

**Capital Region Development Authority  
100 Columbus Boulevard  
Ballroom Level, Meeting Rooms 14-15  
Hartford, CT 06103  
Thursday, October 18, 2018  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Andy Bessette; Kiley Gosselin; David Jorgensen; Kerry Kelley; Evonne Klein; David Kooris; Mayor Marcia Leclerc; Jim Redeker (phone); David Robinson; Glendowlyn Thames

**Board Members Absent:** Mayor Luke Bronin; Joanne Berger Sweeney; Michael Matteo

**CRDA Staff Present:** Michael Freimuth; Jennifer Gaffey; Joseph Geremia; Anthony Lazzaro; Robert Saint; Terryl Mitchell Smith

**Guests:** Mike Goman, Goman & York; Mike Zaleski, President & CEO, Riverfront Recapture; Marc Nicol, Director of Park Planning and Development, Riverfront Recapture; Randy Salvatore, RMS, Founder and Chief Executive Officer

**Call to Order & Committee Assignments**

Chairwoman Hopgood read a statement regarding public meeting. The meeting was called to order at 6:02pm.

**Minutes**

The minutes of the September 20, 2018 CRDA Board Meeting were moved by Evonne Klein, seconded by David Jorgensen and approved.

**Presentations**

*CANCELLED - UConn Hartford – Mark Overmyer-Velazquez, University Director*

*Regional Agricultural Market* – Mike Goman presented Goman & York’s mission for the Connecticut Regional Market by introducing an overall plan to include Short-term and Long-term goals. The three subsets to be considered in the overall plan in order to have a positive impact on the CT Regional Market should be Economic, Environmental and Social. These goals will assist the Department of Agriculture’s mission to bring the market back to its full potential.

*Riverfront Recapture* – Mike Zaleski and Marc Nicole gave a presentation with the goal of creating a Connecticut River park masterplan and adjoining commercial and residential development. The plan would include building and revitalizing Mortensen Riverfront Plaza, Riverside Park, and Charter Oak Landing in Hartford and Great River Park in East Hartford.

*DoNo* – Randy Salvatore presented the proposal for development of the City owned development sites at Downtown North (DoNo) surrounding the Dunkin Donuts baseball field. The vision for the mixed-use urban environment surrounding the ballpark will enliven and bolster the connections between Hartford’s North side neighborhoods and Downtown Center. Design strategies were explained for Parcel’s A, B, C & D.

*DoNo*  
Sources and Uses

<u>Description</u>	<u>Parcel A</u>	<u>Parcel B</u>	<u>Parcel C</u>	<u>Parcel D</u>	<u>Total</u>
Number of Residential Units	176	307	200	111	794
Retail Square Footage		48,800	10,800		59,600
Number of Parking Spaces	148	360	259	1,261	2,028
<b><u>Development Budget</u></b>					
<b><u>Land Cost:</u></b>					
Total Land Costs	\$ 1	\$ 1	\$ 1	\$ 1	4
<b><u>Hard Costs:</u></b>					
Total Hard Costs	\$ 35,200,000	\$ 68,870,000	\$ 41,300,000	\$ 48,700,000	194,070,000
<b><u>Soft Costs</u></b>					
Total Soft Costs	\$ 3,800,000	\$ 7,260,000	\$ 4,600,000	\$ 5,800,000	21,460,000
<i>Soft Cost Percent (%)</i>					
<b><u>Total Development Budget</u></b>	<b><u>\$ 39,000,001</u></b>	<b><u>\$ 76,130,001</u></b>	<b><u>\$ 45,900,001</u></b>	<b><u>\$ 54,500,001</u></b>	<b><u>215,530,004</u></b>
<b><u>Sources &amp; Uses of Funds</u></b>					
<b><u>Uses of Funds:</u></b>					
Total Uses of Funds	\$ 39,000,001	\$ 76,130,001	\$ 45,900,001	\$ 54,500,001	\$ 215,530,004
<b><u>Sources of Funds:</u></b>					
Equity Capital	\$ 5,040,000	\$ 12,032,000	\$ 6,360,000	\$ 2,530,000	25,962,002
Senior Debt at 60% LTC	\$ 23,400,001	\$ 45,678,001	\$ 27,540,001	\$ 32,700,001	129,318,002
CRDA Loan (\$60,000 per unit)	\$ 10,560,000	\$ 18,420,000	\$ 12,000,000	\$ 19,270,000	60,250,000
Total Sources of Funds	\$ 39,000,001	\$ 76,130,001	\$ 45,900,001	\$ 54,500,001	215,530,004

