



**CAPITAL CITY REDEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING**

**NJEDA OFFICES  
36 WEST STATE STREET  
BOARD ROOM**

April 21, 2017 @ 11 AM

**MINUTES**

***Members of the Board Present:***

Peter Inverso, Chair  
Robert Tighue, Secretary/Treasurer  
Andrew Clark, Alternate Designee for DOT Commissioner Hammer  
Joyce Paul, representing DCA Commissioner Richman  
Robert Prunetti

***Members of the Board Present via Conference Call:***

Mayor Jackson  
Richard Sims

***Members of the Board Not Present:***

Gwendolyn Harris, Vice Chair  
Christopher Brashier

***Staff Members Present:***

Melissa Orsen, CEO, EDA  
Maureen Hassett, SVP, EDA  
Christina Fuentes, Assistant Secretary, CCRC; EDA  
Patience Purdy, Assistant Secretary, CCRC; EDA  
Muneerah Sanders, Executive Assistant, EDA

***Others Present:***

Thomas Huth, Governor's Authorities Unit  
George Loeser, Counsel  
Tom Solecki, Treasury  
Jeffrey Koval, Treasury  
Diana Rogers, City of Trenton

**Call to Order:**

Chairman Peter Inverso called the meeting to order at 11 a.m. with a quorum of the Board present. Mr. Tighue read the Open Public Meetings announcement and performed the roll call of the Board.

**Meeting Minutes:**

The Board was presented with minutes from the Board of Directors' February 21, 2017 meeting. **A motion to approve the February 21, 2017 minutes was made by Mr. Tighue, seconded by Mr. Prunetti, for a vote of 5-0-1.**

**Mayor Jackson was absent.**

**Ms. Paul abstained from the vote.**

**The minutes were not approved.**

**Financial Report:**

Thomas Solecki from the Department of Treasury's Division of Administration stated that there was no change to the CCRC banking statement.

Mr. Solecki introduced Mr. Michael Smith, Director, NJ Risk Management for the department of Treasury. Mr. Smith advised that the CCRC's insurance policies have been non-renewed by the previous carrier, due to lack of physical location and no insurable exposure. He suggested the board consider being added on the EDA's insurance policy. Ms. Hassett stated that the EDA would consider adding the CCRC to its policy.

Mayor Jackson joined the meeting via conference call at this time.

**Extension of EDA- CCRC Memorandum of Understanding:**

Ms. Hassett stated that the Members were asked to approve the extension of a Memorandum of Understanding between the New Jersey Economic Development Authority and Capital City Redevelopment Corporation as an inter-department governmental agreement confirming the mutual understanding and intention between the agencies with respect to the provision of the Authority's support services to CCRC. This extension will run through April 2018, and was previously approved by the EDA Board at the April 13, 2017 meeting.

**A motion to approve the extension of the Memorandum of Understanding between the Authority and CCRC through April 2018 was made by Mr. Tighue, seconded by Mr. Prunetti, and approved by the Board in a vote of 7-0-0.**

### **Memorandum of Understanding for Redevelopment Opportunities:**

Ms. Hassett stated that the Members were asked to approve a Memorandum of Understanding with the Department of Treasury Division of Property Management and Construction, The New Jersey Economic Development Authority, the City of Trenton, the Trenton Parking Authority, Mercer County, the Mercer County Improvement Authority, and Greater Trenton, Inc. to prepare a report of redevelopment sites within the City's downtown which may serve as future public or private commercial redevelopment opportunities for public or private entities. She advised that this MOU was previously approved by the EDA Board at the April 13, 2017 meeting.

Chairman Inverso stated that it would be a good idea for CCRC have a board member as part of the working group.

Mr. Prunetti stated that although he thought it was a good idea for private entities to take advantage, it wasn't clear, when the process was to begin, and if the current plans for the State office buildings were part of the process. Ms. Hassett stated that the State office building projects are proceeding due to the urgency of the building status, and EDA had just selected its consultant teams and that the MOU is meant to run parallel to those projects, not inclusive of them.

Chairman Inverso asked if there was a timeline for the MOU. Ms. Hassett stated that EDA is working with various boards, and waiting to hear back from the consultant Jones Lang LaSalle.

Chairman Inverso stated that this approach would perhaps negate the urgency of the other two buildings.

