

**Capital Region Development Authority  
Board Meeting  
100 Columbus Boulevard  
Hartford, CT 06103  
Tuesday, July 18, 2013  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Secretary Ben Barnes; Andy Besette; Floyd Green; David Jorgensen; Commissioner Evonne Klein; Mayor Marcia Leclerc; Michael Matteo; Commissioner James Redeker; Pamela Reid; Mayor Pedro Segarra; Commissioner Catherine Smith.

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

Chairwoman Suzanne Hopgood called the Board Meeting to order at 6:17pm.

**Minutes**

The minutes from the June 4, 2013 Board Meeting were unanimously approved, as amended. The minutes from the June 13, 2013 Board Meeting were unanimously approved.

**New Board Member**

Chairwoman Hopgood introduced Evonne Klein, Commissioner of Housing for the State of Connecticut as the newest member of the CRDA Board. The Commissioner was confirmed by the Senate on March 5, 2013. Commissioner Klein, former Darien Selectman was sworn in as a CRDA Board Member by Attorney Anthony Lazzaro prior to the beginning of the Board Meeting.

**Newington**

Newington Mayor Stephen Woods, joined by Andrew Brecher, Economic Development Director, gave a presentation regarding the blighted National Welding site that is adjacent to the CTFastrak bustop at Newington Junction.

The Town of Newington, a town contiguous to the City of Hartford, is presenting their project to the CRDA Board with the possibility that the Board will consider their request for the CRDA to assist the Town of Newington to take down the blighted National Welding site and remediate the land to prepare it for development.

The Newington Town Council will need to agree to consider having CRDA manage the process of facilitating what should be developed once the site is shovel ready.

Board members showed interest in the project and had comments regarding CRDA's capacity to take on a project(s) and how to pay for it. Other thoughts include developing criteria to prioritize which regional projects CRDA could take on.

There was consensus with the Board that Newington officials should continue and update Mike Freimuth as the project develops to determine next steps.

**Housing Committee**

In Thom Deller’s absence, Michael Freimuth reported for the Housing Committee that was held July 12, 2013. A variety of projects are progressing, including Capewell and a new rendition of 3 Constitution. A new format for Pearl Street will be presented at the Housing Committee scheduled for August 9<sup>th</sup>. The following report was shared and discussed with Board members.

**HOUSING COMMITTEE REPORT  
July 2013**

**Committee Activity:**

The Housing Committee met on July 12, 2013 and reviewed six project applications totaling over 400 units located in the downtown Hartford area. The committee took action to approve one project, 99 Pratt Street, while continuing to review proposals for the Capewell property, two buildings at 101 and 111 Pearl, a new proposal at 3 Constitution Plaza and another at 38-42 Elm. The consensus of the committee is to not pursue further the current proposal for 370 Asylum.

**99 Pratt Street/196 Trumbull:**

This 102,500 s.f. commercial property at the intersection of Trumbull and Pratt is presently 65% occupied, enjoying retail success on the first floor but limited office occupancy on the upper levels. In particular, a variety of smaller tenants rent the second and third floor space, but the fourth and fifth floors have not had tenants. The owners have proposed to convert the top two floors into 26 rental apartments (24 1Br, 2 2Br) and are seeking assistance from CRDA to undertake this work. Improvements to the common area and to mechanical systems will also be necessary and pro-rated between the commercial and the residential portions of the building. The construction costs for the project total is \$6 million, of which \$4.8 million represents the housing portion.

<b>Source of Funds –construction housing</b>	
CRDA Loan	\$ 1,800,000
Fed. Hist Credit	1,034,791
State Hist Credit	786,833
Private Equity	<u>823,530</u>
Sub total	4,045,154
Existing Mortgage/equity	\$ 400,000
Total Housing Budget	\$4,845,154

**CRDA Assistance:**

The provision of a fifteen year \$1.8M loan at 1.5%, interest only in a second position behind the existing Peoples Bank loan will leverage another \$3M in housing funds and \$1.2M additionally into the commercial portion of the property.

After a brief discussion, the following motion was moved by Commissioner Evonne Klein, seconded by Mayor Marcia Leclerc and unanimously approved.

Motion:

*“The CRDA board hereby approves the use of CRDA housing funds to assist the 99 Pratt Street/196 Trumbull project and the Executive Director is authorized to extend a formal term sheet to Trumbull Towers Management LLC, owners offering a housing construction, permanent loan of \$1.8 million at 1.5% for 15 years, interest only subject to evidence of all other financing being in such terms as acceptable to CRDA Executive Director and its counsel, State Bond Commission approval, and such fiduciary items as deemed appropriate by the Executive Director.”*

**Mayor Segarra’s Report**

Mayor Segarra reported on the following developments:

- the approved State Budget allocation to the City will allow Hartford to help replenish a portion of the City’s pension fund.
- A new tax task force has been formed with regard to residential and real estate commercial properties in the City.
- Several engineering firms are re-costing the IQuilt project due to the over budget cost estimates. New cost estimates are due September 2013.
- The City has contracted with a firm to interview for recruitment of COO, HR and IT for the City of Hartford, this search should be complete by September 30<sup>th</sup>.
- City has completed a study of the North of I84 retail study, asked to have this subject put on next month’s CRDA Agenda.
- Mayor Segarra did not report on the Housing Study, he indicated that the Housing Study update will be given by Thomas Deller at the next CRDA Board Meeting.
- Mayor Segarra was elected to the U.S. Conference of Mayors.

**Executive Director Report**

Mike Freimuth reported that Global Spectrum, AEG and the Venue Committee met with Steve Penney from USA Gymnastics to reinforce that AEG and Global Spectrum would work to ensure unity so the USA Gymnastics event would move forward seamlessly and not draw any negativity due to the transition of the new XL Center Management company.

Mission of Mercy has approached CRDA regarding the possibility of having their event in Hartford. The XL Center and the Convention Center have been approached and although there are a variety of issues to work through: workforce; conflicting dates; food, etc. A meeting with sponsors will be initiated by City.

Mr. Freimuth reported on the XL Capital Plan which was displayed on overhead. Allocated dollars are as follows \$2.75M from Global Spectrum; \$35M approved by legislature for the XL Center and \$3M approved for Rentschler Field. Over the next several months CRDA will be working with Global to begin the process of cuing up projects that need to be started, beginning with the first of which is the scoreboard at Rentschler Field. The \$1.6+M scoreboard and ribbon boards have been ordered. Mr. Freimuth requested that a Venue Committee meeting for a more extensive review of the Capital Plan be set up in the weeks ahead.

Over the next few months, at least by hockey season, improvements to the XL Center will be noticeable, such as rebuilt concession stands, redesigned entryways and general improvements, like painting and cleaning. Some of the \$2.75 M will be used to do some of the planning and engineering work in anticipation of the next phase.. Extensive work will begin within the next 18-24 months such as MEP (mechanical, electrical, plumbing) systems. Without these system upgrades, we will not be able to build better concessions, bathrooms, etc.

Board members inquired about a copy of the XL Center Capital Plan. Mr. Freimuth indicated his preference would be to meet with the Venue Committee prior to giving out copies. The document and its contents may change because it is a work in progress.

Office Relocation regarding 55 Farmington is progressing. The team has been working on securing bids regarding moving state employees from Sigourney Street to 55 Farmington Avenue by early Spring 2014.

Mayor Segarra and Secretary Barnes explained the complex nature regarding the sale of the Morgan Street garage. Mayor Segarra indicated that a CDO on 70 parking spaces was complicating the transaction. Secretary Barnes explained that a license agreement granted by the City was then used as collateral in a mortgage that was converted into a collateralized debt obligation and is now owned by pension funds and investors around the world, making this a very complex transaction. The State and the City are trying to work through the process to reach an agreement.

Mr. Freimuth presented the CRDA Housing Portfolio. Using the attached presentation, he discussed Price Point; Unit Size; Type of Construction and Scale. Board members discussed a number of thoughts regarding the need for housing downtown and what the other obstacles and needs are.

### **Financial Report**

Joseph Geremia gave a quick financial update. He reported that outside auditor Mahoney and Sabol concluded preliminary field work and will be back on Aug. 15 to start year end work. Auditor of Public Accounts has audited FY11 & FY 12 and will give preliminary report by end of month.

Mr. Geremia noted that the finance staff is making their way through the FY 2014 budget and state appropriation detail.

The CRDA Financial department converted four financial systems as of July 2013. The financial department will be completing training next week for the Intacct Fund Accounting. CORE payroll conversion is complete and CORE financials has been implemented for the requisition and accounts payable module. We are still using fixed asset system (SAGE).

Upcoming projects for the finance staff include an inventory being performed at the XL Center, Capital improvement plans for the XL Center and Rentschler Field, and a review of the Subsidy Program to be presented to the Board between August and October.

Mr. Geremia continued by reviewing the 3<sup>rd</sup> Quarter Financials as of the end of March as well as the reported on both the Convention Center and Parking Facilities June and yearend financial results.

**Board Action**

Board Chairwoman Suzanne Hopgood reviewed the CRDA Committee Assignments. The termination of the Relocation Committee is due to the already engaged working group through CRDA, DAS and OPM. Following is a listing of the individual Committees and their assignments.

**CRDA Committee Assignments 2013-14**

Executive Committee	Staff
Suzanne Hopgood-Chair	Mike Freimuth
Andy Bessette-Vice Chair	Tony Lazzaro
Secretary Ben Barnes-Treasurer	
Mayor Pedro Segarra-Secretary	
Housing Committee	Staff
Chair Thomas Deller	Mike Freimuth
Mayor Pedro Segarra	Tony Lazzaro
Commissioner Evonne Klein	
Mayor Marcia Leclerc	
Paul Canning	
Nick Lundgren	
Venue Committee	Staff
Chair Andy Bessette	Mike Freimuth
Commissioner Catherine Smith	Tony Lazzaro
Floyd Green	Kim Hart
Michael Matteo	(Tony Roberto)
David Jorgensen	
Transportation Committee	Staff
Chair Commissioner James Redeker	Mike Freimuth
Secretary Ben Barnes	Terryl Smith
David Jorgensen	
Floyd Green	
Finance Committee	Staff
Chair Ben Barnes	Joe Geremia
Mike Matteo	
Pam Reid	
Suzanne Hopgood	

After a brief discussion, the following motion was moved by Commissioner Evonne Klein, seconded by Pamela Reid and unanimously approved.

Motion:

*“The CRDA board hereby approves the CRDA Executive Committee as presented.”*

The following motion was moved by Commissioner Catherine Smith, seconded by Andy Bessette and unanimously approved.

Motion:

*“The CRDA board hereby approves the CRDA Committees as presented.”*

**Executive Session**

The following motion was moved by Secretary Barnes, seconded by Pamela Reid and unanimously approved.

Motion:

*“The CRDA Board hereby authorized to move to Executive Session to discuss personnel matters.”*

The Board came out of Executive Session and the following motion was moved and approved.

Motion:

*“The CRDA Board hereby authorizes a 3% Cost of Living increase effective July 1, 2013 to CRDA Staff excluding manager as presented by the Executive Director.”*

The Board adjourned at 8:28pm.

***“The minutes of the July 18, 2013 CRDA Board Meeting were unanimously approved by Board Members at the September 19, 2013 CRDA Board Meeting”.***

C·R·D·A

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Development Authority*

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## Cancellation

CRDA Board Meeting scheduled for August 15, 2013  
has been cancelled.

**Capital Region Development Authority  
Board Meeting  
100 Columbus Boulevard  
Hartford, CT 06103  
Thursday, September 19, 2013  
6:00 pm**

**Board Members Present:** Secretary Ben Barnes; Andy Bessette; Thomas Deller; David Jorgensen; Mayor Marcia Leclerc; Commissioner James Redeker; Pamela Reid; Mayor Pedro Segarra; Deputy Commissioner Ronald Angelo. **Present By Conference Phone:** Commissioner Evonne Klein; Floyd Green

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

**Guests:** Robert L. Howard, Jr. CPA, Partner; Jennifer Hawkins CPA, Manager, Mahoney & Sabol & Company, LLP

Vice-Chairman Andy Bessette called the Board Meeting to order at 6:16pm.

**Minutes**

The minutes from the July 18, 2013 Board Meeting were unanimously approved.

**Mayor Segarra Report and Presentation**

Mayor Segarra reported:

- changes in Administration- accepted the resignations of Director of Finance, Director of DPW. The City will be interviewing candidates for HR Director, Chief Operation Officer, Director of Finance and Director of Public Works.
- Riverfront Recapture spoke to the Mayor regarding the increased expense for police and fire at events at Riverfront. Mayor Segarra noted that the City has had a reduction in this fiscal item and will be looking to the State for assistance since he believes these events are considered regional.

Thomas Deller presented the Housing Study and Downtown North Master Plan. Mr. Deller indicated that this is a preliminary analysis to create a framework for future development. The purpose of this document is to understand both office retail and housing.

**Downtown North Master Plan**

Downtown north is north of I-84 and bounded by I-91 and the Amtrak train line to the north and the west. It is about 150 acres of land mostly underdeveloped or underutilized. Approximately 300,000 vehicles drive by on I-84 and I-91 in any given day. This area is looked upon as an area that can achieve a lot for the city. The presentation includes a timeline of where the city is and where it hopes to be by the end of this calendar year.

Mr. Deller explained that the city hired a retail consultant from Michigan. The numbers show that the Hartford area has spending capacity per square foot greater than the national average is



for retail sales. To a retail person that says there is a capacity for additional retail. Preliminary numbers have shown that it is estimated that 236,000 sq. ft. of supportable retail is in the project area. While still working on the market study, it is estimated that the area could generate more than \$84M in annual sales today.

Build out scenarios are being explored for each priority site, allocating square footage for retail, commercial, parking, and residential spaces.

Traffic counts and traffic pattern data were also compiled.

### Housing Study

Major considerations of the housing study are:

Housing stock – Assessing age and condition

Cost of Housing – Sales prices and rental prices

New view of ownership – ownership by structure not units

Downtown housing – creating a strong core

Main thoroughfares – establish vibrant gateways

Homeownership – owner-occupied vs. rental

The study shows that a critical mass is needed downtown to support retail and between 7,000-10,000 housing units are needed. The issues that are preventing critical mass are scarcity of units and cost.

A majority of housing in Hartford was built prior to 1970, indicating a need to rehabilitate existing housing stock by offering programs that serve all income demographics (Housing Preservation Loan Funds; Capital Improvement Project Funds; Anti-blight Funds).

There is also a need for improved transit accessibility.

Mr. Deller also mentioned that the city is kicking off two studies, the first is a survey outside the city asking what would bring people into the city. About 25% of the respondents indicated that certain criteria would have to be met in order for them to move into the city. The other survey consists of sponsoring a series of college students and others asking them what would be essential for them to live in the city.

Board members had a discussion regarding a variety of issues including, but not limited to:

-transportation being included in the housing study

-including TIGER and CTFAstrack in the study

-charging higher rents – a detriment to potential newcomers to the city

- education and taxes and how it will affect the people who currently live in the city

### Audit

Joseph Geremia introduced Robert L. Howard, Jr. Partner and Jennifer Hawkins, Manager, both CPA's with the firm Mahoney Sabol and Company LLP. Mr. Howard presented the 2013 Audit Results. The auditors reported using Generally Accepted Auditing Standards and Government Auditing Standards for the Audit of Consolidated Financial Statements including CRDA, CRDA Parking Facilities and the Connecticut Convention Center. The Financial Statements were reported as having an unmodified "clean" opinion and the Report on Compliance and on Internal

Control over Financial Reporting had no material noncompliance reported and no internal control weaknesses reported. Adjustments were not significant and consisted of “Balance sheet reclassifications for GAAP reporting purposes” and passed audit adjustments consisted of the following “Understatement of Food Inventory - \$17,000”.