NOTE: CRDA loan is estimated at \$60,000 per residential apartment unit and \$10,000 per parking space in Parcel D

## Mayors Reports

Kiley Gosselin reported on the following in Mayor Bronin's absence:

- **DoNo RFP:** The City has begun discussions with Randy Salvatore on the DoNo redevelopment project. We are currently targeting the parcel between the Ballpark and Talcott Plaza known as "Parcel C" currently used for parking. The current design proposal is for a mixed-use project with approximately 200 units of housing and some structured parking. Discussions are also underway to determine a PILOT structure as well as how to finance some affordable units as part of the project.
- **Dillon Stadium:** The City has been in active discussions with CRDA and Hartford Sports Group to finalize a Use Agreement and fine tune the project budget. We are still targeting a Spring 2019 opening. Final design work is ongoing with construction already underway. The City will continue to work on necessary permitting and planning and zoning approvals to effectuate appropriate stadium operations (building permits, signage, community fee structure, etc.).
- **Park & Main RFP:** The City is in development discussions with Spinnaker, a Fairfield County based developer who will be working with Rohan Freeman in Hartford. The current projections allow for a mixed-use project with approximately 108 units. The City is hopeful that construction could begin next year. Discussions are also underway to determine how to finance affordable units as part of this project.
- **Downtown/Downtown North Supermarket:** The City has been working closely with partners at the Hartford Community Loan Fund and Affirmative Investments to identify a location for a supermarket that could serve residents of both Downtown and North End neighborhoods with easy access to ample public transit options. Two locations are currently under consideration. The City is hopeful that this project could serve as a main link between neighborhoods while providing a much-needed service to all residents.

Mayor Marcia Leclerc reported on the following East Hartford projects:

- **Main and Pitkin St.:** received a Connectivity Grant focusing on the Main and Pitkin Street area as a gateway into Hartford and down to Silver Lane and implementing a street scaping design on the corner of Main and Pitkin as well. Dunkin building on that corner is moving along and demolition has been completed at the rear of a building on Pitkin Street.
- **Silver Lane –** completed Milone and MacBroom Study. Beginning to work with P&Z on zoning changes to the area.
- **Transportation Study –** the Transportation Study continues to move along with TranSystems and the showcase property is going to be an acquisition. The item will go to the Town Council on November 7, 2018 for CRDA approval for the MOU and the permission to acquire the property.
- **Burnside Avenue -** Completed a significant demolition on Burnside Avenue of a former abandoned senior housing site.
- **Burnside Avenue – 1100 block -** acquired a developer that acquired additional land behind the building that is looking to work with the town to come up with a plan with their architect for a mixed-use development.

- 1252 Main Street - a blighted building condemned by E. Hartford has been renegotiated with a developer who will be restoring the 1912 building into 19 apartments.
- Wickham Library – completing renovation and expansion to make ADA compliant.
- Sr. Center – Chris Williams architect is completing plans.
- Goodwin College area – continue to work on college zone district

## **Finance**

Chairwoman Hopgood asked CRDA CFO Joseph Geremia to give an explanation to the Board regarding reports that CRDA was one of the Quasi-public agencies that have not complied with requests from the Comptroller’s office to report checkbook-level information on expenditures. Mr. Geremia indicated that CRDA had communication with the Comptroller’s office in 2016. CRDA has given the Comptroller the vendor listing of all outside individuals and firms that received more than \$5,000 as payment for services each year since 2016. CRDA also provided a copy of CRDA Annual Reports which provides extensive information about CRDA finances. Mr. Geremia indicated that he has reached out to the Comptroller’s office to inquire into what other information they require.

Mr. Geremia gave an overview of the Financial update for October 2018.

