Committee Meeting

of

STATE LEASING AND SPACE UTILIZATION COMMITTEE

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

DATE: March 31, 2004
12:00 p.m.

MEMBERS OF COMMITTEE PRESENT:

Assemblywoman Nellie Pou, Chair
Senator Stephen M. Sweeney
Robert L. Smartt
(Representing John E. McCormac)

ALSO PRESENT:

John A. MacCalus
Office of Legislative Services
Committee Aide
Robert Shaughnessy, Esq.

Andrew Hendry
Assembly Majority
Committee Aide

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
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rs: 1-27
ASSEMBLYWOMAN NELLIE POU (Chair): Good afternoon, ladies and gentlemen.

We are going to begin our meeting.

I’m going to ask Mr. MacCalus to, please, take the roll call.

MR. MacCALUS (Committee Aide): Okay, the March 31, 2004, State Leasing and Space Utilization Committee roll call; Chairwoman Pou.

ASSEMBLYWOMAN POU: Here.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Here.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Here.

MR. MacCALUS: We have a quorum.

Notice of this meeting was provided to the Secretary of State, Courier-Post, the Star-Ledger, the Trenton Times, and the State House Press on March 26, 2004, in accordance with N.J.S.A. 10:4-6 to 10:4-21, known as the Open Public Meetings Act.

You may proceed.

ASSEMBLYWOMAN POU: Thank you.

At this time, I’d like to open it up for any discussion with regards to the meeting schedule that’s been proposed. I have-- The tentative meeting dates that we have here-- I’ve just informed Mr. MacCalus to really-- I have a concern with April 26. I will not be available during that date. But on the other dates-- Have the members had an opportunity to take a look at them? And if it’s agreeable, those dates--

John, did you need me to announce those dates, or are we okay?
MR. MacCALUS: If you’d like, maybe we should wait until we nail it down.

ASSEMBLYWOMAN POU: That would be fine. What we will do is-- We have five proposed dates. We are going to get back and refer to those schedule dates once we have come up with a replacement for the April date.

At this time, I’d like to ask for a motion on the approval of the minutes for the January 6 meeting.

DEPUTY TREASURER SMARTT: So moved.

ASSEMBLYWOMAN POU: Second.

Roll call.

MR. MacCALUS: Okay, roll call.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Abstain.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: Okay. The meeting -- approval of the minutes has failed.

You may continue.

ASSEMBLYWOMAN POU: Thank you, Mr. MacCalus.

At this time, I’d like to begin with our first proposed lease. A new lease: NPL Number 4510, the New Jersey Judiciary Supreme Court Chambers, Woodbury, New Jersey.
I’m going to ask, Steve Sutkin, if you could please give us a brief description of that lease.

Thank you.

**STEVEN M. SUTKIN:** Yes, this is a lease for Justice Wallace, to be located at 6 North Broad Street, in Woodbury. The lease, essentially, replaces the lease for retiring Justice Coleman. Essentially, it will be five employees in the space. It will be approximately 460 square feet of space. The annual rate is $52,900, at an effective rate of $23 a square foot.

For your information, the lease represents $20,000 less per year than the previous lease for Justice Coleman.

I can answer, or Bob can answer, any specific question you might have regarding this lease.

It was an advertised lease, as well.

**ASSEMBLYWOMAN POU:** Are there any questions from any of the members? (no response) No questions? Okay.

I’d like to request for a motion.

**DEPUTY TREASURER SMARTT:** So moved.

**SENATOR SWEENEY:** Second.

**ASSEMBLYWOMAN POU:** It’s been moved, and second.

Roll call.

**M. R. MACALUS:** Okay, to approve NPL 4510 for the New Jersey Judiciary. Assemblywoman Pou.

**ASSEMBLYWOMAN POU:** Yes.

**M. R. MACALUS:** Senator Sweeney.

**SENATOR SWEENEY:** Yes.
MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: It has been approved.

ASSEMBLYWOMAN POU: Deputy Secretary Bob Smartt.