Mr. Howard reported that new GASB Pronouncements were implemented including GASB Statement No. 62 and GASB No. 63. He also indicted Pronouncements that were issued but are not yet effective including Statement No. 65, 66 and Statement No. 68.

Michael Freimuth asked Mr. Howard to explain what might be needed to refinance the bonds that will be coming due in the next year. Mr. Howard indicated that CRDA will need to consult with legal bond counsel to see what options are available regarding the swap and what the fee might be. Mr. Freimuth also mentioned that the Laz contract and the CT Convention Center contracts will be coming due in the next 12-18 months.

CRDA’s Chief Financial Officer, Joseph Geremia gave a brief update regarding the State Audit. Mr. Geremia indicated that one audit finding was recorded showing that two members of the previous CCEDA Board of Directors did not complete their Financial Statement of Interest for the year 2012.

### **Annual Report**

Michael Freimuth reviewed the Annual Report with the Board explaining that CRDA is required to file an Annual Report within the first ninety days of each fiscal year, with the Governor, The Auditors of Public Accounts and the Finance Revenue and Bonding Committee of the General Assembly. That report covers certain legislative and financial matters, including the audited financial statements of CRDA as of and for the year ended June 30, 2013.

Mr. Geremia thanked Assistant Controller, Dorine Channing for all of her hard work and contributions to the Annual Report. Mr. Bessette thanked the CRDA staff for their work during the year.

After a brief discussion, the following motion was moved by Secretary Barnes, seconded by Mayor Segarra and unanimously approved.

### **Motion:**

*“The CRDA Board hereby approves the CRDA Annual Report for FY 2012-2013, as presented.”*

### **FY 2014 Operating Statistics**

Mr. Geremia gave an update including Fiscal Year 2014 Operating Statistics and several other topics:

#### **CT Convention Center**

- Utilization for July and August was 77% and 65% - Currently at budget
- 17 events held YTD with YTD attendance at 69,000
- YTD revenue is \$1.140 million – Favorable to budget by 8% and Favorable to prior year by 17%

#### **CRDA Parking Facilities**

- Utilization for July and August was 52% and 45% - Currently at budget
- Monthly rate customers for July and August were 2,700 and 2,400
- Transient customers for July and August were 27,000 and 22,000
- YTD revenue is \$1.039 million – Even with prior year

XL Center

- July concert netted \$192,000
- August USA Gymnastics netted approximately \$250,000

Rentschler Field

- Gold Cup soccer tournament netted \$230,000
- First UCONN football game of season netted \$193,000
- Second UCONN football game of season netted \$308,000

Mr. Geremia also reported:

Financial Management System Solutions

- All financial management systems implemented and working well
  - Continuing Intacct training and report writing

Financial Projects

- Global-Spectrum Transition
  - Capital expenditure planning with State Bond Commission
  - Fiscal Year 2014 budget amendments to be discussed at October Board meeting
- Other Active Projects
  - State Office Relocation
  - Morgan St. garage

Mr. Bessette and Mr. Freimuth thanked Joe for a thorough report.

Housing Committee

Michael Freimuth presented two projects that the Housing Committee has asked to be advanced. Reports from the Housing Committee regarding 3 Constitution and 179 Allyn Street are presented below.

Committee Activity:

The Housing Committee met on September 6, 2013 and reviewed four projects. The committee took action on two matters: a recommendation to advance a project at 3 Constitution Plaza and an amendment to the 179 Allyn Street deal.

**Subject: 3 Constitution Plaza, The Residences at River View:**

The proposal to develop a vacant parcel located at 200 State Street has changed from earlier versions to the current intent to construct a new building housing 48 units of rental housing at 80% market and 20% affordable rents and 20,000 square feet of commercial space, to be occupied by a tenant, closely controlled by the developer. The total project now consists of a ten story building containing 71,000 square feet of space with a total project cost of \$17.7 million. There will be 32 one-bedroom and 16 two bedroom units and the 20,000 square foot commercial space will be on the two lower floors and occupied by AI Engineering which will relocate 75+ jobs to the site. The developer, TAROB, LLC has negotiated a bank loan for approximately one-half of the development costs that will be collateralized by the commercial tenant. CRDA, State

DOH and City of Hartford assistance as well as developer equity will complete the financing package.

Source of Funds

Bank Loan	\$8,000,000
CRDA Equity	1,802,158
CRDA 2 <sup>nd</sup> Mortgage	2,487,819
DOH Assistance	1,812,158
City of Hartford	973,579
Owner Equity	<u>2,695,869</u>
TDC	\$17,771,584

CRDA Assistance:

The CRDA package would be structured into two components, a \$1.8m equity position with a 2% Return on Investment up to 50% of cash flow and a \$2.48M loan that will be amortized on a 25 year schedule with P&I payments deferred for the first five years, with interest at 2% beginning year 6. The loan will have a term of ten years.

The following motion was moved by Thomas Deller, seconded by Mayor Segarra and unanimously approved.

*“The CRDA Board hereby approves the use of CRDA housing funds to assist the 3 Constitution Plaza/Residence at River View project and the Executive Director is authorized to extend a formal term sheet to TAROB, LLC offering new construction assistance in the form of a ten year loan of \$2,487,819 and a \$1,802,158 equity contribution per terms approved by the Housing Committee, subject to (1)evidence that all other funding sources have been secured in such terms as acceptable to CRDA Executive Director and its counsel; (2)State Bond Commission approval; and (3)such fiduciary items as deemed appropriate by the Executive Director.”*

**Subject: 179 Allyn Street**

**Background:** This project was approved by CRDA on 3/21/13 and awarded \$6.5M. Subsequent Bond Commission approval occurred on 6/21/13. The project envisions the conversion of a class “B” office building into 63 one bedroom units at market rents with a total project budget of \$14.7M including a mortgage with Bank of America, federal and state historic credits and developer equity.

**Issue:** Development costs, both hard and soft have caused an increase in the budget that can be accommodated by accessing a bonus provision of the State Historic Credits which grants additional credits with the establishment of at least 20% of the units as affordable. However, the depth of the CRDA subsidy was initially determined in part because the deal was not seeking assistance from affordable housing sources. Changing the unit mix from 100% market to 80/20 market/affordable does not change the under-riding pro forma as current market rents are within the ‘affordable’ rent rates and an 80/20 split remains within CRDA policy parameters. Nonetheless, 20% of the units will have restrictive covenants, limiting their upside and ultimately the building’s value.

**Recommendation:** The Housing Subcommittee reviewed this matter at its 9/6/13 meeting. The Executive Director negotiated an accelerated payback of CRDA loans and an advancement of a buy down of its equity position in exchange for accepting the 80/20 unit split. The CRDA

Financing portion will begin interest payments following year six rather than be deferred to year 20. Following year six, the equity portion will be reduced by \$150,000, including accrued earnings from years 1-5 and then such equity will participate in cash flow returns thereafter as originally proposed.

The Housing Subcommittee recommends that the full CRDA board approve of the following motion.

The following motion was moved by Pamela Reid, seconded by Mayor Segarra and unanimously approved.

*“The Executive Director is authorized to amend the offer of assistance to adjust the interest repayment program for the CRDA Loan and to structure a cash payment following the conversion date of the historic credits equity (year 6) totaling \$150,000 to reduce the CRDA Equity position accordingly and to recognize the affordable housing restriction on 20% of the units.”*

### **Venue Committee**

Mr. Bessette reported that Governor Malloy, several Board members and CRDA staff recently toured the XL Center to inspect the condition of the facility. There was a discussion regarding possible renovations of the arena including improvements that would enhance the fan experience and attract additional sponsorship revenue to the operation of the building. Recommendations included the creation of a loge seating area and construction of “a general admission patron lounge/bar” located in the arena.

Michael Freimuth indicated that the XL Capital Program is moving along. It is projected to move into an aggressive pace throughout the slow season (next summer).

Other updates include the scoreboard at Rentschler Field that was installed before the first UCONN Football game. Both Michael Freimuth and Andy acknowledged a great job done by Kim Hart; Tony Lazzaro; Bob Saint and Joe Geremia working diligently to have the scoreboard installed in such a timely manner.

### **Executive Director Report**

#### **Policy Concerning Committee Advisory Members (attached)**

At Michael Freimuth request, Anthony Lazzaro gave a brief overview of a new policy called an “Policy Concerning Committee Advisory Members” and “Advisory Membership Application” which has been developed to allow structure and consistency between committees when new committee advisory members are brought on.

Board members asked that the attached policy indicate that only the Standing Committees will be impacted, not the Executive Committee.

After a brief discussion, the following motion was moved by Thomas Deller, seconded by Mayor Segarra and unanimously approved as amended.

Motion:

*“The CRDA Board hereby approves the Advisory Member policy as amended.”*

Morgan Street Memorandum of Understanding (attached)

Michael Freimuth gave an overview of the Memorandum of Understanding (MOU) outlining the state’s purchase of the Morgan Street Garage from the City of Hartford. CRDA will run the garage until such a time that the state moves into 450 Columbus. CRDA will then turn the garage back over to the state and it will run as part of a state office complex.

After a brief discussion, the following motion was moved by Mayor Segarra, seconded by Pam Reid and approved. Secretary Barnes abstained from this motion.

*“To ratify the revised Memorandum of Understanding by and amongst the State of Connecticut Office of Policy and Management, the Department of Administrative Services, and the Capital Region Development Authority, as distributed.”*

Amendment to Parking Management Agreement (attached)

Michael Freimuth gave an overview of the Amendment to Parking Management Agreement between LAZ and CRDA, adding the Morgan Street Garage to the existing CRDA Parking facilities managed by LAZ on the terms outlined in the attached MOU.

After a brief discussion, the following motion was moved by Mayor Segarra, seconded by Pam Reid and approved. Secretary Barnes abstained from this motion.

*“To ratify the Amendment to Parking Management Agreement dated August 22, 2013, by and between LAZ Parking Ltd and the Capital Region Development Authority, as distributed.”*

CRDA – Regional Development Policy

Michael Freimuth provided details regarding the Regional Development Policy, allowing CRDA to offer administrative support in a city or town assisting in the development and redevelopment efforts to stimulate the economy of the region. The policy below further defines CRDA’s responsibilities outlining the steps and terms that are needed for CRDA to carry out its role.

## CRDA - Regional Development Policy

*The purpose of the Capital Region Development Authority shall be to stimulate new investment within the capital region; ....and 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..... [Public Act 12-147, An Act concerning the Capital Region Development Authority, Sections 8(8), 10 (1) and 10(8)]*

*“New agency will be able to take a more regional approach to development. The more that Greater Hartford can overcome its balkanized government structure and act like an interdependent region, the better. “ [Hartford Courant, May 17, 2012 editorial]*

**Recent Background:**

During its initial year of operations, CRDA was approached by several communities within the ‘capital region’ to explore how the agency might assist the towns with potential or pending development opportunities. Because CRDA was still in its infancy, contending with the assumption of new responsibilities for major public properties and establishing its board and staff, these conversations remained preliminary and general in nature. As the economy has improved and CRDA has begun its second year of operations, these inquiries have now advanced to more formal discussions. Prior to CRDA engaging in contracts, scopes of work and project implementation, an overriding agency policy is needed to measure such opportunities. It is envisioned that CRDA would provide administrative support in the way of development/construction services, grant management including financial tracking and audit/close out; and assist in real estate related negotiations. CRDA is not a planning agency though it will advise local planners upon request, but deferring to local land use authorities and plans.

**Two Step Review:**

Potential projects should meet regional policy goals of CRDA, State agencies and regional planning entities such as CRCOG **and** be manageable within the context of CRDA staff capacity and other CRDA ongoing priorities such as the successful operation of the convention center, civic center, football stadium and their associated parking facilities; development commitments such as Front Street, the downtown housing program; and specific projects already committed to by the agency.

**Project Consistency** - Regional projects must be consistent with (1) the State Plan of Conservation and Development; (2) the Capitol Region Council of Governments Regional Plan of Conservation and Development; (3) the objectives and policies of the State Department of Economic and Community Development, the State Department of Transportation and the State Department of Housing; and (4) such projects must meet planning goals across all levels of government addressing local, regional and statewide interests and cannot have an exclusive or mostly local impact. Regional projects shall provide a need otherwise not addressed by CRDA and not be competitive with other CRDA activities.

**Project Administratively** – Projects must be requested by one of the Capital Region’s eligible municipalities. Any scope of work must be assessed by the Executive Director of CRDA as within the capacity of CRDA staff or be able to be addressed by consultants or supplemental staff serving CRDA and applicant; must not disrupt CRDA projects, priorities and programs already underway; and shall be carried out in a way that is, at a minimum, revenue neutral to CRDA. CRDA’s role is to be a supplemental level of administrative support to the municipalities’ current capabilities and designed to carry out a specific project, requiring overall direction and support from appropriate municipal leadership.

## **Executive Session**

Secretary Barnes moved to amend the agenda to add an item to discuss statewide marketing and sporting events.

The following motion was moved by Thomas Deller, seconded by Pam Reid and unanimously approved.

### **Motion:**

*“The CRDA Board hereby approves to amend the agenda to discuss pending negotiations regarding statewide marketing and sporting events.”*

At 7:48pm, the following motion was made to move into Executive Session. The motion was moved by Mayor Leclerc, seconded by Mayor Segarra and approved unanimously.

*“The CRDA Board hereby approves moving into Executive Session”*

At 8:00pm, the Board came out of Executive Session and made the following motion.

*“The CRDA Board hereby authorizes the Executive Director, with the approval of the Executive Committee, to execute a Memorandum of Understanding with the Department of Economic and Community Development for the promotion of certain athletic events around the State”.*

Adjourned at 8:02pm.

***“The minutes of the September 19, 2013 CRDA Board Meeting were approved by Board Members at the October 17, 2013 CRDA Board Meeting”.***



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Thursday, October 17, 2013  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Secretary Ben Barnes; Andy Besette; Thomas Deller; Floyd Green; David Jorgensen; Mayor Marcia Leclerc; Michael Matteo; Mayor Pedro Segarra; Commissioner Catherine Smith **Present By Conference Phone:** Commissioner James Redeker

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

**Guests:** Anne Worcester, Tournament Director for the New Haven Open at Yale and also the Chief Marketing Officer for Market New Haven, Inc.; Megan Axtell, New Haven Open Ticket Marketing Manager; Sarah Willcox, New Haven Open Finance and HR Manager; Dana Cialfi, New Haven Open Tournament Manager. Chris Lawrence, Global Spectrum General Manager for XL Center and Rentschler; Tim Murphy, Global Spectrum Regional Vice President

Chairwoman Suzanne Hopgood called the Board Meeting to order at 6:09pm.

**Minutes**

The minutes from the September 19, 2013 Board Meeting were approved with Chairwoman Hopgood abstaining.

**Hartford Has It video**

Chairwoman Hopgood introduced Hartford's newest marketing video. This is the first of three videos that will be developed.

**New Haven Sanction Purchase Agreement**

Anne Worcester introduced herself and her team. She gave a presentation on the Situation Analysis; a Tournament Snapshot; the partnership between the Tournament, the State of Connecticut and the City of New Haven; Economic Impact; Participation in the Community.

Background - In 1990 the State of Connecticut authorized the use of \$18 million of state bonding money to build the CT Tennis Center (CTC). In 1992, construction was completed (however without critical amenities such as hospitality suites, catering facilities, elevator). The Tennis Foundation of CT is a nonprofit organization overseen by a Board of Directors, and its duties also include the promotion of the social, economic and educational welfare of the greater New Haven area and the State of Connecticut.

Ms. Worcester reported that in 2012, due to losses primarily resulting from years of building temporary infrastructure, Connecticut Professional Tennis (CPT) notified the United States Tennis Association (USTA) that it would no longer take the risk on the Women's Tennis Association (WTA) event and the USTA agreed to become owner with support from State of CT and Yale.