### **Fiscal Year 2019 Operating Statistics**

CT Convention Center – August/September 2018

September stats: 49 event days held YTD with YTD attendance at 68,500

August financials: Revenues even with budget

Utility expenses slightly unfavorable to budget

CRDA Parking Facilities – August/September 2018

September stats: Utilization of 74% even with budget

Monthly rate customers favorable to prior year by 950 at 8,700 YTD

Transient customers favorable to prior year by 5,500 at 102,400 YTD

August financials: Monthly contract and transient revenues favorable compared to budget

Expenses favorable compared to budget due to repair & maintenance savings

XL Center - August/September 2018

September stats: 5 event days held YTD with YTD attendance at 21,200

August financials: Event revenue even with budget

Hockey operations even with budget

Operating expenses favorable compared to budget

Church Street Garage - August/September 2018

September stats: Utilization of 74% even with budget

Monthly rate customers favorable to budget by 80 at 3,400 YTD

Transient customers unfavorable to budget by 200 at 3,800 YTD

August financials: Revenues and expenses even with budget

P&W Stadium - August/September 2018

September stats: 40 event days held YTD with YTD attendance at 63,000

August financials: Event revenue favorable to budget  
Expenses even with budget

### **Housing and Neighborhood Committee Report**

Kiley Gosselin and Mike Freimuth reported on the following items:

101-111 Pearl – targeting occupancy early 2019  
81 Arch Street - targeting occupancy early 2019  
370 Asylum - target opening December 2018

246/250 Lawrence Street project which was vetted through the Housing and Neighborhood Committee on October 12, 2018. The Committee approved the project and asked that it be moved for Board action.

Background: Two vacant/blighted ‘perfect six’ family apartment buildings on Lawrence Street, immediately abutting recent work on Capitol Avenue including the Capitol Lofts/Hartford Office Supply complex and within one block of the State Capitol grounds would be purchased and renovated by Wolverine Properties which has restored/renovated other properties in the immediate area.

Proposal: Acquire and gut rehab the 12 units, inclusive of a small four car garage. The units include 8 2BR/2bath and 4 1BR/1.5 bath). CRDA funds would be used for bridging an estimated \$225,000 in state historic credits and providing a 2<sup>nd</sup> mortgage construction/perm gap funding of \$296,000 at 3%, 20 yr terms.

#### Development Budget (initial working draft)

Uses: Acquisition	\$486,875
Soft	232,893
Hard Const	<u>780,232</u>
	\$1,500,000 TDC

Sources: Bank 1 <sup>st</sup> mortgage	\$798,000
CRDA bridge/const 2 <sup>nd</sup>	521,000
Equity	<u>181,000</u>
	\$1,500,000

Developer, Aaron Gill of Wolverine Property LLC, is a PE (professional engineer) and resident of area CRDA allocation of \$43,416/unit initially; once historic credit retired, CRDA at \$25,500/unit (CRDA norm is \$60k/unit)

NOI cap rate (7%) projection value \$1.57M (subject to final appraisal)

Environmental survey incomplete as of this date (9/3/18)

9.7% construction contingency plus \$10k soft contingency

Declared a ‘blighted property’ per city ordinance

Close proximity to other CRDA projects

Market rate project

**The following motion was moved by Andy Bessette, seconded by Evonne Klein and approved.**

*“The executive director is authorized to extend a construction/permanent note up to \$296,000 at 3%/20yr amortization/20 yr term as well as a historic tax credit bridge loan up to \$225,000, interest only at 3%*

*up to 24 months to Wolverine Property LLC (or such acceptable single entity corporation) for purposes of renovating 12 vacant units into new market rate housing at 246-250 Lawrence St, subject to 1/evidence that all other sources of funds being secured; 2/ State Bond Commission authorization and approval; and 3/ such fiduciary terms deemed appropriate by the Executive Director and CRDA counsel.”*

### **Venue Committee**

Andy Bessette reported on the following items from the Committee Meeting on October 10, 2018:

XL Center – As reported last month, CRDA is currently addressing three major issues relative to the XL Center:

- Sale RFP – Oak Street’s responses to the questions posed by the Venue Committee have been reviewed, however, since the sale proposal will likely require General Assembly action, a discussion with legislative leadership will be necessary post-election.
- Acquisition of Northland Property - CRDA has received a copy of Northland’s appraisal of the Trumbull Block and staff are currently reviewing the document.
- New Planning Focus - SCI Architects has presented a draft plan for renovation of the lower bowl and the creation of new premium seating options. The architects are currently incorporating CRDA staff comments and the new plan will be presented to the Board at an upcoming meeting.

