Committee Meeting

of

STATE LEASING AND SPACE UTILIZATION COMMITTEE

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

DATE: June 1, 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.
Counsel

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
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## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Department</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steven M. Sutkin</td>
<td>Deputy Director</td>
<td>Contract Administration</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Division of Property Management and Construction</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Jersey Department of the Treasury</td>
<td></td>
</tr>
<tr>
<td>JoAnn Hammill</td>
<td>Assistant Commissioner</td>
<td>Workforce New Jersey</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Jersey Department of Labor</td>
<td></td>
</tr>
<tr>
<td>Joseph Wilkins</td>
<td>Assistant Commissioner</td>
<td>Administration and Technology</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Jersey Department of Labor</td>
<td></td>
</tr>
<tr>
<td>Joseph Spicuzza</td>
<td>Director</td>
<td>Administrative Services</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Jersey Department of Labor</td>
<td></td>
</tr>
<tr>
<td>Robert LaBate</td>
<td>Manager</td>
<td>Lease Negotiations/Procurement</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Division of Property Management and Construction</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Jersey Department of the Treasury</td>
<td></td>
</tr>
</tbody>
</table>

Imb: 1-41
ASSEMBLYWOMAN NELLIE POU (Chair): Good afternoon, ladies and gentlemen. I’d like to begin our Leasing Committee.

I’d like to ask Mr. MacCalus if you would please open it up with a roll call.

MR. MacCALUS (Committee Aide): Okay. Roll call for the State Leasing and Space Utilization Committee, for the meeting of June 1, 2004.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Here.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Here.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Here.

MR. MacCALUS: Okay. We have a quorum.

Notice of this meeting was provided to the Secretary of State, the Courier Post, the Star-Ledger, the Trenton Times, and the State House Press on May 20, 2004, in accordance with N.J.S.A.10:4-6 to 10:4-21, known as the Open Public Meeting Act.

We may proceed.

ASSEMBLYWOMAN POU: Thank you, Mr. MacCalus.

At this time, I’d like to ask that there be approval of our minutes -- our meeting minutes. If I can have-- Are there any discussions, first of all? (no response)

SENATOR SWEENEY: Motion.

DEPUTY TREASURER SMARTT: Second.

ASSEMBLYWOMAN POU: Motion. It’s been moved and second.
Mr. MacCalus, roll call please.

MR. MacCALUS: Okay. A roll call to approve the minutes of the meeting of March 22 and March 31?

ASSEMBLYWOMAN POU: That’s correct.

MR. MacCALUS: Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: Both meeting minutes have passed.

ASSEMBLYWOMAN POU: Thank you.

Mr. Sutkin, I understand that you have a presentation today from the Department of Labor. Prior to us agreeing -- or going through any of our agreements, did you want to proceed with that first, or did you want to do any of the proposed lease agreements?

STEVEN M. SUTKIN: We could have the presentation first.

ASSEMBLYWOMAN POU: Okay. I’m going to ask if you would please call to the front all of the representatives from the Department of Labor.

If you could please just come forward, identify yourself, and give your presentation.

ASST. COMMISSIONER JOANN HAMMILL: Good afternoon, Assemblywoman and panel.

ASSEMBLYWOMAN POU: Good afternoon.
ASSISTANT COMMISSIONER HAMMILL: I’m JoAnn Hammill, and I’m Assistant Commissioner with the New Jersey Department of Labor.

ASSEMBLYWOMAN POU: Welcome.

ASSISTANT COMMISSIONER HAMMILL: Also here with me, here today—

ASST. COMMISSIONER JOSEPH WILKINS: I’m Joe Wilkins, also Assistant Commissioner at the Department of Labor.

DIRECTOR JOSEPH SPICUZZA: And I’m Joe Spicuzza, Director of Labor.

ASSISTANT COMMISSIONER HAMMILL: I want to thank you for this opportunity to present before you today some information about the One-Stop Career Centers. It’s critical, with the centers throughout the state, in order to have a unified Workforce system. I wanted to give you a little bit of background, and I’m pleased to hear that the members do have experience with the Workforce system and the Workforce Investment Boards. So I’ll be brief with regard to that.

But instrumental is the fact that in 1998 the Workforce Investment Act was passed. According to that Act, we are required to have One-Stop Career Centers in each of our local Workforce Investment areas. New Jersey has 18 areas throughout the state. If we are not in compliance with this Act, we are not eligible for the Federal funding, under the law.

At this time, we have One-Stop Career Centers in all of our counties, but they’re not all fully compliant, meaning that all the required partners are not under one roof, colocated, and integrated. And for the past four
years, the State has been working aggressively to achieve and make certain that we have certified One-Stops.

In the near future, the Federal Government will be reauthorizing the Workforce Investment Act. One of the components of the reauthorization was actually to see that the states do have certified One-Stops. I’m proud to say that here in New Jersey we have taken this to heart. I attend many of the national meetings, and many states are still floundering with this issue, causing a great deal of concern with Congress and the ongoing funding if the states do not correct this issue.

Let me describe, a little bit to you, for the One-Stop, and what we’re trying to achieve. Under the One-Stop Career Center, the purpose of the centers is to help people get jobs, to retain jobs. If they do not have the skills, they need to receive the training that they need to obtain a job. In the past, in order to deliver these services, they were throughout the state in a very, very fragmented way, causing our citizens to go from one location to another, bouncing around in order to get the services.

What we are trying to achieve here is to have an integrated One-Stop, where an individual can go to one location and be able to receive all of the Workforce services that they need to become reemployed or to get a better job. Some of the One-Stops that we have recently opened have been in Camden, Newark, and we’re about to have a grand opening in Pleasantville. We do have other locations, however, as well, in the Burlington area, Newark, New Brunswick, and at different levels throughout the state in many of the other areas, where we’re working together. Like, for example, Gloucester right now, to move staff and shift them together. The same thing with Passaic, where we’re
working to achieve a One-Stop there. And it does take a lot of commitment on
everyone’s part in order to make this happen, and really the tenacity to make
sure we move ahead.

