

housing

IGI

Jobs for

Annual Report **2005/2006**



WELCOME LETTER

Welcome to the New Jersey Institute for Social Justice's annual report marking a moment of transition: our 5th anniversary, our first gala celebration and the advent of new leadership as our founding Executive Director, Ken Zimmerman, has become Chief Counsel to Governor Jon S. Corzine. We also take this opportunity to recognize the collective achievement of all of our partners who have assisted us along the way in addressing the challenges faced by Newark and other urban areas in the state.

For any organization, during the first several years of operation, board and staff are engaged in an exhilarating and challenging process of identifying issues, refining strategies, establishing partnerships, and building a track record. So it has been for us. We are proud to be able to point to concrete accomplishments, ever mindful that we must be judged based on the difference we make in people's lives. We have been guided throughout by the lofty ideals and animating vision of Alan and Amy Lowenstein: that thoughtful and independent examination of the challenges facing urban communities, coupled with a

sustained commitment to strategic action, can produce grounded and lasting results.

In this two-year report, we describe our use of demonstration programs and of university partnerships to advance issues affecting urban areas. These are both hallmarks of how the Institute approaches its work.

We also recognize Nick Katzenbach, who became our first Board President emeritus. His lifelong commitment to advancing the cause of justice is an inspiration. As President of the Institute's board during its first five years, he provided great wisdom, guidance and good humor as the Institute charted its course.

This new phase of the Institute excites us with new challenges and opportunities. We look forward to working with you and continuing to build on what we have begun.



John Farmer, Jr.
Board President



Richard Roper
Interim Executive
Director

TRIBUTE TO ALAN AND AMY LOWENSTEIN*Celebrating the Lives of Our Founders*

It is a rare privilege to play a role in building a dream. Particularly in building the dream of an individual whose life demonstrated deep dedication to the betterment of humanity, to civic responsibility, to service, and to the use of the law as an instrument of fairness and decency. As staff members, we were able to speak with Alan and learn from his optimism, from his belief in the compatibility of idealism and pragmatism, from his belief in human potential. We learned, too, of hope and developing the fortitude, courage, perseverance and insight necessary to be an effective agent of change. These values, we hope, imbue the Institute.

Alan Lowenstein was a man among men. A towering presence in his profession and a larger than life personality, he evoked deeply emotional respect from people from every walk of life. Alan and his wife Amy had a passion for their fellow human beings' welfare, and a particular dedication to Newark and its people. He led the effort to reform Newark's government to make it more accountable and responsive, and persisted even when the effort cost him his law practice. He believed cultural institutions should reach everyone, and personally supported open air concerts in each of Newark's wards. He established a value-based law firm with a deep commitment to working *pro bono publico*.

Alan was our mentor and guide. He encouraged us to aim high, and afforded us the opportunity to learn from our missteps. He taught us by both creed and deed. We

thank him for creating and guiding an organization that provides us a rare opportunity to blend, in accordance with Alan's example, our values with our work.

Alan said, "If the sole purpose of the Institute is to come up with ideas and reports, sooner or later people are going to say 'That's great, but what have you accomplished?'" Our goal is to undertake the hard, independent, honest work that leads to real change and improvement in lives of New Jerseyans and that will be our tangible, living tribute to his memory.



Alan Lowenstein
1913-2007

Amy Lowenstein
1917-1997

ECONOMIC OPPORTUNITY

Growth

Employment





ECONOMIC OPPORTUNITY

One of the hallmarks of the Institute’s approach to expanding economic opportunities for urban residents is the demonstration program—if a picture is worth a thousand words, then an experience is worth a thousand pictures. Demonstration programs can show how effective linkages can be made between local residents and employment opportunities. These programs can also show in high relief the barriers that many individuals face in seeking to avail themselves of these opportunities.

Expanding Opportunity in the Construction Sector

Jobs matter, especially those that are the first step to a career that can offer family-supporting wages. The construction industry is one of the few remaining sectors that offers middle income earning potential with the basic entry requirements of a high school diploma and valid driver’s license. With construction activity in excess of \$10 billion projected for the greater Newark region and with the construction industry in need of new workers, we have continued our efforts to link urban residents to employment

opportunities in this promising industry sector.

In Essex County and northern New Jersey, much of the construction activity—including the state’s multi-billion dollar school construction program—is undertaken by construction trade unions. We therefore focused our efforts upon creating a demonstration program, the Newark/Essex County Construction Careers Consortium, informed by a strong understanding of how the unions work and how urban residents could become competitive candidates for union membership. We are now at the end of our fifth year of this work. In partnership with the Essex County Construction and Building Trades Council, the Essex County Vocational Schools, the Newark Public Schools and several community partners, more than 170 individuals N/ECCC has helped become trade union members. This program has shown that an appropriate, customer-driven training intervention can produce highly competitive graduates. As one trade union business agent has observed, “N/ECCC graduates are now considered the best-prepared candidates for trade union membership in Essex County.”