Pratt & Whitney Stadium – Over 20,000 fans attended the U.S. Men’s soccer game against Peru on Tuesday night. The first three home games of UConn’s 2018 football season have seen an average attendance of only 13,000 fans and concerns remain as to how detrimental this will be to the FY19 operating budget.

- The Stadium is dealing with the ongoing failure of chair back seating in the bowl. The plastic seats and hinge mechanisms are original to the building and are failing at an alarming rate, particularly during events. Funds have been expended to replace 124 of the seats, but the seats number close to 4,000 and preliminary estimates indicate that total replacement could cost as much as \$250,000. Spectra is currently working on a more detailed cost estimate.

Convention Center – Upcoming events include an American Planning Association regional conference, a tattoo convention, the Annual Home Show and the CT Children’s Medical Center Gala. There are no new capital projects underway, although there is crosswalk reconstruction work scheduled at the intersection of Columbus Boulevard and Front Street.

Tennis Center – As reported in the Hartford Courant, financial problems have forced the Tennis Foundation to lay off a number of staff. The Foundation is looking to reprogram the Connecticut Open, perhaps to another time of year and/or with lower prize money payouts.

Dillon Stadium – Chairwoman Hopgood asked Attorney Anthony Lazzaro and Director of Construction Management, Bob Saint to update the Board with changes that have occurred regarding the Dillon Stadium Project.

Attorney Lazzaro gave an overview of the Executive Summary which included the information Chairwoman Hopgood requested. Bob Saint updated Board Members with the latest construction information.

This outline had been prepared for the convenience of the CRDA Venue Committee; as such, it is a necessarily selective and condensed rendering of only certain significant provisions of the Stadium Use Agreement (the "Agreement"). Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

**BACKGROUND:** The City of Hartford (the "City") is the owner of Dillon Stadium (the "Stadium"). At the request of the City and the Hartford Sports Group ("HSG"), CRDA has agreed to renovate and operate the Stadium in accordance with the Agreement. The Stadium shall be used to host professional soccer games, entertainment and community events.

**DURATION OF THE AGREEMENT:**

- **CRDA:** The initial term is five (5) years with three (3) successive five-year options to extend the Term, exercisable at the sole discretion of CRDA;
- **HSG:** Twenty (20) years, with two (2) five-year extensions at HSG's option, however, HSG may opt out of the Agreement any time after Year 2, if the Stadium operating deficit exceeds \$450,000;
- **City:** Twenty (20) years;

**SOURCES AND USES OF FUNDS:**

The total design and construction costs for the project are expected to be approximately \$14,000,000, which includes construction and owner contingency. The sources of project funding is as follows:

\$10,000,000	State of Connecticut - General Obligation Bonds
\$ 800,000*	DECD - forgivable loan
\$ 500,000	CRDA – grant (CRDA funds may only be used as contingency funding)
\$ 1,200,000*	City of Hartford – grant from the Hartford Foundation for Public Giving
<u>\$ 1,500,000*</u>	Hartford Sports Group
\$14,000,000	

*\* Upon execution of the Agreement, HSG will deposit such funds into an escrow account and grant CRDA a security interest in such account for purposes of funding the Project.*

**MANAGEMENT:**

- **Stadium:** CRDA will be responsible for the management of the Stadium via an addendum to its existing XL Center agreement with Spectra; however, if the Stadium operating deficit exceeds \$300,000 per year, HSG reserves the right to select and contract with a new Stadium Manager. Pursuant to the Agreement, CRDA will administer the Stadium Operating Expense Account.
- **Events:** HSG will be responsible for the management of all event day activities through separate

contracts with Spectra and LAZ Parking; however, HSG reserves the right to replace Spectra after the first year of the Term.

#### Community

- Uses: The City shall be responsible for scheduling Community Uses held at the Stadium. The Stadium Manager, on behalf of the City, shall manage such events in accordance with the terms and conditions of the Agreement.

