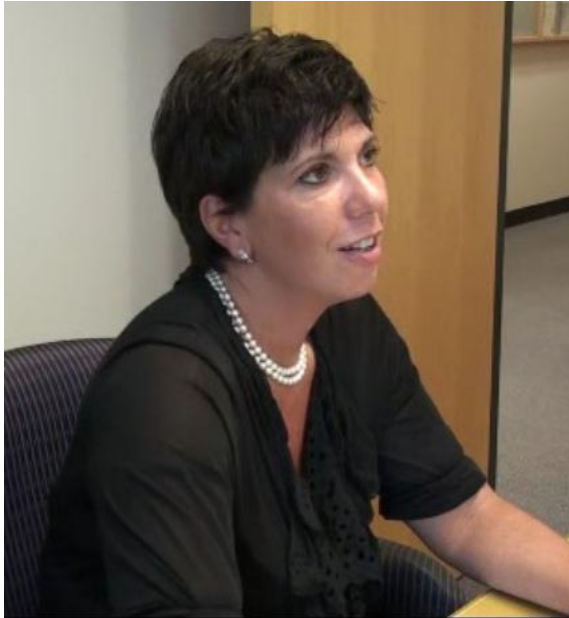


Christiana Foglio



DISCUSSION SUMMARY

“I was introduced to the idea of New Brunswick redevelopment through a colloquium at Douglass College when I was a junior,” Christiana Foglio said. At that colloquium, the three discussion panelists were John A. Lynch, Jr., the mayor of New Brunswick; Paul Abdalla, the president of Devco (the New Brunswick Development Corporation); and John Heldrich, the president of New Brunswick Tomorrow. There was “a very heated conversation with students who were speaking out about safety issues in the city. Where was the city going?” [3] At the time, Foglio

was planning to study economics in London, unaware of what urban planning was. At the colloquium, however, some of her questions grabbed the attention of the mayor, who asked to meet with her afterward. “He started to talk to me and tell me what his vision was for the city, and how he needed somebody to think about the city the way you would think about economics in a model instead of what he was hearing, which was more architects and planners,” Foglio recalled about the meeting. “And he said ‘There’s something called economic development.’ He said ‘You need to go talk to some people over at the planning school,’ which I did. And I know it sounds like a cliché, but the bells went off. And I said, ‘Oh, this is really interesting. I could get my arms around it,’ and to my parents’ dismay, I told them that I would not be following these other grandiose paths—I had decided to be an urban planner.” [4]

While in graduate school Chris Foglio worked for Mayor Lynch in the City’s Department of Planning, “living and learning while the city was really going through major transitions.” Foglio said, “It couldn’t have been a better laboratory for me.” [5] She noted that it was interesting being part of the City’s administration while simultaneously studying at Rutgers, where some faculty held anti-administration sentiments. Foglio became an official planner for the City of New Brunswick about a year after she graduated in 1986. She then worked for the New Jersey Department of Community Affairs for about eight months. Foglio returned to New Brunswick to continue working in the Department of Planning and then, a few years later, became president of Devco. [6] After Devco,

Ms. Foglio became head of the New Jersey Mortgage Finance Agency. Foglio “saw housing as a vehicle for economic development so [I] went to the housing agency, and after that started Community Investment Strategies, which is an affordable housing developer in New Jersey—and [have] been doing that for the last 18 years.” [6]

Foglio spoke about the specific agendas involved in the redevelopment efforts. From the position of Johnson & Johnson, she said, the idea was to “stand in the executive lunch room and look out the window” and to show board members “Look at what we’re doing in the city.” [6] She then spoke about New Brunswick’s struggles with “town and gown” relations in the late 1980s and early 1990s: Middle-class residents in stable neighborhoods around Rutgers were becoming priced out of their homes as single-family houses were being converted into multi-units that could be rented to students. [7] There was “a real clash between the City administration and Rutgers, and it felt like an anti-university movement, but it really wasn’t,” Foglio explained. “It was trying to preserve the [housing] stock.” [7] While the City pushed to preserve the housing stock, Rutgers pressured the administration because the downtown was not safe. So when Foglio proposed downtown student housing, Rutgers opposed the idea. She found that the university acted very conservatively and was “very slow to really commit to any kind of financial support.” [8] However, the project—the Easton Avenue Apartments—eventually came to fruition, for a number of reasons: The private sector needed work, the adjacent hospital needed parking, Rutgers needed student housing, and the City wanted to increase the student presence downtown. [8] Foglio stated that Mayor Lynch—who was also a state senator—“held up the Rutgers budget in the Senate until we got the commitment for the housing.” [9] If New Brunswick did not have the privilege of Lynch holding two public positions, she added, “I’m not sure a lot of what we see would have actually happened.” [9]