We have also learned that there are

The Creation of N/ECCC In the Words of a Union Leader

Looking back to the beginnings of N/ECCC, Marty Schwartz, President of the Essex County Building and Construction Trades Council (ECBCTC) recalls:

“The leadership of the Council sat with the Institute to hear a presentation of the program. We were skeptical because of the failures of past programs. The initial conversation was that the Institute was interested in trying to get women and minorities into apprenticeship programs of the ECBCTC members. We listened to their ideas but what really got us involved at the time was that the people from the Institute listened more to us as to what we needed and what we were looking for, how we might work together as a group to form a coalition so we could move forward and succeed in getting minorities and women into the trades. They were serious about

collaboration. They took our requirements seriously. They brought in the Essex County Vocational Schools to elevate math skills and reading comprehension. We participated the selection of program participants and of the program’s director. The program has now placed over 170 urban residents in the trades. They are all true members of the trades. They’re going through the apprenticeships. They will become journey workers when it is all finished.”

“This is probably the most successful program in the country, bar none.”

Marty Schwartz
President, Essex County Construction
and Building Trades Council



Roscoe Houston

In the Words of an N/ECCC Graduate

“It was life changing. When I look at all of the things I’ve been through in my childhood and what I saw my peers go through, for me to be here is almost a miracle. Last year, I didn’t know where I was going to be. I was

born in Newark and it’s good to think I will get a chance to actually work in Newark, to sit back and watch the things I’m helping to build, build the city.”

Roscoe Houston
1st year apprentice Carpenter’s
Local #1342

a host of issues that form barriers to the ability of individuals to take up this opportunity and that a strong program must include efforts to address these issues such as adequate financial resources, ability to obtain a valid driver's license, and the availability and affordability of automobiles and auto insurance.

The chart on the right shows the distribution of N/ECCC graduates in the trades including both the apprentice training period and the skilled journey worker position. Once individuals become journey workers, they earn full salary and benefits in excess of \$50/hour and are generally licensed to work anywhere in the country.

In 2007, our focus will be on retention of graduates who are now trade union members. We will also focus on work with major public agencies to create a policy framework and prepare a larger number of workers to supply the workforce for the multi-billion dollar construction projects in Northern New Jersey, including the capital projects of the Port Authority of New York and New Jersey and the Hudson River Tunnel project.



N/ECCC graduates with Program Director, Rodney Brutton

Apprentices:	
Bricklayers	7
Carpenters	9
Electricians	10
HVAC/Pipefitters	1
Insulators	8
Ironworkers	12
Laborers	10
Operating Engineers	5
Painters/Glaziers	33
Plumbers	7
Roofers	29
Sheet Metal Workers	11
Sprinkler Fitters	2
Steamfitters	3
Terrazzo/Tile Setters	12
Parsons Brinkerhoff	
	1
Newark Housing Authority	
	1
Stationary Engineers	
	4
Journey Workers:	
Electricians	1
Insulators	1
Ironworkers	3
Painters/Glaziers	2
Plumbers	2
Roofers	2
Total Placements	176

Expansion to a New Industry Sector— Commercial Trucking

Building on the Institute’s success in placing local residents into the construction industry, the Institute has taken the lead role in linking local residents to employment in commercial trucking, especially at Port Newark. Like construction, the trucking industry offers good wages and has entry requirements that are within the reach of many Newarkers. At the same time, trucking company owners report difficulty in hiring and retaining workers. Research produced by the NJ Department of Labor indicating a projected shortage of workers documents the industry’s ongoing need for new workers.

With support from the Newark Alliance, a nonprofit consortium of leading Newark corporations, universities, foundations and others, the Institute was contracted to lead the implementation of the Opportunity Newark Commercial Truck Driving Recruitment/Retention Initiative. The Opportunity Newark Initiative identified commercial trucking as an especially high potential sector given its relationship to the growth of Port Newark where a tripling of the volume of containers arriving in Port Newark/Elizabeth is projected over the next several years. Key to this expansion is ensuring an adequate

number of trained and licensed tractor-trailer drivers to haul the cargo from these containers through the Port District and throughout the region, the largest consumer market in the country.

In 2006, the Institute initiated a demonstration program to link local residents to this opportunity through:

- the formation of a partnership with the trucking industry to ensure that training is customer-driven and meets industry needs;
- the identification of high potential candidates for these jobs;
- assistance to the One-Stop Career Centers in downtown Newark and at the Port to create an active and effective referral network; and
- addressing insurance-related barriers to employment of new workers with limited driving experience.

We anticipate implementation of a pilot program in 2007.

“The Institute has a reputation for being a trustworthy, honest broker that calls the issues as it sees them. That’s an exceptional skill set. When you establish trust, you can set a real foundation for participation of many disparate parties. This is the essential ingredient and that’s what this organization brings.

Al Koeppe
Newark Alliance

Getting Back on The Road—Driver’s License Restoration

The Institute’s ability to be responsive to emerging issues led to an effort focused on an unlikely, but important, obstacle preventing urban residents from taking advantage of economic opportunities in New Jersey: the widespread use of driver’s license suspension as a civil and criminal sanction. The License Restoration Project grew out of conversations with our partners in the workforce development community who had identified a troubling pattern. Significant numbers of students in job training programs were successfully completing program requirements but were unable to access the jobs for which they had trained because their drivers’ licenses had been suspended. On the other side, employers in industries from construction to auto repair to cable installation reported that they had jobs with good salaries and benefits going begging for a lack of workers with valid licenses. The Institute decided to investigate how and why driver’s licenses were being suspended in New Jersey, and what could be done about it.