But you can see, when you have everyone in a single location,
everything from public access—Rather than duplicating things, we put it
together. We join our resources. We join our staff. We can deliver better
service to the individuals. So there is a lot of sense to what we’re trying to do
as an outcome.

Some of the other features that we have are, we perform workshops.
We have one-on-one skills assessment, and so forth. We have a literacy
program called Workforce Learning Links at our One- Stops. In many of them,
we’re putting child drop-off centers. And one of the newest features -- and I did
bring brochures for you, which explains all of the services in the One-Stop, what
a One-Stop Career Center is, but also our newest feature -- which is the Business
Resource Centers. We’re trying to attract and help small businesses and provide
them the resources -- everything from recruitment of individuals for their
businesses, to how to get a business loan, how to write an effective business
plan. Many of the small businesses, again, they have difficulty maneuvering
throughout the State and local system. We’re there to help them, whatever their
needs may be -- everything from economic development needs to other types of
services, with regard to training and so forth.

So we’re pretty excited about what’s happening. And it really -- we
do need the support of the panel to move forward with a lot of these
consolidations, and make certain that we don’t have a county or city location,
and a state location. We need to be together in order to be in compliance with
the Act. And some of the programs that are located in these are: the unemployment insurance; the employment service; the vocational rehab services; the Workforce Investment Act, which is the training services; senior services, veterans’ services. So that whether an individual comes -- and maybe there’s not enough funding in one funding source -- but when we join our resources together and say, “Look, I can’t help this individual, but do you have funding to help?” So, again, it gives better services to the individuals we serve.

So that pretty much captures— We have a standard design that we give to the local areas, suggesting: this looks like the best type of design. And then we customize it to the needs of each individual area. But a lot of things came into -- thought in developing those designs, everything from security to the best customer service possible.

So that basically highlights for you the One-Stops, why we have to do this. There’s over $70 million in Federal funding, just under the Workforce Investment Act. Not to say -- speak of the Wagner-Peyser funding and other types of funding. New Jersey has also taken a very strong position with the fact that we feel that each of these funding streams are critical to the funding of the One-Stop. Because under the Workforce reauthorization, they’re even looking at the Wagner-Peyser funding. And we have stated in -- formally, that New Jersey feels that that funding must be sustained. But the reason that the Federal Government is looking at the administration saying, “Well, are these centers being effective?”-- And I can say that the Federal Employment and Training Administration actually has come to visit our One-Stops, have been very, very pleased with what they have seen. And other states are actually coming to New Jersey to say, “What are you doing and how are you getting there?” And I have
to say, it’s very important to have the commitment and the leadership to make this go forward.

Thank you.

Do you have any questions?

ASSEMBLYWOMAN POU: Thank you very much.

Actually, I do. Let me just begin by asking -- your opening remark, Assistant Commissioner, you mentioned that your intention is to try to get all 21 counties’ programs in place and under the One-Stop shop initiative. How many counties thus far do we have that are currently in compliance? Or, pardon me, that currently have already formulated and come together as one?

ASSISTANT COMMISSIONER HAMMILL: Well, we have the Camden, Newark, Pleasantville, Burlington, Neptune, New Brunswick -- are all colocated and integrating their services at this point. Others are in different levels of consolidation, but not completely consolidated. But those are the ones that are most consolidated and are meeting, more, the letter of the law.

ASSEMBLYWOMAN POU: In doing so, you mentioned -- also part of your description was the Small Business Development Centers or--

ASSISTANT COMMISSIONER HAMMILL: Business Resource Centers.

ASSEMBLYWOMAN POU: --actually, Business Resource. How does that work with the Small Business Development Center? Because some of the areas already have that, and I just want to have an understanding how they, kind of, work collaboratively together or not.

ASSISTANT COMMISSIONER HAMMILL: Certainly. Right. We are actually going to be a gateway for the Small Business Development
Centers. If an individual comes in and says, “I’m interested in opening a business,” and they may even be taking our program right now for self-employment, we would refer them, then, to the Small Business Development Center to help them get the technical assistance they need. We’ve met with the Small Business Development Center, already, representatives. We are developing an MOU with them. They were very, very pleased. They actually see us, now, drawing business for them and bringing it their way. Our intention is not to duplicate any of the services that are out there, but to help to coordinate and direct individuals.

ASSEMBLYWOMAN POU: They will continue to remain in the same location that they are now in?

ASSISTANT COMMISSIONER HAM MIL: That’s correct. But they also—We offered them space in the Business Resource Center, if they’d like to come maybe a couple of days a week and do some of their services on our site. So we’ve offered that opportunity to them, even to do seminars and so forth. But their plan is to stay where they’re located.

ASSEMBLYWOMAN POU: The consolidation of all of these particular entities coming together under one, how does that work in terms of—and maybe—Well, let me ask the question. How does that work in terms of having different groups coming together, but perhaps having different standards in terms of personnel regulations or certain requirements that may be in place for the State Department of Labor, but not necessarily the case for Workforce Development? How do you, kind of, marry the two?

ASSISTANT COMMISSIONER HAM MIL: Each entity still is within their own entity with regard to—and, like, the State employees still report up
through the merit system requirements. However, under the Workforce Investment Act, you have the WIB and the WIB director, which basically develops the planning and the policy for the workforce for an area. They then let their One-Stop operator know these are the types of things that we need to do, the kinds of programs and services we want at the One-Stop. That One-Stop coordinator or operator then coordinates all of the activities in the One-Stop.

I use the example all the time of like a Macy’s. Everybody has a department, but you have a store manager. Everyone’s department stays whole. There is direction. But you have to have the coordination so the entire flow works well together -- so that you do have the coordination at the higher level through the operator, bringing forward with the plans of the WIB. But at each individual -- you then have the Workforce manager overseeing the employment service and the staff from the State, and the WIA manager doing the same. But you have the operator that sits down, on a monthly basis, determines the work flow for the customer to make sure it’s seamless -- pulls the resources of who is going to help the triage, who is going to hold the various workshops -- so that is works very, very well with the meetings, and the coordination, and the planning.

