

**Capital Region Development Authority
Board Meeting
State Office
450 Columbus Blvd.
Plaza North, Meeting Room G
Hartford, CT 06103
Thursday, September 15, 2016
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Mayor Luke Bronin; Joanne Berger-Sweeney; Sean Fitzpatrick; David Jorgensen; Mayor Marcia Leclerc; Michael Matteo (via phone); Catherine Smith

Absent: Ben Barnes; Evonne Klein; Jim Redeker

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

Guests: Annette Sanderson, Executive Director, Hartford Housing Authority, John McClutchy, JHM Group; Kurt Harrison, Nutmeg Planners LLC; Eileen Buckheit Director of Development for Town of East Hartford; Richard Gentile, Corporation Counsel Town of East Hartford

Call to Order & Minutes

The Board Meeting was called to order at 6:08pm.

Chairwoman announced the following:

- Congratulations to Joseph Geremia who was nominee for HBJ CFO of the year.

The minutes from the June 16, 2016 Board Meeting were moved by Sean Fitzpatrick, seconded by Catherine Smith and unanimously approved.

Face the State

Andy Bessette, Chief Administration Officer of the Travelers was interviewed by Dennis House on Face the State regarding the 2016 Traveler's Championship. The video was played for the Board.

Mayors Reports

Mayor Marcia Leclerc reported the following:

- Recipient of a brownfield Grant
- Recipient of Study from CROCG for the Transportation corridor of Silver lane
East Hartford seeks to develop the scopes of work for a full build out scenario, the brownfield Grant as well as the transportation component have synergy between them.
- Recipient of Urban Act Grant from State of Connecticut, this Grant will be used for the Horizon outlet shops at Rentschler Field. Eileen Buckheit, Development Director of East Hartford and Richard Gentile, Corporation Counsel for the Town of East Hartford presented how they would like to utilize the skills of CRDA to help East Hartford move this project forward. Ms. Buckheit further explained the project as approved is 425,000 sq ft. of retail space with Horizon of Chicago.

The following motion concerning the administration of the urban act grant funds on behalf of the Town of East Hartford was moved by Andy Bessette and seconded by Dave Jorgensen.

• **Urban Act Grant to the Town of East Hartford:** \$12 Million (the “Funds”)

• **Project Description:** The construction of public infrastructure improvements for the redevelopment of the Silver Lane and Rentschler Field Corridor located in the town of East Hartford, Connecticut (the “Project”)

• **CRDA Scope of Work:** To provide grant administrative services for the Project

“The CRDA Board of Directors hereby authorizes the Executive Director to negotiate and enter into any and all necessary agreements with the Town of East Hartford and the Department of Economic and Community Development relating to the administration of Funds for the Project, as presented.”

Sean Fitzpatrick reported on the following items for Mayor Luke Bronin:

- The City of Hartford has reached an agreement in principal with the surety on the Stadium project with Arch Insurance. This agreement provides a commitment to finishing the stadium in time for the 2017 baseball season, also future outlays by the City will be limited to the project funds, less some expenses retained as a result of the termination of Centerplan.
- The City of Hartford spoke with the Eastern League and President of Arch to reassure them that everything is on track. Construction should resume early October.
- Hartford Redevelopment is going to be issuing RFQ’s both for the City owned parcels on Albany Ave. and Woodland Street. This was a mixed-use project anchored by Rite-Aid Pharmacy previously assigned to Centerplan however Rite-Aid determined they did not desire to proceed with the project and Centerplan withdrew. In an effort to get a very broad group of proposals, these projects will go through an RFQ process.
- 525 Main Street will also go through an RFQ process. Although UCONN does not have an interest in purchasing the building, they have shown interest in renting floors of the building. UConn will be kept involved in the conversations with regard to any developer that is interested in purchasing the building.
- On Friday, September 16, the City of Hartford is presenting to sixteen federal agencies, the development goals for the Promise Zone in the north end. They will be advocating for additional legislation to add benefits for investors in the Promise Zone and also looking to bring more grants into the city to help bring the Promise Zone to the next level.
- Reconstruction of Park Street is nearing completion. Working with local merchants and other stakeholders to integrate pedestrian mall concepts, parklets etc.
- iQuilt has raised approximately \$200,000 in four months to be able to have skating at Bushnell Park for Winterfest again this year.

Finance

CRDA CFO Joseph Geremia introduced Jennifer Hawkins, CPA, Partner with outside auditing firm Mahoney Sabol and Company for the purpose of giving the report on CRDA's Financial Statements, Special Purpose Financial Statements, and gave the Report on Compliance and Internal Control.

Ms. Hawkins gave an overview of the audit function indicating that auditing the authority as a whole on a consolidated basis includes the Convention Center, parking facilities and the XL Center. In addition to that, when auditing the individual entities that comprise the consolidated statement, they also issue a standalone statement for the Convention Center, parking facilities and XL. Michael VanDeventer of Mahoney Sabol audited the stadium at Rentschler Field however this entity is not consolidated within CRDA.

Report on CRDA's Financial Statements and each of the Special Purpose Financial Statements.

Mahoney Sabol's audit has been performed in accordance with (AICPA) American Institute of Certified Public Accountants, and also has to follow Government Auditing Standards issued by the U.S. Government Accountability office. The auditors issued a "clean" opinion. There are no issues to report. The auditors have found that CRDA's financial statements are free from material misstatement. No difficulties were encountered during the audit.

The only area that one might consider sensitive would be note 10, related to disclosures of management agreements. With regard to corrected and uncorrected misstatements, we did have a few pass adjustments that were identified and they were discussed with management both at the entity level and at the CRDA level. Because these pass adjustments did not result in being material to our Financial Statement we were able to keep them as pass adjustments.

Report on Compliance and on Internal Control over Financial Reporting.

Mahoney Sabol reviews the Authority's Compliance and internal controls but does not provide an opinion. No instances of material noncompliance identified, no material weaknesses in internal control identified. Ms. Hawkins offered to speak with the Board in Executive Session I they desired, but had no further information to provide. The Board agreed Executive Session was not needed but would reach out to Ms. Hawkins in the future if something arose.

State Auditors of Public Accounts

Mr. Geremia presented The State Auditors of Public Accounts audit for the years of FY2013-2014 which received a clean opinion. Mr. Geremia offered his appreciation for all the work that Assistant Controller, Dorine Channing, a dedicated member of my staff, has done for this audit and all of the audits.

Annual Report

Michael Freimuth offered some highlights relating to the FY2015-2016 CRDA Annual Report:

- Although it was a tough year for the CT Convention Center, it produced more taxes to the State than it received in State subsidy funds.
- CRDA acquired more land for Rentschler Field and it is being incorporated into the profile of the property.
- XL Center – it was a difficult year however it outperformed the forecasted budget.
- CT Science Center, over 300,000 visitors.
- Rentschler- CRDA ended the year positive in large part because of non-UCONN event revenue that was generated by Spectra totaling over \$600,000.
- Two properties that are tracked and reported within CRDA's Annual Report that were built under the original CCEDA Six Pillars, Hartford 21 and Trumbull on the Park, are over 96% occupied.
- Tennis Center had a 10% increase in attendance over last year.

Mr Geremia informed the Board that the Annual Report along with the audited financials for FY16 with the final opinion letter from Mahoney Sabol will be released and filed appropriately by September 30 following approval from the Board.

The following motion was moved by Dave Jorgensen, seconded by Marcia Leclerc and unanimously approved.

"The CRDA Board of Directors hereby approves the CRDA Annual Report/Audit for FY-2015-2016, as presented."

Fiscal Year 2017 Operating Statistics

CT Convention Center – July/August 2016

August stats: 28 event days held YTD with YTD attendance at 46,700

July financials: Total revenue favorable by 23% with expenses even compared to budget

CRDA Parking Facilities – July/August 2016

August stats: Utilization favorable to budget at 76%

Monthly rate customers even with prior year at 5,100 YTD

Transient customers even with prior year at 60,000 YTD

July financials: Transient revenue and monthly rate customer revenue even with budget

XL Center - July/August 2016

August stats: 6 event days held YTD with YTD attendance at 16,300

July financials: Event revenue and expenses even compared to budget

2013 Transitional expense loan with Spectra paid off in July

Church Street Garage - July/August 2016

August stats: Utilization of 87% favorable to budget of 72%

Monthly rate customers favorable to budget by 500 at 2,700 YTD

Transient customers favorable to budget by 200 at 2,900 YTD

July financials: Transient revenue and monthly rate customer revenue even with budget

Rentschler Field - July/August 2016

August stats: 27 event days held YTD with YTD attendance at 22,400

July financials: Event revenue and expenses even compared to budget

CTOpen – 2016 Tournament

Preliminary update within Venue Report

Residential Housing Initiatives – Total Contracted Loans: \$49.4M

Current Contracted Loans: \$43.5M

Current Disbursed: \$36.2M

Housing Report

Sean Fitzpatrick reported on the Housing Committee meeting that occurred on September 8, 2016.

289 Asylum – Jose Ramirez, interested in renovating 289 Asylum Building, his initial plan was to turn it into an eight unit condominium, Also discussed was an idea for Mr. Ramirez to have a “plan B” that included a rental strategy.

Other projects – As we turn to the next phase of the downtown focus we've been approached by a couple of projects and we are trying to figure out how they fit into our long term strategies.

- the Lewtan project
- there is interest in potentially finishing out the Front Street project with a mixed use building, using the parcel that is next to Arch Street that is currently a parking lot.
- some discussion about the adjoining buildings 101 and 111 Pearl Street.

Mike Freimuth reviewed the Pipeline Report.

- Capewell - scheduled to come online in the Spring of 2017.
- Hartford Office Supply - scheduled to come online in the Spring of 2017.
- 1279 Main - work has just begun.
- 370 Asylum – working towards a closing.
- Radisson under construction.

Venue Committee

Andy Bessette presented the Venue Committee update however he asked Mr. Geremia for the Tennis Center report.

Tennis Center

Mr. Geremia reiterated that The Connecticut Open presented by United Technologies is a WTA event that leverages the excitement of world-class women's tennis to benefit the community and maximize support for women's, youth and military causes in Connecticut.

A final reconciliation of the event is expected soon, however, it was noted that attendance remained steady. Sponsorship totals are down, however, the number of sponsors represents an increase over 2015.

Highlights include:

ShopRite Partners in Caring Food Drive supporting the Connecticut Food Bank

- Connecticut Food Bank is the largest centralized source of emergency food in Connecticut
- \$8,175 in donations collected throughout tournament, enough to provide 16,350 meals

Smilow Cancer Hospital at Yale New Haven Health Closer to Free Player Challenge

- Players, local celebrities and fans ride (and sign bike) to raise funds for breast cancer research. The more miles logged, the more money raised. Signed bike auctioned off post-tournament.
- Nearly \$25,000 fundraised to date including the Player Challenge and CTO staff participation in Closer to Free Ride.

Autism Awareness Day

- Featured a series of adaptive tennis and free clinics as well as sponsor booths promoting autism-related services.
- NEW FOR 2016. Sensory friendly space (air conditioned hospitality space overlooking stadium court) was programmed for guests with special needs.

