

State of the City Address

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Chief Operating Officer
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I am privileged to have this opportunity to speak with you today, prior to the release of the Chief Operating Officer's report on progress achieved through the implementation of the Municipal Rehabilitation and Economic Recovery Act.

Support for Legislation and Implementation Activities

Although many people within and outside the public sector have made strong commitments of time, energy, and other resources to support the goals of the act, I want to take this opportunity to thank the Senate and General Assembly for approving this extraordinary and much-needed legislation.

Particular thanks is due to Senator Wayne R. Bryant, who played a key role in designing and obtaining broad support for the act, as well as to the other members of Camden's legislative team, Speaker of the NJ Assembly Joseph J. Roberts, Jr. and Assemblywoman Nilsa Cruz-Perez, who played critical roles in the enactment of this legislation.

I owe a debt of gratitude to Mayor Gwendolyn A. Faison, who did so much to support and nurture the working partnership between the COO and the leadership of municipal government which is essential to the effective implementation of the act.

Special thanks are due to the Annie E. Casey Foundation and the Ford Foundation, which made substantial commitments of funding during the past four years to support neighborhood reinvestment, responsible redevelopment, civic engagement, and regional equity activities and to share knowledge, insights, and advice to help inform and guide our work.

Pressing Issues Facing Camden

The progress report describes in detail a variety of activities that are completed as mandated by the act. Today is not the day to recite a list of accomplishments or to address questions about whether enough has been accomplished during the past four years. Instead, I want to take this opportunity to be very honest with you about the challenges facing Camden and about the pressing issues that the city and state have to address decisively in order to move Camden forward and to speak with you about the design of a framework for moving Camden forward.

In accepting the position of Chief Operating Officer, I knew that I and my appointees would be challenged with the responsibility of managing a public-sector initiative in an

environment with a history of disenfranchisement, where citizens are discouraged and disenchanted with past failures and setbacks. I knew that many citizens do not have an in-depth understanding of municipal reform and economic revitalization processes and of the time and resources required in order to achieve improvement. I have used the powers of my office to respond to these challenges by improving the reliability and effectiveness of city services and by organizing a redevelopment planning and implementation approach for every neighborhood in the city.

The responsibility for changing long-held negative views about Camden's future prospects should not be regarded solely as a task for my successor as COO. Those who are seriously committed to the revitalization of Camden will need to work hard to overcome this chronic disenchantment and pessimism about Camden and the city's future. If they are not successful in doing so, the most well-intentioned municipal reform and economic recovery initiatives will fail. It should be viewed as the responsibility for every elected and appointed official, every business leader and manager, every convenor of a congregation of faith, every participant in the city's nonprofit and institutional infrastructure, and every citizen.

We are a community that is defined by the actions of our former convicted elected officials. It is unfortunate that their acts are still lauded by some. Imagine for a moment the message that such comments convey to people who are considering the possibility of investing in, moving to, or remaining in Camden. These misguided comments clearly illustrate the extent of the challenges that still confronts us—the challenges associated with overcoming past adversity and striving for future success.

Two major redevelopment plans approved by the City have been stalled by litigation, and additional litigation may be brought by parties that oppose other redevelopment activities. The areas with greatest potential for investment, in the form of developers that are ready to commit private-sector resources, are those areas in which the most litigation is taking place.

I do not question the right of citizens to seek redress through the judicial system when they feel that doing so is in their best interest. I do question whether those individuals who are playing the most active role in advancing such litigation have devoted significant time to seeking to resolve differences of opinion through dialogue with the COO and the leadership of the Camden Redevelopment Agency.

This fall, the City restarted the redevelopment planning process in the Cramer Hill community following a court ruling against the redevelopment plan that had previously been approved by the City's Planning Board and by City Council. I want to remind you that the Cramer Hill redevelopment plan was not rejected as the result of a groundswell of community opposition accompanied by the failure of the COO and CRA to show responsiveness to legitimate community concerns about displacement and other issues; the Cramer Hill redevelopment plan was rejected on the basis of a minor legal technicality.