DEPUTY TREASURER SMARTT: I’d just like to-- I need to change the record on the motion to approve the minutes for-- I wasn’t here either, so I change my vote from a yes to an abstention.

MR. MacCALUS: Okay.

ASSEMBLYWOMAN POU: Okay, thank you very much. We will so take notice of that.

Our next lease agreement, NPL Number 4511, the Department of Law and Public Safety, Juvenile Justice Commission.

Steven.

MR. SUTKIN: Yes, this is a lease for Juvenile Justice Commission’s Aftercare AmeriCorps probation review program. It was an advertised solicitation resulting in the most cost-effective lease going to this landlord. Essentially, the program is a noninstitutional program, alternate sentencing for juveniles. The lease will house 16 employees, and the rate is about 243 square feet per person within the lease. The proposed rate is $22.53, and the annual effective rate is $87,867, located in New Brunswick.

I submit this lease for approval.

ASSEMBLYWOMAN POU: Are there any questions from either of the members of the Committee? (no response)

Hearing no questions, I’d like to request a motion for approval.

DEPUTY TREASURER SMARTT: So moved.
SENATOR SWEENEY: Second.
ASSEMBLYWOMAN POU: It’s been moved, and second.
Roll call.
MR. MacCALUS: Roll call for the motion to approve NPL 4511.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.
MR. MacCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
MR. MacCALUS: And Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
MR. MacCALUS: It has been approved.
ASSEMBLYWOMAN POU: Lease agreement NPL 4513, Department of Labor, Worker’s Compensation.

John.

Any discussion?

I’m sorry. Steven, would you please give us a description on this lease agreement?

MR. SUTKIN: Yes, this was an advertised solicitation for the Department of Labor’s Worker’s Compensation court. We received competitive proposals and submit for a new 10-year lease, in Mount Holly, New Jersey, on High Street. It will house approximately seven employees, and approximately 927 square feet per. And the high amount of the square footage is due, in large measure, to the library space, the courtroom space, the conference meeting space -- when you compare it to other leases that we’re presenting today.
The annual effective rates for the first five years is $123,000, with an increment after five years -- for years six through 10 -- for $134,000 per year. And I submit it for approval.

ASSEMBLYWOMAN POU: Steve, just give me a second, please. Thank you very much.

Are there any discussions, or comments, or questions with regards to this lease agreement? (no response)

Hearing none, I’d like to move for a motion.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded.

John.

MR. MacCALUS: Okay, approval of NPL 4513, for the Department of Labor. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: Okay, it has been approved.

ASSEMBLYWOMAN POU: Our next agreement is going to be NPL 4515, the Department of Labor.

SENATOR SWEENEY: Assemblywoman, I would like to move to hold that one. I make a motion to hold to the next meeting.

DEPUTY TREASURER SMARTT: Second.
ASSEMBLYWOMAN POU: Second.

Senator Sweeney has recommended that this lease agreement be held, seconded by Deputy Treasurer Smartt.

John MacCalus.

MR. MacCALUS: Okay, on the motion to hold the NPL 4515, Department of Labor. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: Okay, it is on hold.

ASSEMBLYWOMAN POU: Thank you.

Our next lease agreement, NPL 4516, the New Jersey Judiciary, Judicial Education and Development, Internal Audit and Control.

John MacCalus.

MR. MacCALUS: Steve.

ASSEMBLYWOMAN POU: Steve.

MR. SUTKIN: This lease was also solicited, via public advertisement. It’s a lease for the Judicial branch -- their Education and Development/Internal Audit groups. It’s a relocation for this group out of the Justice Complex, but remaining in the Trenton area. It was advertised, as I noted, and relocating into a Spruce Street location, where the lease rates are, as you can see, extremely favorable.
There will be 17 employees in the Judiciary located in the facility, at a 258 square feet per employee-- The annual rate is $59,000 for the first five years, and $66,000 for years six through 10. And I submit it for approval.