Military Appreciation Day

- A longtime Connecticut Open tradition that honors active military and veterans during tournament week with free tickets and other programs
- United Technologies hosted the Military Outpost and provided hospitality for all active -and retired military.
- The Hillhouse JROTC Color Guard & Drill team performed prior to the start of the singles final.

Television coverage

- The 2016 tournament had 34 hours of coverage on ESPN2 and ESPN3. Next year all singles matches and nearly all doubles matches will be televised.

Expanded Use

- The CT Tennis Center hosted the first CSEC Tennis Tournament on September 10 and 11, participation exceeded everyone's expectations with 260 State employees participating.

Attendance

- This year's tournament was the 4th best attended women's only WTA event in the world (out of a total of 41). Almost a 50% increase in the number of sponsors and a 50% increase in CT -based sponsors over the last two years

XL Center

Capital Improvements – A construction manager is being selected to oversee the elevator and security upgrades at the Church Street Garage and XL Center, as well as the ice slab replacement at XL. Testing is being done this week to determine whether any asbestos exists and contingency plans are being discussed.

Event Update – Ice making will begin next week and hockey season for both UConn and the Wolfpack will start in early October. Upcoming events include a Maroon 5 concert (Sept. 19th), Blake Shelton concert (Sept. 30th) and this weekend's Mission of Mercy Dental Clinic.

Pratt & Whitney Stadium at Rentschler Field

New Parking Lots – A temporary parking arrangement has been worked out with UTC to allow the Stadium to use additional acreage at Rentschler Field for the Virginia and Syracuse games. These are expected to be the best-attended games of the season.

Budget Update – The Stadium ended FY16 in the black, due in large part to over \$600k in non-UConn event revenue related to Club and parking lot events.

Game-Day Changes – UConn's new AD has requested a number of changes to game-day operations in order to enhance the fan experience, including (1) additional parking lot signage, (2) new amenities for season ticket holders, (3) reductions in hot dog and bottled water prices and (4) deferral of the scheduled \$15 to \$20 parking rate increase. The Stadium has agreed to implement all but a few of the requested changes, however, the concessions and parking items could significantly impact the Stadium's budget. UConn has been reminded that, per their lease agreement, they are responsible for any final budget shortfall up to \$250k.

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

“The CRDA Board of Directors approves deferral of the parking rate increase included in the FY17 budget for Pratt & Whitney Stadium at Rentschler Field as previously approved by the CRDA Board at its May 19, 2016 meeting.”

Capital Improvements – CRDA has requested an additional \$300k from the State Bond Commission to cover paving and concrete repairs to prevent further water damage to the concourse and field wall.

New UConn Ticketing Program – In an effort to boost attendance for all its sports programs, UConn has contracted with Aspire to implement a new ticket sales initiative. The University’s lack of a dedicated team and concerted effort to boost attendance has been a serious concern of CRDA’s for a number of years.

Convention Center

Update - Despite an off year in terms of events, the Convention Center has performed ahead of budget projections. The building is expected to do well in the current year, with a significant number of events booked. Work on the new box offices and video board should be completely shortly. Additional issues related to water infiltration on the outside concourses will need to be addressed.

Neighborhood Committee

Mayor Luke Bronin gave a brief overview of the following memo that has been created as the selection process and criteria for reviewing and selecting Neighborhood Committee development projects.

Memorandum

Date: August 9, 2016
To: CRDA Neighborhood Committee
From: Don Chapman, Director,
Community and Small Business Development Division
Re: CRDA Neighborhoods Committee - Project Selection Process and Criteria

On July 14, 2016 Mayor Luke Bronin convened a meeting to discuss the process in which the CRDA Neighborhood Committee would nominate, review and select neighborhood development projects. The following outlines criteria, structure and procedure for the selection and approval process.

Structure

Two pools of money, assembled to leverage other development funds:

- a. Promise Zone (ex: Terry Square, Albany Ave.)
- b. Overall Neighborhood Development (ex: Parkville, South Green, Farmington Ave.)

Project Criteria

- a. **Catalytic Potential:** Is the proposed project highly likely to spark investment in surrounding or adjacent properties, spark new development or construction, or help to stabilize a neighborhood currently in

decline or at risk of decline? Is the proposed project a "Gateway Project"? Does the project spark development at a strategic location?

- b. **Financial Leverage Potential:** Will the investment in the proposed project leverage other financial resources including but not limited to federal or state grant funding, tax credits, private investment, philanthropic or corporate donation? A ratio of 2 or 3 to 1 should be the minimum leverage considered. The proposed project should have direct or indirect impact on the City's Grand List.
- c. **Long Contemplated Project:** Is the proposed project one that has been identified, contemplated and desired by the City and/or neighborhood for several years but suffered from a lack of available funding?
- d. **City and Community Benefits:** what will the proposed project generate to the City or overall community including, but not limited to, tax generation, job creation, property value increases, creation of needed housing units, maintenance costs savings.
- e. **Efficacy of Plan Potential:** What is the proposal's realistic probability of success?

Project Types

- a. Economic Development Project
- b. Housing
- c. Infrastructure

Each proposed development project will be:

- 1.)vetted and evaluated on the above criteria by the Department of Development Services, and
- 2.)reviewed and nominated by the Department of Development Services to the CRDA Neighborhood Review Committee
- 3.)reviewed and approved by the CRDA Neighborhood Review Committee and the CRDA Board of Directors, and
- 4.)submitted to State Bond Commission by CRDA for final review and funding.

The following motion was moved by Mayor Luke Bronin, seconded by Dave Jorgensen and unanimously approved.

"The CRDA Board of Directors approves the criteria outlined in the August 9, 2016 memo from the City of Hartford to be utilized by the Neighborhood Committee in determining the use of CRDA funding for neighborhood projects."

Chester A. Bowles Park Demolition

The project was presented by John McClutchy, JHM Group, Annette Sanderson, Executive Director, Hartford Housing Authority and Kurt Harrison, Nutmeg Planners LLC.

Chester A. Bowles Park is a 59.3acre parcel in the Blue Hills neighborhood of Hartford, CT and is comprised of 410 residential units contained in 59 buildings. It has reached the end of its useful life and is functionality obsolete as it is one of the oldest public housing complexes in the City, having been built in 1949 and 1950. The property will undergo complete abatement and demolition in order to provide new safe quality mixed-use and mixed-income opportunities existing and new residents. Transit options, community facilities, job centers, public facilities and recreational amenities will have a profound positive impact on the greater neighborhood by reintegrating this development with the surrounding neighborhood fabric.

Team Overlook is working in collaboration with the Housing Authority of the City of Hartford with support from the City and State of CT to remediate and demolish the obsolete Chester A. Bowles in order to provide new safe quality mixed-use and mixed-income opportunities for existing residents and in a manner that will bring increased value to the Blue Hills neighborhood and City as a whole.

The following motion, as amended by Mayor Luke Bronin, was moved by Andy Bessette, seconded by Dave Jorgensen and unanimously approved. with the following amendment from Mayor Luke Bronin to be added at the end of the motions “and pending an agreement between the housing Authority, the City of Hartford, the developer concerning local labor hiring requirements.”

“The CRDA Board of Directors approves the awarding of a grant to Hartford Housing Authority and/or Overlook Village Associates, developer of the Willow Creek project (formerly known as the Bowles Park project) in an amount up to \$5,000,000, as determined by the Executive Director, pending an agreement to settle an outstanding CHFA mortgage on the existing housing development and pending an agreement between the Housing Authority, the City of Hartford and the developer concerning local labor hiring requirements”.

Executive Director Report

XL Center – \$4.75M has been approved through the State Bond Commission to continue work at XL to secure bids, designs and construction team.

Rentschler Field – working to secure additional funds through the Bond Commission to fix some water problems at Rentschler Field.

Bushnell Development – met with the team throughout the summer. Working to do a market analysis, prepare an RFI and secure some sort of site control mechanism with the Department of Administrative Services.

South Green Development – a meeting is planned with NRZ representatives next week, in hopes to bring it forth to the Hartford Redevelopment Agency in October to go forward to put together a new amendment to the development area around South Green.

Front Street Phase IV – Housing Committee has reviewed and is having conversations with HB Nitkin Group to complete what is known as Front Street Phase IV which would utilize the parking lots along Arch Street.

Other projects – Working in three local towns:

- E. Hartford, which was discussed earlier.
- Newington, property has been cleared, wrapping up final EPA approved clean-up program; working with town to issue an RFP to develop Cedar Street site.
- Wethersfield, we have been approached to look at a property off of the Silas Deane Highway, for a mixed-use project.

Construction Updates

- UCONN Campus one-third complete, looking to extend work hours, goal to be completed by next fall.
- 450 Columbus Boulevard – continue fit-out
- XL Center – Security Upgrades are underway; improvements have begun on the overpass between XL and Church Street Garage.
- Church Street Garage – painting project complete; overhead crack repairs found in the concrete beams are in progress of being repaired.

The following motion was moved by Sean Fitzpatrick seconded by David Jorgensen and approved.

“The CRDA Board of Directors hereby moves into Executive Session to discuss legal and contract issues.”

Executive Session adjourned with no action and the CRDA Board adjourned at 8:04pm.

“The minutes of the September 15, 2016 CRDA Board Meeting were moved by Sean Fitzpatrick seconded by David Jorgensen and unanimously approved by Board Members at the October 20, 2016 CRDA Board Meeting.”

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, October 20, 2016
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Ben Barnes; Joanne Berger-Sweeney; Mayor Luke Bronin; Sean Fitzpatrick; David Jorgensen; Evonne Klein; Michael Matteo; Jim Redeker; Tim Sullivan

Absent: Mayor Marcia Leclerc

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

Guests: Richard Armstrong, ConnDOT

Call to Order

The Board Meeting was called to order at 6:04pm.

I-84 Presentation

ConnDOT Principal Engineer Richard Armstrong conducted a Powerpoint Presentations regarding changes to Interstates I-84 and I-91 through Hartford entitled I-84 Hartford Project and Rethinking the Transportation System in Hartford.

Minutes

The minutes from the September 15, 2016 Board Meeting were moved by Sean Fitzpatrick, seconded by David Jorgensen and unanimously approved.

Mayors Reports

Mayor Luke Bronin reported the following:

- Final takeover agreement for the baseball stadium with Arch Insurance in place and work has resumed.
- Westbrook Village – Hartford P&Z approved master plan. The CRDA Neighborhood Committee will likely hear from them since this project is very similar to Bowles.
- Albany and Woodland parcel – new RFQ has been issued for a developer. Centerplan backed out of their commitment towards this project, however there was a lot of interest from a number of other developers early on in the process. At some point this will be a candidate for the Neighborhood Committee to consider.
- Pratt Street – is about to reopen. The City continues to work with local businesses, property owners, and retailers on Pratt Street to try to come to a compromise on the best use of the street.

CRDA is involved with two separate projects related to the development of Rentschler Field in East Hartford as seen on the map presented by Michael Freimuth for Mayor Leclerc:

- The first relates to the construction of East Hartford Boulevard North, which will run from Cabela's down to the southern part of the site - allowing for access to Stadium parking lots, the proposed outlet mall and any future development on the site. CRDA is currently working with UTC and their developer, The Matos Group, to oversee construction of the road, using \$7 million of State Bond funds given to OPM for this purpose. Construction is expected to start in the spring.
- The second project relates to construction of utilities, roadways and other site improvements that will service both the proposed outlet mall and any future development at Rentschler Field. In September, the Town of East Hartford received \$12 million in Urban Act funds for this purpose and asked CRDA to oversee their expenditure. CRDA has been meeting with DECD, the Town and the outlet mall developer to work out the necessary agreements and to review plans.