About the organization of power, Foglio spoke of a biannual meeting between President Edward J. Bloustein of Rutgers, Richard Sellars of Johnson & Johnson, and Mayor Lynch. “They would lay out a course for the next six months,” she said, “and they would look at who could deliver what.” [9] Foglio said that they would choose three things to be accomplished in six months; she would simply “get the list of what I had to accomplish out of that.” [10-11] One of the big items discussed in those meetings was coordinating the extension of Route 18. Foglio viewed the extension as a critical issue because unless you could efficiently move people in and out of New Brunswick it would be difficult to attract more investment and development; perhaps most importantly, without the extension of Route 18, the expansion of Johnson & Johnson was uncertain. [10] (In a related note she remembered that Johnson & Johnson “enlisted all of their lobbyists for the purpose of getting highway dollars for the extension of Route 18.”) [10]

Despite the important role Foglio ascribed to Johnson & Johnson in lobbying for Route 18, she said, “I don’t think they deserve any of the kudos that they get for New Brunswick’s revitalization. There were many times that we called on them to make things a little bit easier for us. It was still viewed first as ‘Is this the best decision for J&J?’” [11] Part of this reasoning translates to why neighborhoods did not receive as much revitalization effort as Foglio thinks they should have: “It wasn’t visible when you came to J&J; it wasn’t glitzy enough.” [11]

Foglio offered her perspective on the preservation of the Hiram Market area (this controversy occurred during her time in graduate school, during which she was also working for the City). While she “sympathized more with the historic restoration,” she thought Mayor Lynch “got the short end of the stick, because he was really not against [historic preservation].” [14] Really behind the struggle to flatten Hiram Market, Foglio contends, was Johnson & Johnson. The pharmaceutical company supposedly had an agreement with I. M. Pei to beautify the area surrounding the J&J campus, or he would never show it as part of his portfolio. [14] The mentality was that Hiram Market “looked messy,” which conflicted with the “clean-desk mentality” of Johnson & Johnson. [14-15] The lobbyists who pushed for the de-designation of Hiram Market’s historic status were “really at the cost of Johnson & Johnson.” [15] This put Mayor Lynch between a rock and a hard place: He did not necessarily want to bulldoze Hiram Market, but he also could not watch Johnson & Johnson leave New Brunswick. [15]

Regarding this controversy, Foglio noted that much of the community voice was absent: “You didn’t have anybody holding any accountability to any of the players; you had very few engaged groups.” [15] She observed that potentially vocal neighborhoods “had really lost a lot of the neighborhood fabric because of that turnover from homeownership to investors.” [15] Neighborhoods were not self-defined and, consequently, not engaged in the political process.

Foglio spoke about the early difficulties involved with creating home ownership in downtown New Brunswick, specifically regarding the townhouses in Hiram. Part of the difficulty involved the Memorial Homes, a cluster of four high-rise housing projects on the fringe of the central business district. “Everyone believed that there was no way that [the townhouses project] would get off the ground unless you could tear Memorial Homes down,” Foglio said. “So for probably 50 percent of my time here we were working on strategies to tear the public housing down.” [18]

In another effort to bring activity downtown, Foglio pushed Rutgers University to commit to the building that would house the Edward J. Bloustein School of Planning and Public Policy and the Mason Gross School of the Arts. [21] She also noted, “Every project here was done with a Fox-Lance tax abatement.” [23] She went on to speak about how development affected the local communities and how, as Devco moved on to larger projects, it became disinvolved with community planning. [25] This tied into her struggles to prevent the hospitals from building pedestrian bridges, the idea being that “You wouldn’t have to touch the street, and that was pushed by the J&J mentality.” [27] About transferability, Foglio acknowledged New Brunswick’s unique set of resources and institutions and spoke about the struggles of Trenton and Camden. [29] She then brought up the importance of the New Brunswick Parking Authority in the process of redevelopment. [31]

