

C·R·D·A

*Capital Region
Development Authority*

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Suite 500
Hartford, CT 06103-2819
Tel (860) 527-0100
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www.crdact.net

Cancellation

CRDA Board Meeting scheduled for July 17, 2014
has been cancelled.

Cancellation

CRDA Board Meeting scheduled for August 21, 2014
has been cancelled.

Capital Region Development Authority
CT Convention Center
100 Columbus Boulevard
Hartford, CT 06103
Thursday, September 18, 2014
6:00 pm

Board Members Present: Chairwoman Suzanne Hopgood; Ben Barnes; Andy Bessette; Thomas Deller; Evonne Klein; Mayor Marcia Leclerc; Mayor Pedro Segarra; Pamela Reid; Catherine Smith; Michael Matteo; Cheryl Malerba

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

Guests: Michael VanDeventer, CPA, Partner, Mahoney Sabol; John Bauer, CPA, Partner Mahoney Sabol

Call to Order

Chairwoman Suzanne Hopgood called the meeting to order at 6:03 pm.

Minutes

The minutes from the June 19, 2014 Board Meeting were moved by Commissioner Klein, seconded by Pamela Reid and approved unanimously.

Proposed Board Meeting Schedule

Board members reviewed a Board Meeting schedule for the 2014-2015 Board meetings and chose Option B. Chairwoman Hopgood requested the January meeting date change from January 15th to January 8th. The Board Members will be polled prior to changing the date. The Board meeting schedule is attached and will be posted accordingly.

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

"The CRDA Board of Directors hereby approves Option B as the Board Meeting schedule for 2014-2015". (see attached schedule)

Annual Report

Joseph Geremia introduced Michael VanDeventer and John Bauer, both Partners from the CPA and Advisor firm, MahoneySabol. Mr. VanDeventer reviewed the audits performed for FY 2014. The following Audits were performed in accordance with Auditing standards issued by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Government Accountability Office.

Each of the following financial statements were found to have unmodified, clean opinions:

- Financial statements of the Capital Region Development Authority
- Special purpose financial statements of the Connecticut Convention Center
- Special purpose financial statements of the Parking Facilities
- Special purpose financial statements of the XL Center

In lieu of an Executive Session with the Full Board, Chairwoman Hopgood and auditors discussed meeting at a future Budget or Executive Committee Meeting, if necessary, to review the financials. Board members indicated their agreement.

Mayor Segarra inquired as to whether this audit encompasses the lease payment to the City from CRDA. The Auditors responded indicating that the paid portion is presented in the financial statement as an expense and the unpaid portion is a contingency based on available funds. At the time that the funds become available they would trigger the contingency and the additional expense would be then recognized. At this point it is recorded as a disclosure.

Mike Freimuth reviewed the narrative section of the Annual Report while Joseph Geremia reviewed the Financial Statements and Report of Independent Auditors.

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

Motion:

“The CRDA Board hereby approves the CRDA Annual Report for FY 2013-2014, as presented.”

Financial Update

Joseph Geremia reported to the Board on the following financial matters for September 2014.

Fiscal Year 2015 Operating Statistics

CT Convention Center – July/August

YTD utilization is at 60% compared with a budget of 82%

YTD gross revenue is at \$1.7 million – 21% favorable to budget

13 events held YTD with YTD attendance at 60,000

CRDA Parking Facilities – July/August

Utilization even with budget at 50%

Monthly rate customer average 2,500, even with prior year

Transient customer average 27,000, even with prior year

XL Center – July/August

Capital improvements

Rentschler Field – July/August

Hosted 13 community events in July and 14 in August

UCONN/BYU Football Game

Fiscal Year 2015 Audit and Annual Report

CRDA audit completed

Annual Report will be filed now that it has been approved

Rentschler Field audit in final stage

Preliminary Fiscal Year 2016 and 2017 State Appropriation Budget Request (Bi-Annual)

Initial Budget Request submitted based on OPM guidelines:

Convention Center held flat -- remains at FY2012 level

Bond Refinancing – Swap Termination Results

Terminated swap agreement at par on 6/19/14
Opening discussions with Treasurer and OPM to refinance with State GO Bonds (summer 2015)

Financial Projects

Capital Expenditures – Rentschler Field - \$2.8M, Expended \$2.7M
Capital Expenditures – XL Center - \$33M, Expended \$9.8M
Capital Expenditures – Convention Center - \$1.3M, Expended \$479K
Residential Housing Initiatives – \$60M, Disbursed \$31.5M

Mayor’s Report

Mayor Segarra spoke to the full Board about the proposed baseball Stadium and Downtown North Development.

Mayor Segarra reported that the City Council had a public hearing on September 17, 2014. It was well attended and generally supportive. Mayor Segarra indicated that the Metro Hartford Alliance has concerns about increases in taxes but otherwise are supportive. He further indicated that one of the things needed going forward is to have coordination with CRDA in regards to events both here at Front Street and at the XL Center.

The proposal also offers over 600 units of housing. Again, he asked for coordination with CRDA, the City’s developer and other developers to make sure that housing units are put into the market in a responsible manner, managing absorption rates without jeopardizing each other’s projects.

Thomas Deller reviewed the presentation that was crafted during the analysis of Downtown North. Mr. Deller reported that two years ago the city started the process to analyze the capacity of the market for the development of Downtown North. In the middle of that discussion the City was approached by the ownership group of the Rock Cats about coming to Hartford.

Noting that this was the first presentation to the Board, Chairwoman Hopgood asked that the presentation, including the site plans, rendering and comparisons, be attached to the minutes.

Venue Committee

XL Center

Mike Freimuth reviewed a Power Point while explaining the before and after photos of the renovation that is currently taking place at the XL Center. Some of the slides include the updated concourse, new Fan Club, Mall Entrance, bathrooms, UConn Basketball locker room and showers, “Stars” Dressing Room and Wolf Pack Team Locker Room.

Bob Saint reported that a majority of the work is nearing completion in preparation for the game on October 8th. The “back of house” repairs will continue and are anticipated to be done by the end of December.

Mike Freimuth reported that the tunnels for the pipes that are used to make ice for the hockey season have started to deteriorate and are in need of repair and re-insulation. Bob Saint along with Global Spectrum has put a team together to make repairs that will endure through the

upcoming season. However, a major systems repair for the ice, if necessary, could only be possible in the spring-summer 2015.

Board members inquired about the upkeep of the building moving forward. Mike Freimuth indicated that an "Operations Manual" is being created and will include policies and procedures, guidelines for repairs as well as stringent recordkeeping of any work that takes place (i.e. change filters, pipelines being checked, etc.)

There was also some discussion of the unforeseen conditions the building was left in by the former management company. It should be noted that an engineering report of the status of the building was given to the State of CT when the contract with the previous manager expired. The report indicated that the condition of the building was operational, it is apparent that this report did not identify the extent of system fatigue and deferred repairs.

Michael Freimuth and Suzanne Hopgood thanked Bob Saint for his leadership in getting the XL Center work completed in this timely manner. Mr. Freimuth further indicated that Bob works tirelessly and is the reason that the XL Center will open on time. The Board applauded Bob Saint's work.

XL Center Study

Kim Hart reported that, in June, the CRDA Venue Committee initiated an RFP seeking proposals from qualified firms interesting in providing Arena Program Development and Construction Feasibility Services.

The Scope of Services included:

Assistance in identifying industry trends and crafting the ideal arena program for this market, with an emphasis on maximizing revenue and creating a dynamic fan experience.

-If and how the current building can be renovated to incorporate those amenities that are expected in a modern State-of-the-art arena.

-If renovation is not an option, indicate how the same State-of-the-art facility can be built on the existing footprint.

A selection Committee was formed and four proposals were received. Due to their expertise in renovating older buildings in a limited urban footprint, their business-oriented approach to building design and programming and their experience with NCAA, NHL and NBA sports, SCI Architects was chosen. Selection Committee members were Michael Freimuth (CRDA); Andy Bessette (CRDA Board); David Jorgensen (CRDA Board); Darrell Hill (City of Hartford); Tony Roberto (CT Innovations); and Nelson Tereso (DECD).

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

Motion:

"The CRDA Board of Directors hereby authorizes the Executive Director to execute an Agreement with SCI Architects for Arena Programming and Construction Feasibility, as presented."

Global Management Agreements

Global Spectrum has asked to meet to discuss reopening their contract in regard to incentive fees. This was referred to the Executive Committee.

Murals

The murals are currently located in the Exhibit Hall at the CT Convention Center, they will be moved to the Hartford Library once they have been cleaned.

CTCC 10th Anniversary Event

Chairwoman Hopgood is currently working with the Metro Hartford Alliance, the Waterford Group, iQuilt and the City to discuss event planning.

Connecticut Open Tennis Report

Joseph Geremia reported on the results of the 2014 CT Open Tennis Tournament. The transition year was successful blending two operating groups into the new TFC with a new Board of Directors. There was a detailed budget process with Anthony Lazzaro and Kim Hart assisting in a review of contract policies including ticket and marketing agents and Food & Beverage.

Highlights:

- Exemption from the admission tax was secured;
- Capital improvements needs were reviewed and assessed;
- The 2014 tournament projected to break-even. The event consists of \$4.4 million in gross revenue;
- Short-fall in budgeted sponsorships off-set with cost savings and contingency budget as well as elimination of TFC Reserve and CRDA fee;
- Approximately 55 sponsors;
- Attendance increased by 3% from the 2013 event.

UConn Agreements

Michael Freimuth reported on the following UConn Agreements for XL & Rentschler:

Background

The UConn Men's and Women's basketball team leases at XL Center expired in late 2013-2014 and were extended one year through the 2014 season. The UConn Football team agreement for Rentschler Field continues until 2023. The UConn Hockey team has upgraded its program and schedule and has switched leagues and would rent from CRDA at XL through Global. CRDA has sought a long-term agreement with the University for the XL Center. The University has asked for changes to the Rentschler Field lease agreement.

Status

After nearly a year of discussions, the University and CRDA have agreed to a new five-year agreement at XL Center and have agreed to amend the existing Rentschler Field lease to reflect the University's concerns, and its history with the facility and to reflect operational changes made over the last year by Global/CRDA.

Moving forward, a new amended agreement will be executed between OPM and UConn covering the football program at Rentschler. For the XL Center, a contract between Global and UConn will be executed that will govern the operation of the XL Center for three sports: Men's Basketball, Women's Basketball and Men's Hockey teams.

Terms

RENTSCHLER

- Rent rate holds at \$170k/yr but an annual escalator is established
- Ticket surcharge of \$3 is maintained to underwrite operations
- Ticket surcharge on complimentary tickets is eliminated
- UConn to play a minimum of 6 games at the stadium each year
- Penalties for failure to play 10 events are eliminated
- Minimum attendance assessments are eliminated
- UConn must establish and maintain an operating reserve of \$250,000
- Global with new authorization to sell tickets to football events.

XL CENTER

- 5 year agreement
- In years 1 and 2, there will be minimum of 26 events (11 hockey, 8 men's, 7 women basketball)
- In years 3-5, there will be at least 20 events (5 hockey, 8 men, 7 women)
- Rent will be \$39,000 per basketball game with annual escalator
- Rent will be \$19,000 per hockey game (up to 3000 attendees and then at the same rental rate as AHL team lease)
- Ticket surcharge at \$3 ticket for Men's and Women's Basketball, \$2 surcharge for Hockey (for tickets below \$20)
- Global with new authorization to sell tickets to UConn mens/womens basketball and hockey events and to cross promote/market with Rentschler events.

CT Convention Center

The infrastructure of IT has been updated. The Sound System is currently being updated.

Rentschler Field

New Building Management systems are in place. Drainage system repairs are underway; concessions have been updated by Ovation as part of their contract.

CT Open

Repairs have been made to lower operating costs.

Housing Project Status

The Housing Pipeline has not changed since the Housing Committee last met. Five housing projects are under construction and are on schedule. Allyn Street and Ann Street will be completed later this fall, Sonesta should be completed by May 2015, 777 Main is targeted for next year; at Front Street the building has been closed in. Other housing projects are in review or the closing process.

Executive Director's Report

CUP

An RFP for Operations and Maintenance Services for the Central Utility Plant (CUP) was posted. There was only one response to the RFP. NEMSI responded and was chosen as the contractor.

The following selection process and terms were used:

Selection Process:

- A formal public Request for Proposals (“RFP”) for operational and maintenance services was issued on June 24, 2014 for the Central Utility Plant at the Connecticut Convention Center.
- The RFP was placed on the State of Connecticut contracting portal as well as the Authority’s Web site; however, only one proposal was submitted. Said proposal came from the current operator, EMCOR - New England Mechanical Services, Incorporated (“NEMSI”).

Terms:

- Base Fee - NEMSI’s proposed base rate is \$35,802 per month with a 3% annual escalator. The current agreement with NEMSI provides a base rate of \$33,628; this represents an increase of \$2,174 per month - ~6%. The proposal does not include an incentive fee.
- Duration – The term of the proposed agreement is five years cancellable, at the Authority’s sole discretion, after the completion of the third year. This is in accordance with I.R.S. Guidelines.

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

Motion:

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

Executive Director’s Report continued

Michael Freimuth continued to report on the following projects.

State of CT – Hartford Office Relocation Project Update

The renovations to 50 & 55 Farmington Avenue are substantially complete. 1,269 state employees are working now in the building. The contractor is finishing up outstanding punch list items.

The renovations at 450 Columbus Blvd have begun. Exterior joint sealant replacement and concrete repairs at the parking garage are both underway. Space planning is on-going with Hartford based Tecton Architects. An initial interior demolition project was completed in August and the remaining interior demolition work should be bid out in the next four weeks.

Construction is planned to increase in 2015. Occupancy for over 2,300 state employees is scheduled for the latter part of 2016.

Newington Project Update

Bids for the demolition of the former National Welding Facility in Newington were opened at the end of July. CRDA is overseeing this work on behalf of the Town of Newington. Standard Demolition Services of Trumbull was the low bidder. Contract terms have been agreed to and the formal signing awaits only approval by the Attorney General of the Financial Assistance Agreement between the Town and DECD. The contract value is slightly over \$1.2 million. In the interim the contractor has begun laying out the job, preparing the demolition plan, coordinating with local utilities and undertaking other preliminary work. Actual demolition work is expected to start later this month and to be completed by the end of the year. Fuss & O'Neill is the project engineer. The Town is planning for a transit-oriented, mixed-use development on the site. The property abuts the CTFASRAK busway's Cedar Street station.

UConn Campus Status Update

Schematic designs for the new campus building at the Hartford Times site are being reviewed and priced by UConn (Office of Regional Projects and Development). Target date to submit an updated package to CRDA is late September 2014. Early design development is underway with completion scheduled for the end of the calendar year. Early release packages will be issued in the first quarter of 2015 for work beginning on site prep and utilities in the spring 2015. Final construction documents have a targeted completion date of May 2015 with the balance of the bid process to begin shortly thereafter.

Marriott Modernization

The Marriott Hotel must undertake a capital upgrade per its flag affiliation with the Marriott Corporation. Discussions are underway with CRDA and the City regarding this effort.

Church Street Garage Purchase

Hartford City Council Committee approved the sale of the garage to CRDA. However, it is expected that the CRDA Board will consider the matter at its October meeting in conjunction with the November State Bond Commission meeting.

Parking RFP

The Parking RFP is scheduled to be released by September 24th, with a tentative selection date scheduled for October 29th.

Front Street

A new restaurant named Qdoba Mexican Grill was announced earlier this week. An additional restaurant will be announced soon.

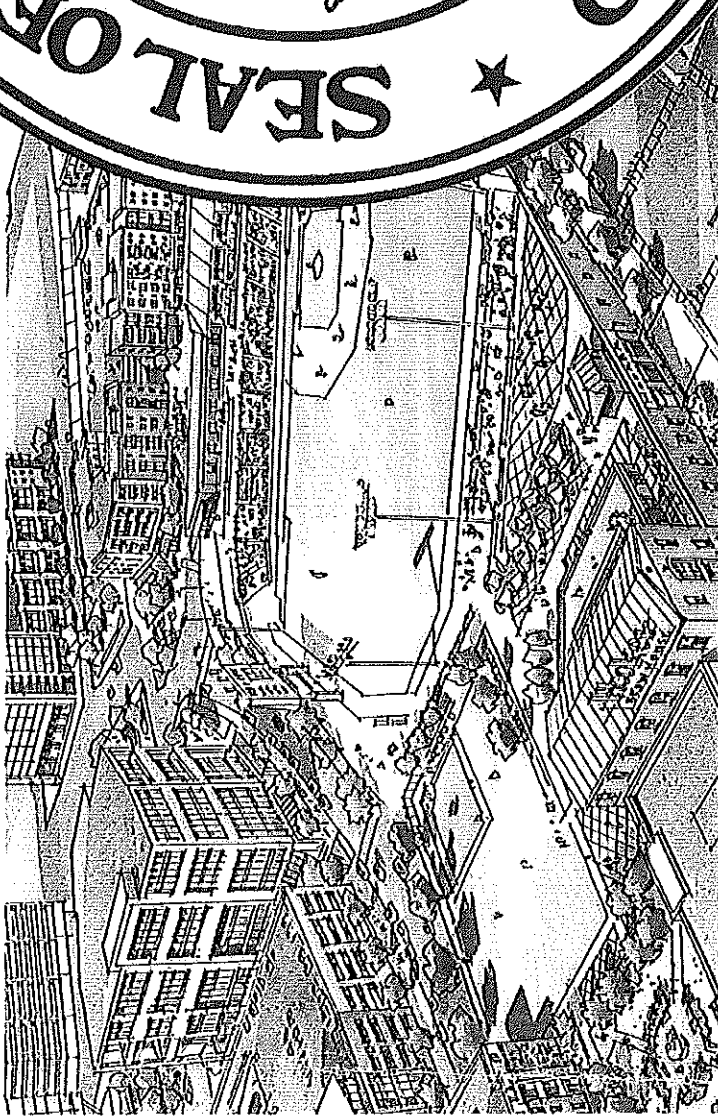
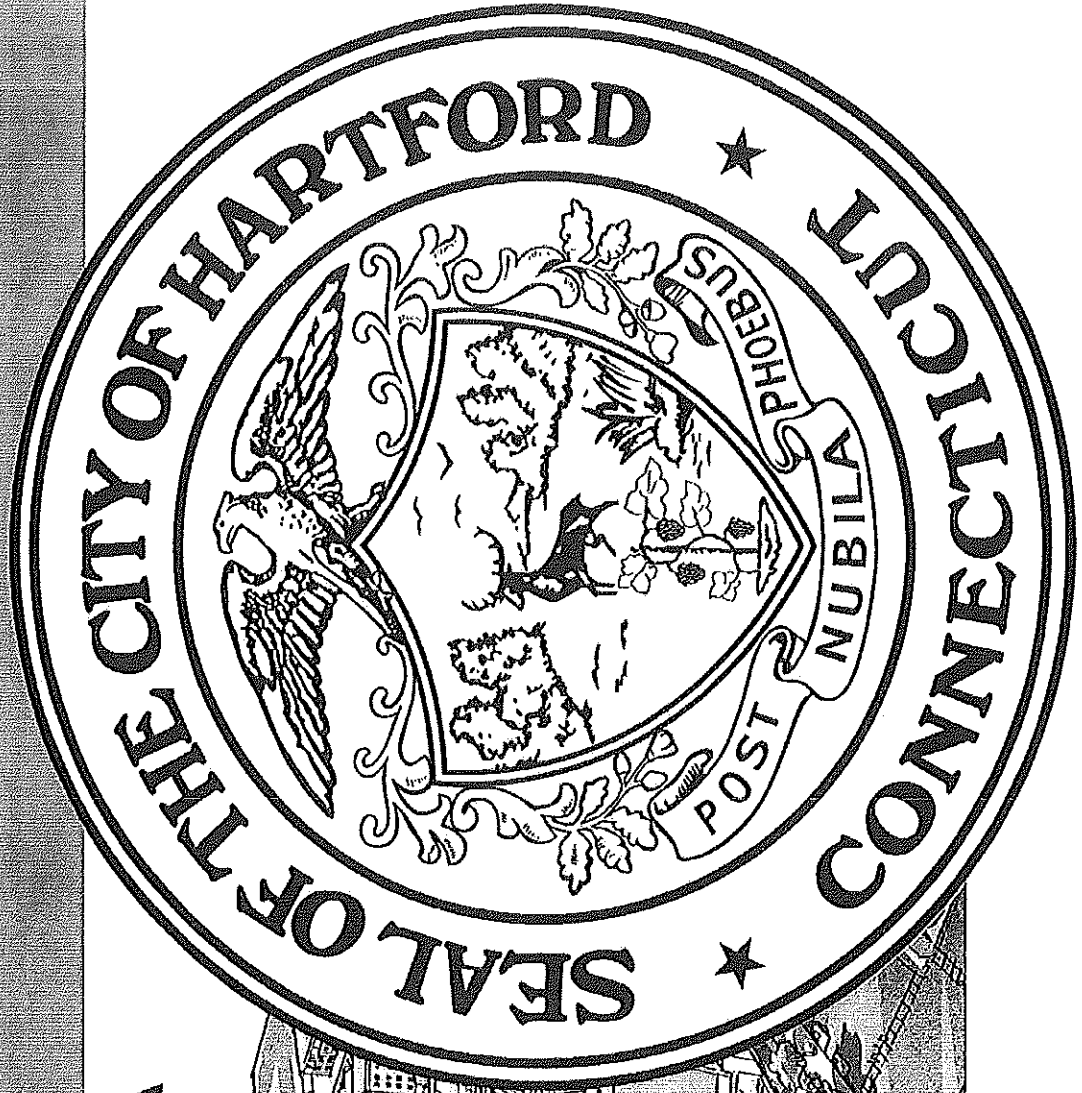
The meeting was adjourned at 8:22pm.