Finance

The following October 2016 financial update was given by CRDA CFO Joseph Geremia:

Fiscal Year 2017 Operating Statistics

CT Convention Center – August/September 2016

September stats: 48 event days held YTD with YTD attendance at 57,200

August financials: F&B revenue favorable compared to budget with expenses even compared to budget

Total year projection even with budget

CRDA Parking Facilities – August/September 2016

September stats: Utilization favorable to budget at 88%

Monthly rate customers even with prior year at 7,700 YTD

Transient customers even with prior year at 86,000 YTD

August financials: Transient revenue and monthly rate customer revenue even with budget

Total year projection even with budget

XL Center - August/September 2016

September stats: 10 event days held YTD with YTD attendance at 34,200

August financials: Event revenue even compared to budget while utility expenses unfavorable to budget

Total year projection approx. \$200,000 unfavorable to budget

Church Street Garage - August/September 2016

September stats: Utilization of 86% favorable to budget of 72%

Monthly rate customers favorable to budget by 675 at 4,000 YTD

Transient customers even with budget at 4,100 YTD

August financials: Transient revenue and monthly rate customer revenue even with budget

Total year projection even with budget

Rentschler Field - August/September 2016

September stats: 42 event days held YTD with YTD attendance at 88,500

August financials: Event revenue and expenses even compared to budget

Total year projection even with budget

(No UCONN football games within this time period)

Venue Committee

Tennis Center

Tournament Report – The CT Open reported to the Venue Committee that as of October 10th, not all of the 2016 expense numbers had been received and therefore final numbers on the Tournament were not yet available. The tournament was reported to be “coming in around budget” and that significant operational savings had been achieved due to capital improvements made to the building.

For the upcoming year, the tournament will retain \$1.5 million in sponsorship revenue from UTC, Yale and Yale-New Haven Hospital, but work is needed to secure additional sponsors. The tournament staff will be able to occupy their office space year round and will not need to relocate for the winter, leasing expenses can be eliminated from the budget. Additional revenue may result from leasing of the tennis facility for non-tournament events. ESPN is expected to cover every match of the tournament and that could also increase revenue to the tournament. The tournament is also looking to switch to a Connecticut-based caterer in order to improve food offerings and potentially increase revenue.

XL Center

Capital Improvements – Capital projects at XL and in the Church Street garage are progressing, with bids for the security and elevator work expected to be released in about 2-3 weeks. Installation of the new ice floor with begin in the late spring 2017.

Event Update – The loss of the Maroon 5 concert and an underperforming Blake Shelton concert dealt serious blows to the XL operating budget. Maroon 5 was expected to net approximately \$200k, while Blake Shelton netted only about half of its projected \$150k in revenue. UConn has begun its hockey season and attendance numbers have been low, but that is to be expected given the teams played and the fact that it is so early in the season.

Status of XL Redevelopment plan - Michael Freimuth reported the following:

Several members have inquired as to the status of the overall redevelopment plan for the XL Center and the Board’s acceptance of the reconstruction alternative as a way forward (rather than the alternative replacement option). The selected alternative has been presented to a variety of public officials and to the general public both at various meetings and via the media. It was suggested as part of the Authority’s capital improvements request during the last legislative cycle, but was not included due to the size of the request at a time of tight state budgets.

Nonetheless, CRDA has pursued building improvements that are either: 1/necessary for current operations; 2/dictated by changes in management practices (e.g. security changes); or 3/have reached a point in a system’s life cycle that demands its complete update/reconstruction (ice slab). Funds allocated to CRDA in FY 15-16 for various projects consistent with CRDA’s overall statutory authority to undertake Capital City Projects have been utilized to meet these needs (as well as those at the Church Street Garage).

CRDA has begun to explore the feasibility to acquire the atrium area presently serving the arena and subject to a common area maintenance and management contract and have ordered appraisals and further engineering assessments in order to further understand this option. Preliminary review of this material has

CTOpen – 2016 Tournament
Preliminary update within Venue Report

Residential Housing Initiatives –	Total Contracted Loans:	\$49.4M
	Current Contracted Loans:	\$43.5M
	Current Disbursed:	\$36.9M

Housing Report

Sean Fitzpatrick reported on the October 7, 2016 Housing Committee meeting.

81 Arch Street (Front Street Phase IV) -

Project: 81 Arch Street
Front Street Phase IV

Type: New Construction 54 units (20 studio, 13 1BR, 21 2BR)
11,000 s.f. (est) retail space along Arch Street
Utilization of South Garage for parking
Compliance with Front Street/Adriaen's Landing Development Agreement

Developer: HB Nitkin Group
Greenwich, CT

Capital Stack: \$11M Bank Note in first position, Libor +2.5%/25yr
\$5.6M CRDA 1%/30yr
\$2.77M Equity
\$1M Brownfield

Total Dev Cost: \$20.34M

CRDA: Cost per unit: \$103,000

Other Issues: Front Street/Adriaen Landing
Market Rate units
Prevailing Wage Project
State environmental cleanup obligation

The following motion was moved by Andy Bessette, seconded by Ben Barnes and unanimously approved.

"The Board of Directors hereby approves the use of CRDA Housing funds to assist the developer, H.B. Nitkin (or such acceptable single purpose entity) to construct a mixed use housing-retail building, (also known as Front Street Phase IV) consisting of 54 market rate units (20 studio; 13 1-BR; 21 2BR) and approximately 11,000 sq. ft. of retail space at 81 Arch Street, Hartford and the Executive Director is authorized to extend a formal term sheet offering up to \$5.6 Million in assistance in the form of a loan at 1% for 30 years, amortizing principal and interest, subject to 1) all other funding being secured to meet a total development budget of \$20.34 Million; 2) State Bond Commission approvals; and 3) such fiduciary terms deemed appropriate by the Executive Director."

289 Asylum – Ajajar, LLC proposes the development of 8, 2 BR condominiums

raised the possibility to acquire the entire “Trumbull Block” that adjoins the atrium. This includes the areas currently leased by St. Josephs School of Pharmacy, the area left vacant by the YMCA and the storefronts along Trumbull. This block also connects the arena to the garage via the Church Street overpass and literally sits on top of the exhibition hall that makes up part of the XL Center. The acquisition of this portion of the complex would allow for the ultimate build out of the transformed arena when pursued. Such acquisition would also bring substantial advantages to the utility and infrastructure changes necessary as part of the proposed re-subdivision of the real estate.

For any property acquisition to advance, it is suggested that the Board formally assess this acquisition in a public hearing and authorize such action as it might be guided by the due diligence currently underway.

The following motion was moved by Andy Bessette, seconded by Mayor Luke Bronin and unanimously approved.

“The CRDA Board of Directors hereby orders a public hearing to be conducted by the Venue Committee to consider the redevelopment plan for the XL Center Capital City Project, to be held at least one week prior to the next CRDA Board meeting.”

Pratt & Whitney Stadium at Rentschler Field

UConn Football – Attendance to date has been disappointing for the Huskies. Three games remain in the season – Homecoming against UCF (October 22nd), Temple (November 4th) and Tulane (November 26th).

Convention Center

The Convention Center has performed ahead of budget projections. The building is expected to do well in the current year, with a significant number of events booked. Work on the new box offices and video board should be completed shortly.

Michael Freimuth explained that every three years the Convention Center Management contract goes out to bid through an RFP process. The management agreement is currently in an extension year and it has been requested by staff that a special committee be formed to oversee the RFP process.

A tentative timetable has been established with packages going out to proposers by October 31, review and shortlist by second week of December, interviews mid-December and selection recommendation to the Board at January Board meeting.

The following motion was moved by Andy Bessette, seconded by Sean Fitzpatrick and unanimously approved.

“The CRDA Board of Directors hereby approves the creation of a special Request for Proposals (RFP) review committee to be made up of Chairperson Suzanne Hopgood and Venue Committee member David Jorgensen joining three members of the CRDA Staff.”

Neighborhood Committee

Mayor Luke Bronin highlighted topics from the Neighborhood Committee:

Westbrook Village – 360 residential units, project managed by Hartford Housing Authority, funding sources include but are not limited to: Low Income Tax Credits, DOH funds, DECD Brownfield funds, private debt.

Unlike Bowles this project would contain a residential as well as a commercial portion which is likely to be first build and that would be right along Albany Ave. near the West Hartford border.

Mike Freimuth reported that CRDA has met with group managing this project however it is very early in the process.

Bracket Knoll Housing Development Phase II – located in the North End within the Promise Zone. There are a total of 28 units using the same structure as in the first phase. \$2M of DOH funds have been set aside however they are due to expire by December 31, 2016, absent a clear commitment of funding for the remainder of the project. The gaps include funding necessary to build a road that the City, at one time, committed to build, estimate cost about \$830K. The second piece needed is gap financing estimated to be approximately \$550K. It is not clear if CRDA would cover all of the gaps or whether it would require a couple of funding sources to be bundled together. This project would meet the requirements of the Neighborhood Committee priority list.

Mayor Luke Bronin inquired as to what would be needed for the Department of Housing to grant an extension passed December 31. Commissioner Evonne Klein responded by stating it would depend on if the expiration date is federal or state, if it is state she could grant an extension. Mayor Bronin further inquired if the funds were approved through the CRDA Neighborhood Committee, would that be sufficient to release the DOH funds. Commissioner Klein responded by stating she believed that to be the case, that the only things missing, according to her notes, was the funding necessary for the road.

Mike Freimuth reported that CRDA met on October 19 with engineers who put together road program and is scheduled to meet with developer and the City the week of October 24, 2016.

Executive Director Report

Rentschler Field – met with UCONN regarding the performance of the stadium and to go over changes implemented at the beginning of the season.

Wadsworth Atheneum Museum of Art – Michael Freimuth explained the following regarding CRDA extending the promotional rate for parking for three additional years.

- The Wadsworth shall advertise and promote the Front Street North Garage and Front Street South Garage for museum guests.
- Visitors and guests of the Wadsworth shall be charged a promotional daily rate of **Three Dollars (\$3)**.
- Duration – The promotional rate shall be extended for three (3) additional years beginning January 1, 2017 and ending December 31, 2019.

Connecticut Convention Center

- During the promotional period, Wadsworth shall offer a discounted daily admission fee of **Five Dollars (\$5)** per person for guests and visitors to the Connecticut Convention Center.

The following motion was moved by Andy Bessette, seconded by Sean Fitzpatrick and unanimously approved.

“The CRDA Board of Directors hereby approves the extension of the promotional rate for the Wadsworth Atheneum on the terms and conditions presented above.”

Church Street Garage – Michael Freimuth explained a need to adjust the corporate rate at the garage has become necessary:

- currently below market rate
- funds will help keep the building up to standard and make repairs; and the new rate would be consistent with yearly projections for the Church Street garage

The following motion was moved by Andy Bessette, seconded by Joanne Berger-Sweeney and approved with Michael Matteo abstaining.