ASSEMBLYWOMAN POU: Are there any other questions? (no response)

Well, thank you so very much for your presentation. I appreciate it.

ASSISTANT COMMISSIONER HAMMILL: Thank you very much for the opportunity.
ASSEMBLYWOMAN POU: Okay. We’re going to begin with our first lease agreement, NPL 4515.

Steve.

MR. SUTKIN: Yes, thank you, Madam Chairwoman.

This is a proposal that we brought to the Committee last time, and I believe it warranted additional investigation and review by the panel and by our staff. Instead of going over it again, I’d ask, are there any questions? Or do you want me to repeat the presentation?

ASSEMBLYWOMAN POU: Senator Sweeney, I believe, has some questions.

SENATOR SWEENEY: Thank you.

On this lease -- and again, I know the space that we had was substandard in Cumberland -- or after talking to the Department of Labor. Your opinion, for the record: This is a good deal for the State, financially?

MR. SUTKIN: Bob and I have spoken about it extensively and--

SENATOR SWEENEY: I want it on the record.

MR. SUTKIN: On the record, yes. We’re fine with it.

ROBERT LaBATE: Yes.

SENATOR SWEENEY: Okay. You’re comfortable with this?

MR. SUTKIN: Yes.

MR. LaBATE: Yes.

SENATOR SWEENEY: Because, again, seeing the jump from $12 to $19 was a concern to me. But I’m basing my decision on your recommendation, just for the record.

MR. LaBATE: Yes.
MR. SUTKIN: Bob, why don’t you take us through the other rate--

SENATOR SWEENEY: That’s all I need.

MR. LaBATE: Okay.

SENATOR SWEENEY: Just so you know, any decision I make on this lease is based on the recommendation.

ASSEMBLYWOMAN POU: The recommendation.

SENATOR SWEENEY: Yes.

MR. SUTKIN: Absolutely.

SENATOR SWEENEY: Because I do have some concerns, but I’ll go with the experts.

ASSEMBLYWOMAN POU: Are there any other questions on this particular lease -- Lease 4515, the Department of Labor? (no response)

Hearing none, at this time I’d like to have a roll call.

I’m sorry, a motion for--

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

MR. MacCALUS: Okay. On Lease No. 4515, for the Department of Labor, in Vineland.

Let’s see, Assemblywoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.
MR. MacCALUS: This has been approved.

ASSEMBLYWOMAN POU: Thank you.

Our next agreement, NPL 3653, the Department of Labor, in Paterson.

MR. SUTKIN: Yes. This is part of the Department of Labor’s One-Stop initiative, which we heard a little bit about just before. The lease is going to be an interim lease at the existing location. It’s to be continued for two years with no renewal options. The old lease expired and we’re currently -- they’re on a month-to-month basis. We’re in the middle of exploring another facility that we’re hoping to be more suitable for the program. And while that’s being explored, negotiated, we’re looking for this minimal extension of two years, rather than to remain on a month-to-month, which has certain consequences if the landlord makes a demand for a much higher rent.

So I open it up to any questions. If there are none, I submit it for approval.

ASSEMBLYWOMAN POU: Thank you so very much.

I’m very familiar with this location. I’m also familiar with the plans that are being proposed for the Passaic County Workforce and the Department of Labor’s initiative. So I’m hoping that that comes through as anticipated and expected, and some of the changes that are being proposed indeed take place. I think it’s important for us to be able to move them from the location that they’re in into the new location. So hopefully we won’t foresee any delays in trying to do that.

At this time, are there any questions with regards to this lease? (no response)
SENATOR SWEENEY: Motion.
ASSEMBLYWOMAN POU: Motion to approve.
SENATOR SWEENEY: Motion.
DEPUTY TREASURER SMARTT: Second.
ASSEMBLYWOMAN POU: It’s been moved and second.
Roll call.
MR. MacCALUS: Okay. On the motion to approve Lease No. 3653, for the Department of Labor, in Paterson, New Jersey.
Chairwoman Pou.
ASSEMBLYWOMAN POU: Yes.
MR. MacCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
MR. MacCALUS: Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
MR. MacCALUS: It has passed.
ASSEMBLYWOMAN POU: Thank you.
Our next lease agreement, NPL 4522, Department of Labor, in Elizabeth, New Jersey.
MR. SUTKIN: This lease item is for the Department of Labor’s Workers’ Compensation Court. It was a fully advertised lease procurement. We received the proposal, which we accepted, for a 10-year lease with two, five-year renewals. The Workers’ Compensation Court will be located at 285 to 299 North Broad Street, in Elizabeth. If you look at the higher amount of square feet per occupant in the facility, that’s due to the libraries for Workers’ Compensation Court client meeting rooms, etc., which usually result in a higher,
per occupant, square-footage rate. Unless there’s any questions, I submit it for approval.

ASSEMBLYWOMAN POU: Are there any questions? (no response)

Hearing none, I’m going to move for a motion.
SENATOR SWEENEY: Motion.
DEPUTY TREASURER SMARTT: Second.
ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.
M R. MacCALUS: Okay. For approval of NPL No. 4522, for the Department of Labor, in Elizabeth, New Jersey.

Chairwoman Pou.
ASSEMBLYWOMAN POU: Yes.
M R. MacCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
M R. MacCALUS: Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
M R. MacCALUS: This has been approved.
ASSEMBLYWOMAN POU: Our next agreement, NPL 2496, Department of Labor, in Bloomfield, New Jersey.