ASSEMBLYWOMAN POU: Steve, let me ask you, in this particular agreement -- or Bob -- whoever can-- What Department’s are going in here? Is it the Department of Labor -- it is going to then be the Workforce Development Center, similar to that whole one-stop shop proposed project? How many employees are going into this?

ROBERT LABATE: Is this for-- This one is for Judiciary.

ASSEMBLYWOMAN POU: No, I’m talking about--

MR. LaBATE: The Vineland one.

ASSEMBLYWOMAN POU: The Vineland one.

MR. SUTKIN: The one that was held?

ASSEMBLYWOMAN POU: No, I’m sorry. That was the other question.

I’m sorry. I have no questions on the 4516. I was confusing that with the earlier question.

MR. LaBATE: And that is a one-stop, the other one.

ASSEMBLYWOMAN POU: Right, I’m looking at the wrong piece here.

Okay, thank you very much.

Are there any discussions or comments with regards to-- (no response)

Motion for approval.

DEPUTY TREASURER SMARTT: So moved.
SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved, and second.

Roll call.

MR. MacCALUS: Okay, on the motion to approve NPL 4516, for the New Jersey Judiciary. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: Okay, it has been approved.

ASSEMBLYWOMAN POU: Thank you, Steve.

It’s been moved and seconded.

MR. MacCALUS: Approved and ready to go.

ASSEMBLYWOMAN POU: And approved.

MR. MacCALUS: Steve, the next one.

ASSEMBLYWOMAN POU: Okay, our next agreement, NPL 4300, Department of Human Services.

MR. MacCALUS: It’s 4300, Tab Number 16.

MR. SUTKIN: We have the flexibility. (laughter)

Number 16 is an interim lease agreement that we’re pursuing for the Commission for the Blind and Visually Impaired in the Department of Human Services. It’s a two-year interim lease with the existing landlord at the current terms and conditions, pending a more permanent solution to their long-term
needs. The rate, as you can see in the binder, remains the same, at $13.50 a square foot, for a total effective annual cost of $152,000.

And unless there’s any questions, I’m prepared to submit it for approval.

ASSEMBLYWOMAN POU: Steve, did you say this was an interim lease?

MR. SUTKIN: Yes, we tried to get a long-term extension with the landlord, but we’re not able to reach an agreement on economic terms. So instead of going with what we typically go for -- is at least five years -- we decided to go just for two years and, in the interim, pursue advertisement in the catchment area for what will hopefully be a 10-year lease with two five-year extensions.

ASSEMBLYWOMAN POU: Was this the office that -- back, I think, what, five or seven years ago -- was all consolidated and opened in Newark. Or is this a different office?

MR. LaBATE: This is a different office. This is the, kind of -- contains the braille materials. It’s like a distribution center for reading materials for the -- braille and large-print materials for the blind.

ASSEMBLYWOMAN POU: So it’s not where they would go for service, or a referral, or counseling, or information where the staff would be housed at.

MR. LaBATE: No, this is not that function.

ASSEMBLYWOMAN POU: Okay, thank you.
Are there any questions? (no response)
If not, I’m going to ask that we -- I ask that-- Motion for approval?
DEPUTY TREASURER SMARTT: So moved.
SENATOR SWEENEY: Second.
ASSEMBLYWOMAN POU: It’s been moved and seconded.

John, roll call.
MR. MacCALUS: For the approval of NPL 4300, the Department of Human Services. Chairwoman Pou.
ASSEMBLYWOMAN POU: Yes.
MR. MacCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
MR. MacCALUS: And Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
MR. MacCALUS: It has been approved.
ASSEMBLYWOMAN POU: The next lease agreement that I have here on the agenda that I’m now using, which is the agenda that was completed back on March 16 -- which is why we’re going back and forth here -- is the NPL 4514, which is on Tab 17.