“The CRDA Board of Directors hereby authorizes the Executive Director to enact parking rate adjustments at the Church Street garage effective January 1, 2017 and consistent with adopted budget, in the following manner:

Corporate rate to be \$110.00 + tax per space/per month”.

Move November CRDA Board Meeting to December – Michael Freimuth explained the need to move the November Board Meeting due to scheduling the Public Hearing for XL Redevelopment Plan.

The following motion was moved by Andy Bessette, seconded by Sean Fitzpatrick and unanimously approved.

“The CRDA Board of Directors hereby authorizes to move the originally scheduled meeting from November 17, 2016 to December 8, 2016.”

Updates for construction, etc.

390 Capital Avenue and Capitol Ave. – 95% complete.

Radisson – about 11% complete.

1279 Main Street – cleared historic on October 19, 2016.

370 Asylum - working towards a closing date.

UConn Campus – 35% Complete, substantial completion target date – Aug. 2017.

Newington – meeting with Newington to discuss RFP for Cedar Street.

East Hartford Boulevard – expansion of 10 acre site at Rentschler Field, design is nearing completion, Spring target for construction.

XL – Capital projects – elevators, cleaning up overpass, ice floor bids will go out to RFP in February, security improvements beginning.

Building at P&W stadium – building is 11 years old, funds need to start being set aside for capital Improvements.

Tennis Tournament – Improvements are ongoing
Wethersfield – CRDA has been asked to manage a project in Wethersfield
2017 Board Meeting Dates were distributed.

Adjourned at 7:42pm

“The minutes of the October 20, 2016 CRDA Board Meeting were moved by Andy Bessette seconded by Mayor Marcia Leclerc and unanimously approved by Board Members at the December 8, 2016 CRDA Board Meeting.”

**Capital Region Development Authority
Board Meeting
100 Columbus Boulevard, Suite 500
Hartford, CT 06103
Thursday, December 8, 2016
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Mayor Luke Bronin (arrived 7:55); Sean Fitzpatrick; David Jorgensen; Mayor Marcia Leclerc; Michael Matteo; Catherine Smith (arrived 7:05pm); Nick Lundgren

Absent: Ben Barnes; Joanne Berger-Sweeney; Evonne Klein; Jim Redeker

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

Guest: Ralph Knighton with Toraal Development (Brackett Knoll).

Call to Order & Minutes

The Board Meeting was called to order at 6:10pm.

The minutes from the October 20, 2016 Board Meeting were moved by Andy Bessette, seconded by Mayor Marcia Leclerc and unanimously approved.

Mayors Reports

Sean Fitzpatrick gave the following report for Mayor Luke Bronin:

- I-84 Hartford Project and Rethinking the Transportation System in Hartford. Working with DOT regarding Capital Gateway (Union Station, Bushnell Park) so that Hartford will have a senior seat at the table when redoing this landscape.
- Open House January 5 at the Artist Collective on Albany Avenue for the Safety & Streetscape Improvement program
- Pre-bid conference on December 6 regarding the RFQ on the Albany Avenue & Woodland Street parcels – January 23, 2017 initial proposals are due
- RFQ should go out by December 31, 2016 regarding 525 Main Street – plan is to sell it and redevelop

Mayor Marcia Leclerc reported the following

- Horizon Outlet Mall is moving along – weekly meeting taking place
- Synergy happening with the Bar Grant focusing on Silver Lane
- Traffic Corridor Study is working its way through the AG's office

Housing Committee Report

Michael Freimuth presented the following projects that were approved by the Housing Committee and are seeking full Board approval.

289 Asylum – Condo Project

Project: Conversion of vacant floors into 8 – 2BR Condo units
Developer: Asylum 289 Condominiums, LLC
Jose Ramirez

TDC: \$1,345,634
\$635,000 HCLF 1st
\$200,000 State Historic Credits (bridge, HCLF)
\$400,000 CRDA Construction Note
\$110,634 Equity



Other: utilization of recapitalized CRDA Housing funds
para passu with HCLF
Take down upon condo sales
Parking deal with CSG
\$166,921/unit to construct

The following motion was moved by Andy Bessette, seconded by David Jorgensen and unanimously approved.

“The CRDA Board authorizes the use of \$400,000 of CRDA Housing Funds, to be lent to Asylum 289 Condominiums, LLC (or such acceptable single purpose entity) for the construction of 8-2 BR condominium units at 289 Asylum St. Hartford. The loan shall have a 2yr. term and be at 4% interest and is subject to 1.) all other sources of funds being secured; and 2.) such fiduciary terms as deemed appropriate by the Executive Director and CRDA counsel.”

241 Asylum Street

Type: Completion of historic rehab into mixed use building
Current retail (2 tenants), commercial (3 tenants) and 4 live work units
Addition of 4 ‘live work’ units on floors 6 & 7
Refinance existing mezz loans
Needs restructure of City facade loan/grant
Utilization of recapitalized CRDA housing funds

Developer: Werner and Company

TDC = \$ 1,395,000 Million
995,000 Refinanced Primary Loan
400,000 CRDA Construction; facade take out Loan



The following motion was moved by Andy Bessette, seconded by Sean Fitzpatrick and unanimously approved.

“The CRDA Board authorizes the use of \$400,000 of CRDA Housing Funds to be lent to Keith Werner, Werner and Company (or such acceptable single purpose entity) for the construction of 4 additional units of ‘live work’ housing at 241 Asylum Street, Hartford at 3% interest only for a two year construction/stabilization period. At the discretion of CRDA, the loan can be extended for three

additional years at 3% interest with amortizing P&I over 25 years. The loan is to be used for construction and refinancing of previous city facade loan and shall be a subordinate second position lien. The loan authorization is subject to 1) all other sources of funds being secured; and 2) such fiduciary terms as deemed appropriate by the Executive Director and CRDA Counsel."

105-07 Wyllys Street

Type: New construction of 24 2BR units
Developer: Providian Builders/Joe Citino

TDC = \$ 4,200,000
 1,400,000 Bank Loan
 1,900,000 CRDA Loan
 900,000 Equity



The following motion was moved by Andy Bessette, seconded by David Jorgensen and unanimously approved.

"The CRDA Board hereby approves the use of State Bond allocation housing funds to assist the developer, Providian Builders (or such acceptable single purpose entity) to construct 24 new units of housing at 105-07 Wyllys Street, Hartford and the Executive Director is authorized to extend a formal term sheet to the developer offering up to \$1.9 Million in assistance at 1% interest only for the construction period not to exceed 18 months; and convert to permanent financing with amortized principal and interest at 1% for 30 years at issuance of certificate of occupancy, in no less than a second position subordinate lien, subject to 1) State of Connecticut Bond Commission approval; 2) all other sources of funds being secured; and 3) such fiduciary terms and conditions as deemed appropriate by Executive Director and CRDA Counsel."

103-5, 109-21 Allyn Street

Type: Reconstruction and conversion of three vacant historic buildings into 66 units of housing (39 Studio, 24-1BR, 3-2BR) and 3,750 sf. Retail space

Developer: Paul Khakshouri

TDC: \$10,885,121
 4,500,000 Bank
 4,000,000 CRDA
 2,000,000 Historic Credits
 385,121 Equity



Bank note increases to \$6.5M upon completion, and permanent financing, retiring \$2M of CRDA funding. Historic Credits bridged by CRDA and upon certification further pays down CRDA note by

another \$2M, leaving \$2M CRDA mortgage at 3%, 30 yrs. Permanent financing. LISC providing initial requisition funds and predevelopment at \$2.2M.

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

“The CRDA Board recommends that \$6 Million of CRDA State Bond allocation housing funds be made available as loans to the developer as follows: \$4 Million for construction and \$2 Million as a bridge loan for historic credits. Upon permanent financing from the bank, \$2 Million will be lent as permanent loan to developer in subordinate position at 3% for 30 years and \$2 Million will be deposited into a collateral reserve account as additional security that will be released upon project performance for a period not to exceed five years subject to 1.) all funding sources being secured; 2.) State Bond Commission approval; and 3.) such fiduciary terms as deemed necessary and appropriate by the Executive Director and the CRDA counsel.”

101 Pearl Street

Type: Conversion and reconstruction of vacant building into 154 units
(143 studio, 11 1-BR) and 8500 s.f. retail space

Developer: Gerona Ventures

TDC =	\$ 28.4M	
	13.6M	Primary Loan
	9.24M	CRDA Loan
	3.6M	Brownfield Loan
	1.93M	Equity



After a lengthy discussion, the following motion was moved by Andy Bessette, seconded by Sean Fitzpatrick and approved with David Jorgensen opposed and Catherine Smith abstaining.

“The CRDA Board approves the use of State Bond allocation housing funds to assist the developer, Gerona Ventures (or such acceptable single purpose entity) to construct 154 new units of housing at 101 Pearl Street Hartford and the Executive Director is authorized to extend a formal term sheet to the developer offering up to \$9.2 Million in assistance at 3% interest only during construction, converting to a permanent loan at certificate of occupancy at 3% interest plus 1% principal paydown per annum for 30 years, with 50% of net loan proceeds to pay down CRDA outstanding principal at year 10. In year 20, 50% of net loan proceeds from refinancing to pay off brownfield loan with residual of 50% of such proceeds to pay down CRDA principal outstanding. CRDA remaining balance to be paid off in year 30 and is subject to 1) State of Connecticut Bond Commission approval and; 2) all other sources of funds being secured; and 3) such fiduciary terms as deemed appropriate by the Executive Director and CRDA Counsel.”

111 Pearl Street

Type: Reconstruction and conversion of vacant historic structure into 101 units (74 studio, 21 1-BR, 6 2BR) and 7800 sf retail space

Developer:	Gerona Ventures	
TDC =	\$ 21.55M	
	8.0M	Primary Loan
	6.06M	CRDA Loan
	2.83M	State Historic Tax Credits
	2.5M	Brownfield Loan
	2.16M	Equity



After a lengthy discussion, the following motion was moved by Andy Bessette, seconded by Sean Fitzpatrick and approved with Catherine Smith abstaining.

“The CRDA Board approves the use of State Bond allocation housing funds to assist the developer, Gerona Ventures (or such acceptable single purpose entity) to construct 101 units of housing at 111 Pearl Street Hartford and the Executive Director is authorized to extend a formal term sheet to the developer offering up to \$6.06 Million in assistance at 3%, interest only, during construction, converting to a permanent loan at certificate of occupancy at 3% interest plus 1% principal paydown per annum for 30 years, with 50% of net loan proceeds to pay down CRDA outstanding principal at year 10. In year 20, 50% of net loan proceeds from refinancing to pay off brownfield loan with residual of 50% of such proceeds to pay off CRDA principal outstanding. CRDA loan remaining balance to be paid down in year 30. Further, CRDA Housing Committee approves the use of State Bond allocation housing funds to provide a bridge loan of \$2.835 Million to be available to finance construction at 3% interest only, and to be repaid from the proceeds of state historic credits. These allocations are subject to 1) State of Connecticut Bond Commission approval; 2) all other sources of funds being secured; and 3) such fiduciary terms and conditions as deemed appropriate by Executive Director and CRDA Counsel.”

Venue Committee Report

Andy Bessette gave the following report of the Venue Committee.