"The minutes of the September 18, 2014 CRDA Board Meeting were moved by Catherine Smith seconded by Evonne Klein and unanimously approved by Board Members at the October 16, 2014 CRDA Board Meeting."

RISING STAR

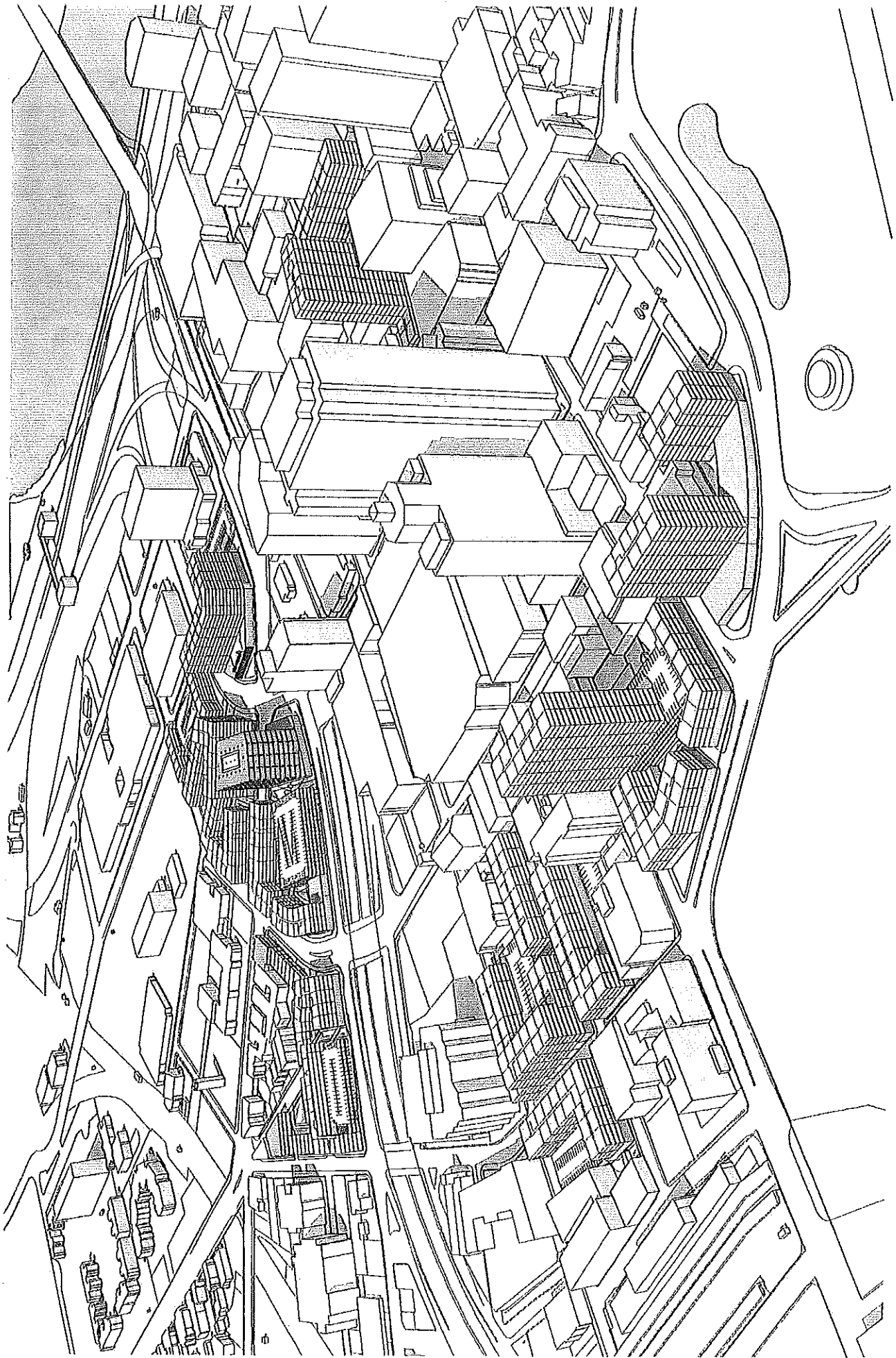
2014

MAYOR PEDRO E. SEGARRA



the ballpark is the spark...

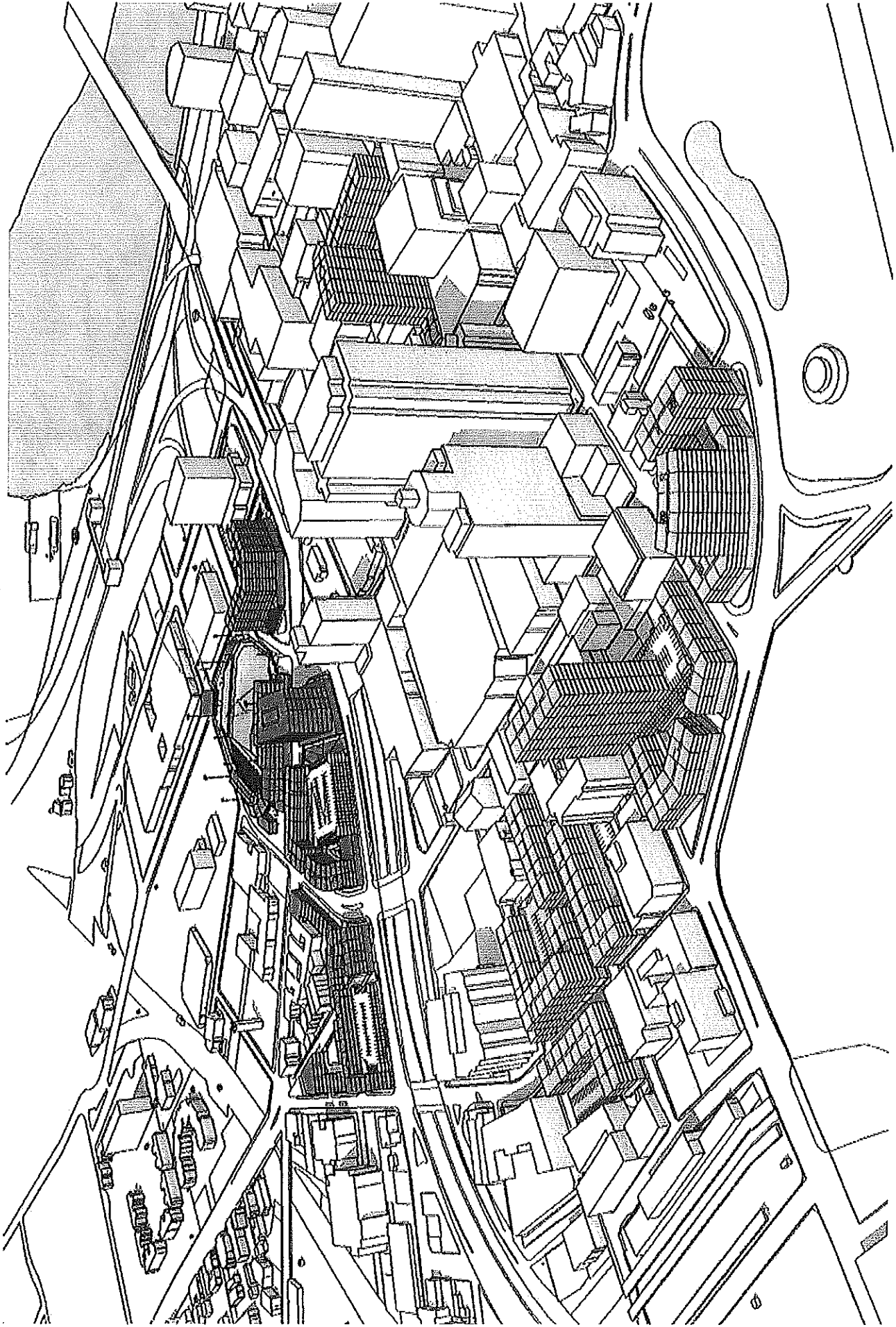
THE MASTER PLAN | ORIGINAL SCENARIOS



CITY OF HARTFORD
MAYOR PEDRO E. SEGARRA

the ballpark is the spark...

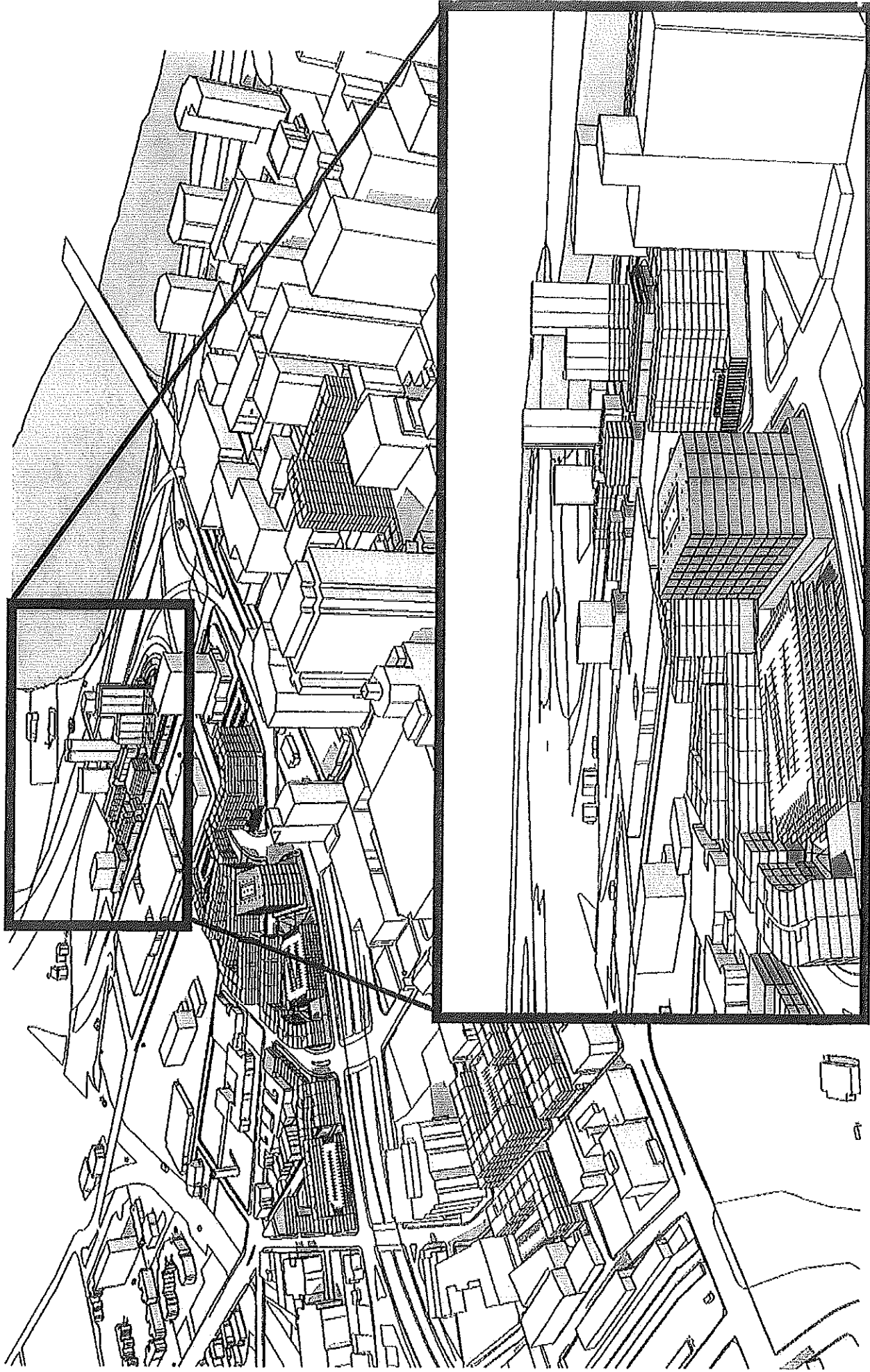
THE MASTER PLAN



CITY OF HARTFORD
MAYOR PEDRO E. SEGARRA

the ballpark is the spark...

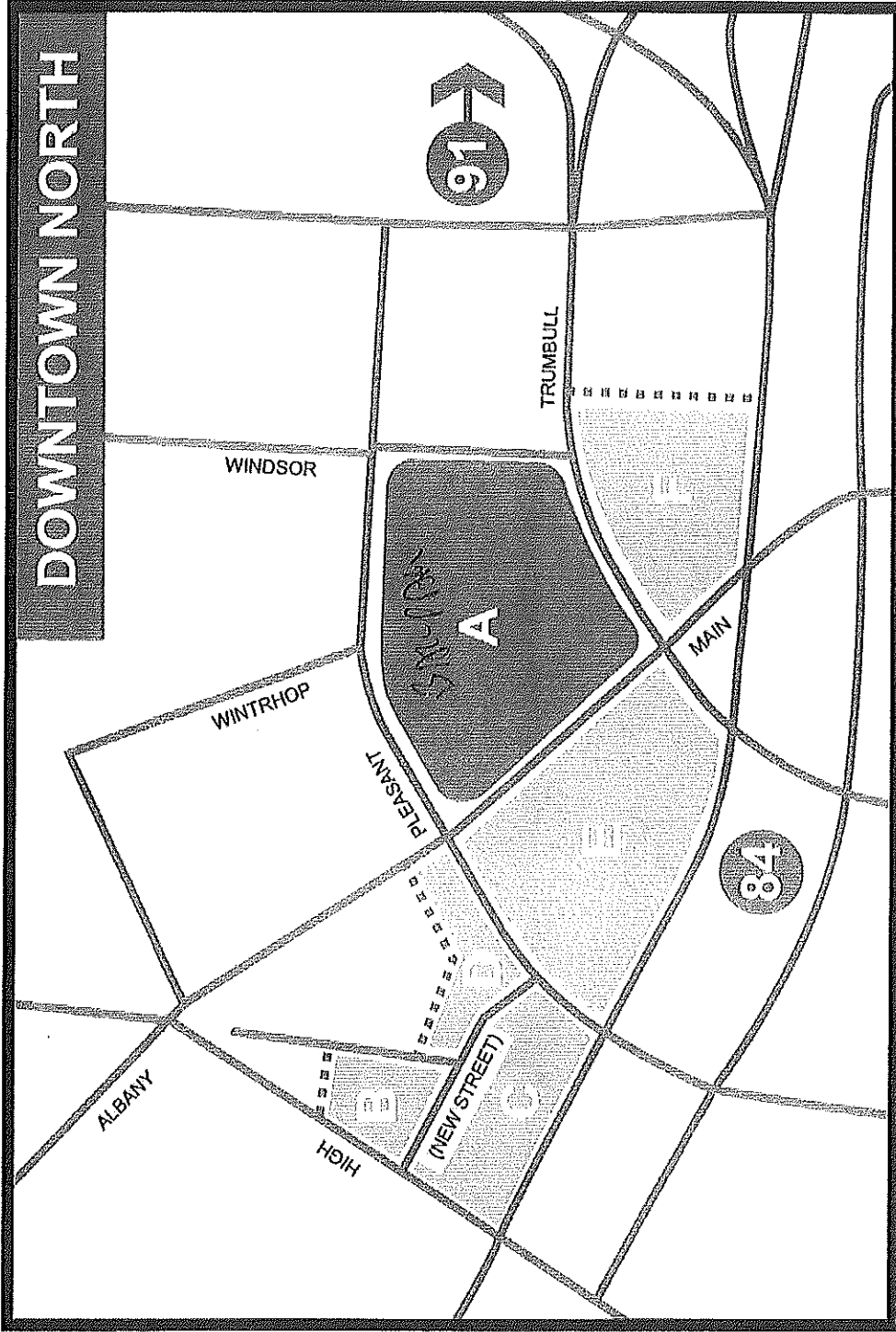
UNTAPPED POTENTIAL ON MARKET STREET



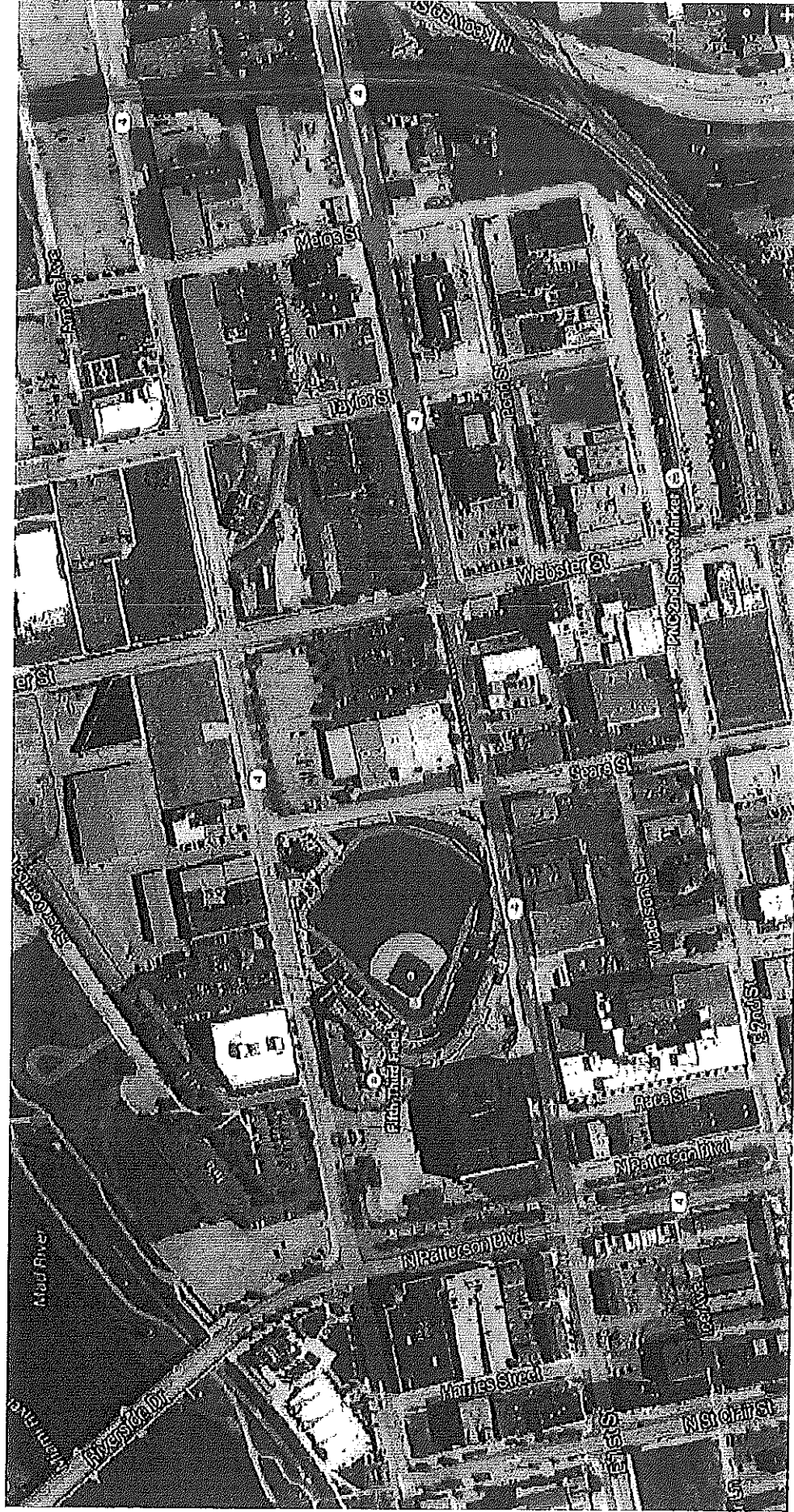
CITY OF HARTFORD
MAYOR PEDRO E. SEGARRA

the ballpark is the spark...