Steve.
MR. SUTKIN: Yes, this is another interim lease agreement. It’s an emergency two-year interim lease for the Division of Youth and Family Services at a new location, to accommodate some of the newly hired employees in DYFS serving in Middlesex County. The new location is at 200 Metroplex Drive, in Edison, and it will accommodate 98 employees.
ASSEMBLYWOMAN POU: New employees?
MR. SUTKIN: There will be 12 additional employees. There were 86 previously, and now there’s a total of 98.
ASSEMBLYWOMAN POU: Steve, I know that we have several lease agreements for the Division of Youth and Family Services that are on today’s agenda. For the purpose of just trying to move forward expeditiously on this, let me just ask the question. And if you can just refer to the question and apply that to all of the other lease agreements for -- once they come up. We’re going to want to know the number of new staff members that that particular lease will provide the additional space for, whether or not that lease agreement is being done with the proposed -- already budgeted for, whether it’s already in the budget -- those particular lease agreements or the additional space.

And I ask that question, because I know that the Deputy Commissioner that came before us -- the Assistant Commissioner before, at the last meeting-- He had mentioned how they were looking to make several proposed new hires for both this year’s, as well as next year’s, fiscal budget.

What I want to know is whether or not these funds have already been approved, if it’s under the ’04 budget or in the proposed ’05 budget, which has yet not been approved by the Legislature. So if you could please keep in mind those questions as those agreements come forward, so we’ll understand just how that falls into place.

I recognize the fact that we need to have additional space. I just want to make sure that we have the appropriated dollars for each of these lease agreements, prior to us agreeing to it -- or for discussion purposes.

DEPUTY TREASURER SMARTT: Could I ask if there’s somebody from the Department or the Division who can help answer those questions?
MR. SUTKIN: I would just say, preliminary to that, that as a matter of process, you’ll see that the space planning requests, the SPRs, and the notices of proposed lease go through the Office of Management and Budget. And they approve it for the employees and the funding.

I’ll have to check to make sure that’s definitive. I’m almost certain that it is, but this is ’04 money. But before I say definitively, give me an opportunity to check.

MR. LaBATE: Can I speak to this for a second?

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Your name, please?

STEPHEN HATOLA: Stephen Hatola, and I’m the Administrator for Facilities Management in DYFS.

MR. LaBATE: What the actions in here represent are the FY ’04 initiatives for the 300 new workers that came on board by December. So they were budgeted -- I just checked with our OMB guy -- that they were budgeted for the FY ’04. This does not-- These do not address the additional 200, I believe, that are supposed to be coming on board by July 1, or the next round -- the FY ’05 new hires, as well.

ASSEMBLYWOMAN POU: My concern is, with the appropriations -- the dollars which are appropriated for salaries and wages for the new hires. And I understand that, obviously, we need a location and space for them to be housed. I just want to make sure that when we’re agreeing with the expansion of new lease agreements, that we’re doing that with the understanding that those dollars will be approved and appropriated within our
budget. So I don’t want to put -- I don’t want to move ahead without making sure that we’re following that carefully.

MR. HATOLA: These people that we’re talking about, these new hires, have already been hired. This is from the first infusion and not the new group that is part of the DYFS Improvement Plan.

ASSEMBLYWOMAN POU: So none of the lease agreements that are on today’s discussion are for any additional space provided for the proposed new hirees in ’05’s budget. Is that correct?

MR. LaBATE: Yes.

MR. HATOLA: That’s correct.

ASSEMBLYWOMAN POU: Okay, all right. Thank you for that clarification.

Steve, if you can continue--

MR. SUTKIN: Okay, so this is for an additional 12 hired employees. And the total of the 98 will be housed at the Metroplex facility, as noted in the agenda item number 17, which I submit for approval.

ASSEMBLYWOMAN POU: Any questions from the members?

(no response)

Hearing no questions, I move for a -- motion to move?

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.

MR. MacCALUS: This is for the approval of NPL 4514, Department of Human Service’s, DYFS. Chairwoman Pou.
ASSEMBLYWOMAN POU: Yes.
MR. MACALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
MR. MACALUS: And Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
MR. MACALUS: Okay, it has been approved.
ASSEMBLYWOMAN POU: Next agreement, NPL 3707, Tab 6, New Jersey Judiciary Tax Court.