#### FINANCIAL TERMS:

- HSG shall retain all proceeds from tickets, concessions, merchandise, parking, sponsorship, broadcast, and media.
- HSG will retain all proceeds from the naming rights to the Stadium; however, from such proceeds HSG will pay \$25,000 per year to fund community uses at the Stadium. CRDA will administer the community use account on behalf of the City.
- HSG will pay \$300,000 per year into the Stadium Operating Expense Account administered by CRDA to cover the overhead/operational expenses of the Stadium.
- HSG will provide annual payments in the amount of \$25,000 for the capital improvements/repairs to the Stadium into the Capital Reserve Fund Account. Additionally, any unexpended funds from the CRDA grant shall also be deposited in the Capital Reserve Fund Account, which shall be administered by CRDA.

#### SUBSTANTIAL COMPLETION:

- CRDA shall use commercially reasonable efforts to complete the renovation of the Stadium by May 30, 2019.

**The following motion was moved by Andy Bessette, seconded by Dave Jorgensen and approved.**

*“The CRDA Board of Directors hereby approves the terms and conditions of the Stadium Use Agreement, as presented, and authorizes the Executive Director to execute such Agreement, subject to necessary approvals and available funding.”*

#### **Regional & Economic Development Committee**

Mayor Marcia Leclerc, Chairwoman of the Regional & Economic Development Committee, reported that the Committee had not met since the September Board meeting. The following updates are on the various projects under the Committee’s purview:

Bushnell South Garage – CRDA is finalizing a contract with Desman Associates to draft design criteria for the garage. This criteria will form the basis of the design/build RFP to be issued within the next two weeks. Documentation for the land transfer is also being finalized.

Showcase Cinemas Property – The Town’s due diligence -- including Phase I and II environmental site assessments, survey and title search -- should wrap up as early as this week. Planning and Zoning has begun looking at new zoning for the area and has approved an 8-24 for the site.

Founders Plaza – An RFP for a master planner/ garage designer has been drafted and will be issued within the next two weeks, once the MOU between the Town and CRDA has been signed. That MOU, which governs all of the CRDA-funded East Hartford projects, was approved by the Town Council on October 16<sup>th</sup>.

Goodwin College Area Drainage Improvements – CRDA is finalizing a contract with Zuvic Carr, the engineering firm designing the drainage improvements. An RFP for the first phase of work - from Riverside Drive to the Connecticut River - will be issued shortly.

Silver Lane Improvements - CRDA is finalizing a contract with TranSystems, the engineering firm designing the roadway and streetscape improvements.

Great River Park – An agreement will need to be signed with Riverfront Recapture for construction of the improvements.

Blight Removal – The Town has identified four priority sites on Main Street for demolition and these are in various stages of acquisition and investigation. The former firehouse on Main Street will be the first ready for demolition.

The Borden (Wethersfield) – Construction of the 120 housing units is currently underway.

### **Executive Director Report**

- Joseph Geremia gave an update regarding the Regional Market improvements.
- Bushnell South Garage – CRDA has entered into an MOU with DAS to have Ira Henowitz work with Bob Saint two days a week.
- Michael Freimuth explained that a Memorandum of Understanding (MOU) between the Town of East Hartford and CRDA is necessary for projects to be worked on between the two entities. The following is the MOU that is will be used for this purpose.

This Memorandum of Understanding is an agreement between the Town of East Hartford and CRDA to carry out the work for project between the two entities.

This Memorandum of Understanding (“MOU”) is made and entered into as of the \_\_\_\_ day of November, 2018 (the “Commencement Date”), by and between the **TOWN OF EAST HARTFORD**, a Connecticut municipal corporation (the “Town”), and the **CAPITAL REGION DEVELOPMENT AUTHORITY**, a body corporate and public constituting a public instrumentality and political subdivision of the State of Connecticut (the “Authority”).

### **ARTICLE I**

#### **INTRODUCTION**

##### **Section 1.01 Grant Awards.**

The Town has been awarded the following grants-in-aid (the “Grants”):

- (a) Five Hundred Thousand Dollars (\$500,000) for public infrastructure and other developmental improvements including, but not limited to, a parking garage located in the vicinity of the Founders Plaza on East River Drive in East Hartford (the “Founders Plaza Project”);
- (b) Four Million Dollars (\$4,000,000) to finance stormwater drainage improvements in the area around the Goodwin College riverfront campus (the “Stormwater Project”);
- (c) One Million Eleven Thousand Eight Hundred Eighty-Six and 56/100 Dollars (\$1,011,886.56) for infrastructure improvements along Silver Lane in the vicinity of Rentschler Field (the, “Silver Lane Project”); and

- (d) Two Million Three Hundred Forty Thousand Dollars (\$2,340,000) for improvements in and around Great River Park (the “Park Project”) and the demolition or redevelopment of vacant buildings located within the Town (the “Demolition Project”).