Venue Committee Hearing on XL Center Transformation Plan

On Tuesday, November 28, 2016, the CRDA Venue Committee hosted a public hearing on CRDA’s plan for transforming the XL Center. Public notices for the hearing had been placed in the Hartford Courant (November 15th and November 21st), as well as on the CRDA website. The Courant, Hartford Business Journal and various TV stations also reported that the hearing was taking place. Approximately 50 people were in attendance, including Board members Suzanne Hopgood, Andy Bessette, Dave Jorgensen and Sean Fitzpatrick.

Following opening remarks from Venue Committee Chair Bessette, Sean Fitzpatrick and Executive Director Mike Freimuth, Murray Beynon from SCI Architects gave a presentation on the arena transformation.

- Murray Beynon focused on how outdated XL is in terms of concourses, premium seating and other fan amenities and what is needed to bring the facility up to current industry standards.
- He noted that construction of a new facility would cost somewhere in the area of \$500m, but because XL's underlying structure is salvageable, the facility could instead be modernized for about half that cost with the addition of space from the neighboring mall.
- Murray also cited Stafford Sports pro forma which showed a considerable increase in revenue for a transformed facility with UConn and an AHL team as its primary tenants. He noted that if Hartford wished to attract an NHL team, it could not do so with the current XL facility and explained how spaces such as locker rooms could be built out at a later date if a team was acquired.
- In terms of events, Murray Beynon warned that concert bookings would not likely increase given the competition from the existing and planned casinos.

Public testimony followed, with a total of 13 people speaking – 12 in favor, 1 against:

- Those speaking in favor included 4 members of the Whaler Booster Club, a ticket agent and a local urban planner. The owner of the Homewood Suites on Asylum Avenue spoke, as well as a representative of Business for Downtown Hartford, who offered a letter of support signed by 38 local business owners.
- Those speaking in favor were very positive and excited at the prospect of a new facility. They cited the importance of the XL Center to the City and to the region and expressed concern over what closing of the facility would mean to local businesses.
- More than one noted that, as taxpayers, they supported the expenditure of funds to transform the facility.
- Whaler fans in particular were enthusiastic in their support, seeing a transformed facility as the first step in bringing an NHL team back to the City.
- One individual asked that the facility be more integrated into the neighborhood, with retail and entertainment spaces open to the public even when no events are scheduled.
- A Blues Hill neighborhood resident suggested that local colleges work to put more events in the building, while another individual asked that we schedule public skating sessions.
- A number of those testifying saw the transformation as a complement to other CRDA projects, as well as the new ballpark and public transit improvements.
- The lone speaker against the plan was State Senator Joe Markley (R-Southington), who had previously expressed his opposition in a Courant op-ed in February 2016; in his testimony, Senator Markley was adamant that the State cannot afford any additional borrowing at a time when essential social services are being cut. He raised concerns that even with a transformed building, XL would still require a State subsidy to survive and that we have no guarantee of an NHL team moving to Hartford.

- Senator Markley called the arena “a misbegotten project from the beginning” and argued that it has done little to promote a vibrant street life in Hartford.
- Sen. Markley argued that the only local businesses benefitting from XL Center are bars and restaurants and that enhanced food and beverage offerings in the new arena will actually hurt those businesses in the long term.

XL Plan

Anthony Lazzaro explained that the following resolution indicates the CRDA Board’s desire to move forward with SCI’s concept design for the XL Center that was presented at the Public Hearing on November 29, 2016.

Bob Saint presented the plans to the Board in an effort to refresh Board Members about the concept design. A lengthy discussion ensued regarding improving area parking facilities; next steps; funding; timing of project and acquisition of common area. It was suggested that further examination into the cost of repairing the adjacent parking facility be part of the ongoing dialogue.

After an extensive discussion, the following motion was moved by Andy Bessette, seconded by Catherine Smith and approved with Mayor Marcia Leclerc opposed.

WHEREAS, pursuant to Section 32-602(a)(7) of the Connecticut General Statutes, the purpose of the Capital Region Development Authority (the “Authority”) is to stimulate economic development in the capital region;

WHEREAS, pursuant to Section 32-602(d)(3) and Section 32-600(2)(C) of the Connecticut General Statutes, with respect to Capital City Projects, the Authority has the power to formulate plans for, acquire, finance and develop, lease, purchase, construct, reconstruct, repair, improve, expand, extend, operate, maintain and market facilities, including the civic center and coliseum complex (the “XL Center”);

WHEREAS, the Authority and SCI Architects, P.C. (“SCI”) entered into the certain Consulting Services Agreement dated October 31, 2014 for Arena Program Development and Construction Feasibility Services relating to the XL Center;

WHEREAS, SCI presented its preliminary findings and plans to the CRDA Board of Directors at its monthly meeting of February 19, 2015;

WHEREAS, the Authority subsequently posted such plans to the Authority’s Web site for public viewing;

WHEREAS, on November 29, 2016, a public hearing was held at which SCI presented its completed design concept to the CRDA Venue Committee and members of the general public;

WHEREAS, at the conclusion of the presentation, members of the general public were invited to comment on the design concept, such comments were overwhelmingly supportive; and

WHEREAS, the CRDA Board of Directors has subsequently reviewed the recommendations and proposed concept drawings.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUTHORITY:

- 1. That it accepts and approves SCI's concept design as presented at the public hearing held November 29, 2016 for the Capital City Project at the XL Center; and*
- 2. That it authorizes its Executive Director to proceed with plans to transform the XL Center in accordance with the approved concept design, subject to available funding.*

XL Center Operations

Michael Freimuth reported that conversations with MSG have indicated that the Wolfpack will exercise year 5 of their contract and operate in the XL Center Fall 2017-Spring 2018.

CT Convention Center

Convention Center RFP was issued, responses are in and the team is beginning their review. A recommendation to the Board is expected at the January Board Meeting.

Rentschler Field

The season's UCONN football attendance impacts the budget. This will be further discussed in Jan./Feb. when a more thorough review of the numbers will be available.

Neighborhood Committee

Mayor Luke Bronin conveyed that the Brackett Knoll Project was approved by the Neighborhood Committee on November 10, 2016. He described the project as Phase II, the first phase reportedly very successful. Mayor Bronin introduced Ralph Knighton with Toraal Development who spoke on behalf of the project. The following information was presented:

Toraal Development LLC has presented the Neighborhood Committee with its plan to construct 14 two-family owner-occupied homes on the site of the former Brackett Park School on Westland Street. This work represents Phase II of a project that was initiated in 2006 with the construction of six such homes. The developer is seeking CRDA assistance with construction of a Naugatuck Street extension required for the project, as well as with additional funding to cover mortgage gaps.

These two-unit homes allow buyers to occupy one and rent the other out as a source of income. Potential buyers have been identified for the new homes, with at least nine tenants already vetted and ready to work with Toraal's identified mortgage partners. Buyers will be required to attend a CHFA home-ownership training program.

The Neighborhood Committee unanimously adopted a resolution approving the use of CRDA Neighborhood funds for the project, subject to full CRDA Board and State Bond Commission approval.

Total Funding = \$1,550,000

- \$ 925,000 – Naugatuck Street extension road extension
- \$ 515,000 – Site Improvements
- \$ 115,000 – Site Acquisition

\$ 50,000 – CRDA Administration Fee

\$1,555,000

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

“The CRDA Board of Directors hereby approves the use of \$1,555,000 in CRDA Neighborhood funds for the Brackett Knoll project on Westland Street. Of this total, \$630,000 shall be used to assist the developer, Toraal Development LLC, with site acquisition and site improvements related to the construction of 14 two-family owner-occupied homes. CRDA shall utilize the \$925,000 balance for the extension of Naugatuck Street through the project site. Such assistance shall be subject to 1) State Bond Commission approval; and 2) such fiduciary terms deemed appropriate by the Executive Director.”

Bowles Park - Demo has been bid; environmental cleanup has been bid; being coordinated with targeted hiring program. Sean Fitzpatrick indicated that the City has given some guidance to the Hartford Housing Authority in terms of local hiring. Approximately 30 out of 410 units continue to be occupied.

Finance Report

Joseph Geremia gave the following financial update for December 2016.

Fiscal Year 2017 Financial Statements for the Three Months Ending 9/30/2016

Balance Sheet

- Current unrestricted cash decrease reflects timing differences between funding and expenses at the CTCC and the XL Center
- Accounts receivable decrease reflects timing differences between funding and payments relating to the State office relocation projection managed by CRDA off-set with a decreased liability in accrued expenses
- Loans receivable increase reflects housing construction drawdowns from 50 Morgan St (Radisson)
- Current loans payable decrease reflects payoff of XL Center loan with Spectra

Statement of Revenues, Expenses and Changes in Net Position

- Operational and other grants decreases reflect a timing difference between State appropriation quarterly funding percentages and an overall State appropriation budget decrease
- Combined facilities income and expenses referenced below
- Development cost reflects CTOpen tennis tournament support

Fiscal Year 2017 Operating Statistics

CT Convention Center – September/October 2016

October stats: 76 event days held YTD with YTD attendance at 79,700

Qtr. 1 financials: Net Income \$200,000 favorable to budget

F&B revenue favorable compared to budget

Utility expenses unfavorable compared to budget

Total year projection \$100,000 favorable to budget

CRDA Parking Facilities – September/October 2016

October stats: Utilization favorable to budget at 100%

Front Street garages at 120% utilization due to increased transient turnover

Monthly rate customers favorable to prior year by 350 at 10,300 YTD

Transient customers favorable to prior year by 4,700 at 124,000 YTD

Qtr. 1 financials: Net Income even with budget

Transient revenue and monthly rate customer revenue even with budget
Total year projection even with budget

XL Center - September/October 2016

October stats: 24 event days held YTD with YTD attendance at 55,300

Qtr. 1 financials: Net Income \$300,000 unfavorable to budget

Event revenue \$250,000 unfavorable to budget

Utility expenses \$150,000 unfavorable to budget

Total year projection approx. \$700,000 unfavorable to budget with \$600,000 attributed to
4 cancelled concerts (Maroon 5, Kanye West, RHCP, Comedy Tour)

Note: State Appropriation: FY17-\$600,000; FY16-\$900,000; FY15-\$1,100,000;
FY14-\$3,000,000; CRDA Funding: \$400,000

Church Street Garage - September/October 2016

October stats: Utilization of 86% favorable to budget of 72%

Monthly rate customers favorable to budget by 850 at 5,300 YTD

Transient customers favorable to budget by 450 at 5,800 YTD

Qtr. 1 financials: Net Income even with budget

Transient revenue and monthly rate customer revenue favorable to budget offset with
increased maintenance expenses

Total year projection even with budget

Rentschler Field - September/October 2016

October stats: 63 event days held YTD with YTD attendance at 133,000

Qtr. 1 financials: Net Income even with budget

Event revenue and expenses even compared to budget

Total year projection \$200,000 unfavorable to budget with \$250,000 attributed to
UCONN football and \$100,000 from removal of soccer game offset with
\$150,000 expense savings

CTOpen – 2016 Tournament

Preliminary FY16 audit results: \$150,000 loss from operations

Capital Improvement committee nearing completion of outdoor structures and interior design

Organization Structure committee completed

Residential Housing Initiatives –	Total Contracted Loans:	\$49.4M
	Current Contracted Loans:	\$44.2M
	Current Disbursed:	\$38.6M

Chairwoman Report

Chairwoman Suzanne Hopgood reported the following Board members have been or are in the process of being re-appointed to the CRDA by Governor Malloy: Joanne Berger-Sweeney; Andy Bessette; Suzanne Hopgood; David Jorgensen.