MR. SUTKIN: This was an initiative that was done in coordination with the Judicial branch, the Administrative Office of the Courts. And for programmatic needs, they wanted to consolidate their tax court with the Appellate court up in Hackensack.

It’s an amendment to the already existing lease that was housing the Appellate division. And the term, with this amendment, will be concurrent with the 10-year lease that already existed in the Appellate division. The cost for the amendment, for the tax court to be relocated to the 25 Main Street location, will be $63,631 annually. And I submit it for approval.

I just want to note that all the agencies that we represent -- I’m pretty sure -- are represented here. So if you have specific, programmatic questions, everyone’s represented and can respond to any questions you have.

ASSEMBLYWOMAN POU: Any questions? (no response)
Just give me a moment, I’m taking a look at--
Motion to move?
DEPUTY TREASURER SMARTT: So moved.
SENATOR SWEENEY: Second.
ASSEMBLYWOMAN POU: Roll call.

MR. MacCALUS: On the motion to approve NPL 3707, Amendment 1, the New Jersey Judiciary in Hackensack. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: It has been approved.

ASSEMBLYWOMAN POU: Next agreement, NPL 3861, Department of Human Services.

MR. SUTKIN: This is an amendment to an already existing lease. In response to your earlier question, Madam Chairwoman, it’s an additional 14 employees in the space under the ’04 budget. It’s an increase of about 1,000 square feet, which represents about 195 square feet per employee for the additional space. The annual effective rate will now -- will be $404,875, an increase of approximately $20,000 for the additional space.

I submit it for approval.

ASSEMBLYWOMAN POU: Any discussion?

DEPUTY TREASURER SMARTT: Just again, to follow up the Assemblywoman’s question. Those 14 employees who are being paid for with current fiscal year funds are on the payroll as of today. Is that right?

MR. SUTKIN: Correct.

DEPUTY TREASURER SMARTT: Thank you.

ASSEMBLYWOMAN POU: Motion to move?
DEPUTY TREASURER SMARTT: So moved.
SENATOR SWEENEY: Second.
ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.

MR. MacCALUS: Okay, on the approval of NPL 3861, Amendment Number 2, for the Department of Human Services, DYFS.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.
MR. MacCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
MR. MacCALUS: And Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
MR. MacCALUS: It has been approved.
ASSEMBLYWOMAN POU: Okay, thank you.

Next agreement, NPL 4025, Department of Human Services, Tab 9. We’re back in order now.

Steven.

MR. SUTKIN: Yes, this is an amendment-- Actually, I’d appreciate it if we could consider this together with Tab Number 19. They’re both for the Voorhees location for DYFS, and they’re related.

ASSEMBLYWOMAN POU: Okay.
MR. SUTKIN: Number 8 and Number 19.
ASSEMBLYWOMAN POU: NPL 4436?
MR. SUTKIN: Yes.
ASSEMBLYWOMAN POU: Okay, we can take the both together.
MR. SUTKIN: Okay.

This lease initiative Number 8 was previously approved in the August 2003 Space Utilization Committee meeting. And it approved a lease which extended through 2009. And this amendment-- But the lease has not been executed -- though we had approval, the lease has not been executed because we’ve had ongoing initiatives about expanding it in light of the additional DYFS employees. And now we’re looking to add on to that approval an additional 1,066 square feet.

What happened previously is, we were consolidating another building within that complex into this building. And so it was a consolidation, and we were going to leave the previous building, which is Number 19. But now, because of the increased DYFS employees, we’re going to go back and occupy the building that we were previously abandoning.

It’s not as if we’re moving employees out of an empty -- out and creating an empty building. Some of them were not relocated. We did not incur a lot of additional move costs. Some of them are located -- and the new DYFS employees are being distributed within the two buildings in Voorhees.

ASSEMBLYWOMAN POU: How many staff members are involved in this?

MR. HATOLA: I have 21.

