probability of success" in winning the case. Attorneys for the city and the Campaign for Housing Justice were optimistic that Humphreys would uphold the law based on his denial of the injunction.

"We'll have to see what the judge does, but in denying the injunction, he found that HHH did not have a probability of success on the merits of the case," said Assistant City Attorney Maureen Schweitzer.

"The judge used some very strong language in talking about the housing shortage and See WAREHOUSING—Page 13.

Warehousing

Continued from Page 1

people in need of housing," noted Ira Karasick, who is representing the Campaign along with attorney and Jersey City Councilman George Aviles.

On Feb. 20, Humphreys is scheduled to hear a joint motion by the city and the Campaign for Housing Justice to dismiss the case. Meanwhile, the city is interviewing applicants to head an office to enforce the law and should be ready to begin acting on complaints against landlords in the near future, Schweitzer said.

P.A.'s HOBOKEN PROJECT

Hudson Center clock may be running out

By Jim DeRogatis
(Last in a series)

As Hoboken and the Port Authority enter a third year of negotiations on the proposed waterfront development, opposition to the Hudson Center project continues to grow.

While the City Council and Mayor Thomas Vezetti must ratify any agreement that would allow the P.A. to develop the city-owned piers, the people of Hoboken, through the pressure they apply on their elected officials, will ultimately decide whether the proposed \$600 million development becomes a reality.

P.A. officials remain optimistic in discussions with the press that the city and the authority will reach an agreement in the near future. City officials are less certain and anxiously await word from the city negotiating team.

A growing number of Hoboken residents, led by Vezetti's own Waterfront Advisory Committee, have become convinced that the P.A. is not a suitable developer for the Hoboken waterfront. One citizens' group has even initiated two lawsuits designed to evict the authority from the piers and recoup \$7.5 million in insurance funds it claims is owed the city.

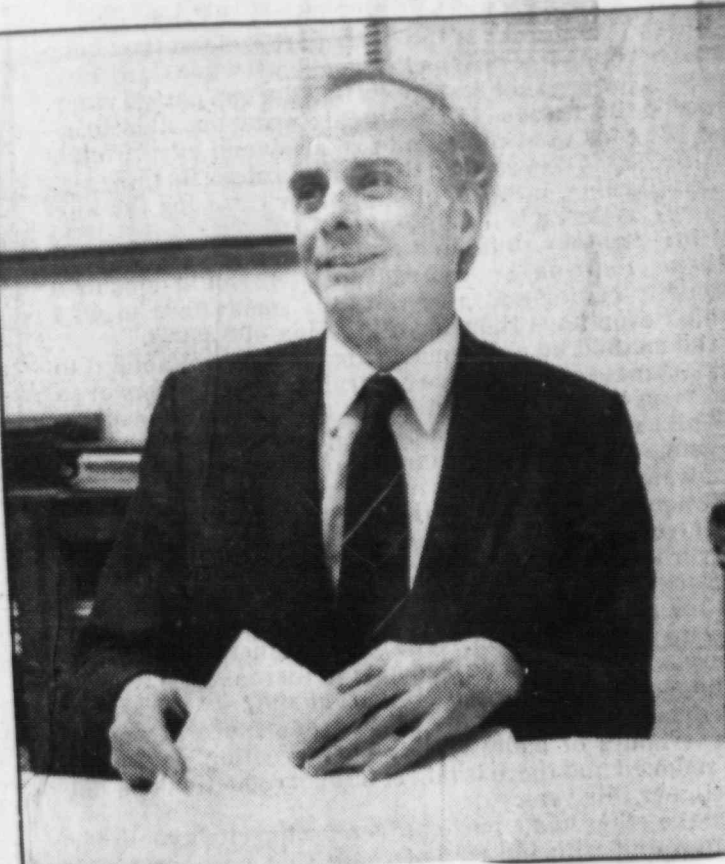
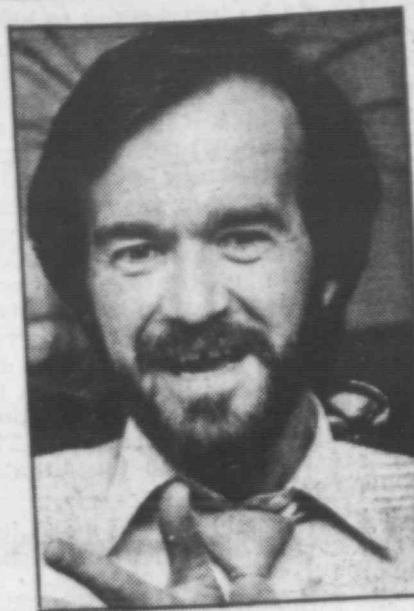
Mayor Vezetti's Waterfront Advisory Committee has become the loudest, most controversial voice in the debate over whether the city should develop its waterfront with the Port Authority. Vezetti appointed 18 citizens to the committee in August, 1985. It is chaired by Mayme Jurkat, a planner at Stevens Institute of Technology, but she recently announced her intentions of stepping down because of her involvement in the waterfront project proposed by Stevens and Hartz Mountain Industries.

The group includes Parking Authority Chairman Pat Caufield; Hoboken Environment Committee Chairman Helen Manogue; Planning Board Chairman Michael Ocello; Board of Adjustment member Mary Perry; Clayton Anderson; Dominic Casulli; Lewis Fretz; Ray Guzman; Peter Hetzel; Manubhai Patel; Donald Pellicano; Frank Ruggiero; Sal Russo; Leonard Serrano; and its two most vocal members, Thomas Illing and Daniel Tumpson.

WAC made headlines several weeks ago with a report charging that the P.A. has illegally kept \$7.5 million in insurance funds collected after Pier B was destroyed by fire in 1980. The group has charged that the funds belong to the city, but P.A. officials deny this.

See TIME—Page 15

THE KEY PLAYERS — Philip LaRocco, right, has "bottom line" responsibility for the Port Authority while Michael Coleman, below, is Hoboken's chief negotiator.



P.A.'s HOBOKEN PROJECT

Time may be short for Hudson Center

Continued from Page 1

Officials contend that an obscure passage in a 1984 City Council resolution authorizes them to hold the money for use in the development. They have refused to return the money to the city.

"The P.A.'s failure to abide by the most basic terms of its current lease with Hoboken — including the P.A.'s failure to run a marine terminal for the last 10 years, the P.A.'s destruction of city property (the shed on Pier A) without obtaining city permission, and the P.A.'s failure to turn over approximately \$7.5 million in insurance claim funds to the city — indicates that the P.A. is consistently acting in bad faith in its dealings with the city, to the detriment of Hoboken and its residents," WAC charged in a report released Jan. 1.

According to WAC, the P.A. is no longer necessary to development in Hoboken, and the city would be better served by suing the authority to regain control of its piers and work with a private developer. "In view of the fact that the P.A. is either unwilling or unable to meet the needs of Hoboken, WAC recommends that the city of Hoboken abandon the idea of having the P.A. involved in any Hoboken mixed-use waterfront development," the group wrote.

Several citizens groups have joined WAC in its opposition to the P.A. in recent months, including the Hoboken Environment Committee and Help Hoboken Housing, a vocal group of realtors, developers, and homeowners. People Advocating Sane Solutions, an offshoot of HHH, filed two lawsuits against the P.A. in October and November, following recommendations WAC made to the city but which were ignored. The suits, filed by Hoboken attorney Richard Seltzer, ask for the 'ejectment' of the P.A. from the city's pier property and the return of the \$7.5 million.

City Law Director William Graves filed a motion to dismiss the ejectment suit, claiming PASS did not follow the proper legal procedures for filing a taxpayers' suit, but the city filed a crossclaim against the P.A., joining PASS in the insurance suit.

At the end of November, Hoboken halted negotiations with the authority until it provided a clear accounting of the \$7.5 million and a copy of their

traffic studies and Environmental Impact Study.

The P.A. sent a letter to the City Council several weeks later, although city officials strongly criticized it and passed a council resolution demanding more specific information. Officials say the city's involvement in the lawsuit concerning the funds will not affect negotiations if they are resumed, and Graves said it may be preferable to settle the matter at the negotiating table rather than in front of a judge.

The issue of the funds is expected to become increasingly volatile, however, as the city develops its 1987 budget, which is expected to yield another record high tax rate.

P.A. officials have made little or no acknowledgement of community sentiment against Hudson Center and continue to insist that the project and negotiations are progressing at an acceptable pace.

"Every project and each project has its own lifecycle. Every project finds its own time and rhythm," said Phillip LaRocco, who oversees some 140 employees as the head of the P.A.'s department of economic development.

LaRocco, 39, is the self-described "man with the bottom line responsibility" in negotiations with the city. An intense, sharp-talking professional trained in finance and accounting, LaRocco has been with the economic development department since its inception in 1983.

"We are very pleased with the progress that we have been making with the city in recent months," LaRocco said. "We are optimistic that an agreement will be reached in the near future if we continue making the kind of progress we're making now."

During an interview with The Jersey Journal in his office on the upper floors of the World Trade Center, LaRocco paused only briefly when asked why Hoboken residents should trust the P.A. to develop the city's waterfront. "The P.A. is a public agency with a 65-year record of projects in the public interest. It is highly accountable and highly accessible," he said.

"We're here, we're reachable. We have to respond to the needs of the city. We're negotiating in good faith, and I'm comfortable that people underestimate the extent to which the P.A. can be controlled by

Hoboken outdoes Hunter's Point

Despite the setbacks the Port Authority has faced with the Hudson Center development, officials say the Hoboken project is further along than its "sister development" at Hunter's Point in Long Island City, Queens.

The P.A. was obligated by the bistate legislation which enabled it to enter real estate development to undertake parallel developments in New York and New Jersey. They had originally considered a New York site in Staten Island but switched to Hunter's Point in 1983.

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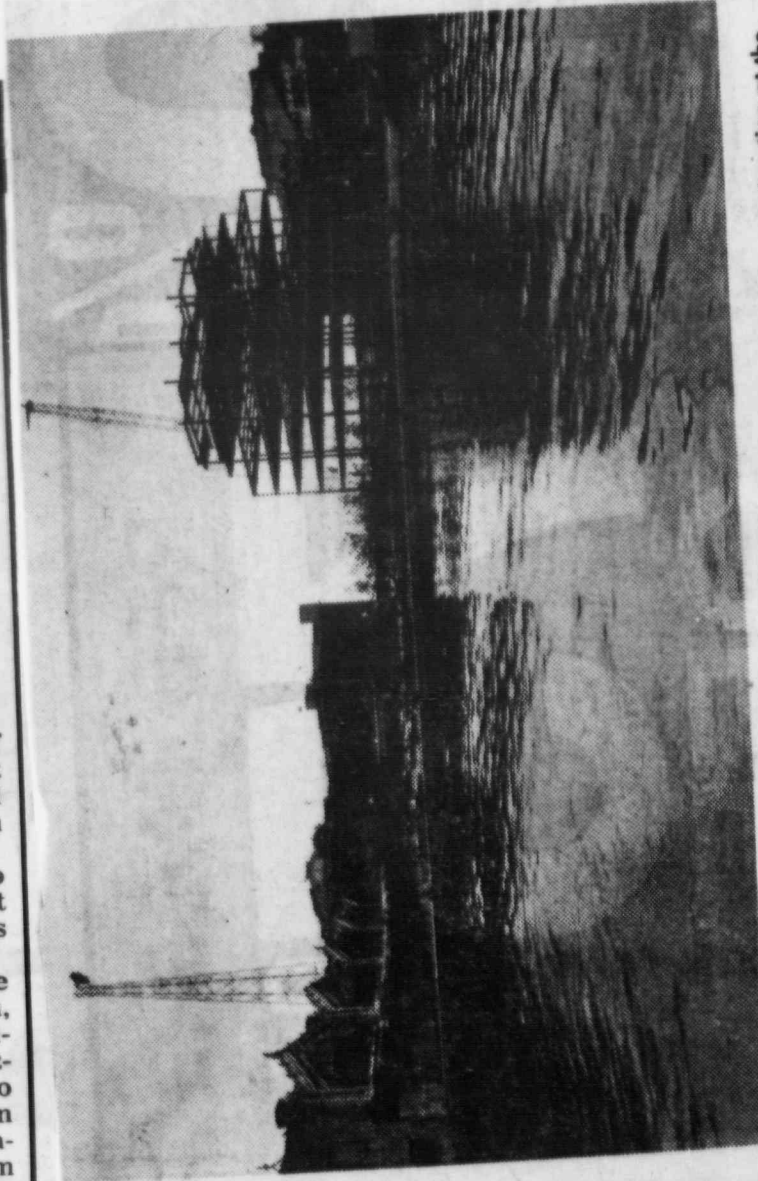
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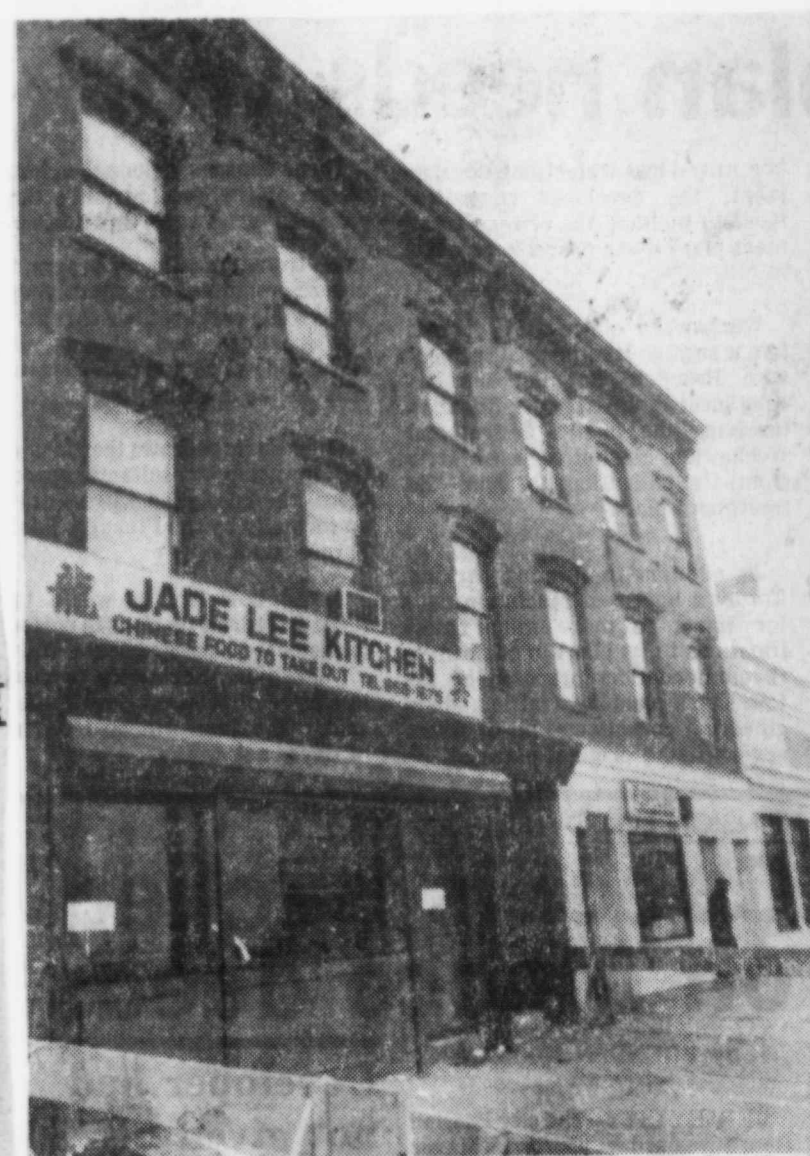


Photo by Don Smith

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WASHINGTON ST. DISPATCH 1-22-87

Hoboken orders study of buckling building

By TOM GISSEN
Staff Writer

HOBOKEN—Fear that a Washington Street building may be on the verge of collapse prompted city officials to order an evaluation of the three-story structure and to close off a portion of the sidewalk yesterday.

After the Mayor's Office and the Department of Public Works each received an anonymous phone call informing them that the front wall of a building at 304 Washington St. was buckling, city officials went to investigate.

Public Works Director Roy Haack said the center of the building's front wall bowed out "6 to 8 inches, at least."

"It is in danger of collapse," Haack said of the building, which is owned by Ki Tai Yeung and Jang Mang Kwok, both of Englewood.

From the sidewalk on either side of the building, pedestrians easily could discern the buckling of the building's facade. Haack said one of the second-floor window frames had been separated from the its surrounding brick wall by about 1 1/2 inches. Because the frame's exposed nails were shiny despite recent rain and snow storms, Haack said he felt the bowing had occurred within the last day or two.

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contact Sub-code Official Alfred Arezzo, who is responsible for determining if the building is safe. Arezzo reportedly was attending a seminar out of town and could not be reached yesterday.

Consequently, the city's engineering consultant, James Caufield, was called and he ordered the building evacuated.

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To tell the truth, things look pretty grim with the project pretty much in limbo. Vezetti's administration official said he would like to see the project move forward.

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Ranieri, 58, a former furniture salesman, is a four-term councilman-at-large who also served one term in the state Assembly. He was the sole survivor of Mayor Steve Cappelletti's death in the 1985 municipal election, and he has been a vocal opponent of Vezetti's administration and leader of the White Ranieri and others who support the project are

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P.A.'s HOBOKEN PROJECT

Hudson Center clock may be running out

By Jim DeRogatis
(Last in a series)

As Hoboken and the Port Authority enter a third year of negotiations on the proposed waterfront development, opposition to the Hudson Center project continues to grow.

While the City Council and Mayor Thomas Vezetti must ratify any agreement that would allow the P.A. to develop the city-owned piers, the people of Hoboken, through the pressure they apply on their elected officials, will ultimately decide whether the proposed \$600 million development becomes a reality.

P.A. officials remain optimistic in discussions with the press that the city and the authority will reach an agreement in the near future. City officials are less certain and anxiously await word from the city negotiating team.

A growing number of Hoboken residents, led by Vezetti's own Waterfront Advisory Committee, have become convinced that the P.A. is not a suitable developer for the Hoboken waterfront. One citizens' group has even initiated two lawsuits designed to evict the authority from the piers and recoup \$7.5 million in insurance funds it claims is owed the city.

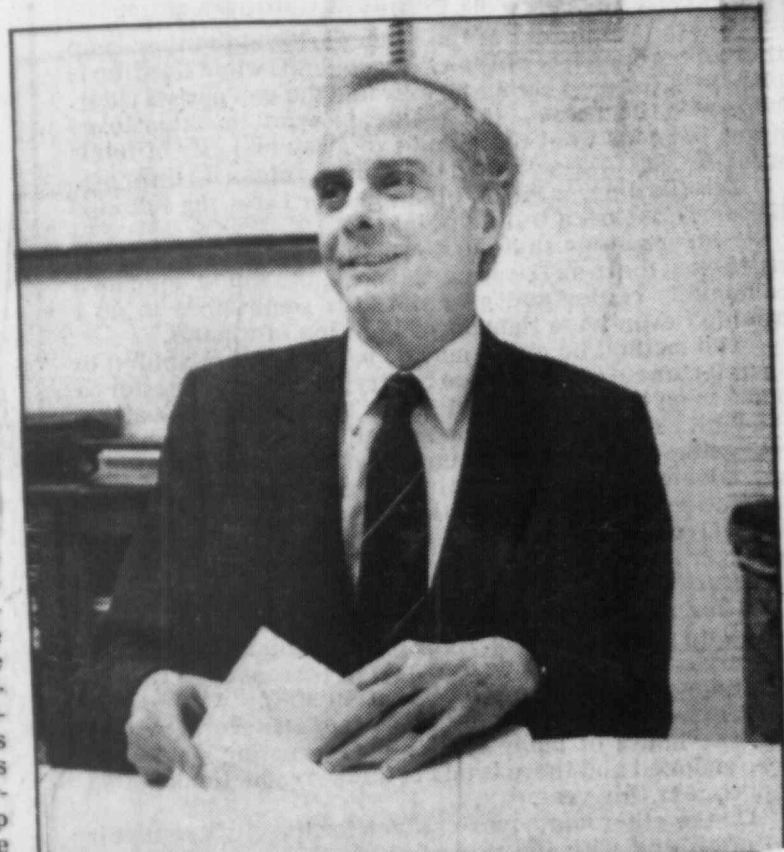
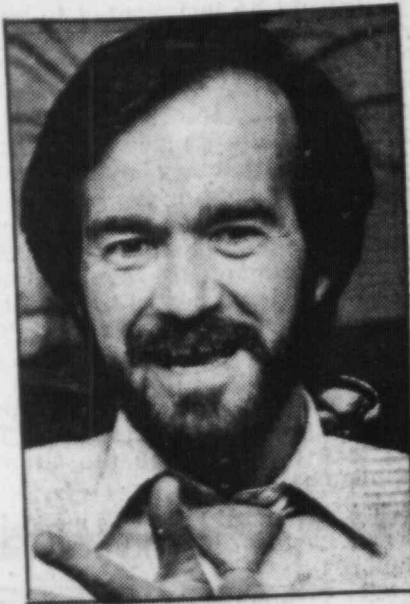
Mayor Vezetti's Waterfront Advisory Committee has become the loudest, most controversial voice in the debate over whether the city should develop its waterfront with the Port Authority.

Vezetti appointed 18 citizens to the committee in August, 1985. It is chaired by Mayme Jurkat, a planner at Stevens Institute of Technology, but she recently announced her intentions of stepping down because of her involvement in the waterfront project proposed by Stevens and Hartz Mountain Industries.

The group includes Parking Authority Chairman Pat Caufield; Hoboken Environment Committee Chairman Helen Manogue; Planning Board Chairman Michael Ocello; Board of Adjustment member Mary Perry; Clayton Anderson; Dominic Casulli; Lewis Fretz; Ray Guzman; Peter Hetzel; Manubhai Patel; Donald Pellicano; Frank Ruggiero; Sal Russo; Leonard Serrano; and its two most vocal members, Thomas Illing and Daniel Tumpson.

WAC made headlines several weeks ago with a report charging that the P.A. has illegally kept \$7.5 million in insurance funds collected after Pier B was destroyed by fire in 1980. The group has charged that the funds belong to the city, but P.A. officials deny this.

THE KEY PLAYERS — Philip LaRocco, right, has "bottom line" responsibility for the Port Authority while Michael Coleman, below, is Hoboken's chief negotiator.



P.A.'s HOBOKEN PROJECT

Time may be short for Hudson Center

Continued from Page 1

Officials contend that an obscure passage in a 1984 City Council resolution authorizes them to hold the money for use in the development. They have refused to return the money to the city.

"The P.A.'s failure to abide by the most basic terms of its current lease with Hoboken — including the P.A.'s failure to run a marine terminal for the last 10 years, the P.A.'s destruction of city property (the shed on Pier A) without obtaining city permission, and the P.A.'s failure to turn over approximately \$7.5 million in insurance claim funds to the city — indicates that the P.A. is consistently acting in bad faith in its dealings with the city, to the detriment of Hoboken and its residents," WAC charged in a report released Jan. 1.

According to WAC, the P.A. is no longer necessary to development in Hoboken, and the city would be better served by suing the authority to regain control of its piers and work with a private developer. "In view of the fact that the P.A. is either unwilling or unable to meet the needs of Hoboken, WAC recommends that the city of Hoboken abandon the idea of having the P.A. involved in any Hoboken mixed-use waterfront development," the group wrote.

Several citizens groups have joined WAC in its opposition to the P.A. in recent months, including the Hoboken Environment Committee and Help Hoboken Housing, a vocal group of realtors, developers, and homeowners.

People Advocating Sane Solutions, an offshoot of HHH, filed two lawsuits against the P.A. in October and November, following recommendations WAC made to the city but which were ignored. The suits, filed by Hoboken attorney Richard Seltzer, ask for the 'ejectment' of the P.A. from the city's pier property and the return of the \$7.5 million.

City Law Director William Graves filed a motion to dismiss the ejectment suit, claiming PASS did not follow the proper legal procedures for filing a taxpayers' suit, but the city filed a crossclaim against the P.A., joining PASS in the insurance suit.

At the end of November, Hoboken halted negotiations with the authority until it provided a clear accounting of the \$7.5 million and a copy of their

traffic studies and Environmental Impact Study.

The P.A. sent a letter to the City Council several weeks later, although city officials strongly criticized it and passed a council resolution demanding more specific information. Officials say the city's involvement in the lawsuit concerning the funds will not affect negotiations if they are resumed, and Graves said it may be preferable to settle the matter at the negotiating table rather than in front of a judge.

The issue of the funds is expected to become increasingly volatile, however, as the city develops its 1987 budget, which is expected to yield another record high tax rate.

P.A. officials have made little or no acknowledgement of community sentiment against Hudson Center and continue to insist that the project and negotiations are progressing at an acceptable pace.

"Every project and each project has its own lifecycle. Every project finds its own time and rhythm," said Phillip LaRocco, who oversees some 140 employees as the head of the P.A.'s department of economic development.

LaRocco, 39, is the self-described "man with the bottom line responsibility" in negotiations with the city. An intense, sharp-talking professional trained in finance and accounting, LaRocco has been with the economic development department since its inception in 1983.

"We are very pleased with the progress that we have been making with the city in recent months," LaRocco said. "We are optimistic that an agreement will be reached in the near future if we continue making the kind of progress we're making now."

During an interview with The Jersey Journal in his office on the upper floors of the World Trade Center, LaRocco paused only briefly when asked why Hoboken residents should trust the P.A. to develop the city's waterfront. "The P.A. is a public agency with a 65-year record of projects in the public interest. It is highly accountable and highly accessible," he said.

"We're here, we're reachable. We have to respond to the needs of the city. We're negotiating in good faith, and I'm comfortable that people understand the extent to which the P.A. can be controlled by

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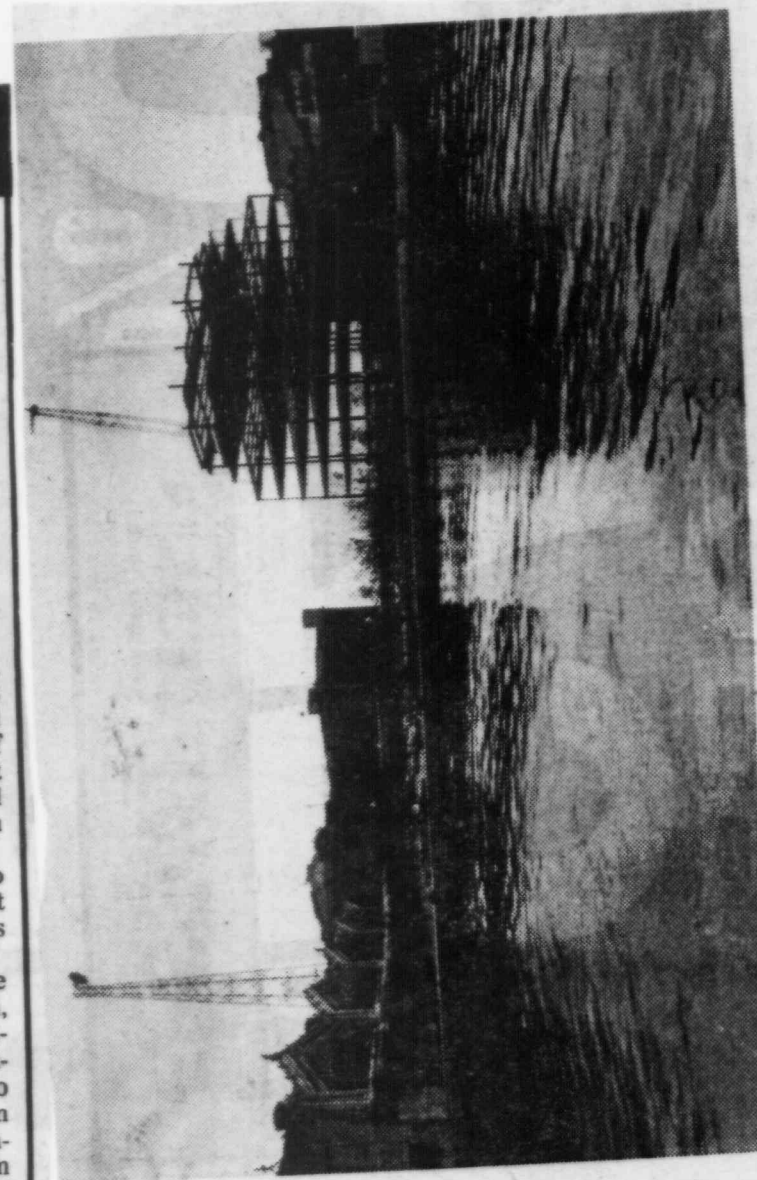
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WASHINGTON ST. Dispatch 1-22-87

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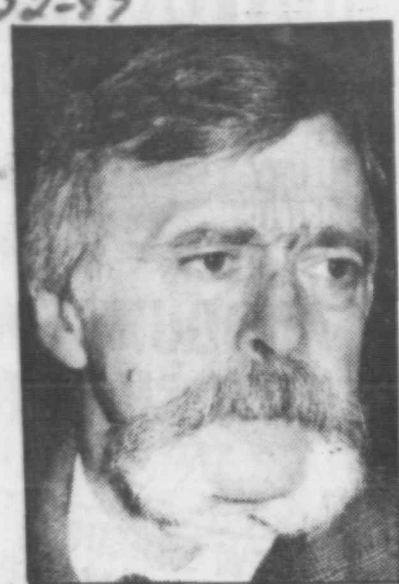
Want to park in Hoboken? You'll have to live there

By Bill Campbell

The Hoboken City Council, in a move designed to prevent the city from becoming a "giant commuter parking lot," last night approved an ordinance creating residential permit parking throughout the city.

The council unanimously adopted the plan which was drafted as a solution to a problem which has reached "crisis proportions." The legislation is expected to be the first in a series of parking laws enacted this year by the council.

The ordinance, sponsored by City Council President E. Norman Wilson, was applauded by most of the 75 people who See WANT—Page 30.



GEORGE VANECH, above, Jersey City resident, works in New York. "I think it's justified. I feel residents have a real gripe. If (people) want to commute into town, they should have to pay for it. They left the city."



MINERVA VESCUSO, upper right, Union City resident, works in New York. "I think it's crazy. There's no point to it. And there's too many meters already."



BILL CURRAN, lower right, Hoboken resident and commuter. "I agree (with the ordinance). I don't feel people who don't live in Hoboken should take the spaces. Hoboken residents are more entitled to them. The majority of the spaces are taken by people not from Hoboken. The priority should be on the residents."

