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## In Shift, Trenton Will Raze X-Rated Theater Near School Site

By [DAVID W. CHEN](#)

TRENTON, March 3 — Reversing an earlier stand, the [New Jersey](#) Schools Construction Corporation has decided to demolish an X-rated theater and a hotel frequented by prostitutes, adjacent to the site of a proposed elementary school.

The corporation — a state agency responsible for building schools primarily in the state's poorest districts — had originally assumed that the two businesses, the Montauk Theater and the Hotel Passaic, would be razed, and that the property would be used as a parking lot for the new \$37 million school.

But as the corporation became mired in financial and management problems, Passaic school officials were told that the agency could not afford to buy those properties, at an estimated cost of \$5 million, leaving open the possibility that the school, theater and hotel would coexist.

That brought the ire of Assemblyman Gary S. Schaer, who has an office two blocks away from the site and is also the president of the Passaic City Council. On Thursday, Mr. Schaer met with Scott Weiner, special counsel to Gov. [Jon S. Corzine](#) for school construction, and other officials.

And late Thursday, the agency issued a statement saying "it is not appropriate to put a school across from an adult theater and hotel," and pledging to meet on Tuesday to draw up a new plan.

On Friday, the construction corporation's new chairman, Barry L. Zubrow, reinforced that sentiment, during an event with the New Jersey Principals and Supervisors Association in Trenton. He attributed the earlier willingness to leave the hotel and theater where they are to "a lack of good decision-making."

To avoid such entanglements in the future, Mr. Zubrow added, local school boards and municipalities should be given more responsibilities — and perhaps be asked to absorb more costs — in design, land acquisition and other tasks.

The contretemps with the Passaic school is the latest instance in which the school agency has found itself on the defensive. Last April, the state's inspector general issued a scathing report that described the agency as being vulnerable to "mismanagement, fiscal malfeasance, conflicts of interest, and waste, fraud and abuse of taxpayer dollars."

Three months later, the agency announced that only half of the school construction work scheduled for the state's poorest districts would be completed, because cost overruns had eaten up much of the \$6 billion set aside for the projects. And since he took office in January, Mr. Corzine has talked about those unfinished, underfinanced projects as a major challenge.

On the Passaic issue, Mr. Schaer, a Democrat, said he was grateful that the agency had acted swiftly.

"They admitted that they were wrong without any kind of qualification — upfront, immediate, absolute," he said.