IT'S NOT JUST A BALLPARK



COMPARISON | DAYTON, OH



	DAYTON	HARTFORD
Population	141,527	124,893
MSA Population	841,502	1,212,381
MSA Median Family Income	\$59,770	\$86,500

COMPARISON | DAYTON, OH

“3rd Gate” in Dayton has served as an enormous catalyst for development.

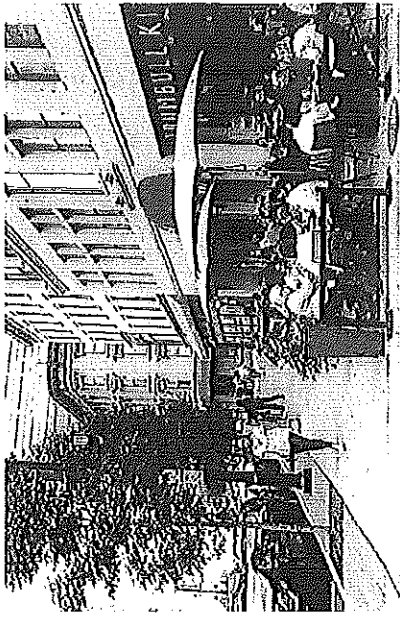


RETAIL + COMMERCIAL SPOILOVER

community gathering spaces



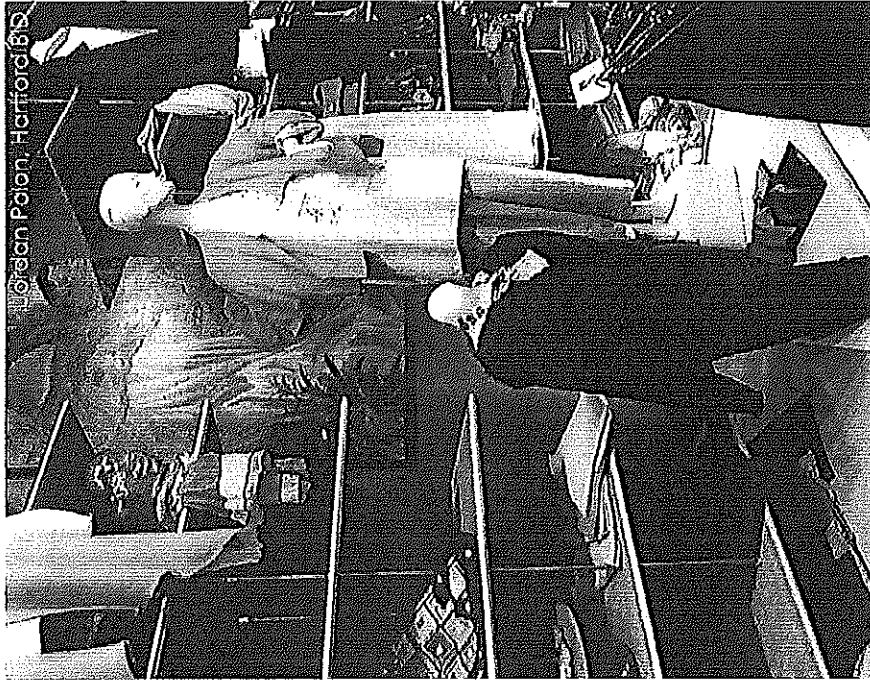
businesses taking advantage of public spaces



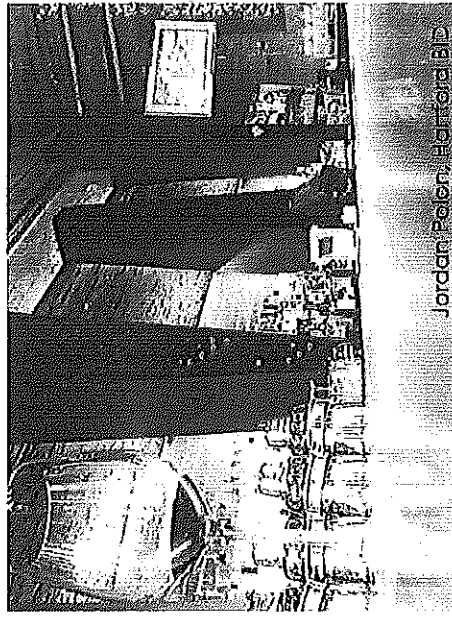
neighborhood shops



entrepreneurial spaces

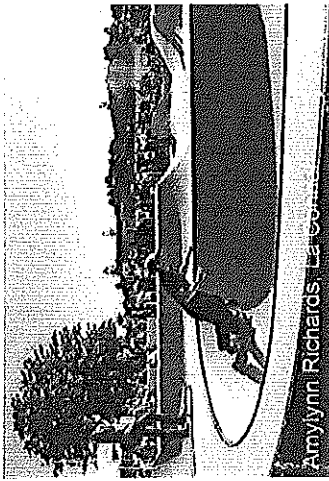


pre and post event destinations

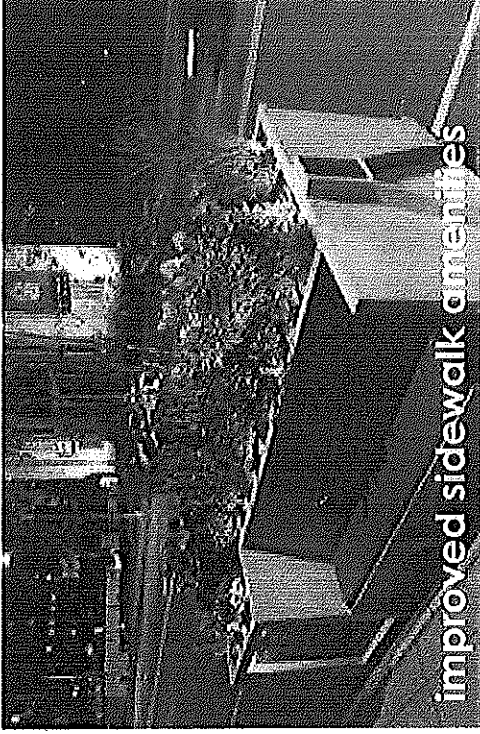


AMENITIES + QUALITY OF LIFE

town green +
skate park coexist



Amylynn Richards | City of Hartford

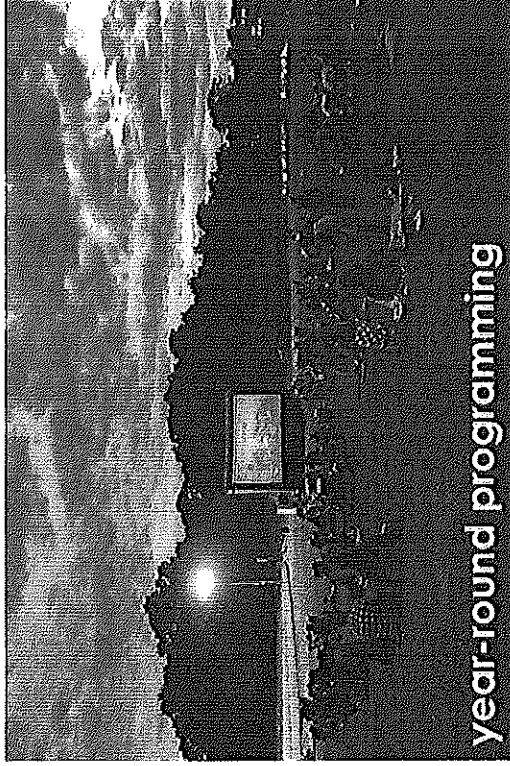


improved sidewalk amenities

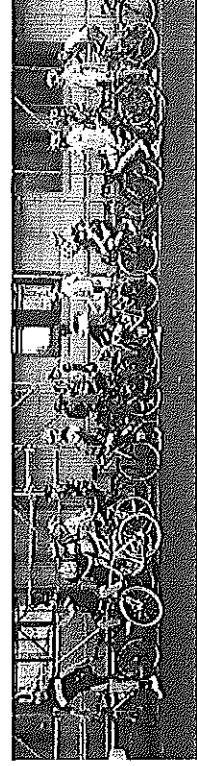
event + neighborhood
parades



kid friendly community
spaces



year-round programming



improved "complete" streetscapes

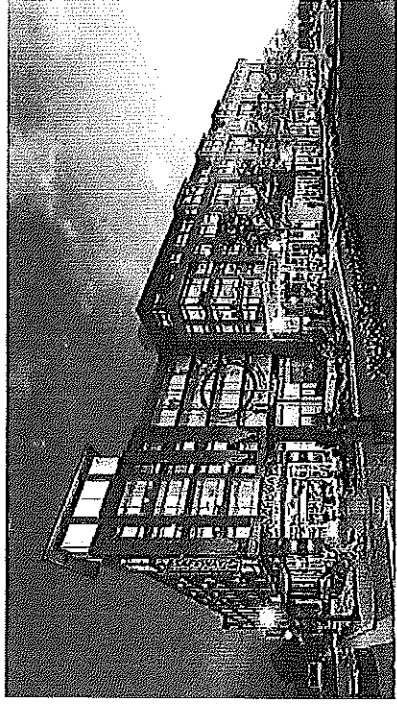
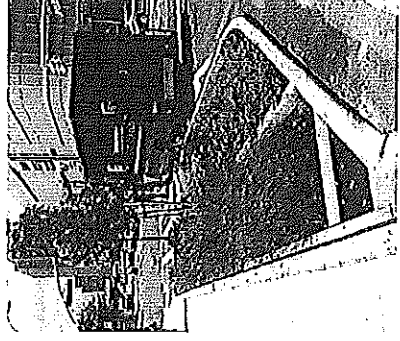
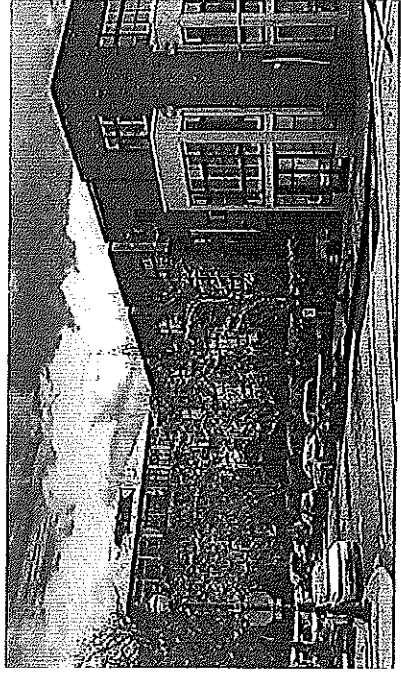
WHAT ARE WE DOING?

WHAT IS A PUBLIC PRIVATE PARTNERSHIP (PPP)?
a business relationship between a private-sector company and a government agency for the purposes of completing a project

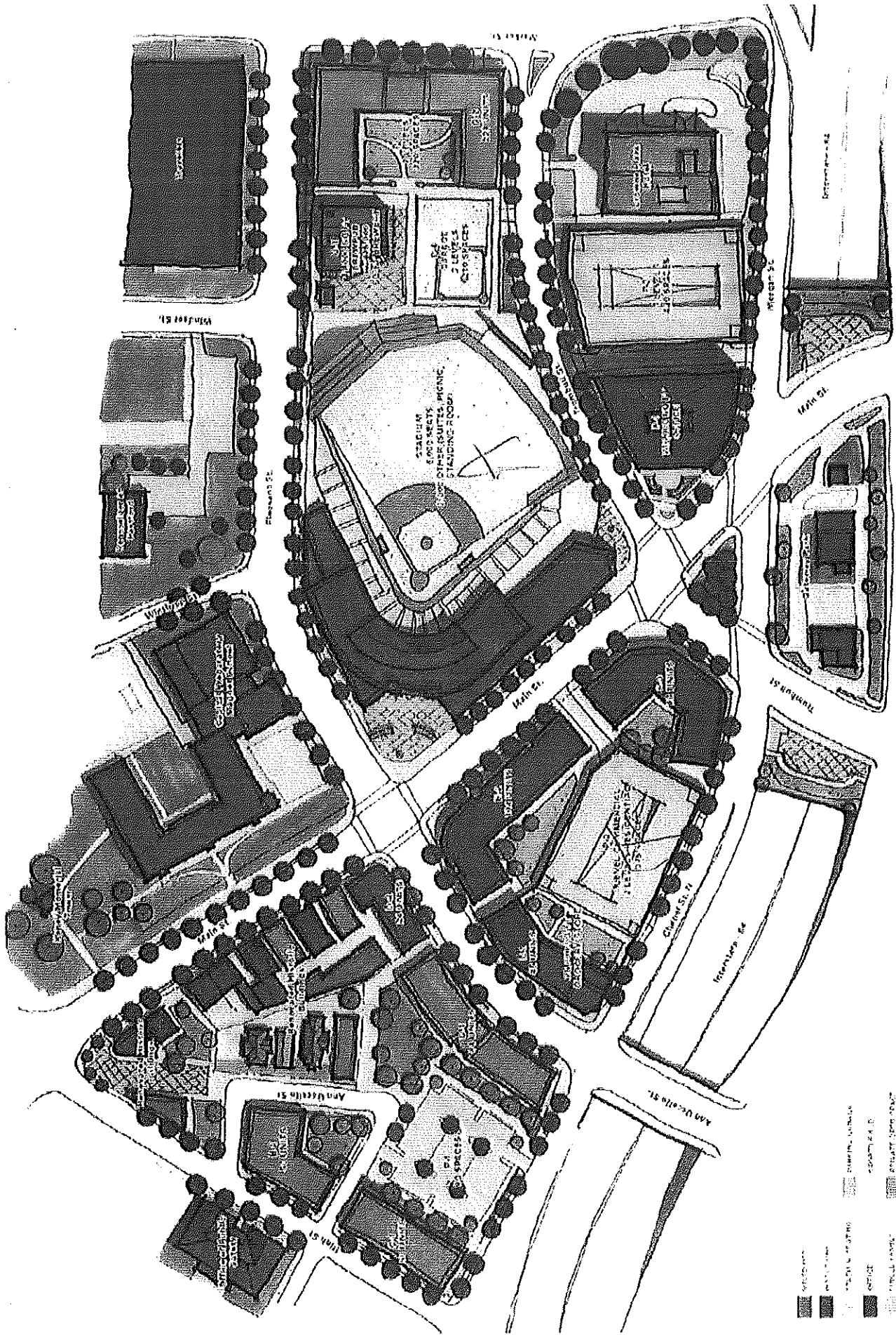
A request for RFP released on July 2nd, 2014
(viewable at www.hartford.gov/dono)

Purpose of the RFP is to incentivize other development in
Downtown North

- Housing (mix of options)
- Supermarket
- Other retail
- Ballpark



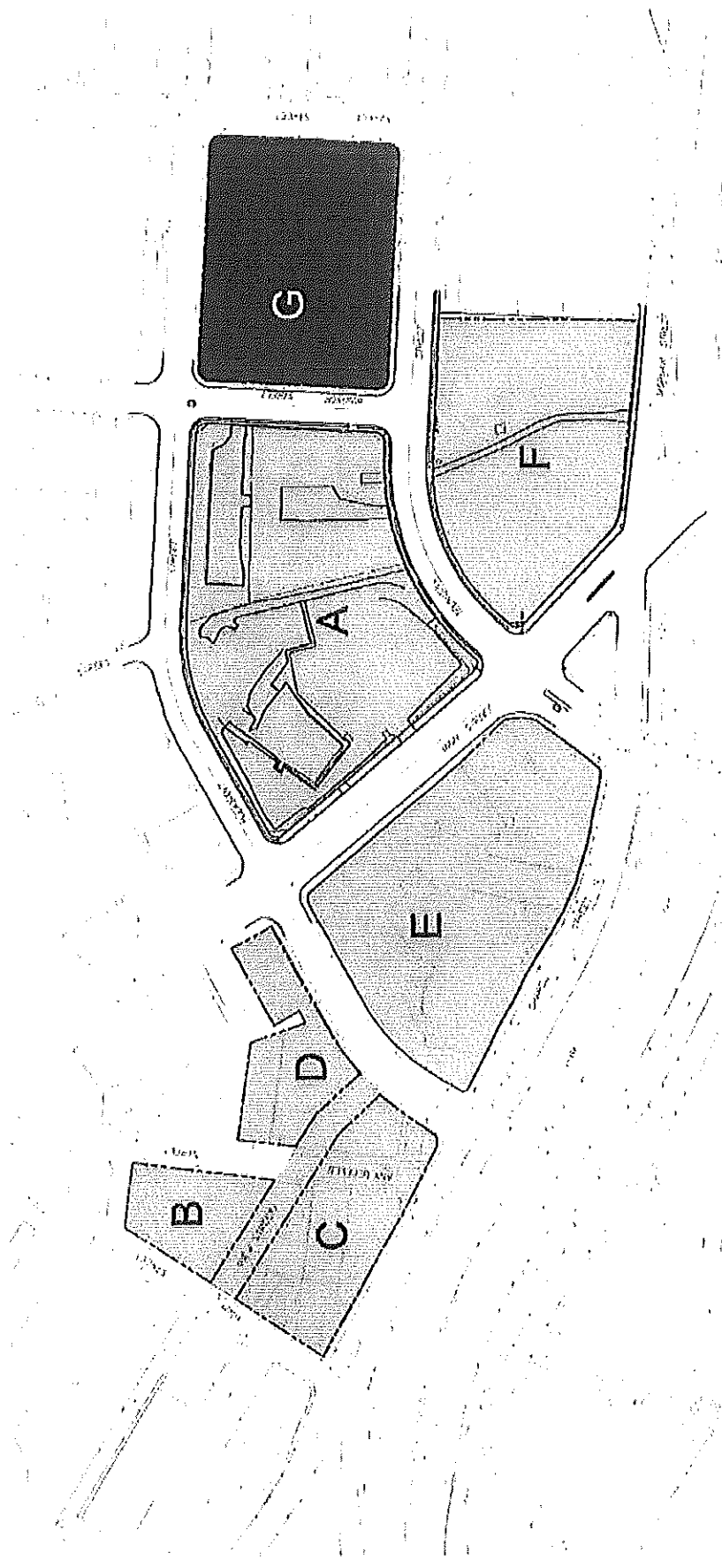
SITE PLAN



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CITY OF HARTFORD
MAYOR PEDRO E. SEGARRA

CONTIGUOUS PROPERTY



DOWNTOWN NORTH

LEGEND
PROPERTY WITHIN DOTTED LINE IS INCLUDED WITHIN THE MAP
PROPERTY WITHIN SOLID LINE IS NOT
PROPERTY WITHIN DASHED LINE IS OWNED BY DO NOT HARTFORD, LLC

