



CAPITAL CITY REDEVELOPMENT CORPORATION 2023 ANNUAL REPORT

As Required Pursuant to N.J.S.A. 52:9Q-26

BACKGROUND

The Capital City Redevelopment Corporation (CCRC) was created in 1988 pursuant to N.J.S.A. 52:9Q-9 et seq. (the “CCRC Act”) and amended in 2010. The CCRC is an independent authority of the State. Its mission is to ensure the capital district is a great place to live, work and conduct business by assisting with the planning, coordination, and promotion of public and private development within the capital district, which consists of those portions of the City of Trenton that serve as the commercial center of the community and in which public buildings and historic sites are located.

ACTIVITY REPORT

In July 2014, and annually thereafter, the CCRC has entered into a Memorandum of Understanding with the New Jersey Economic Development Authority (EDA) to assist the CCRC in fulfilling its mission pursuant to the CCRC Act, by providing office staff and support services to the CCRC, including, but not limited to: assisting in carrying out the policies and directives of the CCRC; providing administrative and support services regarding corporate governance and public information support services for board meetings; acting as a liaison with the Governor’s office and Authorities Unit; serving as records custodian and providing assistance with the Open Public Records Act requests and guidance on ethics matters, media outreach and legislative support.

ACTIVITIES OF THE CCRC – CALENDAR YEAR 2023

1. REDEVELOPMENT OF THE FORMER TAXATION BUILDING

The former Taxation Building sits in a prominent location in downtown Trenton, on the corner of West State and Barrack Street, less than a block from the State House, the War Memorial building, and across the street from the Old Barracks & Thomas Edison State University. The former Taxation Building is 10 stories tall with over 200,000 square feet of office space. A small parking garage within the basement can accommodate about 40 cars. The appraised value of the building is \$1,790,000.

Treasury typically disposes of buildings through an auction process, but because of the significance of this building, Treasury chose to partner with CCRC in the redevelopment of the property. The sale process was authorized by the State House Commission and property specific legislation, P.L. 2021, c.159, in June 2021.

PROJECT TIMELINE

In late 2021, CCRC issued an RFOTP for the sale and redevelopment of the Former Taxation Building that resulted in one responsive bidder, who ultimately withdrew their proposal in mid-2022.

In consideration of next steps for the building, CCRC and Treasury discussed the usefulness of conducting a reuse study of the building.

In early 2023, CCRC, with procurement support from NJEDA, issued an RFP to solicit proposals for conducting a reuse study.

In April 2023, the CCRC Board approved an amendment to the MOU between CCRC and Treasurer to add the reuse study as an eligible cost of the Grant Funds.

In addition, also in April 2023, the CCRC awarded a contract for the Adaptive Reuse Feasibility Study for the Former Taxation Building to Clarke, Caton, Hintz for a one-year term, with two (2) six-month extension options.

In December 2023, the consultant provided a presentation to the Board that:

- Documented the building’s highest and best use as residential mixed use;
- Showed the design feasibility of residential-led mixed-use redevelopment concepts, including retail and office elements;
- Assessed the condition of the building’s structural, mechanical, electrical, H/VAC, water and wastewater, and other key building systems;
- Provided an estimate of redevelopment costs for a range of redevelopment scenarios; and
- Presented a variety of potential architectural treatments for consideration.

The presentation also provided context for next steps in the building disposition process. The study is expected to be completed, – and a building disposition strategy articulated and in place by mid-2024.

2. FRONT STREET GARAGE

The Committee is charged with discussing and evaluating redevelopment opportunities for the site of the closed and abandoned Front Street Garage, which is owned by the Trenton Parking Authority (TPA).

In June 2023, CCRC entered into a Grant Agreement with the Trenton Parking Authority (TPA) for the Front Street Garage. The Grant Agreement provides funding to the TPA in support of pre-demolition work. The Committee is in communication with the TPA regarding the project status. The administration of this grant will continue in 2024 with the support of the Committee and Treasury Staff.

3. FINANCIAL REVIEW

As of December 31, 2023, the total amount of funds available to the CCRC between its operating and project-specific bank accounts is \$8.2 million.

Operating Account:

The Operating Account Total Resources is equal to approximately \$2 million which is inclusive of a \$1.5 million dollar to the CCRC in FY24, the first new administrative allocation to the CCRC in many years. The FY24 Budget for total expenditures is \$12,000, which is inclusive of standard expenses such as insurance and auditing services, leaving approximately \$1.99 million in uncommitted funds.

Project-specific Accounts:

- The Taxation Building Account has a balance of \$4.7 million, of which \$3.9 million is uncommitted, however, funds must be used in accordance with the appropriation guidelines.
- The Front Street Garage Account has a balance of \$1.5 million, of which \$1.34 million is uncommitted, however funds must be used in accordance with the appropriation guidelines.

See Attachment A for the itemized budget.

CCRC BOARD OF DIRECTORS

EX-OFFICIO MEMBERS:

Elizabeth Maher Muoio, Chair

NJ State Treasurer

Jacquelyn A. Suarez

Acting Commissioner, NJ Department of Community Affairs

Diane Gutierrez-Scaccetti

Commissioner, NJ Department of Transportation

Reed Gusciora

Mayor, City of Trenton

PUBLIC MEMBERS:

Elvin Montero, Vice Chair

Deputy Executive Director, Chemistry Council of New Jersey

Anthony (Skip) J. Cimino

Senior Managing Director, Stevens & Lee Public Affairs

Jeffrey Laurenti, Secretary

Rosa Rosado

Owner, Operator, FRM Management, LLC

George Sowa

Founding CEO, Greater Trenton

Willard Alonzo Stanback, Treasurer

CAPITAL CITY REDEVELOPMENT CORPORATION
FY24 FINANCIAL STATEMENT, as of December 31, 2023
OPERATING ACCOUNT
(Prepared by Treasury Administration)

Operating Account:	<u>Resources</u>		
State account	16,468		
PNC Operating Account	16,009		
PNC Tax Building Account	468,850		
FY24 Appropriation	<u>1,500,000</u>		
Total Resources	2,001,327		
		<u>FY24 Budget</u>	<u>YTD Spend</u>
Insurance	6,000	6,004	<u>To be Spent</u> (4)
Audit	5,000		5,000
Other	<u>1,000</u>		<u>1,000</u>
Total Expenses	12,000	6,004	5,996
Projected Surplus / (Deficit)	<u><u>1,989,327</u></u>		

Taxation Building:	<u>Resources</u>		
PNC Tax Building Account*	<u>4,739,599</u>		
Total Resources	4,739,599		
		<u>FY24 Budget</u>	<u>YTD Spend</u>
Walkway	585,095	585,094	<u>To be Spent</u> 1
Reuse Study	<u>279,990</u>	<u>195,993</u>	<u>83,997</u>
Total Expenses	865,085	781,087	83,998
Projected Surplus / (Deficit)	<u><u>3,874,514</u></u>		

* includes interest of \$239,419.36

Front Street Garage:	<u>Resources</u>		
PNC Old Tax Bldg	<u>1,500,000</u>		
Total Resources	1,500,000		
		<u>FY24 Budget</u>	<u>YTD Spend</u>
Trenton Parking Authority	<u>156,000</u>	65,000	<u>To be Spent</u> 91,000
Total Expenses	156,000		
Projected Surplus / (Deficit)	<u><u>1,344,000</u></u>		

Total:			
Resources	8,240,926		
FY24 Budget	<u>(1,033,085)</u>		
Projected Surplus / (Deficit)	<u>7,207,841</u>		