After the 2013 event, the USTA notified CPT that it no longer could take the risk and they are ready to sell the sanction. With CRDA Board approval, the State of Connecticut will purchase the sanction for \$618,000.

The New Haven Open at Yale is a Premier event that is part of the Emirates Airline U.S. Open Series. It is reported that the tournament generated \$26 million in regional economic impact, including 291 jobs and \$1.1 million in state tax revenues\* (\*Economic impact data being updated after 2013 event). The 2013 prize money was \$690,000.

Secretary Barnes gave a brief explanation of the terms of the Sanction Purchase Agreement.

Due to inquiries as to why the Capital Region Development Authority (CRDA) would take on a sporting event in New Haven, the Board shared the CGS § 32-600 definitions that clearly define the role of the CRDA, the purpose and the powers. (see attached).

**After a brief discussion, the following motion was moved by Andy Bessette, seconded by Catherine Smith and approved with Floyd Green abstaining.**

**Motion:**

***“The CRDA Board hereby approves the Sanction Purchase Agreement, as distributed.”(attached)***

**Mayor Segarra Report**

Mayor Segarra indicated that he will report on the following at the November 21<sup>st</sup> Board Meeting.

- Smart Cities initiative backed by U.S. Conference of Mayors supported by IBM
- What has been done in the City and what support we have given to CRDA projects
- Update on iQuilt and Intermodel project

Chairwoman Hopgood inquired about the Construction Report on the North of 84 studies and whether it will include a new location for the XL Center. Mayor Segarra indicated that this would require engaging in conversations about the development of a plan for the XL Center.

**Housing Committee**

Michael Freimuth reported that the October Housing Committee was cancelled due to the need to close deals that are currently underway. CRDA is in the process of closing the Front Street deal, the closing will likely be in October and construction will begin in November. It is also likely that CRDA will close on the Sonesta Hotel by October 30<sup>th</sup>. The intention is to close 179 Allyn Street by the end of this month though it may occur in early November. CRDA is close to closing on 201 Ann Street – these deals represent about 400 units of construction. 777 Main Street is currently on hold because it is a HUD backed mortgage and because of the government shutdown, it ceased to move forward for a few weeks, this deal also has federal credit structures that are pending resolution and an extension of the option has been negotiated. Having almost 300 units, this deal should close by the end of the calendar year. Two smaller deals, Pratt and Asylum, are underway and should close by early spring.

## Venue Committee

Mike Freimuth reported that although the Venue Committee has not met, there are a couple of items that fall under its purview. Under the contract agreement with Global Spectrum, sec. 311. The agreement states that Global is required to report on The Community Outreach Component. Chris Lawrence, General Manager of the XL Center and Rentschler Field will give a quick overview of that effort.

Chris reported on Global Spectrum's promotional community involvement efforts that are underway and also reported on what other endeavors they will be pursuing to promote the XL Center and Rentschler Field. Below are some of the ideas that are underway and will be continually reviewed and improved upon in the future.

- Promotional tie-ins with local merchants and sponsors
- Discounts for ticket holders
- Discount ticket packages to local restaurants
- Coordination with local parking lot operators
- Internship programs and "career days"
- Tickets and tours for inner-city school children
- Local charity support

Global Spectrum is supporting a marketing and cross promotional contest between XL Center and Rentschler Field through the sponsorship of Rex Goliath wines called "Big Ticket Sweepstakes". This Facebook contest allows participants to enter to win two tickets and parking for all events at XL Center and Rentschler Field for a full calendar year. The contest end date is October 18, 2013. This contest allowed Global to grow their Facebook, Twitter and Cyber Club database, seeing a 25-30% increase in Facebook "Likes" alone, capturing and utilizing this data.

Also, NBC Universal and Comcast and the Joy of Sharing campaign will be partnering with Global for the Wolf Pack's Teddy Bear Toss Game on November 20<sup>th</sup>. Comcast will be sending information regarding this event in Xfinity customer invoices in an effort to reach as many people as possible regarding this event.

Mike Matteo left the meeting @ 7:20pm

Wolf Pack community involvement includes Town Hall Meetings, which have received an enormous amount of positive feedback from season ticket holders. The "Paint the Lines Campaign"; Open Skate and Partnership with PAL. With Dave Jorgensen's help, a used hockey equipment initiative was organized for the month of October. The initiative allowed patrons to donate equipment for children and in turn receive a ticket for a future Wolf Pack game.

XL Center and Rentschler are utilizing the "Hartford has it" campaign rebrand. This includes the Marquee; Box Office Television Monitors; In-house TV feeds; XL Center Website. At Wolf Pack games the rebrand will occur during 30 sec. spot during hockey games and Jumbotron & Corner Board video displays.

Another attempt at reaching out to ticketholders is sending an email blast to purchasers indicating a special for the night, ie. Michael Buble' concert offered a 20% off an entrée with ticket stub before the concert or BOGO Irish coffee at Vaughn's after the concert. This concept was very well received and according to Peppercorn's Grill's marketing Director, proved to be successful.

Chris reported the following statistics regarding minority and resident hiring at XL Center.

- 90% of operational/concessions employees at XL at Hartford residents
- 60% of concessions employees at RF are East Hartford residents
- 90% of all Ovations employees at both XL & RF are minorities.

Mayor Segarra left the meeting @ 7:31pm

### Capital Improvements

Kim Hart gave a brief overview of the Capital Improvements for all three buildings, Connecticut Convention Center (CTCC), Rentschler Field and XL Center.

Kim indicated that the Convention Center Capital Improvements will cost approximately \$1.3M in bond funds, targeted to be completed next spring. These enhancements include security system improvements; advances to exterior lighting and electrical; sound system and IT upgrades and way-finding kiosks. Other improvements to CTCC involve Energy – LED Bulb Replacement with a cost of \$1.8M being paid by DEEP Funds.

Rentschler Field Capital Improvements costing approximately \$2.8M in State Bond Funds include \$1.8M dedicated to the Scoreboard purchase with the other \$1M committed to other improvements including but not limited to Generator re-engineering, Field Wall repairs, Upgrades to Stadium Sound System, Power Washing the Stadium, Field Goal Net Posts.

Other Rentschler Field Capital Improvements to be funded by DEEP & Parking Construction Funds include Energy Improvements, Stadium Fence, Clearing of UTC Easement Area for additional parking, Parking Lot Lighting and Wetland Mitigation totally approximately \$1.0M.

Andy Bessette asked if there are any glaring large ticket items at Rentschler Field that may be a probability and have not yet been pointed out. Kim Hart indicated that UCONN has shown interest in artificial turf vs. the grass field that is currently in place. Artificial turf could be upwards of \$1M vs. the \$250K grass field. CRDA has asked Global Spectrum to do an analysis on Artificial Turf vs. grass turf. This will reveal whether it will be beneficial to UCONN and Rentschler Field. A future discussion regarding the results of this analysis will be forthcoming.

### *XL Center Capital Improvements – Phase 1*

Phase 1 improvements are funded by approximately \$2.5M in Global/Ovations funds. A good portion of the phase 1 improvements have already been completed i.e. replacement of Flat Screen TV's, IT Upgrades, New Menu Boards Event Club and UCONN Space Planning, AEG to Global Re-branding. Other ongoing improvements include Engineering Evaluation, Bowl Reduction Curtains, IT Upgrades, Telecom Package, Lobby Retail/Concourse Counters Concessions Equipment.

### *State Bond Funds - Phase 2*

An Engineering Evaluation has been completed and is currently being reviewed by Global Spectrum. The evaluation will lend more weight to the numbers attributed to each line item that was estimated on the Phase 2 improvement list. The \$40M Phase 2 improvement list includes but is not limited to: Concourse Floors; Concourse Video Walls, Upgrade Concourse lighting,

Concessions Equipment, Concessions POS System, Wi-Fi Coverage DAS, Event Level Club, UCONN Compound, Additional Restrooms and Main Concourse Club, Loge Boxes, Remodel Concourse Restrooms, Mechanical/Electrical/Plumbing (MEP) Upgrades, Ice Plant.

### **Finance Update**

The following report was given by Joseph Geremia regarding the October CRDA Financial update.

The FY 2012-2013 Annual Report has been filed with the Governor's office, Auditors of Public Accounts and the Finance, Revenue & Bonding Committee of the General Assembly. The report was also posted on-line on the CRDA web-site.

Mr. Geremia reported that all venues were performing within their projections.

#### *The FY 2014 Operating Statistics*

CT Convention Center – Sept.

- September utilization at 53% but YTD utilization remains on Budget at 65%
- 29 events held YTD with YTD attendance at 81,000

CRDA Parking Facilities – Sept.

- September and YTD utilization at 45% even with Budget
- Monthly rate customers were 2,400, same as prior month
- Transient customers were 21,000

XL Center

- September activity: Buble' concert

Rentschler Field

- September activity: 2 UCONN football games (Maryland & Michigan)
  - Hosted approx. 6 community walks

### **Executive Director Report**

Michael Freimuth reported on the following items:

*UCONN Campus Status* – The CRDA and UCONN teams are working together, assessing the Hartford Times properties. There are a variety of legal transactions on the parcels. An agreement between H.B.Nitkin and UCONN for a due diligence window has been reached. It is likely that a course of action to bring back to the UCONN Board will be produced by year end.

*Front Street Status* – There are two new restaurants expecting a Spring 2014 opening, Ted's Montana Grill and Nix's Mate. Infinity is also expecting a Spring 2014 opening. The Big Mo event is scheduled to be held in this space later this month.

*MOU's* – CRDA has been signing a series of MOU's with other State agencies regarding ongoing improvements to buildings we are maintaining, the first being a DEEP MOU for Rentschler Field. It should be noted that a vast amount of time goes into this process to get the legal work done.

### *Office Relocation*

- Work has begun at 55 Farmington; with a Spring 2014 occupancy goal anticipated, bids are 97% complete.
- Extensive design work and engineering assessments are going on right now at 450 Columbus Boulevard.
- Morgan Street Garage was purchased by the State and is now being run by CRDA.

### **Executive Session**

At 8:15pm, the following motion was made to move into Executive Session. The motion was moved by Commissioner Smith, seconded by Andy Bessette and approved unanimously.

*“The CRDA Board hereby approves moving into Executive Session”*

At 9:00pm, the Board came out of Executive Session and adjourned.

***“The minutes of the October 17, 2013 CRDA Board Meeting were approved by Board Members at the November 21, 2013 CRDA Board Meeting”.***

**Capital Region Development Authority  
Board Meeting  
100 Columbus Boulevard  
Hartford, CT 06103  
Thursday, November 21, 2013  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Meagan Cowell for Secretary Ben Barnes; Andy Bessette; Thomas Deller; David Jorgensen; Mayor Marcia Leclerc; Pamela Trotman Reid; Mayor Pedro Segarra; Nick Lundgren for Commissioner Evonne Klein. **Present By Conference Phone:** Floyd Green; Commissioner James Redeker

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

**Guests:** Peter Souza, Town of Windsor; David Winstanley, Winstanley Enterprises; Matt Fleury, President and CEO, Connecticut Science Center; Len Wolman, Chairman and CEO, Waterford Group; Rob Winchester, President, Waterford Group; Michael Costelli, General Manager, CT Convention Center; Michelle Hughes, Director of Sales, CT Convention Center; Chris Lawrence, General Manager XL Center & Rentschler Field.

Chairwoman Suzanne Hopgood called the Board Meeting to order at 6:09pm.

**Minutes**

The minutes from the October 17, 2013 Board Meeting were moved by Mayor Segarra and seconded by Pamela Reid.

**Mayor Segarra Report**

Mayor Segarra's report was moved to the first item on the agenda.

Mayor Segarra reported that assistance was provided to the following CRDA projects by the City. The Mayor indicated that the City will continue to work with development services to expedite whatever processes and permits are needed and offer technical planning assistance to encourage developers to continue to do the good work that we want them to do.

**179 Allyn Street**

- Granted Gap financing as a source of funding in the form of a loan facility for \$100,000
- Provided permitting assistance to ensure project completion
- Reviewed plans subject to the collection of the receipt of fees
- Plans received on 7/12/13 and approved on 8/21/13

**201 Ann Street**

- City provided permitting assistance
- Plans received on 9/24/13 and approved on 10/15/13

**3 Constitution Plaza**

- Provided Gap financing for approximately \$1,000,000
- Permitting assistance
- Tax Fixing Agreement provided for 15 yrs. period

#### 5 Constitution Plaza

- Design review and regulatory assistance
- Permitting assistance
- Tax relief through the blighted property for 10 yrs.

#### 777 Main Street

- Tax Fixing Agreement provided in order to help stabilize the project
- The City accelerated the review process to ensure seamless permitting
- Accelerated the permit process and reviewed drawing prior to the actual receipt of final payment

#### 95-101 Pearl Street and 111 Pearl Street

- City of Hartford secured \$500,000 Brownfield remediation grant
- Tax Fixing Agreement in order to help stabilize the project
- Sale of 95-101 Pearl Street to the Development team
- The City facilitated the design review process

Thom Deller reported that the University of Hartford was asked by the City to head the task of creating one unified report for a vision for Downtown Hartford. The task is being handled through the Department of Architectural Urban planning through UHA.

Mr. Deller reported on the second round of information on the housing analysis that was sent out, indicating that it is raw data and the information is currently being digested.

A discussion ensued regarding the affordability of living downtown; lack of amenities and how to attract the amenities that are needed. Also discussed: linking the business community to where housing is available in the city. Chairwoman Hopgood suggested a follow-up meeting with Thomas Deller between Pamela Reid, Andy Bessette and Evonne Klein concerning additional information.

6:35pm Mayor Segarra left Board Meeting.

#### Windsor – Great Pond

Peter Souza, Town Manager, gave an overview of the Town of Windsor indicating that Windsor has a vibrant business community with 20,000 plus jobs, 10 percent of these jobs are commuters from Hartford and E. Hartford. It is important to keep the business community strong and with that a broader regional aspect and the need for a variety of housing units. Not long ago, the Windsor Planning and Zoning adopted a revision to the conservation and development plan introducing housing to the Day Hill Road corridor.

Mr. Souza introduced the developer that has been working with the Town of Windsor on this project. Mr. David Winstanley of Winstanley Enterprises has been working with the Town of Windsor to reinvest in the old Combustion Engineering site on Day Hill Road. Mr. Winstanley gave a brief summary of his company and their many projects. After distributing a handout, he described the Great Pond project as a sustainable Traditional Neighborhood Design (TND)



situated on 653 acres along the Farmington River. It is a new mixed use village center and will provide a wide variety of homes, shops, office space and recreational opportunities for area residents, employees, and visitors in a walkable community setting.

Michael Freimuth indicated that CRDA's part would be to provide a bridge loan of \$12 million in order to complete phase one infrastructure. The bridge loan in turn will be refinanced by the eventual TIF Bonds once the project first phases are constructed. Once financing is in place, the next step will be to go out to bid as designs have already been approved. This is an introduction to the project which will continue to be nurtured until a time that it is ready to move forward. The Town of Windsor will present its plan in its entirety at a future Board meeting.

### **CT Science Center**

Matt Fleury gave a presentation of the CT Science Center including the history and economic impact. The CT Science Center was established as a non-profit in 2003 and constructed between 2006-2009. Opening on June 12, 2009 and serving its one millionth visitor in 2012.

The CT Science Center provides a terrific family hands on experience that has a strong educational element to it. Last year the Science Center accelerated a long standing professional development program for educators serving around 500 teachers per year to help them become better at teaching and at teaching science. Combining that with the new Mandell Academy for Teachers at the CT Science Center and will serve about 1500 teachers per year with professional development services. This fits together well with what we are doing with student experiences at the Science Center. Over 65,000 school age children visit the Science Center every year. The Science Center has camp programs as well as youth programs.