CONTIGUOUS PROPERTY PLAN

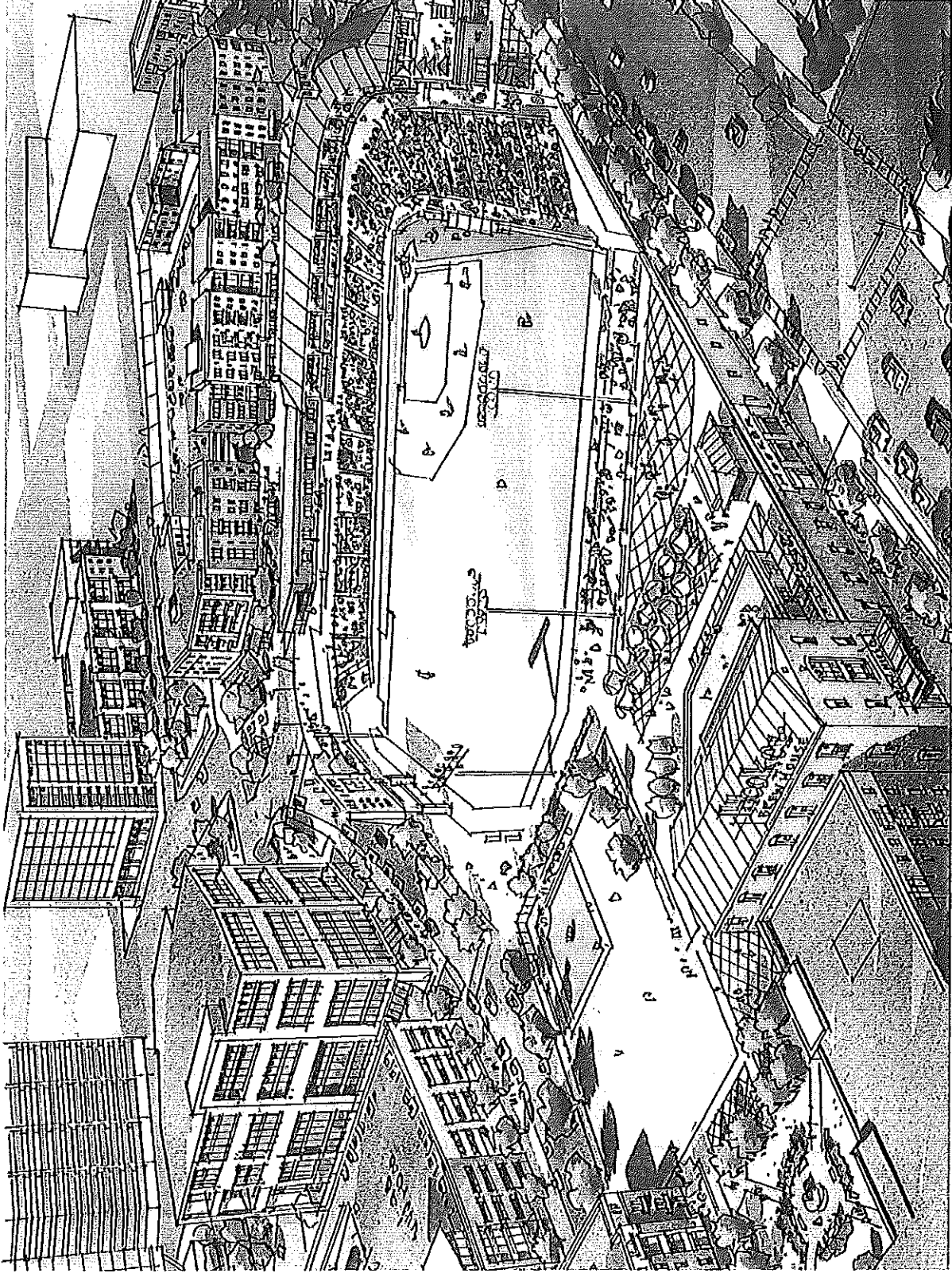
80 0 40 50
CP-1
AUGUST 1, 2014

Do No HARTFORD, LLC

DEVELOPMENT PROGRAM

	Parcel A Ballpark	Parcel B, C, D Residential	Parcel E Mixed-Use	Parcel F HMOB	Parcel G Mixed Use	Total
# of Residential Units	0	208	237	0	228	673
Retail GSF	0	8,000	63,400	24,000	46,000	141,400
Office GSF	0	0	0	216,000	0	216,000
# of Parking Spaces	0	80	420	420	530	1,405
Total Project GSF:	0	256,000	487,900	395,400	395,400	1,534,700

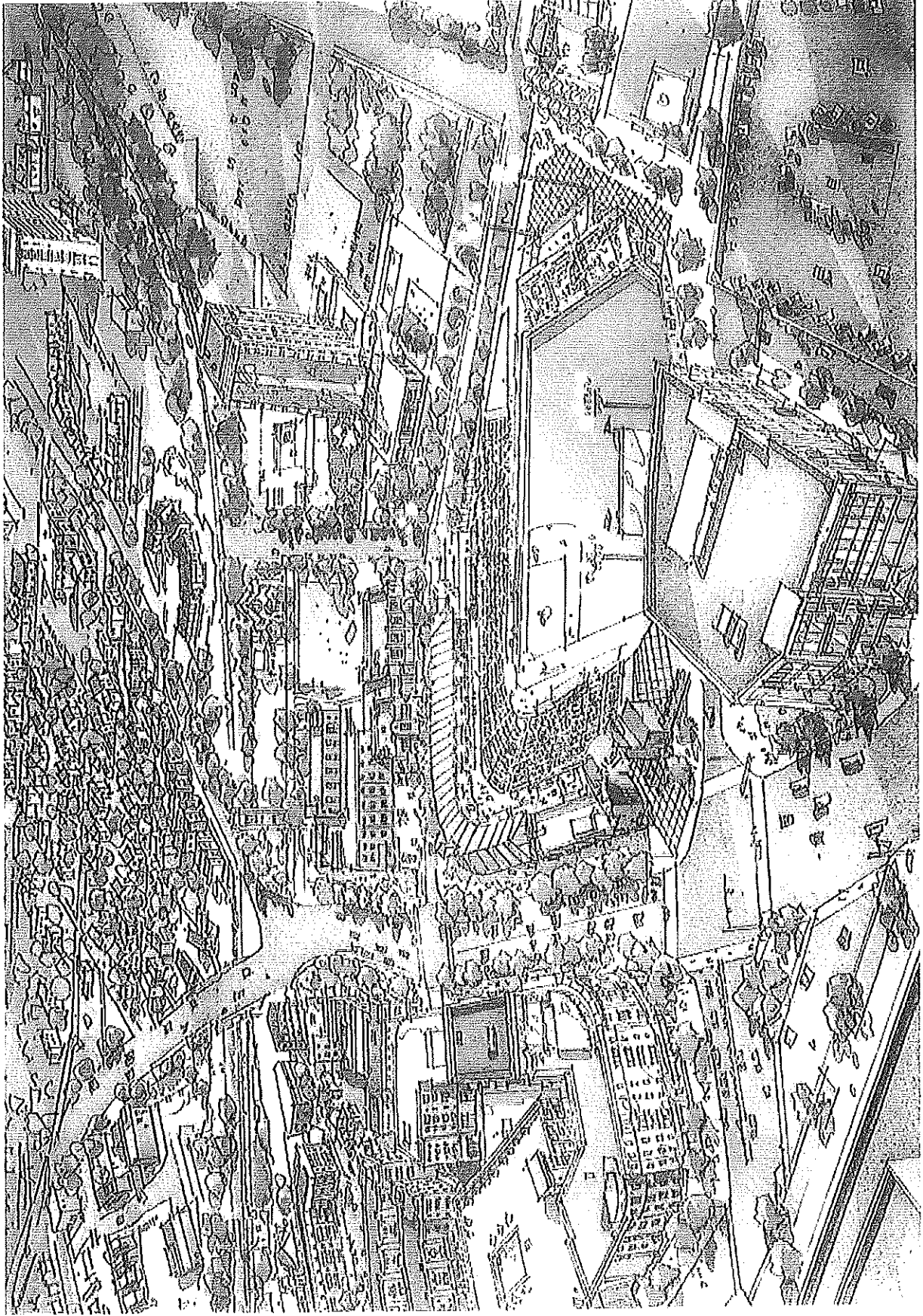
RENDERINGS



CITY OF HARTFORD
MAYOR PEDRO E. SEGARRA

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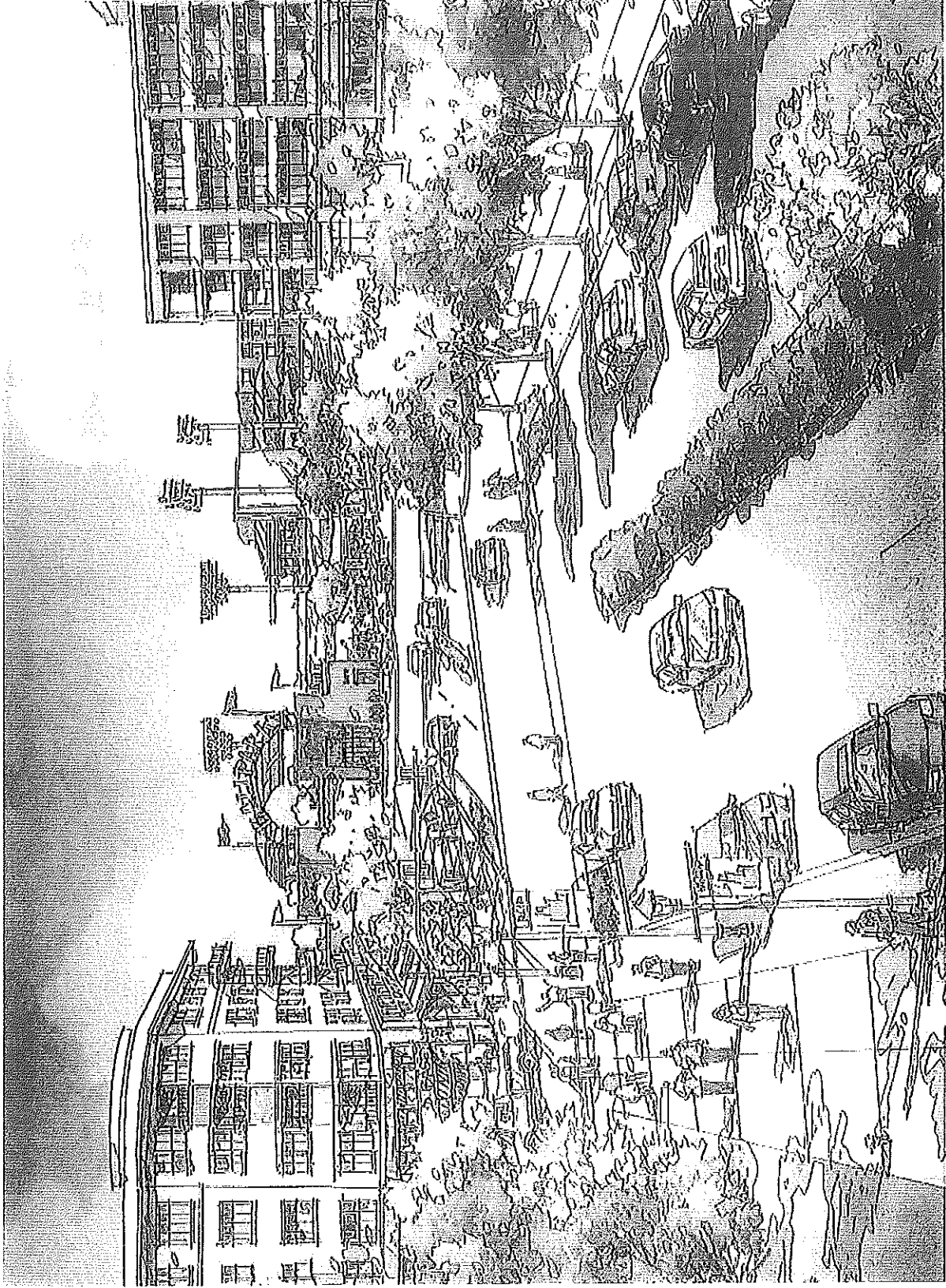
RENDERINGS



CITY OF HARTFORD
MAYOR PEDRO E. SEGARRA

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RENDERINGS



DEVELOPMENT BUDGET

DEVELOPMENT BUDGET

Land Cost:	Parcel A Ballpark	Parcel B,C,D Residential	Parcel E Mixed-Use	Parcel E HMOB	Parcel G Mixed-Use	Public Infrastructure	Total
Total Land Costs	\$1	\$3	\$1	\$1	\$525,000	\$0	\$525,006
Hard Costs:							
Total Hard Costs	\$41,250,000	\$35,120,000	\$60,566,000	\$100,640,000	\$55,300,000	\$15,993,506	\$308,869,506
Soft Costs:							
Total Soft Costs	\$5,880,000	\$8,505,000	\$8,505,000	\$9,905,280	\$5,197,500	\$2,193,750	\$40,186,530
Soft Cost Percent (%)	12.5%	19.5%	12.3%	9.0%	8.5%	12.1%	11.5%
Total Development Budget	\$47,130,001	\$43,625,003	\$69,071,001	\$110,545,281	\$61,022,500	\$18,187,256	\$349,581,043

SOURCES & USES OF FUNDS

Uses of Funds:							
Total Uses of Funds	\$47,130,001	\$43,625,003	\$69,071,001	\$110,545,281	\$61,022,500	\$18,187,256	\$349,581,043
Sources of Funds:							
Equity Capital	\$7,069,500	\$10,906,251	\$17,267,750	\$27,636,320	\$15,255,625	\$0	\$78,135,446
Senior Debt @ 75% LTC	\$0	\$32,718,752	\$51,803,251	\$82,908,961	\$45,766,875	\$0	\$213,197,839
CTL Stadium Senior Debt @ 85% LTC	\$40,060,501	\$0	\$0	\$0	\$0	\$0	\$40,060,501
IID Bond Proceeds (Net)	\$0	\$0	\$0	\$0	\$0	\$10,187,256	\$10,187,256
City of Hartford Infrastructure Contribution	\$0	\$0	\$0	\$0	\$0	\$8,000,000	\$8,000,000
Total Sources of Funds	\$47,130,001	\$43,625,003	\$69,071,001	\$110,545,281	\$61,022,500	\$18,187,256	\$349,581,043

THANK YOU

**Capital Region Development Authority
CT Convention Center
100 Columbus Boulevard
Hartford, CT 06103
Thursday, October 16, 2014
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Evonne Klein; Mayor Pedro Segarra; Catherine Smith; David Jorgensen; Floyd Green by conference phone

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

Guests: Michael Costelli General Manager CT Convention Center, Chris Lawrence, General Manager XL Center

Call to Order

Chairwoman Suzanne Hopgood called the meeting to order at 6:05 pm and upon motion made Andy Bessette and seconded by Catherine Smith, the Board held an Executive Session regarding contract negotiations.

Executive Session

Executive Session was held from 6:07 pm – 6:23 pm.

Minutes

The minutes from the September 18, 2014 Board Meeting were moved by Catherine Smith, seconded by Evonne Klein and approved unanimously.

Action Items

Global Incentive Agreement

Board members discussed contract negotiations to the XL Management Agreement for Global Spectrum.

The following motion to amend the XL Center Management Agreement was moved by Andy Bessette, seconded by Catherine Smith and approved by the CRDA Board.

“The CRDA Board of Directors hereby authorizes the Executive Director to execute an amendment to the XL Center Management Agreement reflecting a modification to the manager’s incentive fee.”

Church Street Garage

Terms and Conditions:

- Purchase Price: an amount not to exceed \$14,406,000.

- Such purchase shall include all rights, interests and fee simple title for the real property located at 200 Church Street and all buildings and improvements located thereon and appurtenances thereto.
- Bond Funds Requested: \$16,000,000 – Such amount will include funding for garage capital improvements as well as reimbursement for necessary professional services such as surveying, legal services, environmental research, and appraisal services.
- Purchase is subject to the completion of CRDA’s due diligence and all necessary City and State approvals

The following motion regarding the purchase of the Church Street Garage from the City of Hartford was moved by Andy Bessette, seconded by Catherine Smith and approved by the CRDA Board with Mayor Segarra abstaining.

“The CRDA Board of Directors hereby authorizes the Executive Director to execute a purchase and sale agreement and all manner of other related documents embodying the terms and conditions outlined above.”

3 Constitution

Current Terms and Conditions:

- On September 19, 2013, the CRDA Board approved an assistance agreement for the development known as the Residences at River View located 3 Constitution Plaza.
- The CRDA funding was structured into two components: (1) a \$1,802,158 equity position with 2% Return on Investment up to 50% of cash flow and (2) a \$2,487,819 loan that was to be amortized on a 25-year schedule with P&I payments deferred for the first five years, with interest payments at 2% beginning in Year 6. The loan term was to be ten years.

Revised Terms and Conditions:

- The new proposal will convert the loan component (~\$2.49 million) into an equity position along with the existing equity position (~\$1.8 million).
- Consequently, the revised assistance package will consist of an ~ \$4.29 million equity position with 2% Return on Investment up to 50% of cash flow.

The following motion regarding the revised agreement pertaining to the Residences at River View – 3 Constitution Plaza was moved by Andy Bessette, seconded by Catherine Smith and approved unanimously by the CRDA Board.

“The CRDA Board of Directors hereby authorizes the Executive Director to execute a revised assistance agreement, as outlined above.”

Adoption of Housing Application Fee

Joseph Geremia briefed Board Members on the recommendation to collect a pre-closing fee that would be used to off-set CRDA housing initiative loans.

The recommended criteria below would be used in this process:

- An application fee in the amount of 1.5% of the CRDA financial assistance shall be required within ten (10) business days after bond funds are approved by the State Bond Commission. This application fee will be applied as a credit at closing, less CRDA's processing fee and incurred legal costs.
- If Bond Commission approval is revoked and as a result the transaction does not close, CRDA will refund the application fee less all fees and costs CRDA incurs in processing the loan application."
- If the transaction does not close through the fault of the applicant, CRDA is entitled to retain the full application fee.

The following motion regarding the Housing Application Fee was moved by Andy Bessette, seconded by Catherine Smith and approved unanimously by the CRDA Board.

"The CRDA Board hereby approves the Application Fee Policy, as presented."

Hartford Office Supply

Michael Freimuth explained the proposed change in the Hartford Office Supply deal structure. He described the deal as having changed due to changes in historic preservation rules. Construction costs have gone up and the building site has some degree of environmental cleanup that is more expensive than originally anticipated.

The original deal that was passed by the Board in June 2014 approved that of the two forms of assistance, one was a loan and the other was a cash flow equity grant. The proposed change would be that the cash flow equity grant changes to a cash flow loan. He further explained that the funds will be recorded as debt and leaned against the building as opposed to equity. The deal will have the same return to CRDA as it would under the initial arrangement.

The following motion regarding the change in the Hartford Office Supply deal structure was moved by Andy Bessette, seconded by Evonne Klein 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 loan* 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."

Venue Committee

XL Center construction update

Bob Saint gave an update regarding the XL Center construction. Bob thanked Dimeo Construction for the extraordinary job that was done in a very timely manner, sometimes working 24/7 to make sure deadlines were met.

- Concourse, fan club and locker room are currently in a punch list phase
- Concessions- probably won't be 100% until Fleet Wood Mac concert
- Infrastructure, electric, HVAC and audio video is between 85%-100% complete, work will continue into December. The biggest item is the smoke control system, when that is complete the doors will be taken down between the concourse and the bowl. There is a possibility it will be completed by mid-November.
- Ice has been made.
- A few items are being held until enough funds are available to pursue them (i.e. repairs to the outside, elevator modernization).

Long Term Planning of XL Center

Kim reported that SCIA was formally selected as the preferred firm to work with the team on Long Term Planning of the XL Center. The contract with SCIA is being reviewed and should be signed by next week. The team is meeting with SCIA next Thursday, all Board and Venue Committee members are invited to attend.

The report is due to CRDA in the first quarter of 2015.

Andy Bessette suggested that all parties should attend a game or function at XL Center to experience the narrowness of the concourse when so many people are trying to get through the tight area. This will allow you to better understand the many differences between the existing XL and new arenas and the need for a study and recommendations .