I am not asking citizens to give up their right to take legal action when they feel that it is necessary to do so, nor am I insisting that the COO and CRA be given a blank check with respect to the execution of redevelopment activities. I am saying that those who are sincerely committed to responsible redevelopment in Camden—both those in the public sector as well as those in the community--need to be more effective in supporting constructive dialogue and decision-making as an alternative to litigation. If we cannot do so, the most promising opportunities for reinvestment will never be realized. The progress of the restarted redevelopment planning process in Cramer Hill to date shows that a collaborative City/community approach can be undertaken in a manner that addresses both economic development goals and community interests.

During the years in which Camden's municipal government lacked capacity to manage development activities responsibly and reliably, nonprofit organizations had maintained unilateral relationships with state agencies in order to obtain state financing for waterfront development and other ventures. As a result, during the initial phase of the rehabilitation term, neither I nor CRA staff was aware of some nonprofit organization proposals for development financing that had been submitted to the state without an opportunity for local review.

More important, nonprofit initiatives were undertaken independently of any comprehensive strategic vision for the city. The result was an uncoordinated neighborhood revitalization effort.

Although coordination and communication between the COO, the CRA and some nonprofit developers have improved substantially, this relationship needs to be strengthened. One approach for strengthening this relationship is the drafting and execution of an annual memorandum of understanding between the COO, the CRA, and each nonprofit organization with reliable development capacity, documenting the organization's planned activities associated with the implementation of the Act and the manner in which the COO and CRA will support these activities. This approach could be complemented by technical assistance for nonprofit organizations seeking to develop increased capacity for participation in revitalization activities.

In order to make Camden's economic recovery genuinely successful, the City and State will need to uphold and sustain a commitment to regional equity, which has been defined as the principle of "giving children and families of all races and classes the best possible environment in which to live. Advancing regional equity thus involves reducing social and economic disparities among individuals, social groups, neighborhoods, and local jurisdictions within a metropolitan area"

As COO, I have been pleased to support regional equity initiatives funded through the Casey and Ford foundations since 2002. Most recently, I have voiced support for the implementation of the first phase of the Camden Area Opportunity Project.(CAOP). CAOP is a comprehensive approach to creating housing choice and regional community development, focused on low-income families who are currently Camden residents, but targeted on creating "opportunity-based housing choices" for them in 52 higher-

opportunity towns within the three-county Camden region. The implementation of this project is critical to future success in responsible redevelopment, in light of the significant number of Camden residents who have expressed interest in considering available affordable housing opportunities within the region outside Camden.

Whether or not this project succeeds depends in large part on the commitment of the State and the suburban counties surrounding Camden to using available resources to promote mixed-income housing development and maximizing housing choice for all residents of the region. The State must take the lead in supporting this approach and in seeing to it that suburban governments act to implement it.

The development of appropriately located replacement housing for households displaced by redevelopment activity and the administration of relocation benefits will become increasingly important during the coming years. However, a replacement home, even a higher-quality home located in a community selected by the displaced household, does not guarantee improved economic status or a better overall quality of life. The identification of replacement housing must be complemented by the delivery of supportive services to address health and human services needs that can decisively influence future economic success and social well-being for households scheduled to be relocated. In broad terms, a supportive services strategy for individuals and families should address the most pressing health and human services needs of this population and provide education and training that can lead to good jobs in the mainstream regional economy. In light of these concerns, state, county, and city agencies should support continued planning for a supportive services strategy, proposed to be supported through commitments by a group of philanthropic foundations, with matching funds provided by the State.

To revitalize Camden, a series of other critical issues, broader than bricks and mortar real estate development, needs to be addressed. For this reason, I have supported a proposal by Urban Strategies, Inc., a national nonprofit organization based in St. Louis, to conduct a citywide human capital planning process in Camden. Urban Strategies' approach, funded by the Casey and Ford foundations, is designed to engage residents in a broader planning and organizing process, to maximize the use of available community and city resources, and to guide the development of additional resources where needed.

All of these activities are critically important to Camden's future. Unless all of them are supported by sustained commitments on the part of those who care most about our city and its neighborhoods, revitalization will not succeed.