Interviews
by John Petrick
Photos
by Mark Wyville

Want to park in Hoboken? You'll have to live there

Continued from Page 1

attended the meeting. The final reading of the ordinance contrasted sharply with the bill's introduction which generated little public interest or comment.

The parking plan designates permit parking for the entire city except for streets already designated as metered zones. The plan, which will be in effect from midnight Sunday to midnight Friday, contains several steep fines, including booting for vehicles which are in violation of the law.

The city will begin enforcing the law in July or August after motorists are given ample notice of the legislation, according to Patrick Cauffield, executive director of the municipal Parking Authority. His agency also needs time to hire additional enforcement personnel, he said.

Last night, 12 residents commented on the plan during a lengthy public hearing. Despite questions of enforcement and permit fees, most of the speakers favored the ordinance.

"I am strongly in favor of this, especially after having to drive around for hours some nights looking for parking spaces," said Eileen Cappock, a local realtor. "Some days you might just as well take your car and park it in another city."

Civic activist Mary Perry called the legislation a "great idea" because it serves as a measure to prevent the city's becoming "a giant commuter parking lot."

"You should all be commended for getting this off the drawing board and getting this going in the right direction," she said.

For years, residents have complained of commuters who drive from the suburbs to Hoboken to utilize the PATH system and bus lines.

"They have been getting away with this for too long," said Mike Turner, a Third Street resident. He told the council that most mornings commuters circle around the downtown section waiting for residents to leave their parking spaces.

"This has got to stop because sometimes they park for as long as four days," Turner said.

Mayme Jurkat, an employee of Stevens Tech and a Hudson Street resident, said commuters often use the parking spaces in front of her house. "Just the other night I saw a man with a briefcase walking up the street with keys in hand. He got into the car right in front of my house."

Fire lanes along Hudson Street are often congested with cars, she complained.



STEVE NUDING, Hoboken resident, works in New York. "I think the residents have a right to the spaces. Parking has become very tough. I live close to the (PATH) station, and parking is terrible."



NEIL LAUZON, Bergenfield resident, works in New York. "There are just so many parking spaces and you have to keep them for your own residents. I have a space in one of the lots in Hoboken and I have to pay for it on a monthly basis."

The parking plan has the potential to generate much-needed revenue for the city treasury, said attorney Joseph Scordatto, a member of the Mayor's Budget Advisory Committee. A similar ordinance in San Francisco brings in a profit of about \$200,000 to that city, he said.

Despite the enthusiasm, some residents said they believe the plan won't work. "The ordinance sure sounds good,

but where will you park when we simply don't have enough parking spaces in Hoboken?" asked Aldo DePinto.

Bill Strangeman, a Sixth Ward resident, said the plan was "not legal." State laws supersede local ordinances and so long as a car is legally parked, the owner cannot be subject to the penalties of the local bill, he observed.

Wilson said the city's law department reviewed the plan and Cauffield said the ordinance will be reviewed by his agency's attorneys as well as by state officials.

The ordinance is intended to crack down on commuters. Motor vehicles will be given a four-hour grace period before they are subject to a \$25 fine and booting. A boot is a disk that locks a car's front wheel.

Residents must pay a \$5 fee for their permits, a provision which was strongly criticized by Third Ward Councilman Steve Cappiello. "I feel that it's unfair that a resident should have to pay in order to park in front of his own house," he said.

Cauffield maintained that the fees are necessary to fund the project. Cappiello, not able to amend the fee, voted "present."

Before the roll call on the parking ordinance the meeting was interrupted as Wilson allowed members of the Hoboken NAACP to issue a statement on the city's opening of City Hall on Martin Luther King Jr.'s birthday and Councilman Joe Della Fave to make remarks following a rally by the organization.

Eugene Drayton, chapter president of the organization, lashed media coverage of the NAACP rally last Monday on the steps of City Hall and called Della Fave a "racist" and a "bigot" for statements he was quoted as saying in a local daily newspaper.

Della Fave said his statements were taken out of context, but apologized "if anyone was offended by the remarks." He was quoted as saying that the rally had become politicized and was "the worst bastardization of Martin Luther King Day I've ever seen."

Drayton demanded that Della Fave resign from the council or have the legislative body deem the seat vacant.

The organization scheduled the rally to protest the opening of City Hall on the federal holiday. Municipal employees had voted to trade the day for the day following Thanksgiving, but were given the day off by Mayor Thomas Vezzetti.

In other matters, the council approved a \$50,000 contract extension for special sewerage counsel Irwin Kimmelman, but overrode Vezzetti's dismissal of Rent Leveling Board member George Somers.

Builders may face tougher scrutiny

By Jim DeRogatis

The Hoboken Zoning Board of Adjustment is expected to dramatically change to a more critical body with the election of a new chairman and the appointment of three new members.

Joel Freiser was named the new chairman of the seven-member Zoning Board on Thursday during the autonomous body's annual reorganization meeting.

Freiser, who was appointed to the board by Mayor Thomas Vezzetti last April, was chosen by a secret ballot vote of 4-to-3 to replace longtime chairman Frank Camerone.

The character of the board is expected to change due to Freiser's new role and the addition of members Martin Tuzman, Joseph DePalma and David Gallagher, whose appointments were approved by the City Council last Wednesday. The board, which has approval power over much of the development proposed in the city, is expected to favor a much stricter interpretation of the city's zoning ordinance and grant far fewer variances.

A planner with a New York non-profit economic development agency, Freiser is well-versed in land use law and has earned a reputation as a board member who lends a critical eye to proposed developments and their impact on the city. A resident of Hoboken since 1974, Freiser served as the federal Department of Housing and Urban Development's representative in Hoboken's Model Cities program from 1973 to 1975.

Freiser's background also includes time spent as HUD's coordinator of the Urban Development Action Grant program, a banker with Carteret See NEW—Page 9.

City hires an enforcer for warehousing ban

By Jim DeRogatis

Hoboken has hired an "anti-warehousing" officer to begin enforcing a controversial law prohibiting landlords from withholding vacant apartments.

Jodie Manasevit, an artist and tenants organizer, was hired yesterday to follow up complaints of warehoused apartments and bring the cases before the municipal court.

Designed as an answer to Hoboken's critical lack of "affordable" housing, the anti-warehousing law requires landlords of buildings with more than four units to rent vacant apartments within a 60-day period or face fines of up to \$500 a day per unit.

Help Hoboken Housing, a group of realtors, developers and homeowners, has challenged the law in federal and state court. Federal District Court Judge Herbert Stern dismissed a suit attempting to

Tenants organizer to take complaints

have the law declared unconstitutional last November, but HHH is appealing in the Third District Court of Appeals, Philadelphia.

On Feb. 20, Hudson County Assignment Judge Burrell Ives Humphreys will hear a motion to dismiss a suit in state Superior Court charging that the law is pre-empted by existing state laws. The judge refused last week to grant an injunction that would have prohibited the city from enforcing the law while the challenge was in progress, and he issued a written opinion on the decision Monday.

Tenants groups and city of-

officials are optimistic that Humphreys will ultimately rule in their favor, based on strong words he used last week. The judge said that although he recognizes the rights of landlords, he also recognizes that there is "an acute housing shortage in Hoboken."

"Housing is, of course, a vital, human necessity. To deny anyone shelter from the elements has been recognized as inhumane for perhaps as long as civilization has existed," Humphreys said.

"The duty of the innkeeper for millennia has been to supply shelter to anyone in need. The basic duty of government

is certainly to ensure that the innkeeper cannot deny that need in the interest of greater profits for himself.

"When people simply have no place to go for shelter, it does seem a sin to warehouse existing apartments so that owners can reap a greater profit in the future."

Manasevit will be employed by the city on a part-time basis three days a week, and her salary of \$7,000 will be funded over the next six months by the city Community Development Agency. She will work under Rent Leveling Officer Lourdes Arroyo in an expanded office on the second floor of City Hall.

A Hoboken resident for 12 years, Manasevit is a founder and active member of the Upper Park Avenue Tenants Association. She had campaigned for the passage of the anti-warehousing ordinance since its introduction.

See WAREHOUSING—Page 7.

New zoning board head takes over in Hoboken

Continued from Page 1

Savings and Loan, and director of planning and economic development under Peter Shapiro in Essex County.

Freiser said he hopes to strengthen the zoning board's role in "the matters it is called upon by law to deal with. We need to strike a balance between the need to develop and improve the community and the additional burdens development imposes upon the community."

The new chairman added that he hopes to foster "a high level of cooperation" between the board and other city agencies involved with development, including the Planning Board, Community Development Agency and Historical District Commission.

Camerone, still a board member, and members James Greany, Salvatore DeDonato

and Sergio Germinario — who were replaced by Tuzman, DePalma, and Gallagher — were considered pro-development and formed the majority on the seven-member board. The board granted several variances in the past two years for massive developments such as Presidential Towers, the Skyline, and Court Street Plaza that were opposed by many community groups.

Camerone, who will remain as vice chairman, said he was "not surprised" by the board's decision to choose a new chair. "I've expected this for quite some time. I knew it was coming," he said.

The other members are Marie Versacci and Mary Perry.

The board is supposed to also have two alternate members, but when Thomas Newman was elected to the City Council and Tuzman became a full board member, the board

was left without alternates. The City Council is expected to name replacements in the near future.

Meanwhile, the council is considering sweeping changes in Hoboken's zoning ordinance that would lessen restrictions on developers in some ways, such as allowing more density and lot coverage, while setting stricter requirements for height and onsite parking. Developers will also be faced with mandatory contributions to affordable housing and infrastructure trust funds.

Vezzetti, who first attempted to remake the zoning board last spring, said he has "high hopes" for the new board. "The old board was limited in its outlook, was not receptive to the 21st Century, and was politically archaic," the mayor said. "The new board is going to work to provide what the public wants and needs."

Hoboken hopefuls announce

HOBOKEN—The first slate of names for the April Board of Education election has been announced.

Longtime activist Steve Block and educators Carlos Perez and Michael Rossano will run on the "Committee for Quality Education" slate, and have been endorsed by Mayor Thomas F. Vezzetti.

The CQE slate held a press conference at Maxwell's last night to introduce the candidates, although

two are already familiar names in Hoboken school board elections. Each will be running for a full three-year term on the nine-member body.

Block, a former board member, served for many years as the lone "no" vote on a board dominated by appointees of former Mayor Steve Cappiello, currently on the City Council.

Perez is a professor at William Paterson College in Wayne, and

Michael Rossano is a New York City schoolteacher.

All three men were slated to be appointed to the board after Vezzetti's victory in 1985, but a referendum to change an appointed body, also approved by Vezzetti, was successful. Rossano ran unsuccessfully in one of the two elections that followed.

— Janet Wilson

Warehousing ban enforcer hired

Continued from Page 1

Under the ordinance, any Hoboken resident can file a complaint with Manasevit about a landlord suspected of warehousing vacant apartments.

Either Manasevit or Tom Olivieri, who works to help relocate tenants under the CDA, will inspect the apartment to determine if the complaint is valid.

All other city inspectors will be required to notify the anti-warehousing officer of vacant apartments they notice while they are in the field.

Manasevit will also maintain a list of vacant apartments that landlords register with the Rent Leveling Office.

The city is expected to notify landlords suspected of violating the anti-warehousing law that they must rent the apartment. If they do not comply within 60 days, Manasevit will see that the complaint is followed through before Municipal Court Judge Steven Zamrin. City Prosecutor Anthony Catalano will handle the case for the city, but the burden will be on the landlord to pro-

duce evidence that he has rented the apartment.

Several questions about enforcing the law remain, notably in the areas of inspecting warehoused apartments and dealing with landlords suspected of violating the ordinance, but city officials believe they can begin handling complaints next week.

"There are still some questions, but we will have to deal with a lot of this on a case-by-case basis," said Assistant City Attorney Maureen Schweitzer, who is working with Manasevit

to develop the enforcement process.

"My job is to enforce the ordinance," Manasevit said. "This is a new ordinance that we've never had before, and we'll have to see just what the job is" in coming weeks.

Bingo calls may be under the 1 for illegal

By Ann Spina

At least four parochial schools in Hudson County have advertised a reward-penalty system to induce parents to work bingo, a practice deemed illegal by the New Jersey Bingo and Raffle Licensing Law.

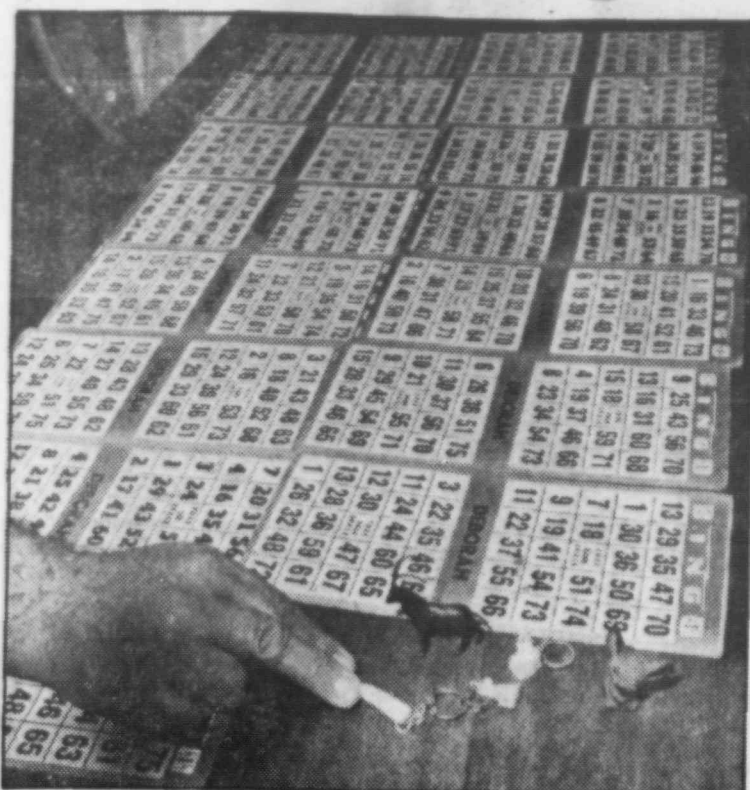
The law, adopted in 1957, states, "no commission, salary, compensation, reward or recompense will be paid or given to any person holding, operating or conducting or assisting."

See editorial: Don't abuse the privilege on Page 16

in bingo games, said William Reed, executive officer of the New Jersey Legalized Games of Chance Control Commission, Newark.

Reed stated that any parish offering parents rewards for working bingo games or, alternately, penalizing those who don't participate, is "clearly in violation of the bingo statutes." This law also applies to the selling of raffle tickets.

The LGCCC investigates written complaints regarding See BINGO—Page 9.



Bingo is a popular fundraiser among non-profit organizations, but some parochial schools advertise reward/penalty systems to induce parents to work bingo games, an illegal practice under state law.

Photo by Wally Henning

Saint Ann's Elementary School
Hoboken, NJ

Parent Handbook

According to the by-laws of Saint Ann's P.T.G., parents are scheduled to work on a regular basis at lunch, bingo, the library, etc... If parents prefer to have a substitute work their hours, a fee of \$120.00 must be paid to the school office by mid-September.

Saint Ann's School
555 SEVENTH STREET
HOBOKEN, N.J. 07030

Dear Parents:

We will be holding a 50/50 raffle each month. The first of which will be raffled off Friday, January 30, 1987 at 12:00 Noon in the school auditorium. Thereafter, the raffle will be run off the last Friday of each month.

It is mandatory for each family to sell at least ten (10) tickets per month. If ten (10) tickets are not sold per month, you will receive an additional ten (10) tickets the following month.

The parent handbook at St. Ann's School in Hoboken lists the duties of parents whose children attend the school. Among these is an obligation to work bingo and/or sell raffle tickets, or pay fines. Such practices are deemed illegal by the New Jersey Bingo and Raffle Licensing Law.

Bingo 'duties' may be illegal

Continued from Page 1

violations of the bingo and raffle law. If necessary, the agency informs organizations licensed to conduct bingo of any illegalities. Failure to comply with statutes could mean revoking the organization's license.

Though the LGCCC is not free to award financial compensation to those who are penalized, the civil court system is at their disposal, Reed said.

"I'm really not aware of that," commented Bishop Jerome Pechillo, vicar for Hudson County, when asked about the illegal reward-penalty practice allegedly taking place at some parochial schools. "I advise our pastors to stay within the laws."

JoAnn Rizzolo, a media representative for the Newark Archdiocese, explained that parents with children in parochial schools agree to a contract outlining volunteer work to be performed throughout the year. Since it's against the law to force parents to work bingo, this form of gambling should not be included in the agreement, says Rizzolo.

In the past, the Newark Archdiocese had only one comment regarding bingo, from an Irvington woman. Rizzolo recommends that parents first try to work out any problems they have within their individual parishes. If they come to an impasse, they can contact the Archdiocese Department of the Catholic Schools in writing.

Despite this, parents with children in some parochial schools say they are told to either sell raffle tickets and/or work bingo or pay higher tuition for their children. The sum paid, along with the number of times parents are required to work bingo, and the amount of tickets to be sold vary with each school.

Because they fear their children might be open to harassment, all parents interviewed by The Jersey Journal asked that their names be withheld.

"We're told that we have to work one bingo a year," commented a parent with children at Our Lady of Victories School in Jersey City. "There's no choice. Bingo's a must. Otherwise, you pay a \$30 fee to the school. Parents must also sell raffle tickets every month or pay fines."

In Hoboken, the St. Ann's Elementary School Parent Handbook for 1986-1987 informs parents that, "According to the by-laws of St. Ann's P.T.G., parents are scheduled to work on a regular basis at lunch, bingo, the library etc. If parents prefer to have a substitute work their hours, a fee of \$120 must be paid to the school office by mid-September."

"We've stopped this process with the bingo," said the Rev. Vincent Liuzzo, pastor of St. Ann's Church. "If it's still in the parents' handbook it must be an oversight on the part of the printers."

Rev. Michael Robinson, who supervises bingo at the school, commented that the policy was "set by agreement with the parishioners." Questioned on why parishioners were asked to agree to an illegal practice, he added, "It's so important that they help. If they don't come it's chaos. We don't enforce it or go after them in any of the places I've ever worked bingo."

A representative for the St. Ann's Parents-Teachers Guild did say that he was unaware there actually was a law prohibiting the practice.

The school's handbook also says that each family must purchase or sell 10 raffle tickets a month. Parents failing to participate are subject to fines and their children may be prevented from taking exams, concludes the handbook.

"I don't know anyone who was actually charged because I think people go out of their way to work bingo so they won't have to pay," said a parent with

children in St. Nicholas School, Jersey City. There, parents are required to work four bingo games a year or pay \$50 for each missed game.

"If I knew it was against the law I certainly would not have shown up," added the mother.

Other parents expressed mixed views about whether they would work bingo without incentive. All say they were told the tuitions would be raised without the fundraiser. Some believed the school and church needed bingo revenues to keep from closing and said parents were only asked to work only a few times a year.

Others confided that they didn't like the gambling aspect or being forced to work. One group felt parents should share the burden. A few were uncomfortable with unruly crowds that sometimes gather at games.

In a previous interview with The Jersey Journal, Robinson discussed the "abuse no one should have to take" from sometimes rowdy bingo crowds. He also said that is the reason some parishioners had refused to work the games.

"It is a pain," commented another parent. "But I did it to try and save a buck. I can tell you this, I knew it was illegal, I wouldn't have shown up."

Along with being penalized for not working bingo, one parent with a child in St. Peter and Paul School, Hoboken, said she remembers receiving \$25 off her child's tuition last year for working her scheduled game.

"You're putting me on the spot," responded the Rev. George Ligos, church pastor, when confronted with the policy. "I don't want to comment."

However, Ligos did say volunteers are hard to get and his parish depends on revenues from bingo for 15 percent of the church's total income.

Pastors from Our Lady of Victories Church and St. Nicholas Church did not return phone calls.

According to figures accumulated by the LGCCC for the year ending June 1986, gross receipts from bingo games conducted throughout New Jersey totaled \$96.5 million, and Reed estimated that about half of all bingo activity statewide is conducted by Catholic organizations affiliated with churches.

Moreover, Hudson County led the other counties in the state, with revenues from bingo totalling \$11.4 million.

There is no breakdown on how much of that money was raised solely from bingo games conducted by the Catholic church.

According to Bishop Pechillo, collections at churches are down and the individual parishes find it increasingly difficult to make ends meet.

He sees tithing as a better alternative to bingo, freeing parishioners from relying so heavily on the fundraiser for support. Parishioners who tithe agree to donate 5 percent of their incomes to the church and 5 percent to other forms of charity.

"It's the responsibility of the parishioners to support their church and I think tithing is the ideal way to do this," remarked Pechillo.

Our Lady Star of the Sea Church in Bayonne relies on tithing to supplement church and school expenses.

It also has a core of volunteers to run the bingo games. These people are neither rewarded nor penalized for their efforts.

"As far as I know we never charged people for not working the game and have always had an ample number of loyal volunteers working for more than 20 years," commented a bingo supervisor there. "But I imagine it would be illegal to charge them."

Hoboken may close 2 schools

By Bill Campbell

Hoboken officials still don't know whether they will have to close a private grammar school and a state-funded industrial school housed in a building recently cited for fire code violations.

They are asking the city's Board of Education to give the private Hudson School and the state-funded Hoboken Industrial School permission to conduct classes in a public school building if the violations cannot be corrected quickly.

"We are all working together to bring the building up to code," said Richard Tremittedi, fire official. "It's too soon to say whether or not the building will have to be closed."

City and school representatives met for nearly three hours yesterday to discuss the upgrading of the century-old Hoboken Public Library building, which houses both schools.

Tremittedi's inspection last week revealed numerous fire code violations, including no approved fire alarm system, blocked fire doors and inadequate exits and exit signs.

"For the time being, the Hudson School will continue conducting classes in that building," said Councilwoman Helen Cuning. "We just can't say what will happen, but there are still a lot of unknown factors."

The Hudson School, with 100 students, has been housed in the library building since 1978. Tremittedi said the school was the target of an anonymous complaint alleging the code violations. The Industrial School, while not cited in the complaint, is affected by the violations.

Tremittedi said the library is not in violation of the code, only those parts of the building used for school purposes.

The city's law department has been trying to determine who is responsible for bringing the building up to code, but according to Cuning, "The onus is most definitely on the city."

Suellen Newman, director of the Hudson School, was unavailable for comment following the meeting. However, last week she said "we will do everything we can to comply with the requirements as quickly as possible."

Hudson School fixing violations

By Jim DeRogatis

The Hudson School should be allowed to remain open while the building is brought up to fire safety standards, according to Hoboken officials.

City inspectors toured the building last Thursday and are scheduled to meet with school officials this week to discuss a schedule for implementing new safety measures.

Early last week, city Fire

Code Official Richard Tremittedi said the school was in danger of being shut because of numerous violations, including no approved fire alarm system, inadequate exits and exit signs, exposed wiring and blocked fire doors. The school has since instituted several temporary safety measures.

Tremittedi said. A private school with approximately 100 gifted and talented pupils, the Hudson School has

been located since 1978 in the same century-old building that houses the Hoboken Public Library and the Industrial School on the corner of Sixth Street and Park Avenue.

The fire inspection has called the exact nature of the school's relationship with the city into question.

City attorneys are uncertain whether the city owns the entire building or just the library. The Hudson School pays

no rent to the city and does not hold a lease, but apparently has an agreement with the board of the Industrial School to remain in the building as long as it pays for general upkeep and expenses.

School and city officials will meet this week to determine how much of the cost of installing fire safety equipment will be borne by the city and how much by the Hudson School.

Snow costs piled as high as \$20G

By Bill Campbell

Hoboken spent about \$20,000 in snow-related expenses last month, half the amount allocated in the municipal budget, after two storms blanketed the city with more than a foot of snow.

Public Works Director Roy Haack said yesterday he will submit storm-related overtime payroll claims totalling \$12,000 at Wednesday's City Council meeting. The city will probably spend another \$8,000 for rented equipment and towing service, he said.

"As far as storm costs go, I'd say we got off fairly well with this one," Haack said.

Haack called the overtime claims "very reasonable" considering the amount of snow that fell. The bulk of the cost, he said, was for plowing and salting roads. In addition, Public Works employees responded to a dozen calls from police involving icy conditions.

About 10 inches of snow fell Jan. 22 and another two inches fell four days later, before temperatures plummeted creating icy conditions on streets and sidewalks. City workers salted and plowed

streets throughout the storms and later embarked on an ambitious effort to clear Washington Street, the city's main thoroughfare.

The city contracted a towing service to remove stranded cars from piles of frozen snow before clearing Washington street with a rented backhoe and two pickup trucks, said Haack. The cars were returned to within a block of where they were parked and the owners were not charged.

The towing service and rented trucks should cost about \$8,000, Haack said, adding that he expects to receive itemized bills later today. The expenses will be presented to the council Feb. 18.

"We were able to stay on top of the storms and prevent a costlier situation down the road," Haack said.

Public Works employees were also assigned to clear snow and ice from arteries leading in and out of the city, Willow Avenue and 14th Street, and schools and churches.

Haack said the city has \$40,000 budgeted for storm expenses. The overtime claims will be addressed by the council during its session tomorrow.

Pizzamakers pay the price of victory

By Jim DeRogatis

Although the owners of Mario's Classic Pizza in Hoboken were the winners of a large bet on the Giants in the Super Bowl, they're the ones who are laying out the dough.

Looking "to do something special" to celebrate the Giants' first Super Bowl, longtime fans Mario Labunia and John Lalicato, co-owners of Mario's pizzeria near Seventh and Garden streets, called three Denver pizza parlors the week before the game and offered them a bet.

If the Giants won, the Denver pizza parlors would pay the Hoboken duo to make 50 pizzas each, and if the Broncos won, Labunia and Lalicato would pay them to do the same. Both the Hoboken and Denver football fans-pizzamakers agreed that in either case, the pies would go to benefit local homeless shelters or children's hospitals.

In the wake of the Giants'



Joe Rutigliano, Mario Labunia and Sabido Amato prepare pies for the homeless.

overwhelming victory two weeks ago, Labunia and Lalicato have received checks from each of the Denver pizzerias and will begin making 150 pies to deliver to homeless shelters throughout Hudson County. Labunia said he will start today by bringing 10 pizzas to the Bishop Mahurter Shelter in Hoboken and 25 pizzas to the homeless shelter on Grove Street in Downtown Jersey City.

Over the course of the next two weeks, Labunia said he and his partner will deliver pies to several other shelters in Jersey City, Union City and East Rutherford. The bulk of the pies will be reserved for Hoboken, however, and Labunia said shelter staffers "can call any time they like and I'll bring a stack of pies over."

Despite the work involved in making 150 pizzas, Labunia said he is "very happy" he made the bet and is able to help less fortunate people in the community.

Critics ask Hoboken building inspector check

By Jim DeRogatis

Two members of the Hoboken City Council have called for a state inspection of the Hoboken Building Department with hopes of reducing the number of city-employed inspectors.

Councilmen Thomas Newman and Pat Pasculli said they will meet with officials of the state Bureau of Construction Code Enforcement in Trenton next week to request an audit of the workload and personnel needs of the department. "We

want to test and evaluate the whole role of the construction code official in the city and how he can operate more efficiently," Pasculli said.

In a letter to Mayor Thomas Vezetti, Newman and Pasculli also called for the administration to establish a task force to "develop a comprehensive analysis of the present situation, our needs for the future, and a plan of action for implementing the necessary changes."

The Building Department now has four full-time inspec-

tors earning \$40,000 a year or more, as well as two secretaries. The inspectors for plumbing, electrical work, and fire safety are under the direction of Construction Code Official Alfred Arezzo, who wears three other "hats" as building inspector, zoning code administrator and historic district administrator.

According to Newman and Pasculli, the Building Department should be self-sustaining considering the amount of construction occurring in Hoboken and the permit fees being col-

lected, but personnel costs "far exceed" the revenue being taken in. Arezzo has frequently said he is "overworked" and has asked the mayor and council to hire more inspectors.

"We want an audit to find out just what the workload is and whether the personnel assigned to the office can meet it," Newman said. "It might just be an impossible job, and you can't do the job if it's impossible."

Depending on what the state audit reveals, Newman and Pasculli believe it may be

more cost-effective for the city to hire a state-licensed inspection agency which would perform the inspections for the city and split the permit fee.

"We could eliminate the cost of paying four inspectors and turn the department into a revenue-generating department," Pasculli said. "That's especially important considering the current budget crunch."

Both Newman and Pasculli have been persistent critics of the Building Department and Arezzo, who cannot be removed by either the council or

the mayor. Newman has frequently charged that Arezzo has harassed some contractors and developers while "going easy" on others, and Pasculli has called for revamping Arezzo's department several times. The council members stressed that they are concerned with the effective operation of the department and not with replacing Arezzo, however. "We don't have an axe to grind. We want to remain at arm's length and have this (audit) done by an impartial third party," Newman said.

Cartoonist proudly takes 'cheap shots'

By Jim DeRogatis

You won't find any cute round-headed kids or sarcastic cats starring in Hoboken cartoonist Jim Ryan's comic strips. "I gave up the idea of drawing a strip with characters in it a long time ago," the 26-year-old cartoonist said. Ryan prefers "making comments on the passing scene," and the topics of his cartoons have included big hair through history, Hoboken laundromats, New York apartments in the summer, artists and "lowlife scum."

"I've been drawing comics in one form or another since I was a kid," said Ryan, who was raised in Massachusetts but moved to Hoboken in 1981. "In the eighth grade, I drew a cartoon of Nixon holding his finger in a big dike labelled Watergate."

The cartoon was published by a local newspaper, but Ryan didn't decide he wanted to make his living by drawing. See CARTOONIST—Page 12.



Hoboken cartoonist Jim Ryan traces the history of a trend in this "Cheap Shots" strip.



Jim Ryan, self-proclaimed "lowlife scum," comments on the Hoboken and other social scenes through cartoons.

Cartoonist proudly takes cheap shots

Continued from Page 1

comics until several years later. "My parents encouraged my comics, and like any kid, I rebelled against my parents," he said.

"Somewhere along the line I got the idea that I wanted to be a fine artist," Ryan said. He studied painting for several years at Parsons School of Design in New York, "but even then I would sit in the back of class and draw cartoons about stuff the teacher was talking about."

When the teachers told Ryan his cartoons were better than his paintings, he finally decided to heed his true calling. He has since contributed comics to a variety of newspapers and magazines, including *Guitar World*, the *L.A. Weekly* and a local weekly newspaper. Ryan received the most attention, however, from five full-page cartoons he drew for the *Village Voice*, including cartoon essays on keeping cool in Manhattan in the summer (which featured a woman sitting inside her refrigerator) and living the "lowlife scum" lifestyle.