Finance

Financial Update

Joseph Geremia gave an update to the Board on the Financial Status of CRDA's various entities.

Fiscal Year 2015 Operating Statistics

CT Convention Center – August/September

YTD utilization is at 70% compared with a budget of 83%

YTD gross revenue is at \$2.9 million – 24% favorable to budget

30 events held YTD with YTD attendance at 81,000

CRDA Parking Facilities – August/September

Utilization even with budget at 50%

Monthly rate customer average 2,500, even with prior year

Transient customer average 25,000, even with prior year

XL Center – August/September

5 events held – 1 Concert, 4 Misc. events

Joe Geremia, all the other divisions have YTD and budget numbers. Can we add that here???

Rentschler Field -- August/September

YTD Net Income unfavorable to break-even budget by \$137K

Unfavorable variance: 50% event revenue / 50% ancillary revenue

Hosted 6 community events in September - 3 UCONN Football games

Financial Projects

Capital Expenditures -- Rentschler Field - \$2.8M, Expended \$2.7M

Capital Expenditures -- XL Center - \$33M, Expended \$15.6M

Capital Expenditures -- Convention Center - \$1.3M, Expended \$479K

Residential Housing Initiatives -- \$60M, Disbursed \$27.8M

CTCC

Michael Costelli distributed a handout to the Board that described the First quarter results for events, revenue and attendance for the Connecticut Convention Center.

Although the total amount of events was down by one event, the actual 1st quarter results were positive. 1st quarter revenue, exceeded budget vs. actual by over \$250,000 and 1st quarter 2015 actual attendance exceeded budgeted attendance by approximately 2,300 attendees. Mr. Costelli gave a recap of event days that are available and the total amount of events days that were used.

XL Center

Chris Lawrence, General Manager of the XL Center started by thanking Bob Saint and Casey Haverling (XL Center) for their hand in the transformation of the XL Center. Chris also thanked the Board for securing the funding in order to move ahead with construction.

Chris presented a timeline for the near future events including the activities for concerts, UConn Basketball and Hockey, family shows along with the AHL Hockey season.

Chris reported on Wolfpack tickets sales. He indicated that prior to last year's season opener, group sale commitments were reported to be 315, up from only 84 at this time last year. Last year's opening night group tickets sales were approximately 1,400, this year sales is reporting 2,900. Last year it took 6 games to reach \$35,000 in group ticket revenue, however this year, for the first game alone, we are over \$35,000.

After speaking with some of the hockey players, the ice seems to be a better quality for the first time skating on it. It usually takes a few times to be broken in so this is encouraging news.

Rentschler Field

Joseph Geremia reviewed the graphs representing "Attendance" and "Event Income" for the UConn Games that have occurred to date.

If the trend of the Temple Game continues for the remaining games at Rentschler Field, the \$70,000 reported loss could potentially turn into a \$450,000 deficit. It is necessary for the Board to be aware of the possible shortfall.

Mayor's Report

Mayor Segarra reported the following:

- The City's Moody's Bond Ratings has moved from A1 to A2 and Standards and Poor's kept the rating the same.
- The Stadium Downtown North was approved by City Council. One of the changes that was made to the initial resolution by agreement of council, requests the Mayor to collaborate with CRDA in implementing the project and other activities of CRDA and the City.
- More work needs to be done at P&Z in terms of the stadium and the special permit conditions that will be attached to the stadium. Special permits will be vetted in the next couple of weeks/months.

The Mayor further reported that he would like to have ballpark parking, programming, and traffic issues assigned to respective CRDA committees. He also said the housing component would need CRDA assistance.

Chairwoman Hopgood responded by indicating that the City and/or the developer would need to bring forth their requests to the CRDA Executive Director, who would, if warranted, provide the Board or appropriate Committees with information to address the request.

- Resulting from the recent death of a firefighter in the City, the second firefighter is still critical. The investigation of the fire was handed over to the State.

Executive Director Report

Marketing of Housing Projects

Terryl Mitchell Smith gave a brief update to the Board regarding the CRDA Housing Development Marketing and Promotions Plan. Terryl reported that CRDA is working with the developers of the housing projects on a strategy to raise awareness of the properties. CRDA will promote to community groups and corporations as well as provide links to each property on CRDA website. Also, the City of Hartford has agreed to initiate a "Hello from Hartford" program that will provide welcome packets to new renters.

Parking RFP Update

Anthony Lazzaro indicated that the Parking Management RFP was issued on October 7, 2014 and is currently underway. Four interested companies attended a pre-bid conference on October 16th to discuss the garages that will be managed.

Other Housing projects

Chairwoman Hopgood reported that there has been no change in Capewell and 99 Pratt Street projects. Capewell continues to struggle with financing and 99 Pratt has not moved ahead. Mayor Segarra indicated that he had a conversation with Thom Deller regarding possibly providing some assistance similar to Coltsville and 390 Capitol Avenue. Mayor Segarra will follow up with Thom Deller.

Bearden Mural Video's

The Bearden Mural you tube video's of the move into the Hartford Library were played at the end of the Board meeting.

Chairwoman Hopgood recapped her sentiments regarding the Mayor's request. Due to the lack of CRDA involvement in the Stadium project, any discussion or request for CRDA's assistance, needs to come from the City to the CRDA Executive Director.

“The minutes of the October 16, 2014 CRDA Board Meeting were moved by Evonne Klein seconded by Dave Jorgensen and unanimously approved by Board Members at the November 20, 2014 CRDA Board Meeting.”

**Capital Region Development Authority
CT Convention Center
100 Columbus Boulevard
Hartford, CT 06103
Thursday, November 20, 2014
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Ben Barnes; Thomas Deller; Evonne Klein; Mayor Marcia Leclerc; Pamela Reid; Michael Matteo; Dave Jorgensen; Floyd Green (conference phone)

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

Call to Order

Chairwoman Suzanne Hopgood called the meeting to order at 6:00pm.

Minutes

The minutes from the October 16, 2014 Board Meeting were moved by Commissioner Klein, seconded by Dave Jorgensen and approved unanimously.

Chairwoman Hopgood's Report

XL Center - Chairwoman Hopgood congratulated the XL Center team, the building looks great. She also congratulated CRDA on a job well done.

CRDA Board Retreat – Chairwoman Hopgood reported that she would like to hold a strategic retreat of the Board on January 8th. It will be for a couple of hours and can be held prior to the scheduled Board Meeting on January 8th. Jennifer will contact the Board Members.

The strategic retreat will attempt to focus on sections of the City within the District (see attached map of the district).

Holiday Gathering – the Holiday Gathering will take place on December 12, 2014, a lite fare will be served 5pm-7pm followed by Wolfpack game. A Hartford neighborhood band has been asked to play at the game.

Chairwoman Hopgood reported that she met a gentleman that is moving his business to downtown Hartford. He indicated that his employees expressed an interest in working downtown and walking to work. He will be recruiting other workers that are of the same mind set.

Mayor's Report (given by Thom Deller)

(We) met with Real Estate Firm that represents the owners of Constitution Plaza and hopefully will sign an agreement, to sell the property. The new owners have expressed an interest to sit down and talk to us to get the other projects around Constitution plaza moving. Perhaps, next week, we can have a discussion regarding 3 Constitution Plaza.

Mayor Leclerc expressed that she was impressed with the lighting in front of the Colt Building, and also commented on how clean it looked. She also noted that she read that Abul Islaam's project is moving forward.

Finance

CRDA's CFO Joseph Geremia gave a detailed reporting of the First Quarter and also reviewed the November financial update.

Fiscal Year 2015 Financial Statements for the Quarter Ending 9/30/2014

Balance Sheet

- Current restricted cash increase reflects receipt of capital bond funds for the XL Center with off-setting liability in accounts payable and accrued expenses
 - Current unrestricted cash decrease reflects timing differences between funding and expenses at the CTCC and the XL Center
 - Construction in progress increase reflects capital investments made to the XL Center
- #### Statement of Revenues, Expenses and Changes in Net Position
- Restricted revenue increase reflects continuation of State office relocation project support Development costs for FY15 Qtr 1 reflects TFC support while FY14 Qtr 1 reflects Capital Grille fit-out expenses

Fiscal Year 2015 Operating Statistics

CT Convention Center – Sept./Oct.

- Monthly utilization of 97% while YTD is even with budget at 75%
- 54 events held YTD with YTD attendance at 116,000
- For first fiscal quarter of activity, total year projection even with budget

CRDA Parking Facilities – Sept./Oct.

- Utilization even with budget at 52%
- Monthly rate customers were 2,500, same as prior 3 months
- Transient customers were 41,000, 12,000 increase over prior month
- Transient revenue is up 14% with monthly rate customer revenue even to budget
- For first fiscal quarter of activity, total year projection even with budget

XL Center - Sept./Oct.

- October activity: 4 Hockey games, 6 Exhibition Hall events
- For first fiscal quarter of activity, total year projection even with budget

Rentschler Field - Sept./Oct.

- October activity: Hosted approx. 10 community events
- After first fiscal quarter of activity, total year projected at \$250,000 loss based on lower than budget UCONN football attendance

Financial Projects

- Capital Expenditures – Rentschler Field - \$2.8M, Expended \$2.7M
- Capital Expenditures – XL Center - \$33M, Expended \$23.6M
- Capital Expenditures – Convention Center - \$1.3M, Expended \$1.1M
- Residential Housing Initiatives – \$60M, Disbursed \$27.8M

Venue

XL

Kim Hart reported that Stafford Sports and SCI are fully engaged. On the programming side, Stafford is meeting with groups both directly and indirectly affiliated with the XL Center, including the City; members of the UConn Board of Trustees; Global; Wolfpack, various concert and show promoters; Tony Roberto from CT Innovations. Future meetings are scheduled with UConn athletics, the legislative delegation and hopefully President Herbst.

Meetings cover viewpoints as to the building perspective and also to see how they see the future of the XL Center. SCI continues to review architectural drawings, looking at lease lines between Northland and XL, deciphering whether we can work within the existing site lines.

Next Venue Committee meeting is scheduled for December 12th, the consultants will give a report on where they stand at that time.

Rentschler

Kim Hart reported using parking/construction funds, to acquire 627 Silver Lane as stadium property for \$98,000. The house will be torn down and the lot will be used for stadium parking.

UConn Lease

Continue to negotiate lease with UConn for XL and Rentschler Field.

Capital Plan

“Bond Commission Capital Request” was submitted to OPM for FY2016/FY2017. Request includes CRDA Housing Initiative Program; CT Convention Center; Rentschler Field and the CT Tennis Center.

CT Tennis Center

There is a clause in the Tournament License Agreement that would allow CRDA to terminate the agreement by December 31, 2014 if performance was not met. An audit is currently being performed and it is expected that the audit report will relay similar information as has been presented informally to the Board, therefore CRDA staff are not asking the Board to take any action.

Housing

Thomas Deller reported that the Housing Underwriting Committee met via teleconference on November 7 to discuss three projects at 99 Pratt Street, 360 Main Street and Capewell.

99 Pratt Street: The developer has opted not to pursue the project as initially planned and the committee endorsed re-allocating the \$1.8M CRDA assistance package to other housing efforts.

360 Main Street: The developer has asked to defer action until the spring of 2015 pending renegotiating the primary mortgage existing at the site. The committee endorsed re-allocating the \$320,000 CRDA assistance to other housing efforts and will re-consider the proposal at a later date.

Capewell: The development has had difficulty in securing primary bank financing due to lease up concerns. After several financial institutions backed out of the project, the developer, CIL and CRDA created a special operating reserve account to cover debt service gaps resulting from slow

lease up and/or lower than projected rents. This account would only be drawn on revenue shortages and not due to expense overages and would first rely on \$1M from the developer before tapping the \$2.1M CRDA reserve. The Housing Committee endorsed this structure and the re-allocation of the funds from 99 Pratt and 360 Main to meet this obligation.

After a discussion, the following motion was moved by Ben Barnes, seconded by Marcia Leclerc and approved by the CRDA Board.

"The Board of Directors supports the creation of a \$2.1M operating reserve fund to meet any revenue shortfalls due to slow lease up of the Capewell project and authorizes the submission of an application to the State Bond Commission to re-allocate previous authorized monies to meet this need. All other authorizations previously approved by the CRDA Board are renewed and ratified."

Ongoing Projects

Michael Freimuth reported on the following projects:

- 201 Ann Street is 100% complete and is about to get its certificate of Occupancy (CO).
- 179 Allyn is about 90% complete, it is in the final phases and is anticipated to be completed in December.
- 5 Constitution – which is the Sonesta is approximately 75% complete, with an April completion date
- 777 Main – 46% complete, anticipated that July 2015, we may be able to start releasing some floors
- Front Street - 44% complete based on draw down of funds.
- 36 Lewis and 38 Elm are slated to close in the next 4-6 weeks.
- 390 Capitol Ave.(HOS), still working through the project financing so it is still lagging.

Marketing

Terryl Mitchell Smith gave the following marketing report to Board members regarding the Apartment Tour on November 13, 2014.

About 25 participants were given guided tours of 179 Allyn and 201 Ann Uccello Streets on Thursday, November 13. The invitation was posted on Downtown Dwellers and sent out to the HYPE membership and the corporate members of the Metro Hartford Alliance and asked to RSVP if they wanted to attend.

The tour started at 179 Allyn where the group broke into two groups and were shown two model apartments on the 5th floor. Once the first group finished, they proceeded over to 201 Ann where the group was shown various configurations of apartments.

Participant Profile:

- New to area – relocated from another state
- Live in another area of Hartford – would like to move downtown
- Live in another CT town, but interested in moving to Hartford
- Late 20's – Mid 30's
- Single
- Married, no children
- Professionals, small business owner (UTC, the Hartford, St Francis Hospital, UConn Health Center, Pratt Street business owner)

The participants asked questions of the developers mostly regarding parking and rental costs.

The following were concerns expressed by participants:

- Extra cost for parking at 179 Allyn
- No out-door space (balconies) at either location
- No views at 201 Ann
- Strange window configurations at 201 Ann
- Not enough closet space at 201 Ann
- Rental cost at 201 Ann too high given not enough amenities in walking distance
- Apartment adjacent to Russian Lady roof-top patio

The followings are positives expressed by participants:

- Liked the idea of the express bus way being only a block/two-blocks away
- Close to downtown restaurants, bars and arena
- Walking distance to work for many
- Easy access to major bus line
- Close to Bushnell Park –some green space
- Better pricing at 179 Allyn
- More closet space at 179 Allyn
- Loved the washer and dryers in each apartment at 201 Ann
- Both locations had great finishes

Both locations are having professional photos taken and will be posting on Rental.com, Craigslist.com, padmapper.com and livehartford.org by the first week of December.

Executive Director's Report

Michael Freimuth reported on the following projects:

- UConn - October renderings of UConn Hartford Campus
- Marriott – franchise license requires the hotel to update/improve its facilities on a periodic basis. The Hartford Marriott currently participates in a Pilot Program with the City that would need to be continued via an arrangement with CRDA in order to trigger the necessary financing. A general discussion ensued. Secretary Barnes asked if the City still supported the Pilot extension as the Mayor indicated that he did, subject to a new contract that would be approved by the City Council, at the September CRDA meeting. Mr. Deller affirmed this understanding.
- Church Street Acquisition – three issues in the title, are being addressed. The City's goal is to get this transacted by June 30th for budget reasons.
- Parking RFP– Anthony Lazzaro reported the following information regarding the Parking Request for Proposal (RFP).

RFP PROCESS

A formal public Request for Proposals ("RFP") for parking management services was issued on October 7, 2014 for the Adriaen's Landing Parking Facilities. In response, the Authority received three submissions from three qualified firms, to wit: (1) LAZ Parking, (2) ProPark America, and (3) Republic Parking System.

A selection committee composed of Anthony Lazzaro, Joseph Geremia, and Kimberly Hart reviewed the submission and interviewed all proposers. The committee evaluated the proposers based upon the following criteria:

- Corporate Qualifications;
- Management of Comparable Facilities;
- Assigned Key Personnel;
- Management Plan;
- Fee Proposal;
- Experience with Publicly Financed Facilities; and

- Commitment to Affirmative Action & the Hiring of Hartford Residents.

RANKINGS

Upon completion of the evaluation process, the committee unanimously ranked the proposers as follows:

- (1) LAZ Parking Ltd, LLC
- (2) ProPark America
- (3) Republic Parking System

RECOMMENDATION

Based upon their competitive fee proposal, history with the project, excellent level of service provided, the complexities of managing the wide and varied services at Adriaen's Landing, as well as the avoidance of transition costs, the committee recommends that the Authority contract with LAZ Parking under the following terms:

TERM: Five years, cancellable after three years.

FEE PROPOSAL:	Year 1	\$75,000
	Year 2	\$75,000
	Year 3	\$77,256
	Year 4	\$79,572
	Year 5	\$81,960

Of note, such fee proposal represents an 11.2% reduction from its current fee of \$84,413.

OTHER TERMS & CONDITIONS:

- LAZ shall operate the Morgan Street Garage for no additional fee;
- LAZ shall provide free consulting services related to the design and operation of the parking facilities, including the Morgan Street Garage;
- LAZ shall continue to adhere to all State & municipal laws, statutes, and ordinances;
- CRDA shall retain approval of all commercial and charitable advertising; and
- Any and all terms consistent with I.R.S. approval qualified management contracts.

After a lengthy discussion, the following motion was moved by Ben Barnes, seconded by Marcia Leclerc and approved by the CRDA Board.

"The CRDA Board of Directors hereby authorizes the Executive Director to execute a qualified management contract with LAZ Parking Ltd. LLC consistent with term and conditions provided above."

CUP

Joseph Geremia reported that the CUP is aging and capital improvements are needed. These improvements were listed under the CTCC as part of the FY2015-16 Capital Plan. It contains \$500K of capital improvements including repairs to the cooling tower and boilers and also while periodic and annual maintenance is being performed, more cost efficient components can be installed.

Chairwoman Hopgood asked if there is a reserve in place and if we know how much it will take to keep the CUP running. Mr. Geremia responded by indicating that the three partners do have a

\$250K capital reserve component built into their bill, however that fund will be down to \$100K by the end of this year which is why CRDA has requested the \$500K capital expense.

450 Columbus

Robert Saint reported that renovations continue at 450 Columbus Blvd. Exterior joint sealant replacement and parking garage concrete repairs are both progressing. The parking garage concrete repairs are scheduled to be completed by the beginning of next month. Space planning is on-going with Hartford based Tecton Architects. The remaining interior demolition work is planned to begin by mid-December. Interior renovations / fit out will then follow next year along with other exterior renovations. A late 2016 occupancy is expected.

Newington

Mike Fremiuth reported the National Welding project is proceeding very smoothly, well ahead of schedule and with only one minor change order to date. Most of the building superstructure is down and has been removed from the site. Work remaining includes cleaning and inspection of the slab, followed by its removal. This will expose an area of contaminated materials and/or soils that will then be remediated, and the site will be graded and stabilized.

Executive Session

At 7:10pm, the following motion was made to move into Executive Session. The motion was moved by Evonne Klein, seconded by Pam Reid and approved unanimously.

“The CRDA Board hereby approves moving into Executive Session”

At 7:25pm, the Board came out of Executive Session and adjourned.

“The minutes of the November 20, 2014 CRDA Board Meeting were moved by Andy Bessette, seconded by Catherine Smith and unanimously approved by Board Members at the January 9, 2015 CRDA Board Meeting.”

**Capital Region Development Authority
CT Convention Center
100 Columbus Boulevard
Hartford, CT 06103
Thursday, January 8, 2015
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Ben Barnes; Floyd Green; Dave Jorgensen; Mayor Marcia Leclerc; Michael Matteo; Jim Redeker; Catherine Smith

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

Call to Order

Chairwoman Suzanne Hopgood called the meeting to order at 6:00pm and upon motion made by Andy Bessette and seconded by Catherine Smith, the Board held an Executive Session regarding personnel matters.

Executive Session

Executive Session was held from 6:00 pm – 6:13 pm.

Minutes

The minutes from the November 20, 2014 Board Meeting were moved by Andy Bessette, seconded by Catherine Smith and approved unanimously.