These research results were used along with an examination of good practices across the country to design and implement a Driver’s License Restoration program in Essex County, in partnership with the Administrative Office of the Courts. Essentially, the program consolidates tickets across municipalities in Essex County and develops a repayment plan scaled to income. Driving privileges are restored for individuals as long as payments are made in good faith. The Newark One-Stop Career Center and other community-based organizations refer individuals to a special hearing to resolve these issues. More than 30 licenses have been restored through this program, which is still in its early phase. And, importantly, the default rate on these payment plans is less than 4 percent. As a result, municipalities have received thousands of dollars that might have otherwise remained uncollected. Expansion to attract more individuals, as well as replication in other counties throughout the state, is under consideration.

EQUAL
JUSTICE

Law Careers





EQUAL JUSTICE

Our work in this area over the past five years has grown out of the recommendations of the New Jersey Reentry Roundtable, focusing on helping the state address the challenge of prisoner reentry in New Jersey. A year-long effort co-sponsored with the New Jersey Public Policy Research Institute, the Roundtable brought together leaders from state government and the judiciary, civic and faith-based organizations, academia, formerly incarcerated people, social service providers and victims' advocates to assess the dimensions of the challenge and develop sound and strategic policy as well as programmatic responses for government, the private sector and local communities. With 14,000 to 16,000 returning home annually from New Jersey state prisons, high rates of failure and escalating costs to state and local government and to affected families, prisoner reentry is a complex problem requiring a multi-dimensional solution.

During 2005–2006, the Institute worked on the gubernatorial transition team and with the Governor's office to identify short term policy changes while developing the key elements of a more comprehensive approach to criminal justice system change as it pertains to reentry. The Institute brought in expertise from states undertaking systemic reform efforts and helped outline a framework to engage both the public and private sectors in reorienting current practices to achieve better outcomes for both adults and juveniles.

On the local level, the Institute worked with the Newark Administration to develop a municipal reentry strategy that will address the city's high priority concerns about public safety. These efforts will continue in 2007, with a

Putting the Pieces Together

The search for employment after prison is a complex, multi-layered process, both systemically and on the individual client level. To succeed, New Careers participants must navigate an often confusing web of agencies and providers. At the same time, participants themselves have multi-dimensional needs, goals, and life histories. The unique value of New Careers is its capacity to weave together these disparate strands—on both the systemic and the individual level—by providing case-by-case attention and strategically working with partner organizations to maximize the likelihood of success. New Careers' hands-on case management approach, enriched by access to partner organization services, puts the pieces together for participants. In this way, New Careers serves the whole human being and addresses the whole systemic web so that, in the words of NJISJ supporter Reverend William Howard, Pastor, Bethany Baptist Church, "We create a vision for Newark in which all are contributing members of our community."

particular focus on improving employment options for formerly incarcerated individuals and ensuring their participation in and contribution to Newark's redevelopment.

Employment After Prison

One specific outcome of the work of the New Jersey Reentry Roundtable is the Institute's New Careers Project. New Careers is an innovative, employment-focused demonstration program designed to help individuals returning home from New Jersey state prisons reintegrate successfully into the Greater Newark community. New Careers uses the core tools of transitional employment and comprehensive case management to prepare individuals to find and keep jobs and to address the broad range of individual and systemic barriers they face after time spent in prison. The Project also provides participants with life skills and job readiness training and locates job opportunities for them. Once they are placed, New Careers continues to help participants stay employed through on-going case management, troubleshooting for employers, and re-placement when necessary. While the New Careers staff assists participants with preparing for, finding, and keeping jobs, the Project requires participants to be fully engaged in helping themselves and transforming their own lives.

New Careers was developed in collaboration with a number of Newark organizations, with technical assistance from model programs around the country through the support of the National Transitional Jobs Network. Referrals into the program, now located in a space provided by Integrity House, come from parole



Program Director, Allen James with a New Careers participant.

officers, community based organizations and the City of Newark. Staff provide case management and advocacy services, with paid transitional job opportunities provided by the First Occupational Center of New Jersey through its social enterprise businesses. The first participants in the program have found work in fields ranging from warehousing to food service to office assistance. Looking forward to 2007, the Project is developing a new transitional job collaboration with City of Newark.

Bringing Families In

The Institute collaborated with the Rutgers School of Criminal Justice to create a new series of Roundtables on “Incarceration, Reentry and the Family,” producing a new report, *Bringing Families In*, detailing concrete recommendations for government and private sector stakeholders for improving the situations of families with incarcerated loved ones and engaging family strengths in improving outcomes for those leaving prison.

Making Work Pay

We completed our report *Making Work Pay* which details child support obligations of low-income and incarcerated parents and recommended steps for better outcomes for both children and parents. The report explains how child support obligations continue to accrue despite the inability of incarcerated individuals to generate income resulting in high levels of debt upon release. The result of this work has been used in collaboration with the Department of Corrections on front-end strategies to educate incarcerated parents about child support obligations and options before they incur significant debt.

