

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, October 19, 2017
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Sean Fitzpatrick; David Jorgensen; Mayor Marcia Leclerc; Nick Lundgren; Tim Sullivan; Joanne Berger-Sweeney (phone); Michael Matteo (phone); Cheryl Malerba (phone)

Board Members Absent: Ben Barnes; Mayor Luke Bronin

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

Call to Order

Chairwoman Hopgood called the Board Meeting to order at 6:00pm.

Minutes

The minutes from the September 21, 2017 Board Meeting were moved by Andy Bessette, seconded by Dave Jorgensen and approved with Nick Lundgren and Tim Sullivan abstaining.

Executive Session

Executive Session did not take place.

Marketing Video

A preview of the video marketing the CT Convention Center was presented. Chairwoman Hopgood asked that the Convention Center be congratulated for their entertaining video.

Mayor Reports

Sean Fitzpatrick reported the following in Mayor Bronin's absence:

- The City terminated the formal Master Development Agreement with Center Plan and DoNo Hartford LLC and have asserted that the properties around Dunkin Donuts Park have reverted to the City. An RFP will be issued in November seeking new developers for the parcels. The approach is to seek proposals from individuals or groups to get a broad spectrum of ideas and allow smaller developers if they have a good idea for one of the parcels to take a look at it. The City will presumably be confronted with some legal challenges but is confident of it legal grounds.
- Working with the Town of East Hartford, the City may put in a pitch for Amazon.com, Inc.

Dave Jorgensen commented that there is a State Task Force to reduce consumer packaging that generates solid waste. The Task Force is considering a tax on producers of packaging which includes Amazon. Mr. Jorgensen reported that Amazon submitted a letter to the task force opposing the idea. Mr. Fitzpatrick asked if it is possible to get a copy of the letter.

Mayor Leclerc reported on the following:

- Ground breaking for the Horizon Outlets is scheduled for October 26, 2017.
- The Silver Lane Study is running simultaneously with the CRCOG Transportation Study and the Branding Study is running for the Silver Lane corridor.

Finance

CRDA, CFO Joseph Geremia reported on the following Financial Update for October 2017.

Fiscal Year 2017 Operating Statistics

CT Convention Center – August/September 2017

September stats: 45 event days held YTD with YTD attendance at 51,700
August financials: Rental and F&B revenue favorable with event services revenue unfavorable compared to budget while expenses even with budget
Total year projection even with budget

CRDA Parking Facilities – August/September 2017

September stats: Utilization favorable to budget at 67%
Monthly rate customers favorable to prior year by 40 at 7,800 YTD
Transient customers favorable to prior year by 10,600 at 96,900 YTD
August financials: Transient revenue and consumer show's revenue favorable compared to budget
Total year projection even with budget

XL Center - August/September 2017

September stats: 6 event days held YTD with YTD attendance at 17,800
August financials: Event revenue \$25,000 unfavorable to budget
Hockey operations even with budget
Operating expenses favorable compared to budget
Total year projection approx. \$225,000 unfavorable to budget attributed to three cancelled events

Church Street Garage - August/September 2017

September stats: Utilization of 76% even with budget
Monthly rate customers favorable to budget by 225 at 3,500 YTD
Transient customers unfavorable to budget by 1,100 at 3,000 YTD
August financials: Event, transient, and monthly rate customer revenues favorable to budget
Total year projection approx. \$150,000 favorable to budget

Rentschler Field - August/September 2017

September stats: 46 event days held YTD with YTD attendance at 66,000
August financials: Event revenue and F&B revenue even with budget
Includes one UCONN football game and one CFC soccer game
Expenses even with budget
Total year projection even with budget

Residential Housing Initiatives:

Total Contracted Loans:	\$59.9M
Current Contracted Loans:	\$54.7M
Current Disbursed:	\$43.4M

Housing Committee

Michael Freimuth and Sean Fitzpatrick reported on the following housing projects:

370 Asylum Street – closed and in the process of mobilizing.

101 Pearl Street – The Board is aware that the general resolutions authorizing CRDA to close deals, are subject to all funding sources closing with CRDA simultaneously. Mr. Freimuth indicated that the bank & CRDA are ready however, due to a State Budget not yet being adopted, DECD cannot “commit” to the funds. Mr. Freimuth indicated that it is in CRDA’s best interest to close the transaction even though all funding sources aren’t ready to close. The one that is not closing is a State Agency and it is not because of lack of commitment, rather its because of the State Budget not yet being passed.

Tim Sullivan indicated that the development team was told that the expenses that are eligible under DECD’s contract are reimbursable.

Board members discussed different scenarios regarding the DECD’s Brownfield’s funds and the State Budget.

The following resolution regarding 101 Pearl Street was moved by Sean Fitzpatrick, seconded by Mayor Leclerc and approved.

“The motion made on April 20, 2017 regarding 101 Pearl Street is hereby amended to allow the 101 Pearl Street project to close in anticipation of DECD Funding, with the understanding that CRDA may have to fund the gap.”