Finance

CRDA's CFO Joseph Geremia reported the following January 2015 financial update:

CT Convention Center – Nov. 2014

67 events held YTD with YTD attendance at 138,000

For the first 5 months activity, fiscal year projection \$200K favorable to budget

CRDA Parking Facilities – Nov. 2014

Utilization even with budget at 52%

Monthly rate customers remained steady at 2,500

Monthly transient customers were on budget at 32,000

Transient revenue is up 12% with monthly rate customer revenue even to budget

For the first 5 months activity, fiscal year projection \$200K favorable to budget

XL Center - Nov./Dec. 2014

Nov. activity: 11 Hockey games, 2 Basketball games, 5 Exhibition Hall events, 1 Concert

Dec. activity: 8 Hockey games, 5 Basketball games, 2 Exhibition Hall events

After first 5 months activity, fiscal year projection \$300K unfavorable to budget due to elimination of 1 concert and underperforming AHL hockey revenues

Rentschler Field - Nov./Dec. 2014

Nov. activity: Hosted 2 UCONN football games, 1 community event

Dec. activity: Hosted 1 UCONN football games, 4 community events

After first 5 months activity, fiscal year projected at \$350,000 loss based on lower than budget UCONN football attendance (ticket surcharge and F&B revenue)

A lengthy conversation ensued regarding the possibility of additional events being scheduled at Rentschler Field and the XL Center.

Housing

Michael Freimuth reviewed the CRDA Housing Approved list with the Board.

36 Lewis	-closing is forthcoming
38-42 Elm Street	-closing is forthcoming
390 Capitol	-CRDA has not asked for funds from Bond Commission pending finalization of development budget.
Capewell	-latest projection is Feb 2015, environmental cleanup is currently underway.
201 Ann	-is currently being leased
Allyn Street	-100 % complete, going through punch list, has TCO
5 Constitution	-April projection.
777 Main Street	-777 is being marketed to begin leasing. Fuel Cell was delivered today.

Ben Barnes requested that a comparison of leasing activity vs. the developer expected lease up rate be provided as part of housing report.

Venue

CT Tennis Tournament

The CT Tennis Tournament ended with a \$270,000 surplus that can be attributed to a change in the structure of tournament; Joe Geremia and Kim Hart's investment of time and energy; the CT Tennis Tournament's Board being more aggressive and most significantly, the State's financial contribution to the tournament.

The Audit is due sometime during the 3rd quarter, at which time a formal action will be needed to approve the start of the second year of a rolling two year contract.

Ben Barnes commented that the WTA signed an international marketing deal which is a positive sign.

Rentschler

The attendance was down considerably at the UConn Football games played at Rentschler Field. Attendance being down means revenue is down. FY15 total attendance 111,000 vs. FY14 total attendance 155,000, a 29% decrease.

Secretary Barnes and Mike Freimuth discussed the operational reserve under the new lease structure. It is extremely likely to be triggered immediately. If the agreement isn't very clear about how that provision impacts the Fiscal Year in which the agreement is entered this could cause a problem in the new Fiscal Year.

CTCC

The CT Convention Center is doing well. It seems that the economy is helping secure more events.

XL Center

XL Center long term planning report is expected to be released later this month. The Venue Committee will be scheduled when the report is delivered.

To date, the doors between the concourse and the bowl have not been removed. Removal of the doors is tied to a smoke control system. The smoke control system is connected to 28 fans and currently 4 of the 28 fans are not working to capacity. The adjustments should be completed within the next 4-5 weeks.

Executive Director Report

UCONN lease agreements remain unsigned. CRDA is no longer negotiating regarding the advertising and sponsorship agreements that tied back to the University's previous master agreement with IMG. This had to do with the fact that changes to the advertising boards changed the dynamic of the advertising systems. Anthony Lazzaro is currently working with UConn legal team to secure the 5 year agreement.

Coltsville

Michael Freimuth reported that there is an overlap of CRDA's district and the boundaries of the National Park Service regarding Coltsville National Historical Park and distributed a map showing the two districts.

Mr. Freimuth indicated that the Commission will be composed of 11 members, to be appointed by the Secretary of the Interior after consideration of recommendations by the (2) Governor of the State; (1) State Senate President; (1) Speaker of the State House of Representatives; (2) Mayor of Hartford, CT; (2) Connecticut's 2 United States Senators; (1) Connecticut's First Congressional District, (2) members shall have experience with national parks and historic preservation; all appointments must have significant experience with and knowledge of the Coltsville Historic District and one member of the Commission must live in the Sheldon/Charter Oak neighborhood within the Coltsville Historic District.

Northland

Mr. Freimuth reported that CRDA and Northland are in ongoing conversations regarding the common areas at XL Center. There had been long term agreements between AEG and Northland that CRDA does not feel are truly reflected of the costs. Northland controls the atrium and invoices XL/CRDA for use of it. The Board will be kept apprised of the situation.

Board Appointments

Michael Freimuth indicated that he would send out a document indicating the terms of CRDA Board members. He also announced that Mike Matteo had been reappointed as a CRDA Board Member.

Add Agenda Item

Chairwoman Hopgood asked for a motion to add an item to the Agenda. The Motion was made by Andy Bessette, seconded by Ben Barnes and approved unanimously.

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

“The CRDA Board of Directors hereby approves a 6% increase in the annual salary of the Executive Director retroactive to July 1, 2014.”

Motion to adjourn at 7:06

“The minutes of the January 8, 2015 CRDA Board Meeting were moved by Andy Bessette seconded by Mike Matteo and unanimously approved by Board Members at the February 19, 2015 CRDA Board Meeting.”

**Capital Region Development Authority
CT Convention Center
100 Columbus Boulevard
Hartford, CT 06103
Thursday, February 19, 2015
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Thomas Deller; Evonne Klein; Floyd Green; Mayor Marcia Leclerc; Michael Matteo; Pamela Reid; Jim Redeker; Mayor Pedro Segarra; Catherine Smith; Meagan Occhiogrosso

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

Call to Order & Presentations

Chairwoman Suzanne Hopgood called the meeting to order at 6:00pm indicating that the Board will have two presentations this evening. The first presentation was given by Yves Joseph, Vice President of Centerplan Development Company, LLC is for Downtown North (DoNo) Mixed Use Development in Hartford. The second was presented by Murray Beynon, Partner at SCI Architects, P.C. and Rich Oriolo, Principal at Stafford Sports, LLC. regarding the "Hartford Connecticut New & Transformed Arena Program Development and Construction Feasibility Services." These presentations can be found at www.crdact.net.

Recess

After a 10 minute recess the Board resumed at 7:27pm. Mayor Segarra excused himself from the meeting.

A motion was presented to take agenda items out of order. The motion was moved by Thom Deller and seconded by Evonne Klein. Mayor Leclerc and Michael Matteo left the Board meeting shortly thereafter.

Minutes

The minutes from the January 8, 2015 Board Meeting were moved by Andy Bessette, seconded by Mike Matteo and approved unanimously.

Marriott

Mike Freimuth explained that the Marriott must maintain a "Marriott standard" which includes upgraded rooms, bathrooms, amenities etc. In order to get the financing in place a certainty for the continuation of the current tax fixing agreement with the city must be adopted in order to provide the correct debt service.

CRDA has the ability to extend the tax fixing agreement under the Adriaen's Landing statutes. With this in mind, CRDA is asking the Board to exercise the right to continue the pilot agreement for an additional 15 years which would give the ability to service the new debt for the Marriott. CRDA will collect the funds and pass them to the City of Hartford dollar for dollar.

The Marriott flag is critical to the performance to the CT Convention Center and it is in the best interests to continue the PILOT for the hotel, the city and CRDA on behalf of the Convention Center.

Thom Deller indicated that both the Mayor and the Council President had an opportunity to review the proposal and understand the implications to the city if this did not continue in this format. Lower revenue to the city would result if the flag were lost and both have supported this change.

**TAX FIXING AGREEMENT
BETWEEN CRDA AND ADRIAEN'S LANDING HOTEL, LLC
(THE "CRDA - TFA")**

Background:

- Adriaen's Landing Hotel, LLC ("ALH") has committed to undertake a major improvement project (the "Improvement") with an estimated cost of at least \$5,400,000 to renovate substantially the Convention Center Hotel in accordance with the requirements of its franchisor, Marriott International;
- ALH's current tax fixing agreement with the City of Hartford ("City - TFA") expires on July 31, 2020;
- ALH's financing of the Improvement is contingent upon an extension of the terms and conditions contained in the City - TFA beyond the July 31, 2020 expiration date;
- Pursuant to C.G.S. § 32-600 (9), CRDA and OPM may jointly designate certain projects located within the Adriaen's Landing site as a private development district. Such designation authorizes CRDA to negotiate an extension of the tax fixing agreement with ALH to provide for payment to CRDA in lieu of real property taxes, such PILOT to be transferred to the City of Hartford;

Proposed Terms:

- The tax assessment during the term of the proposed CRDA-TFA shall be Three Percent (3%) of Gross Revenues, which is consistent with the terms of the current City-TFA.
- Duration – The term of the proposed agreement is fifteen years, effective August 1, 2020 at the expiration of the current tax fixing agreement with the City of Hartford.

After a discussion, the following motion was moved by Andy Bessette, seconded by Thom Deller and approved unanimously.

The CRDA Board of Directors hereby authorizes the Executive Director to execute such CRDA-Tax Fixing Agreement, as presented.

Finance

CRDA's CFO Joseph Geremia reported the following February 2015 financial update:

Fiscal Year 2015 Financial Statements for the Quarter Ending 12/31/2014
Balance Sheet

- Current restricted cash increase reflects receipt of capital bond funds for the XL Center with off-setting liability in accounts payable and accrued expenses
- Current unrestricted cash decrease reflects timing differences between funding and expenses at the CTCC and the XL Center
- Other current assets increase reflects Ann St housing loan reaching maturity within the next 12 mths
- Construction in progress increase reflects capital investments made to the XL Center

Statement of Revenues, Expenses and Changes in Net Position

- Operational, development district and subsidy grant revenue increases reflect a timing difference with the receipt of the 3rd Qtr State allotment at the end of the 2nd Qtr
- Restricted revenue increase reflects continuation of State office relocation project support
- Development costs for FY15 reflects TFC support while FY14 reflects Capital Grille fit-out expenses
- Non-operating interest income increase reflects receipts from residential housing initiative loans
- Non-operating interest expense decrease due to savings from bond swap agreement termination

Fiscal Year 2015 Operating Statistics

CT Convention Center – Dec. 2014/Jan. 2015

- 89 events held YTD with YTD attendance at 184,000
- For the first 6 months activity, fiscal year projection \$300,000 favorable to budget

CRDA Parking Facilities – Dec. 2014/Jan. 2015

- Utilization even with budget at 52%
- Monthly rate customers remained steady at 2,500
- Monthly transient customers were better than budget at 38,000
Transient revenue up 6% and monthly rate customer revenue up 4% compared to budget
- For the first 6 months activity, fiscal year projection \$200,000 favorable to budget

XL Center - Dec. 2014/Jan. 2015

- January activity: 9 Hockey games, 4 Basketball games, 21 Exhibition Hall events, 1 Concert
- After first 6 months activity, fiscal year projection \$400,000 unfavorable to budget due to elimination of 1 concert and underperforming AHL hockey revenues

Rentschler Field - Dec. 2014/Jan. 2015

- January activity: Hosted 7 community events
- After first 6 months activity, fiscal year projected at \$150,000 loss* based on lower than budget UCONN football attendance (ticket surcharge and F&B revenue)
 - *Loss includes \$250,000 UCONN new contract fee/prior contract estimated fee of \$200,000

Financial Projects

- Capital Expenditures – XL Center - \$33M, Expended \$27.9M
- Residential Housing Initiatives – \$60M, Disbursed \$28.7M

Transportation

Commissioner James Redeker presented a vision for Transportation for the State of Connecticut to his fellow CRDA Board members called "Let'sGoCT!". This is a 30 year \$2.8B addition to the current \$7.2B, 5 Year Capital Plan. The approval of this plan will increase DOT's spending over the next 5 years by 40%. To access the "Let'sGOCT" presentation, please visit www.crdact.net.

Housing

Mike Freimuth reported that two projects are in the lease up stage, two projects are lined up to close in the next week or so. Capewell is currently awaiting CHFA Board approval.

Venue Committee

Tennis - CRDA will need to take action to continue the Connecticut Tennis Tournament based on the audit and also must approve its budget. These items will be brought forth to the Venue Committee and then the CRDA full Board in March.

Basketball – There is a lot going on with regard to the 2015 American Men's Basketball Championship at the XL Center, including the parade and unrelated events going on at the CT Convention Center. Mike asked Commissioner Redeker and Department of Transportation for help with signage and way finding.

XL Center – The Venue Committee needs to put together a program on how to roll out the presentation regarding the XL Center. CRDA will need to approve the presentation after reviewing the report in depth.

Executive Director's Report

Legislative items – the Governor's Budget has been rolled out. Funds for Rentschler and CT Convention Center for capital improvements due to age of the buildings (10 year) and for the CT Tennis Center are included in the budget. Capital Improvement funds are subject to bond commission approval.

There is a bill pending in the Planning & Development Committee to include a portion of East Hartford in the CRDA district. If that was to be approved, we then could use CRDA funds and authority to operate in E. Hartford with the town. There are a couple of housing projects that have been discussed.

Legislation to create a transit oriented development authority similar to CRDA in its structure has also been proposed.

Director's and Officer's Insurance Coverage – D&O coverage premium increased due to a higher volume of money flowing through CRDA and CRDA now managing the XL Center and purchasing the WTA tournament sanction.

Riverfront – While Riverfront Recapture is actively seeking an Executive Director, Mike Freimuth met with Joe Marfuggi and offered CRDA's assistance with capital projects allowing Mr. Marfuggi to concentrate on finding a candidate with fundraising and programming expertise.

Church Street Garage Purchase Agreement – Three title issues are still outstanding with the City and the deal needs to close by the end of June 2015. Thom Deller indicated that he has had a

series of conversations with Corporation Counsel and have proposed resolutions. The legal coordination meeting was cancelled and has been rescheduled to next Tuesday. Mr. Deller indicated that that was all the update that he can give at this time.

Northland Common Area – CRDA continues to offer Northland a resolution. However, there were significant failures recently in the building resulting from Northland’s space that caused a variety of issues that hinder the management of the XL Center including the cold atrium, bathrooms that are poorly maintained, elevators/escalators that don’t work, frozen pipes, the Northland Space continues to compromise the XL Center.

Mixed Martial Arts - (MMA) events are not occurring at XL and CTCC due to provisions in the legislation that present a huge financial burden on promoters for medical costs. Legislation that would change the insurance requirements, reducing the burden on the promoters and to bring the legislation in line with the boxing statutes is being considered. CRDA, Global and CTCC all expressed support for this change.

Construction Update

Mike Freimuth gave a verbal update regarding the following construction projects:

201 Ann Street (as of 1/7/15)

Complete & Available for Leasing

179 Allyn Street (as of 2/11/15)

Complete & Available for Leasing

5 Constitution (as of 2/16/15)

Approximately 93%

Scheduled completion: **May ‘15**

777 Main Street (as of 1/31/15)

Approximately 75%

3 models complete & furnished, leasing office is open

25th – 23th floors – units complete except carpet

22rd – 18th floors – unit drywall and painting complete, other finishes in progress

17th – 13th floors – drywall in progress

12th – 7th floors – framing complete except 1 unit, MEP phase 2 rough in progress

7th – 3rd floors – phase 1 framing complete, MEP phase 1 rough in progress

2nd floor – demo mostly complete

Site utilities nearing completion

Scheduled completion (several floors): **Spring ‘15**

Final Completion: Late Summer ‘15

Front Street (as of 1/31/15)

Approximately 58%

Building closed in & watertight

Interior Framing in progress, approximately 85% complete

Unit MEP Rough in progress, approximately 60% complete

Drywall started, approximately 20% complete

Projected Completion: **October 2015**

Following is the current status as of 2/18/15 for **XL Center**

Base Project Architectural Work – complete except for the following:

- (1) Removal of bowl doors – we have received authorization to remove the doors as of 2/18/15
- (2) Hanging of black-out curtains pending completion of door removal

Base Project MEP & Systems Work – complete except for the following:

- (1) Smoke Control System –
 - a. Due to duct changes required by unforeseen structural conditions, 7 fans are not meeting specified CFM requirement. Design team continues to look for a cost effective solution.
 - b. All other system components are complete and tested. Final test by OSBI & OSFM pending resolution of the deficient CFM issue.
- (2) Fire Alarm System – is complete. Final testing pending resolution of the smoke control system issue.
- (3) HVAC Upgrades – upgrades are complete. Completion of new control system in progress.

Base Project Concession Area Work – complete except for the following:

- (1) Remedial work on re-circ hoods in areas 3 & 4 (north concourse) is complete. The fryers in area 1 (south concourse) will be replaced with a pizza over.

New Work (major items, required due to unforeseen conditions):

- (1) Steam Service Entrance Work – scheduled to begin in the spring after the end of the heating season
- (2) Heat Trace & Insulate North Tunnel Drain –complete
- (3) Emergency Exit/Light Battery Pack Installation – Complete
- (4) Wolfpack Washing Machine Changes – Complete
- (5) Added 100 amp show power in locker rooms - Complete
- (6) Concession Areas – added electric and misc equipment changes – complete
- (7) Sewer Ejector Pump System - Complete
- (8) New Hot Water Heaters – in progress scheduled to complete on 3/13/15
- (9) Pump Replacement -
 - a. Sprinkler Room ground water pump: on hold
 - b. Ground water ejector pump in North Storage: on hold
 - c. Other pump replacements complete
- (10) Valve replacement (117 valves) – complete
- (11) Repair of Hot Water Recirc System – Complete

(12)Chiller Compressor – scheduled to complete on 3/6/15

(13)Press Room will be complete by 2/25/15

Motion to adjourn at 8:56pm.

“The minutes of the February 19, 2015 CRDA Board Meeting were moved by Andy Besette seconded by Pam Reid and unanimously approved by Board Members at the March 19, 2015 CRDA Board Meeting.”

**Capital Region Development Authority
CT Convention Center
100 Columbus Boulevard
Hartford, CT 06103
Thursday, March 19, 2015
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Ben Barnes; Thom Deller; Floyd Green; David Jorgensen; Mayor Marcia Leclerc; Pamela Reid (via conference phone); Cheryl Malerba

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

Call to Order & Minutes

The Board Meeting was called to order at 6:03pm. Chairwoman Hopgood requested a motion to add an item (Amendment to State Housing and Retail District Lease) to the Board Agenda. The motion was made by Andy Bessette and seconded by Mayor Marcia Leclerc.

The minutes from the February 19, 2015 Board Meeting were moved by Andy Bessette, seconded by Pam Reid and unanimously approved.

Chairwoman Hopgood reported on two matters intimating CRDA's action or roles. Contrary to a statement that was made indicating that there were no Connecticut beers available at the AAC Men's Basketball Tournament, there were in fact five Connecticut beers for sale including Ten Penny; Hooker Brewery; Two Roads; Naughty Nurse and Broad Brook Brewery.

It was also reported that CRDA had endorsed one of the SC2 projects. This is the Obama Administration Strong Cities Strong Communities (SC2) initiative, which is a federal program and CRDA has not endorsed nor will it endorse any SC2 project.

Financial Review

Joseph Geremia presented the March financial update to the Board. Mr. Geremia also indicated the need for the Financial Committee to meet to review CRDA's budgets. A request for dates will be forwarded.

