



HOBOKEN REVISITED

When last we saw this sleepy city on the Hudson, brownstones were selling for \$20,000. Ha.

By
Don
Singleton

Tom Matthews and Lucille Beachy, who work for *Newsweek* in New York, in front of their brownstone with Maureen Singleton, a realtor in Hoboken.

Ten years ago, Energy People published an article entitled "They've Stopped Laughing at Hoboken," a report on the so-called reverse migration of suburbanite to the mile-square city across the Hudson River from Manhattan. But the phenomenon had only begun in 1975. In the past decade the boom has continued, transforming Hoboken from a down-at-the-heels, forgotten city to a boom town where yuppies eat quiche at wine bars, and where apartments that used to rent for \$75 a month now sell for \$150,000. This article, written by one of the original brownstoners, is a report on how the movement has changed Hoboken—to the delight of some and the dismay of others.

In the summer of 1970, when my wife and I decided to leave our home in the Morris County suburbs and move to “the city” with our three children, the Hoboken we discovered seemed trapped in a time warp.

In an age of shopping malls, backyard barbecues and two-car garages, Hoboken was corner stores, front stoops and stickball games. Packed buses carried people up and down Washington Street, the city’s main shopping thoroughfare. Stores catered to a variety of ethnic communities—this block had an Italian delicatessen, a German pork store or an exotic Indian spice shop. People on the streets and in the stores chatted together in a dozen different languages. Grandmothers sat at fourth-floor windows and watched their grandchildren playing in the street. The rear yards between the rows of tenements were laced with clotheslines festooned with colorful laundry.

Once a prosperous city with a bustling waterfront, Hoboken had gone to seed. Its factories were aging, its schools crumbling, its streets littered, its tax rates among the highest in New Jersey. “For Sale” signs were plastered everywhere. The docks had been all but shut down by the flight of shippers to more modern container port facilities in Newark and Elizabeth, and the colorful Barbary Coast district, six blocks of waterfront saloons and flophouses, had been leveled in an early urban renewal project. The population of the city, which peaked at about 70,000 people at the time of World War II, had fallen to about 45,000.

Back in the early 1970s, every residential block in Hoboken was plastered with “For Sale” signs. Most of the city’s professional and white-collared residents had joined the migration to the suburbs in the years after World War II, and their homes, stately old brownstones and brick row houses built before the turn of the century, had been converted to tenements and rooming houses for the people who were left behind—new immigrants, factory

workers, welfare recipients and a small group of middle-class people who were too stubborn or too attached to the city, emotionally or politically, to leave.

In short, Hoboken was a mess. The city’s condition was so bad, in fact, that in 1969 the Urban League published a study of living conditions that rated Hoboken among the 10 worst cities in the United States.

Considering Hoboken’s steady slide toward oblivion, it is easy to understand why Hoboken’s remaining old-timers were puzzled when sophisticated people from Manhattan and suburban New Jersey began buying up the old brownstone houses and spending tens of thousands of dollars to convert them back into one-family homes.

But from today’s perspective, it is also easy to understand why the “new people” came. Hoboken was a picturesque little city, the crime rate was low and there was convenient public transportation to Manhattan—you can get to Wall Street faster from Hoboken than you can from most parts of New York City. But most significant of all, housing was cheap. For the cost of renting an apartment and a parking space in Manhattan, you could make the payments on your own four-story house, a house with four fireplaces and stained glass windows and woodwork of mahogany, chestnut and walnut. And in Hoboken, you didn’t need to rent a parking space—you could always find a spot, especially if you didn’t mind driving around the block a few times.

When Maureen and I made the move to Hoboken in 1970, we sold a small, cheaply-built Cape Cod house in Jefferson Township for \$25,000 and bought a luxurious brownstone on one of Hoboken’s finest blocks for \$22,300. Early in 1972, George and Betty Fitzenrider left their rent-controlled, \$178-a-month penthouse apartment on W. 72d St., just off Central Park West, and bought a magnificent home on Washington Street for \$37,500. Later that year, Tom Matthews and Lucille Beachy, who work for

Newsweek magazine, moved out of their \$400-a-month apartment on Manhattan’s fashionable Upper East Side and bought a brownstone on Garden Street for \$20,500.

“At the time, we struggled to get together the down payment—\$20,500 seemed like more money than we’d ever see,” Lucille recalled earlier this summer. “And now, when I write out that check every month for \$260—that’s for the mortgage and the taxes—well, our only regret is that we didn’t buy every house on the block.”

“We liked it right from the beginning,” said Betty Fitzenrider. “We liked the people, and the feeling of Hoboken—it was kind of a small-town feeling after coming out of New York. It was like being in a neighborhood where people cared about each other.”