**Section 1.02      Selection of the Authority.**

- (a) As provided by Connecticut General Statutes § 32-602(a)(8), the Authority’s purpose includes: “upon request from the legislative body of a city or town within the capital region, to work with such city or town to assist in the development and redevelopment efforts to stimulate the economy of the region and increase tourism.”
- (b) The Authority’s Board of Directors established a regional development policy in expectation of working with communities such as the Town when proposed activities are consistent with regional plans and needs.
- (c) Pursuant to the foregoing, the Town has requested the Authority’s assistance in the administration of the Grants, and the Authority has agreed to provide such assistance.
- (d) Now, therefore, the Town hereby designates the Authority as its contractor for purposes of assisting the Town in its efforts to complete the Projects.

**Section 1.04      Purpose.**

The purpose of this MOU is to evidence the respective commitments of the Authority and the Town to proceed with the planning, design, bidding, contracting, monitoring, and other activities associated with the Projects. This MOU does not purport to address all major or material issues that may arise during the course of the Projects. The parties will proceed diligently, professionally, collaboratively and in good faith to resolve such issues as they arise.

**ARTICLE II**

**SCOPE OF SERVICES**

**Section 2.01      Grant and Contract Administrative Services.**

- (a) The Authority shall provide grant and/or contract administrative services to the Town, including the preparation of necessary agreements by and between, the Authority and the Town, whereby the Authority will receive and manage the Grants in accordance with State of Connecticut ministerial rules. Reports will be provided on a monthly basis, with close-out documents provided, as needed, on a project-by-project basis.
- (b) As contract administrator for the Town, the Authority shall review project design documents, specifications, construction bid documents, and cost estimates. Additionally, Authority shall prepare a drawdown schedule for Grants and will initiate draws into a segregated account for the Projects in order to process and manage contractor invoices and payments. For payments directly to the Authority as contractor, the Authority will invoice the Town for its approval prior to disbursing cash payments.

**Section 2.02      Founders Plaza Project.**

The Authority will engage firm(s) to provide development services and analysis for the Founders Plaza area, including potential residential development and an expansion of parking capacity. With Town approval and subject to additional funding, the Authority will implement such recommendations and provide contract administrative services for the design and construction of the Founders Plaza Project.

**Section 2.03      Stormwater Project.**

The Authority will provide contract administrative services for the design and construction of stormwater drainage improvements in and around the area of the Goodwin College riverfront campus.

**Section 2.04      Silver Lane Project.**

The Authority will provide contract administrative services for the design and construction of potential infrastructure improvements along the Silver Lane Corridor. In conjunction with Town, the Authority will identify certain recommendations proffered by Transystems, consultant to the Silver Lane Advisory Committee, and procure a general contractor to implement such recommendations.

**Section 2.05      Great River Park Project.**

If requested by the Town, the Authority shall review and identify various proposed infrastructure improvements to Great River Park provided by Riverfront Recapture. Subject to available funding, the Authority will provide grant administrative services for the design and construction of the selected improvements.

**Section 2.06      Demolition Project.**

The Authority will provide grant administrative services for the proposed demolition and/or redevelopment of vacant buildings located with the Town as selected by the Town.

**ARTICLE III**

**PROJECT OVERSIGHT AND CONTROL**

**Section 3.01      Project Responsibility**

The parties acknowledge that final authority and responsibility with respect to the Projects rest with the Town. The Authority will provide updates and reports to the Mayor or designated staff, as directed.

**Section 3.02      Cooperation**

The parties further acknowledge that the timely successful completion of the Projects will require a continuing process of sharing information, cooperation in all aspects of planning, budgeting, and scheduling as well as coordinated decision making by the parties. In furtherance of the foregoing, the Authority shall report to the Mayor or her designee and act as support staff to the Town's management.