Mr. Prunetti stated that while he wasn't advocating slowing the process in any way, he was very, very concerned that opportunities were not being examined, and he wasn't convinced that this was the best avenue to take. Mr. Prunetti inquired if a change in the scope of work could be made after the consulting firm was engaged. He stated that he would go the Governor and ask how to alter the plans.

Ms. Hassett, reminded Mr. Prunetti that the parameters of the project were that the work would be done on State owned properties. She added that design firms were at work on the sites as we speak and the design is under a bridge financing from the EDA.

Ms. Orsen stated that the MOU was designed to be a long-term look. Chairman Inverso asked if there was any opportunity to look at alternatives. Ms. Orsen stated that EDA is working with its design firm.

Chairman Inverso stated that it is our desire to see that it complies with the Renaissance Plan, but; we're expressing our desire to take the opportunity of working with what we've heard from the public.

Mr. Prunetti stated that the board has spent the last three months talking around this table, and he thinks the board is foregoing a tremendous opportunity to leverage this better. He stated that he will be voting no, because he think it falls short.

Chairman Inverso asked for a motion to approve a Memorandum of Understanding for Redevelopment Opportunities. **A motion to approve the Memorandum of Understanding for Redevelopment Opportunities was made by Mr. Tighue, and seconded by Ms. Paul, for a vote of 4-1-1.**

Mr. Prunetti voted no.

Mr. Clark abstained because he was not familiar with the project.

Mayor Jackson's conference call connection was interrupted and he was therefore not present for the vote.

The vote did not carry.

**Presentation on Proposed Restoration and Renovation of the State House – FYI Only:**

Mr. Christopher Chianese, Director, Div. Property Management and Construction, Treasury, on behalf of the State Capitol Joint Management Commission, addressed the board, stating that the proposed restoration of the Executive State House is consistent with both the Capital City Redevelopment Corporation's mission and the Capital City Renaissance Plan. Mr. Chianese introduced Mr. Ray Arcario, Director, State Building Authority, and asked him to provide an overview of the restoration project.

Mr. Arcario stated that the NJ State House dates to 1792 and is the second oldest, continuously used State House in the nation. He added that it is the most renovated and added on State House in the country.

Mr. Arcario added that there were three non-historic additions to the Governor's suite in the 40s and 50s. These structures sit on an unsupported slab, which is a cause of concern and that repairs are constantly being performed.

He stated that since 1910, the State House has not seen any comprehensive renovations, but only localized repairs. There is really no HVAC system, but an amalgamation, or jerry-rigged system with components that are destroying the building because of water infiltration. Due to these conditions, many areas in the building are too cold, while others are too hot.

He added that conversations regarding renovations date back to 30 years ago, and the State came close to doing renovations approximately 20 years ago.

He remarked that the exterior of the building is astonishingly bad with many of the windows in danger of falling out and many others boarded up. Near the roof, many of the cornices have severely deteriorated and have straps holding them in place. Because of water damage, many of the straps have also deteriorated and are being held in place by additional straps.

Temporary alternate fire escapes have been erected on the east side of the building, due to the severe erosion and damage to the nuts and bolts which held the original fire escapes in place.

Mr. Arcario added that when it rains, large buckets are utilized to catch the water, and the buildings skylight has been covered in duct tape in an attempt to stop the leaking.

Mr. Arcario also remarked the DCA has issued violation notices.

Following the presentation, Chairman Inverso noted the high price tag of \$300 million dollars associated with the renovation. Mr. Chianese stated that each year the project is delayed the price of restoration goes up by approximately \$10 million dollars. Mr. Arcario stated that it is difficult to determine what the future rate of deterioration would be.

Mr. Arcario stated that project team has been selected with over 20 years of planning, design and restoration experience including the US Supreme Court building, the Virginia State Capital building, and many more historic landmarks.

Chairman Inverso asked if there was a timeframe for the restoration. Mr. Arcario stated that it would be a four-year initiative and that work would start before the end of the calendar year.

Chairman Inverso asked if they had the greenlight to proceed on the project. Mr. Arcario stated that they would begin working on areas in danger of collapsing. They have funding to do selected work, and hope to have full funding in place by the end of the year.

Chairman Inverso asked if they were borrowing the funding for the project. Mr. Arcario said they were working with bond counsel.