The early brownstoners didn’t have to feel like pioneers for very long. A steady stream of “new people” moved into the town, and the look of prosperity swept block after block. An active citizens’ Environment Committee worked with the city to plant trees along the streets, and used the revenues from collected newspapers to put plants in windowboxes and on the stoops of private homes. Gaslights sprouted outside some of the finer homes. Parts of the waterfront were opened to strollers, cyclists and fishermen.

And it wasn’t only the private sector that was on the move. City officials helped developers secure federal subsidies to rehabilitate some of Hoboken’s largest blocks of deteriorating housing—slums known locally as the Yellow Flats and the Tootsie Flats (the latter was nicknamed after workers who were recruited from Puerto Rico to work in a local candy factory moved into the development in large numbers.) All together, this Applied Housing effort resulted in the creation of 1,500 subsidized apartments. Michael Coleman, who was Hoboken Model Cities director in 1970 and currently serves as the city’s Community Development Agency director, says the large-scale rehabilitation development, done by the



Allied Housing Corp., was the “kingpin of our housing development strategy.”

The Applied Housing buildings were the first of many successful large-scale rehab projects. The old Keuffel & Esser instrument factory, a five-story, L-shaped building at Third and Jefferson Streets topped with a landmark clock tower, was converted into 188 low-income and moderate-income rental apartments. PSE&G’s advertising department documented the K&E project in pictures and put together an audio-visual program for distribution to other cities as an example of intelligent urban rehabilitation. Hoboken’s Housing Authority built Marine View Towers, two 25-story apartment houses including 432 state-subsidized rental units, on the site of the bulldozed Barbary Coast district. Other big projects were Columbian Towers, a 135-unit senior citizen project near City Hall, and Miriam Towers, a 154-unit sen-

ior citizen unit at First and Grand Streets.

By the early 1980s, Hoboken’s days as a depressed real estate market had ended. As the brownstone movement grew, the asking prices for houses had risen dramatically—when brownstones came on the market after 1980, they came on with six-figure pricetags.

But no matter how high the prices rose, the buyers didn’t stop coming. Hoboken had caught on—it had become an “in” place to live—and the wave of “new people” included a seemingly endless stream of young professionals who could easily afford to live in Manhattan, but who had been drawn by Hoboken’s safe streets and neighborhood feeling, by the fashionable new restaurants that had been opening up all over town, and by the chic associated with a Hoboken address.

It was then that the condominium movement began to catch fire. Developers, including several part-

Irene Bolsuis with Michael Coleman: Ms. Bolsuis, facing the hard choice of moving out of her apartment, and finding it difficult to get a new place in the city of her choice, says “I prefer Hoboken. If you get mugged here, at least it’s by someone you know.”



nerships made up of local contractors, began buying up the buildings that the brownstoners had passed by—largely, small and medium-sized apartment buildings containing from eight to 12 units, some with stores on the first floor—and converting the apartments into self-contained condominium units. Profits could be high—a building that cost less than \$200,000 could be converted into as many as 14 condo apartments—often including new units built on top of existing structures or in basement areas—that would sell for upwards of \$80,000 each. Many of the studio units sold in this way are tiny, some less than 400 square feet in area. One condo that recently sold for \$132,000 contained two rooms: a bedroom 9 feet 8 inches by 9 feet 6 inches, and a living room/dining room/kitchen 11 feet 10 inches by 12 feet 2 inches.

No government agency maintains statistics on the number of condominiums that have been created and proposed, but one man involved in the sale of Hoboken real estate estimates that between 3,000 and 3,500 condominium units have either been built, approved for construction or seriously proposed by developers. Those figures do not include Hoboken's northern waterfront area, where a developer assembling a large building site recently purchased the former Bethlehem Steel Shipyard.

Yet the saturation point apparently has not yet been reached. Year by year, the prices for both houses and condos have continued to rise. Where the early condominiums sold for as little as \$60,000, the average condo selling price in 1985 was \$96,000, and the average for the first six months of this year was \$127,000. The house Maureen and I had bought, and those bought by the Fitzenriders and the Matthews, have increased in value by at least 10 times in the past decade.

This rapid inflation has frozen many bargain-hunters out of the brownstone market. But many who were disappointed in their search for houses settled on the next best thing; condominiums.

Joe Scordato, an attorney with a

Manhattan securities firm, is typical. In mid-1985, he and the woman with whom he lives—also a securities lawyer—bought a two-bedroom, 1,100-square-foot condo at Sixth and Garden Streets for about \$190,000.

“I had just moved back from San Francisco, and I was looking for something that was a relatively easy commute and a nice place to live,” Scordato said. “Of all the towns, Hoboken seemed the best in terms of low crime rate and a more pleasant environment. We started out looking for a brownstone, but they were running between \$250,000 and \$400,000, more than we wanted to spend. So we looked around at condos. Most of the ones we saw were pretty small for the money, but we got a good-sized one. We’re still looking for a whole building, because I’m not enamored with condo living. But we’re definitely happy with Hoboken.”