Foglio remarked how the redevelopment process has evolved over time. “In the first ten years of New Brunswick’s redevelopment there was a small number of people with a tremendous amount of power who directed everything that was going to happen,” she said. “But as they started to direct it they left in place, I think, the ability for other people to pick up the ball, and then it could become a more open process.” [32] She closed that thought with the comment that Chris Paladino, the current president of Devco, has a job very different from when she was in that position. During her tenure, she struggled to attract business to New Brunswick while operating in a “very top-controlled process,” whereas today Paladino “gets to dream even bigger” in a city that has proven itself to be capable of supporting restaurants and other commercial activity. [33]

KEY QUOTATIONS

[Quotations have been edited for grammar and alphabetized by topic]

Biannual Meetings and Route 18

I was privy very early to these; every six months there was a meeting, and it would be Bloustein, at that time it was Dick Sellers at J&J, and it was Lynch. They would lay out a course for the next six months, and they would look at who could deliver what. And then they would each have a key person, but the interesting thing was it wasn't the key people that met. They actually came to the table and committed to what piece of that next leg everybody could agree upon. So I wasn't at the table, but you could maybe ask predecessors of mine. One of those big items was the extension of Route 18, and J&J. Lynch said, “I can't move the City forward unless we do something about Route 18.” J&J had the power to get Washington funding and enlisted all of its lobbyists for the purpose of getting highway dollars for the

extension of Route 18; it was a mess. And if you think traffic is bad now, back then you couldn't get anywhere. So I think people understood that unless you could move people in and out of the city, we were never going to attract any major . . . we weren't even going to see expansion of Johnson & Johnson. In fact, the J&J world headquarters—the key point was unless there was extension of Route 18, the world headquarters was going to move out to a Jamesburg kind of area. So it was very critical. And those negotiations set a tone that I haven't seen—and I've seen other kinds of processes try to start—but key decision makers actually had an ability to put either their money or their efforts behind three things. They would pick three things that they wanted to accomplish in six months. I would just get the list of what I had to accomplish out of that. And I know that the bookstore, for Bloustein, was very unpopular, but he committed that that would happen, and it was the anchor tendon in order for the Ferren Deck to get done. So those early kind of projects were really a negotiation session between what then were the three critical players. I think now you would really have a fourth in that the hospital would be part of that negotiation. [9-11]

Development Process (Evolution of)

You had some really very bright people at the table, and you also (not to come back to Lynch) had somebody who was directing redevelopment law at the state level based upon what we were facing in New Brunswick—so yes, probably if you said, “Was there a concentration of power?”—absolutely. I think it definitely was 90 percent in that realm, but what was coming out of it allowed for longevity of the newest players at the table to maybe open the process a little more. I think in the first ten years of New Brunswick's redevelopment it was a small amount of people with a tremendous amount of power who directed everything that was going to happen, but as they started to direct it they left in place the ability for other people to pick up the ball, and then it could become a more open process. I think what Chris [Paladino] does every day is very different from what I had to do. [32]

Ted [Hardgrove] played a critical role because he had to be the face to the process. I think he gets very little credit for the role that he had to play. He had to make it look like it was transparent in a process that wasn't. [41]

Hiram District

I arrived when Professor Holcomb was still wearing the button with [whatever], and that was really a horrible time for me, because I was in both camps but probably sympathized more with the historic restoration. I think Lynch got the short end of the stick, because he was really not against it—it was J&J, and there was a lot of pressure. There was an agreement with I. M. Pei. If you remember the beautiful mural on the Haas—yes, it was part of the I. M. Pei agreement that that building had to be taken down or he would never show the J&J building as part of his portfolio. [14]

Hyatt, Urban Development Action Grants (UDAG), Lobbying

I arrived when the Hyatt was already developed, and I would say this is where J&J did step to the plate in that it made it a priority for all Johnson & Johnson subsidiaries to use the Hyatt for overnight stays for training. And the Hyatt would never have made it but for that. They also had brought all the bankers together that they had relationships with, and the bonds for that development were parceled and purchased by all those banks, so that would not have been a financeable project. New Brunswick also was, I think, number one on a per capita basis for UDAGs. The Hyatt was a UDAG, and the UDAGs were really driven into New Brunswick from the J&J lobbying point of view. Because that was during a Republican administration, and they were so wired that they could get the attention. So for a small city, New Brunswick got an enormous amount of federal support. [13]