Economic Impact for 2012 is reported as follows. Direct Economic Impact (CT Science Center activity, including Admissions) \$7,907,754, Indirect Economic Activity Generated (excluding tax revenues generated) \$5,541,297, Tax Revenues Generated \$711,220, Total Economic Impact \$14,160,271.

### **Connecticut Convention Center – Subsidy**

Joseph Geremia gave a brief summary of the CRDA Event Subsidy Program history and current operations before introducing Mike Costelli, General Manager of the Connecticut Convention Center.

Mr. Costelli indicated that the intent of the Event Subsidy Program is to assist potential customers in defraying costs or to be more competitive with other city's offers for the express intent of entering into sales contracts to provide convention services. Subsidies are a standard practice in the industry. Convention planners are aware of the impact their event will have on a city and they have expectations for financial assistance in the form of a subsidy. Subsidies are typically given to citywide conventions, not public shows, banquets or meetings.

Subsidies are determined by a client's budget; historical information; understanding budget limitations and by evaluating their return on investment. The Destination Marketing Association International (DMAI) is the Department of Economic and Community Development's (DECD) approved report that measures a more broad economic impact that any given group will bring to the state. Overall hotel room nights are also taken into consideration as well as tax dollars generated to the State of Connecticut.

Although funded through CRDA by the State, the program is managed by the Convention Center in conjunction with CRDA.

### **2014 Board Meeting Schedule**

The 2014 Board Meeting Schedule was presented to the Board of Directors.

The following motion was moved by Thomas Deller, seconded by Andy Bessette and approved unanimously.

*"The CRDA Board of Directors hereby approves the 2014 Board Meeting Schedule as presented."*

### **Housing Committee**

Mike Freimuth reported that CRDA has closed on two projects, 179 Allyn Street and 201 Ann Street. Sonesta is close to closing.

Front Street residential, 121 units, is also ready to close, awaiting a couple of items from OPM and Travelers that need to be signed – a Non-disturbance Agreement and a Waiver of Indemnity. OPM has an additional item that needs attention, the Amendment to the Declaration Reciprocal Covenant Agreement.

Tax Credit issue – the Housing Committee has assessed this issue and suggest that it be passed on to the Governor's Regulatory Review asking for the ability to change a regulation that exposes Connecticut deals to federal tax liability, thereby reducing their efficiency.

### **Venue Committee**

#### ***New Haven Tennis Center***

The New Haven Tennis license of WTA Sanction to TFC has been shared with the Tennis Center. An adjustment in the term has been requested.

A second agreement is forthcoming which will be the vehicle governing the \$400,000 to TFC.

After a lengthy discussion the following motion was put before the Board of Directors moved by Thomas Deller, seconded by Dave Jorgensen and approved unanimously.

*"The CRDA Board of Directors hereby authorizes the Executive Director to execute such Tournament License Agreement in substantially the same form as attached hereto with discussed amendments as amended."*

Mike Freimuth indicated that it is time to formally make our appointments to the TFC Board. Chairwoman Hopgood indicated that Dave Jorgensen accepted her request to serve on the TFC Board. She further indicated that Mike Freimuth would serve on the Executive Committee. Mike Freimuth asked Mr. Jorgensen to sit on the Executive Committee in his absence, Mr. Jorgensen agreed.

The following motion was put before the Board of Directors by Marcia Leclerc, seconded, seconded by Dave Jorgensen and approved unanimously.

*"The CRDA Board of Directors hereby authorizes the appointment of Dave Jorgensen to represent the CRDA Board on the TFC Board of Directors, Mike Freimuth will represent CRDA on the TFC Executive Committee."*

### ***XL Center***

Mike Freimuth indicated that Global is still in the process of negotiating a longer term partnership with UCONN. Chris Lawrence reported negotiations with UCONN regarding college hockey are nearly done and they will now start to negotiate Basketball.

The Capital projects are being deliberated as we continue to identify what can be done to represent the building in the Fall of next year. The Architectural & Engineering phase of the project will begin once it is known whether Bond Commission has gone through. Some of the concerns are whether to repair or replace components rather than full systems.

Mike Freimuth reported that he and Chris Lawrence met with Chief Rovella regarding policing. There are three components regarding policing: the number, the rate and the City's mark-up. We have had positive feedback and continue to work through these issues.

### **Finance Report**

CRDA's CFO Joseph Geremia reported on the FY2014 Financial Statements for the Quarter Ending 9/30/2013 which included the Balance Sheet and Statement of Revenue , Expenses and Changes in Net Position; FY2014 Operating Statistics were reported for the Convention Center – Oct, Parking Facilities – Oct. , XL Center and Rentschler Field.

### **Executive Director Report**

Mike Freimuth reported:

- CRDA will be meeting with the Treasurer's office regarding the Authority's outstanding Bonds.
- 55 Farmington continues to be renovated with a Spring move-in date.
- Rentschler Field – we are discussing real vs. artificial turf. Artificial turf would eliminate operational costs of maintaining the real field. UCONN has indicated artificial is what they want however we continue to work on best course of action.

UConn campus – UConn has signed a due diligence agreement with HB Nitkin and a program is being developed with a Spring 2014 schedule for presentation to the UConn Board of Trustees.

No further business.

Adjourned 8:20pm

***"The minutes of the November 21, 2013 CRDA Board Meeting were approved by Board Members at the December 19, 2013 CRDA Board Meeting".***

**Capital Region Development Authority  
Board Meeting  
University of St. Joseph's School of Pharmacy  
229 Trumbull Street, Hartford, CT 06103  
Thursday, December 19, 2013  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Andy Bessette; Thomas Deller; Floyd Green; David Jorgensen; Mayor Marcia Leclerc; Pamela Trotman Reid; Mayor Pedro Segarra; Michael Matteo; Nick Lundgren for Commissioner Evonne Klein

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

**Guests:** Governor Dannel P. Malloy

*Prior to start of meeting, the CRDA Board, staff and media toured the ongoing renovation projected, funded by CRDA at 201 Ann Street with Yisroel Rabinowitz, the developer.*

Meeting of the CRDA Board was called to order at 7:00 pm and was held at University of St. Joseph's School of Pharmacy, 229 Trumbull Street, Hartford, CT 06103

**Minutes**

The minutes from the November 21, 2013 Board Meeting were moved by Thomas Deller and seconded by Pamela Reid.

**Financial Update**

Joseph Geremia presented the Monthly Financial Report to the Board noting that the venues were operating in accordance with their budgets as adopted or in the case of the XL Center, as amended. The Convention Center operated at an 80% occupancy during the month with 135,000 attendees. XL had 17 events while Rentschler Field had four. Parking was running at 50% utilization with event driven parking off setting commuter parking variances. Mr. Geremia updated the Board on the capital programs underway at XL, Rentschler and the Convention Center and noted that four housing projects were now drawing funds.

**Housing Report**

Tom Deller and Mike Freimuth updated the Board on housing activity noting that four projects totaling 403 units were closed and in construction. Other efforts at Capewell, the Hartford Office Supply building and at Pearl Street were in review, pending approvals from a variety of other sources. Freimuth noted that there were insufficient funds to meet the needs of all three projects. It was also pointed out that 777 Main Street still needed to get clarity from the IRS in order to secure the amount of historic credits needed for the project while 3 Constitution had been submitted to the State Bond Commission.

There was extensive discussion on the product mix within the housing production pipeline and it was noted that a communications effort would be important to alert the business community of the upcoming housing availability.

## Venue Committee

The license agreement with the Tennis Foundation of Connecticut (TFC) has been finalized and adopted by the TFC Board. Dave Jorgensen has joined the TFC Board as a representative of CRDA.

State Bond Commission approval for architectural work necessary for the XL Center has been approved and is underway.

## UConn Campus

Chairman Hopgood reported on a successful community meeting with UConn regarding the proposed new campus which included attendees from many of the neighborhood and downtown organizations and institutions as well as President Herbst, Chairman Larry McHugh as well as Tom Ritter.

## Annual Summary

Chairman Hopgood summarized CRDA's year-end accomplishments noting in particular the re-organization of the agency, the start up of the housing program, the extensive process to change management at the XL Center and Rentschler Field and the launching of new initiatives such as the Office Relocation program and the Regional outreach.

The Chair expressed her gratitude to the staff, thanking them on behalf of the Board.

Governor Dannel Malloy joined the Board meeting commenting on how he has been watching the work of the Authority over the year and that he was pleased and excited by its efforts, especially in housing, working to reduce the commercial vacancy rate and reaching out to the greater region. The Governor noted the efforts to extend the life of the XL Center as critical to the downtown and very much a concern to him. Mayor Segarra thanked the CRDA Board for its work during the year and the Governor for his continued support. Vice Chairman Bessette emphasized the need to increase collaboration among the city, state and business community to achieve all that is before the agency in the coming year.

The meeting adjourned at 7:45 pm.

***"The minutes of the December 19, 2013 CRDA Board Meeting were approved by Board Members at the January 15, 2014 CRDA Board Meeting".***

**Capital Region Development Authority**  
**100 Columbus Blvd. Suite 500**  
**Hartford, CT 06103**  
**Wednesday, January 15, 2014**  
*(This meeting was rescheduled from 1/16/14)*  
**6:00 pm**

**Board Members Present:** Vice Chairman Andy Bessette chaired the meeting; Secretary Ben Barnes; Floyd Green (conf. phone); David Jorgensen; Commissioner Evonne Klein (conf. phone) Mayor Marcia Leclerc; Michael Matteo (conf. phone); Nick Lundgren for Commissioner Evonne Klein; Cheryl Malerba for Commissioner James Redeker; Commissioner Catherine Smith

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

**Guests:** Marty Legault, President and CEO, Corporation for Independent Living (CIL)

**Minutes**

The minutes from the December 19, 2013 Board Meeting were moved by Catherine Smith and seconded by Mayor Marcia Leclerc.

**Housing Committee**

**Capewell Lofts**

CRDA Executive Director Michael Freimuth introduced Marty Legault, the representative of the developer for the Capewell Lofts Project. Mr. Freimuth explained the project to the Board. It was approved by the Housing Committee on January 10, 2014 and referred to the Board for action.

The total project is approximately \$26M, producing 72 units of housing, 20% affordable. Federal and state historic tax credits are being pursued as well as some financial support from DECD through a Brownfield Grant and CRDA for the gap of \$5M in a construction loan/permanent mortgage. There is an environmental concern that has not yet received EPA sign-off. This component needs approval in order for the project to move forward. A more detailed outline is as follows:

**Project History:**

The Capewell building, a 100,000 square foot former horseshoe nail factory has been deteriorating at 70 Popieluszko Court for several decades. The building is the last remaining structure on a larger block bordered by Charter Oak Avenue that has had substantial rehabilitation and new housing construction. It is at the edge of the CRDA district and within the boundary of the immediate neighborhood to the south of downtown (SODO/Sheldon-Charter Oak NRZ) and is a key element within the "CSS/CON" plan.

Proposals to restore the building have had many versions over the years. CIL Development Inc. which has developed other abutting parcels and has had notable success in restoring old industrial facilities into new housing in other localities has requested CRDA support as a component of their plan to restore the structure.

Project Details:

Number of Units: 16 studio  
34 1BR  
20 2BR  
2 3BR  
72 Total units

The units will be split 80% market-20% affordable (57/15) and the project includes 5470 s.f. of commercial space.

Sources:

Bank Loan	\$9,250,000
State HTC	5,000,000
Fed HTC	4,160,000
DECD	2,000,000
CRDA	5,000,000
Equity	<u>600,000</u>
	\$26,010,000 Total

CRDA Assistance:

The CRDA package would be a 3% construction loan converted at completion to permanent financing, second mortgage, subordinate to the bank; and payments will be based on cash flow with up to 50% of the available cash dedicated to CRDA repayment, 40 year term, 1% interest, reset at year 10.

**After a discussion, the following resolution was made by Catherine Smith, seconded by Mayor Marcia Leclerc and approved unanimously.**

*“The CRDA Board hereby approves the use of CRDA housing funds to assist CIL Development Inc. in the restoration of the former Capewell facility into 72 rental units and the Executive Director is authorized to extend a formal term sheet to CIL Development Inc. offering \$5.0 million in assistance as a construction loan/permanent mortgage as approved by the Housing Committee, subject to (1) evidence that all other sources of funding are secured in such terms as acceptable to CRDA and its counsel; (2) State Bond Commission approval; and (3) such fiduciary items, including environmental remediation approvals deemed appropriate by the Executive Director”.*

Pipeline Report

The Pipeline update, including the allocation of funds to the Capewell property, indicates that there remains \$18M in uncommitted funds. There are four projects in construction; two projects with closings imminent; one project is pending Bond Commission and one is pending finalization of bidding for the architecture.

Venue Committee

Venue Committee Meetings

Andy Bessette, Chairman of the Venue Committee, would like to implement a monthly Venue Committee, a memo indicating the dates will be forwarded to the Venue Committee Members.

The Tennis Foundation of Connecticut (TFC) Grant-In-Aid Agreement

Anthony Lazzaro briefed the Board on two items regarding the Tennis Foundation. The first is an assistance agreement that allows the Capital Region Development Authority to disburse a grant to the TFC, for an amount not to exceed \$400,000, for the operation of the New Haven Open at Yale.

**The following motion was made by Catherine Smith, seconded by Mayor Marcia Leclerc and approved unanimously.**

*“The CRDA Board of Directors hereby approves this Grant-In-Aid Agreement to the Tennis Foundation of Connecticut, as distributed.”*

The second item is the Tennis Foundation of Connecticut’s amended budget. The budget has been amended to meet the requirements of utilizing the funds for the FY2014 and FY2015 budget years.

**The following motion was made by Catherine Smith, seconded by Mayor Marcia Leclerc and approved unanimously.**

*“The CRDA Board of Directors hereby approves the FY2014 Tennis Foundation of Connecticut Budget as amended.”*

Michael Freimuth gave a brief update regarding the other venues:

**Rentschler Field** - final reports are being prepared for the UConn football season  
- capital programs underway

**XL Center** - design work is in final stages  
- issue- HVAC systems, needs immediate attention without compromising upcoming events  
- will begin process of Construction Management RFP in the next few weeks  
- in conversations with UConn regarding the long term lease

### **Financial Report**

Joseph Geremia, CRDA’s CFO reported on the following FY 2014 Operating Statistics:

CT Convention Center – Dec.

Monthly utilization of 42% while YTD is even with budget at 68%

15 events held this month - 82 events held YTD with YTD attendance at 163,000

For first five months of activity, total year projection even with budget

CRDA Parking Facilities – Dec.

Utilization even with budget at 48%

Monthly rate customers were 2,300, same as prior 4 months

Transient customers were 29,000, same as prior 3 months

Transient revenue is up 15% while monthly rate customer revenue is down 10%

For first five months of activity, total year projection even with budget



XL Center – Dec.

14 events held - 7 Hockey games, 3 Basketball games, 4 Misc. events  
For first five months of activity, \$200K unfavorable variance with amended forecast

Rentschler Field – Dec.

1 UCONN football game (Memphis)  
Hosted approx. 3 community events  
For first five months of activity, total year projection in line with amended forecast

### **Financial Projects**

Capital Expenditures – Rentschler Field - \$2.8M, Expended \$1.8M  
Capital Expenditures – XL Center - \$1.8M  
Capital Expenditures – Convention Center - \$1.3M  
Residential Housing Initiatives – Loaned \$4.7M

### **Personnel Update**

Position of Senior Accounting Analyst filled by Lauren Vaz  
Currently reviewing candidates for the Construction Program Assistant

### **Fiscal Year 2015 Budget Process**

Scheduling Board approval for May  
Scheduling Finance Committee meetings in March and April

### **Executive Director Report**

#### **Town of Newington**

Michael Freimuth reported that CRDA has developed a Letter Of Intent to the Town of Newington with a proposal to assist in the redevelopment of the former National Welding property site.