M R. SUTKIN: Yes. This item on the agenda, Number 3, is a renegotiation, in accordance with the Budgetary Appropriation Act, for this fiscal year. What it proposes is a 10-year lease at the current location, which is presently at a month-to-month status, for New Jersey’s UI/Workforce New Jersey programs in Essex County, Bloomfield. It would allow for a 10-year
lease, and there will be no renewals. And you can see that the effective rate has dropped. The total annual cost has dropped, which is part of the conditions of getting approval for renegotiation under the Appropriation Act language. And I submit it for approval.

ASSEMBLYWOMAN POU: Any questions?

Senator Sweeney.

SENATOR SWEENEY: Really, not as much on this lease, as much as -- just a question, because I’m new to the Committee. At what point do you advertise, or why don’t you advertise?

ASSEMBLYWOMAN POU: That’s a good question, yes.

Steve.

MR. SUTKIN: Typically, we do advertise. But what happened, I believe, two years ago, when the budget situation was in crisis mode, we looked into lease-savings opportunities that would net lease savings in the current fiscal year. So our lease negotiation staff went out and looked at leases to expire within a few years after the present time, or even as much as 10 years into the future, but usually we like to stay closer to five. And we’d approach the landlord, and we’d see what we could get in terms of lease reductions, what we could get in terms of capital improvements right up front, that would otherwise -- costs we would have to bear. And then it would be, at that point, a business decision -- whether or not it made sense in the fiscal climate to take advantage of those lease savings and those additional construction in the facility.

ASSEMBLYWOMAN POU: Senator.

SENATOR SWEENEY: Again, just going along those lines. Don’t you think that-- Again, it’s just my opinion, that-- Do you do-- I guess, this
question. Do you, as you’re talking with these, have an analysis of space, and available space in the area -- the pricing that’s available in the area? Again, accounting for moving and everything else to leverage, or is it just negotiation with that owner where you’re at?

MR. SUTKIN: It -- I’ll defer to Bob. But before he speaks to it, it depends on the exact situation. We’ll look to similar locations on the same street in the same area. We’ll look at the Costar report. We’ll look at various sources, depending on the lease, to get some comparables. You’ll see there’s a couple in the package where we actually did solicit informal bids from other landlords, and we ended up going with the most cost-effective lease in that situation. But it is from lease to lease. And we get a sense of, is the agency going to be needed in that area. In some cases, it’s really a no-brainer, the agency has to be there. It’s a county requirement or a Federal requirement. But I’ll let Bob talk to the--

MR. LaBATE: One criteria we use -- and we’re fairly familiar with the markets throughout the state -- if we really thought that there was a more cost-effective way of doing it through the advertisement process, we definitely would have chosen to do that rather than to renegotiate in place.

SENATOR SWEENEY: Do you have that information to back up these decisions, also?

MR. LaBATE: Yes.

SENATOR SWEENEY: Okay. Again, I’m in construction. I have to bid everything.

MR. LaBATE: Yes.
SENATOR SWEENEY: And then when you don’t advertise, you’re just giving something or renegotiating. Again, I don’t know if that’s policy, it’s policy. But I’d just like to know that there’s backup material.

MR. LaBATE: Yes.

SENATOR SWEENEY: And then I guess the other part of it is, if there is someone with comparable space or available space in the block, in a community, if they were given a chance to negotiate price, maybe they could negotiate a better price also, if they’re approached. Are they approached?

MR. LaBATE: In some instances where there were-- The one in Hackensack, which comes up a little bit later, we actually did go to the building across the street, in the courthouse area, and look for a proposal from them as well, in a more informal way, rather than through the formal process. Almost in every case, we have at least approached -- we did it on an informal, made an informal competitive process, without actually soliciting proposals.

SENATOR SWEENEY: Maybe it needs to be more formal. I mean, my personal opinion.

ASSEMBLYWOMAN POU: Would you please describe to us what you consider an informal process?

MR. LaBATE: Okay. I can describe what our formal process is, which would be developing a scope of work: advertising, and canvassing every area, sending packages out to each of those -- anybody who showed any interest in that particular requirement.

ASSEMBLYWOMAN POU: You’re describing your formal, normal process?

MR. LaBATE: The normal process, yes.
ASSEMBLYWOMAN POU: Okay.

And in the case of renegotiation or a new and extended lease, how do you deal with that?

M R. LaBATE: What we would do is call up people and-- Basically, where most people will differ is in their triple net rent, their rent without any expenses. We can tell by whatever particular (indiscernible) developer is charging for the triple net rent. We can always add taxes on top-- consider taxes and operating expenses are just going to be for, like, pass throughs. So if one person comes in and their price is at $9 triple net per square foot, you go to somebody else, and they're starting out at 12, you know that basically you're going to get--

ASSEMBLYWOMAN POU: Is there a policy procedure outlined in your department that deals with-- In the event, God forbid, that something should happen to M r. LaBate, does someone know exactly what procedure to follow and how -- what’s the proper step?

M R. LaBATE: All the negotiators, basically we all use the same method. I mean, all three of us. There is no official policy, no.

ASSEMBLYWOMAN POU: That’s really what I’m asking. Is there, in fact, a policy? There is none.

M R. LaBATE: No. But we could. I mean, I could memorialize it, I guess, more formally, if -- and bring it before the Committee, if that would be--

ASSEMBLYWOMAN POU: Yes, I’m sorry. Did you have a follow-up question?

SENATOR SWEENEY: That’s what--

ASSEMBLYWOMAN POU: That was your question?
SENATOR SWEENEY: Madam Chairwoman, I appreciate that. Yes. I think there has to be some type of formal plan to follow. Because I’ve seen properties move from one place to the other and the property owner holler that they’ve lost a bid, when no one thought that could happen. I think there’s -- and I understand apples for apples. You know what I mean, your cost here to here. At the end of the day, as long as it costs apples for apples, that’s fine. But I’m a little uncomfortable with informal and formal when we’re approving leases that cost the State millions of dollars. I think it should be a more formal approach -- and my personal opinion, Madam Chairwoman. But again, I’m just stating that for my own personal concern.