Maureen, now my ex-wife, is now a partner in a Hoboken real estate agency. And she is concerned about the steep escalation in construction of small condominiums.

“My fear is that we’re creating a market of these small units, and they could wind up being tomorrow’s slums,” she says. “The reason so many of these little units have been gobbled up in the last 24 months is that these are the Baby Boom kids trying to get their foot into the equity market. They’re people right out of school and in their first job in Manhattan. A lot of them are in the Wall Street area, and they’re coming because of the convenience of commuting by PATH (the Port Authority Trans-Hudson train connecting Hoboken with both the World Trade Center and the Greenwich Village-Herald Square area). They’re suburban kids, yuppies, and their parents are helping them get into their first home. But are these little apartments going to be marketable in two or three years, when these buyers outgrow them? Some of these people think they’ll be able to make the same sort of a killing that the developers have made. They have a crazy

idea of how fast their property values will rise. The market isn’t soft, but it can’t possibly live up to everybody’s expectations.”

Others have similar concerns. Betty Fitzenrider says the parking shortage in Hoboken is now worse than it was in Manhattan when she lived there. And both she and Lucille Matthews say they are saddened by the fact that Hoboken has begun to lose the small-town feeling that attracted both of them 10 years ago. “I don’t want to see this town turn into Condo City, and I’m afraid that’s what’s happening,” said Betty.

Finally, there is another group of people for whom the Hoboken experience has been a painful one—those who have been displaced by the brownstoners and the condo developers. Hundreds of people, including many lifelong Hoboken residents, have lost their apartments over the past decade. Some have been evicted, some have accepted payments to leave quietly. Many have been able to find new “rooms,” as Hoboken housewives call their apartments; others have been forced to move to Jersey City and Union City, where the brownstone movement is not as far advanced as Hoboken’s. On June 22, *The New York Times* carried a column about the death of Walter Martin, 84, a longtime Hoboken resident who lived in a building slated for rehabilitation. Martin tied a railroad brake shoe around his waist and jumped into the Hudson River after telling a friend that he “just didn’t want to move any more.”

(In a way, I was displaced by Hoboken’s success. After Maureen and I were divorced, I found myself unable to afford a home in Hoboken. I moved “up the hill” to the Jersey City Heights, where I was able to buy a row house with a panoramic view of Manhattan for \$32,000; today, thanks to the same factors that were at work in Hoboken, the house is worth close to \$200,000.)

The anger generated by the displacement of lifelong Hoboken

residents resulted last year in the ouster of long-time Mayor Steve Cappiello by Thomas Vezzetti, who based his election campaign largely on the housing issue—the Vezzetti forces accused the Cappiello administration of playing ball with the developers who were condo-izing



Betty Fitzenrider and son, in an interior of another age, worry about too much Hoboken development. “I don’t want to see this town turn into Condo City,” she says.



Hoboken. Vezzetti appointed Coleman CDA director to work toward construction of “affordable housing”—the latest buzzword in Hoboken government circles.

Even if Coleman’s efforts are successful, it may be too late for people like Irene Bolsuis, who lives in a five-room, \$245-a-month, fifth-walk-up at 11th St. and Park Ave.

“I was born in Hoboken and lived here all my life,” she said. “My parents were born here, too. The man who owns my building has bought about five buildings in the block, and he plans to condo them. We have a tenants’ organization, and a lot of them are fighting to stay, but my feeling is that you don’t really have a chance over the long run. He offered us a sum of money to leave, and I’ve decided to take it. I figure I’m 56 years old and I’m tired of climbing five flights of stairs anyway.

“The apartment I live in is a nice apartment—the house isn’t well taken care of, but you have a nice view, and the rooms are airy. He offered us an insider’s price of \$90,000, as is, and then he increased it to \$120,000, and if you want a new kitchen and bath, \$150,000. My feeling is that he’s crazy—he’s a millionaire already, and I’m not going to help him get richer.

“I like what’s happening to Hoboken in some respects—when I walk through the streets now I feel this is a nice little town again. But I resent the greed that’s involved. The man who’s doing this is like a carpetbagger—he’s going to make his bundle and get out.

“I have until September to leave, and I don’t know where I’ll go—I’m finding that there aren’t many apartments available any more. What really saddens me is that I’m looking outside of Hoboken. My parents moved to Jersey City several years ago, and I’ve been looking there. I hate Jersey City. It’s pock-eted—there are pockets of good neighborhoods, but you walk around the corner and you get mugged. I prefer Hoboken—if you get mugged here, at least it’s by somebody you know.”



MERRILL CREEK:
Abuilding, on the
Delaware.

1

LADY LIBERTY:
Tall Order, for T&D.

9

THE LONG RIFLES:
A tradition lives.

13

HOBOKEN REVISITED:
It's another new
city, folks.

18

**LIBRARY: 75, and
still growing.**

24

**ANNA: 100, and
still going.**

30