ASSEMBLYWOMAN POU: Twenty-one

MR. HATOLA: There’s a great number that we had. We didn’t have enough space, so, as Steve said, we needed to stay in the existing location and get a little bit more space, as well.
ASSEMBLYWOMAN POU: Is that an interim or the renewal lease?

M.R. SUTKIN: Both leases, I understand, will run concurrently until 2009, so it’s five years.

ASSEMBLYWOMAN POU: Any questions? (no response)

Motion to move?

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.

M.R. MacCALUS: Okay, on the motion to approve NPL 4025, Amendment 1; and NPL 4436, for the Department of Human Services. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

M.R. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

M.R. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

M.R. MacCALUS: They are both approved.

ASSEMBLYWOMAN POU: Next agreement: NPL 4049. It’s an amendment from the Department of Corrections.

Is there a similar arrangement here with another lease agreement, Steve, or does this stand by itself?

M.R. SUTKIN: No, this one stands on its own.
ASSEMBLYWOMAN POU: Okay. We’re now going in order. It’s Tab 10.

M. R. SUTKIN: This is an amendment to a previously approved lease. It represents an additional 11,500 square feet of space for an additional 55 employees. The value of the delta is $204,000. The existing lease annual rate was $776,000, making it a total of $980,000 per year.

Some of the motivation for this leasing amendment action is the merger of certain Division of Parole units, and the additional employees and programs that are being housed in this facility. And as you can imagine, there’s not wide flexibility to place parole offices because of NIMBY issues. So we try to take advantage of every good opportunity we have, and this was one of them.

ASSEMBLYWOMAN POU: Any discussions? (no response)
Motion to move?
DEPUTY TREASURER SMARTT: So moved.
SENATOR SWEENEY: Second.
ASSEMBLYWOMAN POU: It’s been moved and seconded.
Roll call.
M. R. MacCALUS: Okay, on the approval of NPL 4049, amendment to the Department of Corrections. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.
M. R. MacCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
M. R. MacCALUS: And Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
M. R. MacCALUS: It has been approved.
ASSEMBLYWOMAN POU: Next agreement, NPL 4051, an amendment -- Department of Human Services.

Steven.

MR. SUTKIN: This is another DYFS initiative. It’s an amendment to an existing lease for an additional 1,614 square feet of space. It is for nine additional DYFS employees, per the ’04 budget, as I understand it.

I’d ask Mr. Hatola whether these are already hired employees? He’s indicated yes.

The proposed new rate is $18 per square foot. The total cost has been raised $29,000 for the additional space, for a total of $330,000 per year. And I submit it for approval.

ASSEMBLYWOMAN POU: Any questions from the members? (no response)

Hearing none, a motion to move.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.

MR. MacCALUS: On the approval of NPL 4051, Amendment Number 1, Department of Human Services. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.
M R. MacCALUS: It has been approved.

ASSEMBLYWOMAN POU: Thank you.

Next agreement, NPL 4360, Tab 11.

Steven.

M R. SUTKIN: Yes, this is a lease initiative for the Department of Community Affairs, Code Compliance office, in Asbury, New Jersey. It’s an amendment to an already existing lease for expansion of the Code Compliance office. It will house six additional employees in 1,750 square feet of additional space. The rate will be $18 per square foot. The effective rate for this additional space, which is the same rate as we’re already paying for the employees that are already there in the already existing rented space-- The additional amount is $31,500, for the additional space, for a total of $107,600 per year, which I submit for approval.

ASSEMBLYWOMAN POU: Any questions? (no response)

Hearing none, motion to move.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.

M R. MacCALUS: Okay, on the approval of NPL 4360, Amendment Number 2. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

M R. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

M R. MacCALUS: And Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.

MR. MaccALUS: It has been approved.

ASSEMBLYWOMAN POU: Thank you.

Next agreement, NPL 4404, it’s an amendment for the Department of Law and Public Safety.

Steven.