ASSEMBLYWOMAN POU: Okay. What I’d like to suggest to the Department is that you provide to us some information, and perhaps we can begin there. Provide us with information that helps to clarify what policy or what plans you have in place that will help to identify -- or describe is a better word -- in terms of how do you enter into a lease agreement, and what are some of the considerations that take place in order for -- before entering into a contract? Perhaps then, we can then talk in terms of what are some of the public policy that, or departmental policy, that ought to be considered, just so that we have a more standardized method of entering into an agreement. I think that’s what the Senator’s concern is, as I understand it to be.

SENATOR SWEENEY: Yes, it is. Thank you.

MR. LaBATE: I can pass that on. I can get that information to you probably within the next-- I’ll formulate something, pass it to the department through our staff. And if you would like that prior to the next meeting or at the next meeting, I’d be more than happy to do that.
ASSEMBLYWOMAN POU: All right, great.

SENATOR SWEENEY: If available, prior to.

M R. LaBATE: Okay.

SENATOR SWEENEY: Thank you.

ASSEMBLYWOMAN POU: Thank you.

SENATOR SWEENEY: I’m sorry for getting off. It was just--

ASSEMBLYWOMAN POU: No. It’s a very good question.

Thank you very much.

Okay. We’re on Lease Agreement--

M R. MacCALUS: 2496.

ASSEMBLYWOMAN POU: Okay. Lease Agreement 2496, Department of Labor, in Bloomfield. At this time, I’d like to ask for a motion.

SENATOR SWEENEY: Motion.

DEPUTY TREASURER SMARTT: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.

M R. MacCALUS: Let’s see. Roll call to approve NPL 2496, from Department of Labor, in Bloomfield, New Jersey.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

M R. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

M R. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

M R. MacCALUS: It has been approved.
ASSEMBLYWOMAN POU: Our next agreement, NPL 3767, multiple departments, various agencies, in Hackensack, New Jersey.

Steven.

MR. SUTKIN: Thank you, Chairwoman.

If I may, on the previous issue, I just want to forewarn you that you’re seeing a lot of renegotiations in this package, and that might be what sparked the question.

ASSEMBLYWOMAN POU: Prompted the--

MR. SUTKIN: Well, you may be concerned if you just saw one.

SENATOR SWEENEY: Honestly, it wasn’t that. It was no advertisement, no advertisement, no advertisement -- we’ll advertise on this one. And I’ve actually had a personal experience in my county with a DMV that moved. And I know the landlord was very upset when it did move to another location. And I thought, well, if there’s a process-- Again, I’m with construction. There’s a competitive process in place. And this way it’s not left up to an arbitrary decision. You have a guideline that you’re following, and it makes it much more comfortable for me to vote for something.

Like on the first lease, which was from $11 to $19, it was very uncomfortable for me. And I based my vote on your recommendation. But it wasn’t-- It’s just reading no advertisement, no advertisement. That’s all.

MR. SUTKIN: Well, I would tell you that there is at least a half dozen renegotiations in this package. And the reason why there is so many is, there had been discussion about the authority for this renegotiation expiring with this budget year. And in that light, we used that as leverage with the landlords to say, “Here is your window of opportunity. It’s got to be done by June 30.
It has to be presented to the Space Utilization Committee, June 1. That’s it. Either come to the table and make the deal now, or it’s gone.” So we’ve managed to close some deals, and that’s why we have a bunch on this agenda.

SENATOR SWEENEY: And not to debate the point, Madam Chairwoman, and I’ll stop. But in a competitive process, if others are given the opportunity to compete, there’s a possibility that others could come in with better numbers.

ASSEMBLYWOMAN POU: Thank you, Senator. Steven.

MR. SUTKIN: Yes. The-- Number 4.

ASSEMBLYWOMAN POU: We’re doing NPL 3767.

MR. SUTKIN: Yes. This is also a renegotiation. This is a lease for multiple agencies at 60 State Street, in Hackensack, New Jersey -- Human Services; Labor; Department of Military and Veterans’ Affairs; and the Department of Treasury, which has the Public Defender’s Office. What it is, is a new 10-year lease at the current location. It’s a very suitable site. Because, as you can imagine, an agency such as the Public Defender’s Office has to be very close to the courthouse. It’s a 10-year lease with certain renewals. Essentially, it is a six-year extension to the existing lease, which would have expired in 2008, in any event. And this is taking it out to 2014. This was a building, just for your own information, that was built originally to suit the State and its multiple departments, several years ago.

And as we mentioned before, there was some informal bidding here, and there was one other bidder that submitted a less advantageous bid, that was
evaluated. And of course, we’ll get you a more formal policy and procedure well in advance of the next meeting.

ASSEMBLYWOMAN POU: Thank you.

Steven, I just thought of it-- It may not be related to this, but again, it refers back to our earlier conversation with regards to the public policy. There had been some discussion -- and I don’t recall if it was during this session or last year -- when we talked about the possibility of identifying what the State’s need, in terms of property -- whether or not it may be more advantageous for the State to consider the thought of purchasing some of their own buildings, so that as we grow, we grow in terms of being able to occupy the number of employees, rather than constantly looking to expand the lease agreements into multiple, different facilities. And the cost for that lease agreement might certainly be a lot higher. There had been some thoughts in that. Perhaps, maybe you might want to give us, as part of your report -- if you could just give us your thoughts on that, so that we have some understanding and clarity in terms of what direction we might -- what areas might we want to begin to start looking at growth, and how that would better serve us by purchasing some or building some of these new facilities, rather than looking to continue to lease.

MR. LaBATE: On that point, we have been in discussions with both EDA, South Jersey Transportation Authority, with the DYFS initiatives coming up, and the Motor Vehicle reform. We've been looking at that rather seriously with all of those.

ASSEMBLYWOMAN POU: Well, it was with DYFS in mind, precisely for that very reason, that I thought of it. But because we’re talking about, in terms of, what is your public policy, perhaps, maybe we might want
to just have -- share some information with us in terms of your thoughts on that particular area as well.

