STATEN ISLAND ADVANCE, Tuesday, July 29, 1980

Waste cited in making homes for retarded

State Sen. Roy M. Goodman yesterday accused a state agency of carelessly overspending in its program to purchase, lease and rehabilitate community-based residences for the mentally retarded.

The state's Facilities Development Corp. (FDC), the Republican senator from Manhattan said, "has been spending public money like a drunken sailor" in a multimillion dollar effort to phase the mentally retarded out of massive institutions such as the Staten Island Developmental Center, Willowbrook.

Goodman made his allegations at a news conference on the sidewalk outside a lower Manhattan building, which he described as one of 10 "financial horror stories" uncovered by his staff during a three-month investigation of the FDC program.

He said the state took a lease on two floors of the five-story loft building at 71 Warren St. in mid-February. The FDC agreed to pay a monthly rental of $1,328, although rehabilitation of the space will consume about a year's time and has not yet begun, he said.

"I would like to make clear that I am not in any way attacking the concept of the program" to provide neighborhood living facilities — as opposed to impersonal institutional settings — for the mentally retarded, Goodman said. But he suggested the program's humanitarian goals did not excuse "inefficiency and incompetence" in the expenditure of money to implement them.

Goodman called for an audit by the state's comptroller of the FDC site selection and acquisition program, funded through the state Office for Mental Retardation and Developmental Disabilities, which has so far established 719 apartments or houses for 5,210 mentally retarded persons in New York state.

FDC officials declined comment on the Goodman study yesterday, saying they had not yet had a chance to review it.

Mental retardation Commissioner James E. Introne said yesterday that he would reserve comment on the study until the FDC responded to it. He added that he was "dismayed" at not being apprised of the senator's conclusions before they were publicly announced yesterday, calling Goodman's failure to consult him a breach of "proper protocol."

The Goodman study singled out 10 sites on Long Island, and in Queens and Manhattan for which the FDC allegedly negotiated rehabilitation, purchase or lease plans above the fair market cost.

At a building on Cliff St. in Manhattan, according to the study, the FDC signed a lease agreeing to foot 75 percent of all water and sewer costs although the bottom floor would be occupied by a commercial tenant — as it turned out, a French restaurant.