The Letter of Intent is comprised of two general services (1) the administration of a State of Connecticut Department of Economic and Community Development (DECD) Brownfield Grant to the Town; and (2) the provision of development consultant services to assist the Town to assess and redevelop the Site in accordance with Town plans.

The Town of Newington is scheduled to consider any CRDA agreement on January 28, 2014 at the Town Council Meeting.

**After a lengthy discussion, the following motion was made by Secretary Ben Barnes and seconded by Cheryl Malerba and approved unanimously.**

*“The CRDA Board of Directors hereby approves the attached Letter of Intent as presented and authorizes the Executive Director to execute a services agreement with the Town of Newington on substantially the same terms and conditions set forth in such Letter of Intent.”*

#### **UConn Campus**

CRDA is engaged in parking and traffic discussions. UConn will be bringing proposal to UConn Board of Directors in either February or March 2014.

Office Relocation

- 55 Farmington
  - 100% under contract
  - Garage repairs underway
  - Late spring move-in
- 450 Columbus Boulevard
  - Design has begun
  - RFP for Construction Management, bids due next month
  - Tenant fit-out, next calendar year

Marketing

Terryl Mitchell Smith reported that CRDA redesigned the website last year. Currently she is updating the navigation. Board members asked if CT Visit.com could be made more prominent on the website; also, is it possible that an “app” be created of the CRDA website? Ms. Smith indicated yes to both of these requests.

Meeting adjourned at 7:11pm.

***“The minutes of the January 15, 2014 CRDA Board Meeting were approved by Board Members at the February 20, 2014 CRDA Board Meeting with Chairwoman Hopgood abstaining.”***

**Capital Region Development Authority**  
**100 Columbus Blvd. Suite 500**  
**Hartford, CT 06103**  
**Thursday, February 20, 2014**  
**6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood, Andy Bessette; Secretary Ben Barnes; Thomas Deller; Floyd Green (conf. phone); David Jorgensen; Commissioner Evonne Klein; Mayor Marcia Leclerc; Michael Matteo; Cheryl Malerba for Commissioner James Redeker; Pamela Trotman Reid

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

**Minutes**

The minutes from the January 15, 2014 Board Meeting were moved by Evonne Klein, seconded by Thomas Deller and approved by Board members with Suzanne Hopgood abstaining.

**Guests**

Riverfront Recapture: Joseph Marfuggi, President and CEO; Deborah Baker, Director of Development; Peter Holland, Board of Directors

**Presentation**

**Riverfront Recapture**

Chairwoman Hopgood introduced the team from Riverfront Recapture including Mr. Joseph Marfuggi, Ms. Deborah Baker and Mr. Peter Holland. Mr. Holland kicked off the presentation, Deborah Baker followed with a video displaying Riverfront's qualities, successes and activities at Downtown Hartford's Mortensen Riverfront Plaza. Mr. Marfuggi's report describes Riverfront Recapture as a non-profit organization dedicated to restoring public access to the riverfront along the Connecticut River in Hartford and East Hartford. He explained that it is a joint effort by the Cities of Hartford, East Hartford and MDC that have made the parks successful. He further explained that the legislature gave authority to MDC to enter into an agreement to provide funding that would fund park maintenance and a Park Ranger Program. With this funding, Riverfront Recapture is responsible for managing, maintaining, producing events and offering activities that serve hundreds of thousands of visitors each year. These efforts have received them national recognition as a model for parks management.

Mr. Marfuggi reported that MDC may cut funding to Riverfront and possibly even phase out funding for the Park Ranger Program. He and the Riverfront Recapture Board of Directors asks that CRDA consider joining Riverfront Recapture in a conversation that would give thoughtful advice on how we can maintain these parks and also help to come up with ideas to continue to fund the parks.

## **Housing Committee**

Michael Freimuth reported that he met with the Environmental Protection Agency (EPA) to discuss demolition or remediation of the Capewell building. This site remediation action plan requires modeling, risk analysis and approval from the Federal Government. The funding will include bank loans, tax credits, a Brownfield Grant from DECD, CRDA funds and is pending Bond Commission. 3 Constitution is also pending Bond Commission.

Other project updates include: 777 Main Street which is still in negotiations; 99 Pratt is pending bank financing and final construction budget and four projects are under construction.

The Pipeline Report was included in the Board package.

## **Venue Committee**

Andy Bessette reported that the Venue Committee met on February 7<sup>th</sup>. Mr. Bessette and Mr. Freimuth indicated that the committee is focused on bringing special events to Rentschler Field and the XL Center.

Mr. Bessette commented on a conference call with Relevent Sports indicating that Rentschler Field is very interested in hosting soccer games. One drawback that was discussed is that Hartford has tough competition due to Rentschler Field being half the size of other venues. This leads to higher ticket prices in an effort to meet the sponsor's price point, however CRDA has reiterated its interest and looks forward to working with Relevent to secure possible games. Mr. Bessette also met with Global Spectrum to express that more events are needed at the XL Center as well.

Mr. Freimuth reported that CRDA, along with the City of Hartford, has the task of the XL Center to determine whether the building needs to be replaced. Board members inquired whether a committee would be formed to examine this further and what role the City would play. Mr. Freimuth indicated that Mayor Segarra and Mr. Deller would be involved in any discussions. Mr. Bonafonte, Chair of the Hartford Redevelopment Authority and other individuals in the community have also expressed interest in being part of the process.

Mr. Freimuth continued by asking Bob Saint to give an update on the progress of the capital improvements that are currently ongoing at the XL Center. Mr. Saint indicated that the design is approximately 40% complete. The Construction Manager RFP is underway and on-site construction is expected to begin in late spring/early summer. It is worth noting that it is a challenge working in the building while open to the public.

The New Haven Tennis Tournament update includes the tournament working on growing their sponsorship. CRDA will review their contract at the end of the event. The audit has been completed which enabled the State to release grant money. He also reported that Mayor Toni Harp of New Haven and New Haven's Development Director Matthew Nemerson have joined the Tournament's Executive Board.

## JCJ Contract

Anthony Lazzaro gave a brief summary of the architectural contract explaining that Global Spectrum selected JCJ Architecture for building repairs undertaken by Global under a separate contract. The CRDA has been asked to ratify this contact between the two parties as follows:

### **Selection Process:**

- Global Spectrum (“Global”), the building manager of the XL Center, selected JCJ Architecture, PC (“JCJ”) to provide certain architectural services for building repairs undertaken by Global under a separate contract. JCJ was selected by Global due to their experience with similar facilities and their familiarity with the XL Center.
- In order to complete the capital improvements in a timely manner to keep the building fully functional and to avoid a potentially serious systems failure, CRDA elected to forego a prolonged selection process and begin immediate negotiation with JCJ to provide the design service for the XL Center capital improvements.
- The resulting agreement (AIA Document B101 – 2007) authorizes \$1,726,112 for Design and Construction Documents Phase Services. The agreement contemplates an additional \$979,763 in Construction Phase Services authorized by CRDA via an amendment to the agreement.

**The following motion was moved by Evonne Klein, seconded by Thomas Deller and approved unanimously.**

*“The CRDA Board of Directors hereby approves to ratify the Architectural Services Agreement by and between CRDA and JCJ Architecture, P.C., as presented.”*

## Financial Report

Joseph Geremia presented the following February Financial update with Board members.

### **Fiscal Year 2014 Operating Statistics**

#### CT Convention Center – Dec./Jan.

Monthly utilization of 84% while YTD is even with budget at 71%

11 events held this month - 93 events held YTD with YTD attendance at 210,000

For first six months of activity, total year projection even with budget

#### CRDA Parking Facilities – Dec./Jan.

Utilization even with budget at 48%

Monthly rate customers were 2,300, same as prior 6 months

Transient customers were 37,000, increase over prior 3 months

Transient revenue is up 14% while monthly rate customer revenue is down 11%

For first six months of activity, total year projection even with budget

Science Center has seen 7,000 member visits use the member parking rate established for this fiscal year.

#### XL Center – Dec./Jan.

26 events held - 5 Hockey games, 5 Basketball games, 16 Misc. events

For first six months of activity, unfavorable variance with amended forecast

F&B Income: \$600K, Suite Income: \$200K, Hockey Operations: \$200K

Rentschler Field – Dec./Jan.

Hosted approx. 5 community events

For first six months of activity, total year projection in line with amended forecast

### **Financial Projects**

Capital Expenditures – Rentschler Field - \$2.8M, Expended \$1.9M

Capital Expenditures – XL Center - \$1.8M

Capital Expenditures – Convention Center - \$1.3M

Residential Housing Initiatives – Disbursed \$5.3M

### **Fiscal Year 2015 Budget Process**

Scheduling Board approval for May

Scheduling Finance Committee meetings in March and April

### **Executive Director Report**

Mr. Freimuth reported on the following topics:

*Front Street Settlement* - The Executive Committee met on February 11, 2014 and discussed the proposed Settlement Agreement referenced below. Although CRDA is named along with the State of Connecticut, this agreement has no economic impact to CRDA. The Executive Committee considered the agreement and acted on it in their meeting on February 11<sup>th</sup>. The CRDA Board has been asked to ratify the agreement as follows:

**Settlement Agreement amongst Capital Properties Associates, L.P., R/C Capital Properties Ltd. and Richard C. Cohen (together the “Plaintiffs”), and the State of Connecticut and the Capital Region Development Authority (together the “Defendants”)**

#### **TERMS:**

- The State of Connecticut agrees to pay the Plaintiffs \$6,200,000 contingent upon the approval of this Settlement Agreement by the General Assembly;
- The Parties agree that simultaneous with the payment of the Settlement Payment, all Suits and Appeals will be withdrawn with prejudice; the Plaintiffs and Defendants further agree to execute a full release of all Claims against the other;
- The Office of the Attorney General and OPM requested that this agreement be executed with time being of the essence so that it could be filed timely with the General Assembly; accordingly, the Executive Committee approved the agreement at its meeting of February 11, 2014 and the Settlement Agreement was executed on even date.

Board Members inquired as to financial impact to CRDA of the settlement. Anthony Lazzaro confirmed that there was no financial impact to CRDA due to this settlement.

**The following motion was moved by Evonne Klein, seconded by Pamela Reid and approved by Board members with Ben Barnes abstaining.**

*“The CRDA Board of Directors hereby approves to ratify the Settlement Agreement executed February 11, 2014, by and between the Parties, as presented.*”

*Newington, National Welding Agreement* – Mr. Freimuth met with the Newington Town Council in January regarding the proposal that was submitted to the Newington Town Council regarding

the DECD Brownfield Grant for the National Welding site. The council approved the proposal which indicates that CRDA will work with the Newington Development Office to oversee the DECD grant. This process will be moving forward in the next few weeks.

Windsor, Great Pond - Mr. Freimuth gave an update regarding the Great Pond project. Phase 1 will be residential, Phase 2, residential and possibly commercial. The Town approached CRDA to assist the project with a bridge loan. It was recommended that the Town meet with Commissioner Catherine Smith of the Department of Economic and Community Development and Secretary Ben Barnes from the Office of Policy and Management to review and discuss.

Board members discussed whether a project in Windsor will compete with the Hartford market. Understanding that this is a legitimate concern, it was further suggested that the Mayors from each Community/City meet to discuss these concerns.

### UConn Campus Update

New Phase III – Front Street District

Parties include: UConn, OPM, HB Nitkin and CRDA

A turnkey, fast track development, built by Nitkin, financed by UConn for the new Hartford Campus at the Hartford Times parcel(s).

CRDA's roles will be:

- Concept Design Approval
- Contract Compliance to ensure city resident hiring and small and minority business contracts, 30% goal city residents, community outreach provisions, prevailing wage, PLA provision.
- Conveyance of Title
- Parking Agreement
  - 850 nonexclusive spaces 8AM-10PM, M-F
  - 50 years agreement, with 4 ten (10) year renewals
  - \$ \_\_ space faculty/staff rates and student rates – determined at a later date
  - Conflict date provisions
  - South Garage mobilization clause
  - Traffic Management component

State Office Relocation Program – 55 Farmington- scheduled to start move in phases on May 16<sup>th</sup> through early June. Some work will continue as move-in's happen but will not impact the move. The project is on schedule and under budget.

450 Columbus Blvd. – Design has begun. An RFP for Construction Management Services is now in final stage of being awarded. Tenant fit-out packages will be released for bid in the winter of '14/'15. This work will run through 2015 and move in anticipated in spring of 2016.

Metro Hartford Alliance, Special Meeting of the Leadership Investors – Suzanne Hopgood and Mr. Freimuth will be attending a meeting of the Metro Hartford Alliance Leadership Investors on February 21<sup>st</sup> along with the XL Center Executives designed to help increase sponsorship for the XL Center.

New Hires, Construction Program Assistant - Mr. Freimuth indicated that Erica Levis started on Friday, Feb. 14<sup>th</sup> working for Construction Services. Bob Saint gave a brief description of the work Erica will be handling, indicating that she has been in the construction industry for many years and is already fully engaged. Lauren Vaz, Sr. Account Analyst, has been with CRDA for approximately two months working in the Financial division under Joseph Geremia's direction.

DECD MOU – Property Due Diligence

Mr. Freimuth explained that the funds in this MOU will be used for an investigation of issues critical to development of the parking lot outside of the Connecticut Convention Center for potential development.

**The following motion was moved by Thomas Deller, seconded by Secretary Ben Barnes and approved unanimously.**

“The CRDA Board of Directors hereby authorizes the Executive Director to negotiate and execute a Memorandum of Understanding to receive funding from the Department of Economic and Community Development in an amount not to exceed \$30,000 to be used for (1) environmental and geotechnical evaluation (2) civil engineering and site planning, and (3) cost estimating services at Adriaen's Landing.”

Executive Session

**The following motion was moved by Evonne Klein seconded by Mayor Leclerc and approved unanimously.**

*“The CRDA Board of Directors hereby authorizes to go into Executive Session”.*

The Board ended Executive Session at 8:15pm and took no action. The Board then adjourned.

***“The minutes of the February 20, 2014 CRDA Board Meeting were approved by Board Members at the March 20, 2014 CRDA Board Meeting.”***



**Capital Region Development Authority**  
**55 Farmington Ave.**  
**Floor 4**  
**Hartford, CT 06106**  
**Thursday, March 20, 2014**  
**6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood, Andy Bessette; Thomas Deller; Floyd Green; David Jorgensen; Mayor Marcia Leclerc; Michael Matteo; Commissioner James Redeker; Nick Lundgren on behalf of Commissioner Klein; Meagan Occhiogrosso on behalf of Secretary Ben Barnes

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

**Tour**

Prior to the beginning of the Board meeting, Board members toured 55 Farmington Avenue

**Minutes**

The Board meeting was called to order at 6:07pm. The minutes from the February 20, 2014 Board Meeting were moved by Andy Bessette, seconded by Michael Matteo and approved unanimously.

**Housing Committee**

The Housing Pipeline Report was included in the Board package. An update on projects in the pipeline was provided and included: continued work towards closing 289 Asylum; funding secured for Capewell project pending EPA cleanup issue with a May closing probable; a July closing is likely for 3 Constitution. The parties are working towards closing of 777 Main Street deal.

The Housing Pipeline Report by Unit was provided and breaks out the project in more detail, indicating number of units, whether it is Market/Affordable, the configuration i.e. studio, 1BR, 2BR; the size of the unit and average monthly rent.