Fiscal Year 2015 Operating Statistics

CT Convention Center – Jan. 2015/Feb. 2015

97 events held YTD with YTD attendance at 233,000

For the first 7 months activity, fiscal year projection \$300,000 favorable to budget

CRDA Parking Facilities – Jan. 2015/Feb. 2015

Utilization even with budget at 54%

Monthly rate customers remained steady at 2,500

Monthly transient customers were better than budget at 44,000 (Flower & Garden Show)

Transient revenue up 5% and monthly rate customer revenue up 4% compared to budget

For the first 7 months activity, fiscal year projection \$200,000 favorable to budget

XL Center - Jan. 2015/Feb. 2015

February activity: 9 Hockey games, 4 Basketball games, 6 Exhibition Hall events, 4 Arena events

After first 7 months activity, fiscal year projection \$600,000 unfavorable to budget

Rentschler Field - Jan. 2015/Feb. 2015

February activity: Hosted 1 community event

After first 7 months activity, fiscal year projected at \$150,000 loss* based on lower than budget UCONN football attendance (ticket surcharge and F&B revenue)

*Loss includes \$250,000 UCONN new contract fee/prior contract estimated fee of \$200,000

Financial Projects

Capital Expenditures – XL Center - \$33M, Expended \$28.9M

Residential Housing Initiatives – \$60M, Disbursed \$29.0M

Mayor's Report

Mayor Marcia Leclerc reported that the Town of East Hartford is working on a retail component for Rentschler Field. The Housing Authority has foreclosed on several properties slated for future development. The East Hartford budget passed with only a .46 mill increase.

Housing

Michael Freimuth reported on the Housing activity:

- Bond Commission approved the CRDA portion of the Hartford Office Supply project.
- Elm Street, closed on February 15, 2015 and is now in the construction phase.
- Ann/Allyn Streets are leased at approximately 35% of occupancy.
- 777 has taken approximately fifty deposits.
- Capewell will go before the CHFA April Board.
- Lewis Street is trying to close by the end of March.
- 3 Constitution continues to have approximately \$1M budget gap and parking issues. Thom Deller indicated he met with owners and Hartford gave preliminary approval to the change in materials. He also met with owners of Constitution Plaza and they agreed to discuss parking with 3 Constitution Plaza.
- Floyd Green indicated that he has been asked about CRDA's involvement in the Asylum Hill area otherwise known as the Northside Institutions Neighborhood Alliance, Inc. or NINA. He further indicated that the Aetna is very much interested in CRDA having a greater presence in this part of Hartford.

Venue Committee

Tennis Foundation of Connecticut (TFC)

The TFC is in its second year of a two year cycle of the Tournament License with CRDA. Michael Freimuth explained that authorization by the Board is needed for the tournament to run the second year of a two year cycle (the 2016 tournament). Under the terms of the agreement, the CRDA Board is required to take two actions, the first is to approve the TFC proposed budget for 2015, which was approved by their Board. The second is to accept the TFC Independent Auditors' Report and Financial Statement - September 30, 2014, this audit was deemed clean and has also been accepted by the TFC Board.

The License extension for one (1) additional year period (ending December 31, 2016), in substantially the same form as the current Tournament License.

Ben Barnes congratulated Joseph Geremia for working closely with the TFC team thereby assisting them to earn a clean audit and prepare the proposed budget for 2015.

The following motion regarding the Women's Tennis Tournament License Agreement with the Tennis Foundation of Connecticut, Inc. ("TFC") was moved by Andy Besette, seconded by Ben Barnes and Board approved with Floyd Green recusing himself.

"The CRDA Board of Directors hereby accepts and approves the above-referenced items and authorizes the Executive Director to execute such Tournament License Extension in substantially the same form as the original Tournament License for an additional year."

XL Center

Michael Freimuth is working on the following issues regarding the XL Center: tightening up the budget; concluding the agreement with UConn; work out the common area agreement with Northland.

CRDA met with SCI Architects and asked them to come back with a scope of work that will give a better understanding not only on the budget but the constructability and the sequencing of transforming the arena. SCI is also preparing a presentation to be used for community groups, businesses etc. to help build support for the suggested changes. CRDA is scheduled to meet with UConn the week of April 5th and met with Northland last week. An update will be given in May as to the progress of each of these issues.

The AAC Men's Basketball Tournament settlement sheets are still being tabulated however food & beverage numbers are favorable. With UConn making it until Sunday, the XL Center performed very well.

Before and after photos were displayed to show the changes in concourse, the bathrooms and locker rooms of the XL Center.

Rentschler Field

Relevant Sports is scheduled for a site visit of Rentschler Field for a possible international soccer game to be played in July 2015. The visit will take place at Rentschler Field next Thursday, March 26th. All Venue Committee members and Mayor Leclerc are invited to attend, as the support would be greatly appreciated.

Executive Director's Report

Additional items to agenda - Michael Freimuth took up the item that was added to the agenda which is a technical revision to amend the State Housing and Retail District Lease that will turn over "small surplus parcels" of property controlled by OPM to CRDA. This action will clean up ten small parcels, which consist of sidewalks and patches of grass that currently belong to OPM and need to be transferred to CRDA for construction and contracting purposes. A map was distributed and used to further show the parcels that are being turned over.

After a discussion, the following motion was made by Andy Bessette, seconded by Thom Deller and approved, with Ben Barnes recusing himself.

Amendment to the States Housing and Retail District Lease (the "Lease")

1. *Hartford Times Parcels*
2. *Technical Revision – "slivers" of property controlled by OPM*

"The CRDA Board hereby authorizes the Executive Director to execute the Lease amendment, as presented"

Legislative items –

- CRDA met with Appropriations Committee on March 19. The committee focused heavily on the TFC subsidy and CTCC subsidy.
- CRDA met with the Bonding Subcommittee on March 17 to go over capital requests having to do with CTCC, TFC and Rentschler Field.
- A bill will be raised to allow an extension of the boundaries of CRDA, allowing CRDA to use some of the moneys that are "capital city economic development" funds for projects in portions of East Hartford.
- A letter was sent to the Environment Committee objecting to restricting the use of pesticides on any state owned property. This presents a problem to maintain the turf at Rentschler Field. Should the chemicals be prohibited and a fungus was found, the field could be lost in as quickly as 48 hours. This could also lead to players getting hurt, losing events, replacing the field at considerable expense and difficulty in preventing evasive species in parking lots.
- Mixed Martial Arts (MMA) went to committee and has gone to the floor.
- A bill called labor peace agreements would apply to CRDA facilities as well.
- A bill creating a transportation oriented development (TOD) authority is being debated.

Church Street Garage

Mike reported that there are still the three remaining title issues that await resolution. Thom Deller indicated that he is having a bi-weekly legal meeting with corp. counsel and will bring it up again. Mike Freimuth asked Anthony Lazzaro to send a copy of CRDA's attorney's email to Thom Deller.

Construction Update

Mike Freimuth gave a verbal update regarding the following construction projects:

450 Columbus Boulevard - Renovation work continues at 450 Columbus Blvd. Interior demolition is on-going with as many as 75 construction workers on-site each work day. Bids will be opened Thursday for roof replacement & Morgan St. Garage renovations. Architectural & engineering construction documents are progressing with Hartford based Tecton Architects. The large interior renovations / fit out package will be bid out by June 1. State agencies occupancy to begin in the second half of 2016.

55 Farmington Avenue- Continue to administer the additional project task of replacing the boilers and chillers within the office building. The boiler replacement work is currently being bid out with the actual on-site work planned for the summer months.

XL Renovation Project Status –

Base Project Architectural Work – complete except for the following:

- (1) Removal of bowl doors will be complete on or about 3/25/15
- (2) Hanging of black-out curtains will be complete on or about 4/5/15

Base Project MEP & Systems Work – complete except for the following:

- (1) Smoke Control System – Due to duct changes required by unforeseen structural conditions, 4 fans must be replaced.
- (2) Fire Alarm System – is complete. Final testing pending resolution of the smoke control system issue.
- (3) HVAC Upgrades – upgrades are complete. Completion of new control system in progress.

Base Project Concession Area Work – complete except for the following:

- (1) Remedial work on re-circ hoods in areas 3 & 4 (north concourse) is complete. The fryers in area 1 (south concourse) will be replaced with a pizza oven.

New Work (major items, required due to unforeseen conditions):

- (1) Steam Service Entrance Work – scheduled to begin in the spring after the end of the heating season
- (2) Chilled Water System entrance valve replacement in progress
- (3) New Hot Water Heaters – Complete
- (4) Chiller Compressor – Complete
- (5) Press Room complete pending final inspections

Newington – the Newington project is essentially done however additional contamination was found in the soils. The EPA has been contacted and after the weather breaks it will be determined what the protocol and costs are to remediate.

UConn Campus – pre-construction services are underway and design work is progressing with an anticipated Fall '17 opening.

XL Center – Due to wear and tear, the XL basketball court needs to be replaced. There is an option to buy an NCAA used basketball floor, this option will continue to be examined.

Marketing

Terryl Mitchell Smith gave the following report:

Housing

CRDA has established monthly “City Orientation” meetings with the property managers of 179 Allyn, 201 Ann and 777 Main Street. Guest speakers from various entities are invited to come and share information about their organization and how they can be an asset to the leasing efforts.

Business For Downtown Hartford:

Jane Macy-Painter with Business for Downtown Hartford and Kristina Newman-Scott and Lauren Varjabedian with MECA were the first presenters at the December meeting. This meeting is where the property managers selected the welcome bags. Jane shared that she would canvas her membership for offers to include and Kristina showed the group the t-shirts the city would be providing as its gift. The property manager for Front Street Lofts was not selected at that time of the meeting, but Peter Christian of HB Nitkin has agreed to the bags as well for his project. The cost of the bags will be shared by the properties.

Merchant Participants include:

- Ted's Montana Grill - Discount Offer on Meals
- XL Center - Wolf Pack Tickets
- Capitol Dental Associates – Free Exam and Set of Xrays
- Natural Dogs & Cats - Discount on first home delivery
- Harriet Beecher Stowe House – Discount on Membership
- Business for Downtown Hartford Guide - Contains discount offers from various restaurants

The guest speakers for **January** were **Randal Davis, Lisa Rivers and Thomas Strand with the CT Department of Transportation**. They gave a presentation on CT Fastrak and provided an extensive explanation on new local routes that will be convenient for tenants.

Mike Zaleski and Jordan Pollard from the Hartford Business Improvement District (**HBID**) and **Charlie Myers** from **Riverfront** were the presenters for the **February meeting**.

The **March** meeting was an off-site tour of the CT Fastrak route. The group stopped at a number of the locations starting with the New Britain station, CCSU, Westfarms Mall, UConn Health Center, then to other key city locations such as New Park where there is the Stop and Shop, St. Francis Hospital, Travelers and back to Union Station. These were locations most asked about by prospective tenants.

Lease Incentive Program

Met with Julio Concepcion regarding a “Preferred Tenant” program that 179 Allyn and 201 Ann Street wanted to do. Julio suggested that we pursue a leasing subsidy program provided by major employers similar to a down payment subsidy currently done for employees who want to purchase a home in certain areas of the city. The leasing program would be based on one that was done in Detroit. Continue to meet to work out the details of the program. Also the “LiveHartford” website will now be taken over by the HBID and be managed under www.hartford.com.

Motion to adjourn at 7:40pm.

“The minutes of the March 19, 2015 CRDA Board Meeting were moved by Evonne Klein seconded by Mayor Marcia Leclerc and unanimously approved by Board Members at the May 21, 2015 CRDA Board Meeting.”

**Capital Region Development Authority
CT Convention Center
100 Columbus Boulevard
Hartford, CT 06103
Thursday, May 21, 2015
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; David Jorgensen; Evonne Klein; Mayor Marcia Leclerc; Pamela Reid ; Catherine Smith; Scott Jackson

Absent: Andy Bessette; Thom Deller; Floyd Green; Mayor Segarra; Jim Redeker; Michael Matteo

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

Prior to the beginning of the Board Meeting, Board Members were given a tour by Mark Wolman of the Hartford Downtown Marriott improvements that are being made.

Call to Order & Minutes

The Board Meeting was called to order at 6:51pm.

The minutes from the March 19, 2015 Board Meeting were moved by Evonne Klein, seconded by Mayor Marcia Leclerc and unanimously approved.

Report from Mayors

Mayor Pedro Segarra - Michael Freimuth reported that Mayor Segarra called earlier in the day and indicated that he had to attend a vigil for shooting victims. Mr. Freimuth offered to share the copy of Mayor Segarra's report that the Mayor has indicated he would provide.

Mayor Marcia Leclerc -- Mayor Leclerc reported that East Hartford continues to watch the casino bill as well as and there continues to be activity at the Capitol.

Mayor Leclerc indicated that she is a little disheartened by the activity that has transpired regarding the CRDA expansion of the boundaries into E. Hartford. Four Hartford delegation members called Mayor Segarra from the floor of the House regarding the expansion and Mayor Segarra said he did not know anything about it, he further suggested that they not pass the bill but take time to think about it.

Mayor Segarra also had multiple conversations with different people indicating that he would like more money to stay in Hartford and expand Hartford's boundaries rather than expand the boundaries of CRDA into East Hartford.

Mayor Leclerc indicated that she would like Board members to be aware that she is upset that she supports all the projects that are presented at the Board.

Chairwoman Hopgood followed up with an email to Mayor Segarra forwarding the minutes of the meetings in which he attended and this topic was discussed including, the January CRDA Board Retreat; February CRDA Board Meeting and the March CRDA Board Meeting.

Chairwoman Hopgood indicated that it is her intention to ask the Mayor how she should respond when something like this happens. This puts the Board in a difficult position, when as a Board, action has been taken and the Mayor does not acknowledge having been a part of the discussion, when in fact he was here for two of those three meetings.

Housing Committee

Michael Freimuth reported that the Housing Committee suggests the CRDA Board recommend 1279-83 Main Street to Bond Commission. The project came to CRDA through Hartford Community Loan Fund. Adjustments to the budget and to the financing encouraged a complete reconstruction of the retail space as well as the upper floors, converting them into eight, two bedroom units, two of which will be affordable, six will be market rate. The request to CRDA is \$125,000.

After a discussion, the following motion was made by Catherine Smith, seconded by Pamela Reid and approved.

“The CRDA hereby approves the use of CRDA housing funds to assist the developer, San Juan Center, Inc. (or such acceptable single purpose entity) to renovate 1278-83 Main Street, Hartford into 8 2BR units, 2 of which will be ‘affordable’ units and the Executive Director is authorized to extend a formal term sheet to the developer offering \$125,000 loan at 3% interest for a period of 25 years; 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.”

Mr. Freimuth reviewed the Housing Pipeline with Board members. Mr. Freimuth indicated that more refreshed occupancy numbers were received after the report was sent out. 777 Main Street is reporting 41% deposits, which include refundable deposits of \$500. A fire pump test is scheduled for Saturday morning, if the test succeeds, the building will try to get limited occupancy approved for the upper floors by June 1.

Although Allyn Street shows 66% on the pipeline report, effective today, they are reporting full occupancy. If the applications that are pending come through, and the leases that are signed are actual “move ins” then the status is: 35 occupied, 14 leases and 10 outstanding applications leaving four occupancies. At 95%, this would be considered “stabilized” in their operating proforma.

As of May 21, 201 Ann Street’s occupancy is reporting 57% vs. 54% reported on the pipeline report. 15 units are leased and 6 applications are working their way through the credit process.

Sonesta is going to open in the next few weeks, they’ve already started taking leases and deposits. Front Street is going to hit the market in the Fall.

Hartford Office Supply – The bank has come through with a mortgage, however the tax credit purchasers came through with a condition on the terms of the loans. It has been requested that the terms of the loan be stretched which may send it back to Bond Commission for a technical change, although this is generally not a problem, it takes time. Keeping all of this in mind, Capewell is attempting for a closing date in June 2015.

Chairwoman Hopgood inquired of Mike Freimuth and David Jorgensen, of status of municipal approvals necessary to advance the Hartford Office Supply project. Mr. Freimuth and Mr.

Jorgensen responded that an approval calendar has been established that allows for the deal to close on schedule in June.

Mr. Freimuth gave an update of construction progress on our housing projects as of 5/15/15:

5 Constitution (as of 5/13/15)

TCO expected by 5/29 on floors 1, 2 & 7-12

Final Completion expected by 6/30

777 Main Street (as of 2/28/15)

Approximately 91.5 % as of 4/30/15

B&B is pushing hard for a TCO by 5/29 on floors 1 (entry area) & 20 - 25

Final Completion scheduled for 7/27

Front Street

Approximately 72% (as of 4/30/15)

Building closed in & watertight

Floor status as of 5/15/15

Ground Floor – MEP rough in support of upper floors substantially complete,

2nd Floor – painting, trim & cabinets in progress

3rd Floor – drywall finish in progress

4th Floor – drywall in progress

5th Floor – insulation substantially complete

6th Floor – MEP rough substantially complete

Projected Completion: **October 2015**

40 Elm Street

Approximately 14 % (as of 4/30/15)

Demolition is complete

Reconstruction of main level floor framing complete

Replacement of rotted flooring on 2nd level complete

Basement framing and electric rough substantially complete

General Welding Demolition in Newington

Contract Work Complete (as of 5/15/15)

Town is purchasing temporary construction fence to remain in place.

Small issue on property line remains to be resolved so permanent fence can be placed

Contract will be held open for possible additional work in support of additional environmental testing

Lewis Street

Currently finishing up demolition

Mr. Freimuth indicated that a rework of 370 Asylum is in the Housing Committee pipeline. The Housing Committee agreed to reserve funds in anticipation of documentation for the equity and the first mortgage being received.

Finance

Joseph Geremia gave the following overview of the FY2016 Budget:

Fiscal Year 2016 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 20 Meeting
Board attendees: Suzanne Hopgood, Andy Bessette, Ben Barnes, Pamela Trotman Reid, Michael Matteo
Discussion: Front Street District Maintenance, CRDA Office, CRDA Parking Facilities, Central Utility Plant, and Bond Indenture/Trustee
 - 3.B. April 29 Meeting
Board attendees: Suzanne Hopgood, Andy Bessette, Ben Barnes, Pamela Trotman Reid, Mayor Pedro Segarra
Discussion: CT Convention Center, Subsidy Program, XL Center, and Rentschler Field
4. Full Board presented budgets for authorization (May 21)

The following is a Budget Summary for Fiscal Year 2016:

Note: Net operating gain or loss accounts for all income sources less total expenses, excluding depreciation expense and CRDA State appropriation. 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.

Central Utility Plant (CUP)

FY16 Net Operating Gain of \$0

FY15 Projected Net Operating Gain of \$0

FY16 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.

CRDA Parking Facilities

FY16 Net Operating Gain of \$2,827,668

FY15 Projected Net Operating Gain of \$3,166,734

FY16 Budget Highlights: Revenue decrease in CTCC consumer shows and banquets in addition to an increase in utility (electric supplier) rates. No changes made to Parking rates.

Bond Indenture/Trustee

FY16 Net Operating Gain of \$2,365,576

FY15 Projected Net Operating Gain of \$2,249,815

FY16 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.

Fiscal Year 2016 Budget (cont.)

CRDA Office

FY16 Net Operating Gain of \$36,715

FY15 Projected Net Operating Gain of \$1,231,138

FY16 Budget Highlights: Budget includes approximately \$600,000 in revenue from administration fees for servicing regional projects, State office relocation projects, and capital projects as well as approximately \$60,000 related to the CRDA Housing Initiative projects.

Front Street District Maintenance

FY16 Net Operating Gain of \$4,632

FY15 Projected Net Operating Gain of \$664

FY16 Budget Highlights: Budget includes new tenant-related expenses such as district engineering, infrastructure maintenance and landscaping.

CT Convention Center

FY16 Net Operating Gain of \$0 [Net operating loss of \$4,358,300 without CRDA appropriation.]

FY15 Projected Net Operating Gain of \$593,705 [Includes CRDA appropriation of \$4,358,300.]

FY16 Budget Highlights: Revenue decrease in consumer shows and banquets for events held every other year, discontinued events, and large one-off events held during FY15. Expense decrease due to event personnel staff and sales expense related to an updated sales strategy focus. Venue generates approximately \$6.3 million in State tax revenue.

Subsidy Program

FY16 Net Operating Gain of \$10,000

FY15 Projected Net Operating Gain of \$84,379

FY16 Budget Highlights: Program subsidies offered and contracted are now reserved through FY19 fully and FY21 offered commitments. Inherited the program from the GHCVB with a \$600,000 deficit balance.

XL Center

FY16 Net Operating Gain of \$0 [Net operating loss of \$763,632 without CRDA appropriation.]

FY15 Projected Net Operating Gain of \$214,258 [Includes CRDA appropriation of \$633,000.]