Amendment of Municipal Rehabilitation and Economic Recovery Act

The experience of the past four years provides illustrations of the significant limitations of the Municipal Rehabilitation and Economic Recovery Act as a vehicle for reform and reinvestment. The approach set forth in this legislation is not regional in scope and does not require the substantive engagement of non-local governmental entities in the proposed improvement of Camden. Although the Act calls for the organization of a

Regional Impact Council, “to promote coordination among communities within the region...and to assist in the formulation of long range strategies to address regional issues,” this entity is primarily a planning and review body. The issue of workforce development—the need to educate and train Camden residents for good jobs in the mainstream economy—is not substantively addressed in the Act. A substantial amount of the \$175 million in state financing is allocated to funds for downtown improvement (over 25%) and academic and health care institution development and expansion projects (again more than 25%). Sufficient funding was not made available for acquisition and development site assemblage to support real estate development in neighborhoods. Although property acquisition and site preparation are eligible for funding through the \$43 million Demolition and Redevelopment Financing Fund, this fund is also used to provide gap financing, limiting the availability of this resource for property assembly (including residential and commercial relocation as needed), a critical early-stage activity.

For more than twenty years, the vast majority of development resources targeted to Camden have been allocated to the downtown and waterfront areas. However, the level of increased tax revenue and increased job creation associated with these activities has not been sufficient to significantly influence the city’s ability to govern itself or the improvement of residents’ quality of life. In the past there has not been a sufficient analysis of the return on investment associated with these past commitments of resources.

A major intervention designed to fundamentally change Camden’s economic structure, correct this imbalance in the allocation of resources, and reverse more than a half-century of disinvestment cannot produce successful results within five years. No comparable intervention has produced a success comparable to that anticipated for Camden in the Act within such a short period. For this reason, I support the extension of the rehabilitation term by five years, in order to make the total rehabilitation term a period of ten years.

Issues for Next COO

As COO, my perspective on the revitalization approach set forth in the act was based in large part on my past experience as an elected official in Camden and my knowledge of the city’s economic, social, and political environment. Based on this experience and knowledge, I began my service as COO guided by the following assumptions.

- That a decisive reversal of Camden’s history of economic decline would require strategic investment over a period of several decades. Few of the investment and development opportunities described in the Strategic Revitalization Plan could be achieved within a five-year rehabilitation term, and many would require sustained development activity, supported in part by public-sector investment, for more than a decade.
- That the bricks-and-mortar development activity emphasized in the Act and the Strategic Revitalization Plan would be accompanied, neighborhood by neighborhood, by investment in the city’s public schools. At the start of the

rehabilitation term, \$437 million in state funding had been committed to the development and upgrading of Camden schools. Based on this commitment, the COO and CRA devoted priority attention to designing neighborhood development plans that complemented anticipated investment in new and existing school facilities. This priority was sustained until 2005, when it became clear that the state funding commitment would not materialize as anticipated. The current investment in the Octavius V. Catto Community School, combined with CRA-supported development activity in East Camden, including the development of a new Boys and Girls Club facility provides an illustration of the manner in which the complex relationship between school, neighborhood improvement, and community development activities was to be implemented in a coordination fashion.

- That a fundamental issue, articulated by prospective private sector developers as being the foremost barrier to their investment in Camden, which is clearly a weak market City was land assembly and that eminent domain powers would need to be used strategically on an ongoing basis, particularly in order to complete site assemblage associated with large-scale development leading to the creation of mixed-income communities.
- That a substantial commitment to local development agency capacity building would be essential, because the Strategic Revitalization Plan was not designed to provide step-by-step instructions for implementing revitalization activities and because the City of Camden had no functioning redevelopment agency at the time when the Act was approved
- That racial and ethnic divisions, concentrated poverty in Camden neighborhoods, disparity in household income between the city and region, unemployment and workforce readiness, and the crime rate were major obstacles to revitalization and would add to the burden of implementing the actions set forth in the Act.
- That Camden's status as a destination for the region's lowest-income residents and for persons with specialized housing and supportive service needs would have to change fundamentally and be replaced by a regional approach to the development and preservation of affordable housing and the delivery of supportive services.
- That misperceptions about revitalization goals, the redevelopment process, and neighborhood change would need to be addressed through sustained outreach and ongoing communication of a unified message by the COO and city and state agencies, with the support of private and nonprofit partners.
- That the approval of the Act could support revitalization in two ways: by providing a reasonable assurance of stability in municipal government for five years and by making possible the creation of a single center of public-sector resources for planning, investment and development.

All of these assumptions remain valid at the end of the fourth year of the rehabilitation term and should be taken into account in decision-making about any amendment of the state Act and the appointment of a COO.

Thank you for this opportunity to speak with you this afternoon. I am honored to have had the opportunity to serve Camden as Chief Operating Officer.