**Venue Committee**

Venue Committee meets every first Friday of the month. XL Long Range Plan discussion is the focus of the April Venue Committee meeting.

Mike Freimuth explained that the contract for management of the CT Convention Center will be eligible to go out to bid soon. Chairwoman Hopgood suggested, without objection from the full Board, the discussion regarding management of the CT Convention Center take place in Executive Committee, the Committee will report findings to the Board.

Mr. Freimuth further reported that the Central Utility Plant (CUP) and the Parking Management Agreements are due to expire on April 1, 2014 and June 30, 2014 respectively. A six month extension is being requested for both management agreements.

Central Utility Plant (CUP)

The following is an extension of the existing CUP contract.

**OPERATIONS AND MAINTENANCE SERVICE AGREEMENT**  
**RELATING TO THE MANAGEMENT**  
**OF THE CENTRAL UTILITY PLANT (CUP) - EXTENSION**  
**("Service Agreement")**

The Authority's current Service Agreement with EMCOR/New England Mechanical Services, Inc. ("NEMSI") is expiring on April 1, 2014. The CUP is currently in the process of a retro-commissioning project through the State of Connecticut Energy Efficiency Fund. The project has a completion date of July 31, 2014. NEMSI's role in the retro-commissioning is critical to the success of the project. The costs and delays associated with a new firm potentially being introduced into the current project would be substantial. Accordingly, the Authority would like to extend the Service Agreement for a six-month period under the following terms and conditions.

**Terms and Conditions**

- The term of the extension shall be six months. During such period, the Authority will prepare and complete an RFP process to select a preferred vendor.
- The current Service Agreement provides for a fixed fee of \$33,306 per month for 7 days per week coverage and unlimited administrative support.
- Pursuant to the current Service Agreement, NEMSI supervisors and technicians will receive a 1.5% CPI increase for the term of the extension. The resulting increase to the CUP Operating Budget for the six-month period will total \$1,627.

The following motion was moved by Marcia Leclerc, seconded by Andy Bessette and approved unanimously.

*"The CRDA Board of Directors hereby authorizes the Executive Director to execute an extension of the Service Agreement pursuant to the above terms."*

Parking

The following is an extension of the existing Parking contract.

**PARKING MANAGEMENT AGREEMENT - EXTENSION**  
**("Management Agreement")**

The Authority's current Management Agreement with LAZ Parking Ltd. ("LAZ") is expiring on July 1, 2014. Pursuant to the Management Agreement, LAZ has been providing consulting and planning services to the Authority relating to the tenant improvements under construction at Front Street as well as the University of Connecticut's Greater Hartford campus relocation project. LAZ's assistance and guidance in the parking and traffic planning has been invaluable. Introducing a new firm during this phase of the projects could cause unnecessary costs and delays, especially with the UConn project. Accordingly, the Authority would like to extend the Management Agreement for a six-month period ending December 31, 2014, under the following terms and conditions.

## Terms and Conditions

- The term of the extension shall be six months. During such period, the Authority will prepare and complete an RFP process to select a preferred vendor.
- The current Management Agreement provides for an annual fixed fee of \$81,954. Such fee is adjusted 3% annually. The resulting increase for the six-month period will total \$1,230.

**The following motion was moved by Marcia Leclerc, seconded by Jim Redeker and approved unanimously.**

*“The CRDA Board of Directors hereby authorizes the Executive Director to execute an extension of the Service Agreement pursuant to the above terms.”*

### New Haven Tennis Tournament

The first Full Board meeting under the new Board structure will occur next week. Sponsorships continue to be pursued. New Haven Tennis Tournament is in discussions with Ovations to possibly handle the food and beverage for the Tournament which is currently run through the Tennis Foundation. Ovations currently operates food and beverage catering for XL Center and Rentschler Field.

The Tournament has created a list of capital improvement projects. This request has been submitted to the State Bond Commission.

### XL Center

Kim Hart and Bob Saint took the Board members through a timeline of the potential future plan of the Hartford Arena. The draft document referred to options regarding possible timelines for feasibility studies, Master Plans and Design and Construction. There may also be a strategy to make improvements and utilize the existing structure.

Staff have looked at five cities across the Country that are currently wrestling with a similar situation including Hampton Roads, VA; Portland, ME; Louisville, KY; Kansas City, MO and Cincinnati, OH. With the exception of the mega cities i.e. Chicago, New York, the next generation of buildings are projected to be smaller, smarter buildings.

Board members gave thoughtful ideas about what they think is needed to make the future of the XL Center successful. They also discussed different scenarios at length, referring their thoughts to the XL Center Long Range Plan discussion of the CRDA Venue Committee.

### Financial Report

An outline of the March 2014 Financial update was given by CRDA CFO Joseph Geremia. The Financial statements and executive summary can be found in the March Board package. Andy Bessette requested that a CRDA Committee assignments list be redistributed.

## **Fiscal Year 2014 Operating Statistics**

### **CT Convention Center – Jan./Feb.**

- Monthly utilization of 86% while YTD is even with budget at 72%
- 12 events held this month - 105 events held YTD with YTD attendance at 274,000
- For first seven months of activity, total year projection even with budget

### **CRDA Parking Facilities – Jan./Feb.**

- Utilization even with budget at 49%
- Monthly rate customers were 2,400, same as prior 7 months
- Transient customers were 37,000, 2 month increase over previous 3 months  
Transient revenue is up 16% while monthly rate customer revenue is down 11%
- For first seven months of activity, total year projection even with budget

### **XL Center – Jan./Feb.**

- 16 events held - 6 Hockey games, 3 Basketball games, 7 Misc. events
- For first seven months of activity, unfavorable variance with amended forecast  
F&B Income: \$600K, Suite Income: \$200K, Hockey Operations: \$400K

### **Rentschler Field – Jan./Feb.**

- Hosted approx. 3 community events
- For first seven months of activity, total year projection in line with amended forecast

## **Financial Projects**

- Capital Expenditures – Rentschler Field - \$2.8M, Expended \$2.2M
- Capital Expenditures – XL Center - \$33M, Expended \$915K
- Capital Expenditures – Convention Center - \$1.3M
- Residential Housing Initiatives – Disbursed \$6.5M

## **Report of the Auditors of Public Accounts**

- Audit encompassed CRDA financial statements for fiscal years ended June 30, 2011 and 2012
- Audit primarily limited to CRDA's compliance with regulations  
(Affirmative Action, Personnel practices, Purchase of goods and services, distribution of financial resources, and internal controls)
- One Recommendation reported – Board members and Employees to review and sign a Conflict of Interest  
Statement annually (Authority has corrected the condition)

## **Fiscal Year 2015 Budget Process**

- Scheduling Board approval for May
- Scheduling Finance Committee meetings for April

**Capital Region Development Authority**  
**Fiscal Year 2014 Financial Statements for the Six Months Ending 12/31/2013**  
**Executive Summary**

**Balance Sheet**

**Cash:**

Current unrestricted cash increase primarily due to inclusion of XL Center operations within CRDA financial statements

Current restricted cash increase reflects receipt of venue capital bond funds and funds for residential housing initiatives with off-setting liability in accounts payable and accrued expenses

Non-current restricted cash decrease reflects payment of Capital Grille fit-out expenses

**Other Assets:**

Accounts receivable and Prepaid expense increases primarily due to inclusion of XL Center operations within CRDA financial statements

Net Capital asset decrease due to depreciation expense significantly off-setting additions

**Liabilities:**

Accounts payable and Accrued expense increases primarily due to inclusion of XL Center operations within CRDA financial statements

**Statement of Revenues, Expenses and Changes in Net Position**

Note: Rentschler Field operation revenues and expenses not reflected within CRDA financial statements

**Actuals vs. Budget**

For first six months of activity, total year projection even with budget

CRDA office favorable to budget by \$10K

Bond fund favorable to budget by \$45K

Front Street District favorable to budget by \$110K

CTCC favorable to budget by \$280K

Parking unfavorable to budget by \$65K

XL Center unfavorable to revised budget by \$625K

**Actuals vs. Prior Year**

Note: XL Center operation revenues and expenses reflected within CRDA FY14 financial statements

Restricted grant revenue reflects State office relocation project income

On-behalf payments and pension expense increases due to recording actuals for FY14 while FY13 recorded based on State Comptroller percentage calculation

Development costs for FY14 reflects Capital Grille fit-out while FY13 reflects Spotlight Theatre fit-out

ESPN grant funds for Front Street tenant fit-out have been fully expended

Mr. Geremia presented slides on the CRDA FY2015 Budget. It focused on the budget process and timing and budget components. Members of the Finance and Executive Committees are encouraged to attend the Budget discussions scheduled during April and May. Venue Committee members were also asked to join the discussion, however all Board members are invited.

Mr. Geremia reported that CRDA, OPM and Bond Counsel are meeting on March 26<sup>th</sup> with the Treasurer's office to discuss the possibility of refinancing the Series A and Series B Bonds and converting to State GO Bonds. This change would create much more flexibility and ultimately savings from a revenue standpoint.

## **Executive Director Report**

*UCONN Parking* – CRDA is currently in discussions with UConn regarding the long term parking commitment that will be needed once the UConn campus is constructed. The goal is to have the CRDA parking facilities lease parking spaces to UConn. A Memorandum of Understanding will likely be the initial agreement and would move into a contract after review. UConn has expressed that, if possible, they would like the agreement to be in place within the next 60 days.

*Northland* – The Common area in the XL Center belongs to Northland. A rental agreement between AEG and Northland was in place however a deal between Global and Northland does not exist. CRDA has currently paid the default common area charge through February. CRDA is interested in reconsidering the rights to some part of the common area, whether it is a long term agreement or another form of agreement to utilize some of the open space. CRDA has initiated discussions with Northland in an attempt to negotiate space needs and rental fees.

*Construction Status* – project completion is based on requisitions, which tends to be lower than actual: Ann Street at 26%; 179 Allyn Street at 18%; 5 Constitution at 14%; Front Street is at about 5%.

Dimeo Construction, the Construction Manager for XL Center renovations, have put a process in place that conveys that major enhancements to the XL Center will be completed by October 2014.

*Front Street Development* - Ted's Montana Grill, April 15 scheduled opening; Nix's Hartford, opening scheduled for May; Infinity Music Theatre set for a July opening.

CRDA has been sued by Local 230 Laborer's Union and CRDA is taking steps to defend the case.

### *CRDA Marketing and Public Relations Update*

#### **Hartford Has It Campaign**

The Implementation Committee for the Hartford Image Project has resumed meeting to discuss ways to further promote the "Hartford Has it" Campaign. Two 30-sec and videos are currently in production. One focuses on "life" and the other on "food". The roll-out of the "food" version will coincide with the Taste of Hartford in August. No date has been set for the premiere of the "life" version. Both will be posted on the Hartford.com website and You Tube.

In an effort to continue to engage the community, the committee also discussed holding a contest to create a video to go along with an original "Hartford Has It" composition produced and performed by Hartford residents Charmagne Tripp and Mr. Qwes. Details are still being worked out. [Hartford Has It-Charmagne Tripp \(http://youtu.be/B53OE5CcWAs\)](http://youtu.be/B53OE5CcWAs)

### **Bike Share Program**

The second meeting of the proposed “Bike Share” initiative spear-headed by CROCG was held on March 7. The kickoff meeting was held on January 14. The goal of the first meeting was to introduce the Foursquare Integrated Transportation Planning Firm staff to the group. They are the consultants hired to assist in developing an implementation plan for a bike share system in the region.

Attendees included representatives from Greater Hartford Transit District, CTDOT, the City, Travelers, Riverfront Recapture, City of Waterbury, DEEP, Central CT RPA, Hartford Parking Authority, CT Dept. of Public Health, City of New Britain, Bike Walk, CT, Goodwin College, COG of the Central Naugatuck Valley and the HBID.

The March meeting was to review the results of the brainstorming session of the 1<sup>st</sup> meeting, review existing programs in comparable cities, trends, understand the structure of various systems, cost/financing and decide next steps:

- Determine overall goal of the proposed program
- Community Engagement
- Define geographic “region”
- Decide the target audience of the program such as leisure visitors-tourists, downtown workers, CTFAstrak commuters, college students, residents or a combination of groups
- System ownership
- System funding
- Sustainability, what would make or break a bike share program in Hartford
- Equity and access

The next meeting date has not been set, but it will be a workshop focused on a marketing assessment, potential business model, operating model, ownership structure and preferred technology.

### **Infinity/CPTV Music Festival**

CPTV has decided to put off the live music festival until next spring due to the Front Street construction and the probability of not being able to book preferred acts in time for fall.

The Board adjourned at 8:31pm.

*“The minutes of the March 20, 2014 CRDA Board Meeting were approved by Board Members at the April 24, 2014 CRDA Board Meeting.”*

**Capital Region Development Authority  
CT Science Center  
The Science Hall  
250 Columbus Boulevard  
Hartford, CT 06103  
Thursday, April 24, 2014  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood, Andy Bessette; Ben Barnes; Thomas Deller; David Jorgensen; Mayor Marcia Leclerc; Cheryl Malerba; Pamela Reid

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

**Science Center Tour**

Prior to the beginning of the Board meeting, Matt Fleury, President of the CT Science Center gave a tour of the Science Center followed by a brief Power Point presentation.

**Minutes**

The Board meeting was called to order at 6:16pm. The minutes from the March 20, 2014 Board Meeting were moved by Andy Bessette, seconded by Cheryl Malerba and approved unanimously.

**iQuilt Presentation**

Doug Suisman Founder and Principal of Suisman Urban Design, gave a presentation depicting future potential housing and streetscape in the South Downtown (SoDo) neighborhood.

The iQuilt is an urban design plan for Downtown Hartford that links 45 cultural assets and destinations with a vibrant and innovative pedestrian network. The iQuilt Plan has worked on design concepts for the City's infrastructure and private property that enhances the iQuilt's overall goal including a more walkable, sustainable and welcoming downtown; an improved Cultural Network and a stronger economy and workforce.

**Bond Refinancing Options**

Chris Valentino, Lamont Financial Services and Ernest Lorimer, Finn Dixon & Herling, LLP reported on the options for refinancing the Series A & B Bonds used to finance the CT Convention Center. They recommended to terminate the swap agreement at par on 6/15/14. CRDA will open discussions with Treasurer and OPM to refinance with State GO Bonds as a further policy suggestion.

After a lengthy discussion, the following motion was moved by Andy Bessette, seconded by President Reid and approved unanimously.

*"The CRDA Board hereby authorizes the Executive Director to begin negotiations on refinancing the CRDA bonds, terminate the Series B swap agreement, execute a new swap agreement, and extend or replace the current Series B liquidity facility as financial interests dictate."*



## Housing

Mike Freimuth gave an update regarding the following housing projects:

- 201 Ann Street – approximately 45% complete with a scheduled completion date of Fall '14
- 179 Allyn – approximately 35% complete with a scheduled completed date 1<sup>st</sup> Qtr. '15
- 5 Constitution – approximately 25% complete – scheduled completion June 2015  
save the date May 22<sup>nd</sup> possible event
- 777 Main – demo and abatement scheduled to start April 30<sup>th</sup> – scheduled completion  
Spring '15
- Front Street – 10% completion
- Capewell – the merger of United Bank and Rockville Bank has stalled the closing schedule  
due to possible differences in underwriting standards.
- 3 Constitution – July closing scheduled for 48 housing unit.
- 289 Asylum working on closing documents
- 99 Pratt - closing discussions forthcoming
- Htfd. Office Supply – Building was approved for CHAMPS funding – needs CRDA housing  
Committee approval
- Pearl St. – application into next round of CHAPMS funding
- received new proposals for 36 Lewis; 370 Asylum; 38 Elm and two others that may fall into  
CRDA small projects program.