FY16 Budget Highlights: Revenues include 6 full concerts vs 2 hosted in FY15 and a 5% increase in hockey attendance. Addition of 2 new positions within engineering and customer service. Also increased net F&B revenue due to concession upgrades.

Rentschler Field

FY16 Net Operating Loss of \$248,613 [Excludes \$250,000 UCONN operating assessment]

FY15 Projected Net Operating Loss of \$164,772

FY16 Budget Highlights: Increase in net revenues due to UCONN football average attendance increase of 1,600 per game and increased net F&B revenue due to concession upgrades off-set with the elimination of a one-time credit from the previous management company.

After a discussion, the following motion was made by Marcia Leclerc, seconded by Catherine Smith and approved.

"The CRDA Board of Directors approves the nine FYE 2016 Budgets approved by the Finance Committee on April 20 and April 29, 2015, 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."

Mr. Geremia informed the Board of the Financial Update for May 2015.

Fiscal Year 2015 Financial Statements for the Quarter Ending 3/31/2015

Balance Sheet

- Current unrestricted cash decrease reflects timing differences between funding and expenses at the CTCC and the XL Center
- Accounts Receivable increase reflects timing difference with the XL Center
- Other current assets increase reflects Ann St housing loan reaching maturity within the next 12 months
- Loans Receivable-Housing increase reflects additional loan disbursements for 179 Allyn St., 777 Main St. and 40 Elm St.
- Construction in progress increase reflects capital investments made to the XL Center
- Accounts Payable and Accrued Expenses decrease reflects decrease in escrowed housing loan funds and deferred revenue timing differences with the XL Center
- Accrued Interest Payable increase reflects timing of semi-annual bond interest disbursement

Statement of Revenues, Expenses and Changes in Net Position

- Operational grant revenue increase reflects State appropriations for the operations of the XL Center and the CT Tennis Center
- Restricted revenue increase reflects continuation of State office relocation project support
- Development costs for FY15 reflects TFC support while FY14 reflects Capital Grille fit-out expenses and AEG termination fees
- Non-operating interest income increase reflects receipts from residential housing initiative loans
- Non-operating interest expense decrease due to savings from bond swap agreement termination
- Venue YTD operating results through 3rd quarter attached with comments contained within FY16 Budget comparison

Fiscal Year 2015 Operating Statistics

CT Convention Center – April 2015

- 231 event days held YTD with YTD attendance at 305,000
- Total revenue up 14% with food & beverage revenue up 16% compared to budget

CRDA Parking Facilities – April 2015

- Utilization even with budget at 57%
- Monthly rate customers steady at 2,500 with transient customers on budget at 32,000
 - Transient revenue up 6% and monthly rate customer revenue up 4% compared to budget

XL Center - April 2015

- 109 event days held YTD with YTD attendance at 465,000
- April activity: 5 Hockey games, 3 Exhibition Hall events, 1 Concert

Rentschler Field - April 2015

- 69 event days held YTD with YTD attendance at 200,000
- April activity: Hosted 14 community events, 1 Football game

Financial Projects

- Capital Expenditures – XL Center - \$33.5M, Expended \$31.8M
- Residential Housing Initiatives – \$60M, Disbursed \$29.0M

Tennis Foundation of Connecticut

Mr. Geremia reported that the TFC budget is being reduced by \$500K. \$80K of this shortfall was made up by a reduction in their television WTA & ESPN reduction costs.

The TFC has indicated that they may be unable to pay the \$50K fee to CRDA, and maybe unable to put anything into reserve. This is still subject to a full audit. Reserves from last year's tournament will be used to balance the budget. The TFC's Board's executive committee has approved the revised budget.

Joe indicted that CRDA will follow this year's tournament closely to mitigate as much of the expenses as possible. The TFC also has some capital money that is still being spent from a DECD grant. Some of the items, for operating expenses, that are either rented or leased, may be able to be decreased in future years.

After a discussion, the following motion was moved by Evonne Klein, seconded by Catherine Smith and approved.

"The CRDA Board of Directors hereby accepts the Tennis Foundation of Connecticut revised 2015 Budget as presented."

Venue Committee

Northland - A motion was made to move agenda item "Northland /XL Negotiations" into Executive Session. The motion was moved by Evonne Klein, seconded by Pam Reid and approved.

XL Capital & Long Term Plan (SCI – Next Phase) – CRDA has engaged SCI to do the next level of review of the proposed XL project. The Governor has requested more detail regarding keeping the proposed project cost at \$250M and to make sure it can be choreographed the way it was projected. CRDA and SCI developed a new scope and are working on an amendment to the contract. There is also a sub-contractor, Stafford Sports, who is meeting independently with UCONN on structuring a long term agreement, along the general lines that were discussed in the proposal presented to the Board in March. CRDA has asked UCONN for a preliminary agreement by Fall 2015.

Mr. Freimuth asked Bob Saint to comment on the deterioration of the sidewalks and stairwells outside of XL. Mr. Saint indicated that the design team is finishing up design in a couple of weeks and will then put some numbers together. The challenge is the fix may cost more than the budget allows and the design may not work well with the anticipated transformation. The team will do its best to make sure it is made safe.

Mr. Freimuth reported that due to the success of Wolfpack hockey, the hockey rink ice continues to be required. Although we are proud of the Wolfpack, it is very expensive to keep the ice while the temperature outside is getting considerably warmer.

Bob Saint further reported that the exhaust fans that were installed are working fine.

Mr. Saint explained that the steam system will be changed out as it is the main control of the steam coming into the building from the energy network.

Rentschler Field – There have been indirect cost reductions that Chris Lawrence has been working on to decrease utility usage. The investment in a building management system is now returning some economies in utility utilization. It has returned over \$100,000 since its inception. Chris Lawrence commented that with the automation of lights and the controls for heating and cooling, the cost to operate the building are finally being reduced.

ICC soccer game is scheduled at Rentschler Field on July 24, 2015 at 8pm, FC Porto vs. AFC Fiorentina.

Executive Director Report

Newington National Development Site - The contractor is working to clean up the last pieces, otherwise the site is clean. The Town of Newington and the Town Council are deciding as to how and whether it will move forward with Transit Oriented Development.

UConn Campus – Official groundbreaking was held Monday, May 18. Work will begin this year, demo package has been bid out; earth work bids are due to go out; foundation work bids are due by the end of the month; balance of the project will be bid during the summer and construction should start by the end of June 2015.

Church Street Garage – A mid-June closing is anticipated. CRDA is currently in transition conversations with the Hartford Parking Authority (HPA). A budget will be presented at the June Board Meeting. CRDA is working to keep the current vendors of the garage for the next year. Staff is also attempting to work through negotiations to use the garage along with the XL Center to build revenue. CRDA would also like to work with HPA to accommodate CRDA's housing projects parking needs at the Church Street Garage, as an option.

450 Columbus – demo will be completed by May 22, roofs bids possibly completed next week. Bids for the exterior plaza work were requested and came in substantially over budget, staff went through an exercise and it was determined that this will be re-bid. The main fit-out package will go out next week, contractors to be selected in late June, work to begin late Aug./early Sept., first occupancy targeted for June 2016.

Capital Project Status – Kim Hart informed the Board that Rentschler capital monies are being used for water leaks and concrete repairs, as well as bringing electricity to the field. Earlier in the year upgrades were made to concession stands and credit card capabilities.

Joseph Geremia reported that the capital improvements to the Connecticut Convention Center (CTCC) consist of replacing the ten year old carpets throughout the building; general furniture will be replaced; a box office will be built in the lobby of CTCC; a new awning will be purchased for the doors between CTCC and the Marriott and signage will be purchased to improve direction from the River to Front Street.

Mr. Geremia further reported that the CT Tennis Center is primarily using their capital funds to offset some equipment that they rent or lease so that future year operating expenses will be reduced.

Hartford Boundary – Mr. Freimuth reported that he met with two House delegates from Hartford. Due to the interest in some projects that are not currently within the boundaries of CRDA, these legislators are looking to extend the boundaries of CRDA within the City of Hartford.

Adriaen's Landing Transfers – Anthony Lazzaro reported that the transfers have occurred. One of the transfers includes a small parcel on the back side of the building that Bears occupies on Arch Street. The land is owned by CRDA and Bears Barbeque is interested in using the land to accommodate customer seating. CRDA is prepared to allow this by transacting a License Agreement with Bears. The agreement would ensure that Bears maintains, insures, and indemnifies CRDA and the State of Connecticut and will also pay CRDA \$100 per month for the right to use the parcel.

Audit – Auditors finished interim work on May 20.

June Meeting – Floyd Green has offered to host the CRDA June Board meeting at Aetna. There is a ribbon cutting at Union Station from 5-8pm the same evening which Board members will also be invited to attend.

During July and August, there are no Board Meetings scheduled. With the legislative session coming to an end, budget adjustments may occur at the June Meeting.

Executive Session

Evonne Klein made a motion to go into Executive Session, seconded by Pam Reid and unanimously approved. No actions were taken,

The Board came out of Executive Session and adjourned the meeting.

“The minutes of the May 21, 2015 CRDA Board Meeting were moved by Andy Bessette seconded by Cheryl Malerba and unanimously approved by Board Members at the June 18, 2015 CRDA Board Meeting.”

**Capital Region Development Authority
Teleconference
Thursday, June 18, 2015
7:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Evonne Klein; Michael Matteo; Scott Jackson; Cheryl Malerba; Tim Sullivan

Absent: Thomas Deller; Floyd Green; David Jorgensen; Mayor Marcia Leclerc; Mayor Pedro Segarra

CRDA Staff Present: Michael Freimuth; Kim Hart; Anthony Lazzaro; Jennifer Gaffey; Robert Saint

Michael Freimuth welcomed Tim Sullivan to the meeting. Tim is the Deputy Commissioner with Department of Economic and Community Development (DECD) and has been designated to represent Commissioner Catherine Smith on the CRDA Board, in her absence.

Call to Order & Minutes

The Board Meeting was called to order at 7:04pm.

The minutes from the May 21, 2015 Board Meeting were moved by Andy Bessette, seconded by Cheryl Malerba and unanimously approved.

Housing Committee

370 Asylum Street

Michael Freimuth gave an overview of 370 Asylum Street, bringing forth the CRDA Housing Committee's recommendation to have the CRDA Board move the project forward pending approval of CHAMP funds. The project would then be recommended to Bond Commission.

The Summary of the project is as follows:

Project Sponsor:	Community Solutions/BH Group, Newark, NJ
Description:	Conversion of commercial building into 60 units at a 70/30 Market/Affordable split 5(2BR), 19 (1BR), 36 (studio)
TDC:	\$19,875,188
Sources:	Prudential First Mortgage \$5,803,941 CHAMP \$4,600,000 CRDA \$3,600,000 Hartford \$665,000 DECD Brownfield \$560,000 LIHTC 4% \$500,000 Equity \$868,184 Land Equity/value \$3,278,063
CRDA Request:	\$3.6M (18% of project, \$60k/unit) Up to 3% loan, 20 yrs. 50% cash flow determinant

After a discussion, the following motion was made by Andy Bessette, seconded by Cheryl Malerba and approved.

“The CRDA Housing Underwriting Committee hereby approves the use of CRDA housing funds to assist the developer, RBH Group/Community Solutions (or such acceptable single purpose entity) to renovate 370 Asylum Street into 60 residential units, of which 30% will be ‘affordable’ units and the Executive Director is authorized to extend a formal term sheet to the developer offering \$3.6 million in assistance as a loan with a 20 year term and paying up to 3% interest based on payments of no more than 50% of the available cash flow within the project; subject to (1) evidence that all 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.”

Pipeline

Michael Freimuth also reviewed the current breakout of the projects in the pipeline that are currently being leased and are partially occupied. 777 Main Street: pre-leasing action; 21 Ann Street: 17 units are currently leased; Allyn Street: fully occupied with a ribbon cutting on Tuesday, June 23, 2015 at 11am;. Sonesta: 32 units rented; and Front Street still targeted for Fall 2015.

Other project updates include, Lewis Street, approximately 11% complete, mostly demolition so far; Elm Street, roughly 33% complete; 1279 Main Street just received approval for financing from the Hartford Community Loan Fund, next step is Bond Commission.

Chairwoman Hopgood indicated that tours of CRDA housing projects will be offered to any Board Member who is interested, tour dates will be sent shortly.

Venue Committee

Michael Freimuth updated the Board regarding ongoing Venue Committee items:

- Northland - CRDA and Northland have worked out an agreement regarding center court common charges.
- XL Center - SCI has been meeting with the University of St. Joseph as well as the Hilton, A tighter budget and operational scheduling impacts are being prepared.
- Stafford Sports - a sub-consultant to SCI, has been working with UCONN and CRDA, helping to put together a long term UCONN deal that is critical to future of the XL Center.
- TFC - The TFC secured a two year extension by UTC as the lead sponsor for \$1M per year.

- Rentschler Field - Kim Hart reported that repair work is ongoing to field walls and concrete, this work will continue throughout the summer months. Bringing electrical power to the field, wetland mitigation, parking lot lighting, landscaping and drainage work will all be completed by the start of the football season.

Finance

Michael Freimuth reported the following Financial Update for June 2015:

Fiscal Year 2015 Operating Statistics

CT Convention Center – May 2015

231 event days held YTD with YTD attendance at 305,000

Total revenue up 14% with food & beverage revenue up 16% compared to budget

CRDA Parking Facilities – May 2015

Utilization even with budget at 58%

Monthly rate customers steady at 2,500 with transient customers on budget at 34,000

Transient revenue up 6% and monthly rate customer revenue up 4% compared to budget

XL Center - May 2015

109 event days held YTD with YTD attendance at 465,000

May activity: 4 Hockey games, 11 Events, 2 Meetings

Rentschler Field - May 2015

69 event days held YTD with YTD attendance at 200,000

May activity: Hosted 23 Community events

Bond Debt Service

CCEDA Bond Series A, B, C, and D - Principal and Interest due June 15

CRDA revenue collections in the amount of \$2M versus \$1.3M in prior yr

Financial Projects

Capital Expenditures – XL Center - \$33.5M, Expended \$31.9M

Residential Housing Initiatives – \$60M, Disbursed \$29.0M

Bank of America-Bond Debt Agreement

Anthony Lazzaro reported that an extension of the current agreement for the Series B Bonds that were issued in 2004 is set to expire August, 2015. The extension is necessary to provide liquidity for the purchase of Series B Bonds.

The following motion regarding the third amendment to the amended and reinstated standby Bond Purchase Agreement (“Standby Bond Purchase Agreement”) was moved by Andy Bessette, seconded by Michael Matteo and approved.

WHEREAS, in connection with the issuance of certain Parking and Energy Fee Revenue Bonds, CRDA entered into that certain Standby Bond Purchase Agreement dated July 1, 2004, as amended, in order to provide liquidity for the purchase of Series B Bonds which from time-to-time were not remarketed upon certain tenders by the holders thereof;

WHEREAS, such agreement expires in August of 2015;

WHEREAS, in agreement with the Office of the Treasurer, CRDA’s Bond Counsel, and CRDA’s Financial Advisor, CRDA desires to extend the Standby Bond Purchase Agreement on the following terms:

Extension: Three years
Commitment Fee Rate: 0.56% (prior rate 0.45%)

“The CRDA Board of Directors hereby authorizes the Executive Director to extend the Standby Bond Purchase Agreement on the terms provided above.”

Church Street Garage

Michael Freimuth presented the following budget in anticipation of purchasing the Church Street Garage. The projected closing is the week of June 22, 2015. Mr. Freimuth indicated that this budget is separate and distinct from the Capital Budget.

Capital Region Development Authority Church Street Garage FY16 Budget				
	<u>YE 6/30/16</u>	<u>YE 6/30/15</u>	<u>YTD 4/30/15</u>	<u>YE 6/30/14</u>
MONTHLY PARKING REVENUE	\$ 2,275,000	\$ 2,161,243	\$ 1,801,036	\$ 1,894,158
TRANSIENT & EVENT PARKING REVENUE	475,000	622,766	518,972	634,407
TOTAL REVENUES	2,750,000	2,784,010	2,320,008	2,528,565
OPERATIONS & MANAGEMENT	501,572	604,337	503,614	558,318
SECURITY	325,000	375,000	312,500	357,841
UTILITIES	100,000	97,914	81,595	98,884
SNOW REMOVAL	45,000	59,574	49,645	35,930
EQUIPMENT MAINT & REPAIRS	33,360	34,118	28,432	35,339
ELEVATOR SERVICE	21,600	14,652	12,210	13,172
ALARM DEVICES	3,200	7,032	5,860	11,100
BANK CHARGES	2,500	1,553	1,294	8,271
ENGINEERING SERVICES	5,000	3,058	2,548	5,150
GARAGE MAINTENANCE	30,000	1,056	880	24,680
WATER	2,500	1,141	951	1,592
MACHINERY & EQUIPMENT	22,556	-	-	-
CAPITAL RESERVE	200,000	190,000	190,000	-
TOTAL EXPENSES	<u>1,292,288</u>	<u>1,389,435</u>	<u>1,189,529</u>	<u>1,150,277</u>
NET OPERATING INCOME	<u>\$ 1,457,712</u>	<u>\$ 1,394,575</u>	<u>\$ 1,130,479</u>	<u>\$ 1,378,288</u>

Note: CRDA management has increased elevator service, garage maintenance, machinery & equipment and capital reserve for FY16

After a lengthy discussion, the following motion regarding the Church Street Garage budget was moved by Andy Bessette, seconded by Evonne Klein and approved.

“The CRDA Board of Directors hereby approves the proposed Church Street Garage budget, as presented.”

Executive Director Report

Bears – License Agreement Corner Lot

Michael Freimuth reported that an agreement for use of the vacant “CRDA” parcel next to Bears has been completed. This agreement is a one (1) year renewable license. Bear’s is currently cleaning the site and will utilize it for extra seating.

Infinity Hall Hartford LLC

Michael Freimuth detailed the terms regarding a Sponsorship Agreement with Infinity Hall Hartford.

Mr. Freimuth added that there will be cross marketing between Infinity, the CT Convention Center and the XL Center, including website linkage which will help cross promote facilities and events.

Conditions:

- Infinity has agreed to invest an additional \$100,000 of equity into the operation of Infinity Hall.
- Infinity has agreed to advance \$50,000 from its Line of Credit at Webster Bank.
- The Connecticut Department of Economic and Community Development has agreed to provide a matching grant in the amount of \$100,000.

Sponsorship Terms:

- Duration: Two years.
- Sponsorship amount: One-time payment of \$100,000.
- Infinity shall provide:
 - the CT Convention Center with a complimentary ticket allocation of \$10,000 per year.
 - on-site signage to CRDA/CT Convention Center/XL Center for major event promotions.
 - space on the Infinity Hall Web site for CRDA/CT Convention Center logos.

Promissory Note Terms:

- CRDA agrees to lend Infinity \$50,000 for operating capital.
- Such Note will be repaid in six semi-annual installments of principal beginning June 1, 2017 through December 1, 2019.

After a discussion the following motion to ratify the sponsorship agreement and approve a promissory note for Infinity Hall Hartford, LLC. was moved by Andy Bessette seconded by Michael Matteo and approved.

“The CRDA Board of Directors hereby ratifies the Sponsorship Agreement dated June 10, 2015 by and between CRDA and the Infinity, as distributed and approves the Promissory Note on the terms provided above.”

Board Committee Structure

Mr. Freimuth explained that reaching a quorum at CRDA Committee Meetings can sometimes be a challenge therefore it is suggested that the CRDA Board Chair be placed on CRDA Committees.

The following motion to add the CRDA Chairperson to the CRDA Committees was moved by Andy Bessette, seconded by Michael Matteo and approved.

“The CRDA Board of Directors hereby appoints its Chairperson to the following committees: Venue, Housing, Finance and Transportation.”

A Motion to adjourn was moved by Andy Bessette, seconded by Scott Jackson and approved.

“The minutes of the June 18, 2015 CRDA Board Meeting were moved by Evonne Klein seconded by David Jorgensen and unanimously approved by Board Members at the September 17, 2015 CRDA Board Meeting.”