New Jersey Reentry Digest

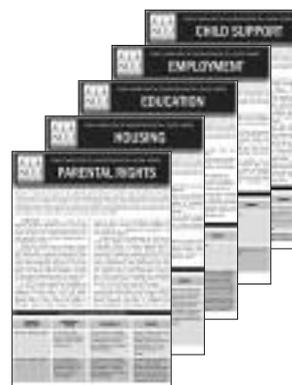
The Institute began the dissemination of a bi-weekly electronic newsletter, the New Jersey Reentry Digest, which provides local and national news, Institute events and publications, upcoming conferences, summaries of pending legislation, reports and fact sheets. To sign up for the Digest visit our website: www.njisj.org

Legal Barriers to Reentry—Fact Sheet Series

Hidden or “Collateral Consequences” are additional penalties that may result from criminal convictions. They have a direct impact on critical areas of life such as employment, public benefits, housing, education, parental rights and voting and can significantly hinder an individual’s ability to successfully reintegrate. Over the last two years, we created fact sheets for criminal defense attorneys, other advocates and all residents of New Jersey affected by incarceration, in order to help to expand understanding of the relevant legal and regulatory frameworks that create these sanctions.



New Jersey Reentry Digest



Fact Sheet Series

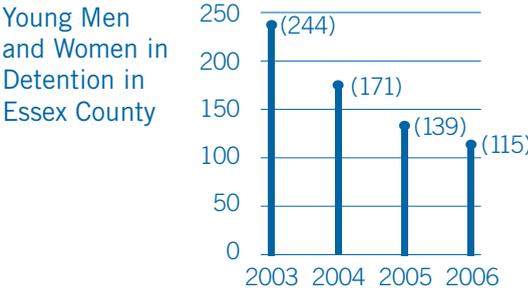
JUVENILE JUSTICE

This year, the Institute deepened its focus on young people and the State’s justice system, specifically those youth who have been, or are at risk of being, detained. Research has shown that a detention experience is a greater indicator of poor life outcomes than any other single item, including gang involvement and family dysfunction. The Institute is committed to identifying better ways in which juveniles can be treated by the system and, even more importantly, ensuring that only those juveniles that do pose some risk to society actually end up in detention.

The Juvenile Detention Alternatives Initiative (JDAI), sponsored by the Annie E. Casey Foundation is the country’s most successful program at diverting young people from secure, pre-trial detention without sacrificing either public safety (youth reoffending) or judicial process (youth failing to appear for court dates). It also has a record of effectiveness in addressing issues specific to minority youth. Institute staff worked at both the Essex County and the state level in launching this initiative. The JDAI brings together a broad spectrum of justice system institutional actors to focus on

detention prevention and introduces new and/or improved programs and practices that offer alternatives to secure detention. A data-driven approach allows trends to be established, monitored, analyzed and addressed. Case-by-case innovations are documented and disseminated in a systematic fashion.

As the chart below shows for Essex County, the count for young men and women in detention declined by more than half over the period with no discernable increase in either juvenile crime or failure to appear rates. Staff plan to conclude direct involvement in this initiative as these fundamental approaches are institutionalized. At the same time, 2007 will see an expansion of our work in juvenile justice, particularly with juveniles involved in the state’s division of youth and family services system and supporting agencies.



PARTNERING WITH UNIVERSITIES ON URBAN ISSUES

The academic community plays a unique role in helping to address urban concerns. Universities are able to research underlying causes of issues, involve multiple disciplines such as law, economics, sociology, planning, architecture and business, and examine issues in a longitudinal fashion. As shown below, universities are also able to amplify and highlight specific concerns to a variety of audiences.

The Institute has partnered with universities in hosting several conferences and workshops on a variety of issues related to criminal justice and public safety. These conferences bring practitioners, policy makers, formerly incarcerated individuals, victims and others together with the academic community to highlight new issues and to create a framework for research and ongoing examination of these issues toward better understanding of impacts and potential solutions.

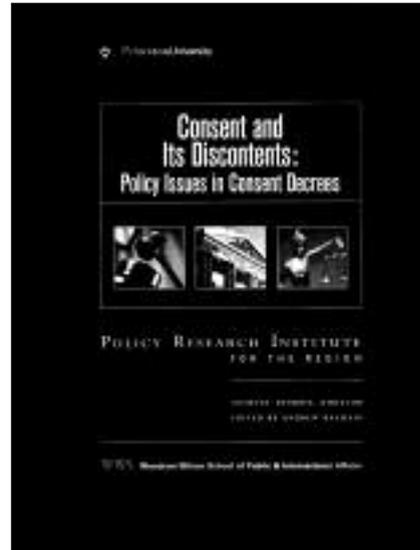
- Together with Rutgers School of Criminal Justice, the Institute hosted a Mini Roundtable series on Incarceration, Reentry, and the Family. Attended by more than 75 individuals representing a wide cross section of organizations around the state, this series focused on prisoners as parents. With both formerly incarcerated individuals and corrections staff as participants and panelists, the workshop sought to increase the understanding of the opportunities and challenges of family involvement during and after incarceration.
- The Institute and Seton Hall Law School co-hosted a conference on “The Civil Consequences of Criminal Convictions: Issues for Policy and Practice in New Jersey,” which brought together a range of national and New Jersey experts to address how collateral sanctions are imposed, and create barriers to successful reintegration, and to consider prospects for reform.
- With the Woodrow Wilson School’s Policy Research Institute for the Region (PRIOR) at Princeton University and the Vera Institute, NJISJ co-hosted a seminal, three-part workshop series on Justice

and Safety in America's Immigrant Communities. The series brought together more than 200 leaders to consider the question of how public safety can be ensured in the region's burgeoning immigrant communities without jeopardizing justice for all, especially in the wake of the new demands placed on criminal justice agencies by the national response to 9/11.