Infrastructure Investments

The only thing in terms of a “not glitzy” investment as part of the redevelopment that I have to credit Lynch with is that very early on he spent a tremendous of CDBG money on infrastructure. When I was at the City there was still a combined water and sewer system. Then, the upgrades to allow development had to occur, and Lynch took a lot of heat because they were under the street. Nobody could see that investment, and he kept trying to explain to people, “If I don’t do this it will never come.” And that was a great lesson. I always remember that because then, as new projects came, they weren’t saddled with this aging infrastructure that could not handle the kind of vision and development that he had and the people around here have. [12]

Johnson & Johnson

I don’t think they deserve any of the kudos that they get for New Brunswick’s revitalization. They built the world headquarters, and that was great, but in terms of being this corporate giant that did everything that they could to support [revitalization], I don’t see it. There were many times that we called on them to make things a little bit easier for us. It was still viewed first as “Is this the best decision for J&J?” There were many initiatives that, being at Devco, I wanted to do in the neighborhoods. One of the questions is “What didn’t go right in the neighborhoods?” I still believe neighborhoods were neglected, and, basically, [we] could never garner any kind of support for true neighborhood revitalization because it wasn’t visible when you came to J&J—it wasn’t glitzy enough. It wasn’t big enough. [11]

Parking Authority

Cities need parking authorities. The parking authority played a tremendous [role] and was critical in this process. With the older decks in New Brunswick, their debt had basically been paid off—but as New Brunswick becomes a destination and the rates can go up, the parking

authority starts to make a whole lot of money. As the parking authority makes a whole lot of money and it does debt for the new deck, it gets to amortize that over all of the decks that it has, and so it becomes financially viable to build these new decks for new projects—whereas in another city, if they weren't sitting on 2,000 parking spaces as part of their inventory, we would never have been able to carry the debt of the new projects. So the parking authority, although the quiet participant in this process, was probably more critical to the newer projects. [31]

Retail Corridor

The retail corridor represents what I call the “invisible” New Brunswick—and if you come on Saturday afternoon, you see the “other” New Brunswick. If you come at Saturday at 7 P.M., you see what everybody thinks is New Brunswick. You see East Brunswick, North Brunswick, everybody coming to the theater, but you don't see the family shopping at Payless or the lower-level stores along the corridor—the invisible population. One of the downfalls of New Brunswick is that there hasn't been an empowering in the neighborhoods. There hasn't been a lot of investment. The other big gripe I have is that it seems that, at this point in the redevelopment, decisions are made on the basis of what's good to get the project done as opposed to how it fits in the puzzle. An example: I think New Brunswick has maxed out on restaurants. It appears that whenever you build a new building you have to put in a new restaurant, but then you know that you're going to lose one or two of your current restaurant base. And so now, it's driven by a project as opposed to what's happening in the entire downtown. [24-25]

Richard Haas Mural Demolition (and Lack of Community Involvement)

To get rid of that building—that was the agenda of Johnson & Johnson. The people at Johnson & Johnson, I can tell you (because basically I reported to them when I was at Devco) believed in a clean-desk mentality. So they also believed that that [mural] looked messy. Hiram Market looked messy, and what was really driving Hiram Market being excluded was J&J kind of holding the purse strings and saying “We're really not investing here unless you do something about that.” And so all of the lobbyists and consultants for that de-designation were really at the cost of Johnson & Johnson—not the City. I think Lynch was in somewhat of a Catch-22, saying “I got to keep them here. I got to keep them happy. If I'm going to move this forward, this is what I'm going to sacrifice.” What's sad is that the voices for the Hiram Market were really the academics. In order to keep a politician vested you need constituent voices, and there were none. I still am amazed at the lack of constituent voice through the entire process. Roy Epps was one. But you did not have outcry. [15]

Transparency

In this age everything is about transparency; we could not have done what we did at Devco with community members at the table. With transparency—talking about the strategy and what properties we were going to buy—it never would have happened. It was an eight-member board. They made the deals. They were the banks. Everybody was at the table, and then everybody left the room. They didn't put it out there in the paper. There weren't any political agendas in terms of somebody running against somebody else. Most of the people that served on Devco did not live in the city. So was it a bit like being up on high and directing down? It was, but the people had the resources to direct investment and get it done. Now the larger community group? They hold hands and make everybody feel good, and everybody still felt like they were part of the process; I thought that that was a terrific way of doing it, because it wasn't just the eight people driving it—you still felt like there was a voice. In my opinion, New Brunswick Tomorrow was the cover. [30]