Thom Deller reported that a City action to clear title for Capewell occurred this week. Mr. Deller also indicated that he heard that 179 Allyn would have a September 2014 completion date.

Chairwoman Hopgood indicated that 370 Asylum was brought up at the Housing Committee whether CRDA should support this buildings conversion or whether it was more appropriate that it remain a commercial structure.

## Venue Committee Update

After introducing Darrell V. Hill, COO City of Hartford, Chairwoman Hopgood entertained a motion for Mr. Hill to join the CRDA Venue Committee. The motion was moved by Dave Jorgensen, seconded by Chery Malerba and approved unanimously.

Chair of the Venue Committee, Andy Bessette along with Mike Freimuth gave an update regarding the next steps regarding the XL Center. After a lengthy April Venue Committee, it was decided that staff will work to utilize and update the many studies that have already been done regarding the XL Center.

Day to day construction is currently happening at the XL Center. July and August at the XL Center will be dark with extensive construction during those months.

There are two large murals and a mobile that are currently located in the XL Center that need to be relocated before construction takes place. While the mobile is owned by the State, the ownership of the murals is currently being determined. Kim Hart will be working with the City's Marketing, Events and Cultural Affairs Division to have this artwork valued and relocated. Pam Reid offered to temporarily display the artwork at St. Joseph's School of Pharmacy.

The Tennis Center is making headway on sponsorships; they are working with Global regarding concessions and capital improvements are being queued up.

## **Financial Update**

The following is an outline of the April 2014 Financial update given by CRDA CFO Joseph Geremia.

### **Fiscal Year 2014 Operating Statistics**

CT Convention Center – Feb./Mar.

Monthly utilization of 84% while YTD is even with budget at 74%  
18 events held this month - 123 events held YTD with YTD attendance at 313,000  
For first eight months of activity, total year projection even with budget

CRDA Parking Facilities – Feb./Mar.

Utilization even with budget at 50%  
Monthly rate customers were 2,400, same as prior 7 months  
Transient customers were 32,000, 5,000 decrease over previous 3 months  
Transient revenue is up 9% while monthly rate customer revenue is down 11%  
For first eight months of activity, total year projection even with budget

XL Center – Feb./Mar.

19 events held - 8 Hockey games, 1 Basketball game, 10 Misc. events  
99 event days YTD with YTD attendance at 414,000  
For first eight months of activity, unfavorable variance with amended forecast  
F&B Income: \$600K, Suite Income: \$150K, Hockey Operations: \$400K

Rentschler Field – Feb./Mar.

Hosted approx. 10 community events  
40 events held YTD with YTD attendance at 210,000  
For first eight months of activity, total year projection at break-even versus budgeted operating gain of \$200,000

### **Financial Projects**

Capital Expenditures – Rentschler Field - \$2.8M, Expended \$2.2M  
Capital Expenditures – XL Center - \$33M, Expended \$915K  
Capital Expenditures – Convention Center - \$1.3M, Expended \$479K  
Residential Housing Initiatives – Disbursed \$14.3M

### **Fiscal Year 2015 Budget Process** (*reminder: All Board members are invited to attend*)

CRDA Finance Committee meeting will meet for Budget Review:

- XL Center and Rentschler Field, scheduled for Monday April 28 1pm-3pm.
- Remaining seven budgets ie. CTCC; Parking; CRDA Office; Front Street; Bond Fund; CUP and Subsidy Program, scheduled for Monday May 5, 2014 2pm-4pm.

Board approval of all budgets is scheduled for the CRDA Board Meeting on May 15, 2014.

## **Executive Director Report**

It is expected that the UConn campus agreements will be brought to the May Board meeting and will include property OPM/CRDA development agreement; parkingMOU (rates/terms/utilization of specific garages); and a concept plan for the campus based on UConn's needs.

Mike gave a brief update about obtaining the AAC Tournament. This included business community pre-purchase commitments to the Tournament; the XL Center improvements; hotel and restaurant pricing amongst other critical elements.

The Board discussed making the FY'15 AAC Tournament a true community event that will utilize all downtown businesses and venues.

The marketing report was distributed as part of the Board package along with several miscellaneous items including correspondence from union to Board.

The Board adjourned at 8:07pm.

***"The minutes of the April 24, 2014 CRDA Board Meeting were moved by Michael Matteo, seconded by Mayor Segarra and unanimously approved by Board Members at the May 15, 2014 CRDA Board Meeting."***

**Capital Region Development Authority  
CT Convention Center  
100 Columbus Boulevard  
Hartford, CT 06103  
Thursday, May 15, 2014  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Floyd Green; David Jorgensen; Evonne Klein; Mayor Marcia Leclerc; Michael Matteo; Mayor Pedro Segarra; Pamela Reid; Ron Angelo; Ben Barnes – conference phone, first half of executive session; Andy Bessette joined by conference phone at 7:10.

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

Chairwoman Suzanne Hopgood called the meeting to order at 6:04 pm and upon motion made and seconded, the Board held an Executive Session on pending contracts.

**Executive Session**

Executive Session was held from 6:04 pm – 7:25 pm, no action was taken.

**Minutes**

The Board meeting was called to order at 7:25pm. The minutes from the April 24, 2014 Board Meeting were moved by Michael Matteo, seconded by Mayor Segarra and approved unanimously.

**Mayor Segarra's Report**

Mayor Segarra reported that the Hartford Budget is before the City Council, and it should be back by Tuesday. Deadline for the full Budget is May 31<sup>st</sup>.

The Mayor reported that the Capewell closing is scheduled for the third week of June.

Board members congratulated the Mayor on the appointment of a new Board of Education Superintendent, along with the news of the increase in high school graduates.

A discussion ensued regarding the Hartford mil rate and the repercussion to the business owners and homeowners in the City.

**Financial Update**

Chairwoman Hopgood reviewed the Board's participation in the budget process. The CRDA Finance Committee met on April 28 and May 5<sup>th</sup> to review draft operating budgets that were vetted, reviewed and forwarded to the Board for adoption.

**Fiscal Year 2015 Budget Process**

1. Venues prepared draft budgets
2. CRDA staff reviewed draft budgets with Venue staff followed by appropriate adjustments

3. CRDA Board Finance Committee & members reviewed draft budgets with CRDA staff and Venue staff followed by appropriate adjustments

**3.A. April 28 Meeting**

Board attendees: Suzanne Hopgood, Andy Bessette, Jessica Cabanillas for Ben Barnes

Discussion: XL Center and Rentschler Field

**3.B. May 5 Meeting**

Board attendees: Suzanne Hopgood, Pamela Trotman Reid, Michael Matteo, Andy Bessette

Discussion: CT Convention Center, Subsidy Program, Front Street District Maintenance, CRDA Parking Facilities, Central Utility Plant, Bond Indenture/Trustee, and CRDA Office

**3.C. May 12 Meeting**

Board attendees: Ben Barnes

Discussion: All budgets with CRDA oversight review in connection with CRDA State Appropriation

4. Full Board presented budgets for authorization (May 15)

### **Fiscal Year 2015 Budget Summary**

Joe Geremia reviewed the nine CRDA Budgets.

Note: Net operating gain or loss accounts for all income sources less total expenses, excluding depreciation expense. Gain or loss takes CRDA State appropriation into account. Operating gains for CRDA Parking Facilities, Central Utility Plant and Bond Indenture/Trustee budgets are netted together with excess funds sent to the State Treasurer's Office for the use of covering CRDA revenue bond debt.

#### **CT Convention Center**

FY15 Net Operating Gain of \$141,597

FY14 Projected Net Operating Gain of \$396,628

FY15 Budget Highlights: Revenue decrease in Consumer and trade shows for events held every other year off-set with increase in Other Revenue for sports-related events, new "Savor" event and increase in net F&B revenue. Expense increase due to event personnel staff and marketing expense related to acquiring business for two to three years out. Venue generates approximately \$6.3 million in State tax revenue off-set with a \$4.3 million State operating appropriation.

#### **Subsidy Program**

FY15 Net Operating Gain of \$15,000

FY14 Projected Net Operating Gain of \$131,948

FY15 Budget Highlights: Program subsidies offered and contracted are now approximately reserved for FY14 through FY18. Inherited the program from the GHCVB with a \$600,000 deficit balance.

### **Fiscal Year 2015 Budget (cont.)**

#### **Front Street District Maintenance**

FY15 Net Operating Gain of \$284

FY14 Projected Net Operating Loss of \$50,100

FY15 Budget Highlights: Budget includes new tenant-related expenses such as district engineering, infrastructure maintenance and landscaping.

**CRDA Parking Facilities**

FY15 Net Operating Gain of \$3,031,454

FY14 Projected Net Operating Gain of \$3,117,608

FY15 Budget Highlights: Revenue decrease in monthly contract parkers from the Phoenix partially off-set with increase in transient parker revenue from Front Street garages. No changes made to Parking rates.

**Central Utility Plant (CUP)**

FY15 Net Operating Gain of \$0

FY14 Projected Net Operating Gain of \$0

FY15 Budget Highlights: Zero-sum budget with expenses being covered on a pro-rated basis between the CT Convention Center, CT Science Center and the Hartford Marriott.

**Bond Indenture/Trustee**

FY15 Net Operating Gain of \$2,235,665

FY14 Projected Net Operating Gain of \$2,208,922

FY15 Budget Highlights: Revenues from the CRDA Parking Facilities and the CUP are deposited with the Trustee. CRDA then allocates a Board-approved budget to fund the expenses of the operations and the costs associated with the bond debt service. Excess funds are sent to the State Treasurer's Office for the use of covering CRDA revenue bond debt.

**CRDA Office**

FY15 Net Operating Gain of \$60,085

FY14 Projected Net Operating Gain of \$222,063

FY15 Budget Highlights: Budget includes approximately \$800,000 in revenue from administration fees for servicing regional projects, the State office relocation project, and capital projects as well as approximately \$35,000 related to the CRDA Housing Initiative projects. CRDA State appropriation increase of \$800,000 due to personnel benefits included within Authority expenses.

**Rentschler Field**

FY15 Net Operating Gain of \$145,147

FY14 Projected Net Operating Gain of \$24,034

FY15 Budget Highlights: Increase in net revenues due to UCONN football average attendance to 25,000 from 22,000 partially off-set with the loss of an international soccer event. Also increased net F&B revenue due to concession upgrades.

**XL Center**

FY15 Net Operating Gain of \$12,158

FY14 Projected Net Operating Loss of \$875,942

FY15 Budget Highlights: Budget includes July and August dark-months due to building construction period. Revenues include approximately \$1.3 million in gross revenue increase due to the elimination of the State admissions tax netting to \$350,000 in bottom-line savings and an 8% increase in hockey attendance. Addition of 4 new revenue-producing sales positions for hockey program and corporate/group sales. Also increased net F&B revenue due to concession upgrades.

After a lengthy discussion, the following motion was moved by Mayor Segarra seconded by Pamela Reid and approved by Board Members with Andy Bessette abstaining from the CRDA Parking Facilities Budget.

*“The CRDA Board of Directors approves the nine FYE 2015 Budgets approved by the Finance Committee on April 28 and May 5, 2014, subject to available funds, known as CT Convention Center; Subsidy Program; Front Street District Maintenance; CRDA Parking Facilities; Central Utility Plant (CUP); Bond Indenture/Trustee; CRDA Office; Rentschler Field; XL Center.”*

## **Financial Update (continued) – May 2014**

### **Fiscal Year 2015 Budgets**

Budget process review and operating summaries. See attached report.  
Board approval of budgets on agenda.

### **Fiscal Year 2014 Operating Statistics**

3<sup>rd</sup> quarter operating results will be available and presented at the June meeting.  
April venue operating statistics will be available and presented at the June meeting.

### **Financial Projects**

Capital Expenditures – Rentschler Field - \$2.8M, Expended \$2.3M  
Capital Expenditures – XL Center - \$33M, Expended \$1.3M  
Capital Expenditures – Convention Center - \$1.3M, Expended \$479K  
Residential Housing Initiatives – Disbursed \$18.9M

Mr. Geremia noted to the Board that the Parking operations account will transfer approximately \$500,000 to \$600,000 to the Parking capital reserve account in support of the capital improvements recommended by the Parking garage surveys performed last year related to the CTCC and Front Street-North garages.

### **Venue Committee Update**

The Venue Committee met on May 2, 2014. The CRDA construction team is working through the results of three parties of Architects/Designers/Planners that have walked through the XL Center to give their initial analysis regarding the building.

### **Murals**

The murals at the XL Center were appraised however the appraisal was not yet complete. The funds to move and relocate the artwork have been built into the construction budget. The library has voiced their interest in displaying the artwork while construction takes place.

The state owned mobile, also located at the XL Center, will be moved permanently to 450 Columbus Boulevard due to construction at XL.

### **Tennis**

The NH Tennis sponsor was going to be announced prior to the Board Meeting however the announcement has been delayed. The sponsorship is a respectable amount of money that should carry their budget through next year.

A Men's Tennis Exhibition has been scheduled at the Tennis Center as part of the festivities.

### **Housing**

- As the Mayor stated earlier, due to the bank mergers, the Capewell closing has been delayed until June.
- due to the expiration of assistance, CRDA is looking to rescind the commitment to 289 Asylum
- pending projects will be discussed at the Housing Committee Meeting on Friday, May 16<sup>th</sup>.
- several new small projects have come in and are currently being reviewed.

### **Executive Director Report**

- XL Center is working on building a bigger sales force to sell the UConn program as well as the hockey program. Working with UConn on a lower cost ticket price that will result in a higher volume of tickets sold. More people in the seats will help the increase of concession sales.
- Global is working with UConn to cross promote UConn sports by selling ticket packages that might include sporting events in both XL and Rentschler Field venues.
- Global, along with CRDA are in ongoing negotiations with UConn regarding the number of home basketball games that will be played at the XL Center in season 2015. Talks continue as nine (9) games would be more in line with what was played in previous years.
- General Assembly update
  - during the legislative session CRDA secured its budget.
  - OPM secured a supplemental allocation requested to cover city rent for XL lease
  - The admissions tax was eliminated at XL.
  - CRDA is identified as the recipient of a state owned parcel on Clinton Street (the State Health Department) and DAS is authorized to convey it to CRDA.
  - CRDA received extra bond capacity that can be used for a wide range of development tasks, not restricted to housing.
  - A modification to the State Historical Tax Program was secured.
  - A regulatory change that eliminated a double audit by Auditors of Public Accounts and outside Auditors was also adopted.
- Northland – Had a meeting with Northland and made an offer to buy the common area of the mall within the XL Center. Negotiations are ongoing.
- Arch Street Parking Lease

Mike Freimuth described the proposal between CRDA and Arch Street Enterprises, Inc. extending the License Agreement concerning the surface parking lot located at 69-79 Arch Street. Increased tenancy at nearby Front Street restaurants has increased unauthorized use of Arch Street lot and has resulted in need for more policing and cleaning.

### **CURRENT TERMS:**



- ASE pays CRDA \$800 per month for the use of the Parcel;
- ASE is solely responsible for maintenance, repair, snow and ice removal, landscaping, and removal of rubbish and debris;
- ASE has agreed to insure the Parcel and provide indemnification to CRDA and the State;

**AMENDED TERMS:**

- ASE shall, at its sole expense, monitor the Parcel for uninvited parkers; vehicles will be given warnings and/or removed on an as-needed-basis;
- The term of the License shall be extended for one (1) additional three-year period (ending December 31, 2017), cancellable by CRDA upon 90 days' written notice.

After a discussion, the following motion was moved by Evonne Klein, seconded by Pamela Reid and approved by Board Members unanimously.

*“The CRDA Board of Directors hereby authorizes the Executive Director to execute such Amendment, as presented.”*

Motion to adjourn was moved by Mayor Pedro Segarra, seconded by Michael Matteo and approved by Board Members unanimously.