- The Institute co-sponsored a second conference with the Princeton Institute on the Region (PRIOR) which examined the increasing debate about the role and function of consent orders: the legal mechanisms by which courts oversee the operations of public agencies in fields ranging from child welfare to prison systems, from school and housing desegregation to law enforcement.

Each of these sessions raised new questions and highlighted new connections

between issues. One promising result is an expanded and more grounded academic research agenda reflecting the multiple perspectives represented at these conferences.



REGIONAL EQUITY

Anti-Predatory Lending



REGIONAL EQUITY

The Institute’s Regional Equity Initiative works to ensure that the services and opportunities available to suburban New Jersey residents are similarly available throughout the State’s cities.

Addressing the Crisis of Home Repair

Currently, nearly a quarter of a million New Jersey homeowners have acute home repair needs and, in the state’s urban areas, more than a third of all homeowners face such a crisis. This situation is becoming more critical throughout the state as both homeowners and housing stock age. Low-income and elderly homeowners in particular face challenges in finding affordable home repair and reliable home repair contractors to perform necessary repairs. The consequences are seen in the rising levels of abandonment in certain neighborhoods and in the increasing vulnerability of households to abusive contracting and financing practices. These problems are exacerbated by the racial patterns of high cost lending, the expanding use of interest-only and nontraditional mortgage products, and the relatively low number of mainstream financial institutions in these communities.

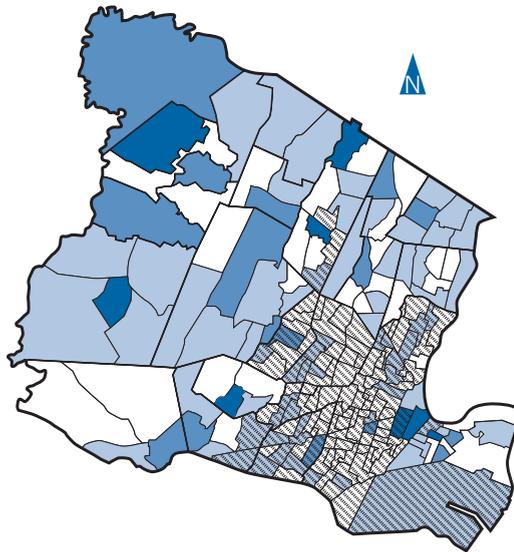
To date, the response of the public and private sectors in New Jersey has been fragmented and insufficient. While state and local governments have noted the problem, what has emerged is a large number of very small grant-funded programs that are unable to address the magnitude of this need; unable to leverage significant additional funding; and subject to termination when grant funds are exhausted. This establishes an environment where



lending institutions offering loans that contain abusive terms are able to grow. As a result, homeowners are losing their homes to foreclosure when they default on these high cost loans. This year, the Institute expanded its advocacy work against the practice of predatory lending by focusing on the practical needs of urban homeowners. We undertook research to illustrate the concentration of mainstream banks and other financial institutions, check cashing outlets, and payday lenders throughout Essex County. Not surprising to those familiar with the

topic and as shown in the maps below, the location of these institutions largely follows the county's pattern of racial segregation and to a lesser extent, income stratification.

In *House Rich, Pocket Poor*, co-authored by the Institute, the Local Initiatives Support Corporation and the New Jersey Public Policy Research Institute, data is presented that shows the gap that exists between the needs of homeowners and the adequacy of financial institutions and quality contractors available to address these needs. The paper was discussed at



Distribution of Bank Branches in African American and Hispanic Communities.
Essex County, NJ (2005)



Data Source:
ESRI GIS data
US Census of Population and Housing
Federal Depository Insurance Corporation
New Jersey Department of Banking

a conference co-sponsored by the authors on home ownership preservation which drew near 100 attendees from around the state to build momentum for addressing abusive home repair financing practices and related policy reform. It was clear that municipal housing programs were far too limited in scale and scope to begin to provide needed financing for home repair. As a result of this conference, the Institute together with others has begun to focus on the development and implementation of a pilot home repair finance program in one or more municipalities in Essex County.

We also continued to monitor policy related to predatory lending and broader abusive lending issues to ensure that policy gains culminating with the state's tough Anti-Predatory Lending Law were not reversed. This included working in collaboration with the Department of Consumer Affairs, NJPIRG, Legal Services of NJ, and the Anti-Poverty Network with respect to both abusive contractors and furniture rent-to-own businesses, in particular the rent-to-own bill and proposed amendments to the Home Repair Financing Act. We also participated in a national evaluation of state anti-predatory lending legislation which showed that the New Jersey anti-predatory lending legislation has curbed abusive lending practices and lowered the cost of mortgage financing to sub-prime borrowers without reducing the availability of responsible sub-prime credit.