According to Ryan, "lowlife scum" are artsy New York males in their early 20s addicted to rock'n'roll, trashy magazines and "fanzines," television (especially episodes of the *Three Stooges*) and funky clothing.

Ryan, who "fools around" in his spare time as "the worst guitarist in the metropolitan area," more than fits the description of a lowlife scum himself. At a towering height of 6 feet, 8 inches tall, he sports the self-described "funky look" with red Converse sneakers, faded blue jeans and an ancient suit jacket with a black T-shirt.

As the lowlife scum cartoon proved, Ryan is not afraid to poke fun at anybody or anything in his cartoons, even if the subject hits close to home. Another of his *Voice* cartoons took a playful look at artists — and advised them not to quit their day jobs.

Ryan doesn't earn enough yet from his cartoons to make a living, and he supplements his income by odd jobs such as "tracing photos of gravestones for this weird architectural project" and doing illustrations for a risqué publication whose name he'd rather not mention.

"I don't take anything seriously," Ryan said. He enjoys flashing his quick wit and displaying a sense of the absurd. "Make sure you write about how I killed a man in Reno just to watch him die," he joked.

But much of Ryan's work has a serious underside, and the artist has a keen eye for social observation. One of his cartoons traced the genealogy of a Hoboken apartment from the original German immigrants through the Irish, Italian and Spanish families who followed. The strip ended with the apartment's being converted to a condominium and an accountant moving in.

Another Ryan drawing is currently on display in the window of the O Roe Electric Art Space, 314 Monroe St., as a part of the "Heaven, Hell or Hoboken" exhibition. A huge piece prepared especially for the show, it is a mock-up of French ballet posters and shows the "Real Estate God" displacing two Spanish residents from a brownstone about to be turned into condominiums.

"One of the things I really love about Hoboken is that it is such a funky place," Ryan said. "You really get a sense of history from walking around and talking to people."

"But it seems like there is a real drive to turn this place into something other than what it is. That's a shame, because what it is is fascinating, if people would only stop to take a look."

Ryan briefly drew a running comic strip for the *L.A. Weekly* called "Palookaville," based on Hoboken and featuring regular characters. But he soon found so-called "character strips" limiting and abandoned the project.

The cartoonist is now developing a concept for a strip called "Cheap Shots," where each cartoon would make fun of a particular social convention, current event or fad. "I'm hoping there's a market out there for the strip and it will be lucrative enough for me to pursue full-time," he said.

Ryan said he'll begin trying to sell the strip to newspapers across the country in the near future, and he also plans to compile the strips into a book. From there, it's just one small step until Jim Ryan drawings begin appearing on lunchboxes everywhere.

Rossano, Perez, Block to run for school board

By Jim DeRogatis

The Committee for Quality Education announced a slate of three candidates yesterday in the April 7 election for the Hoboken Board of Education.

Candidates Michael Rossano, Dr. Carlos Perez and Steve Block addressed a spirit ed crowd of about 100 CQE members at Maxwell's restaurant during last night. The three will be running for seats currently held by board members James Monsaco, Anthony DeBari and Richard England, board president.

CQE has become a powerful political force in Hoboken in the last year and April's election is expected to be hotly contested. The committee elected two candidates, Joseph Rafter and Lourdes Arroyo, to the board last April and has raised a war chest of more than \$15,000 for the coming election.

Rossano, 26, ran for the board last April with Rafter and Arroyo but was narrowly defeated by James Farina. He and his wife, Nancy, have 5-year-old twin daughters, Stephanie and Jennifer, currently enrolled in kindergarten at St. Francis parochial school.

A foreign securities coordinator with a Wall Street firm, Rossano said he hopes to use his business experience as a board member to bring a "common sense" approach to running Hoboken's troubled school system, which consistently ranks among the lowest in the state on standardized test scores.

"I am a candidate for two reasons," Rossano said. "I have two daughters who deserve a decent education which at this point cannot be provided by the present public school system, and I am committed to a dynamic change in our school system, known more for low test scores, political patronage and overexpenditures than hope for the future."

Perez, 42, was one of nine candidates Mayor Thomas Vezetti intended to appoint to the board in 1985 before voters approved a referendum switching to an elected board. The director of the educational opportunity program at William Paterson College, Perez has one son, Carlos, 16, who attended the Wallace School and the Calabro school before enrolling at St. Peter's Preparatory School in Jersey City.

"Educational reform is no longer a cry in the political wasteland that once was Hoboken," Perez said. He said he is confident CQE will continue the "political and education reform... already underway in Hoboken" by winning in April.

Perez said he hopes to bring his experience as a teacher at Hudson County College, Kean College, Trenton State College and the City University of New York to the board of education. If elected, he said he will concentrate in particular on working with teachers, administrators and parents to improve Hoboken High School.

Block, 44, was appointed to the board by then-Mayor Steve Cappelino in 1979 after completing a study that was highly critical of the city's educational system. The "lone reformer



Carlos Perez Steve Block

on the board for six long years," Block was a vocal and persistent critic as a board member but resigned in the spring of 1985 because he believed Cappelino would not reappoint him.

An urban specialist in school improvement with the state Department of Education, Block has worked as a public school teacher and was a founding member of CQE. His 10-year-old son, Ben, attended the Wallace School for three years but is now enrolled in a private school.

Block said he hopes to work to improve the school system by drawing on his experience as a board member and educator as well as on nationwide research on what makes successful schools work.

"We know what to do, there is no magic," he said. "Our job as board members is to bring to the public schools of Hoboken those conditions which liberate teachers to succeed, which inspire parents to become full partners, and which teach children to love learning."

A key player in the movement to elect Vezetti, Block has continued to serve as one of the mayor's closest advisors. Vezetti strongly applauded Block as he spoke last night, but the mayor did not address the crowd himself.

England, Monsaco and DeBari are considered to be anti-administration. Monsaco and DeBari were appointed by Cappelino, and England was elected last year with the strong backing of anti-administration forces.

Monsaco and DeBari have not yet said whether they will run for reelection. England said yesterday that he is "90 percent certain" he will run but is still considering.

Nominating petitions for the three board seats are available at the board secretary's office at 11th and Clinton streets. The deadline for filing petitions is 4 p.m. Feb. 12, and ballot positions will be drawn shortly afterward.

England to run again for Board of Education post

By Bill Campbell

Hoboken Board of Education President Richard England, ending weeks of speculation, yesterday announced he will seek reelection to the nine-member policy-making body.

England's announcement comes three days after the powerful Committee for Quality Education announced its slate of three candidates for the April 7 election. England said he would consider running on a slate "once I see who the other candidates are."

Other than England, only CQE candidates Michael Rossano, Steve Block and Carlos Perez, who are supported by the administration of Mayor Thomas Vezetti, have announced plans to run.

Anti-administration groups, including Recall '86, have indicated they will sponsor slates or back individual candidates. Nominating petitions for the three seats must be filed by next Thursday.

"I've been involved in education for 10 years and have been a candidate in five out of

the last six school board elections, and I feel it important to run for a full term," England said.

Last January, after voters in a referendum overwhelmingly agreed to expand the school board from seven to nine members and establish an elected body, England was elected to a one-year term. The board elected him as its president last April, following the defeat of president John Pope at the polls.

England's running mate, Eugene Drayton, edged four other candidates to win a two-year term during the January election.

England, now running for a three-year term, was first elected to the school board in 1978 and served 19 months before losing his seat after voters approved a referendum reducing the size of the board and changing to an appointed body.

A lifelong Hoboken resident, England, 44, is a manager with the Maxwell House Division of General Foods. He and his wife, Dolores, have four children.

"The most crucial goal the board faces today is to determine educational problems in the city and find solutions," he said. "I think we have accomplished some of these things and as long as we can bury political hatchets, we can accomplish some more."



Richard England

Hudson School must vacate or fix violations

By Bill Campbell

Hoboken officials and representatives of the Hudson School, a private institution for gifted and talented children, will conduct an emergency meeting today to determine the fate of the school.

The city's top fire code official, citing violations in the century-old building which houses the school, yesterday ordered school director Suelen Newman to vacate the building. Deputy Fire Chief Richard Tremietiedi said it lacked an alarm system and proper exits.

The order to vacate also affects the state-funded Hoboken Industrial School which shares space in Hoboken Public Library building, according to Tremietiedi.

"School will be in session on Monday," Newman said. "We may just have to meet in a different location."

The City Council has asked the Board of Education to find space for the 100 students if the fire code violations cannot be corrected by Monday. Sources have said the school may relocate in either the Demarest School or in Our Lady of Grace School.

Newman said she could not speculate on relocation until after she meets today with Tremietiedi and City Attorney William Graves. "As of today we still have a few violations, but we are doing all we can to correct the deficiencies," she said.

City and school representatives met for nearly three hours Wednesday to discuss the numerous violations before concluding that the building must immediately be brought to code.

City Councilwoman Helen Cunniff, who chaired the meeting, said the city has not determined the cost of the project, nor could she provide a time frame for repairs. The Hudson School has been located in the library building since 1978. Tremietiedi said only those parts of the building used for school purposes were in violation of the fire code.

Continued from Page 1

on parole. "They told the court it was worth \$15,000. They just don't it for the insurance."

"It's pure cuss and devilment," said an NJT police officer who rode the trains for nine years. "All the little lumps are up there every time you pull through. It's a big snake curve right there, too, and the centrifugal force slows you down."

Several young area residents said the most popular method of stopping a train is to take an old tire, toss it under a boxcar, and separate the air hoses from the gage below. The car frequently derails, and the whole train lurches to a halt, leaving the thieves free to twist off the aluminum seal on the boxcar doors in a matter of seconds.

On a recent Friday night, with heavy snow covering the tracks, Ozzie Scanton and James Richardson stopped a train in precisely that manner, using old radial tires from a junkyard on Sixth Street. They did not know a Conrail officer was waiting for them. They also did not know the car they picked to raid only had rolls of industrial rope inside.

Undaunted, they rolled a giant spool of rope out and off the tracks, only to end up all tied up an hour later when city and Conrail police closed in together.

Just as often, though, it is the other side that wins.

The NJT officer told of being

pelted with rocks, having cabooses cut off the back of trains, boxcars attacked with tires, locomotive windshields smashed, and receiving "lumps, bumps, and bruises a plenty."

A signalman described how easy it is for someone to hammer out the delicate wiring that powers the rails, forcing the gate at Paterson Plank Road to slam down, backing up traffic on either side and jamming the train.

Like the great train robberies in the Wild West, there are tales of hauls and casualties that are impossible to confirm, but widely remembered.

Local police and project residents both recall the day in the mid-1970s when a train loaded with refrigerators was stalled. "There was a line of people passing them from hand to hand over their heads," a desk sergeant said. "Yup, but they got them to their front doors, and they couldn't fit them in," said a man in his mid-20s who lives near the tracks. His favorite memory is the day a car loaded with great slabs of beef came in, "a quarter of a cow each."

As he talks, an 11-year-old boy looks on, then runs to the edge of the tracks to watch a train roar by, with a policeman in a Ford Bronco bucking and wheeling through ice and stones alongside.

The 25-year-old tells a hair-raising tale of a friend, who had his toes cut off under one of the cars. Still

a resident of the housing projects, the young man walks with a limp and uses a cane. Older residents recall Davey Job, who at the age of 11 in the 1940s lost an arm under a train, and an eye from flying coal.

While summertime brings young mothers out to the tracks to steal boxes of Pampers and canned food, usually it is a band of young thieves, aged 11 to 18 — "until you get your driver's license and have something better to do" — who haul away the goods by hand, stash it in their apartments, and go door to door the next day, selling Puma sneakers for \$10 a pair, or a color television set for \$100.

The youngsters said they believe Conrail does not protect its freight adequately and inflates the value of the stolen merchandise in court to obtain higher payments from its insurance carrier.

"Why don't they put heavy padlocks on the doors if they really want to stop us from getting in?" one youth asked.

"For security reasons, we cannot comment," a Conrail spokeswoman said.

Some said they believe no measures would be able to eliminate the problem.

"Until they make trains that fly over the houses, instead of going on the tracks, it will be going on," a former bandit said.

Railroad bandits have good thing

By JANET WILSON
Staff Writer

HOBOKEN—At the back edge of town, between the public housing projects built on a swamp and the cliffs of Jersey City jutting above, lie the railroad tracks.

For 50 years, the curving rails between the Paterson Plank Road and the Weehawken border have been the site of a giant game of cops and robbers. Through the 1930s and '40s, older residents recall hopping the boxcars in the manner of hobos, or jumping aboard to scoop up buckets of coal.

"That's how the whole city got its heat. The families heated their homes through winter (with coal) from the trains," one man said.

Today, the methods of plunder have grown sophisticated, and the booty ranges from food and bottles of rum, to videocassette recorders and color television sets. Clothes and shoes are a popular item up for grabs.

"If you want to get dressed up, you go to the trains," one young man said.

Young bandits use scanners in their living rooms to find out from police chatter what kind of freight is coming through. The police, in turn, have four-wheel-drive vehicles to speed down the gravel-strewn tracks, and backup teams of trained German shepherds and helicopters. Many trains moving through this city have an armed police escort traveling alongside.

The trains start their journey in the rail yards in Jersey City, and head north for points across New York state and up into Canada. NJ Transit pulled out six years ago, but Conrail still sends hundreds of freight trains a year through this city.

Conrail refused to give information on dollar losses, but conversations with some of the young bandits and with railroad workers provided clues, as well as insights into the tactical warfare.

"They got me with one case of rum. They said I took the whole crate," said a 17-year-old who is out

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COURT RULING

Cemetery caretaker loses round to keep job

The caretaker of the Hoboken Cemetery suffered a setback in his court fight to keep his job yesterday when a judge ruled that the city signed over control of the facility to a board of trustees more than 100 years ago.

Ruling that the cemetery, which is located in North Bergen despite its name, is owned and operated by the six-member board, Judge James T. O'Halloran of Hudson County Superior Court in Jersey City said the board has the authority to fire the caretaker, Richard Buchta.

A three-room apartment comes with the caretaker's job, and O'Halloran ruled that Buchta and his wife Roswitha, 44, and their 13-month-old daughter must leave by Feb. 28.

The attorney for the board, Kenneth F. Kunzman, argued that on

March 9, 1868, the city turned over operation of the cemetery to the board. Subsequent changes in state law have not altered that arrangement, he said.

Buchta's attorney, Donald Rosanelli of Newark, asked for more time to research the question of whether the cemetery is owned privately by the board or publicly owned by Hoboken. If the city owns the cemetery, and Buchta were a public employee, he might be entitled to a hearing, Rosanelli said.

He added that he will appeal O'Halloran's decision.

The board voted on Jan. 6 to fire Buchta. According to Rosanelli, the trustees cited sloppy record-keeping and said Buchta obstructed a burial. Buchta denies both assertions.

— Peter Wehrlein

Developer suing city for sewerage hookup

By Bill Campbell

A Hoboken real estate developer is suing the city to obtain permits to connect his \$10 million office building to the municipal sewerage system.

Gerald Baker, an attorney and developer of the Baker Waterfront Plaza at 2 Hudson Place, filed papers yesterday in Hudson County Superior Court demanding that the city live up to its agreement to provide secondary sewerage treatment for the eight-story building.

Baker contends that the city has violated a September 1985 agreement to provide an interim or "package" treatment plant in the event the city has not upgraded the municipal facility to a secondary level by the time the building is set to open. He charges that the city hasn't cooperated with his requests to establish a package plant.

"What's going to happen is that we'll have a nice big building on the waterfront with no sewer hookup," he said.

The suit is expected to set a precedent for other developers who have sewage exemption

Suit is expected to set precedent

applications pending with Hoboken. Public Works Director Roy Haack has said 11 regional projects are awaiting review. The Hoboken plant also serves Union City, Weehawken, Guttenberg and parts of North Bergen.

The suit, filed on behalf of owners Baker, Sylvia Baker, the Robert Baker Family Trust, Harvey Oshins and Louis March, names as defendants Haack, state Department of Environmental Protection Chief Leroy Cattaneo and the Hudson County Utilities Authority.

Baker's suit is the latest volley in continuing litigation over the city's efforts to comply with the federal Clean Water Act and provide secondary sewerage treatment by July 1988. The act, adopted by Congress in the 1970s, requires municipalities to upgrade their treat-

ment to secondary systems, a level that removes 85 percent of waste water pollutants.

Hoboken is already embroiled in suits with the DEP and the federal Environmental Protection Agency over compliance and with an engineering firm that once held the contract to build the proposed secondary sewerage treatment plant.

The 14-page Baker suit, which was filed before Assignment Judge Burrell Ives Humphreys, asks that Haack meet with Baker's engineer to review plans for the package plant, that the city approve a site for the plant and electrical hookup and that the city grant a sewer extension permit.

"The City Council has agreed to the package plant for us, we have given the city a \$150,000 letter of credit to build

the plant and now we are asking the city to live up to the agreement," Baker said.

In 1985, Hoboken was banned by the state from issuing permits allowing developers to hook newly constructed or rehabilitated buildings into the municipal sewerage lines. Baker, though, was granted a sewerage hookup application from Cattaneo in September 1985, when the developer agreed to install the package plant and the city agreed to enter into an administrative consent order with the DEP.

The consent agreement, signed in January 1986, established a timetable for repairs to the city's sewerage system. It also allowed real estate development so long as developers agreed to purchase a package plant.

But the DEP last summer cited the city for violating the consent order and again banned the city from issuing hookup permits. The DEP said the city failed to submit plans to rehabilitate tide gates, regulators and a pumping station.

In addition, the DEP rejected the city's plans to upgrade the

State will test city schools

By Jim DeRogatis

A team from the state Department of Education will arrive in Hoboken today to begin an intensive evaluation of the school system and the factors that caused it to lose its certification.

Superintendent of Schools Walter Fine said last week that the Hoboken school system failed to obtain state certification and has been placed in "Level 3" status, necessitating an inspection by a state team of all aspects of the system's operations.

Twelve school districts out of nearly 500 statewide are classified as Level 3, including Jersey City and North Bergen. The Hoboken system has consistently ranked among the lowest in the state in recent years based on the students'

scores on standardized basic skills tests.

The state team is expected to examine curriculum, facilities and teaching and administrative staffs at Hoboken public schools and probe for any evidence of poor educational methods or political interference in the system. When the inspection is completed, the team will issue a public report listing recommendations for improvements.

Hoboken will then have one year to show it has made the necessary improvements or it could be subject to a state takeover of the school system. Special state legislation needs to be passed before the state can intervene and operate school districts for five years, as Gov. Thomas H. Kean and Education Commissioner Saul

See STATE—Page 6.

State will test Hoboken's schools

Continued from Page 1
Cooperman have recommended be done.

Fine said the standardized test scores caused the Hoboken school system to fall to Level 3. "It was the only element we failed out of 10," he said. "It is the most important element, and it is always depressing to me when we do not pass the test, but I think the system has improved dramatically since last year."

The results of the latest High School Proficiency Tests, which were presented to the public by the Board of Education last November, ranked Hoboken's ninth graders 263rd out of 270 districts in the state. Of the Hoboken students tested, only 20.3 percent passed all three parts of the test, reading, writing, and mathematics.

Standardized test scores for third- and sixth-graders

were similarly below most of the other school districts. Although the scores are below state norms, they have been steadily rising over the past three years.

According to Fine, a team made up of compliance officers from the state Department of Education and educators from other school districts around the state will begin an examination of the Hoboken schools this week. "They are going to come in and take a detailed look at our operations," he said. "They are authorized to talk to everyone from janitors to members of the Board of Education and the mayor."

Fine said he "welcomes"

the state inspectors and hopes they will be able to indicate areas for positive changes in the system. "It is possible that they will come in and point out things that we haven't been seeing," he said. "If it is something that is going to help improve the schools, then I accept it in that context."

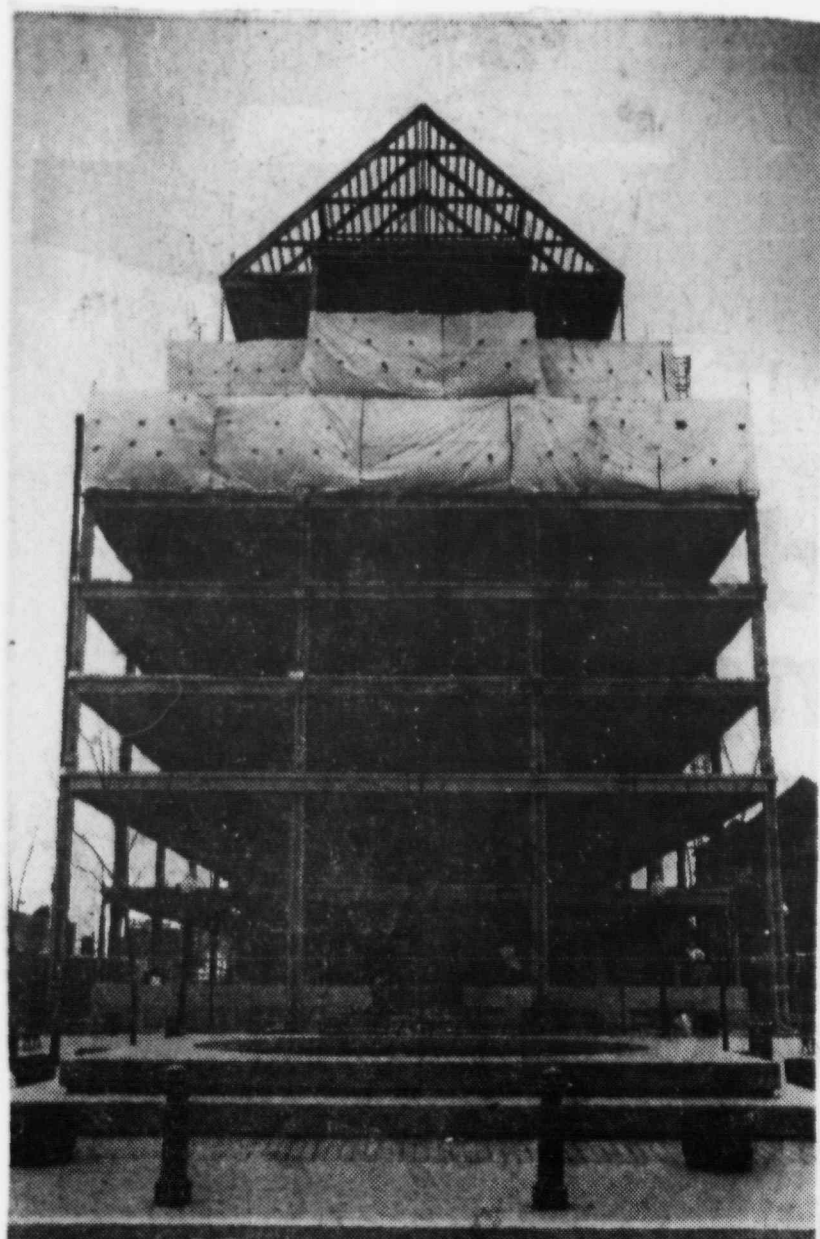
Fine has called on several occasions for a complete analysis of the Hoboken system and a better working relationship between parents and educators as ways of improving education in the city.

Board president Richard England said he is also "hoping for the best" from the state

inspection. "We're a long way from state takeover, and I believe the state team will only come in and point out areas for improvements which we are anxious to make anyway."

Critics of the Hoboken school system are also welcoming the state inspection.

"This is the first time that we're going to have a fresh, independent team of educators with a broad mandate to come in and take a good look at things," said Steve Block, a persistent critic of the board and a leader in the Committee for Quality Education. "I believe they're going to find a lot of things that we've been yelling about for years."



Construction of Baker Waterfront Plaza in Hoboken is well under way for a July completion but, without the city's promised sewerage services, it will not be permitted to open.

Developer suing city for sewerage

Continued from Page 1

plant, calling them not buildable or constructable.

Cattaneo, in a Jan. 21 letter to Baker, cited the violations and concluded, "Consequently, an operational permit for the connection serving 2 Hudson Place cannot be issued at this time."

Cattaneo could not be reached for comment, but Haack said the city has fallen "so far behind" on the consent order that the DEP has refused to consider issuing hookup permits.

"The city's position is that we want development, but the DEP is holding us to the letter of the consent order," Haack said.

Baker argues that his agreement is still valid, despite the city's violations. He further said that the city's failure to establish a package plant has jeopardized \$10 million in state Economic Development Authority tax exempt bonds

and a \$547,000 Urban Development Action Grant, since both were approved for the project only after the package facility plan was set.

"This suit is the pre-emptive strike," Baker said. "Right now, the financing is in place, but we are also looking at a completion date of this July."

He said he has already spent \$2.5 million on the project.

The city must respond to Baker's suit by Feb. 11.

Ground was broken on Baker Waterfront Plaza last May. The plans call for 92,000 square feet of commercial and retail space housed in a Victorian facade of red brick and granite.

P.A. tries to settle pier suit

By Jim DeRogatis

Hoboken and the Port Authority may attempt to break a deadlock on waterfront development negotiations by settling a lawsuit over \$7.5 million the P.A. may owe the city.

The city is suing the P.A. to recover \$7.5 million in insurance funds that the authority collected after the city-owned Pier B was destroyed by fire in 1980. The P.A. has offered to settle the suit and provide the city with some \$5 million.

While several City Council members called the offer "unacceptable because of the strings attached," the council will meet next week to determine its next move.

The council met in closed session for two hours last night to discuss how the lawsuit could affect negotiations on the

See P.A.—Page 12.

P.A. offering \$5M in suit

Continued from Page 1

proposed development. Talks on a restated lease that would allow the P.A. to build a massive \$600 million "world-class project" on the southern half of the Hoboken waterfront have been deadlocked for several weeks because of the insurance funds controversy.

In an effort to break the deadlock, P.A. officials have offered to settle the insurance issue by creating an escrow account for Hoboken with \$2.5 million to apply to the 1987 budget, and thus lower the city's property tax rate, and \$2.5 million "to a schedule of public space improvements, especially (a) waterfront park, that are project-related," according to a memo obtained by The Jersey Journal.

Sources said the terms of the settlement make several strong demands and set a strict timetable for the city, including:

- that the city agree to the settlement by Feb. 13;
- that the city support the dismissal of the lawsuit by Feb. 20;

- that the city agree to meet with the P.A. at least twice a week to negotiate an agreement on the waterfront development by April 20.

Several council members said the P.A.'s proposal was "unacceptable" because of the demands, but they added that the city may be able to negotiate an equitable settlement, saving the expense and time of a court battle and allowing waterfront development negotiations to proceed.

A source close to the negotiations described the P.A.'s offer as a "first step" toward breaking the deadlock. The authority "is only saying, 'Here, try this out.' It's not a take it or leave it situation," he said.

But one council member said he sees "no reason why the city should have to make any agreements concerning the development before the P.A. gives us back what is rightfully ours in the first place."

The council put off any decision on settling the lawsuit until after City Law Director William Graves reviews the P.A.'s offer. The council will

meet again in closed session Wednesday to prepare a response.

Following the closed meeting, the council voted in open session to ratify a contract hiring city planner Ralph Seligman as a consultant for the Community Development Agency. The contract was tabled several weeks ago when a question arose over whether Seligman would be guilty of a conflict of interest because he also holds a contract as a consultant to the Planning Board.

The council also voted to introduce an ordinance sponsored by Councilman Thomas Newman to make parking on River Street between Newark and Fourth streets legal to ease the parking crisis in the downtown area.

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Soviets get toe hold at Stevens

By Jim DeRogatis

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The students, boys and girls ages 14 to 18, study ballet at the internationally known Perm school, located about 600 miles east of Moscow.

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See SOVIETS—Page 11.

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Continued from Page 1
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Stevens Institute of Technology will host the dancers, plus 11 "chaperones," in the school's dormitories on Castle Point. The students are expected to arrive tomorrow night and stay through Tuesday, visiting a number of performing arts schools and theaters in the New York area.

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Allan Hale, spokesman for Friendship Ambassadors, said Soviet leader Mikhail Gorbachev has agreed to allow 300 Russian artists to visit the United States this year. The group which will visit Stevens is the first to come this year under Gorbachev's relaxed cultural exchange provisions.

Among the places the ballet students will visit while in the New York area are the Juilliard School of Music and the Dance Theater of Harlem. The group is scheduled to leave the area Tuesday to visit Hershey, Pa.

Other stops on the tour include New Harmony, Ind., and Washington D.C., where they will perform at the Kennedy Center, Hale said.

Friendship Ambassadors will be responsible for bringing some 100 Soviet artists to the U.S. this year.

Developer suing city for sewerage hookup

By Bill Campbell

A Hoboken real estate developer is suing the city to obtain permits to connect his \$10 million office building to the municipal sewerage system.

Gerald Baker, an attorney and developer of the Baker Waterfront Plaza at 2 Hudson Place, filed papers yesterday in Hudson County Superior Court demanding that the city live up to its agreement to provide secondary sewage treatment for the eight-story building.

Baker contends that the city has violated a September 1985 agreement to provide an interim or "package" treatment plant in the event the city has not upgraded the municipal facility to a secondary level by the time the building is set to open. He charges that the city hasn't cooperated with his requests to establish a package plant.

"What's going to happen is that we'll have a nice big building on the waterfront with no sewer hookup," he said.

The suit is expected to set a precedent for other developers who have sewage exemption

Suit is expected to set precedent

applications pending with Hoboken. Public Works Director Roy Haack has said 11 regional projects are awaiting review. The Hoboken plant also serves Union City, Weehawken, Guttenberg and parts of North Bergen.

The suit, filed on behalf of owners Baker, Sylvia Baker, the Robert Baker Family Trust, Harvey Oshins and Louis March, names as defendants Haack, state Department of Environmental Protection Chief Leroy Cattaneo and the Hudson County Utilities Authority. Baker's suit is the latest volley in continuing litigation over the city's efforts to comply with the federal Clean Water Act and provide secondary sewage treatment by July 1988.

The act, adopted by Congress in the 1970s, requires municipalities to upgrade their treat-

ment to secondary systems, a level that removes 85 percent of waste water pollutants.

Hoboken is already embroiled in suits with the DEP and the federal Environmental Protection Agency over compliance and with an engineering firm that once held the contract to build the proposed secondary sewage treatment plant.

The 14-page Baker suit, which was filed before Assignment Judge Burrell Ives Humphreys, asks that Haack meet with Baker's engineer to review plans for the package plant, that the city approve a site for the plant and electrical hookup and that the city grant a sewer extension permit.