Land Bank Grant – CRDA meeting with City of Harford to discuss possibility of managing the Land Bank Grant funds for blighted projects on behalf of the City.

Venue Committee

Kim Hart delivered the following October Venue Committee update:

XL Center

- In terms of events, the Wolfpack’s 2017-18 season is underway, with UConn hockey and basketball beginning in late October and early November. Upcoming events include two major concerts -- Guns N’ Roses on October 23rd and Dead & Company on November 22nd.
- The Wolfpack affiliation agreement is set to expire after this season and discussions are continuing with MSG regarding an extension of that agreement.
- Also expiring is the naming rights agreement for the building and Spectra has begun discussions with the XL Group on an extension. Understandably, questions on the status of the transformation project and the future of the building have been raised.
- Related to our RFQ for a public-private partnership, we have provided Savage Funding with additional financial information and we currently await a detailed proposal from their team.

- Bob Saint will provide a construction update later in the meeting.

Pratt & Whitney Stadium at Rentschler Field

- The Stadium netted close to \$80,000 on the New York City FC soccer game held on September 22rd, the same weekend as the rescheduled UConn football game. Spectra did an outstanding job turning the building over between events.
- UConn football is halfway through its 2017 season. Unfortunately, attendance has only averaged about 14,000, which will significantly impact parking revenue, as well as food and beverage revenue.

Connecticut Convention Center

- The State's current budget situation is impacting CTCC's ability to book events. Funding uncertainty in other State agencies has limited the availability of State boxing and MMA referees and may limit the Center's ability to secure hotel rooms for upcoming events.

Anthony Lazzaro further explained that if the issue of not licensing referees is rectified by the December 2nd match scheduled at the Convention Center, then the match will be moved to Rhode Island and RI will reap the benefits from hosting the match.

Dillon Stadium

- CRDA has received three responses to its RFP for the redevelopment of Dillon Stadium. Follow-up questions will be sent to bidders in the next few days. In early November, the Venue Committee will host a public forum on the project, similar to the one held on the XL transformation project. Bidders will be asked to make a brief presentation and respond to questions from the Committee. Members of the public will be able to offer comments.

Neighborhood Committee

- Albany & Vine – City is working with a potential developer.
- Bowles Park – ground breaking took place on Oct. 16. with CRDA and DECD funding the demolition. Currently working with the developer to try to increase the mix of market rate units.
- Radisson – Developer has run into construction issues. The project was slowed this summer in anticipation of them getting some additional funding and that is still the conversation with them now. The developer represents that they are going to close on some additional financing. Contractors are waiting for new financing because there is no activity at the moment. CRDA has been in conversations with the developer and will keep the Board apprised of what is going on.
- Wethersfield - The Borden Residential Project went through town council and was approved for a tax fixing agreement. CRDA will have to enter into an MOU with the Town in order to carry out the project consisting of 111 housing units/11,000 s.f. of retail. This project is Urban Act money to the Town of Wethersfield.

Construction

370 Asylum - closed and mobilizing.

101/111 Pearl - environmental clean-up.

81 Arch Street (Front St. Phase IV) – new construction of 53 units, ongoing bid package, construction timeline set to begin in the next month.

Rentschler Field - Metal detectors will be activated for the game on October 28th.

Rentschler Field – Road construction to be triggered by the Mall construction.

Brackett Knoll – Conveyance agreement with City’s legal department. Access agreement is currently being worked on.

Executive Director Report

- November Board Meeting is being moved to Nov. 30th
- 2018 CRDA Board Meeting Dates will be posted.
 - January/February Meeting will be combined and will meet Feb. 8th

The following motion regarding the 2018 Board Meeting Dates was moved by Sean Fitzpatrick, seconded by Mayor Leclerc and approved.

“The 2018 CRDA Board Meeting dates have been adopted as presented with the January/February Meeting being combined to meet on February 8th.”

Michael Freimuth indicated that there have been discussions regarding building a grocery store downtown. Changes in the format of grocery retail are rapidly advancing and leading to new space configurations and overall square footage demand.

Chairwoman Hopgood was asked by the Wall Street Journal to write an article on the cultural changes in the eating habits of younger people today. She indicated that several people contributed to the writing of the article and it lead to connecting a series of dots, which included 450 Pearl Street and the smaller units because she’s found that millennials today, do not cook. Chef owned pop-up restaurant/stores are a new trend allowing for very specialized menus with fresh ingredients allowing for easy access to healthy, flavorful, inexpensive food.

Andy Bessette, in his new role as Chairman of the MetroHartford Alliance, asked that this information be validated, because when meeting with CEO’s of the companies, many of them expect a supermarket downtown.

Adjourned at 7:15pm

“The minutes of the October 19, 2017 CRDA Board Meeting were moved by Andy Bessette seconded by Joanne Berger Sweeney and approved at the November 30, 2017 CRDA Board Meeting.”