I’m sorry. While it does not really deal with this issue, it does, in fact, talk about multiple departments and various agencies, which is what made me think about that.

Are there any questions on this particular lease agreement, going back to 3767? Is that what we’re on?

SENATOR SWEENEY: Motion.
DEPUTY TREASURER SMARTT: Second.
ASSEMBLYWOMAN POU: It’s been moved and second.
Roll call.
M R. MACCALUS: Okay. For NPL 3767, for multiple departments, in Hackensack, New Jersey.
Chairwoman Pou.
ASSEMBLYWOMAN POU: Yes.
M R. MACCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
M R. MACCALUS: Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
M R. MACCALUS: This lease has passed.
ASSEMBLYWOMAN POU: Our next agreement, NPL--
I’m sorry.
Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Before we move on, I just want to acknowledge that the point that you make -- about looking at the question
of building, buying, or leasing -- is a valid one. And it's a policy directive that will ultimately come from the Treasurer. And what I'll do is, I'll go back and talk to him, or share with him the desire and concern of the Committee in this regard. And we'll come back in advance of the next meeting with something that has his participation, his approval, and his direction to the Committee as to how to proceed in this area.

ASSEMBLYWOMAN POU: Thank you. I appreciate that. I think it just gives us a better tool for us to really look at, evaluate, and know what future direction we'd like to take in that regard.

DEPUTY TREASURER SMARTT: Great.

ASSEMBLYWOMAN POU: Thank you very much. I appreciate that.

Our next agreement, NPL 4167, an amendment for the Department of Labor and various agencies, in New Brunswick.

Steven.

MR. SUTKIN: Yes. This is a lease, as you mentioned, for the Department of Labor, various units, in New Brunswick, Middlesex County. Essentially, it adds three years to the lease, plus one renewal option that the State can exercise. The lease was managed to be negotiated at a more favorable rate, with a decrease in annual costs in the amount of $75,000. If there's any other questions, I would submit it for approval.

ASSEMBLYWOMAN POU: Thank you.

Any questions? (no response)

If not, I'll move for a motion.

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

ASSEMBLYWOMAN POU: It’s been moved and second.

MR. MacCALUS: NPL 4167, for the Department of Labor, in New Brunswick.

Assemblywoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

ASSEMBLYWOMAN POU: Senator Sweeney, your vote?

SENATOR SWEENEY: Yes.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: This has been approved.

ASSEMBLYWOMAN POU: Thank you.

Our next agreement, NPL 4189, Department of Human Services, in Trenton, New Jersey.

Steven.

M R. SUTKIN: Thank you, Chairwoman. This is a lease for the Department of Human Services, Bureau of Licensing. They’re responsible for day care licensure in the state. This lease is going to expire in less than a year, February 28, 2005. It was one that was prime for renegotiation, if we could get more favorable rates, at which we’ve succeeded in getting. It’s a five-year term, and there’s no renewals. The effective rate of the lease dropped $1, and the annual savings is $17,000. I definitely would submit it for approval.

ASSEMBLYWOMAN POU: Any questions from the members? (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 second.

Roll call.

M R. M acC ALUS: For NPL 4189, the Department of Human Services, in Trenton.

Assemblywoman Pou.

ASSEMBLYWOMAN POU: Yes.

M R. M acC ALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

M R. M acC ALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

M R. M acC ALUS: This lease has been approved.

ASSEMBLYWOMAN POU: NPL 4359, amendment to the Department of Corrections, in New Brunswick, New Jersey.

M R. S UTKIN: Yes. This is a lease for the Department of Corrections, Parole Office. As you know or can imagine, siting parole offices anywhere is a huge task. So you could understand the motivation here, aside from financial. This is a lease that went to 2008, expired in about four years, and we managed to negotiate a five-year additional term with one, five-year renewal with, also, an annual decrease in the rent, which is required by the Appropriations Act. I therefore submit it for approval.
ASSEMBLYWOMAN POU: Steve, what was our savings -- when you make reference-- This was a five-year contract with what -- what’s our total savings from having done that?

M R. SUTKIN: On the initial term, the remaining four years of the lease, we have a decrease of $8,800 per year. And then the five-year renewal period, which is our exclusive option, then it would go up to $22.08. So the five-year renewal would not be a decrease. The decrease is to the remaining four years, the balance of the term of the lease, at a savings of $8,800.

M R. LaBATE: Actually what we’re doing, I believe, on this is, we’re exercising the five-year option in advance of the notice requirement, that would come due under the 2008. And we’re dropping that by the-- The option rate would have been $20.20.

ASSEMBLYWOMAN POU: Right.

M R. LaBATE: We’re reducing that down to $19 for that five-year renewal period. Plus we’re--

ASSEMBLYWOMAN POU: When does it come up to $22 a year?

M R. LaBATE: It doesn’t.

ASSEMBLYWOMAN POU: So it remains at the $19? I thought Steven just mentioned $22.

M R. LaBATE: That would be the effective rate -- that would be with all these items included. The base rent itself stays at 19. It jumps from $17 to $19 in August of ‘08, which would have gone up to $20.20 at that point.

ASSEMBLYWOMAN POU: So there would be a total of -- is it $40,000 within that five-year period?

M R. LaBATE: Yes.
ASSEMBLYWOMAN POU: Okay. That’s more like it.
MR. LaBATE: Yes.
ASSEMBLYWOMAN POU: Okay.
Thank you.
Steve.
MR. SUTKIN: I apologize if I had the wrong information.
ASSEMBLYWOMAN POU: That’s okay. I was just trying to do
the math. It just seemed that it would be different than the figure you had given
me. But that’s fine. I now understand it.
Are there any other questions? (no response)
Hearing none, a motion to move.
DEPUTY TREASURER SMARTT: So moved.
SENATOR SWEENEY: Second.
ASSEMBLYWOMAN POU: It’s been moved and second.
Roll call.
MR. MacCALUS: For NPL 4359, for the Department of
Corrections, in New Brunswick.
Assemblywoman Pou.
ASSEMBLYWOMAN POU: Yes.
MR. MacCALUS: Senator Sweeney.
SENATOR SWEENEY: Yes.
MR. MacCALUS: Deputy Treasurer Smartt.
DEPUTY TREASURER SMARTT: Yes.
MR. MacCALUS: This lease has passed.
ASSEMBLYWOMAN POU: Our next agreement, NPL 4468, Department of Law and Public Safety, in Ewing Township.