“The Institute is capable of going forward and helping the State with any particular issue when it comes to financial services. I know from my own involvement with the Institute that they have the skill, capability, knowledge, and commitment... getting to the bottom of a fair and balanced answer is one of the things they do best.”

Rob Tillman

Former Director, NJ Department
of Banking and Insurance

Affordable Housing

The Institute prepared an analysis of Regional Contribution Agreements (RCAs) to inform proposals on housing policy and challenges to the Council on Affordable Housing's third round rules. RCAs are a compromise provision of the Fair Housing Act allowing municipalities to transfer up to half of their obligation to create affordable housing to another municipality in the same region for a specified payment. RCAs are subject to the criticism that they enable suburban communities to evade their fair share obligations and perpetuate racial and economic segregation.



EXPANSION OF LEGAL CAPACITY

The Institute has always been closely affiliated with the legal community—from its co-founder, Alan Lowenstein, to its founding executive director Ken Zimmerman, (who recently departed to become Chief Counsel to Governor Jon S. Corzine) to the three former Attorneys General (one U.S., two N.J.) on our board. In its brief existence, the Institute has helped make important new law—including a 2005 appellate decision that remains the only decision in the nation to hold that predatory lending may violate the victim’s civil rights.

The Institute’s ability to take part in a range of legal efforts was made possible by a dramatic expansion both in staff and scope. We have also been awarded a two-year Skadden Fellowship beginning in 2007. The Skadden is the most competitive and prestigious public interest fellowship for law graduates and our work will focus on housing issues, addressing both adequacy and equity.

Emerging activities of the Legal Department include:

- An *amicus curiae* (“friend of the court”) brief in a case now before the New Jersey Supreme Court, urging the Court to construe

certain statutes in a way that maximizes access to the drug courts program for appropriate defendants. Like their analogues in other states, New Jersey’s drug courts have a strong record of increasing public safety and saving public dollars by effectively addressing addiction and markedly reducing recidivism.

- We are helping community development corporations petition the courts to be named receivers of abandoned properties—a goal that, if realized, would increase the stock of affordable housing and reduce urban blight. This effort has us partnering with the Housing and Community Development Network of New Jersey, the Department of Community Affairs, and a select group of CDCs, with *pro bono* legal support from Lowenstein Sandler.

In 2006, we received a generous gift from the Lowenstein Sandler Law Firm, to enhance the Institute’s legal program. We sincerely thank the Lowenstein Sandler law firm for its generous pledge of \$1.25 million over five years, to enable the Institute to engage in a broad range of legal efforts.

The law is a powerful tool for social change, and the Institute’s legal program—with the support of our donors—will remain an important part of advancing the Institute’s agenda in 2007.

DEVELOPMENT

In 2006, the Institute hired its first Director of Development who was charged with expanding the Institute's funding base and increasing support from public and private sources. Our first step towards this end was to hold the Institute's inaugural fundraising gala celebrating our 5th year of operation. The gala also provided an opportunity to publicly recognize and to thank Alan Lowenstein and his family for both their vision and financial support in establishing the Institute and to express our appreciation and regard to Nick Katzenbach, our first Board President.

We also celebrated and thanked our remarkable honorees for their work in addressing the challenges faced by Newark and other urban areas in the

State. Dennis Bone of Verizon New Jersey received the Corporate Leadership Award; William T. Mullen and Martin Schwartz of the Building and Construction Trades Council were honored for their partnership in the establishment and operation of the Essex County Construction Careers Consortium; and Reverend Dr. William Howard and Bethany Cares, the service organization of Bethany Baptist Church, for its work with troubled and at risk youth with our Community-Builders Awards. More than 350 friends and partners attended the gala evening.

Moving forward, the Institute will look to foundations, corporations and individuals to provide the significant gifts that will support and expand the work of the Institute. 2006 was a year of laying groundwork to initiate this strategy.

Top Left: Mayor Cory Booker and Robert Curvin, NJISJ Trustee

Top Right: (R-L) Martin Schwartz, President, Essex Building and Construction Trades Council; Gustav Heningburg, President, Gustav Heningburg Associates; William Mullen, President; NJ State Building and Construction Trades Council; Kenneth Zimmerman, NJISJ Executive Director; Rebecca Doggett, NJISJ Senior Fellow

Middle Right: Richard Roper, NJISJ Trustee, Rev. Dr. William Howard, Pastor, Bethany Baptist Church;

Kenneth Zimmerman, NJISJ Executive Director

Middle Left: Grizel Ubarry, NJISJ Trustee; Dennis Bone, President, Verizon New Jersey; Kenneth Zimmerman, NJISJ Executive Director

Bottom Left: Alan Lowenstein, Founder, NJISJ; Nicholas DeB. Katzenbach, NJISJ Founding Board President; Governor Jon Corzine

Bottom Right: John Farmer, Jr., NJISJ President; Hon. Dickinson Debevoise, NJISJ Trustee





Institute staff at our holiday party.