Executive Director Report

Michael Freimuth gave a briefing on the following:

Intern – Trinity intern Jane Bisson is wrapping up a very successful internship. Thank you for all of her hard work.

3 Constitution Plaza – CRDA has been approached by the City and property owners to participate in a clean-up campaign for the parcel at intersection of Columbus Boulevard and Route 2.

Newington RFP – a January RFP is expected

Church Street – a January RFP is expected for elevator modernization

Radisson –demolition ongoing

East Hartford – Anthony Lazzaro, \$12m Horizon Development project progressing; working on development agreement - \$7M road project – delayed and will begin again in the Spring

Executive Session

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

“The CRDA Board of Directors hereby moves to go into Executive Session for contract discussion and contract negotiations.”

No action was taken due to Executive Session. The CRDA Board Meeting adjourned at 9:17pm.

“The minutes of the December 8, 2016 CRDA Board Meeting were moved by Sean Fitzpatrick seconded by Cheryl Malerba and unanimously approved by Board Members at the January 19, 2017 CRDA Board Meeting.”

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

Board Members Present: Vice Chairman Andy Bessette; Mayor Luke Bronin; Joanne Berger-Sweeney; Garrett Eucalitto; Sean Fitzpatrick; David Jorgensen; Mayor Marcia Leclerc; Cheryl Malerba; Catherine Smith

Absent: Suzanne Hopgood; Evonne Klein; Michael Matteo

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

Call to Order

The Board Meeting was called to order at 6:08pm by Vice Chairman Andy Bessette.

Minutes

The minutes from the December 8, 2016 Board Meeting were moved by Sean Fitzpatrick, seconded by Cheryl Malerba and unanimously approved.

Mayors Reports

Mayor Luke Bronin reported the following:

- Albany Avenue Streetscape – groundbreaking in Spring
- Albany Ave. / Woodland Street - Bid proposals expected for redevelopment of this parcel
- 525 Main Street – RFQ is being issued for development of property
- Capital Gateway area – make the historic Union Station a gateway for the broader planning of I-84
- Metro Centre – purchased for \$49M by Shelbourne Global Solutions LLC
- 3 Construction Plaza – temporary park being developed at this site

Mayor Marcia Leclerc reported the following:

- Horizon project - moving forward, should be ready by the middle of February
- Silver Lane Improvement Committee – was rolled out in response to Brownfield Grant
- Application for Connecticut Working Cities – public meetings have been held
- Corner of Pitkin/Main Streets – demolishing building and retail going on the site

Housing Committee

Sean Fitzpatrick reported:

Pearl Street – trying to help the tax abatement for the potential purchaser

Mike Freimuth reported on the latest monthly status of projects:

Capewell – 60% leased

Capitol Lofts – started leasing
289 Asylum – Condo project in progress
241 Asylum – project in progress

A “Housing by Unit” spread sheet was distributed and discussed.

Venue Committee

Andy Bessette reported that the Venue Committee has not met since the December 8th Board meeting however, the following are updates on current venue-related issues:

- XL Center - Construction Update: The security and elevator upgrade project was put out to bid on January 9th and bids are due on February 7th. The ice slab replacement project is in final design and cost estimates indicate that we can complete the project within available funding. Work on the ice slab is expected to start in late May and should finish up in late August.
- Convention Center – CRDA staff have completed their review of the two building management RFP submissions. Anthony Lazzaro gave a brief overview of the two submissions received and the conclusion.

Building Management Services (including Sales & Marketing), and Catering & Concessions Services for the Connecticut Convention Center

Selection Process:

- A formal public Request for Proposals (“RFP”) for management services at the Convention Center was issued on November 4, 2016.
- CRDA received two (2) submissions, Waterford Venue Services Hartford, LLC and Spectra. Spectra’s submission was limited to supplemental services in the areas of sales and event booking. At the conclusion of the evaluation process, CRDA selected Waterford as the preferred bidder. CRDA and Waterford have negotiated a proposed qualified management agreement under the following terms.

Terms:

- The terms of the proposed Building Management Agreement (including Sales & Marketing Services) as well as the Catering & Concessions Agreement are provided on the Term Sheet.

Term Sheet - Building Management Services (including Sales & Marketing)

- Annual Base Fee: \$202,900; with a CPI indexed annual increase capped at 5%.
- Annual Incentive Fee: an amount equal to the greater of (i) the sum of any Revenue Increase and Special Revenue Increase and (ii) the Expense Reduction.
Revenue Increase to be calculated as follows:

Amount over Revenue Benchmark	Percentage of Overage
\$1 - \$500,000	10%
\$500,001 - \$1,000,000	12.5%
\$1,000,001 and up	15%

Expense Reduction to be calculated as follows:

Amount under Expense Benchmark	Percentage of Savings
\$1 - \$500,000	1.5%
\$500,001 - \$1,000,000	2.5%
\$1,000,001 and up	5.0%

Catering & Concessions Services

- Annual Base Fee – \$121,500; with a CPI indexed annual increase capped at 5%.
- Annual Incentive Fee: an amount equal to any Concessions Revenue Increase as follows:
Concession Revenue Increase to be calculated as follows:

Amount over Concessions Revenue Benchmark	Percentage of Overage
\$1 - \$500,000	6%
\$500,001 - \$1,000,000	8%
\$1,000,001 and up	10%

Duration

- The term of the both proposed agreements is five years cancellable, at the Authority's sole discretion, after the completion of the third year. The duration and fees are in accordance with I.R.S. Guidelines.

The following motion was moved by Catherine Smith, seconded by David Jorgensen and unanimously approved.

"The CRDA Board of Directors hereby authorizes the Executive Director to execute such Agreements as necessary with the terms and conditions presented."

- Pratt & Whitney Stadium – UConn ended their disappointing 2016 football season with a 3-4 record at home and the lowest average attendance since the Stadium opened in 2003 (16,536). This lower attendance translated into lower parking, concessions and facility fee revenue and the Stadium is now estimated to run an operating deficit this fiscal year. Per the terms of our lease, UConn will pick up the first \$250k of this. Kim Hart reiterated that the low attendance numbers impact concession and parking revenue. Board members inquired about results and what it will take to boost attendance.
- Tennis Center – Joseph Geremia gave detailed highlights of the Connecticut Tennis Tournament audit indicating a clean audit of the 2016 Tournament has been received. The 23 page audit was made available to any Board Member.

Mr. Geremia reviewed the Connecticut Tennis Tournament (TFC) 2017 Budget. Highlights include:

- Corporate sponsorship revenues increasing by \$750K.
- \$100K increase in ticket revenues
- New sales team staff (two remaining/2new) with new ticket sales manager
- The new sales staff charged with reworking sponsorship deals and is primarily commission based
- Includes a \$300K grant from CRDA
- personnel & salary increases are due to commission based sponsorship sales team (reviewed by TFC Personnel and Organization Committee)
- \$50K saving in electrical and overall budget has \$60K worth of expense savings
- after completed renovations in June, a \$150K savings in operating expenses is expected

After a lengthy discussion the following motion was moved by Catherine Smith, seconded by David Jorgensen and unanimously approved.

"The CRDA Board of Directors ratified the TFC 2017 Budget previously approved by the TFC Board on December 13, 2016"

Neighborhood Committee

Sean Fitzpatrick presented the Neighborhood Committee report.

Brackett Knoll - - 14 two-family owned occupied homes in the north end of Hartford. Waiting for Bond Commission approval of \$1.55M.

Bowles Park – Hartford Housing authority is working with developer regarding local hiring requirements prior to moving forward with demolition with \$5M assistance. An MDC owned water/drain that runs through the site is subject to some discussion if it is touched. This is currently being reviewed by lawyers to come up with an agreement.

South Green Project – The City of Hartford met with the Hartford Hospital team about their ideas regarding development in the area. Those discussions will continue as the development of the South Green Project moves forward and can somehow be integrated with Hartford Hospital's vision of their own development.

Albany Avenue – Woodland Street Project - In late October, the City of Hartford issued an RFQ seeking a qualified development team to purchase and redevelop a 2.3 acre parcel of commercial real estate located at the intersection of Albany Avenue and Woodland Street in the Upper Albany neighborhood and within the Promise Zone.

As outlined in the RFQ, the project seeks to:

- Encourage the development of land for economic purposes
- Stimulate neighborhood revitalization
- Improve conditions by removing blight

The City notes that Albany Avenue is a significant regional, cultural, commercial and commuter corridor with a vibrant Caribbean/West Indian, African-American and Hispanic presence. The project hopes to build on the success of other initiatives in the area, including the University of Hartford Performing Arts Center project, the YMCA North Hartford Center project and the Hartford Public Library – Upper Albany Branch project, as well as other streetscape and façade improvement projects.

Development of the parcel must comply with the City's Redevelopment Plan for Albany/Woodland area, which calls for neighborhood business development in this area. It must also take into account new P & Z code standards that call for development of storefront buildings with service uses on the ground floor and residential or commercial uses above.

Potential developers must also work with Upper Albany Development Inc. (UADI), an umbrella organization of local resident/merchants groups, to satisfy the community's goals and objectives for the area.

Interested developers are required to identify the type and amount of federal, state or local financial assistance required for the project. The RFQ notes that "... the Capital Region Development Authority (CRDA) may be a possible partner for project funding."

At least 15 development teams have viewed the RFQ online, a significantly higher number than for other similar projects. Responses to the RFQ are due on January 23rd and selection of a developer is expected by May.

Swift Factory Project - Community Solutions is seeking to renovate the historic Swift gold leaf factory and to develop and operate a “Community Food and Job Creation Hub” serving the Northeast, Upper Albany and Clay Arsenal neighborhoods. Located at 10 Love Lane, the 65,000 sf. factory sits in the heart of the Promise Zone.

The developer’s plan would create a “multi-purpose community hub and entrepreneurial center for one of Connecticut’s poorest neighborhoods aiming to improve health and create jobs for neighborhood residents.”