"The City Council has agreed to the package plant for us, we have given the city a \$150,000 letter of credit to build

the plant and now we are asking the city to live up to the agreement," Baker said.

In 1985, Hoboken was banned by the state from issuing permits allowing developers to hook newly constructed or rehabilitated buildings into the municipal sewerage lines. Baker, though, was granted a sewage hookup application from Cattaneo in September 1985, when the developer agreed to install the package plant and the city agreed to enter into an administrative consent order with the DEP.

The consent agreement, signed in January 1986, established a timetable for repairs to the city's sewerage system. It also allowed real estate development so long as developers agreed to purchase a package plant.

But the DEP last summer cited the city for violating the consent order and again banned the city from issuing hookup permits. The DEP said the city failed to submit plans to rehabilitate tide gates, regulators and a pumping station.

In addition, the DEP rejected the city's plans to upgrade the

State will test city schools

By Jim DeRogatis

A team from the state Department of Education will arrive in Hoboken today to begin an intensive evaluation of the school system and the factors that caused it to lose its certification.

Superintendent of Schools Walter Fine said last week that the Hoboken school system failed to obtain state certification and has been placed in "Level 3" status, necessitating an inspection by a state team of all aspects of the system's operations.

Twelve school districts out of nearly 500 statewide are classified as Level 3, including Jersey City and North Bergen. The Hoboken system has consistently ranked among the lowest in the state in recent years based on the students'

scores on standardized basic skills tests.

The state team is expected to examine curriculum, facilities and teaching and administrative staffs at Hoboken public schools and probe for any evidence of poor educational methods or political interference in the system. When the inspection is completed, the team will issue a public report listing recommendations for improvements.

Hoboken will then have one year to show it has made the necessary improvements or it could be subject to a state takeover of the school system. Special state legislation needs to be passed before the state can intervene and operate school districts for five years, as Gov. Thomas H. Kean and Education Commissioner Saul

See STATE—Page 6.

State will test Hoboken's schools

Continued from Page 1

Cooperman have recommended be done.

Fine said the standardized test scores caused the Hoboken school system to fall to Level 3. "It was the only element we failed out of 10," he said. "It is the most important element, and it is always depressing to me when we do not pass the test, but I think the system has improved dramatically since last year."

The results of the latest High School Proficiency Tests, which were presented to the public by the Board of Education last November, ranked Hoboken's ninth graders 263rd out of 270 districts in the state. Of the Hoboken students tested, only 20.3 percent passed all three parts of the test, reading, writing, and mathematics.

Standardized test scores for third- and sixth-graders

were similarly below most of the other school districts. Although the scores are below state norms, they have been steadily rising over the past three years.

According to Fine, a team made up of compliance officers from the state Department of Education and educators from other school districts around the state will begin an examination of the Hoboken schools this week. "They are going to come in and take a detailed look at our operations," he said. "They are authorized to talk to everyone from janitors to members of the Board of Education and the mayor."

Fine said he "welcomes"

the state inspectors and hopes they will be able to indicate areas for positive changes in the system. "It is possible that they will come in and point out things that we haven't been seeing," he said. "If it is something that is going to help improve the schools, then I accept it in that context."

Fine has called on several occasions for a complete analysis of the Hoboken system and a better working relationship between parents and educators as ways of improving education in the city.

Board president Richard England said he is also "hoping for the best" from the state

inspection. "We're a long way from state takeover, and I believe the state team will only come in and point out areas for improvements which we are anxious to make anyway."

Critics of the Hoboken school system are also welcoming the state inspection.

"This is the first time that we're going to have a fresh, independent team of educators with a broad mandate to come in and take a good look at things," said Steve Block, a persistent critic of the board and a leader in the Committee for Quality Education. "I believe they're going to find a lot of things that we've been yelling about for years."

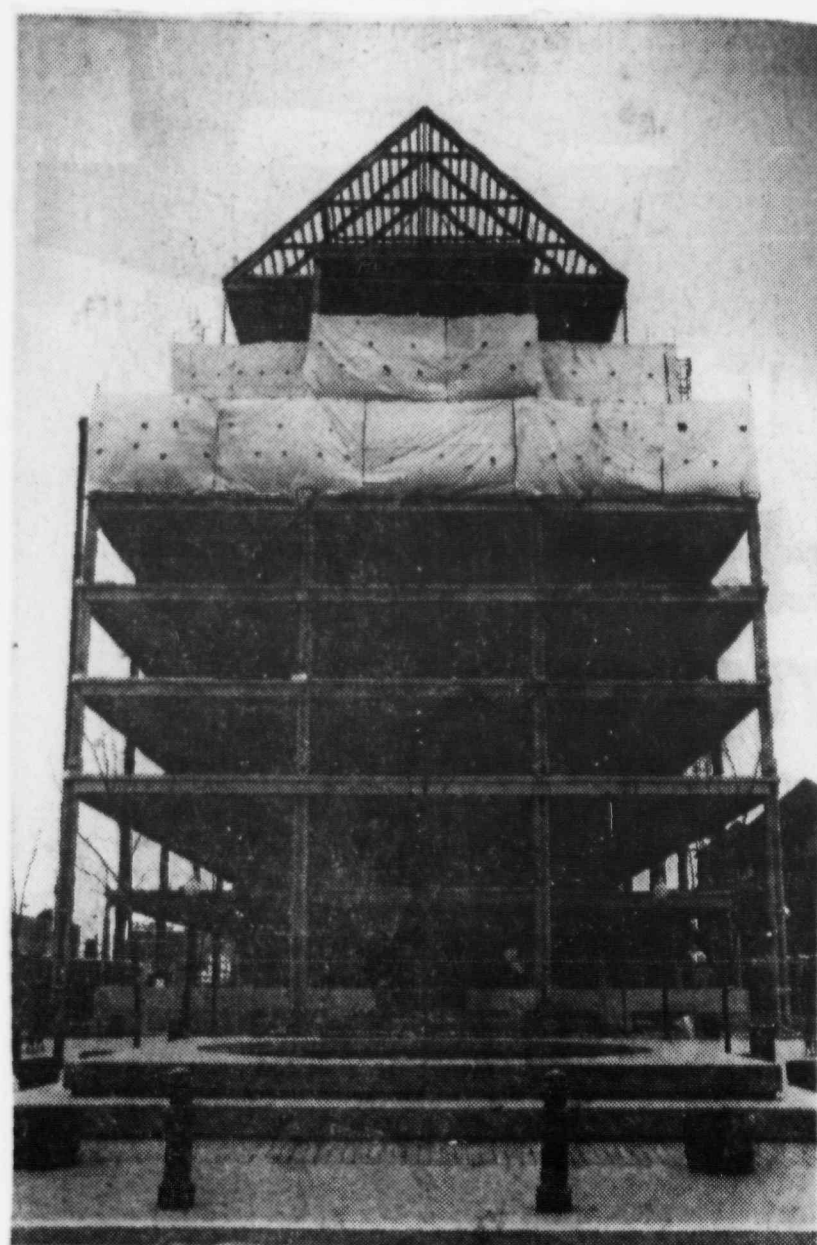


Photo by Mark Wyllie

Construction of Baker Waterfront Plaza in Hoboken is well under way for a July completion but, without the city's promised sewerage services, it will not be permitted to open.

Developer suing city for sewerage

Continued from Page 1

plant, calling them not bid-dable or constructable.

Cattaneo, in a Jan. 21 letter to Baker, cited the violations and concluded, "Consequently, an operational permit for the connection serving 2 Hudson Place cannot be issued at this time."

Cattaneo could not be reached for comment, but Haack said the city has fallen "so far behind" on the consent order that the DEP has refused to consider issuing hookup permits.

"The city's position is that we want development, but the DEP is holding us to the letter of the consent order," Haack said.

Baker argues that his agreement is still valid, despite the city's violations. He further said that the city's failure to establish a package plant has jeopardized \$10 million in state Economic Development Authority tax exempt bonds

and a \$547,000 Urban Development Action Grant, since both were approved for the project only after the package facility plan was set.

"This suit is the pre-emptive strike," Baker said. "Right now, the financing is in place, but we are also looking at a completion date of this July."

He said he has already spent \$2.5 million on the project.

The city must respond to Baker's suit by Feb. 11. Ground was broken on Baker Waterfront Plaza last May. The plans call for 92,000 square feet of commercial and retail space housed in a Victorian facade of red brick and granite.

P.A. tries to settle pier suit

By Jim DeRogatis

Hoboken and the Port Authority may attempt to break a deadlock on waterfront development negotiations by settling a lawsuit over \$7.5 million the P.A. may owe the city.

The city is suing the P.A. to recover \$7.5 million in insurance funds that the authority collected after the city-owned Pier B was destroyed by fire in 1980. The P.A. has offered to settle the suit and provide the city with some \$5 million.

While several City Council members called the offer "unacceptable because of the strings attached," the council will meet next week to determine its next move.

The council met in closed session for two hours last night to discuss how the lawsuit could affect negotiations on the

See P.A.—Page 12.

City acts to quash waterfront foes

By Jim DeRogatis

Hoboken and the Port Authority asked a Hudson County Superior Court judge yesterday to dismiss a suit by a local citizens group attempting to eject the P.A. from city-owned piers.

People Advocating Safe Solutions, an offshoot of the pro-development citizens group Help Hoboken Housing, has filed a class action suit attempting to eject the P.A. from the city's waterfront because they claim the authority has broken its lease.

The P.A. and the city are negotiating a restated lease to the piers that would allow the authority to build a massive, \$600 million mixed-use development. PASS is opposed to the development and sees the lawsuit as a way of blocking the P.A.'s plans.

Both the P.A. and the city have filed motions to dismiss the suit. Judge John McLaughlin yesterday heard arguments

by attorneys for the city and the P.A. but postponed ruling on the motions until Feb. 27.

The city's motion asks the judge to dismiss the suit because PASS did not follow the proper procedures for filing a citizens' class action suit. PASS attorney Richard Seltzer subsequently filed a motion for class action certification. The judge is also expected to rule on that motion at the next hearing.

The P.A.'s motion claims the PASS suit is invalid because the authority has not broken the lease. P.A. attorneys have also pointed out that the lease has no mechanism for ejection or eviction.

The P.A. occupies three city-owned piers under the terms of a 1952 lease between the authority, the city and the federal government. Under the terms of the lease, the P.A. retains control of the waterfront until 2002 for the purposes of operating a marine cargo terminal.

The piers have been dor-

mant for several decades, however, and the P.A. now hopes to develop the waterfront. Plans call for a series of high-rise office buildings, 1,200 luxury housing units, a marina and a hotel, but the city must approve a restated lease before the development can occur.

The city and the authority have been attempting to negotiate a new lease for three years with little success. While some progress was made last summer, negotiations have been halted for the last few months in the wake of a controversy over \$7.5 million in insurance funds the authority may owe the city.

The PASS suit asks that the P.A. be ejected from the piers because it has violated the '52 lease by failing to operate a marine terminal. Seltzer contends the authority is using the lease to hold "an unfair monopoly of Hoboken's most valuable land."

"The P.A. has manipulated the intentions of the lease for their own self-interest to en-

able them to control and monitor real estate development," Seltzer has charged.

PASS is opposed to the P.A. as a developer because it claims the authority could not be properly controlled by the city and the P.A. project could cost the city more than it would provide in revenue because of the increased services such as police and fire protection and garbage removal that would be needed.

The group has filed a second lawsuit against the P.A. attempting to recover the \$7.5 million in insurance money. The P.A. collected the funds after Pier B was destroyed by fire in 1980, and PASS has charged that the money should have been turned over to the city.

The city filed a crossclaim, joining the suit on the side of PASS, but city negotiators are considering a possible agreement with the P.A. whereby the city would drop the suit if the authority turned over all or part of the money.

P.A. offering \$5M in suit

Continued from Page 1

proposed development. Talks on a restated lease that would allow the P.A. to build a massive \$600 million "world-class project" on the southern half of the Hoboken waterfront have been deadlocked for several weeks because of the insurance funds controversy.

In an effort to break the deadlock, P.A. officials have offered to settle the insurance issue by creating an escrow account for Hoboken with \$2.5 million to apply to the 1987 budget, and thus lower the city's property tax rate, and \$2.5 million "to a schedule of public space improvements, especially (a) waterfront park, that are project-related," according to a memo obtained by The Jersey Journal.

Sources said the terms of the settlement make several strong demands and set a strict timetable for the city, including:

- that the city agree to the settlement by Feb. 13;
- that the city support the dismissal of the lawsuit by Feb. 20;

• that the city agree to meet with the P.A. at least twice a week to negotiate an agreement on the waterfront development by April 20.

Several council members said the P.A.'s proposal was "unacceptable" because of the demands, but they added that the city may be able to negotiate an equitable settlement, saving the expense and time of a court battle and allowing waterfront development negotiations to proceed.

A source close to the negotiations described the P.A.'s offer as a "first step" toward breaking the deadlock. The authority "is only saying, 'Here, try this out.' It's not a take it or leave it situation," he said.

But one council member said he sees "no reason why the city should have to make any agreements concerning the development before the P.A. gives us back what is rightfully ours in the first place."

The council put off any decision on settling the lawsuit until after City Law Director William Graves reviews the P.A.'s offer. The council will

meet again in closed session Wednesday to prepare a response.

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See SOVIETS—Page 11.

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Youngsters going to 'college'

By Jim DeRogatis 2/10/87

Students at the Hudson School in Hoboken will attend class at Stevens Institute of Technology for the next few weeks while the century-old building that houses their school is brought up to fire code.

Following a series of inspections, city officials ordered the private grammar school's 100 students to vacate classrooms in the city-owned building at Sixth Street and Park Avenue until a new fire alarm system, fire doors and fire walls are installed. The Hudson School is located in the same building that houses the Hoboken Industrial School and the public library.

Officials said the library can remain open while the code violations are eliminated because proper exits exist, but the Industrial School has also been ordered to leave the building and classes have been cancelled for the next three weeks. The Industrial School's evening classes attract about 100 adult students.

The Hudson School and the Industrial School utilize space in the back portion of the library building.

Hudson School director Suelien Newman accepted an offer from Stevens Tech President Kenneth Rogers to use space in one of the auditoriums at the Stevens Center building. The Hudson School, which offers a curriculum for gifted and

talented children, will continue to hold classes on the college campus until the city allows it to return to the library building.

Deputy Fire Chief Richard Trimittedi said the building should be brought up to fire safety standards in two to three weeks if work progresses as scheduled. The city has hired an architectural firm, the Gale Corp. of Basking Ridge, to prepare plans for installing new fire doors and fire walls.

Meanwhile, Frank "Pupie" Raia, a Hoboken developer, has offered to donate the necessary work.

"I toured the building and there are definitely violations there," Raia said. "I'm offering to help fix the violations be-

cause I'm concerned for the safety of those kids."

The controversy over the fire violations has raised questions about how the Hudson School came to be located in the city building. Although the school has been at its present location since 1978, city Law Director William Graves said "no one has been able to produce a written lease."

The Hudson School reportedly had a verbal agreement with former Mayor Steve Capiello and the Industrial School to occupy the city space in return for paying maintenance and general upkeep expenses for the building. But Graves said it is also unclear whether the Industrial School has a lease to the building.

Barry bids for Observer project

By Bill Campbell 2/13/87

The real estate developer who spurred Hoboken's proposed Observer Highway Redevelopment Plan yesterday said the city should consider "give-backs" as well as revenues when selecting a developer for the three-block site.

Joseph Barry, president of Applied Housing Associates and a potential bidder on the redevelopment site, told the Planning Board yesterday that the plan should provide a maximum amount of affordable housing and other benefits for

Hoboken residents. "This board has the responsibility to recommend to the City Council the destiny of future development," Barry said. "I can't urge you strongly enough to make this plan a pilot project to be used throughout the nation."

The redevelopment plan was formally presented to the Planning Board's Site Plan and Review Committee yesterday by Community Development Agency consultant Robert Armstrong. The plan to develop a mixed project of "affordable" and moderate-income housing was unveiled Wednesday at a City Hall news conference.

Barry and a handful of other developers attended yesterday's hour-long presentation.

The meeting was the first step in formulating a redevelopment plan for a section of Observer Highway which has been designated as blighted since 1972. By April, the city plans to issue a request for proposals for development of the area along Observer Highway between Bloomfield Street and Willow Avenue.

Barry, whose firm owns See BARRY—Page 25.

Millions bogged down in sewers

By Bill Campbell 2/19/87

At least nine multimillion dollar real estate projects in Hoboken and North Hudson have been put on hold because the local sewerage district is in violation of an administrative consent order with the state Department of Environmental Protection.

The projects in Hoboken, Weehawken and Union City have stalled because the Hoboken sewerage district, which links the three municipalities, violated its agreement with the state to comply with the federal Clean Water Act.

The Act, passed by Congress in the 1970s, orders municipalities to upgrade sewage treatment to a level which removes 85 percent of pollutants from waste water.

The DEP, in a renewed effort for compliance, is refusing to grant developers permits allowing them to hook their projects into the regional sewerage district in Hoboken.

According to Hoboken Public Works Director Roy Haack, a member of the committee which reviews sewage exemptions for the district, the DEP will reject all sewerage applications forwarded to the state. He said DEP rejection stipulates that a developer wait one year before reapplying.

"Most developers have chosen to wait to see if the DEP's position will change before submitting applications," Haack said.

Hoboken projects affected by the sewage ban include the Baker Waterfront Plaza, the Skyline, Presidential Towers and two condominium projects by West Bank Construction, he said. North Hudson projects include Lincoln Harbor and Cliffside Cove in Weehawken and St. Michael's Monastery in Union City.

Gerald Baker, an attorney and partner in the Baker Waterfront Plaza, last Thursday filed a lawsuit in Hudson County Superior Court to force Hoboken to issue permits to connect his \$10 million office complex into the sewerage system.

The suit, which names Haack, Leroy Callaneo of the DEP and the Hudson County Utilities Authority as defendants, is expected to set a precedent for other developers seeking sewage exemptions with the Hoboken sewerage district, according to those closely associated with the situation.

The city entered the controversial consent order, which sets a See MILLIONS—Page 6.



The Skyline project in Hoboken is among nine multimillion-dollar projects snagged by the ban on sewer hookups.

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Barry makes a pitch

Continued from Page 1

and manages some 1,200 federally subsidized housing units, last July proposed a \$60 million, 515-unit market rate and "affordable" rental project on the site. The plan included 115 units of affordable rental housing.

He urged the City Council to designate him exclusive site developer.

However, as political pressure mounted, the council agreed to seek alternate proposals before designating a developer. Barry said he believed his project could stand up to competition.

The redevelopment plan calls for 480 units, 20 percent of which would be designated as "affordable." The affordable units would be cross-subsidized by market rate housing and a \$3 million federal Housing Development Action Grant the city received last fall.

The plan permits developers to build a series of 11- to 17-story buildings along Observer Highway. A parking formula of one space per housing unit is also included in the plan.

Barry yesterday said the

city should not give in to the "super-heated speculative real estate market" and award the project to the highest bidder.

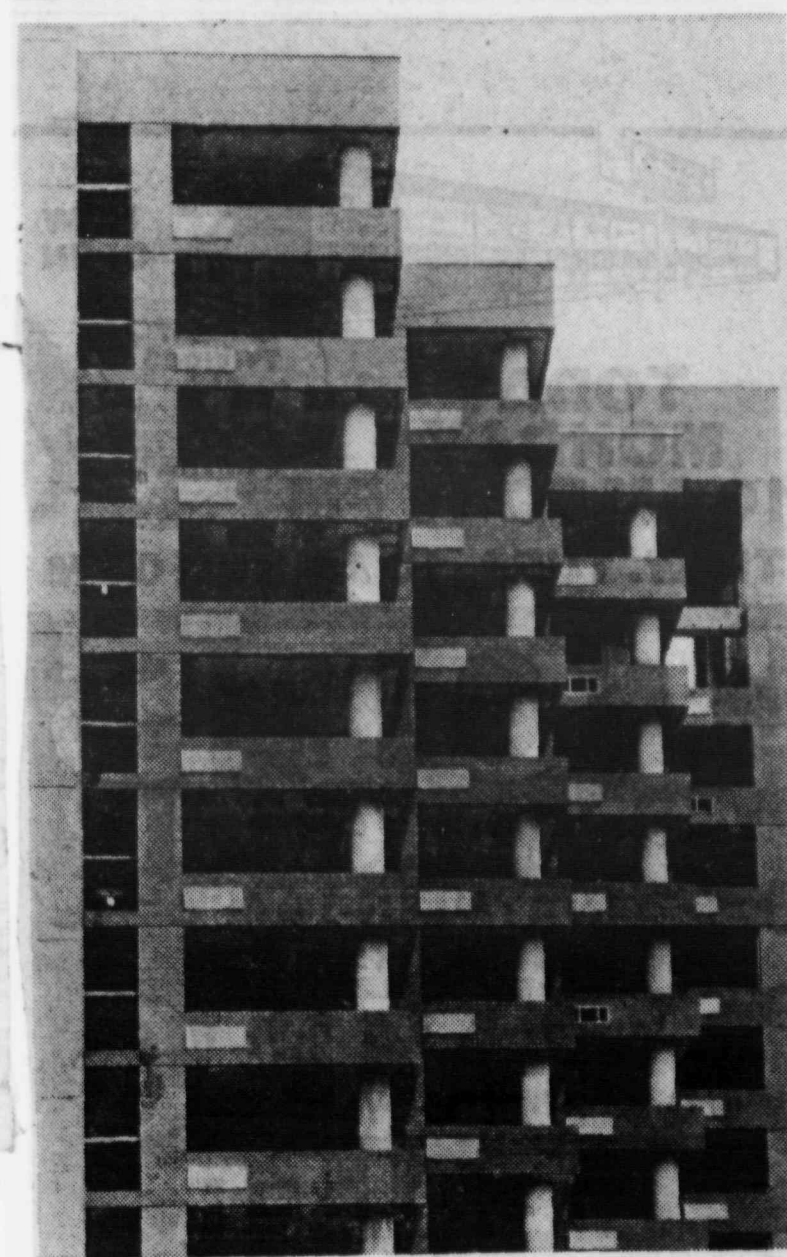
"When we discuss competition we should not just discuss dollars, but also what this project means to the city in affordable housing and amenities," Barry said.

He maintained that his firm has a track record of providing affordable housing units and can design a project to suit the city's needs.

Real estate developers and municipal officials have speculated that the request for proposals may spark a bidding war. City officials have said New York City developers Helmsley-Spear and Starrett Housing have already inquired about the site.

Barry told the board that his firm would present a new plan to develop the 2.5-acre site "that will knock your socks off." He said the bidding process prohibited him from elaborating on the proposal.

Help Hoboken Housing, a coalition of developers and property owners, is also expected to present a proposal.



Looking like giant building blocks abandoned by a child, the Skyline project stands unfinished in Hoboken because connections to city sewers cannot be made.

Millions of construction dollars snagged by sewer-hookup ban

Continued from Page 1

timetable for upgrading sewage treatment, in January 1985 after Baker argued that an existing sewerage ban would diminish his chances of obtaining a \$500,000 Urban Development Action Grant for the project.

In addition to the timetable, the order required that the developer provide an interim or "package" treatment plant in the event the project was completed before the sewerage district upgraded its plant.

Small projects which each day contribute 2,000 gallons of sewage or less to the district's system were exempt from the order.

While some developers and municipal officials viewed the consent order as an opportunity to continue development, others saw it as a straitjacket.

"We were practically doomed from the start by locking us into this order," said a Hoboken municipal attorney. "Usually this is something one does as a last resort."

In July, the DEP notified Hoboken that engineering design plans to upgrade the city's plant were "neither biddable nor constructable." The next month, the agency fined the city \$85,000 plus \$1,000 a day for neglecting to submit plans to rehabilitate tide gates and regulators and to fix a faulty pumping station.

The DEP later notified the city that it had reinstituted the sewage ban, halting all development in the district.

"We would have advised against entering the consent order right from the start," said George Crimmins, comptroller for the HCUA. He said his agency, which regulates countywide sewerage projects, was not notified of the order until after the city had signed it.

He and Haack said the HCUA and Hoboken can and have authorized sewerage hookup permits, but the DEP has not. Crimmins said applications for exemptions to the ban are processed by the municipality and the Hoboken Committee on Exemptions before going to the HCUA and the DEP.

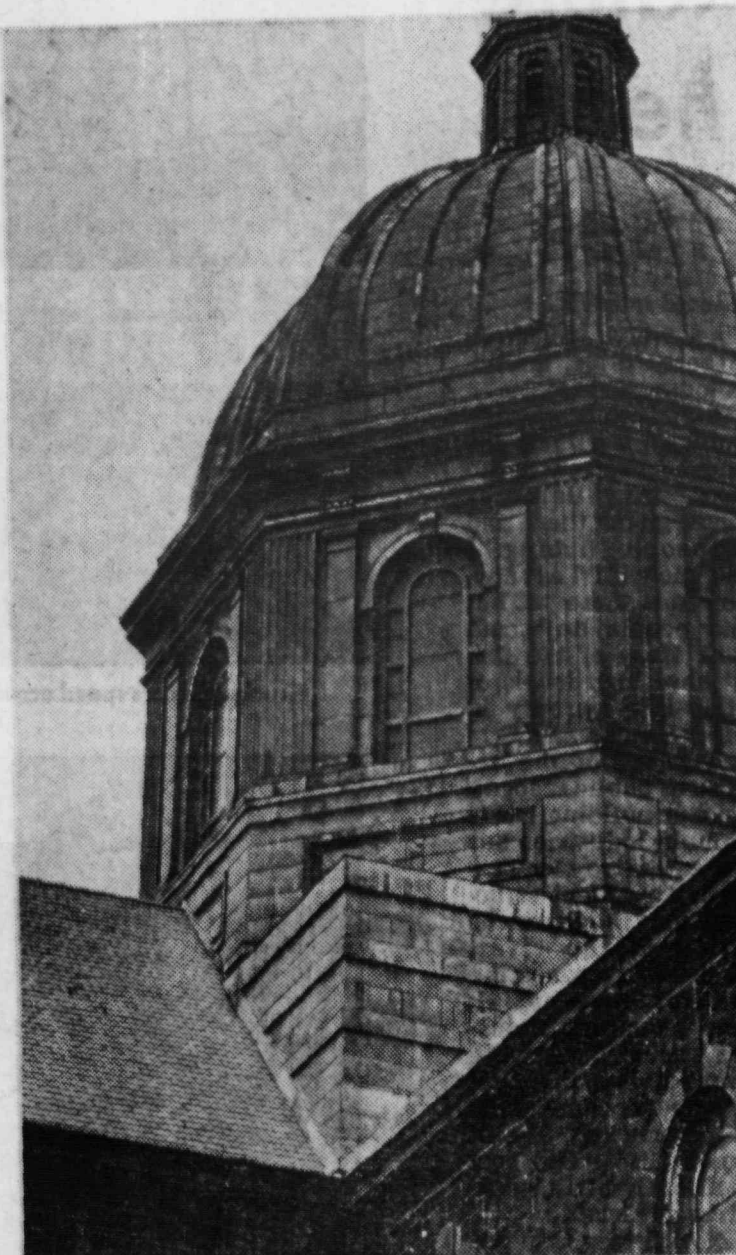
Hoboken City Councilman Pat Pasculli, who sits on the committee along with two other council members, Haack and the Hoboken municipal engineer, said the group has not met since last September when the body approved an exemption for the St. Michael's Monastery condominium project. That project was also approved for a sewerage hookup application by the HCUA, but was denied one by the DEP, on Nov. 12.

Haack said the project's developers must now wait until November before submitting another application. "It's not difficult to see why other developers have decided to wait," he said. Haack has nine applications in his office and receives several calls each week from developers. Last week, West Bank Development, which has proposed a \$60 million project on the site of the ShopRite Supermarket in Hoboken, submitted an application and request for an exemption for a 412-unit condominium project at 1601 Willow Ave.

In Weehawken, township officials, citing delays and setbacks with the Hoboken system, balked at renewing their service agreement in the regional sewerage district. Hartz Mountain Industries, developers of the sprawling Lincoln Harbor mixed-use project along the Hudson River, has offered to construct a separate wastewater treatment facility.

Mayor Stanley Iacono has said Weehawken would consider the Hartz alternative or any "cost-effective" plan, including Hoboken.

Hoboken, said Haack, has submitted plans to repair the tide gates and regulators and the pumping station and added that the



The conversion of St. Michael's Monastery, Union City, is among nine multimillion dollar projects on hold because of problems with Hoboken's sewage treatment facility.

Schools budget may boost taxes

By Jim DeRogatis 2/11/87

The Hoboken Board of Education approved a preliminary budget last night that could cause a \$15 jump in the 1987 tax rate.

School trustees approved a budget of \$25,775,207 for the 1987-88 school year by a vote of 5-2 during their regular meeting at board headquarters. Although the budget represents an overall decrease from last year's figure, the amount of money that would be raised by

taxation has risen by more than \$2.6 million, representing a hike in the tax rate of approximately \$15 per \$1,000 of assessed valuation.

England said he is "satisfied that the board has made all of the cuts possible."

Trustees trimmed more than \$903,000 from last year's budget, and England said "at least 51 employees will have to be laid off" unless a recently approved retirement plan encourages a "significant num-

ber" of senior employees to leave.

But board member Joseph Rafter strongly criticized the budget.

"I don't see how we can pass this budget on to the public when we're offering decreased services and asking them for more money," he said. Rafter and trustee Lourdes Arroyo cast the two "no" votes.

"This is another dead-end of the night deal. We should have had this budget two months ago, we should have informed

the public of what we were doing and we should have made whatever cuts were necessary," Rafter added, saying he believes the board can cut at least \$3 million from the budget.

Hoboken's student enrollment has been steadily declining in recent years, and board critics contend that the school system is drastically over-staffed. The system has also faced a steady decrease in state and federal aid, a trend See SCHOOLS—Page 16

Schools budget seen boosting tax rate by \$15

Continued from Page 1

administrators say continues with this year's budget, although the final aid figures have not yet arrived.

The board will hold a public hearing on the budget at Hoboken High School on March 18. Additional cuts could be considered following the hearing before the budget is presented to the Hudson County superintendent of schools. The budget will face a public referendum in the April

7 election.

Voters traditionally reject the school budget, and it then goes before the City Council for review. England said if the council asks the board to make further cuts, he will appeal to the state Board of Education.

"It hurts that (Rafter and Arroyo) are telling people there is fat in this budget after they worked with us making the cuts," England said, referring to a seven-hour budget work session held Monday. "It is my

personal opinion that there is no fat in this budget."