MR. SUTKIN: Yes, this is a lease initiative. It’s an amendment for New Jersey State Police, at the Cape Island Marina, in Waretown. They have boat slips. We have boat slips currently rented for the Department of Law and Public Safety, State Police. And the State Police has it that it’s unworkable to have the State Police administrative and troopers located in a remote location in Tuckerton. It doesn’t make sense for them, operationally. And so we’re amending this lease for 1,640 square feet of office space, for eight employees of State Police, to be relocated next to the facility where the boats are, which makes operational sense.

The proposed cost is $15 a square foot. And the office space, annually, will be $24,000 -- annually. I submit it for approval.

ASSEMBLYWOMAN POU: Any questions? (no response)

Motion to move?

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.
MR. MacCALUS: Okay, on the approval of NPL 4404, Amendment 1, for the Department of Law and Public Safety. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.
MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.
MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: It has been approved.

ASSEMBLYWOMAN POU: Next agreement, NPL 4420.

Steven.

MR. SUTKIN: Yes, this is an amendment to an already existing lease for the Department of Community Affairs, and it also ties into the DYFS initiative that the State is undergoing. This is part of a larger plan where DYFS’s -- some DYFS offices are relocating to Red Bank, where DYFS and DCA already share space. And that will allow more space for DYFS. And the DCA will move from Red Bank to Freehold, giving up a small amount of space.

The space will provide for 10 employees, for 335 square feet per employee. The additional space will be $79,000 annually -- $80,000 annually. The existing rent we’re paying is $745,000 annually, for a total of $825,000. And I submit it for approval.

ASSEMBLYWOMAN POU: Any discussion? (no response)

Hearing none, a motion to move.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.
ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.

MR. MacCALUS: Okay, on the approval of NPL 4420, Amendment Number 1. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: It has been approved.

ASSEMBLYWOMAN POU: Next agreement, NPL 4319, amendment from the Department of Human Services.

MR. SUTKIN: Madam Chairwoman, I’d ask, with your permission, that we consider 14 and 15 together.

ASSEMBLYWOMAN POU: What are they?

MR. SUTKIN: Fourteen and 15 both are initiatives for DYFS at the same location. Fourteen is for additional space, and 15 is for time.

ASSEMBLYWOMAN POU: Certainly.

MR. SUTKIN: This leasing action is an amendment of expansion at 80 West Grand Street, in Elizabeth. And it’s for an additional 1,300 square feet of space. And at the same -- actually, this doesn’t speak to rate -- only discuss 15. It is for an additional six DYFS employees per the ’04 budget money. And that’s for their office in Elizabeth.

When you turn to Tab 15, you’ll see that we negotiated an extension of this lease, which was a month-to-month because of the expiration
of the term, to a five-year lease. And you can see in the packet that Bob LaBate’s office was able to negotiate a decrease in the rental rate of about $1.40 per square foot. So it went from $17.75 per square foot to $16.35 per square foot. As consideration, we entered into a five-year term lease at the location, for an annual cost of $281,743. And I submit them for approval.

ASSEMBLYWOMAN POU: Steven, are they both for five years? Is NPL 4319 also for five years?

MR. SUTKIN: It’s, essentially, the same lease that we’ve submitted under two tabs. One is just for the additional 1,300 square feet of space in the month-to-month lease. Then we put it under a different tab to extend it to five years from the month-to-month status because, as you know, when you’re month-to-month, you can be exposed to the landlord asking for double rent, or whatever. So it’s more secure for the State, in the long-run, to have a term lease.

ASSEMBLYWOMAN POU: Any questions? (no response)

Motion to move.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded. Roll call.

MR. MacCALUS: Okay, on the approval of NPL 4319, Amendment 1; and NPL 4319. Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.
MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: It has been approved. They both have been approved.

ASSEMBLYWOMAN POU: Well, that concludes all of our lease agreements.

I’d like to entertain a motion to adjourn.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and seconded.

Roll call.

MR. MacCALUS: Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: And Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: And we are adjourned.

ASSEMBLYWOMAN POU: Thank you very much.

(MEETING CONCLUDED)