Potential tenants include:

- Bears’ BBQ – 13,000 sf of USDA-certified food manufacturing space for the restaurant’s line of sauces and spices;
- Fresh Farm Aquaponics – 4,500 sf for indoor aquaponics farm that would provide a source of fresh produce for the community, as well as educational and community programs;
- Hartford Public Schools – 10,500 sf for central commissary kitchen to allow local school district to improve the quality and freshness of the food served in the City’s public schools;
- Food Business Incubator – 4,500 sf for 10 health department certified food production spaces with access to shared facilities, including office, commercial cooler/freezer and packing facilities;
- Community Health Clinic – 9,000 sf for community-based health and prevention services;
- Office Space – 10,500 sf for shared office space to initially be occupied by Food Corps, Girls for Technology and Community Solutions. Space would also be available for other community-oriented groups;
- Wash Cycle Laundry – 2,500 sf for social enterprise commercial laundry that provides job opportunities for vulnerable adults through environmentally sustainable laundry services;

The total development cost of the project is approximately \$31.4 million. and Community Solutions is requesting \$4.0 million in CRDA financial assistance to complete the project. Other funding sources include:

Federal/State Historic Equity	\$8,795,218
New Market Tax Credit Equity	\$8,385,000
First Mortgage	\$4,279,429
CRDA Funds	\$4,000,000
Federal OCS, EPA & EDA Grants (EDA = pending)	\$2,505,000
Pre-Development Grants	\$2,247,369
Deferred Developer Fee	\$ 747,854
Private Grant (pending)	\$ 450,000
Total	\$31,409,870

Finance

Joseph Geremia presented the following Fiscal Year 2017 Operating Statistics:

CT Convention Center – November/December 2016

December stats: 114 event days held YTD with YTD attendance at 136,000

November financials: F&B revenue favorable compared to budget with expenses even with budget

Total year projection \$100,000 favorable to budget

CRDA Parking Facilities – November/December 2016

December stats: Utilization favorable to budget at 100%

Front Street garages at 159% utilization due to increased transient turnover

Monthly rate customers favorable to prior year by 525 at 15,500 YTD

Transient customers favorable to prior year by 20,000 at 200,000 YTD

November financials: Transient revenue and monthly rate customer revenue even with budget

Total year projection \$100,000 favorable to budget

XL Center - November/December 2016

December stats: 57 event days held YTD with YTD attendance at 207,700

November financials: Event revenue \$500,000 unfavorable to budget

Hockey operations even with budget

Total year projection approx. \$650,000 unfavorable to budget

Church Street Garage - November/December 2016

December stats: Utilization of 71% even with budget

Monthly rate customers even with budget at 6,600 YTD

Transient customers unfavorable to budget by 2,400 at 5,600 YTD

November financials: Transient revenue and monthly rate customer revenue unfavorable to budget offset with expense savings

Total year projection even with budget

Rentschler Field - November/December 2016

December stats: 88 event days held YTD with YTD attendance at 166,000

November financials: Event revenue \$350,000 unfavorable to budget with \$250,000 attributed to UCONN football and \$100,000 from removal of soccer game

Expenses \$150,000 favorable to budget

Total year projection \$200,000 unfavorable to budget

Residential Housing Initiatives --	Total Contracted Loans:	\$49.4M
	Current Contracted Loans:	\$43.5M
	Current Disbursed:	\$39.4M

Executive Director Report

Newington – Request For Expression of Interest (RFEI) was put out January 12, 2017.

Church Street – Valet Parking is essential. This needs sign-off from Hartford DPW – traffic division. Sean Fitzpatrick offered to look into where this stands.

3 Constitution - AI Engineers owned parcel will be made into a temporary park funded by multiple parties. This should happen fairly quickly.

Northland – waiting for the second appraisal

Infinity Theater – Joseph Geremia updated the Board regarding Infinity. He indicated that CRDA and DECD staff meet quarterly with Infinity staff to review financials.

- DECD approved an interest deferral until January 2018 on debt owed
- Owe equipment taxes to City of Hartford.
- Continue to only open restaurant and bar for event nights
- Infinity has asked the Board to convert the \$50K loan from CRDA to a one year sponsorship agreement to the CT Convention Center. Board members would like the sponsorship to be longer than one year and asked Mr. Geremia to work with Infinity to lengthen the agreement

The following motion was moved by Sean Fitzpatrick, seconded by Catherine Smith and unanimously approved.

“The CRDA Board of Directors moves to convert the Fifty Thousand Dollar Infinity Loan to a sponsorship for the Connecticut Convention Center.”

East Hartford – A map presented showed all three of the construction projects that CRDA is involved in at Rentschler Field.

South Klondike Expansion Project – This project will expand parking at Pratt & Whitney Stadium with the clearing and grading of a 10-acre wooded parcel given to the State by United Technologies in 2015 as part of the Stadium naming rights deal. The \$775k project is expected to be completed by the start of the 2017 football season and should net approximately 800 new grass parking spaces.

East Hartford Boulevard North Project – CRDA is working in conjunction with United Technologies’ development partner to construct a new \$7 million roadway that will service Pratt & Whitney Stadium parking lots, as well the new Horizon outlet mall and future development at Rentschler Field. Construction of the four lane road will begin this spring and should be completed by the end of 2017.

Horizon Outlet Mall Infrastructure Project - The Town of East Hartford has been awarded a \$12 million DECD grant for site preparation, utilities, sidewalks, roadways, parking lots and other public infrastructure related to planned Horizon Outlet Mall and other development at Rentschler Field. Under an MOU with the Town, CRDA will administer these funds and oversee construction of these improvements.

Church Street - getting bids on security for the elevator systems
- work continues on structural cracking

Housing - Radisson is a quarter of the way complete
- 1279 Main Street, small project working with P&Z
- 450 Columbus Blvd., move ongoing, three unoccupied floors left to fill

Garrett Eucolitto asked if Uber or Lyft had been considered for football games at Rentschler Field. Uber and Lyft will be meeting with OPM later in the month and he offered to send their contact information to Mr. Freimuth.

Adjourned at 7:45pm

“The minutes of the January 19, 2017 CRDA Board Meeting were moved by Andy Bessette seconded by Sean Fitzpatrick and unanimously approved by Board Members at the February 16, 2017 CRDA Board Meeting.”

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, February 16, 2017
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Vice Chairman Andy Bessette; Ben Barnes; Mayor Luke Bronin; Joanne Berger-Sweeney; Sean Fitzpatrick; David Jorgensen; Mayor Marcia Leclerc; Nick Lundgren; Michael Matteo; James Redeker; Catherine Smith

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

Call to Order

Chairwoman Hopgood called the Board Meeting to order at 6:01pm.

Minutes

The minutes from the January 19, 2017 Board Meeting were moved by Andy Bessette, seconded by Sean Fitzpatrick and approved with Nick Lundgren abstaining.

Parking Presentation

LAZ Parking representatives Paul Freimuth and Stathis Manouses presented the intricacies of the free LAZGo Parking Finder app that can be downloaded onto your phone for parking ease.

Mayors Reports

Mayor Luke Bronin reported the following:

- United Bank moving 200 employees to a 68k sq. ft. space in Goodwin Square, Hartford, CT
- CliniFlo moving to downtown, starting out leasing space from Hartford Healthcare but ultimately looking to build on the corner of Washington & Jefferson Streets.
- RFQ – 521-529 Main Street, there seems to be considerable interest
- RFQ – Albany and Woodland, there has not been a strong response. The RFQ will be revisited with new parameters.

Mayor Marcia Leclerc reported the following:

- Horizon project for the development of Rentschler Field is moving along.
- World Headquarters of P&W & UTRC expansion – construction underway
- Silver Lane – continue to focus on Silver Lane as a redevelopment opportunity as well as the riverfront.
- Pitkin & Main Streets – prior club will be demolished and a new contemporary Dunkin Donuts will be built on that location
- Roberts Street – Hotel has been purchased, tear part of it down, complete remodel with expansion planned
- Working Cities Challenge – Town has been interviewed and looking forward to next process

- Hillyard Rovic - moving from Manchester into site on Park Avenue

Housing Committee

Sean Fitzpatrick reported that although there was not a Housing Committee meeting this month, the following topics deserve mentioning:

- United Bank – they specifically mentioned the hundreds of new apartments in downtown area as part of their decision making to locale offices in the CBD.
- Pearl Street – we are working on complex tax issues and continue to make progress

Mike Freimuth reported on the following:

- Occupancies for the buildings that have been on the market for some time are generally full
- Front Street – near full capacity.
- Rents – are being held at/or above projections.
- Capewell – rapid lease up.
- Capitol Lofts – currently about 20-25% leased.
- 370 Asylum – still working to close the transaction.
- 289 Asylum – Condo project – unique finance issues being resolved.
- Silas Deane – project in Wethersfield has to be run through Town Council to enter into an agreement for CRDA to manage the project.

Venue Committee

Andy Bessette reported on the following Venue Committee items:

XL Center

Capital Improvements – Capital projects at XL and in the Church Street garage are progressing, with bids for the ice slab work expected to be released in about a week. Installation of the new ice floor is expected to begin in late May and finish up in late August. This summer shutdown will impact the facility's operating budget and Global Spectrum is working to mitigate that impact as much as possible. Bob Saint further explained the details regarding replacing the slab of refrigeration and piping. The slab is being replaced from the insulation up. The upper slab will be demolished, they will repair the lower slab if needed, then build up new insulation, piping, reinforcing new concrete. The dasher system is also being replaced.

Transformation Plan – Funding for transformation of the XL Center has been included in the Governor's 2018-19 bond package and now awaits approval by the General Assembly.

Wolfpack Renewal –MSG, the owner of the Wolfpack AHL franchise, has committed to play a fifth year at XL. This is the final year of the team's contract and additional seasons will need to be negotiated. The franchise fee paid for the team is one of the highest in the league and this will likely be a topic of discussion in any contract extension.

Pratt & Whitney Stadium at Rentschler Field

Capital Improvements – Global Spectrum has reported that significant repair work is needed to address problems with the Stadium's 15-year old HVAC system. In light of this, CRDA has asked for additional capital funds in this year's bond package to cover this work.

No additional capital funds have been requested in the new State budget for the Connecticut Convention Center or the Tennis Center.

10 Acre Parking Lot – An invitation to bid for the new parking lot should go out shortly, pending resolution of an environmental question. The lot is expected to be cleared by the start of the 2017 UConn football season.

East Hartford Boulevard North Project – Five bid packages have been awarded on the East Hartford Boulevard project, all of which came in under budget. The road project is expected to be completed by the end of the calendar year, with access for football patrons guaranteed under the terms of the project agreement.

Horizon Outlet Mall Infrastructure Project – Bid packages for site work have gone out, however, work is not expected to start for a few weeks while the remaining project agreements are finalized.

Neighborhood Committee

Mayor Bronin presented the following report that the Neighborhood Committee has not met since the last Board Meeting however the status the following projects is:

Bracket Knoll – Bond Commission awarded. Mayor Bronin expressed his appreciation to OPM & DECD for helping to get this project approved.

Bowles Park – Bond Commission awarded demolition funds.

South Green - Planning effort is underway. A couple of stakeholder meetings have taken place that will hopefully support that effort.

Swift Factory – this project is much farther along in getting its financing, and we are increasingly confident that the Neighborhood Committee is comfortable making a recommendation of support.

Michael Freimuth added that the project is reaching a critical time where the syndication and the sale of tax credits are up against a deadline of mid-May. A decision needs to be made in order to submit this project to Bond Commission prior to a contract being put in place. A variety of financing including a pending application for a Brownfield Grant from DECD and a series of smaller grant amongst other financing options are needed to move this project forward. Joanne Berger Sweeney mentioned that the Neighborhood Committee seems to have a great degree of enthusiasm for the project, and that as long as the financing is lining up, it should move forward through the Committee.