The board also approved the first reading of a policy change introduced by England that would allow private schools serving Hoboken residents to use space in the public schools on a temporary basis if their buildings were shut down. The schools would be asked to contribute to any additional expenses incurred.

The move came as a response to requests by the City

Council to allow the Hudson School and the Hoboken Industrial School to use space in public school buildings. The two schools, located in the rear of the city-owned public library, were forced to vacate last week when city inspectors found a number of fire code violations.

The board authorized Superintendent of Schools Walter Fine to accommodate both schools if they need space. Mary Gaspar, a member of the Industrial School and library

boards, asked the board for space for the approximately 150 adult evening students in the Industrial School. The 100 students in the Hudson School are studying at Stevens Institute of Technology; representatives of the school did not attend last night's meeting.

In other business, the board: • approved a policy change granting a leave of absence without pay to elected officials for the term of their office. • approved a request for a leave for Ronald Dario, a Ho-

boken school teacher currently serving as a state Assemblyman and Union City commissioner.

• approved a request to hire a head janitor for Hoboken High School and prepare a timetable for the district's custodial staff to assume the maintenance of the school. Custodial work at the high school had been handled by an outside firm, Servicemaster, but the board voted against renewing the company's contract several months ago as part of the budget-cutting effort.

Filing deadline shifted to Friday

By Jim DeRogatis

The deadline for submitting nominating petitions in the April 7 election for three seats on the Hoboken Board of Education has been extended one day to Friday at 4 p.m.

The board approved a resolution last night extending the deadline from Thursday to Friday in response to a request by the Hudson County Board of Education. The drawing for ballot positions has been changed to Friday at 7 p.m.

Petitions must be filed in the board secretary's office at 1115 Clinton St.

Five candidates have announced their intentions of running for three three-year terms on the board. They will be vying for seats currently held by Anthony DeBari, James Monaco and Richard England, the board president.

DeBari said last night that he does not intend to seek reelection. "I think 23 years' service on the board is enough," he said.

Monaco, a Hoboken fireman and vice president of the board, said he is "still considering" running, although he added, "I'm pretty sure I'll do it." England announced his intentions of running last week, he is uncertain whether he will run on a slate or independently.

Other candidates are Felix Rivera, an independent, and Steve Block, Michael Rossano and Carlos Perez, running as a slate sponsored by the Committee for Quality Education.

Illegal subletting in middle-income project charged

By Bill Campbell

Tenants and realtors are illegally subletting apartments in the state-financed Marineview Plaza housing complex in Hoboken, municipal officials have charged.

About 10 to 15 percent of the 400 units in the moderate-income project have been sublet without permission of the building's owner or the state, according to First Ward Councilman Thomas Newman. He said failure to notify both parties "is a clear violation" of the tenants' leases.

Mayor Thomas Vezetti is calling for an investigation of the illegal sublets, and Newman has urged the New Jersey Real Estate Commission to investigate charges that a local realtor two weeks ago placed newspaper ads offering a Marineview unit.

Tenants, who pay \$600 to \$700 a month to live in the complex, are subletting their units for as much as \$1,200 a month, an amount Newman says "undermines" the city's efforts to provide housing for moderate-income families.

Newman cited two newspaper advertisements by the E. Amato Real Estate Agency which offered a two-bedroom unit, with a terrace, New York

City view and all utilities paid. The ad appeared Jan. 18 in the New York Times and the weekly Hoboken Reporter.

Newman said an agent with the firm confirmed that the apartment was located in the Marineview complex. He said two people called the agency and were told the location of the unit, but that the transaction would have to be approved by the tenant, not the building's management company.

"We were told that we'd have to meet the tenant in person," Newman said. "We were given a clear admission by the agent of the building and we have witnesses."

Emilio Amato, principal of the real estate firm, did not return a detailed phone message outlining the charges.

"I hope you will appreciate the outrage we feel when we see one of our local real estate agencies assisting an individual in a bold attempt to advertise a sublet in, not just a local, but a New York newspaper," Newman wrote in his letter to the state's Real Estate Commission.

He urged the agency to investigate and take "whatever disciplinary actions you can" against the Amato Agency. He said the case could set a precedent.

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Subletting charged

Continued from Page 1

dent for other agencies who engage in the same practices.

Vezetti called illegal sublets at Marineview Plaza "a disgrace," but just one of "dozens" of abuses that have occurred in the 12-year history of the two 25-story towers that overlook the Hudson River waterfront. "I cried out about these abuses while on the City Council and I'm proud that we are doing something about it."

Doug Weedman, the newly appointed building manager who was praised by both Vezetti and Newman, declined comment on the alleged abuses. However, a tenant of the complex who asked not to be identified said he knows of "several" people in the buildings who have illegal sublets.

"It's not so surprising with the rents, and with all the problems we've had here that this happens," he said. When the complex opened in the spring of 1975, the \$12 million project housed some of the most expensive apartments in the city, he noted.

"I was paying \$299 for a one-bedroom and if you knew Hoboken back then, that was a lot of money for an apartment," he said. Today, the average price per unit makes the complex affordable.

The New Jersey Housing Finance Agency underwrote the project's mortgage in an effort to stabilize rents and provide moderate-income housing. Rents average \$650 at the 432-unit complex. Tenants are allowed to earn no more than \$45,000 a year to qualify for the units.

According to Annette Illing, a leader of the Marineview Plaza Tenants Association, sublets are legal, "if you have

permission of the landlord and the NJHFA."

However, she said, neither were likely to authorize sublets, given the city's housing crisis.

Patrick Caulfield, another member of the tenants association, said he was aware of the sublet allegations but said that Weedman, who was appointed as manager two months ago, has already reversed some of the "past abuses."

"I think it should be clear that this problem existed long before he was here," Caulfield said. "He should be given a six-month grace period just to get on top of everything."

Newman said he and other tenant activists have met with Weedman "many times" to discuss alleged abuses. "It's my understanding that every sublet would be illegal because he assured me he would not grant them."

Newman said the issue is especially important with the city's increasing shortage of moderate-income housing. He said tenants living in the Housing Authority projects and the subsidized Applied Housing buildings should "logically" be able to move into Marineview once they have exceeded the income limits of the city's "affordable" housing units.

He said subletting has contributed to the backlog of the more than 2,500 residents on the Marineview waiting list. "In all fairness, how can we allow apartments that should go for \$600 to Hoboken residents be rented, possibly to out-of-towners, for \$1,200?" he said. He urged tenants to advise him of abuses, adding that all information would be kept confidential.

Vezetti said the council should call for a full investigation of sublet abuses.

Cop files as board candidate

By Jim DeRogatis

A fifth candidate has joined the race for three seats on the Hoboken Board of Education in the April 7 election.

Felix Rivera, a 39-year-old Port Authority police officer, has announced his intentions of running as an independent candidate for a three-year term on the board. He will be vying for one of three seats currently held by Board President Richard England, Anthony DeBari and James Monaco.

England is the only one of the three to announce his intentions of seeking reelection. Other candidates now in the race are Steve Block, Michael Rossano, and Carlos Perez, who are running as a slate sponsored by the Committee for Quality Education.

The deadline for filing petitions is Thursday at 4 p.m. Ballot positions will be drawn at 8 p.m. in the board secretary's office at 1115 Clinton St.

Rivera, a Hoboken resident since 1970, has three sons who attend parochial schools. April's election will be his first attempt to seek elected office. He said he was motivated to run because of the "poor management and poor achievement" of the Hoboken school system.

"My interest is in providing better education as economically as possible," Rivera said. He added that his campaign slogan will be "Excellence in Education at a Reasonable Cost."

In a letter to The Jersey Journal, Rivera strongly criticized the CQE and board members Joseph Rafter and Lourdes Arroyo, who were elected on a CQE slate last spring.

"They have failed us and as the result the status quo prevails," he wrote. "I have yet to see definite measures come from their two elected members that would alleviate the problems of the exorbitant school tax and the low student achievement (test scores)."

The CQE candidates, running on a platform of ending political patronage and improving the quality of education, are considered strong favorites. The committee reportedly has a war chest of \$15,000, and candidates began door-to-door campaigning, accompanied by Mayor Thomas Vezetti, last weekend.

Hoboken teachers excused from class

By JANET WILSON

Staff Writer

HOBOKEN—The Board of Education helped out a local real estate broker and an assemblyman this week.

Ray Fiore, of Fiore Realty, and Assemblyman Ronald A. Dario both also happen to be schoolteachers here, although they have not seen excessive active duty in classrooms. The board voted Tuesday night to extend Dario's leave of absence another year and accepted a letter of resignation from Fiore.

There were some objections on both sides of the 5-3 vote; Lourdes Arroyo, Luis Morales, and Joseph Rafter voted against changing policy to allow Dario to extend his leave, and they abstained on the Fiore vote.

Steven Block, a former board member and candidate for April's election, was incensed by the Fiore vote.

"This guy comes in and works half a day in January in a school, and lo and behold, he's eligible for his retirement benefits," Block complained.

Board President Richard England said Fiore had worked in the schools here for 22 years prior to taking leave for his real estate business, and said having him retire

The hopelessness of Hoboken's homeless

By JANET WILSON

Staff Writer

HOBOKEN—Poor families here face a 1-in-100 chance of being placed in subsidized housing by year's end.

There are more than 4,000 homeless and low-income families waiting for the approximately 40 subsidized apartments expected to become vacant this year, according to housing personnel.

Worst of all, demoralized staff at the Housing Authority and the private Applied Housing Management Inc., which have the two largest sets of subsidized housing stock in the city, see no hope of improvement.

"It's a disaster, what's going on with the families right now," said Genevieve Pastore, head of tenant selection for the federally owned public housing projects, who works out of the Housing Authority office at 400 Harrison St.

"Nothing is being produced, so we are never going to meet the current demand," said Joseph Scala from Applied Housing, a private management firm with 1,300 subsidized units for families and senior citizens. Its offices are at 1228 Washington St.

Scala said the last time an Applied Housing apartment suitable for a large family actually became vacant was four years ago. Space is created, slowly, by switching parents whose children have grown



Photo by Don Smith

DEMAND for public housing in Hoboken, such as this project on Jackson Street, exceeds the city's supply of apartments, according to housing personnel.

and other decreased families to smaller units, opening up the multi-bedroom apartments.

The last public housing project built for families in Hoboken was completed in the mid-1960s, although housing for senior citizens continued to increase until 1973.

Programs such as Applied Housing were able to take advantage of federal housing subsidies and low-interest mortgages to rehabilitate run-down housing for low- and moderate-income families through 1980, when President Reagan ended all construction aid for subsidized

housing. Through the 1980s, the waiting lists have swollen, as property values here have skyrocketed.

These days, both local housing offices are playing a protracted waiting game: trying to keep wait-

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Hudson School ordered closed

By BRENDAN NOONAN

Staff Writer

HOBOKEN—The Hudson School was ordered closed yesterday because of fire safety violations that include inadequate exits, no fire alarms, overcrowded classrooms and stairwells which could accelerate the spread of flames.

Deputy Fire Chief Richard Tremietti issued the order after inspecting the city-owned building at 506 Park Ave., which also houses the Hoboken School for Industrial Education. He said he ordered it closed because of the "aggregate of hazards" held the potential for a major disaster in the event of a fire.

The most serious problems were with the stairwells and exits, Tremietti said. The stairs are made of wood and there are no barriers to prevent fire from shooting up the stairwells, he said, and the exits are poorly lit.

The classrooms where the school's 97 students are taught are "seriously overcrowded," Tremietti said, with as many as 25 children in rooms that can safely hold no more than 17. In addition, a duct from the building's boiler room passes through the library, into a basement classroom, then goes up "God knows where" into the upper floors, he said.

"That was conducive to the whole library and school burning down at any time," Tremietti said. The schools share the building with the city's Public Library.

Some violations, such as exposed electrical wiring, were corrected on the spot, and city carpenters were working to close off the duct, but the repairs were not enough to prevent the shutdown of the schools, Tremietti said.

The inspection was one of several

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POOR

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ing lists current, going through a daily ordeal of listening to tears and angry pleas from desperate families, and most difficult of all, agonizing over who most deserves the rare apartments that do become vacant.

"People used to think the projects were the slums," said an employee in the office. "Now they're desperate to get back in."

The Housing Authority will send questionnaires to the 1,168 families on its waiting list within a few weeks to determine if any of them have found new housing on their own. The authority is not very optimistic about the results. Last time a questionnaire was sent out, in 1982, the list ended up longer than it had been, not shorter.

To get into public housing, a family of four must not have a total income of more than \$20,000, and to qualify for Section 8 subsidized housing, the family cannot earn more than \$12,550. There are more than 1,000 qualified families waiting for 903 units.

"I prioritize. I have to," Pastore said. "It's very, very difficult to decide. Everyday they come in, they sit in the office, and they cry."

Pastore said she comes up with a monthly list, which she presents to the tenant selection committee—a group composed of city officials and current tenants—which makes the final decision. This month, she

said, she already is trying to handle several families burned out of their apartments, a terminally ill man being released from the hospital and several young mothers.

"I tell them they have to wait, there is nothing I can do," she said.

The situation is not very different at the Applied Housing offices. There are 3,658 names on the waiting list for 1,300 low- and moderate-income units.

While people earning moderate as well as low incomes are allowed to apply, as Scala points out, it is just as difficult for a working-class family of four to find an apartment for \$450 a month as it is for a welfare mother living under the poverty level.

"Marginal housing, the old tenements that nobody wanted, have all been snapped up, converted, sold, whatever. They're gone," he said.

The figures are not new; most of the people on the Housing Authority and Applied Housing waiting lists have been on them for at least five years.

"You're beating a dead horse, looking at these lists. Nothing can be done until funds become available for producing new housing units," Scala said.

"I disagree," said Raul Morales, the executive manager responsible for the Applied Housing waiting list. "It should be in front of people's eyes everyday, everyday until something is done."

TOWERS

Continued from Page 1

fordable" housing. Less than 30 of these units would be allocated for actual low-rent housing. Tenants of the affordable units would be selected by the developer, but would have to be eligible city residents.

CDA Director Michael Coleman said the designs had to be juggled carefully to meet a variety of needs, and that incorporating more low-rent housing simply was not economically possible.

Any developer selected for the project would have to pay at least \$4 million for the land, and another \$3 million to match a federal grant to subsidize construction and renting of the affordable units.

The four sites proposed for redevelopment together form a district that the city in 1972 declared "blighted." The land today probably is worth close to \$4 million, according to an almost-completed assessment for the city.

Both Coleman and Armstrong said at least four major developers have expressed an interest in the property. Applied Housing Management Inc., however, is the only one to have made a formal proposal to the City Council.

Applied Housing's proposal in June contained elements similar but not identical to yesterday's plans. Joseph Scala of Applied Housing said he could not comment until he had heard details, but that agency's plans could be altered.

Part of the land is the site of a city garage and outdoor parking lot. Other pieces are vacant lots and privately owned warehouse buildings. Any deals for the private

properties would have to be worked out between the developer and individual owners.

But even without those pieces, the developer would have the right to build a trio of 11-story towers that could be "squeezed up on top into the shape of a spire to a maximum height of 17 stories," according to the architect.

Behind the towers, which would contain the higher-rent units, the developer quickly would have to scale down to a height of five stories, to come in line with existing interior Hoboken architecture. The affordable-housing units would be in back in one of the lower buildings, between Park and Willow avenues.

The municipal garage used for storing garbage trucks and snow plows possibly would be housed under this section of apartments, or would be maintained as is along Observer Highway. The city either will have a long-term lease with the developer for the garage, or will be allowed to lease the air rights to build over the garage, which would stay in city hands.

All the required zoning changes closely adhere to the new Master Plan of last year and to recommended zoning-ordinance changes.

The plan is scheduled to be presented officially to the Planning Board's site review committee today, and then must be approved by a series of municipal bodies. The city hopes to issue a request for proposals by summer.

The developer would be selected by a special committee composed of Mayor Thomas F. Vezetti, Coleman and three City Council members.

3 towers proposed for Hoboken

By JANET WILSON

Staff Writer

HOBOKEN—The city's gritty southern edge could be transformed by a narrow strip of gleaming spires along Observer Highway, if a redevelopment plan announced yesterday by the city's Community Development Agency is approved.

The plan calls for the sale of city-owned property on the highway between Willow Avenue and Bloomfield Street to a private developer, who would be allowed to build three 11-story residential towers that could narrow upward into spires for a total height of 17 stories.

The towers would house at least 350 apartments renting at "New York City prices" and parking spaces, according to Robert Armstrong, the architect of the conceptual designs. Behind the towers would be at least one five-story structure containing 97 units of "affordable" housing.

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DEP may soon lift sewer-link taboo

By Bill Campbell

Hoboken officials said they are hoping that the state Department of Environmental Protection will soon lift its ban on sewage hook-up permits.

The DEP is reviewing engineering plans to repair the city's tidal gates, regulators and a broken pump station.

The city is also seeking to free itself from a series of steep fines imposed last summer when the DEP cited Hoboken for violating an administrative consent order to make repairs to the municipal sewerage system.

City officials said they hope the plans will show Hoboken's "good faith" in upgrading the sewerage system.

The moratorium has affected millions of dollars of real estate development in the region served by the Hoboken sewerage treatment facility. Developers in Hoboken, Union City, Weehawken and Guttenberg are prohibited from connecting new or rehabilitated buildings that would generate more than 2,500 gallons of sewage a day in municipal sewerage lines.

Roy Haack, superintendent of water and sewage, said plans for 11 projects around the region await review by the city's Sewer Exemption Committee. After municipal review, the plans are forwarded to the HCUA and the DEP.

"The DEP has told us that they will grant no exemptions," Haack said. "We are telling developers to wait until we submit tide gate repair plans before submitting development plans."

He said that once a project is rejected for an exemption by the DEP, the developer must wait a year before submitting a new application.

The DEP is expected to receive the repair plans later this week. They were recently reviewed by the Hudson County Utilities Authority and approved by the agency's commissioners Monday.

Hoboken must ultimately upgrade to a secondary sewage treatment level, which removes 85 percent of waste water pollutants, by July 1988.

The DEP told Haack that the city was being fined \$85,000 plus \$1,000 a day for each day it fails to submit such plans. Although the actual repairs were not required until July, the DEP said the repair plans were due last July.

Hoboken owes the DEP more than \$300,000 in fines, officials said. Law Director William Graves said the municipality will ask for a "complete forgiveness" of the fines if the city can meet the July deadline.

In 1984, Hoboken rejected a proposal by the HCUA to obtain federal funding for the repair project, choosing to seek funding from the Port Authority of New York and New Jersey. The Port Authority did not make the repairs after negotiations to develop the city's southern waterfront broke off.

Haack said the project could cost the city up to \$2 million. He said construction funds may be obtained through low-interest loans offered through the state or through the issuance of municipal bond anticipation notes.

Affordable housing planned along Observer Highway

By Jim DeRegatis

Hoboken officials unveiled a redevelopment plan yesterday for a mixed project of "affordable" and luxury housing on city-owned land along Observer Highway.

The plan, to be presented to the Planning Board today, would permit developers to construct a series of 11- to 17-story housing projects along Observer Highway between Bloomfield Street and Willow Avenue. The development would have a total of 480 units, 20 percent of which would be designated as "affordable" housing for Hoboken residents.

The affordable units would be partially subsidized by a \$3 million federal Housing Development Action Grant the city

was awarded last summer and partially by the rent from the luxury market-rate units, according to officials from the city Community Development Agency.

The CDA will issue a Request for Proposals in April based on the plan in an effort to attract developers interested in working on the site. The City Council asked the agency to develop an RFP for Observer Highway after Joseph Barry of Applied Development Associates presented the council with a plan last July for a project similar to the one proposed by the city.

The council postponed any action on Barry's project until it could review proposals from other developers.

Administration sources

have confirmed reports that several other developers have already expressed an interest in the Observer Highway site, including New York developers Harry Helmsley and Starrs Housing and Richard Miller, developer of the Grand Adams project in Hoboken.

Robert Armstrong, a CDA consultant who developed the plan and presented it at a news conference yesterday, said the project area has been designated as blighted since 1972. The designation provides the city with broad powers to acquire privately owned land as part of the redevelopment effort.

Located in the city's southeastern region, the area consists largely of city-owned land, including the City Hall parking

See AFFORDABLE—Page 6.

Affordable housing planned

Continued from Page 1

lot between Bloomfield and Garden streets, a vacant lot that was once a playground between Garden Street and Park Avenue, the municipal garage between Park and Willow avenues and an adjacent parking lot for city vehicles.

It also includes the Holiday Fashions garment factory on the corner of Park Avenue and Observer Highway and two vacant lots on Park Avenue owned by assistant Municipal Judge Ross London. It was unclear yesterday whether they will be included in the final project.

Armstrong said that while "the city does not have the money" to buy the sites, "the Planning Board may consider condemning the property if the

developer puts up the money."

Barry's proposal had asked the city to demolish the municipal garage, which was constructed less than 10 years ago, but Armstrong said he had searched without success for six months to find a site on which to relocate the facility.

The redevelopment plan calls for the developer to build either around or over the garage and incorporate parking for city vehicles in the project. Armstrong said the CDA is still researching the question of whether the city will retain ownership of the garage and sell the air rights to build over it, or sell the land and lease the garage back from the developer.

The Observer Highway plan sets strict standards of 60

percent lot coverage for housing and 70 percent lot coverage for parking, similar to restrictions included in the revised zoning ordinance being considered by the council. The plan demands that developers provide 100 percent parking, although the spaces can be scattered throughout the site.

Armstrong said the development would probably feature three stories of parking and eight stories of housing for a total of 11 stories, but the developer could seek permission to build as high as 17 stories in a series of "staggered spires" as long as he does not exceed the recommended density.

The developer would be required to construct the affordable component of the project

before moving on to the rest of the development. The units would be included in a series of five-story buildings adjacent to the luxury component on Park and Willow avenues.

The redevelopment plan stipulates that the developer provide 97 affordable units, 74 for middle-income Hoboken residents and 23 for low-income residents. The low-income units would range from \$186 a month for a one-bedroom unit to \$295 for a three-bedroom unit. The middle-income units would range from \$695 a month for a one-bedroom unit to \$970 for a three-bedroom unit.

Armstrong said the market-rate housing could be expected to be in line with New York rents, ranging from \$1,000 to \$1,500 a month. A portion of the rent from these units would "cross-subsidize" the affordable units. The low-income units would be further subsidized by the \$3 million HoDAG grant.

While the affordable units would be earmarked for Hoboken residents, the developer would be in charge of tenant selection, Armstrong said. The developer would be forced to maintain the units for Hoboken residents for 20 years, and CDA would monitor the units to assure they were rented by city residents.

CDA Director Michael Coleman said the formula for the affordable rents was derived by considering the cost of building each unit and what the developer could charge for the luxury units. Although Coleman agreed the affordable rents would not be affordable to many Hoboken residents, he said the project provides the "most reasonable rents possible" in the absence of federal subsidies and without providing the developer with other incentives such as tax abatements.

The buildings would be fully taxed, generating about \$1 million a year, Coleman said.

In addition, the city could expect to earn about \$4 million from the sale of the land to apply to the 1988 tax rate, Coleman said. He added that, if the Planning Board approves the plan, the Request for Proposals could be issued in April and the mayor and council could choose to accept a proposal by July.

Mayor Thomas Vezzetti, who attended the news conference, praised the redevelopment plan.

"I'm fulfilling two of my campaign promises," he said. "This is going to help lower taxes and provide affordable housing."

Vezzetti had criticized Barry's proposal because he claimed its "affordable rents were not affordable enough." The Applied Development project contained 500 units, 115 of which would be affordable with rents ranging from \$350 to \$750 a month. The project was 16 stories tall and was estimated to cost \$60 million.

Barry is expected to respond to the city's Request for Proposals. He has frequently said he is confident his project will stand up to other proposals because of his reputation as a developer. Barry's Applied Housing company built and manages some 1,200 subsidized units in Hoboken.

Developer reaffirms Hoboken plan

By JANET WILSON
Staff Writer

HOBOKEN—Joe Barry, the flamboyant affordable-housing developer who submitted the original plans for rehabilitating city-owned buildings on Observer Highway, showed up at a Planning Board committee meeting yesterday to reaffirm his interest.

"We are in for the duration," Barry said. "We're going the whole hog."

The city Community Development Agency unveiled conceptual designs Wednesday that were close to but not exactly what Barry had proposed to the City Council during the summer. The CDA plans, like Barry's, call for residential towers with stepped-back spires, but at slightly lower heights, and with 480 rather than 515 apartments.

Barry said he was at yesterday's meeting to reiterate that "the site deserves high density, and high den-

sity is the only way to make it economically feasible to include affordable housing."

He said he also would like to see 18 stories rather than the 17 proposed by the CDA. His plan also would designate 23 percent to 25 percent of the units as affordable housing, rather than the 20 percent outlined by CDA.

While Barry, who heads Applied Housing Management Inc., has a favorable track record in rehabilitating existing structures for affordable housing, there is potentially heavy competition for the project from other major developers, inside and out of New Jersey.

Sources in the office of Mayor Thomas F. Vezzetti have indicated that Helmsley-Spear and Starrrett Housing, both of Manhattan, Richard Miller of the Grand Adams project, Ray Lemme and even the Help Hoboken Housing landlords

group could be interested. Barry, who has rehabilitated nearly 1,300 units of housing, said he was not intimidated.

"Are we still a contender?" he said. "We're the champs at this stuff."

He said Applied Housing would have no problem raising the millions of dollars required and indicated the company also is negotiating to purchase privately owned lots adjacent to the city's property.

The proposed development site includes city parking lots and garages on the highway between Bloomfield Street and Willow Avenue. The CDA indicated it also could include the Holiday Fashions clothing factory on Park Avenue and Observer Highway, and two vacant lots on Park Avenue that are owned by Assistant Municipal Judge Ross London, if the developer is willing to purchase those sites.

Main break is repaired in Hoboken

Bloomfield Street between First and Second streets in Hoboken remained closed yesterday as city workers attempted to repair a broken street main that caused a partial street collapse and left some residents without water for more than 10 hours.

Public Works Director Roy Haack said a water main in front of an abandoned building at 117 Bloomfield St. burst Wednesday afternoon, flooding basements of four neighboring houses and forcing workers to cut the water supply to the immediate area. The break also caused an 8- by 10-foot section of the street to collapse, Haack said.

The city Law Department is in the process of foreclosing on the building, which is owned by John DeFlore. Haack said the building "has been a problem for the past three weeks" and firefighters have had to break in twice to shut off water pipes that had burst inside.

The water was turned on again early yesterday morning, and Haack said the street should be reopened today.

Shelter residents push for more aid

By BRENDAN NOONAN
Staff Writer

About 45 homeless people from Jersey City and Hoboken organized their own trip to Trenton yesterday, to join a rally seeking more aid for those who have no place to live.

Most of the participants live at the St. Lucy's shelter at 16th and Grove streets in Jersey City, said Steve Finn, an advocate for the homeless who helped organize the trip. But he stressed that it was the homeless people themselves who planned the bus trip, illustrating a theme of "homeless, not helpless" that the marchers brought to the rally.

The gathering of about 250 people at the Statehouse was coordinated under the auspices of the Right to Housing Coalition, a statewide organization, Finn said. Locally, the homeless were led by Eddie Jackson, a resident of the St. Lucy's shelter who spoke at the rally.

Jackson said the homeless were pushing for legislation that would endorse the findings of Gov. Thomas H. Kean's Task Force on the Homeless. That group declared in 1983 that the homeless are entitled to basic food and shelter on a "no-fault" basis, regardless of how they became homeless.

Jackson said the marchers had no quarrel with Kean. "It's the Legis-

lature that we have duly elected that's dragging its feet'

lature that we have duly elected that's dragging its feet," he said.

He called for construction and rehabilitation of more affordable housing, a statewide law against "warehousing" of apartments, strict enforcement of rent control and anti-discrimination laws, and more permanent and better funded shelters for the homeless.

Forty residents representing St. Lucy's and the Square Meal soup kitchen and five homeless people from Hoboken were on the bus to Trenton, Finn said.

Jersey City Councilman Jaime Vazquez and Councilwoman Frances O. Thompson also addressed the rally. Other cities represented included Elizabeth, New Brunswick, Trenton and Paterson, Finn said. Organizations participating included the Bergen County Central Trades Council and New Jersey Citizen Action.

Still stuck in Hoboken

Hoboken Councilman Robert Ranieri and Hoboken attorney Bernard Kenny finally met face-to-face to try to decide which of them would be the 'Hoboken' Democratic candidate for Assembly in the 33rd District.

The meeting didn't produce the results that either they or other Democratic leaders wanted.

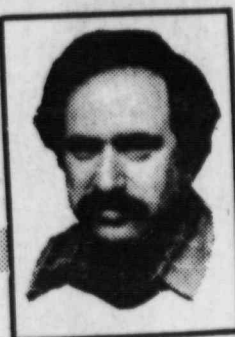
"Nothing was solved," said Kenny, after he and Ranieri met this week with West New York Mayor Anthony DeFino, met the North Hudson Democratic leader.

"We are about where we were," agreed Ranieri, who held the Assembly seat until the 1984 election.

Where Kenny and Ranieri were, and are, is that each thinks he should be the candidate on the ticket which is

Political whirl

By Peter Weiss



supported by DeFino, Jersey City Mayor Anthony Cucci and six of the other eight Democratic mayors in the county. That's the ticket that has former Assemblyman Robert Janiszewski of Jersey City as the candidate for county executive.

There will be another major ticket in the Democratic primary, headed by County Executive Edward Clark. There's no question that either Kenny or Ranieri would be welcome on it, but neither of them wanted to admit to thinking about it, yet.

"I'm confident that I'll be the candidate (of the Janiszewski ticket)," said Ranieri.

"I'm putting my energy into getting the position," said Kenny.

One factor making it a tough decision is that Kenny and Ranieri have both been loyal Democrats, and each has a following within the DeFino-Cucci faction of the party. Rejecting either of them could mean losing more than just that one person's support.

Ranieri argues that he has a record of voter support in Hoboken, and that Hoboken is going to be the key to the 33rd District in the general election.

He likened the situation to a baseball team having to choose a pitcher for a crucial game. "Who would you rather have, a proven vet or an untried rookie?" he asked.

Kenny points out that he has the support of Mayor Thomas Vezzetti and seven of the nine Hoboken City Council members. The mayor, a maverick Democrat, has already said he will oppose Ranieri's candidacy both in the primary and the general election.