Ms. Hassett, stated that the EDA, as staff to the CCRC, opined that the planned State House renovations would not change the footprint of the State Capitol building and the planned renovations comply with the federal guidelines for rehabilitating historic structures. Ms. Hassett stated that the renovations project did not conflict with the Renaissance Plan, referencing the Capital District Impact Statement submitted to the CCRC Board by Mr. Chianese on behalf of the State Capitol Joint Management Commission.

Mr. Chianese, on behalf of the Division of Property Management and Construction, also presented further information regarding the State Taxation and Health and Agriculture Buildings Project. He stated that they may add an additional story to the planned Taxation building to make it eight floors, and add three additional stories to the planned Health and Agriculture building on West Hanover. He added that the State could consolidate leases if it makes sense and saves money for the State Office building project.

#### **EDA Staff Update:**

Ms. Christina Fuentes stated that 178 employees from Maestro, Technologies, Inc. are coming to 1 West State Street, with 35 employees relocating from Edison, NJ. The remaining positions will be new high paying technology jobs.

CML, a third-party manufacturer for Dunkin Donuts has purchased the former Trentonian newspaper building located on Perry Street. They're closing at the end of April and will proceed with their project as planned.

The EDA approved \$200,000.00 for each Garden State Growth Zone for the next three years, under a pilot program. This fund is for small businesses for lease incentives and business improvements. The city of Trenton has decided to focus on the areas in the business corridors of State and Broad Streets. EDA plans to take on-line applications in June.

**Chairman's Update:**

Chairman Inverso advised that a letter from Lt. Governor Guadagno was received in response to the letter seeking her support for Stacy Park. He also informed the board that the letters regarding board member vacancies were sent to Governor Christie and Mayor Jackson. He reminded the members that the deadline to file Financial Disclosure Statements was May 31<sup>st</sup>.

**Old Business:**

There was no old business to discuss.

**Public Comment:**

Ms. Anne LaBate, Principal, Segal - LaBate, Commercial Real Estate, stated that the date for the State Office buildings project to begin seems like a moving target. She added that the premise of building only on stated owned land was faulty, in her opinion.

Ms. LaBate remarked that she believed there were more optimal opportunities to be had, and that there had not been an impact study done on the project. She stated that she heard some board members say they're willing to go to the Governor.

Ms. Iana Dikidjieva, Member, Stakeholders Allied for the Core of Trenton (ACT), stated that she thinks one of the biggest mistakes would be to proceed with the State Office buildings project in complete isolation to what else is going on in Trenton. She suggested the board look at more sites with additional partners to ensure the \$135,000,000 is not wasted.

Mr. Jim Gordon, Member, ACT, thanked the DPMC for their presentation on the State House restoration project. He asked if there was any plan to relocate members of the legislature during the construction at the State House. Mr. Chianese stated that the legislative members will be unaffected by restoration.

Mr. Gordon asked if requests to hire Trenton residents could be passed along to the contractors. Mr. Arcadio stated that the procurement would occur thru the DPMC and would follow all rules and regulations. He added that there are no set-asides for jobs done geographically.

Jim Gordon stated that he didn't get a copy of the agenda, and asked about the timeline for the State office building projects. Ms. Hassett stated that EDA hopes to have design and construction drawings in by late summer.

Ms. Dikidjieva asked when and where she could view the site plans. Ms. Hassett stated that they would be made available, on the EDA's website.

Ms. LaBate asked which legislative bodies the State office building projects need to go before. Ms. Hassett stated that there are two committees, the Space Utilization, and the State House committees, and that both bodies must weigh in. She added that the EDA board will have to again vote to approve the project and that the EDA cannot move forward without State House Commission approval.

Ms. Hassett said we need to get to a certain level of confidence about the costs of the construction of the buildings before going to the EDA Board and to Treasury for their blessing.

Mr. Louis LaFevre, federal government retiree and 36-year resident of Trenton stated that he was appalled at the cynicism with which some private contractors greet taxpayer money. He stated that using public contractors involving businesses in the city as customers in the redevelopment of downtown Trenton would be beneficial.

**There being no further business a motion to adjourn the meeting was approved by a unanimous vote.**

**Next Meeting Date:**

The next meeting date for the Capital City Redevelopment Corporation is scheduled for Wednesday, June 21, 2017, at 10am. The meeting location will be 36 West State Street, Trenton, NJ 08625.

**Certification:**

The foregoing and attachments represent a true and complete summary of the actions taken by the Capital City Redevelopment Corporation Board of Directors at its meeting on April 21, 2017.



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Robert Tighue, Secretary/Treasurer