Steven.

MR. SUTKIN: Yes. This is a renegotiated lease for a five-year term for the Office of Government Integrity. That's over in Ewing, over by the DOT building. It's five additional years with one renewal. The lease expired, very shortly I believe, in November of this year. And we managed to -- unless Bob will tell me otherwise (laughter) -- we managed to get a $1-per-square-foot reduction from $20 a square foot to $19 a square foot. There was a Costar comparison done, and this square footage amount was favorable in comparison to those reports. And therefore, we 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 second.

Roll Call.

MR. MACCALUS: To approve NPL 4468, for the Department of Law and Public Safety, in Ewing Township, New Jersey.

Assemblywoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MACCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

MR. MACCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.
MR. MacCALUS: This lease has passed.

ASSEMBLYWOMAN POU: Our next agreement, NPL 4005, an amendment to the Department of Human Services, in Trenton, New Jersey.

Steven.

MR. SUTKIN: Yes. This is for a lease amendment to the lease that exists at 58 East State Street, where the Department of Human Services already has space in that building. They now want to expand in accordance with their programmatic needs. Their State Central Registry, also known as their Centralized Screening Office, this would be -- this additional space would actually coterminous with the existing lease that they have there for an additional five-and-a-half years. It’s allowed for under the regulatory exception for coterminous leases, for agencies that are already occupying space. I therefore submit it for approval.

ASSEMBLYWOMAN POU: Any questions? (no response)

Hearing none, I’d like to have a motion.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.

MR. MacCALUS: For Lease No. 4005, Amendment 3, for the Department of Human Services, in Trenton.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.
Mr. MacCalus: And Deputy Treasurer Smartt.

Deputy Treasurer Smartt: Yes.

Mr. MacCalus: This has been approved.

Assemblywoman Pou: Thank you.

Our next agreement, NPL 4025, an amendment to the Department of Human Services, in Voorhees, New Jersey.

Steven.

Mr. Sutkin: Yes. This is an amendment to an existing lease, NPL 4025. It’s the last block of space in this building that DYFS needs -- an additional 746 square feet for their new hires. It’s in the Voorhees complex where we have another building, Echelon I and Echelon II. There’s no additional term. It’s coterminous with the other lease that already exists, and these leases go out to 2009, with one available renewal.

Assemblywoman Pou: Any questions? (no response)

Hearing none, a motion to--

Deputy Treasurer Smartt: So moved.

Senator Sweeney: Second.

Assemblywoman Pou: It’s been moved and second.

Roll call.

Mr. MacCalus: For Lease No. 4025, amendment to the Department of Human Services, in Voorhees, New Jersey.

Chairwoman Pou.

Assemblywoman Pou: Yes.

Mr. MacCalus: Senator Sweeney.

Senator Sweeney: Yes.
MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: This lease has been approved.

ASSEMBLYWOMAN POU: Thank you.

Our next agreement is an interim lease agreement, NPL 4517, Department of Treasury, in Flemington, New Jersey.

Steven.

MR. SUTKIN: Yes, thank you.

Generally, what happened here was, DYFS approached us and the Public Defender’s Office in Flemington, Hunterdon County, asking for a space in a building they were already in. And to accommodate DYFS, we have to move the Public Defender to another location. So we made an emergency relocation to another building in the same complex, and that’s where the Public Defender is going to be located.

ASSEMBLYWOMAN POU: Any questions? (no response)

I’d like to entertain a motion to move.

DEPUTY TREASURER SMARTT: So moved.

SENATOR Sweeney: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.

MR. MacCALUS: For NPL No. 4517, for the Department of Treasury, Public Defender, and the Department of Human Services, DYFS, in Flemington, New Jersey.

Chairwoman Pou.

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

SENATOR SWEENEY: Yes.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: This has been approved.

ASSEMBLYWOMAN POU: Our next agreement, NPL 4518, Department of Human Services, Hammonton, New Jersey.

MR. SUTKIN: Yes. This leasing action is required due to DYFS’s expansion in the southern part of the state. This will accommodate their southern regional needs. It will establish a southern regional office with an additional 17,000 square feet, in order to make sufficient room for their programmatic needs -- which DYFS is here, available to talk about, if you have any detailed questions about the programmatic needs. Since it’s an emergency, we only obtained a two-year lease with three, one-year renewal options. I therefore submit it for approval.

ASSEMBLYWOMAN POU: Any questions? (no response)

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

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.

MR. MacCALUS: For NPL 4518, Department of Human Services, DYFS, in Hammonton, New Jersey.

Chairwoman Pou.

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

SENATOR SWEENEY: Yes.

MR. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: This has been approved.

ASSEMBLYWOMAN POU: I’d like the record to reflect that -- and while we probably understand this to be the case -- but it’s important for me to point this out. We’re doing a number of agreements for DYFS and some of the other departments as well, but particularly for the DYFS expansion. The number of agreements that we have, I realize that these are agreements to allow for the expansion of new hired staff, as well as the need for expanded offices. It’s contingent upon the availability of those funds in Fiscal Year ’05, if, in fact, those agreements that we’re now approving, or have approved thus far, covers and deals with budget year ’05. I just think it’s important for our record to reflect that.

MR. LaBATE: And I’d like to just further expand on that, if I could?

ASSEMBLYWOMAN POU: Bob, if you would, please.