A meeting is now being arranged that will include DeFino, Cucci, Janiszewski, Sen. Chris Jackman of West New York and Union City Mayor Robert Menendez, to try to make a decision. Jackman heads the ticket in the 33rd District and Menendez will likely be its other Assembly candidate.

There's another problem with the ticket involving Hoboken Democrats. They are supporting county Freeholder Nidia Davila-Colon of Jersey City, whose Fourth District includes part of Hoboken, as the candidate on Janiszewski's ticket.

But some Cucci supporters don't want her on that ticket because she campaigned for the other side in the 1985 municipal election and because she defeated then-Freeholder Frank Manzo, a Cucci aide, in the 1984 Democratic primary.

The Hoboken Democrats feel they owe Davila-Colon support because she helped them in that city's municipal election in 1985. She says she intends to seek reelection but doesn't know which side she'll wind up on in the primary.

Hudson School progress seen

By JANET WILSON
Staff Writer

HOBOKEN—The Hudson School could be open for classes again within two weeks, according to fire officials, with major safety hazards already being cleared up.

The smoke is still clearing on a City Hall battle over the decision to

shut the building at 506 Park Ave., which also houses the Public Library and the adult Industrial School.

Private developer Frank Raia installed safety doors at his own expense in the building this weekend, and city workers sealed a duct from the basement boiler room that could have spread lethal flames quickly

from a boiler fire throughout the entire building.

Classes in the city-owned building were canceled, and the third floor of the library was closed Friday after Deputy Chief Richard Tremittie of the Fire Department found 63 safety violations.

The 97 students in the Hudson See SCHOOL, Page 10

SCHOOL

Continued from Page 1

School are attending classes in space donated by Stevens Tech on an emergency basis, according to city officials. The Board of Education passed a resolution Tuesday night, authorizing the superintendent to find another temporary home for the private school if necessary until repairs are finished. De-marest School, which has empty classrooms, would be a likely choice, according to board member James Farina.

William Graves, head of the city's Departments of Law and Public Safety, yesterday withdrew an appeal by the city, which is the landlord of the building, against officials of its own Division of Fire Safety and Buildings Department.

Graves had mailed a letter to the Hudson County Code Enforcement Office Monday requesting a review of the local decision, which was made after three inspections by licensed subcode officials of the Fire and Buildings departments.

Although Graves stoutly denied any pressure was placed on him to bring the appeal originally, two sources in City Hall said Councilman Thomas Newman, husband of Suelien Newman, who heads the private school, had "hounded" the Law Department into bringing action. The school also is appealing the closing independently of the city action, according to Graves.

Thomas Newman Tuesday night said he had questioned Law Department attorneys as to whether the closing was necessary, but said he did not pressure them to bring an appeal. Graves said attorneys for the law department had spent several hours reviewing state codes to see if each of the 63 violations was justified.

Tremittie Tuesday appeared reluctant to discuss the charge of politics, or the appeal, saying only, "I believe we saved lives by closing that school. I am in the business of saving lives."

"Great Adventure was a tragedy because young people died," he said. "I do not want parents or city officials coming to me wanting to know why their children died if there were to be a fire" at the Hudson School.

Graves said the appeal was a moot issue yesterday, because of a productive meeting Monday morning with fire and building code officials, the school's attorney, city Business Administrator Edwin Chius and Maureen Schweicker of the Law Department.

Asked why the city brought the appeal, Graves said Bill Jones, an architect hired by the school, had convinced the city during the week-end that, while there is no question that there were violations, they did not constitute a life-threatening situation.

The city, as landlord of the building, will pay the costs of bringing the building up to state-mandated safety standards, including "hopefully under \$7,000" for a manual electric alarm system, Chius said.

He said the Hudson School will be required to enter into a lease with the city after this year, and will have to "bear a portion of the costs of upgrading." The school has occupied space in the building under a verbal agreement with the Industrial School for nine years.

The Public Library Board of Trustees was scheduled to discuss with Chius last night the question of whether a children's librarian could continue to obtain books for young children from the closed juvenile section on the third floor, which is shared with the Hudson School. Some parents had protested the closing of that room as well.

This story contained information from a story that, because of technical difficulties, did not run in full in yesterday's editions.

The school board race is on

Candidates file for Hudson and Bergen elections

Hoboken

The Committee for Quality Education says its three candidates for the April 7 Board of Education election are winners.

Evidently, not everyone else thinks so.

Eight additional candidates filed petitions before the 4 p.m. deadline yesterday to run for the three seats up for grabs on the eight-member board, including President Richard England and old-line board member James Monaco. Trustee Anthony DeBari elected not to seek another term.

The other candidates range from a 22-year-old new face from the 2nd Ward to a police lieutenant who ran a surprisingly strong race last year. The only woman in the race, Gerri Pantoliano, is also the only candidate with children in the city school system.

It remains to be seen whether any of the eight will hand together as a ticket. All claim to be independent of either the CQE slate, backed by Mayor Thomas F. Vezetti, or the anti-Vezetti forces, but several consider themselves friendly to former Mayor Steve Cappelletto, now a councilman.

"I need all the help I can to run against the CQE," said England, who is completing his first year as an elected member. "They have a \$15,000 war chest. It's like running into a wall. I would welcome the chance to run with anybody, but I'd have to see what their platforms would be first."

England drew praise from several of the other candidates and their backers, including CQE President Gail Turman. "He's really tried hard this year in what is a tough job," she said. "But I don't see him being able to make the drastic changes that still need to be made."

"I need to have more than one year to accomplish everything that needs to be done," said England. He said further changes focus on continued cost-cutting, including the elimination of 51 junior teachers this spring, and the pairing of three to six highly paid staff members from administrative posts, the candidates including supervisors and building administrators.

The candidates who filed yesterday with board Secretary Anthony Curko are:

• Perry Belfiore, a seventh-place finisher in last year's re-election race who taught children at Calabro School for a year, then decided the job was "tougher than wrestling with barracudas." He favors increased drug and sex education programs in the schools, and a thorough study of the table of organization in the system. He said he likes England and Mario Mercado, and would be happy to run with them.

• Steve Block has been a persistently outspoken presence at school board meetings for a decade, both as a member of the board and as a critic. He is one of three candidates on the CQE slate. Block said he is "tremendously excited" by the CQE members already elected to the board, and "finally sees a real chance for change."

Block works for the state Department of Education, helping other school districts to improve their programs.

• England, an employee of Maxwell House Coffee in White Plains, N.Y., originally a Cappelletto appointee, said he has illustrated in the last year that he is an independent, and "votes as he feels on an issue, whether it offends somebody or not."

• Orlando Esposito, a 22-year-old lifelong resident of Hoboken, is a product of parochial schools. "My parents didn't feel they could send me to the public schools," Esposito, who works at both Bankers Trust in Jersey City and in his father's vegetable store, said he is running strictly as a product of his community. "The educational system is not accommodating the changes in Hoboken right now. The success of our future depends on guaranteeing good education," he said.

• Mercado, a lieutenant in the city Police Department who admits he has supported Cappelletto in the past, insisted he now is strictly independent. He likes the educational policies of the CQE, but said he thinks it is hypocritical for its members to say they are depoliticizing the schools "when they've been endorsed by the mayor and have a political agenda." He said he plans to contact all seven of the other independents about ticket possibilities.

• Monaco, a longtime board member who originally was appointed by Cappelletto, has cast his vote in favor of closing — and possibly selling — Demarest Junior High School. Monaco could not be reached yesterday for comment.

• Pantoliano, a lifelong resident of this city and an employee of the Headstart program with two children in the schools, said she is "running as a mother who is extremely concerned about the low scores" on state tests, and one who wants "kids to be proud of their schools, like we used to be." Pantoliano said she has worked with Project Head Start's preschool for the past eight years. She and her husband, the head custodian at the Calabro School, have three children, including a 12-year-old son who attends Calabro.

"I'm a product of the Hoboken school system myself, and we used to have a lot of pride in the schools," Pantoliano said. "I'd like to try to get some of that back."

The candidate said she was motivated to run because her son is in the system and because she works with many children who will attend the system. Monaco, a Hoboken firefighter and the board's vice president, has served on the board seven years since he was elected on a slate backed by then-Mayor Steve Cappelletto. Monaco was reportedly out of town for the weekend and could not be reached for comment.

Monaco is considered to be anti-administration. He caused a controversy last summer when he introduced a resolution to close the Demarest school.

Strangeman, 56, is a former fleet manager with the Sea-train shipping line. He has lived in Hoboken for 14 years and is the father of three grown children. As spokesman for Citizens for a Good Clean Environment, an organization critical of Mayor Thomas Vezetti, he has been at the forefront of the move to recall the mayor.

"I decided to run because I am tired of hearing the same old rhetoric and seeing the same faces," he said. "I think I have something to offer the board in terms of management skills and experience."

Strangeman said he is in favor of closing a school and upgrading the quality of education. Despite the number of candidates in the election, there is only one organized slate. Block, Perez and Rossano are running with the backing of the Committee for Quality Education.

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toliano said she likes England's ideas and was born and raised with Monaco and Cappelletto, and would welcome the ex-mayor's support, although she is determined to run independently if he does not offer it.

• Carlos Perez, a member of the CQE ticket who heads an education program at William Paterson College in Wayne, was reported to be out of town yesterday.

• Felix Rivera could not be reached yesterday, either. He is said to be upset with the CQE because he wanted to run on that slate, but allegedly was given indications that there was only one slot open for a Hispanic.

• Michael Rossano, the third designee for the CQE slate, works for Salomon Brothers on Wall Street in Manhattan, and is a lifelong resident of this city.

• William Strangeman, a naval architect, said he is not interested in being backed by either Cappelletto or Vezetti. Strangeman said he is "sick to death of the patronage and politics" of the school board on both sides, and is running strictly as an independent who believes the school administration needs to be streamlined.

None of the candidates contacted said he favors the closing of a school in the face of declining enrollments, but several said they thought, if one has to be shut, it should be kept in the city's hands, and used to house the Board of Health or private classes for children or for adults, or its site should be used for more affordable housing.

North Bergen

Fourteen people filed for three spots on the April 7 Board of Education ballot yesterday, including the director of the township Housing Authority, the sister of the township's construction code official and a close friend of the school superintendent.

The election is not likely to pit the township's well-known political factions against one another, as the state of those factions is in a flux.

A member of one political organization opposed to the current administration went as far as to concede the election to the organization that put the administration in place. However, there have been recent indications that the organization may face a split itself.

Two incumbents, Mary Calabria and Daniel Maresca, are running again. A third, Ruth Newman, did not file for re-election. Newman was the last stalwart on the board of former mayor Anthony DiVino.

cent, and complained earlier this year that the other eight members had frozen her out.

At least two people close to the organization traditionally associated with former Township Clerk Joseph Mocco have a stake in the election. Housing Authority Director Ronald Jeffrey submitted his name yesterday, as did Christina Boesch, the sister of Construction Code Official Edward "Bo" Scannavino. In addition, Linda Rucci is said to be a close friend of Superintendent of Schools Leo Gattolli Jr. Neither could be reached for comment.

Saying "blood is thicker than water," Scannavino yesterday said he will support the organization's presumed choice of Calabria and Maresca and his sister.

Other notables include Richard Fried, publisher of the defunct "North Bergen Bulletin," an anti-DiVino publication, and Herbert Shaw, a perennial candidate.

The other candidates include: Salvatore DeSantis; Bart Raffaele; Dennis Jaslow; Francis Pulles; Patricia Bartoli; Kathleen Martinelli and Richard Meil.

The candidates, who had to submit 10 valid signatures on a petition to qualify, have until Friday to withdraw their names from contention.

Secaucus

Three Board of Education incumbents were the only candidates expected to file for the April 7 election.

By late yesterday afternoon, no additional petitions had come in, and board Secretary Ronald Temple said he had "not heard any rumors or whispers" of any other interested parties. The filing deadline was 4 p.m. yesterday.

The incumbents running for three-year terms are board Vice President Eleanor Reini and Trustees Michael Grecco and Dennis Brown.

Bergen County

There will be races for Southeast Bergen Board of Education seats in all municipalities but Ridgefield and Fairview.

School board aspirants were required to file their petitions of candidacy by 4 p.m. yesterday with their respective district clerks. Voters will choose board members and determine the fate of 1987-88 school budgets on April 7.

In Cliffside Park, five people are vying for three three-year terms

and one is running unopposed for the unexpired one-year term of Paul Petermann.

Trustees Bernice Weiss, Bernard Fontana and Harlan Umansky will fight to retain their seats against challengers Alan S. Blume and Isabella E. Keshishian. Weiss is a former board president.

Edward Duva is unopposed for the last year of Petermann's term. Duva was appointed to the board last month.

Three Fort Lee incumbents, including President Nancy Miller, are seeking re-election. Three three-year terms are open, as well as the one-year unexpired term of Arthur Pastore.

Challengers Paula Jean Slier, Marlene Shelley and Paul Hatten will oppose Miller and board members Richard A. Horan and George Makroulakis.

Charles B. Ferrara is running unopposed for Pastore's one-year term. Ferrara was appointed to the board last year.

In Edgewater, three people are running for the two three-year terms available. Challenger Marylou Zimick will face Trustees Shirley Ullman and Peter DePaul, who will seek re-election.

In Palisades Park, six candidates will vie for three open seats on the nine-member school board. One of them is incumbent Patrick J. Tansey, owner of Dillinger's Restaurant on Broad Avenue, who is seeking a second three-year term.

The other candidates are: Dr. Constantine Christolias, a dentist; Christine Brown, 30, who has two children in the borough school system; Mark Pasquale, Domenick Matesic and Daniel J. Kennedy.

Christolias, reached by telephone yesterday, described himself as unopposed with politics and said he is running because "I have three small children getting ready to go to school."

Brown, Pasquale, Matesic and Kennedy could not be reached for comment yesterday afternoon.

Ridgefield and Fairview will see no races for the school board. In Ridgefield, incumbents Edmund Eyerman, Nicholas Petrillo and Edward Bogosian are the only candidates.

Fairview Trustees Angelo D'Armino, Russell Martin and Robert Weiss are also unopposed in their bids for re-election.

It's called 'progress'

By Jim DeRogatis 2/16/87

It was called the Wonder Store, and in post-gentrification Hoboken, it was a wonder it still existed at all.

Located in the basement of the ShopRite supermarket at Observer Highway and Washington Street, the Wonder Store covered an area of about half a city block and was Hoboken's reigning bargain emporium. Countless bins provided shoppers with a variety of "finds" on everything from sweatsocks to bedspreads to children's clothing, often at rock-bottom prices.

Now, after nearly 20 years of business in the Mile Square City, the Wonder Store is shutting its doors for good. The store "PROGRESS"—Page 15.

'Progress' closes a Wonder Store

Continued from Page 1

permarket was sold to West Bank Development of Hoboken several months ago, and the Wonder Store's lease was not renewed. The building is scheduled to be torn down as early as next year to make way for a 12-story, \$60 million luxury condominium project.

"It's really great that I can buy a great variety of imported cheeses and Godiva chocolates in Hoboken these days," said Patricia Martinez, one longtime customer. "But I'd still like to be able to buy my kids a pair of socks or some underwear without spending a fortune."

For every upscale gourmet food store, clothing boutique or trendy gift shop that has opened in Hoboken in recent years following the city's much-heralded "renaissance," another bodega, shoemaker or bargain store has disappeared. For the Hoboken customers who visited the store to pick up a few final bargains during its last days and for the clerks who worked there, the Wonder Store's demise is yet another sign of a city in transition.

Nancy Zola, who describes herself as a "starving artist and dedicated bargain hunter," said she discovered the Wonder Store several years ago and promptly became a fan. "I never knew it was there until I fell into the basement."

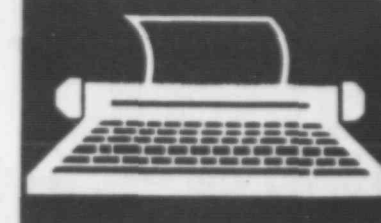
"It was like a flea market, and I found some great bargains here. It was the last really good bargain store in Hoboken. They've all been priced out by the rents."

Margaret Figueroa, another longtime shopper, agreed. "I'll really miss this place," she said. "There isn't anywhere like it."

While the vast array of bargains and surprises in the Wonder Store's bins was a large part of the store's appeal, the store clerks were another reason two generations of shoppers came back week after week. The workers remembered their regular customers' names, greeted them with friendly words and, although it was technically against the rules, allowed them to return merchandise that didn't fit.

Lillian Serrano of Hoboken was a fan of the Wonder Store before she started working there four years ago. "I loved it when I was a shopper and I

REPORTER'S JOURNAL



loved working here," she said. "There's no place around like it, they're all going under."

Glady Reyes, an employee for the last 2½ years, said many of the regulars stopped in the store during its final days to bid farewell. "They all said they are sad to see us go."

"A lot of people came in here day after day, and you really got to know them. I'll miss many of them."

As Isabel Munno, manager for the last four years, stood behind the familiar counter Friday for one of the last times, she reflected on the changes she saw in her 15 years at the Wonder Store. "It's changed a lot since I've been here," she said. "The city itself has changed."

"A lot of the old families have moved out, the types of businesses have changed. A lot of our customers were old-timers, but we had some new people, too, once they realized we were here. But it wasn't enough. Everything changes."

Why did people go to the Wonder Store?

"Because the prices were right," Munno said. "Because their parents or friends shopped here. Put that in the story—we'd like to thank all of the people who shopped here through the years. We're sorry to go."

Munno and her co-workers have been reassigned to another Wonder Store in Union City, and the company points out that it has similar branches in Jersey City and West New York.

"It's not the same — those aren't in Hoboken."

Hoboken school race crowded

By Jim DeRogatis 2/16/87

A crowded field of 11 candidates will compete for three seats on the Hoboken Board of Education in the April 7 election.

The candidates, by ballot position, will be: James Monaco, 1-A; Carlos Perez, 2-A; Geraldine Pantoliano, 3-A; William Strangeman, 4-A; Felix Rivera, 5-A; Steve Block, 6-A; Orlando Esposito, 1-B; Peter Perry Belfiore, 2-B; Richard England, 3-B; Mario Mercado, Jr., 4-B, and Michael Rossano, 5-B.

In a flurry of last-minute activity, five candidates—Esposito, Mercado, Monaco, Pantoliano and Strangeman—filed petitions with acting Board Secretary Anthony Curko just before the deadline yesterday afternoon. The other candidates announced earlier in the week.

The candidates will be vying for three seats held by England, Monaco, and Anthony DeBari, who is retiring after 23 years' service. Each seat carries a three-year term.

Esposito, 22, is a trust administrator with Banker's Trust in Jersey City. His parents own Esposito's Delicatessen on Washington Street near 12th Street. A graduate of St. Peter and Paul grammar school, St. Peter's Prep and St. Peter's College, Esposito said he is running "because I feel there is a lot I can contribute."

"Hoboken is changing, but for the city to be really successful, the key is the educational system," he said. "If I'm elected I will find out where the problems are and work to correct them."

Mercado, 43, a Hoboken police lieutenant assigned to the municipal garage, ran unsuccessfully as an independent candidate in last April's board election. He had a strong showing with nearly 2,000 votes. He and his wife, Lucille, have an 11-year-old daughter who attends St. Francis grammar school. "I am running again because I still have the same com-

mitment to improving the schools," he said.

Pantoliano, 43, has worked with Project Head Start's preschool for the past eight years. She and her husband, the head custodian at the Calabro School, have three children, including a 12-year-old son who attends Calabro.

"I'm a product of the Hoboken school system myself, and we used to have a lot of pride in the schools," Pantoliano said. "I'd like to try to get some of that back."

The candidate said she was motivated to run because her son is in the system and because she works with many children who will attend the system. Monaco, a Hoboken firefighter and the board's vice president, has served on the board seven years since he was elected on a slate backed by then-Mayor Steve Cappelletto. Monaco was reportedly out of town for the weekend and could not be reached for comment.

Monaco is considered to be anti-administration. He caused a controversy last summer when he introduced a resolution to close the Demarest school.

Strangeman, 56, is a former fleet manager with the Sea-train shipping line. He has lived in Hoboken for 14 years and is the father of three grown children. As spokesman for Citizens for a Good Clean Environment, an organization critical of Mayor Thomas Vezetti, he has been at the forefront of the move to recall the mayor.

"I decided to run because I am tired of hearing the same old rhetoric and seeing the same faces," he said. "I think I have something to offer the board in terms of management skills and experience."

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ty Education, a reform organization aligned with Vezetti.

The other candidates are: • Belfiore, 35, a Hoboken developer and former South Orange teacher who ran unsuccessfully for the board last April.

• Block, 44, an urban specialist with the state Department of Education, who served on the board for six years and has been a vocal critic of patronage and inefficiency in the system.

• England, 44, a manager with the Maxwell House division of General Foods, who was elected to the board in January 1985 on a slate backed by anti-administration forces and has served as board president.

• Perez, 42, the director of the educational opportunity program at William Paterson College.

• Rivera, 39, a Port Authority police officer.

• Rossano, 26, a foreign securities coordinator with a Wall Street firm, who was narrowly defeated in last April's board election.

Development logjam is easing

Dispatch 2/16/87

HOBOKEN—A logjam on development projects in the city has inched closer to being solved.

The Department of Public Works submitted designs and specifications for tidegate regulators and a pump station to the state Department of Environmental Protection last week, according to Director Roy Haack. The state agency has banned all new sewer hookups in the city until major sewage treatment facilities are cleaned up, resulting in one lawsuit against the city by a developer already.

The plans just submitted to the state already have been approved by the Hudson County Utilities Authority, and are expected to be reviewed by the DEP within 90 days.

The consulting firm hired to draft the plans—Lawlor, Matusky and Skelly of Pearl River, N.Y.—also is at work on specifications for a secondary sewage treatment plant.

The plans all must be completed and submitted by June 1 if the city is to qualify for federal funding for the projects. This city is high on the state priority list to receive those funds, and, in the words of Haack, "We will have those plans in, there is absolutely no doubt."

The infrastructure improvements are scheduled to be completed by the end of the year, according to Haack, clearing the way for at least 20 developers to finish projects.

—Janet Wilson

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—Janet Wilson

'Hoboken Voices' cable TV not afraid of timely topics

By Jim DeRogatis

Hoboken is a city of many different voices, and Rachel Thompson and Thomas Falconer hope to offer those voices a new forum — a weekly cable television show.

"Hoboken Voices" premiered two weeks ago on River-view Cablevision's Channel 18 with an hour-long talk show/debate on the Port Authority's proposed waterfront project. The show begins in its regular time slot and half-hour format tonight at 8 p.m. with a program on housing.

"There are a lot of very unique things happening in Hoboken now, and there is not a lot of attention from the broadcast media," Thompson said. She and Falconer, both Hoboken residents, met as graduate students in television at New York University, and the concept for "Hoboken Voices" was born.

"I've been wanting to do something like this about Hoboken for a long time," said Falconer. "Rachel and I just happened to be in the right

place at the right time."

The duo approached River-view Cablevision in Union City with the idea of producing a local public affairs show last November, and the television station agreed, offering their facilities and a half-hour time slot every Tuesday.

Each show will feature a discussion between a panel of guests and host Joanna Hefferman, a founding actress with Hoboken's Renegade Theater. Residents will be able to watch the program at home or as part of a live audience at the Demarest School, Fourth and Garden streets.

A monitor will be set up at the school and a special telephone hookup will be used to the Union City studios so the guest panel, Thompson said.

The first episode of "Hoboken Voices" featured a lively discussion and debate on the merits of the Port Authority's controversial Hudson Center project, a \$600 million development planned for the city-owned waterfront piers. The

guests included Councilman Joseph Della Fave, Community Development Agency Director Michael Coleman and two members of Mayor Thomas Vezetti's Waterfront Advisory Committee, Lewis Fretz and Daniel Tumpson.

Tonight's program will focus on the housing crisis and will feature a panel including Sheila Scully of the Campaign for Housing Justice, Ira Karasick, who helped defeat a federal court challenge to Hoboken's "anti-warehousing" law, and Sister Norberta Hunnewinkel, director of the Bishop Mahurter Shelter. Other issues planned for discussion are the parking crisis and cultural outlets in Hoboken, including the Renegade Theater, Hoboken Chamber Orchestra and O Roe Electric Art Space.

A Hoboken resident for the past year and a half, Thompson brings a broad background in cable television in the Washington, D.C. area to "Hoboken Voices."

She also produces a text and graphic program for a Manhattan cable station.

Belfiore 6th to file for school board race

By Jim DeRogatis 2/13/87

A sixth candidate has announced his intentions of joining the race for three three-year terms on the Hoboken Board of Education in the April 7 election.

Perry Belfiore, 35, a Hoboken developer, threw his hat into the ring yesterday. The deadline for filing petitions is 4 p.m. today at the board secretary's office, 1115 Clinton St., and ballot positions will be drawn at 7 p.m.

Belfiore and his partner, Alan

Richards, have real estate holdings throughout the city. Belfiore also has experience as a teacher and guidance counselor at a Catholic school in South Orange.

The candidate ran unsuccessfully for a seat on the board in last April's election, finishing eighth in a field of nine candidates. He and his wife, Patricia, a teacher on leave from the Calabro School, have three children. His 10-year-old son attends St. Francis grammar school.

"There's a lot of talk in the newspapers about the kids in Hoboken

being the products of a failing school system," Belfiore said. "We've failed them, they haven't failed us. There's too much concern for politics and not enough concern for the kids."

If elected, Belfiore said he would call for a table of organization for the school system, attempt to reduce the number of supervisors, involve parents and work to raise teacher morale. A graduate of the public schools, Belfiore said "there are a lot of great teachers in the system who just need to know that somebody is behind them."

Belfiore will be vying for one of three seats currently held by Richard England, James Monaco and Anthony DeBari. England announced his intention of running last week; Monaco said he is still considering whether he will seek reelection, and DeBari said he is retiring from the board after 23 years' service.

Other candidates in the race are Felix Rivera, who is running as an independent, and Steve Block, Michael Rossano and Carlos Perez, running on a slate backed by the Committee for Quality Education.

Mario Mercado, a Hoboken police lieutenant assigned to the municipal garage, has said he is considering running.

Mercado had a strong showing in last April's election, when he ran as an independent and garnered nearly 2,000 votes.

The CQE slate is expected to be a strong favorite in the election. It is backed by Mayor Thomas Vezetti and raised more than \$15,000 for the campaign at a recent fundraiser.

No anti-administration slate has been announced.

Harried assessor Monte sticks to his guns

DISPATCH 8/14/87
By JANET WILSON
Staff Writer

HOBOKEN—A state audit of Tax Assessor Woodrow Monte's office requested by Mayor Thomas F. Vezzeiti has been completed, and the investigating team did not find much wrong with the way the much-criticized official is doing business.

"Yeah, things are all out of whack up there," said Tyler Bills, the head of the three-member team. "But basically it's not the assessor's fault, it's just because a revaluation hasn't been done for so long."

Left unanswered is the question

of whose fault it is that there has not been a revaluation.

Monte has been criticized roundly by Vezzeiti administration members and officials outside of this city for a "botched" revaluation in 1982 by a firm which went bankrupt, and with which he was friendly.

"They had rank amateurs in there doing the damn job," said a banker in Jersey City who has worked here. But Monte defended the earlier audit, and his record during 25 years in office, and said he has been telling politicians for 10 years that the city needs a revaluation. This is the first time in his tenure that he has been investigated, he said.

The audit was requested by Vezzeiti's office as one of the first concrete steps in a planned major reorganization of several city departments, including, possibly, the Tax Assessor's Office.

"They just want to control everything in City Hall, and they can't set foot in here," said Monte. Tax assessors operate independently of local governments, and are subject only to review by the county and the state, although even the state's powers are not strong, as the Vezzeiti reorganization plan points out.

The operational audit covers

everything from how many file cabinets they've got to how people do their jobs," according to Bills.

He said there probably will be a number of recommendations made in a report next week or the week after, but that they do not involve disciplinary charges or anything close to them.

No one from Vezzeiti's office could be reached for comment yesterday.

The city already has hired Real Property Appraisals of Cinna-minson to begin a revaluation. Properties here presently are assessed at between 5 and 16 percent of their market value.

Hoboken council limits builders

DISPATCH 2/19/87
By JANET WILSON
Staff Writer

HOBOKEN—Developers may no longer erect structures of more than six stories in most residential areas here, and will have to provide at least one parking space for each living unit built.

The City Council last night passed, 6-0, amendments to the zoning ordinance eliminating what one councilman called "loopholes."

Prior to passage, there was spirited debate about the amendments' legality. Sponsored by Councilman Thomas Newman, the amendments originally included one concerning floor-area ratio, one limiting a ruling that developers have used to gain exemptions from parking space requirements and one concerning sewage and affordable-housing fees.

Newman dropped the third section, because of incorrect advertising concerning the fees and because he said specific follow-up ordinances had not been put together in time.

Councilman Robert A. Ranieri sharply questioned both Newman and city Law Director William Graves, saying that dropping a third of the ordinance constituted substantial change. Councilman Steve Cappiello agreed and said that to be safe, the ordinance should be reworded and voted at the next council meeting.

Newman said the argument was "silly" and "unnecessary."

Ranieri then asked: "...think debating whether an ordinance is being passed correctly is silly?"

Graves replied he would rather not have to argue the question in court, but that if it were challenged, he could defend the amended amendment adequately.

In another issue, a resolution requesting that the state Department of Community Affairs conduct a complete audit of the city Construction Code Office was passed unanimously by the council. The resolution was introduced by Councilman Patrick Pasculli.

"It is critical that we have this audit to find out what needs to be done to make the construction office workable and accountable," said Newman. "We're not out to get anybody. The bottom line is, if the system is reworked and adequately staffed, and you can do your job, great."

Newman said there have been complaints of permits from the construction office being given to developers for projects that initially should have come before the Zoning Board of Adjustment.

He would not give specific examples, and said that because of possible inadequate staffing in the office, it was difficult to hold anyone accountable for possible incorrect enforcement.

The office is headed by Alfred Arezzo, who also serves as building subcode official, historic district officer and zoning officer. The office also is staffed with one fire, plumbing and electric subcode official, and administrative assistants. Last year, the office handled 524 construction projects.



The beautifully restored restaurant and bar at the Madison is now closed.

Business area landmarks closing doors in Hoboken

By Jim DeRogatis

Hoboken's Washington Street is losing two of its landmark businesses: the Madison Cafe and Ranieri's Furniture Store.

The Madison, a landmark restaurant at 14th and Washington streets, has closed its doors and is being offered for sale, while Ranieri's Furniture Store near Second and Washington streets is being converted to "world-class" office space.