STAFF

Richard Roper
Interim Executive Director

Ellen Brown
Chief Operating Officer

John W. Bartlett
Legal & Policy Counsel

Rodney Brutton
*Project Director
N/ECCC*

Rebecca Doggett
Senior Fellow

Kelly Dougherty
*Director of Administration
& Human Resources*

Amy Eisenstein
Director of Development

Nancy Fishman
*Senior Law &
Policy Analyst*

Richard Greenberg
*Equal Justice
Fellow*

Rasheed Jackson
*Employment Specialist
New Careers Project*

Allen James
*Program Director
New Careers Project*

Craig Levine
*Senior Counsel &
Policy Director*

Elizabeth Reynoso
*Coordinator of Planning &
Community Partnerships
New Careers Project*

Rita Simmons
Office Manager

Jamilla Thompson
*Senior Case Manager
New Careers Project*

Nichele Wilson
*Case Manager
New Careers Project*

Saying Goodbye

The Institute saw many staff changes during 2005 and 2006. We are proud to have had the opportunity to work with such exceptional individuals and we are excited to see where their talents take them next.

Yahonnes Cleary, the first NJISJ Lowenstein Community Development Fellow. Over his two years with the Institute, Yahonnes worked to identify creative solutions to predatory lending and home repair challenges faced by Newark. Yahonnes left the Institute in the summer of 2006 to begin law school at Yale University.



Yahonnes Cleary

Ann Cammett, Policy Analyst for the Institute. Ann's work has enabled the Institute to educate the public and collaborate with a broad community of individuals and organizations concerned about prisoner reentry. Ann created the Institute's Reentry Digest. Ann became a Fellow at the Georgetown University Domestic Violence Clinic.



Ann Cammett

Ken Zimmerman, Inaugural Executive Director. It would be impossible to list all the ways in which Ken left his mark on the New Jersey Institute for Social Justice. Ken worked tirelessly for the advancement of the Institute's mission and, in doing so, became a widely admired leader for us all. We are proud that Ken was appointed Chief Counsel to Governor Corzine in the fall of 2006.



Ken Zimmerman

New Facilities

With the implementation of the New Careers Project in the winter of 2006, we needed to increase our space again. This time the Institute chose to renovate two floors of a brownstone on Lincoln Park in Newark that would become the first NJISJ satellite office and the offices of the New Careers staff.

We thank the members of the Essex County Building and Construction Trades Council who gave generously of their time and skills to assist us in preparing this space for occupancy.



CONDENSED STATEMENTS OF FINANCIAL POSITION

September 30, 2006 and 2005

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<i>Assets</i>		2006	2005
	Cash & investments	\$ 7,600,591	\$ 7,713,448
	Grants & accounts receivable	138,503	203,277
	Prepaid expenses	20,412	22,558
	Property & equipment less accumulated depreciation	84,709	69,720
	Pledges receivable	1,218,489	-
	Total assets	9,062,704	8,009,003
<i>Liabilities & Net Assets (Deficit)</i>			
<i>Liabilities</i>			
	Account payable & accrued expenses	21,228	115,335
	Grants received in advance	465,429	566,302
		486,657	681,637
<i>Net assets (deficit)</i>			
	Unrestricted		
	Undesignated	(84,134)	8,522
	Board designated	7,441,692	7,286,812
	Temporarily restricted	1,218,489	32,032
		8,576,047	7,327,366
		9,062,704	8,009,003

CONDENSED STATEMENTS OF ACTIVITIES

September 30, 2006 and 2005

		2006	2005
<i>Income</i>			
	Public Support	\$ 1,603,905.00	\$ 103,465.00
	Grants	963,427.00	741,434.00
	Investment Income	678,630.00	945,067.00
	Other Income	25,170.00	83,511.00
	Total Income	3,271,132.00	1,873,477.00
<i>Functional Expenses</i>			
	Program Services	1,697,031.00	1,429,733.00
	Support Services	325,420.00	328,340.00
	Total Expenses	2,022,451.00	1,758,073.00
	Increase in net assets	1,248,681.00	115,404.00

A copy of the audited financial statements is available upon request.

STATEMENTS OF CASH FLOWS

Years Ended September 30, 2006 and 2005

	2006	2005
<i>Cash flow from operating activities</i>		
Increase in net assets	\$ 1,248,681	\$ 115,4040
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	17,426	15,540
Gains on investment securities	(459,336)	(841,138)
Increase in cash surrender value of life insurance policies	(5,491)	(12,528)
(Increase) decrease in:		
Pledges receivable—temporarily restricted	(1,218,489)	-
Grants receivable	63,699	(47,263)
Accounts receivable	1,075	6,201
Prepaid expenses	2,146	(3,569)
Deposits	-	(2,740)
Increase (decrease) in:		
Accounts payable & accrued expenses	(64,107)	69,449
Grants received in advance	(100,873)	118,084
Accrued federal excise tax	(30,000)	(4,101)
Cash used in operating activities	(545,269)	(586,661)
<i>Cash flow from investing activities</i>		
Proceeds from sale of investment securities	4,211,775	7,044,861
Acquisition of investment securities	(3,899,983)	(6,891,575)
Acquisition of property & equipment	(32,416)	(45,818)
Cash provided by investing activities	279,376	107,468
Net decrease in cash & cash equivalents	(265,893)	(479,193)
Cash & cash equivalents, beginning of year	625,287	1,104,480
Cash & cash equivalents, end of year	359,394	625,287
Cash paid for federal excise tax	44,177	17,000

A copy of the audited financial statements is available upon request.

