

Testimony of Howard Gillette
Joint Committee Meeting
Assembly Housing and Local Government,
Senate Community and Urban Affairs
January 30, 2007

Good morning. My name is Howard Gillette. I am a professor of history at the Camden campus of Rutgers University and the author of Camden after the Fall: Decline and Renewal in a Post-Industrial City (University of Pennsylvania Press, 2005).

As I understand the legislative intent of the report under consideration today, this should be the occasion for evaluating the past four years of Camden's recovery effort and considering what form it will take in its next stage. Randy Primas's announced resignation and Governor Corzine's stated intent to extend the powers of the Chief Operating Officer before the report was issued undercuts its intended advisory role to justify next steps under the legislation. That being said, this remains the occasion for taking stock. Having already deprived the citizens of Camden of full powers of representation for five years, it would be unfair for the legislature to extend that unusual condition another five years without a thorough evaluation of what has been accomplished under the legislation to date and without a clear vision for what could be accomplished should those powers be extended. This report falls short on both counts, and so this hearing assumes particular importance as the first stage in an important debate as to whether or not the Governor's recommendation should be put into effect.

I am no enemy of the municipal recovery legislation. There is no doubt, however, that the recovery effort to date has been incomplete and that a change of course is both justified and required. Although others testifying today will point up other issues, there are three I feel are central to your consideration: governance, redevelopment, and regionalism.

Governance. The theory behind an appointed Chief Operating Officer extends back as far back as the Progressive Era at the beginning of the 20th century. Concentrating power in a chief executive, progressives believed, resulted in consolidating authority with accountability. By all accounts, Camden's city government found it difficult to manage the cumulative effects of a generation of disinvestment. The COO was expected to institute management reforms to meet those challenges, not the least by streamlining and enhancing the powers of the redevelopment authority in order to assure a coordinated effort to attract new investment.

Clearly management reforms have lagged and still need sustained attention. That ought to be a prime condition for extending the powers of the COO. Just as important, while there is evidence that strengthening the redevelopment authority under the chairmanship of the COO helped attract the interest of investors, as yet there is no evidence that such efforts have improved the city's finances. The COO's report is notably silent on the degree to which new investment has improved the city's budgetary situation. Nor are there any projections as to what could be expected should the power of the office be extended another five years. Considerable investment went to evaluating Camden's

financial condition in 2002. We deserve an account of what has happened since and what might be expected in the near future. The report before you blames the continued financial distress of the city in large part on lawsuits that have tied up the redevelopment process in Camden neighborhoods. As we review the actions that led to those lawsuits, however, it is both necessary and proper to put the chosen approach to redevelopment under close scrutiny.

Redevelopment. The state provided extraordinary powers to its own representative in the city to break the logjams that have hindered redevelopment and thus undercut efforts to make the city self-sustaining once again. A revitalization plan commissioned by the state set out goals for neighborhood as well as downtown renewal. When it came to planning for residential improvement, the COO in conjunction with the redevelopment authority, relied heavily on eminent domain as a tool for renewal. In Cramer Hill, as in other neighborhoods, that involved high levels of displacement., thereby angering residents and instigating lawsuits that have stymied progress.

The fault lay not simply in inadequate communication with residents as the COO's report asserts. The approach was flawed from the start. In Cramer Hill, plans to relocate current residents in denser quarters in the eastern portion of the neighborhood while other areas were opened up for middle and higher income residents provided a recipe for disaster. Even assuming current residents found homes equal or better than the ones they lived in, as the government promised, the plan would have created a class-divided neighborhood with newcomers living in the equivalent of gated communities while those already burdened by low incomes would have been thrust into a situation of even greater concentrations of poverty.

Aside from the undesirable social consequences of such efforts, the planning process was deeply flawed from the start, relying on surveys undertaken by amateurs and on a purposeful misreading of the statute establishing the area as an enterprise zone as justification for designating the area a redevelopment zone.