The Madison was built in 1928 by Francis Vezzeiti, father of Mayor Thomas Vezzeiti, and the mayor himself ran it for more than two decades. Vezzeiti described the Madison under his care as "a wayward home for alcoholics."

"I was their illegitimate

father," he said. "The drunks would pass out in the bar and I'd carry them up to bed."

Vezzeiti admits that he often slept on a pool table in the bar "because I was getting broken into all the time."

Vezzeiti sold the Madison to Charles Roberts and Patrick Cappiello, a nephew of Vezzeiti's arch political rival, former Mayor Steve Cappiello, in 1977 for \$38,000. Roberts, a city firefighter, and Cappiello spent four years rehabilitating the building and opened a beautifully renovated bar and restaurant in 1981, one of the first "upscale" restaurants in Hoboken.

Sources said Roberts and Cappiello have been having disagreements about running the restaurant recently and

have decided to sell the business and building. The restaurant was closed last week and Roberts and Cappiello are reportedly looking to sell the building for \$2.5 million, sources said.

Meanwhile, Ranieri's Furniture Store, which was started by Councilman Robert Ranieri's grandfather, is being converted to upscale office space by West Bank Construction of Hoboken, Ranieri said. The councilman and his brother, Rudolph, closed the family's furniture business several weeks ago.

"We have some prestigious tenants lined up and we hope to create a world-class office building," Ranieri said. Work on the building did not require variances or special permits, he added.

City may restore what state took away

By Jim DeRogatis

The Hoboken City Council is considering appropriating emergency funds for a community organization denied state money for allegedly not offering the services it was paid to administer.

CUNA, a Hispanic community service organization, was denied \$18,394 by the state Department of Community Affairs

and a matching grant of \$56,559 by the state Division of Youth and Family Services for "offering a low level of service," according to a DCA spokesman.

But Juan Garcia, director of the organization, denies the charge and claims CUNA lost the funding because he refused to campaign for Republican candidates in state elections. Garcia has asked the city to appropriate emergency funds

to allow CUNA to remain open, and the council will consider a resolution tonight that would grant the group \$12,500.

The state Office of Hispanic Affairs, a division of DCA, made the decision to withhold funding from CUNA last August following several field inspections and discussions with DYFS, said Richard Harpster, a DCA spokesman. According to Harpster, CUNA's offices at

920 Willow Ave. "were in poor condition, few residents used the group's services, and the level of service offered was very low."

But Garcia said CUNA performs a variety of services for the Hispanic community in Hoboken, including distributing free cheese from the federal government, sponsoring exams for state jobs and running a

See CITY MAY—Page 8.

City may restore what state took away

Continued from Page 1

Hispanic festival every summer on the waterfront. He claimed he cares for 60 children in the CUNA office after school and helps them with their homework.

Garcia said he draws a "nominal" salary from the CUNA budget and lives in the group's offices. He claimed OHA never made a field inspection of the office nor interviewed members of the Hispanic community.

"Mr. Garcia seems to be making a big political ruckus here," Harpster said. "He's fighting for this funding because this is his livelihood."

Harpster continued that

CUNA has been "inefficient" in filing budget and donor agreements with the state. DYFS considered withholding funds from the organization in 1984 and has also been displeased with the services offered by CUNA, he said.

Although Garcia admits to having "problems with the bookkeeping" at CUNA in the past, he said, "No money has ever been misused." He denied problems with DYFS funds only because they were a matching grant contingent on receiving the money from OHA.

Garcia claims the loss of funding is "purely political." Garcia, an active Democrat, claims he was approached sev-

eral times by representatives from OHA who asked him to campaign for Republican candidates for the state Assembly and he refused.

CUNA was denied funding in August "because there is an election coming up and the Republicans want to maintain control of the Assembly and keep their hold in Hudson County," Garcia charged.

"That is preposterous," Harpster replied. "There is no truth to that whatsoever." He added that CUNA lost its funding only after a "lengthy review process by a large committee including the deputy commissioner of the Department of Community Affairs," and the department is standing firm by

its decision.

Garcia said he has taken CUNA's problems to the Democratic president of the state Senate, John Russo. "Russo's office is conducting a full investigation," Garcia said.

Meanwhile, Garcia has petitioned the City Council for \$25,000 in emergency funding. "We need the money to stay open. It will barely cover the bills we owe since August," he said.

City Community Development Agency Director Michael Coleman told the council last week that "at best" CDA could offer CUNA \$12,500, and then only if the budgets to several senior citizen and day-care programs were cut.

Vezzeiti's 'streamlining' plan greeted by partisan debate

By Bill Campbell

Members of the Hoboken City Council have already begun debating the merits of the administration's draft of a sweeping plan to streamline municipal government and reduce spending.

Proponents of the plan, released earlier this week by Mayor Thomas Vezzeiti, have praised the 30-page document as a means of achieving "efficient and productive" government.

Opponents, a minority on the council, strongly criticized the draft as "superficial" and "not tough enough."

The plan recommends the restructuring of each municipal department and calls for task forces to review offices not under the jurisdiction of the mayor. The proposals include the abolition of the Community Development Agency and the creation of three new departments.

Vezzeiti has said the plan is an attempt "to organize the unorganizable," while mayoral

Decried as 'superficial!' Hailed as 'productive!'

assistant Laurie Fabiano, who coordinated the project, said the proposals are "a good and basic plan to restructure municipal government."

The City Council, which is gearing up for the 1987 municipal budget, is expected to begin its review of administration proposals shortly. The nine-member body must enact the measures through a series of ordinances for them to take effect.

The administration maintains that the plan is not intended as a budget tool, but that the proposals will ultimately save money by reducing the number of consultants and by overhauling financial operations.

The plan has already been presented to members of the Mayor's Budget Advisory Committee, which is also expected

to comment on specific proposals.

Pro-administration council member Helen Cunniff said she hopes the plan will foster debate. "These proposals are open to discussion by the entire City Council and constructive debate is necessary in developing the plan," she said. "This is an attempt to form a government which is efficient and productive."

She said proposals to establish departments of planning and community development, engineering and finance as well as plans to create divisions of personnel and purchasing will place a "strong emphasis on accountability."

"Just about every company I know that employs more than 10 people has its own personnel department, but currently Hoboken doesn't," Cunniff

said. First Ward Councilman Thomas Newman, who was elected last year with Vezzeiti's support, said the plan can eliminate the shortage of managerial-level employees. Plans to create a department of finance "can upgrade our ability to collect revenue," he said.

According to the plan, the finance department will oversee fiscal operations and maintain jurisdiction over the tax collector and treasurer.

"I'd say that if there is anything I've noticed in my three months in office, it's that we're short-handed at these management positions," Newman said.

Sixth Ward Councilman Dave Roberts, a Vezzeiti supporter, said he supports the intent of the plan "as long as we make sure it's cost-effective."

"I can't argue on the merits of the proposals because Hoboken is a multimillion-dollar corporation that needs to be managed by professionals," he said. "Unfortunately we have a lack of professional executive-level people to administer to

See 'STREAMLINING'—Page 8.

Schimenti backs HCUA on sewage plans

By Peter Weiss

The Hudson County Utilities Authority acted properly when it agreed to review plans for a sewage treatment plant for Hoboken even though the city previously ended its contract with the firm that prepared the plans, according to a top county attorney.

Charles Schimenti, attorney to the county Board of Freeholders, concluded that the HCUA was protecting the interests of taxpayers by agreeing to accept the plans prepared by Mayo Lynch and Associates, of Hoboken.

Schimenti had been ordered to

look into the matter after Hoboken officials complained to the freeholders that the HCUA was undermining the city administration. Schimenti's findings were released at last night's HCUA meeting.

The meeting was originally called to elect new HCUA officers, but that was deferred until March 5 because two commissioners had to leave early.

Mayo Lynch's contract with Hoboken to prepare plans and specifications for a secondary sewage treatment facility was voided by the courts last year. The administration of Mayor Thomas Vezzeiti, which has been

fighting with Mayo Lynch since taking office in July 1985, successfully contended that contract award procedures had not been followed. Mayo Lynch is negotiating a settlement for work already completed.

The city hired another firm to prepare plans, but some HCUA officials feared they would not be ready by a May 15 deadline for applying for state and federal grants, amounting to as much as \$20 million.

As a safeguard, the HCUA agreed to accept, for review, the plans already prepared by Mayo Lynch.

That brought complaints from

Vezzeiti that the HCUA was interfering with his city's contract with the firm that replaced Mayo Lynch, that the HCUA was helping Mayo Lynch circumvent the court order voiding its contract and that the HCUA took its action for political reasons.

Schimenti said there was no evidence that HCUA commissioners or staff acted wrongly.

"I find no evidence whatsoever to indicate or imply that any improper outside pressure or influence was exercised or attempted to be exercised upon any members or staff of the HCUA," he stated.

'Streamlining' drawing praise, scorn

Continued from Page 1

the city's needs," Roberts said he wants a financial analysis of the plan before agreeing to its measures.

Councilman Robert Ranieri, a leader in the movement to recall Vezzeiti, blasted the proposals as "fiscally cosmetic

ic" and "contrary to the needs of taxpayers."

"I think that the junta up in the mayor's office should stop playing with paper dolls and start dealing with realities like the municipal budget," he said. "Let's get on with the practicalities of government."

The city should focus its energies on generating revenue from waterfront development and on resolving litigation over the proposed secondary sewage-treatment plant, he said. He especially opposes a proposal to create a position of executive assistant to the mayor, a post to which Fabiano is expected to be appointed.

"It's un-American and undemocratic for someone to develop a plan like this and create a position for yourself," he said. "We all know she's qualified because she's been running the city as an non-elected official for the past two years."

Third Ward Councilman Steve Cappiello, the former mayor, said he was unhappy that the plan was drafted without the input of the council but that he was "looking forward" to debating the proposals.

"The availability of this reserve contingency is in the public interest, and the HCUA has acted in a responsible manner in accepting the opportunity to protect that interest in the future," said Schimenti.

He noted that if the new firm completes its plans before the grant application deadline, it will be a simple matter to use them instead of Mayo Lynch's plans.

Hoboken government targeted for change

By Bill Campbell

The first draft of an ambitious plan to streamline Hoboken government and reduce spending is to be unveiled today.

Mayor Thomas Vezzetti said the proposal, which among other sweeping changes calls for the abolition of the Community Development Agency, has been a top priority of his nearly two-year-old administration.

"This plan is an attempt to organize the unorganizable," Vezzetti said.

Copies of the 30-page plan are to be issued to the City Council today. The proposal was presented to members of the Mayor's Budget Advisory Committee last week.

The administrative proposals are expected to generate strong debate in the council as the city's legislative body prepares for the 1987 municipal budget. In the last two years, the council has taken steps to eliminate and reorganize municipal departments. In December, the body established a

Vezzetti will unveil 'streamlining plan'

table of organization for the police and fire departments. "This document is meant to be a working draft and we are encouraging comment by all members of the community," mayoral assistant Laurie Fabiano said. "This is a good and basic plan to establish a structure for municipal government and we're taking a conservative approach."

Fabiano, whose policy-making role in the administration has made her a frequent target of anti-administration council members, said she was asked by Vezzetti to coordinate the project with assistance from CDA Director Michael Coleman, Business Administrator Edwin Chius and Public

Works Director Roy Haack.

The proposal, the second attempt in less than two years by the administration to reorganize government, took more than six weeks to complete, she said.

Fabiano contends that although the plan won't immediately reduce the city budget, it will create mechanisms to save money in the long run by reducing the number of consultants the city now hires.

According to a copy of the plan obtained by The Jersey Journal, the recommendations include that:

- the CDA be abolished and re-established as the department of planning and community development;

- a department of engineering be established to monitor major public works projects;

- a department of finance be created to upgrade fiscal management of the city;

- positions be established to assist the mayor and public works director;

- purchasing and personnel divisions be created under the department of administration.

In addition, the plan calls for task forces to review the tax assessor's office, the construction code official's office and other divisions of city government.

A target date of July 1 has been established for enacting specific recommendations, while task force recommendations should be ready to be implemented by January, Fabiano said.

The plan was a response to years of "crisis management" and a means of establishing an efficient and cost-effective municipal structure, she said.

See HOBOKEN—Page 8.

Hoboken government targeted for change

Continued from Page 1

"Hoboken is a \$28 million corporation with too few qualified managers," Fabiano said. "These measures are not intended as a budget tool. Rather, they strengthen management and planning capabilities."

Vezzetti said the plan creates a framework to provide "qualified people with quality jobs."

The plan contains job descriptions and recommendations for each department and division within the administrative branch. Vezzetti and Fabiano say the overhaul will result in the creation of two new positions and the upgrading of three others but will have a "minimal" impact on the municipal budget.

Recommendations for streamlining government include:

- Creating a position of executive assistant to the mayor to manage the daily planning and operations of the Mayor's Office. Fabiano, who is expected to be appointed to the post, said the Mayor's Office is "undoubtedly one of the busiest offices in city government."

She said that at least one management position should be created to assist the mayor. The executive assistant will serve as a liaison with municipal departments, assist in the implementation of policy and coordinate public relations.

- Creating a department of planning and community development to replace the CDA. Fabiano said the department will include divisions of planning, programs and administration while a non-profit afford-

able housing corporation will be established.

The new department will continue to receive federal and state funding and CDA Director Coleman and other agency employees are expected to be retained.

- Establishing a department of engineering to insure that the city has a full-time engineer to maintain quality control for major projects.

Fabiano said the director would prepare specifications for all projects and monitor the performance of other engineers and contractors. The city now hires its engineer on a contractual basis.

- Creating a department of finance to oversee municipal financial operations as well as maintain jurisdiction of the treasurer and the tax collector.

The director would supervise a computerized system for financial management and prepare statements regarding the city's financial condition.

- Establishing a division of physical operations within the Department of Public Works to coordinate facilities maintenance, sanitation, roads, parks and the municipal garage. The division manager will monitor the operations and report to DPW Director Haack.

Haack said his role as an administrator does not leave enough time to direct the day-to-day physical operations of the department.

Fabiano, the primary author of the draft document, reiterated that the plan is "open to revision," and said she hopes there will be no prolonged arguments.

But she stressed the changes are

essential in the eyes of the Vezzetti administration. "We have been solving problems by putting Band-Aids on critical wounds," she said. "We need to make substantive changes."

ed to receive strong criticism from the anti-Vezzetti minority on the council. The administration, Fabiano said, is "open for comment."

The council must enact the proposals through a series of ordinances for them to become law.

Vezzetti embarked on a reorganization plan nearly two years ago, but the effort was put off when a hostile anti-administration majority controlled the council.

Many on council opposed to \$26M schools budget

By Jim DeRogatis

Calling the Hoboken Board of Education's recently approved budget "outrageous," several members of the City Council are asking school trustees to reconsider the spending plan and make "drastic cuts."

The board approved a preliminary budget of nearly \$26 million for the 1987-88 school year last week. Although the budget represents an overall decrease from last year's figure, the amount that would be raised by taxation has risen by more than \$2.6 million, a move that could cause a \$15 jump on the 1987 municipal tax rate.

The city's 1986 tax rate, \$216.50 per \$1,000 of assessed valuation, is already the highest in the state.

The schools' budget was approved by a vote of 5-2, with trustees Lourdes Arroyo and Joseph Rafta casting the "no" votes. Rafta said he believes the board can cut \$3 million from the budget, but Board President Richard England defended the plan.

"It is my personal opinion that there is no fat in this budget," he said at the meeting. "I'm satisfied that the board has made all of the cuts possible."

England said trustees have cut about \$900,000 from the budget, which could result in 51 employees losing their jobs.

But members of the City Council and Mayor Thomas Vezzetti's administration say the cuts are not enough. The majority of the board members are considered anti-administration, but criticism of the budget is coming from across the political spectrum.

"They might have taken off all of the fat, but they're going to have to cut some of the muscle, too," said anti-administration Councilman Steve Cappiello, the former mayor. "I strongly oppose any move that is going to cause a further tax increase."

Councilman David Roberts, an ally of Mayor Thomas Vezzetti, said he is "outraged" by the school budget. "This budget is a public disgrace and I think the board should reconsider it before it is put to a public referendum. It's criminal that they want to pass a \$26 million budget when they have 400 fewer students in the system than they did a year ago."

Hoboken's student enrollment has been steadily declining in recent years, although the school board's budget has been increasing. Trustees blame increases on dwindling state aid, but critics say the schools are drastically overstaffed.

The 4,038 students in Hoboken's school system consistently rank among the lowest in the state on standardized basic skills tests. The scores have resulted in a loss of state certification, and the system is under "Level 3" monitoring by the state Department of Education, a process which could eventually lead to a state takeover if enabling legislation is passed in Trenton.

"The board is asking tax-

payers for a \$15 increase and all they have is an inferior, uncertified school system to show for it," said Councilwoman Helen Cunningham. "I'm outraged that the board could pass this budget knowing full well it would be rejected by the voters. It's an injustice for them to cut less than \$1 million and tell us that's the best they can do. They expect the council to do their work for them."

The board is scheduled to hold a public hearing on the budget March 18 and it will be submitted to a public referendum in the April 7 election. Voters traditionally reject school budgets, and they are then reviewed by the City Council.

The council cut about \$2 million from last year's school budget.

The tax rate is the result of three separate budgets from the county, city, and school system, and the schools' budget was nearly equal to the city's. The board's current budget would bring the tax rate up to at least \$232, and the rate could rise even higher if the municipal budget increases.

Council members Cappiello, Cunningham, Roberts, Joseph Della Fave, Thomas Newman and Robert Ranieri all called on the school board to reconsider the budget before it is placed on the April ballot. The budget has not yet been submitted to the Hudson County Board of Education.

Ranieri said the board displayed an attitude of "let the public be damned" by approving the budget. The school board must consider cutting "at least \$2 million" from the budget or "the council will do it for them," he said. Ranieri asked board members to consider such cost-cutting measures as closing a school and making "drastic reductions" in the number of administrators and teachers.

Should the board be unhappy with council cuts, it can appeal to the state Department of Education.

The board approved a controversial resolution to close one of the city's seven grammar schools several months ago, but the move was rescinded after a public outcry. Most of the city's school buildings contain a large number of vacant classrooms and many classes have extremely low numbers of pupils.

"It might be politically unpopular to close a school, but the board is going to have to make some tough decisions," Roberts said. "The tax rate is an emergency situation. People can't bear another increase like last year's."

Joseph Scordato, chairman of Vezzetti's Budget Advisory Committee, said the group plans to review the school budget and prepare a report outlining areas that could be cut. "I don't see why at least \$3 million or more can't be cut," he said.

The mayor agreed. "Dick England is a sanctimonious hypocrite if he says there is no fat in that budget," he said.

RESTRUCTURING

Hoboken plan cheered, jeered

By JANET WILSON
Staff Writer

HOBOKEN—Reaction to the major revamping of city offices proposed by the Mayor's Office yesterday was swift, and mixed.

"Long overdue," said Public Works Director Roy Haack, who participated in the discussions that led to the plan.

"They're a bunch of morons," said Woodrow Monte, the longtime tax assessor.

"This is petty politics," said Alfred Arezzo, who heads the Buildings Department and fills a number of jobs in that office. "They never one of them have come up to see just what I do up here."

Under the first draft of the plan, the Tax Assessor's Office and the Construction Code Official's Office would be subject to studies and possible reorganization of their staffs.

Monte, who has been in office for nearly 25 years, must retire by this fall, when he turns 70 if he wants to retain certain pension benefits. While the mayor can consider who he wants to appoint as a replacement, there is little else a local municipality can do, since the office is independent of city government.

The study concerning the construction office could lead to sweeping changes. A task force will look at the question of whether the entire load of work handled by the office should be contracted out to a private company rather than being handled by municipal employees.

Arezzo said more than 500 building permits have been issued last year alone, and that to assign the work to an out-of-town company would be disastrous. He reacted much more favorably to the possibility of hiring more inspectors.

"Oh, that's great. I've been screaming about that for years," he said.

The plan, drawn up by mayoral aide Laurie Fabiano after weeks of discussion with some department heads, is still subject to review by the City Council, which would have to pass ordinances to implement many of the proposals.

One key city official who is looking forward to changes is Michael Coleman, head of the Community Development Agency. Under the plan he helped devise, the agency would be transformed into a city Department of Planning and Development, with three subdivisions.

Also, a separate affordable housing corporation, one of the first of its kind in the state, would be created. The non-profit public corporation would be "basically oversee all of the new affordable housing projects in the city for the foreseeable future," said Coleman. Those projects would include:

- Checking to see that developers

followed through on allocating a percentage of any housing built for lower-income taxpayers.

- Applying for grants from federal and state agencies to construct new affordable housing.

Issuing its own bonds to gain additional money for affordable units.

Councilman Steve Cappiello, who as mayor before incumbent Thomas F. Vezzetti was in office during the hiring of the Civil Service employees in the table of organization that the Vezzetti administration's chart attempts to alter, said he "looked forward to engaging in discussions with the creators of the new plan."

He also said perhaps the plan could go even further, "maybe even changing the type and amount of government in Hoboken, emphasis on amount." The proposed plan calls for an increase in the number of professional supervisors in several departments, in non-Civil Service posts.

DEP

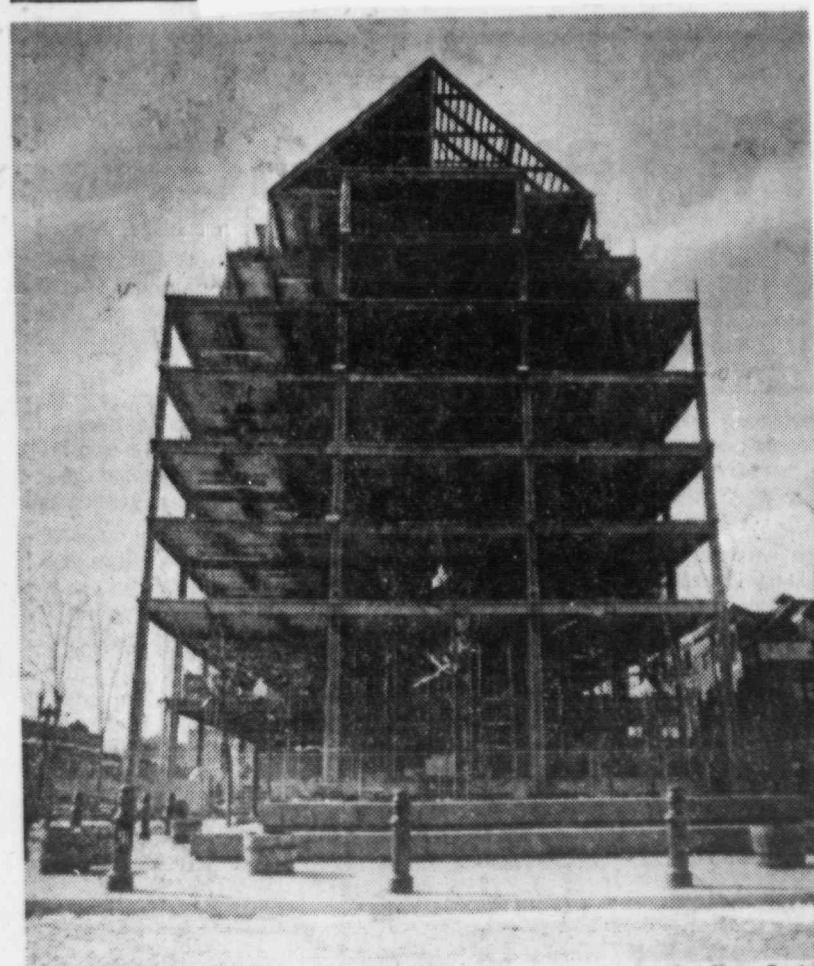


Photo by Don Smith

HOBOKEN DEVELOPER Gerald Baker expects the first tenants to move into his building at Hudson Place and River Street by the summer.

Continued from Page 1
mated \$150,000 for construction of a temporary sewage treatment plant or purchase of a pre-fabricated facility.

Baker said his commercial building across the street from the Hoboken NJ Transit terminal and PATH station, can produce about 25,000 gallons of sewage daily.

The DEP imposed the ban because Hudson County sewage treatment plants were not up to federal standards — a rating known as secondary treatment.

The ban covers hookups for all projects that will produce 2,000 gallons of sewage daily. The ban has affected builders in Jersey City, Bayonne, West New York, North Bergen, Weehawken and Bergen County's Edgewater.

The federal Environmental Protection Agency has given these municipalities a July 1988 deadline for upgrading their sewage treatment plants.

Hoboken is ensared in a lawsuit after rejecting the plans of one engineer for a new plant and hiring a second engineer.

Humphreys signed the order yesterday in Superior Court in Jersey City, giving Baker a special status. According to Hoboken Attorney William E. Graves, the city and the state consented to the order.

The state DEP attorney, Dorothy Highland, could not be reached for comment late yesterday.

Baker said he expects the first tenants to move into his building this summer.

SEWAGE RULE

Hoboken developer bypasses state DEP

By PETER WEHRWEIN
Staff Writer

A Hoboken developer has slipped through the state's ban on sewage hookups, winning a Hudson County court order yesterday to treat sewage from his project at his own expense.

Assignment Judge Burrell Ives Humphreys' decision to make an exception for the eight-story, 88,000-square-foot Baker Waterfront Plaza in Hoboken does not set a precedent for other developers who want to bypass the state prohibition on sewage hookups, according to the developer, Gerald Baker, a Hoboken lawyer.

Baker said he has a unique agreement with the state Department of Environmental Protection, the agency that imposes the ban.

The state had agreed to grant him \$10.7 million project at 2 Hudson St. a sewage extension permit before the ban went into effect on Aug. 12, 1985, Baker said yesterday.

A condition of that "dry permit" was that Hoboken would provide interim sewage treatment if the municipal plant were not upgraded in time. Baker said he must pay for the interim treatment — an estimate.

See DEP, Page 10

PORT AUTHORITY

Hoboken wants to amend insurance-settlement offer

HOBOKEN The City Council yesterday met an offer by the Port Authority to settle a \$10 million insurance suit out of court, and raised the ante.

At stake is insurance collected by the Port Authority of New York and New Jersey after a 1980 fire on a pier it leases from the city.

In a closed caucus meeting, the council agreed to consider an offer from the authority if the following are added:

- The authority must rip up its 1952 lease with the city on the waterfront, due to run until 2002, if an agreement between the two over a development project is not reached by Dec. 31.

- Written accounts of the insurance and interest collected and the consulting fees incurred concerning the insurance must be made.

- Monies the authority wanted to hold pending development negotiations, such as \$1.5 million, if loaned the city to buy other property, must be put into a trust fund to which the city and the authority would have equal access.

- The city will pay to fix its own tidesgates, letting it rather than the authority establish credibility with the state Department of Environmental Protection for further developments.

— Janet Wilson

P.A. and Hoboken come to terms on \$7.5 million in insurance funds

By Jim DeRogatis

Hoboken and the Port Authority have negotiated a settlement to a lawsuit over \$7.5 million in insurance funds and may be close to resuming talks on the proposed waterfront development.

The settlement, subject to approval by the City Council and the P.A.'s Board of Commissioners, could provide the city with \$3 million in cash up-front and an additional \$4 million for capital improvements such as parking garages or a waterfront park, sources said.

The city is suing the P.A. to recover \$7.5 million in insurance funds plus about \$2 million interest the authority collected after the city-owned Pier B was destroyed by fire in 1980. The funds became a controversial issue several months ago after Mayor Thomas Vezetti's Waterfront Advisory Committee revealed their existence and asked the administration to demand that the money be returned to the city.

The P.A. refused to turn over the \$7.5 million, claiming the money was earmarked for use in the Hudson Center project, but the city halted all negotiations on the development and joined a lawsuit attempting to recover the money.

The P.A. and the city have been negotiating a restated lease to the piers since 1984. The lease would allow the au-

thority to build a massive \$600 million project with millions of square feet of office space, 1,200 luxury housing units, a hotel, a marina and a waterfront esplanade.

Michael Coleman, director of the Community Develop-

ment Agency and the city's chief negotiator, has been meeting with P.A. officials for several weeks in an attempt to settle the suit. Sources said the two sides agreed to a settlement Tuesday night following a three-hour closed-door meet-

ing in Vezetti's office, attended by Coleman and his assistant, Peggy Thomas; Vezetti and his executive assistant, Laurie Fabiano; City Council members E. Norman Wilson, Robert Ranieri, Joseph Della Fave, Patrick Pasculli and Helen Cunningham; Law Director William Graves; and Phil LaRocca, director of the P.A.'s department of economic development, and his deputy, Frank Garcia.

The council members took turns sitting in the meeting in order to avoid breaking the state's Open Public Meetings Law, which would prohibit a five-member quorum of the council from being in the room at the same time without previous public notice.

Sources said the \$7.5 million insurance settlement plus the accrued interest totals approximately \$9.5 million. The proposed settlement could provide the city with benefits totaling \$9.6 million.

Informed sources said the terms of the settlement include:

- The P.A. will provide a full accounting of the insurance funds plus interest.

- The P.A. will keep \$1.5 million, a sum which the city borrowed from the P.A. in 1984 to purchase the piers from the federal government.

- The P.A. will keep an additional \$400,000 as the city's

See P.A.—Page 12.

A fire started it all

Here is a chronology of the insurance funds controversy:

- **October, 1986** — Mayor Thomas Vezetti's Waterfront Advisory Committee releases a report charging that the Port Authority has wrongly kept \$7.5 million in insurance funds collected after Pier B was destroyed by fire in 1980.

- **November, 1986** — As the furor over the funds grows, the city halts negotiations with the P.A. on a restated lease that would allow the authority to build a massive waterfront development on the city-owned piers. The council asks the P.A. to provide a complete accounting of the money. People Advocating Sane Solutions, a Hoboken citizens group, files a class action suit in state Superior Court to recover the funds.

- **December, 1986** — Dissatisfied with the P.A.'s accounting of the funds, the city files a cross-claim to the PASS suit, joining the legal attempt to recover the money.

- **January, 1987** — The P.A. offers an outline for a settlement of the suit to Michael Coleman, the city's chief negotiator, but it is criticized for having "strings attached." Coleman prepares a counter-offer.

- **February, 1987** — City and P.A. officials hold a three-hour closed door meeting and hammer out a settlement generally agreeable to both sides. The settlement is subject to final approval by the City Council and the P.A. Board of Commissioners.

P.A., Hoboken come to terms

Continued from Page 1

share of removing Pier B. The removal of the partially demolished pier is part of the Hudson Center development plan.