**ARTICLE IV**

**STAFF**

**Section 4.01      Personnel**

The Authority shall furnish a sufficient number of personnel, as reasonably determined by the Authority and reasonably acceptable to the Town. Michael Freimuth (Executive Director), Anthony Lazzaro (Deputy Director & General Counsel), Joseph Geremia (Chief Financial Officer), Robert Saint (Director of Construction Services), Kim Hart, and Erica Levis shall devote appropriate time and attention to the Project.

**ARTICLE V**

**FEES**

**Section 5.01      The Authority**

The Town shall pay to the Authority a contract administration fee equal to 3% of the respective Grants on a schedule to be reasonably agreed upon by the parties hereto to enable the Authority to meet its expenses and its properly incurred and committed third party expenses; however, for work performed during the Park Project and the Demolition Project, the Authority's fee shall be equal to 1% of the grant amount.

**ARTICLE VI**

**TERMINATION**

**Section 6.01      Completion of Tasks**

The term of this MOU shall commence on or about October 1, 2018 and shall terminate upon the completion of all services outlined in Article II, unless otherwise terminated or suspended per the terms of the MOU.

**Section 6.02      Early Termination**

This MOU may be canceled at will by either party upon sixty (60) days' written notice delivered by certified or registered mail. In the event of early termination, all third party expenses and all Authority expenses properly incurred, committed and earned as to the work completed prior to the date of termination shall be paid using Grant funds.

**ARTICLE VII**

**INSURANCE**

The Authority shall furnish a certificate of insurance to the Town for the following insurance coverage within ten (10) days from the contract execution. All insurance coverage shall be written with an insurance company licensed to conduct business in the State of Connecticut. Insurance Coverage shall remain in full force for the duration of the contract term including any and all extensions. Such certificate of insurance shall specify that the Town will receive thirty (30) days' notice of any cancellation, non-renewal or reduction in coverage and limits originally provided.

**Section 7.01 Commercial General Liability Insurance:**

The Authority shall carry Commercial General Liability Insurance (broad form coverage) insuring against claims for bodily injury, property damage, personal injury and advertising injury that shall be no less comprehensive and no more restrictive than the coverage provided by Insurance Services Office (ISO) form for Commercial General (CG 00-01-10-01). By its terms or appropriate endorsements such insurance shall include the following coverage, to wit: Bodily Injury, Property Damage, Fire Legal Liability (not less than the replacement value of the portion of the premises occupied), Personal Injury, Blanket Contractual, Independent CONTRACTORS, Premises Operations, Products and Completed Operations (for a minimum of two (2) years following Final Completion of the Project). Any deviations from the standard unendorsed form will be noted on the Certificate of Insurance.

Type of Coverage: Occurrence Basis  
Amount of Coverage: \$1,000,000 per occurrence  
\$2,000,000 aggregate  
Policy Period: Annual Policy

**Section 7.02 Workers' Compensation and Employer's Liability Insurance**

The Authority shall provide Statutory Workers' Compensation Insurance as required by the State of Connecticut, including Employer's Liability.

Amount of Coverage: \$500,000 Each Accident  
\$500,000 Disease, Policy Limit  
\$500,000 Disease, Each Employee  
Policy Period: Annual Policy

**Section 7.03 Umbrella Liability Insurance**

The Authority shall carry an umbrella liability insurance policy of at least **\$2,000,000**.

**Section 7.04 Sub-contractor Requirements**

The Authority shall require its sub-contractors and independent contractors to carry the coverages set forth in sections 7.01, 7.02, 7.03 above and will obtain appropriate Certificates of Insurance before the sub-contractors and independent contractors are permitted to begin work.

The Authority shall require that the Town of East Hartford be named as Additional Insured on all sub-contractors and independent contractors insurance before permitted to begin work.

The Authority and all sub-contractors and independent contractors and their insurers shall waive all rights of subrogation against the Town of East Hartford, and its officers, agents, servants and employees for losses arising from work performed by each on this contract.