MR. LaBATE: That our standard lease language makes every lease subject to annual appropriations by the Legislature so that--

ASSEMBLYWOMAN POU: I’m sorry. Would you repeat that please?

MR. LaBATE: Our standard lease, and the language that goes into every one of our leases, includes a provision that the funding for these leases are subject to annual appropriations by the Legislature.
ASSEMBLYWOMAN POU: Very good. I just think it’s important to have that on the record.

Thank you.

With that in mind, are there any questions with regards to this lease agreement? (no response)

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

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.

M R. MacCALUS: Okay. For NPL 4519, Department of Human Services, in Perth Amboy.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

M R. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

M R. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

M R. MacCALUS: This has been approved.

ASSEMBLYWOMAN POU: The next agreement, NPL 4520, Department of Human Services, in Hackensack.

M R. SUTKIN: Yes, thank you.

This is another lease proposal that’s a two-year interim lease, stemming from the expansion of DYFS in the Perth Amboy office. This will essentially be an overflow space, because the facility they have now is not
suitable for the amount of staff they have and are taking on. So we have here a two-year interim lease, and this is essentially a Perth Amboy satellite office -- two years with three, one-year renewal options.

ASSEMBLYWOMAN POU: Which one are we on? Didn’t we just do that one?

M R. SUTKIN: 4519?

ASSEMBLYWOMAN POU: Yes.

We’re on 4520, which is in Hackensack.

M R. SUTKIN: They start looking the same, don’t they? (laughter)

ASSEMBLYWOMAN POU: Was there anything in particular that you wanted to describe about that particular facility, or is it the same situation?

M R. SUTKIN: We’re -- number 13?

ASSEMBLYWOMAN POU: 4520 -- Hackensack.

M R. SUTKIN: Yes. 4520 is a little bit different. It’s also an emergency relocation, interim lease for two years with three, one-year renewals. We’re moving DYFS to 125 State Street, and we’re backfilling that space that DYFS is moving out of with a Department of Labor program.

ASSEMBLYWOMAN POU: Isn’t 125 State Street now used for several other State agencies?

M R. LaBATE: No. The only one that, I believe, was in there recently was Judiciary, which is moving to Courthouse Plaza, I believe.

But John’s in there. That’s right.

M R. MacCALUS: That’s also Senator Baer’s district office.

ASSEMBLYWOMAN POU: Okay.
MR. LaBATE: But that would be the last of the State presence in there. This would occupy it, and move DYFS into there.

ASSEMBLYWOMAN POU: So are we looking to exclusively use that facility as a DYFS building? Is that what you’re looking eventually to do? Is that the intent here?

MR. LaBATE: The intent is just to go into this on an interim basis to provide the expansion space for DYFS, then to allow us to go out and do the competitive process for the longer-term requirement.

ASSEMBLYWOMAN POU: So this is a two-year lease?

MR. LaBATE: Yes.

MR. SUTKIN: Yes. To accommodate 41 additional staff, over and above the 80 that they had.

ASSEMBLYWOMAN POU: All right. Any other questions? (no response)

Hearing none, I’d entertain a motion to move.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.

MR. MacCALUS: For NPL 4520, for the Department of Human Services, DYFS, in Hackensack.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

MR. MacCALUS: Senator Sweeney.

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

DEPUTY TREASURER SMARTT: Yes.

MR. MacCALUS: This has been approved.

ASSEMBLYWOMAN POU: Thank you.

Our last agreement, NPL 4521, Department of Education, in Ewing, New Jersey.

MR. SUTKIN: Yes. This is all tied to the Fix DMV initiative. The Department of Education was in what we call the TOC building, Trenton Office Complex building. And to make more space for the new Motor Vehicles Commission and their operations, we moved out the Department of Education, along with some other agencies, including the Department of Labor and one other. We managed to relocate the Department of Education into a facility at Spruce Street, in Ewing, which has extremely favorable rental rates, and we take up a majority of space in that building already. Therefore, unless there are any questions, I submit this two-year interim lease agreement for approval.

ASSEMBLYWOMAN POU: Any questions?

DEPUTY TREASURER SMARTT: Not a question, but at our first meeting, I think we outlined that there were three areas where we had major leasing initiatives and we’d be inviting representatives from those agencies in to brief the Committee. We’ve already heard from DYFS and from Labor today. At the next meeting, we’ll talk to the new director of the Motor Vehicle Commission, and there’ll be a presentation on the Fix DMV initiative and the space implications of that, at the next meeting.

ASSEMBLYWOMAN POU: Thank you. Thank you very much.
Any further discussion or questions on this particular agreement?

(no response)

Hearing none, I’d entertain a motion to move.

DEPUTY TREASURER SMARTT: So moved.

SENATOR SWEENEY: Second.

ASSEMBLYWOMAN POU: It’s been moved and second.

Roll call.

M R. MacCALUS: NPL 4521, for the Department of Education, in Ewing Township, New Jersey.

Chairwoman Pou.

ASSEMBLYWOMAN POU: Yes.

M R. MacCALUS: Senator Sweeney.

SENATOR SWEENEY: Yes.

M R. MacCALUS: Deputy Treasurer Smartt.

DEPUTY TREASURER SMARTT: Yes.

M R. MacCALUS: This has been approved.

ASSEMBLYWOMAN POU: Thank you very much.

I believe that this is our last meeting for the conclusion of our -- just before our summer break. Is that correct? I think we’ve completed all the lease agreements that we had hoped to do before that. So I’d like to just take this moment to wish everyone a wonderful and healthy and great summer, and we’ll see each other back in September.

Thank you very much. Have a wonderful summer, to all of you.

M R. SUTKIN: Thank you.

M R. MacCALUS: Motion to adjourn?
DEPUTY TREASURER SMARTT: Motion.
SENATOR SWEENEY: Second.
MR. MACCALUS: All in favor? (ayes respond)
We passed. (laughter)
ASSEMBLYWOMAN POU: Thank you very much.

(MEETING CONCLUDED)