- The city will receive \$3 million in cash up-front to be used to lower the 1987 municipal tax rate. The tax rate of \$217 per \$1,000 of assessed valuation, already the highest in the state, is expected to jump to \$250 this year. The \$3 million could reduce the tax rate by \$24.

- The city will be paid an additional \$700,000 by the P.A. to pay for attorneys Sills, Beck & Cummins and financial consultants Ernst & Whinney, who have been participating in negotiations on the development, and to hire additional consultants if necessary.

- The P.A. will establish a capital improvements fund for the city of \$4 million, of which approximately \$1.5 million will be used for repairs to the tide-gates and regulators.

If the city and the authority reach a final agreement on the development, the city will be able to use the remaining \$2.5 million for capital improvements throughout the city, such as parking garages or a waterfront park. If there is no agreement by Dec. 31, 1987, the \$2.5 million will be equally divided by the city and the authority.

The tide gates and regulators, which are supposed to keep Hudson River water from entering the Hoboken sewerage system, have been broken many years, resulting in large amounts of river water being processed at the city's sewage



The shed at the Port Authority's Pier B in Hoboken.

treatment plant.

- The city will drop the lawsuit against the P.A. and the City Council will pass a resolution authorizing city negotiators to return to the development negotiation table. Sources stressed that the settlement will not bind Hoboken to an agreement on the development and will only commit the city to resuming talks.

The council has scheduled a closed session for 4 p.m. Wednesday to discuss the settlement. The plan must be approved by a resolution in open session if the council agrees to accept it.

Several council members have opposed the idea of any settlement with the P.A., notably Pasculli and Wilson. WAC, which has radically opposed the P.A. development and any

settlement of the lawsuit, has been invited to next week's closed session.

The lawsuit was originally filed by People Advocating Sane Solutions, a citizens group that is an offshoot of Help Hoboken Housing, a vocal coalition of developers, realtors and landlords. At last week's City Council caucus, Richard Seltzer, the group's attorney, urged the council against settling the suit.

But sources close to the negotiations said agreeing to an equitable settlement could save the city the time and expense of several years of legal wrangling, as well as setting negotiations on the development back on course.

"It is definitely in the city's interest to accept this deal and

it should not be turned into a political issue," a high-ranking city official said.

Negotiations on the insurance funds have been cloaked in secrecy, with both sides citing a need for confidentiality. Vezetti, Wilson and Coleman declined to comment on the settlement hammered out Tuesday.

John Donovan, manager of government and community relations for the P.A.'s economic development department, also declined to comment on specifics of the settlement, but he said the authority is optimistic.

"There is a real potential here for resolving a number of thorny issues," he said.

"No one likes unresolved issues."

Sewerage attorney asks more

By Bill Campbell

Hoboken special counsel Irwin Kimmelman has urged Mayor Thomas Vezetti and the City Council to give his law firm a \$50,000 extension to a \$100,000 municipal contract. Kimmelman, a former state attorney general representing the city in three sewerage suits, was granted a second \$50,000 contract extension by the council last month.

In a letter to Vezetti, Kimmelman, a partner in the Roseland firm of Kimmelman Wolf and Sampson, said "I would respectfully suggest that the city again renew our contract for future services" in the event the city cannot reach a settlement with Mayo Lynch & Associates, the engineering firm suing the city after its nearly \$2 million design contract was found invalid.

The law firm also represents the city in separate suits over the municipality's failure to upgrade to a secondary treatment level and with litigation over Hoboken's failure to comply with the federal Clean Water Act.

Councilman Robert Ranieri, chairman of the council Committee on Water and Sewerage, tonight will request that the council conduct a special meeting to discuss litigation and Kimmelman's fees.

Ranieri said the state Superior Court decision that rejected the Mayo Lynch contract created a "Frankenstein monster" that will cost the city "millions of dollars." He predicted that Kimmelman's fees will spiral to about a quarter of a million dollars before the litigation is resolved.

However, Vezetti's mayor-al assistant, Laurie Fabiano, said the administration is satisfied with Kimmelman's performance. "Even if the amount reaches \$250,000 before we're done, that's less than a month's worth of fines which we are currently subject to from the DEP," she said of the state Department of Environmental Protection fines for Hoboken's violation of an administrative consent order.

In addition to Mayo Lynch and DEP litigation, the city faces "millions of dollars" in fines from the federal Environmental Protection Agency for failing to abide by the Clean Water Act, Fabiano said.

City sleuths shiver for another winter

By JANET WILSON
Staff Writer

HOBOKEN—Anyone who stops by the offices of the detective squad here gets a cold shiver. And cold noses, toes and fingers. In fact, there has not been much heat in the back basement room for seven years, according to city officials and the detectives who work there.

On Monday, the men on the day shift were so cold they called the Health Department to come and take the temperature of the rooms. Two inspectors registered temperatures of 50 and 51 degrees just after noon and at 2 p.m., the warmest part of the day, according to Health Director Patricia Mitten.

According to Mitten, who likes to keep all hands warm, there is a municipal ordinance that says employers must keep work quarters heated to 68 degrees or above. She sent a letter to Public Works Director Roy Haack requesting that electric heaters be given to the detectives until the heating problem is resolved.

Heaters will not solve the problem, according to the men. They said they were given space heaters last year. Every time they plug one in, as was illustrated by a frustrated sergeant late Thursday afternoon, a fuse blows, an alarm buzzer sounds and the room is plunged into darkness.

Haack said the problem with the heat is that, when the rooms were remodeled seven years ago, the heaters were covered over with wall paneling. While the paneling is an attractive wood motif, it does not generate much heat.

Haack said the paneling needs to be ripped out completely, and the said he will bring an engineering designer down to police headquarters Monday to figure out what can be done about several physical problems there. In the meantime, he said, the men should be moved to different areas.

One problem with that idea is that the detectives already are sharing their chilly but structurally sound quarters with officers from the Juvenile Aid Bureau and the Vice

Space heaters unequal to the task of warming basement room

Squad. The floors of those two offices have been completely ripped out and plumbing is being replaced to stop raw sewage from "raining" into the rooms from the bathrooms above.

The police bathroom also is not a thing of beauty. Renovated only eight years ago, all of the tiles have come off the walls, and there is rust, mildew, and leakage evident.

Haack said that work is being planned to fix all of the problems, but that it is being done in-house to save the city money, and with only three workers to handle the job, as well as others such as the Hudson School. It is difficult to finish quickly.

Told about Haack's plans, one of the detectives burst into a bar of "It's the Same Old Song." Another said he believes Haack is trying a bit harder than past public works directors, and he said he hopes for the best.

Mitten said, if an extra extension wire can not be strung up immediately to allow the officers to plug in the heaters, insulation should at least be placed around the windows and on the walls as soon as possible.

"It is very demoralizing to have to work in such cold weather. It's horrible," she said.

The detectives, who seem to have grown thick skins to cope with the lack of heat, do keep their morale up. The Christmas Eve crew even wrote a poem eulogizing their condition. "Twas the night before Christmas, and all through the stationhouse, not a radiator was ping-pong ... it began.

Judge again sides with Hoboken

By PETER WEHRWEIN
Staff Writer

Judge Burrell Ives Humphreys, without issuing a formal opinion, hinted strongly yesterday that Hoboken should not pay the legal fees of the second engineering firm it has hired to design a sewage treatment plant.

Instead, Humphreys strongly suggested, the engineering firm — Lawler, Matusky and Skelly Engineers Inc. of Pearl River, N.Y. — should pay the \$40,000 fee.

"It could be inferred that Hoboken is being taken advantage of," Humphreys said during a court hearing yesterday afternoon.

Hoboken is in the midst of a complicated court case that started last year when the City Council voted to dump Mayo Lynch & Associates of Hoboken as its engineers and hire Lawler to replace it.

Although it lost a legal fight to keep its contract with the city, Mayo Lynch turned around and sued the city for about \$2 million, money the engineering firm says it is owed for the work it already has done on the plans for a renovated sewage treatment plant.

Humphreys said yesterday that it appears that Hoboken is getting "double billed" — once by the attorney representing the city, Irwin I. Kimmelman, a former state at-

torney general, and again by Lawler's attorney, Jack S. Kannry of Manhattan.

"What is Hoboken getting for \$2,000 a day?" Humphreys asked at one point. Kannry's legal fees were for a month's work.

But Kannry adamantly defended his bill during the court session yesterday, saying he had earned it with work during the weekend and overtime.

Kannry also said the city is liable for the payment because an "indemnification clause" is part of Lawler's contract with the city.

When Lawler agreed to the contract with Hoboken, it expected Mayo Lynch to bring a lawsuit, Kannry said.

Humphreys made a preliminary ruling yesterday that future legal bills should be submitted to him for review.

Distinct from the issues of legal fees, Humphreys moved yesterday to hire a court-appointed expert to calculate the worth of Mayo Lynch's work.

The attorney for Mayo Lynch, Harold J. Ruvoldt Jr. of Jersey City, rejected Humphreys' choice yesterday, he said, because the nominee has had past dealings with both sides in the case. An expert is expected to be appointed by mutual consent before the next court hearing in the case on March 6.

PLAN

Continued from Page 1
NJEDA stretches north from the 14th Street Viaduct to the Weehawken border, and west from Park Avenue to Jefferson Street. At least 17 different property owners in one 15-acre site would have to agree to sell or be involuntarily bought out.

A second, smaller area being examined runs from Jefferson Avenue west to the railroad tracks, and north from Eighth to 11th Streets. Advantages include only two major owners, the railroad tracks nearby, and a proposed road next to the tracks which probably will be built in the next few years by the state, according to Ralph Seligman, a consultant to the city Planning Board.

The study is expected to be completed in five to six weeks.

In response to Novak's

assessment of the city's role, Seligman said, "The city has been most resolute, and the City Council has supported the Planning Board in keeping that area non-residential. The owners know that, and the message will be reinforced. That land is reserved for industry and we are moving ahead, actively."

Perhaps the most compelling argument for proceeding swiftly with industrial development plans came from a local manufacturer, Paul Rotundi, owner of Dan Dee Belt and Bag Co., which has been in business in the city for 37 years, and employs 404 people.

"Let me tell you, you better start worrying about the little guy with a factory. We don't want to leave, but we'll have to if you don't find a place for us in this city."

Rotundi said he expects to be

socked hard with increased taxes after the revaluation, and also is facing tough competition from imports. He said he had received huge offers from condominium developers for his buildings on Grand Street, but would prefer to stay in industry.

"I can wait about one more year, then I've got to get out," he said.

If a section of the city was designated an industrial redevelopment area, Rotundi's business would be relocated to an area where rents and property taxes would be lower, according to city planners.

Other city officials backed the idea of pushing forward with redevelopment of an industrial base, in spite of the hurdles to be faced.

"We have got to provide jobs for the people in this city," said Councilman E. Norman Wilson.

HOBOKEN

Industry plan in infancy stage

By JANET WILSON
Staff Writer

HOBOKEN—The city could revitalize a dying industrial base in its northwest end, and provide hundreds of jobs for both unskilled and professional workers. But some tough decisions must be made soon if any of it is to happen, according to struggling manufacturers, state planners and interested developers.

Yesterday, at a strategy session at Stevens Tech led by the city Community Development Agency, members of the City Council and other local officials heard offers of federal and state funding, the possibility of building a major film and television production center, and news of a business incubator program that would encourage hundreds of small businesses to flourish.

But to make any of it happen, a sizeable package of land would have to be acquired from numerous private owners who might not want to sell.

"The city is going to have to bite the bullet," said Jerry Novak of the New Jersey Economic Development Agency, which is conducting land surveys in two sections of the back edge of the city, and has access to funds that could be used to buy out individual property owners.

According to Novak, certain owners probably will not be willing to accept offers, in hopes of forcing the city to rezone the area for residential use so they can reap greater profits from condominium developers than they would from a sale to the city. The city must hold the line, according to Novak, and take over the property through eminent domain if necessary, forcing the owners to accept a "fair market rate" for industrial property.

One area being studied by See PLAN, Page 8

Hearing is put off on Observer highrise

By Jim Kopchansky

The Hoboken Zoning Board of Adjustment last night decided to put off its hearing on a proposed 10-story highrise on Observer Highway because it didn't have enough members to vote on the application.

Instead, the board will rehear the application at its next meeting, set for March 19 in City Hall.

The board was prepared to listen to final arguments by applicants John and Marie Cas-

sesas but was prevented by board attorney Peter Daghljan, who said two new board members, Joseph DePalma and David Gallagher, would not be qualified to vote because they were not on the board when the application was first heard in January.

Since a qualified board member, Martin Tuzman, did not attend, last night, there were only four members present who could have voted on the application. To approve the variances being sought, by the

Casasas, five votes would be required.

John Casasas, a Hoboken fire captain, is seeking variances for lot coverage, rear yard area, and floor area ratio to build a 10-story, 102-unit housing project at the intersection of Observer Highway and Jefferson Street. The project is expected to cost \$8.2 million.

The application was first heard Jan. 15 with the full seven-member board in attendance. However, the terms of Salvatore DeGennaro and Ser-

gio Germinario have expired since then and they were replaced by DePalma and Gallagher. Tuzman, who heard the application as an alternate member in January, was also elevated to a permanent member, replacing John Greany.

Daghljan advised the board not to hear the application until it could arrange to have five members in attendance.

Leonard Franco, the attorney representing the Casasas, disputed Daghljan's decision,

but board Chairman Joel Freiser agreed and allowed the board to vote to adjourn the hearing until March 19.

In other business, the board denied an application by Aris Skarantonakis to build a four-story addition to his five-story apartment house at 233 Grand St. Skarantonakis was applying to add a second bedroom in four of the nine units in the building.

The board's vote was 6-1 against the variances with members saying they opposed

the plan because it would increase the building's floor area ratio to levels well above the city's mandated limit.

Also, the board approved a minor off-street parking variance for photographer Nancy Tsuchiya at 212 Park Ave. Tsuchiya and her husband renovated a former city firehouse into a residence, but by closing off the lower floor, they violated the city's requirement that one off-street parking space be provided for every unit of housing created.

Good news for Hoboken

8-8 2/23/87
The agreement worked out between the Port Authority and the City of Hoboken over the transfer of a multi-million dollar insurance settlement is a good one for the people of Hoboken.

The funds, representing proceeds and interest from an insurance settlement following a 1980 fire at the piers owned by the city and leased to the Port Authority, would give the city \$3 million to help to limit the 1987 tax increase. That in itself represents a real benefit for the Hoboken taxpayer. There would be no further delays or legal entanglements, and the city could do some realistic budget planning.

The agreement also provides money for Hoboken to pay a \$1.5-million debt the city owed to the P.A. and for setting up a \$4-million capital improvement fund.

Not only would acceptance of the plan benefit Hoboken residents now, but it would clear up a distracting obstacle to realistic decision-making on the plan for a major mixed-use development on the waterfront.

The settlement doesn't give the entire amount over to the city, all at once. But it's a genuinely smart agreement that deserves the support of the City Council and the Port Authority commissioners.

Not a party to the pact is People Advocating Sane Solutions, a citizen group that filed suit over the funds last year. The group can give itself a pat on the back for increasing the pressure on the city and the P.A. to come up with a good agreement on the funding. However, it would be best now for the group to drop its court action and accept the settlement as one that has real merit for the city.

Hoboken may get industrial park

By Jim DeRogatis

The state Economic Development Authority is studying the possibility of creating an industrial park in the north-west section of Hoboken.

The EDA, a quasi-public agency with broad powers for spurring economic development, is studying two underutilized areas in the city's industrial sector with the intention of attracting new industries to the city and providing space for businesses being pushed out by the condominium boom.

The authority should complete its feasibility study next month, but Jerry Novak, director of real estate and development for the EDA, said one drawback may be the difficulty of obtaining land in the areas from private owners. He said the EDA would urge the city to use its power of eminent domain to seize the property.

Hoboken's industrial base has been steadily declining in recent years as industries are being priced out by the skyrocketing tax rate, steep operating costs and increasing real estate values. City Community Development Agency Director Michael Coleman and members of his staff have been working for several months to develop a plan to help protect industry in the city.

Coleman sponsored a meeting on economic development yesterday afternoon at Stevens Institute of Technology.

In addition to a presentation by the EDA, Mayor Thomas Vezetti and City Council members heard several proposals from private agencies interest-



This area of Hoboken, in the shadow of the cliffs of Union City, is one of the sites being considered for an industrial park.

ed in bringing industries to Hoboken, including a motion picture consultant who hopes to study the potential for building a film studio in the city.

EDA has been studying two sites which could serve as the location of an industrial park. One site stretches from 15th Street to Hoboken's northern border just beyond 17th Street and from Park Avenue to the Palisades, an area of about 22 square blocks with 17 different property owners. The area is

occupied by several small factories and bus companies.

The second study area covers about 13 square blocks and stretches from Eighth to 11th streets and from Jefferson Street to the Palisades. City Planner Ralph Seligman recommended the second site because he said there are fewer private property owners and the majority of the land is vacant.

Seligman said the new zoning ordinance, currently being

considered by the Planning Board and City Council, will continue to zone both areas as industrial, despite pressure from private developers to allow residential construction. "There is a strong need to preserve an industrial section of the city," he said. "A city which has only one industry as its tax base — real estate — is subject to the fluctuations of that industry."

Novak said the EDA could See HOBOKEN—Page 11.

P.A. settlement divides council

By Jim DeRogatis

The Hoboken City Council is divided on whether to accept a settlement of a lawsuit to recover \$7.5 million in insurance funds from the Port Authority.

In a marathon closed-door meeting last week, city officials hammered out a settlement to the suit that would net the city \$9.6 million and allow negotiations on the proposed waterfront development to resume. The settlement is subject to approval by the council and the P.A.'s Board of Commissioners.

The council's vote is seen as the forum for a final debate on whether the city should develop its waterfront with the

ports, a hotel, a marina and a waterfront esplanade.

Negotiations were halted November in the wake of a controversy over \$7.5 million in insurance funds the P.A. collected when Pier B was destroyed by fire in 1980. P.A. officials said they intended to keep the funds and claimed they were earmarked for use in Hudson Center, but the city joined a lawsuit started by an anti-P.A. citizens group in an attempt to recover the money.

The settlement outlined last week would provide the city with \$3 million in cash up-front; \$700,000 to pay for consultants to advise on the waterfront development; a capital improvement fund with approximately \$15 million earmarked for the state-mandated repair of the tidegates and regulators, part of Hoboken's crumbling sewage system; and an additional \$2.5 million for capital improvements such as new parking facilities or a waterfront park.

In return, the P.A. would loan \$1.5 million originally loaned to the city in 1984 to purchase the piers from the federal government and \$400,000 as a share of the cost of removing the remnants of Pier B, a prerequisite to developing the waterfront. The P.A. would also obtain an agreement from the city to drop the lawsuit and return to the Hudson Center negotiating table.

According to the P.A., the See P.A.—Page 7.

See editorial:
Good news for Hoboken
Page 16

P.A. Those in favor of the P.A. development say Hoboken should settle the suit or Hudson Center's chances for becoming a reality may be destroyed, while anti-P.A. council members see the controversy as a means of stopping the development once and for all.

The city has been negotiating a restated lease to three waterfront piers with the P.A. since 1984. The lease is the key document that would allow the authority to construct the \$600 million Hudson Center project, which includes millions of square feet of office and retail space, 1,200 luxury housing

P.A. settlement divides council

Continued from Page 1

amount of the insurance funds plus the accrued interest totals \$9.5 million, while the settlement offers the city \$9.6 million in benefits.

The council is scheduled to meet in closed session at 4 p.m. Wednesday to discuss the settlement. They could accept or reject the plan at their regular meeting a week from Wednesday.

Council members Helen Cunniff, Joseph Della Fave, Steve Cappiello and Robert Ranieri said they support the settlement, while Patrick Pasculli and E. Norman Wilson are opposed. Thomas Newman and David Roberts said they are still considering the issue. Councilwoman Mary Francone could not be reached for comment but generally votes with Cappiello and Ranieri.

"I approve of the settlement," Cunniff said. "Even if negotiations (on Hudson Center) are not successful, Hoboken is in a better position if it has settled the suit instead of letting it drag on. We are in need of some up-front money for immediate tax relief."

Della Fave said the city "has a choice of getting as much as we can immediately or letting this drag on in court and possibly getting a lot less money down the line. It seems a lot more reasonable to me to accept this settlement."

Cappiello agreed, although he said he objects to administration plans to use the \$3 million in up-front money to lower the 1987 tax rate. "I would like

to see some tax relief, but I think the money should be spread out over a period of five years," he said.

The city's 1986 tax rate, \$216.50 per \$1,000 of assessed valuation, is the highest in the state.

Ranieri said the decision on the settlement boils down to a decision on whether the city should develop the piers with the P.A. "I'm in favor of developing with the P.A. and I approve this settlement. It offers an opportunity for both sides to come out on the right side of the ledger with their heads held high."

Pasculli is at the forefront of a growing grassroots movement opposed to developing with the P.A. because it believes the city could not properly control the powerful bi-state authority. He said he also opposes any settlement "that

does not provide the city with the full amount of the insurance money and interest."

"The city is being held hostage by the P.A. All of the money belongs to the city and it has nothing to do with the waterfront development."

Wilson echoed Pasculli's comments. "They are two separate issues that should not be tied together."

If we accept this settlement we are bound to return to negotiations, and that is unfair leverage being applied by the P.A.," he said.

However, City Law Director William Graves stressed that the settlement would not obligate the city to make any agreement on Hudson Center. "The only thing Hoboken would be obligated to do is return to negotiations, not sign any agreement," he said.

Graves said he would advise the council to let the settlement settle litigation," he said. "Litigation is like a machine where you enter as a pig and are spit out as a sausage."

See DEADLINE, Page 6

Hoboken may get an industrial park

Continued from Page 1

help make the city more attractive for industry by creating an industrial park that could draw on Hoboken's natural assets: its access to New York, public transportation and ready work force. EDA has constructed seven industrial parks in urban locations throughout the state, including two in Jersey City.

EDA would finance and oversee the construction of the park and work to attract suitable businesses, Novak said. In return, the city would help complete the property through eminent domain and provide incentives to industry, such as tax abatements.

The EDA study is expected to be completed in four to five weeks, and it will be presented to the council and public for further discussion, Coleman said.

Thea Sklover, president of a New York-based film and TV production firm and former head of the New York Film Commission, said production facilities for film and television are in great demand in the metropolitan area and the industry could be easily attracted to locating in Hoboken.

Sklover said she is willing to conduct a feasibility study for the city.

Representatives of City Venture Corporation, a California-based development firm that acts as an "incubator" to help launch small businesses, also expressed an interest in working to attract new industries to Hoboken.

Meanwhile, the head of one of the city's biggest industries said it will be impossible for him to remain in Hoboken unless officials protect the business sector from the increasing pressure to make way for residential real estate.

Paul Rotundi, president of the Dan Dee Bag & Belt Co., which employees 166 people in its Grand Street location, said he needs to expand his business but has found it impossible because of the real estate climate in Hoboken.

He said he will be forced to pull his business out of Hoboken in the next year unless the city can offer new industrial space and alleviate the high tax burden on industries.

"I'm one of the only people who owns four buildings in Hoboken who hasn't turned them into condominiums yet," Rotundi said.

"It's time the city started worrying about the little guy, the factory down the block," he said.

Landlords who have empty apartments in any building in the city must rent them within 60 days or file papers showing why they are exempt from the law. There are an estimated 300 to 500 empty units that could be covered, according to one tenant advocate, in a city that

is strapped sorely for affordable housing. Past violations will not be investigated retroactively under the law, but any landlord who does not report a vacant apartment within 35 days of Thursday will be subject to inspection of his or her property, and can be assessed fines of between \$100 and \$500 per day per apartment.

"As of Feb. 26, the time clock is running," said Enforcement Officer Jodie Manasevici.

Manasevici, a leader of the Upper Park Avenue Tenants Association, was hired three weeks ago by the Community Development Agency to receive complaints of warehousing and answer landlords' questions. She already has 13 complaints on file, which she will begin looking into at the end of March if the landlords have not complied with the law, she said.

To be relieved from having to rent See DEADLINE, Page 6

Outside engineer named to review sewage plans

By Bill Campbell

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A Millburn engineering firm has been appointed by the Hudson County Superior Court to review design plans for a proposed secondary sewage treatment plant in Hoboken.

Hudson County Assignment Judge Burrell Ives Humphreys yesterday appointed Elson T. Killam Associates as an "expert" engineer to review Mayo Lynch & Associates' controversial treatment plans.

In a related matter, the embattled engineering firm has hired former county Prosecutor Harold Ruvoldt Jr. as its chief counsel. He will coordinate the firm's numerous motions with Theodore Botter, a former appellate judge now with the Newark law firm of Meyner and Landis. Marc Arnold, who had served as chief counsel, will represent the taxpayer plaintiff.

The appointment of an "expert" engineer is seen as the first step in reaching a settlement with Mayo Lynch, which sued Hoboken last year after Humphreys declared the \$2 million design contract invalid. The city has since hired another engineering firm to complete the design of the project.

Humphreys, after conferring for more than an hour with attorneys for Hoboken and Mayo Lynch, named the engineering firm from a list provid-

ed by both parties. Killam Associates will begin reviewing the designs Monday and issue its opinion to the court Friday.

The firm must place a dollar figure on the design work and determine what portions of the plan were developed prior to the court's stop work order last November.

Mayo Lynch President Joseph Lynch, in what he said was a show of good faith, last December presented the city and the Hudson County Utilities Authority with completed sets of plans and specifications for the \$52 million project.

The engineering firm, which has already been paid almost \$800,000, sued the city last July after Mayor Thomas Vezetti refused to authorize a \$296,000 payment. Vezetti blamed Mayo Lynch for the state Department of Environmental Protection's decision not to fund the secondary sewerage project in fiscal 1987.

Humphreys surprised both sides last October when he declared the contract invalid. He said the city did not properly notify the public of the cost of the contract.

Mayo Lynch has lost appeals to overturn Humphreys' ruling and attempts to prohibit the city from hiring Lawler Matzky and Skelly of New York as the new project engineer. It is seeking payment for work completed and damages from

five Hoboken residents, including Vezetti, who allegedly made "malicious and libelous" statements about the firm and contract.

The appointment of an independent expert stems from a January conference in which Humphreys advised attorneys to explore settling the suit out of court. He later urged the city's special counsel, Irwin Kimmelman, to recommend to the City Council that Mayo Lynch be paid \$150,000 to cover outstanding bills of subcontractors.

The council will meet in closed session Wednesday to discuss the litigation.

Humphreys said Hoboken and Mayo Lynch would split the cost of reviewing the treatment plans for both innovative and conventional technology. He advised the attorneys that all questions of the review be addressed to the court, not the expert engineer.

Ranieri to fight land law change

By Bill Campbell

Hoboken City Councilman Robert Ranieri yesterday said he would challenge the legality of an ordinance creating amendments to the city's land use law, claiming the bill was substantially altered prior to its adoption.

Ranieri charged that amendments to the ordinance which the council ratified last week are "illegal" and said he will file papers in county Superior Court later this week to overturn the law if Mayor Thomas Vezetti does not veto

the bill. The council last Wednesday amended the city's zoning laws, the legislation which sets planning and zoning policy, to eliminate floor-area ratio and on-site parking loopholes. A third amendment, which would have required developers to contribute to an infrastructure fund, was deleted before roll call. Ranieri maintains the ordinance must be reintroduced since "substantial changes" were made after the measure was advertised.

Vezetti said he will not veto the ordinance. He charged that Ranieri, a vocal critic of

his administration, was "playing politics."

"The fact that Robert Ranieri wants me to veto this ordinance is enough reason for me to sign it," Vezetti said.

Ranieri denied that political motives triggered the challenge, saying he would support the bill if reintroduced. But he also criticized the administration and some of his colleagues on the council for acting "irresponsibly" and "recklessly" in supporting the measure.

In a partisan display, the bill passed in a 6-0 vote with Ranieri and Councilman Steve

Cappiello abstaining. Councilwoman Mary Francone voted "present."

"Quite clearly, according to state law, this ordinance should have been withdrawn, reintroduced and readvertised," Ranieri said. "If the mayor refuses to veto the ordinance, I will present documentation on site measure to Assignment Judge Burrell Ives Humphreys later this week and proceed with my challenge."

City Law Director William Graves, who last week expressed some concern over the

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Ranieri will fight land law change

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changes, yesterday said Ranieri "can do what ever he wants," but "I just hope he can find a good attorney to defend his challenge."

Graves told the council last week that the deletion of the third amendment of the ordinance "is not substantial if it's done for the purpose of reintroduction after advertisement and debate." He said the city could defend a challenge to the ordinance, "although I would not like to do it."

City Councilman Thomas Newman, author of the amendments, said the deletion was

necessary because supporting ordinances, including a scale of fees for infrastructure contributions, had yet to be drafted. He said the deletion of the third amendment "in no way changes the first two."

"This one ordinance could really be three separate ordinances," he said.

Ranieri lost a motion to table the ordinance. The council voted to remove the third section of the measure and later adopted the ordinance.

Ranieri said he has already instructed Graves to prepare a defense of his challenge to the ordinance.

DEADLINE

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an apartment, a landlord must file a request within 30 days with either the Anti-Warehousing Enforcement Office or the Rent-Levels Board, both located in City Hall. A waiver can be granted, for two months, for the following reasons:

□The owner lives on the premises and there are four or fewer apartments in the building.

□The owner wishes to reserve one apartment for a family member.

□The owner wishes to improve the conditions of the apartment while it is vacant.

□The owner must keep the apartment empty to correct violations of state or city building codes that make it unfit for human habitation.

Waivers can be renewed every two months for a total of six months, but no more. If apartments are rented, landlords can raise the rent between 3 and 25 percent of what it had been previously, depending on how long it has been vacant and what work has been done. Every waiver or increase is subject to review and approval of the Rent-Levels Board.

Tenant advocates say they are looking forward to enforcement of the ordinance, but one questioned whether it is not already too late in a city where 4,000 families are looking for affordable housing, according to waiting lists.

"It's overdue," said Thomas Oliveri, tenant advocate at the CDA. "I just hope it's not after the fact."

Lawyers for Help Hoboken Housing, a pro-developer coalition, said they are glad the law will not be applied retroactively, but said the ordinance should not be enforced at all until litigation involving it is completed. But the group has advised its clients to abide by the language of the ordinance for now.

HHH has lost twice on two separate motions to have the ordinance thrown out, and is awaiting a ruling on an appeal in federal court in Newark, and another on a motion by the city to dismiss its complaint scheduled to be handed down Thursday in Hudson County Superior Court in Jersey City by Assignment Judge Burrell Ives Humphreys.