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Atlantic City Council approves Special Improvement District study

By ELAINE ROSE Staff Writer | Posted: Thursday, November 11, 2010

ATLANTIC CITY — City Council voted 6-2 Wednesday night to begin a study of the resort's Special Improvement District.

In front of a packed meeting room, council members also tried to correct what they called misconceptions about the district and how it affects the city and its employees.

The SID is a nonprofit organization, funded by the merchants within its boundaries, to beautify the city's business district. It employs 98 people, and its programs have included things such as after-hours garbage pickup and maintaining the public restrooms on the Boardwalk.

So far, City Council has declined to approve the SID's \$4.4 million budget. The district's workers, called ambassadors, have done landscaping, evening work to clean the Boardwalk and taken over maintenance of the Boardwalk's public restrooms.

These duties, and a potential plans to expand the district into the South Inlet section, have led public-worker unions to complain that SID is duplicating their work and could endanger their jobs. City officials have also expressed concerns about the high salaries paid to SID executives.

In an hour-and-a-half public-comment period, residents spoke both for and against the SID.

SID documents requested by Councilman Frank Gilliam were handed over Oct. 20, with copies to the rest of the council, board member Jeffrey Wilson said.

The organization “always strives to be transparent” and is willing to provide more documentation or meet with any and all members of the council, he said.

The Special Improvement District was created to enhance, not replace, city services, Wilson said.

But Jeff Caccese, an attorney representing the city’s blue-collar employees, wanted to know how the study will affect his members.

“I don’t know where this is coming from that we want to replace anyone,” Council President William “Speedy” Marsh said.

It would be illegal for the city to replace employees in the Public Works Department with SID employees, Marsh said.

Councilman George Tibbitt reiterated that there is no intention to eliminate public jobs. That issue may have been introduced as a red herring to draw attention away from the high salaries paid to SID executives.

Council wants to focus on about \$750,000 in salaries for four or five people, part of the district’s nearly \$4.5 million budget, Tibbitt said.

The SID workers do a good job, “but the salaries at the top are outrageous,” Tibbitt said.

SID Director Don Guardian makes \$169,349 per year, \$68,000 more than Mayor Lorenzo Langford, and Chief Financial Officer James Kutch has an annual salary of \$117,092. But Guardian has said that is not comparable to what other public-sector workers earn, because they are not part of the state’s pension system.

The purpose of this study is not to dismantle the Special Improvement District, but to improve it, Gilliam said.

Residents on both sides of the issue expressed their opinions Wednesday night.

Radio host and At The Shore columnist Pinky Kravitz, said the Boardwalk restrooms used to be a horror, and merchants used to let residents use their facilities out of pity.

“It wasn’t until the Special Improvement District took over the bathrooms that we have clean restrooms we can be proud of,” said Kravitz, who is also chairman of the committee that is trying to beautify the Boardwalk.

The facilities are cleaned four or five times per day, and people who used to hang out in them and steal supplies are gone, Kravitz said.

The SID doesn't replace Public Works employees, but takes over maintenance of the Boardwalk after the public employees go home for the day, Kravitz said.

But Ron Garofalo, who owns five business properties in the resort, said the \$55,000 he pays in property taxes — some of which goes to the Special Improvement District — is too much.

Garofalo said he would prefer it if the city takes away the SID managers' salaries and rehires some of the firefighters and police officers who were recently laid off.

In other business, council voted unanimously for a resolution to strongly oppose the proposed Purgen process that would compress carbon-monoxide waste at a plant in Linden, Union County, and then pipe it to a storage site under the ocean off Atlantic City.

Council voted for the resolution to conduct the study about SID, with Councilmen Timothy Mancuso and Dennis Mason dissenting and Marsh abstaining.

Several people in the audience supported that move.

Bettie Reina, of the Milmay section of Buena Vista Township, said the Purgen project "is wrong on every level, economically, ecologically, environmentally and morally."

"It places the benefit of huge corporations over the safety of the people," Reina said.

Michael Diamond, of Atlantic City, said New Jersey residents are obligated to fight the Purgen project, because the state constitution guarantees citizens the right "to pursue and obtain safety."

With a dangerous buildup of carbon dioxide in the atmosphere, "there must be a rapid transition from fossil fuels to renewable sources of energy," Diamond said.

Christine Guhl, of the environmental organization Sierra Club, said the Purgen technology has not been tested, and it will take decades to determine if it is safe.

"A leak at the site would definitely kill marine life" and endanger the New Jersey shore's tourism and fishing industries, Guhl said.

Atlantic City is the first municipality in New Jersey to oppose the Purgen project, and Guhl said she hopes many others follow suit.

Council also voted, with Mason and Councilman Marty Small opposing some of the measures, to approve about \$500,000 in additional legal fees to various firms. This comes days after The Press of Atlantic City reported that the city spend \$39 million in legal fees in the past decade, more than larger cities in the state and nearly as much as Newark.

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