Good contemporary planning should not repeat the mistakes of the bitterly contested renewal efforts of the 1960s but build instead on existing neighborhood assets in cooperation with community leadership. Such efforts had been well demonstrated before 2002 in Cramer Hill as well as in East and North Camden, and in Waterfront South, but they have largely been disregarded over the past four years. That pattern must be reversed. A city that has lost a third of the population it reached at its peak can attract new, middle income residents without relying on massive displacement policies. And this leads to the third missing element of recovery.

Regionalism. At the initiative of Assemblyman Joseph Roberts, the municipal recovery legislation included a provision for a regional impact council, which he described as essential to coordinating Camden's revitalization in conjunction with area-wide housing, transportation, and educational needs. Such an effort accorded well with nationally recognized policy that regions are the central engines of today's global economy and that any region suffering decay at the core will suffer in that competition. The approach was also important for assuring nearby suburbs that the effects of poverty would not continue to spill over into their areas, as had been the case for more than a decade.

The legislation explicitly required that the regional impact council review Camden's revitalization plan before its approval. That did not happen because the council had not yet been appointed. When it did form, it took no active role in planning for the region and must be considered inoperative today. At the very least this was a missed opportunity. More significantly, everyone who has studied Camden recognizes how severely it has been severed from the region for which it once formed the heart. No vehicle presently exists to help bridge the gulf between the city and its suburbs. That too is more than a lost opportunity: it is a recipe for failure once again.

Camden's concentrated poverty is a direct product of its disproportionate share of affordable housing in the region. The expectation that new housing development will attract middle class buyers while high levels of crime associated with concentrated poverty continue remains highly unrealistic. It must be a goal of the recovery effort to make possible opportunities for Camden residents in the suburbs even as it seeks new middle income buyers in the city.

I said in my book that Camden's approach to recovery represented the most important and telling revitalization effort of the new century. Unlike state interventions in Pittsburgh or Buffalo, New Jersey has brought new powers as well as funds to the city in what has to be considered an imaginative and comprehensive approach. But until the legislation is acted upon in all its elements according to best practice, we can expect more of the same: incremental changes at best and a continuation of an unbalanced regional economy in which Camden will remain a drag instead of an asset.

Happily, that situation could change, without I believe, major alterations in the legislation. Two weeks ago state and local officials met with philanthropic organizations from throughout the region. Three of the meeting's sponsors—the Ford, Annie E. Casey, and the Wachovia foundations—are currently crafting a strategy to connect Camden residents with the larger regional opportunity structure as it has shifted over time from city to suburb and to prepare them to take advantage of it. This initiative is positively described in the COO's report and promises to compensate for the woeful lack of attention to human capital investment over the past four years. I believe it is safe to say that all those attending the conference agree that social reinvestment will receive attention equal to physical reinvestment in the coming years.

And how will this be achieved, in cooperation with city and state government? Having given the COO such extraordinary powers, this is the only chance for the public to hold that office accountable. Because the effort of the past four years has not been entirely satisfactory, some suggest a different approach, possibly instituting a city manager who would be responsible for putting management reforms in place and executing them free of traditional political influences. While this idea has some intellectual appeal, it strikes me as inadequate to the task. Working for the city alone will not adequately assure such an appointment all the resources available at the state level nor will it serve to broaden the reach of his or her effort to the greater Camden region.

A better solution, I think, is to give the search committee seeking Mr. Primas's replacement a mandate to hire a person ready to respond to the limitations of the position as have been manifest in the past four years.

How, then, will we be able to measure success? Camden's decline has been many years in the making, and as Mr. Primas has stated repeatedly, there is neither enough time nor money under the current legislation to realize recovery any time soon. But means, not ends, are critical at the moment. If the public is convinced that those empowered under this legislation are acting fairly, that they are pursuing the best interests of city residents even as they seek to restore fiscal stability, and if their actions are open to scrutiny and removed from personal or group favoritism, an effective COO and his or her team can restore faith in the process. In turn, as Camden emerges from the abyss, it can point the way for other cities struggling to attain renewed vitality. I can only hope that corrections to the bold course the legislature laid out in 2002 can be attained, and that future historians will talk about this effort as a turning point, not just for a single city but a whole category of post-industrial places and their residents left behind over the past generation.