FUNDING PARTNERS

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AARP

Annie E. Casey Foundation

Essex County Office of Economic Development and Citizen Services

Fannie Mae Foundation

Healthcare Foundation

JEHT

Lowenstein Sandler, PC

Nicholson Foundation

NJ Administrative Office of the Courts

NJ Department of Corrections

NJ Department of Labor

NJ Department of State

Offender Aid and Restoration

Open Society Institute

Port Authority of New York & New Jersey

Prudential Foundation

Schumann Fund

Woodrow Wilson School

PARTNERS

AARP • AFL/CIO-New Jersey • American Community Partners • American Friends Service Committee (AFSC) • The Annie E. Casey Foundation • Association for Children of New Jersey • Bethany Baptist Church—Newark • Black Chamber of Commerce of Northern New Jersey • Bloomfield College • Building Contractors Association of New Jersey • Catholic Community Services • Center for Community Change • Center for Community Self Help • Center for Employment Opportunities • Center for Mental Health Services and Criminal Justice Research, Rutgers University • Center for Urban Policy Research • Children and Families Fellowship Network • Citizen Action (New Jersey) • Coalition for Affordable Housing and the Environment • Coalition for Our Children’s Schools • College of New Jersey • Community Food Bank of New Jersey • Cornwall Institute • Corporation for Supportive Housing • Dardone Electric • Eagleton Institute Center for Public Interest Polling • Education and Law Center • Enterprise Foundation • Episcopal Community Development • Essex County One-Stop Career Center • Essex County Building and Construction Trades Council • Essex County NAACP • Essex County Office of Economic Development and Citizen Services • Essex County Vocational Schools • Essex Vicinage Courts, Family Division • Essex Vicinage Municipal Division • Essex/Newark Legal Services • Fair Share Housing Center • Family Justice, Inc. • Female Offender Reentry Group of Essex (F.O.R.G.E.) • First Occupational Center • Foundations, Inc. • Fund for an Open Society • Greater Newark Business Development Consortium • Greater Newark Safer Cities Initiative • Harris Organization • Harvard Civil Rights Project • Healthcare Foundation • Healthy Mothers Healthy Babies • Heldrich Center for Workforce Development • Heningburg and Associates • Hillside Auto Mall • Housing and Community Development Network • Housing Mortgage and Finance Agency • Hunter Roberts Construction Group • Hyacinth Foundation • Instructional Systems, Inc. • Integrity House • Isles, Inc. • Jingly Construction • John J. Gibbons Fellowship in Public Interest and Constitutional Law • Jubilee Interfaith Coalition • Juvenile Justice Commission • La Casa de Don Pedro • Legal Services of New Jersey • Local Government Institute • Lowenstein Sandler • Montclair Town Council • NAACP • NAACP Legal Defense Fund • National Economic Development and Law Center • New Community Corporation • New Jersey Acorn • New Jersey Administrative Office of the Courts • New Jersey Child Welfare Panel • New Jersey Department of Banking and Insurance • New Jersey Department of Corrections • New Jersey Department of Human Services • New Jersey Department of Labor • New Jersey Department of Law and Public Safety • New Jersey Division of Motor Vehicle Services • New Jersey Future • New Jersey Office of the Child Advocate • New Jersey Policy Perspectives • New Jersey Public Policy Research Institute • New Jersey Schools Construction Corporation • New Jersey State Building Trades Council • New Jersey State Parole Board • New York University School of Law • Newark Alliance • Newark Asset Building Coalition • Newark Community Development Network • Newark Emergency Services for Families, Inc. (NESF) • Newark Local Initiatives Support Corporation • Newark Mayor’s Office on Employment and Training • Newark One-Stop Career Center • Newark Public Schools • Newark Workforce Investment Board • Offenders Aid and Restoration • Office of the Governor • Office of the Public Defender • Parsons Brinkerhoff/3di • Poverty Race Research Action Council • Princeton University • Project Search • Public/Private Ventures • Railroad Construction • Regional Business Partnership • Regional Planning Partnership • Rutgers Law School Environmental Law Clinic • Rutgers Law School Urban Legal Clinic • Rutgers University Bloustein School of Public Policy • S.T.A.R.S. CDC • Seton Hall Fair Housing Clinic • Seton Hall Institute on Work • Seton Hall Law School • Skadden, Arps, Slate, Meagher & Flom • State Employment and Training Commission • State Parole Board • Superior Court of New Jersey, Essex • Tri-City Peoples Corporation • Unified Vailsburg Services Organization • United Jewish Communities • United Way of Essex and West Hudson • University of Medicine and Dentistry of New Jersey • Urban Institute • Violence Institute at UMDNJ • Voorhees Transportation Policy Institute • WISE Women’s Center/ECC • Woodrow Wilson School of Public and International Affairs at Princeton University • Youth Build Newark

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