**ARTICLE VIII**

**INDEMNIFICATION**

**Section 8.01 Indemnification by the Town**

- (a) To the fullest extent permitted by law, the Town shall indemnify and shall defend and hold harmless the Authority, including its officers, agents, and employees from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, monetary loss, interest, attorney's fees, costs and expenses of whatsoever kind or nature ("Claims"), to the extent they arise out of the negligent acts or omissions of the Town or its employees, agents or sub-contractors, including those arising out of injury to or death of Town's employees or sub-contractors, whether arising before, during, or after completion of the services hereunder and in any manner directly or indirectly to the extent they are caused, occasioned or contributed to by the Town or its employees, agents or sub-contractors.
- (b) The Town's obligation to indemnify, defend and hold harmless the Authority shall be excused to the extent such Claims are caused by (i) a failure by the Authority to perform or observe any material covenant or condition to be performed by the Authority pursuant to this MOU or any subsequent agreement between the parties, (ii) the material inaccuracy of any representation or warranty of the Authority in this MOU; and (iii) the negligence or misconduct of the Authority, or its employees, agents, or subcontractors.

**Section 8.02 Indemnification by the Authority**

- (a) The Authority agrees to indemnify, defend and hold harmless the Town and its respective officers, employees, agents and/or servants against all demands, claims, actions or causes of actions, losses, damages, liabilities, costs and expenses, including without

limitation, interest, penalties, court costs and reasonable attorney's fees ("Town Claims"), asserted against, resultant to, imposed upon or incurred by the Town resulting from or arising out of:

1. Any breach by the Authority of the terms of the specifications, or
2. Any injuries (including death) sustained by or alleged to have been sustained by the officers, employees, agents and/or servants of the Town or the Authority or subcontractors or material men, or
3. Any injuries (including death) sustained by or alleged to have been sustained by any member of the public or otherwise any or all persons, or

(b) The Authority's obligation to indemnify, defend and hold harmless the Town shall be excused to the extent that such Town Claims are caused by (i) a failure by the Town to perform or observe any material covenant or condition to be performed by the Town pursuant to this MOU or any subsequent agreement between the parties, (ii) the material inaccuracy of any representation or warranty of the Town in this MOU; and (iii) the negligence or misconduct of the Town, or its employees, agents, or subcontractors.

**ARTICLE IX**

**REPRESENTATIONS**

**Section 9.01 Plan of Development.**

The Authority is not a planning agency. It shall work wholly within the Town's master land-use plan of development and zoning regulatory structure.

**Section 9.02 Contracting Requirements.**

The Project shall be subject to all applicable laws, state contracting requirements, and audit procedures.

**ARTICLE X**

**GENERAL PROVISIONS**

**Section 10.01 No Recourse.**

It is expressly understood and agreed that the directors, officers and employees and agents of the Authority are acting in a representative capacity and not for their own benefit and that there shall be no recourse or claim under this Agreement against any such person in any circumstances. Town further acknowledges that the Authority is not a department, institution or agency of the State of Connecticut and agrees that it shall have no recourse or claim under this Agreement against the State or any of its officers, employees or agents in any circumstances.

**Section 10.02 Independent Contractor**

The Authority shall act as an independent contractor in performing this MOU, maintaining complete control over its employees and all its sub-contractors. The Authority shall not be construed to be a department, institution, or agency of the Town.

**Section 10.03 No Third Party Beneficiaries**

This MOU is for the exclusive benefit of the parties hereto and no rights of third party beneficiaries are created hereby. The Authority shall not be obligated or liable hereunder to any party other than the Town.

**Section 10.04 Counterparts**

This MOU may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same.

**IN WITNESS WHEREOF**, the Authority and the Town have caused this MOU to be signed by their duly authorized representatives, as such and not individually.

**CAPITAL REGION  
DEVELOPMENT AUTHORITY**

By:	Michael W. Freimuth Executive Director	Date
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**TOWN OF EAST HARTFORD**

By:	Mayor Marcia A. Leclerc	Date
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**The following motion was moved by Andy Bessette, seconded by Evonne Klein and approved.**

*“The CRDA Board of Directors hereby approves the terms and conditions of the MOU, as presented, and authorizes the Executive Director to execute such Agreement, subject to necessary approvals and available funding.”*

Adjourned 8:17pm

*“The minutes of the October 18, 2018 CRDA Board Meeting were moved by Andy Bessette seconded by Mayor Leclerc and approved at the December 6, 2018 CRDA Board Meeting with Nick Lundgren abstaining.”*