The Board adjourned at 8:17pm.

*“The minutes of the May 15, 2014 CRDA Board Meeting were moved by Marcia Leclerc seconded by Evonne Klein and unanimously approved by Board Members at the June 19, 2014 CRDA Board Meeting.”*

**Capital Region Development Authority  
CT Convention Center  
Board Conference Call  
Tuesday, June 3, 2014  
10:30 am**

**Board Members Present:** Chairwoman Suzanne Hopgood; Deputy Secretary-OPM, Karen Buffkin; Deputy Commissioner Ronald Angelo; Floyd Green; David Jorgensen; Commissioner Evonne Klein; Mayor Marcia Leclerc; Pamela Reid; Commissioner James Redeker; Mayor Pedro Segarra; Andy Bessette recused himself and did not participate in conference call.

**CRDA Staff Present:** Michael Freimuth; Anthony Lazzaro; Jennifer Gaffey

Chairwoman Suzanne Hopgood called the meeting to order at 10:32 am.

**Amendment to Front Street Development Plan for Purposes of UConn Campus**

CRDA Executive Director, Michael Freimuth along with Chairwoman Hopgood, reviewed the three agreements that are described in the following summary.

**1. Third Amendment to Second Amended and Restated Development Agreement**

- amends the current Agreement to allow for a Phase III - Campus Development and a Phase IV - future private development;
- preserves the Developer's requirement to build 100,000 SQFT of entertainment, retail, and restaurant space ("E/R/R Space");
- permits the Developer to construct 20,000 SQFT of E/R/R Space within the Campus footprint;
- adjusts the Phase IV Commencement Date to be no later than Dec. 31, 2019;
  - Such date, reflects the Campus Construction Period plus a 30-month option period for the Developer;

**2. Phase III Development Agreement**

- sets forth the terms and conditions of the Campus Development.
- Concept Plan is deemed approved by the State Parties upon the execution of the Phase III Development Agreement;
- provides for the construction of a 188,000 SQFT campus, including the re-utilization of the Harford Times Building;
- Milestone Schedule: Campus Construction Period means June 30, 2015 through June 30, 2017;

**3. Memorandum of Understanding relating to a proposed UConn Parking Lease**

- non-exclusive right to park up to 2500 vehicles (with no more than 850 automobiles at a given time);
- Staff/Faculty/Students will pay a monthly fee of \$45 per space, adjusted periodically;
- UConn agrees to utilize alternate parking locations on dates in which the CTCC garage is at capacity.
- parties agree to cooperate in the management of (1) traffic, (2) security, and (3) the potential use of the South Garage.

Mayor Segarra thanked CRDA and all partners that were instrumental in making this improvement to the City of Hartford and the State of Connecticut.

The following motion was moved by Mayor Segarra, seconded by Evonne Klein and approved unanimously by participating Board Members.

*“The CRDA Board of Directors hereby authorizes the Executive Director to execute the above-referenced agreements, as presented.”*

The Board adjourned at 10:38 am.

***“The minutes of the June 3, 2014 CRDA Board Meeting were moved by Evonne Klein seconded by Marcia Leclerc and unanimously approved by Board Members at the June 19, 2014 CRDA Board Meeting.”***

**Capital Region Development Authority  
CT Convention Center  
100 Columbus Boulevard  
Hartford, CT 06103  
Thursday, June 19, 2014  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Floyd Green; Evonne Klein; Mayor Marcia Leclerc; Michael Matteo; Ron Angelo (telephone); Meagan Occhiogrosso; Thomas Deller (arrived 6:21); Cheryl Malerba

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

**Guests:** Bonnie Malley; Chairman of the iQuilt Board of Directors; Chris Lawrence, General Manager, XL and Rentschler Field

Chairwoman Suzanne Hopgood called the meeting to order at 6:07 pm and upon motion made and seconded, the Board elected to move the agenda out of order.

**Minutes**

The minutes from the May 15, 2014 Board Meeting were moved by Mayor Leclerc, seconded by Commissioner Klein and approved unanimously.

The minutes from the June 3, 2014 Board Meeting were moved by Commissioner Klein, seconded by Mayor Leclerc and approved unanimously.

Chairwoman Hopgood asked for a motion to take agenda out of order. The motion was moved by Commissioner Klein, seconded by Cheryl Malerba and approved unanimously.

**Housing**

Michael Freimuth asked for a motion to add 390 Capitol Avenue to the agenda. The motion was moved by Commissioner Klein and approved by Mayor Leclerc.

The 390 Capitol Avenue project has not yet been approved by the Housing Underwriting Committee however it has been discussed at length during several Committee meetings. This project was on hold pending information.

Mike Freimuth continued by briefing the Board on the following three projects indicating that they have been discussed and approved by the Housing Committee and are ready to move forward to the full Board for consideration.

**36 Lewis Street**

This is a renovation of a former commercial/restaurant – club building on Lewis Street, between the colonial cemetery and the more intensive uses along Trumbull. The developer proposes to create 6 units (4 1BR; 2 2BR) into a row house format. The project has been stalled pending new historic preservation rules that were recently approved allowing for its eligibility, and become effective July 2014. The total project is expected to cost \$1.84M. Historic credits, bank financing

and equity form most of the financing, but CRDA is being asked to bridge one tranche of historic credits of \$250k and provide a gap of \$300k for a total request of \$550k initially, converting to a permanent loan of \$300k.

Construction Financing	\$ 550,000
	650,000 equity
	647,660 bank
Permanent Financing:	\$ 300,000 CRDA
	250,000 State Historic Credits
	250,000 Federal Historic Credits
	399,340 equity
	<u>647,660 bank</u>
Total Dev. Cost:	\$ 1,847,660

**The following motion was moved by Commissioner Klein, seconded by Mayor Leclerc and approved unanimously by the CRDA Board.**

**RESOLUTION:** *The CRDA Board hereby approves the use of CRDA housing funds to assist the developer, David K Elwell, IRA (or an acceptable single purpose corporation) to renovate 36 Lewis into 6 housing units and the Executive Director is authorized to extend a formal term sheet to the developer offering \$550,000 in assistance as a construction loan to be restructured into a permanent loan of \$300,000 upon completion at 3% interest only during construction and 1% P&I, 30 yr amortization with a rate adjustment in yr 6 to no more than 3% as approved by the Housing Committee, subject to (1)evidence that all other sources of funds are secured in such terms as acceptable to CRDA and its counsel; (2) State Bond Commission Approval; and (3) such fiduciary terms deemed appropriate by the Executive Director.*

### **360 Main Street**

This is a new project that aims to convert inefficient and underperforming commercial space into 20 units, 16 of them as 'micro' units. CRDA financing is critical as the primary loan on the property has penalties preventing refinancing. Consequently a short term second note along with equity helps carry out the project with expected refinancing of the entire property within 3 years. The CRDA request is for \$320,000 at 3%, 20 yr amortization but balloons in year 3 that is matched by \$500,000 in cash equity from the developer. Total Development Budget: \$820,000.

**The following motion was moved by Commissioner Klein, seconded by Mayor Leclerc and approved unanimously by the CRDA Board.**

**RESOLUTION:** *The CRDA Board hereby approves the use of CRDA housing funds to assist the developer, 360 Main Street Associates, to convert commercial space at 360 Main Street into 20 units of housing and to extend a term sheet offering \$320,000 at 3% interest, 20 year amortization, three year term, as approved by the Housing Committee, subject to (1) evidence that all other sources of funding are secured in such terms as acceptable to CRDA and its counsel; (2) State Bond Commission approval; and (3) such fiduciary items deemed appropriate by the Executive Director.*

### 38-42 Elm Street

A reworked project to renovate a former commercial building into six units (2 studio, 2-1BR; 2-2BR) totaling \$1.12 M. The project will utilize private equity, state historic credits, financing from the Hartford Loan Fund and has a request to CRDA for the gap. Project financing shows that conventional P+I amortization may not work and a cash flow mortgage structure gives the most flexibility to the deal that is small, relatively tight on value and with a first time developer and consequently only able to secure more expensive primary financing. The CRDA assistance in the form of a loan up to \$332,650 would have a fluctuating interest rate from 1% - 3% depending on the cash flow.

Financing	\$ 420,000 bank
	190,000 bank bridge/state historic credits
	185,000 equity
	<u>332,650 CRDA</u>
TDC:	\$1,127,650

**The following motion was moved by Commissioner Klein, seconded by Mayor Leclerc and approved unanimously by the CRDA Board.**

*“The CRDA Board hereby approves the use of CRDA housing funds to assist the developer, Peabody Unlimited LLC to convert commercial space at 38-42 Elm Street into 6 units of housing and to extend a term sheet offering up to \$332,650 at a rate from 1% to 3% depending on cash flow for 30 years, as approved by the Housing Committee, subject to (1) evidence that all other sources of funding are secure in such terms as acceptable to CRDA and its counsel; (2) State Bond Commission approval; and (3) such fiduciary items deemed appropriate by the Executive Director.”*

### 390 Capitol Ave. - (Hartford Office Supply Building)

The 390 Capitol Ave. project, formerly known as the Hartford Office Supply Company, consists of the conversion of an historic structure into 112 residential units along with commercial space. The existing building is approximately 98 years old (constructed in 1915), contains approximately 123,000 usable square feet and basement space, 3 and 4 stories, office/warehouse commercial building situated on a 1.89 acre parcel in Hartford, Connecticut. The building has been vacant since approximately 2005. The site is situated at the intersection of Capitol Avenue and Flower Street on the northwest corner. Access to the rear parking lots is provided from both streets with parking available for approximately 85 stalls at-grade. The Developer, Dakota Partners Inc. is considering acquiring or leasing City owned land which abuts the property to create an additional 40 +/- spaces if necessary for marketing purposes. The building is located within the Frog Hollow Historic District and is eligible for National Park Service Historic Designation. The project will consist of a gut rehabilitation including new interiors, exterior doors, windows, roof and HVAC. The 112 apartments will contain a mix of 71 two bedroom units and 41 one bedroom units. All work will be consistent with the NPS Historic Guidelines.

Financing:	CRDA	\$3.5M (loan A at .5% interest, deferred yrs 1-5, 20 yr note)
	CRDA	\$3.5M (cash flow equity loan at .5% interest, deferred yr 1-5, 20 yr dependent on cash flow)
	DOH	\$ 5.0M Champs Program
	City	\$ 3.1M
	Bank Loan	\$ 5.4M (permanent loan, but \$12.89M bridge construction loan)
	Hist. Credits	\$ 9.9M (state and federal)
	Deferred Fee	<u>.20M</u>
TDC:		\$30.6M

**The following motion was moved by Mayor Leclerc, seconded by Cheryl Malerba and approved unanimously by the CRDA Board.**

*“The CRDA Board hereby approves the use of CRDA housing funds to assist the developer, Dakota Properties Inc. (or such acceptable single purpose entity) to renovate 390 Capitol Avenue into 112 housing units and the Executive Director is authorized to extend a formal term sheet to the developer offering \$7 million in assistance in two forms: as a permanent loan at .5% interest, 20 yrs amortization, P&I deferred yrs 1-5; and secondly as a cash flow equity grant at .5% yrs 1-5 P&I deferred, 2% yrs 6-20, 20 yrs amortization but based on cash flow of the project, subject to (1) evidence that all other sources of funds are secured in such terms as acceptable to CRDA and its counsel; (2) State Bond Commission approval; and (3) such fiduciary terms deemed appropriate by the Executive Director.”*

#### **Other Housing Project Updates**

201 Ann Street – approximately 50% complete  
 179 Allyn – approximately 50% complete  
 5 Constitution (Sonesta) approximately 40% completion, target date Spring 2015  
 777 Main Street Under Construction  
 Front St. - Steel is going up

\$50M of the original \$60M of housing funding is committed. More projects are in the pipeline.

#### **Romare Bearden Abstract Murals**

Mike Freimuth continued by asking the Board to consider a final motion that needs action. Kim Hart has worked out a loan agreement with the Hartford Public Library for the placement and securing of the Romare Bearden abstract murals that will be moved from the XL Center and placed into the Hartford Public Library during the first week of July 2014. The murals will remain at the Library for a period of time until a new XL Center is built or until the 10 year agreement with the City has concluded.

Floyd Green indicated that he has spoken to Dottie McLean, Founding Executive Director of the Artists Collective, who has expressed the need to tie the historical relationship to the Library so that all neighborhoods can see the collection and understand how it was brought here and how powerful these pieces of art are to the City of Hartford and to the world that follows Beardon. Kim Hart responded that the Library agrees and has reached out to Ms. McLean to organize a collection of art that will tie into the murals.

The following motion was moved by Thom Deller seconded by Commissioner Klein and unanimously approved.

*"The CRDA Board Authorizes the Executive Director to enter into an agreement with the City of Hartford and the Hartford Public Library for the possession and care of the Romare Bearden Abstract Murals".*

### **Financial Update**

Joseph Geremia reported that effective today, June 19, 2014 CRDA has exercised the right to terminate the Swap Agreement. Although this does not directly impact the CRDA financial statements, the Bonds are in CRDA's custody. The savings to the Bond Fund are just over \$2M per year in cash which will offset the liability that is paid for principal and interest from the State Treasurer.

### **Board meeting schedules**

Michael Freimuth reported that there is a suggestion to forego the July and August Board meetings with the caveat that should any action items arise, the Chair will call a telephonic meeting. Board meetings will resume in September 2014 and options for a new Board schedule will be provided. Options will be forwarded after the today's Board Meeting and discussed at the September 2014 Board meeting. There was general concurrence to the plan.

### **Venue Committee Update**

#### **XL Center**

- Chris Lawrence presented marketing ideas for the XL Center Re-launch. Chris spoke at length about concepts that the marketing team put together to be reviewed by CRDA. Board members offered thoughts of marketing ideas as well. All viewpoints will be taken into consideration and a Re-Launch plan will be firmed up in the near future.
- RFP for Arena Program Development and Construction Feasibility Services was issued on June 13, 2014. Bids are due back by July 15, 2014.
- Next week the XL Center will be totally shut down and the concourse area will be demolished.
- Other construction is ongoing, including renovations of bathrooms.
- Construction work is taking place in two shifts. As of today's date the project is on schedule.

#### **Tennis**

- UTC has signed on to be a major two year sponsor.
- Ticket sales are up.
- Promotion of the Tournament is also going well.
- Men's Exhibition Tournament is helping with ticket sales.



## **iQuilt Update**

Bonnie Malley, the Chairwoman of iQuilt, presented the iQuilt Plan highlighting the walkability of downtown Hartford. The concept is to create a walkable, vibrant downtown using components that are already in place. A presentation was distributed including pictures from today and proposed designs of tomorrow.

Bonnie stated that some of the concepts of the iQuilt Plan are already underway, specifically the walkways of the Phoenix Plaza, the Science Center Plaza and the Riverfront walk to East Hartford. She also pointed out the beautiful gardens that are part of the plan.

## **Executive Director Report**

Church Street Garage – The Hartford City Council agreed to sell the garage to CRDA and to combine it with the XL Building. An appraisal of the garage is complete and it is currently being reviewed an engineering report is due shortly.

55 Farmington – work is essentially complete, a few odds and ends are still being worked on. However, 370 state employees are currently working in the building and another 600 are moving in.

450 Columbus - Still in proposal and design phase. Move in is targeted for Fall 2016.

Lawsuit – The lawsuit that was brought against CRDA and others has been withdrawn.

Calendar item - Big Mo will take place at 777 Main Street on September 13, 2014.

Board Meetings - Mike Freimuth suggested possibly holding the September Board meeting at 777 Main. Floyd Green offered to host a CRDA Board Meeting at Aetna. Bonnie Malley offered to host at The Phoenix as well.

The Board adjourned at 7:45pm.