Finance

Joseph Geremia presented the following Fiscal Year 2017 Operating Statistics:

Fiscal Year 2017 Financial Statements for the Six Months Ending 12/31/2016

Balance Sheet

- Current unrestricted cash decrease reflects timing differences between funding and expenses at the CTCC and the XL Center
- Current and Non-current restricted cash decreases reflect timing differences and level of capital improvement funds expended by the CTCC and the CT Open
- Accounts receivable decrease reflects timing differences between funding and payments relating to the

State office relocation projection managed by CRDA off-set with a decreased liability in accrued expenses

- Loans receivable increase reflects housing construction drawdowns from 50 Morgan St (Radisson)
- Current loans payable decrease reflects payoff of XL Center loan with Spectra

Statement of Revenues, Expenses and Changes in Net Position

- Operational and other grants decreases reflect a timing difference between State appropriation quarterly funding percentages (\$500,000) and an overall State appropriation budget decrease (\$850,000)
- Restricted revenue decrease reflects completion of State Office relocation project fees
- Combined facilities income and expenses referenced below
- Development cost reflects CT Open tennis tournament support

Fiscal Year 2017 Operating Statistics

CT Convention Center – December 2016/January 2017

January stats: 141 event days held YTD with YTD attendance at 192,700

Qtr. 2 financials: Net Income \$150,000 favorable to budget

F&B revenue favorable compared to budget

Utility expenses unfavorable compared to budget

Total year projection \$100,000 favorable to budget

CRDA Parking Facilities – December 2016/January 2017

January stats: Utilization favorable to budget at 100%

Front Street garages greater than 100% utilization due to increased transient turnover and greater demand from Front St Lofts residents

Monthly rate customers favorable to prior year by 650 at 18,100 YTD

Transient customers favorable to prior year by 23,000 at 246,200 YTD

Qtr. 2 financials: Net Income \$100,000 favorable to budget

Transient and monthly rate customer revenue favorable to budget by \$50,000 each

Total year projection \$100,000 favorable to budget

XL Center - December 2016/January 2017

January stats: 84 event days held YTD with YTD attendance at 301,800

Qtr. 2 financials: Net Income \$1,075,000 unfavorable to budget

Event revenue \$950,000 unfavorable to budget

Operating expenses (utility costs) \$80,000 unfavorable to budget

Hockey operations even with budget

Total year projection approx. \$525,000 unfavorable to budget attributed to 4 cancelled concerts

Note: State Appropriation: FY17 - \$600,000; FY16 - \$900,000; FY15 - \$1,100,000; FY14 - \$3,000,000
CRDA Funding: \$400,000

Church Street Garage - December 2016/January 2017

January stats: Utilization of 73% even with budget

Monthly rate customers favorable to budget by 150 at 7,800 YTD

Transient customers unfavorable to budget by 2,400 at 7,000 YTD

Qtr. 2 financials: Net Income even with budget

Transient revenue unfavorable to budget due to low December volume offset with favorable YTD event revenue

Operating expenses even with budget due to event payroll and equipment leasing savings offset with increased maintenance expenses

Total year projection even with budget

Rentschler Field - December 2016/January 2017

January stats: 95 event days held YTD with YTD attendance at 166,400

Qtr. 2 financials: Net Income \$465,000 unfavorable to budget with \$100,000 attributed to F&B Revenue

Total year projection \$285,000 unfavorable to budget with \$250,000 attributed to UCONN football and \$100,000 from removal of soccer game offset with \$65,000 expense savings

Fiscal Year 2018/2019 Preliminary Operating Budget

State budget effects:

1% hold-back in 1st Quarter - \$64,132

3% reduction for next fiscal year - \$200,000

Total reduction of 4% - \$264,132

Residential Housing Initiatives

Total Contracted Loans: \$49.4M

Current Contracted Loans: \$44.2M

Current Disbursed: \$39.6M

Executive Director Report

Michael Freimuth reported on the following projects:

Gateway Park – 3 Constitution - Gerona Ventures, AI Engineering along with CRDA will construct an interim park, something that would not be a major investment however it would clean up the gateway into downtown off of the Rte. 2 exit. CRDA would recapture its funds should a project move forward on the site. The project budget is roughly \$200K subject to design work, bids and reviews, and CRDA would contribute \$65K and would serve as escrow agent for the funds. A conceptual drawing was included.

Mike Matteo suggested that if volunteers are needed during the building phase, Optum has interest in community involvement and may be able to help in that regard.

The following motion was moved by Andy Bessette, seconded by Sean Fitzpatrick and unanimously approved.

Whereas the property at 3 Constitution was demolished in preparation for redevelopment by its owner, Tarob Development LLC ("Owner")

Whereas such redevelopment has been delayed;

Whereas multiple parties including the abutting owner, 5CP LLC ("5CP"), the City of Hartford and CRDA wish to clean this property and develop an interim 'gateway park' area that will be aesthetically appealing as an entry into the downtown from the CT Rt. 2 highway;

Whereas multiple parties have prepared an Agreement whereby contributions are being offered by Owner, 5CP and CRDA to construct the gateway park;

Whereas Riverfront Recapture and the City of Hartford will assist in the ongoing maintenance of the park as part of their downtown effort;

Whereas CRDA will serve as an escrow agent for the joint funds and contribute up to \$65,000 grant towards the effort;

Now therefore be it resolved that the executive director is authorized to enter into a multi-party agreement with Owner, 5CP and the City of Hartford to construct the interim park and to expend up to \$65,000 of funds, as matched by Owner and 5CP to create the interim park.

UConn Update - Operational meeting was held dealing mostly with security matters. UConn is working to have the campus up and running in late August. UConn campus is about 60% complete.

Bowles Park - The demolition bids are in and are being jointly funded by CRDA and DECD.

Westbrook Village – Developers are going to be looking to CRDA for some help with infrastructure. Both Bowles and Westbrook are up before CHFA for 9% credits.

Newington-National Welding Site – Newington Economic Development along with CRDA met with five perspective developers responding to initial requests for expressions of Interest (RFEI). Proposals are due Monday, February 27, 2017. CRDA will review and meet with Town to see find out what their next steps are. DOT is mentioned regarding the possibility of commuter parking at the busway stop.

Church Street – security and elevator bids came in on February 15, 2017.

Radisson – about one third complete; Contractors were recently changed.

1279 Main Street – Demo permits are close.

Arch Street – doing some re- design work to pull away from the retaining wall on the Whitehead Highway. The building is taking a different shape but essentially the same program going forward.

Pearl Street – the unit mix was changed to include more 1 & 2 bedroom units, the efficiencies were reduced by 25 units. It may qualify for the blight tax incentive which may help with the financing. Meeting with the banks on Tuesday, February 21 which will look to do the first mortgages on both. The brownfield request may have to be reduced as new bids come in.

Trinity

Joanne Berger Sweeney, President of Trinity College announced that the Trinity Board of Trustees approved the internal financing to rebuild 10 Constitution Plaza. The Makers Space will be used as home base for internships and the primary space will be Liberal Arts Action Lab estimated to move in November 2017. President Berger Sweeney also mentioned that Trinity is looking for a public institution to partner with them to do the laboratory.

Adjourned at 7:15pm

“The minutes of the February 16, 2017 CRDA Board Meeting were moved by Ben Barnes seconded by Catherine Smith and unanimously approved by Board Members at the March 16, 2017 CRDA Board Meeting.”

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, March 16, 2017
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Ben Barnes; Mayor Luke Bronin; Sean Fitzpatrick; David Jorgensen; Nick Lundgren; Catherine Smith

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

Call to Order

Chairwoman Hopgood called the Board Meeting to order at 6:10pm.

Swift Factory Presentation

Community Solutions, Director of Real Estate Development, David Foster and Patrick McKenna, Project Manager, presented a PowerPoint presentation of the Swift Factory Project to the Board. The presentation gave an overview of the selection criteria; economic development in the Promise Zone; lease status; financing and leverage; project timeline and proposed job creation.

Re-election of Officers

Chairwoman Hopgood asked for a motion to re-elect CRDA officers:

Andy Bessette – Vice Chairman
Ben Barnes – Treasurer
Mayor Luke Bronin – Secretary

The following motion was moved by Sean Fitzpatrick, seconded by Catherine Smith and unanimously approved.

“The CRDA approves the re-election of CRDA officers as presented”.

Minutes

The minutes from the February 16, 2017 Board Meeting were moved by Ben Barnes, seconded by Catherine Smith and approved.

Mayors Reports

Mayor Luke Bronin reported the following:

- Dunkin Donuts Park will open as scheduled on the evening of Thursday, April 13, with the Hartford Yard Goats hosting the New Hampshire Fisher Cats in the Goats’ home opener of the 2017 season. When single game tickets went on sale on Tuesday (in the midst of the blizzard), tickets for the April 13 game sold out in 30 minutes. The Mayor thanked Sean Fitzpatrick, Michael Looney and Michael Fuschi for their endless work on this project.

- On March 1, the City of Hartford and Connecticut DOT announced the engagement of two architectural, engineering and design firms, HOK and WSP Parsons Brinckerhoff, to assist the City's Planning & Economic Development division in a 45-week master planning process for the area surrounding Union Station, which will be transformed in the coming decade by the replacement of the I-84 viaduct and the construction of a new rail station to the west of historic Union Station. CT DOT, which is funding this engagement at the City's request, has recognized the critical role the City of Hartford must play in master planning for the area we have dubbed "the Capital Gateway" on the west side of Downtown, and we will be kicking off the process in the coming weeks with a series of stakeholder meetings with the City's consulting team. This planning process is intended to produce design parameters for the Union Station area, including the new rail station, in parallel with the NEPA Environmental Assessment process already underway for the I-84 Viaduct Replacement project.

There was no report for East Hartford.

Housing Committee

289 Asylum Street

Sean Fitzpatrick reported on the topics from the March 3, 2017 Housing Committee meeting. The first being 289 Asylum Street, conversion to 8 condominium units, a joint HCLF/CRDA financing.

Initial Deal and Resolution:

\$650,000	HCLF First Note
\$200,000	HCLF bridge of Historic Credits
\$400,000	CRDA 2 yr. 4% construction note in 2 nd lien
<u>\$113,303</u>	Equity
\$1,363,303	Total Development Cost

The CRDA Board authorizes the use of \$400,000 of CRDA Housing Funds, to be lent to Asylum 289 Condominiums, LLC (Jose Ramirez) or such acceptable single purpose entity for the construction of eight (8) 2BR condominium units at 289 Asylum St, Hartford. The loan shall have a 2yr term and be at 4% interest and is subject to 1.) all other sources of funds being secured; and 2.) such fiduciary terms as deemed appropriate by the Executive Director and CRDA counsel.

Restructured CRDA Package:

\$850,000	HCLF First Note
\$200,000	CRDA Historic Credit Bridge
\$200,000	CRDA 2 yr. 4% construction note in 2 nd lien
<u>\$113,303</u>	Equity
\$1,363,303	Total Development Cost

The following motion was moved by Sean Fitzpatrick, seconded by Catherine Smith and unanimously approved.

"The CRDA Board authorizes the use of \$200,000 of CRDA Housing Funds at 4% interest to be lent to Asylum 289 Condominiums, LLC (Jose Ramirez) or such acceptable single purpose entity for the bridging of the time period it takes to certify and receive the equity generated by the state historic credits; and an additional \$200,000 of CRDA Housing Funds to the same LLC for the construction of the units at 4% interest for two years and is subject to 1/all other sources of funds being secured; and 2/ such fiduciary

terms as deemed appropriate by the Executive Director and CRDA counsel including the requirement that 'take out' permanent financing for all eight condominium units is available to prospective purchasers."

Other components of the deal include 1/ a parking agreement for condo units purchasers to lease spaces at CSG; 2/the funds are provided by recapitalized funds from previous deals that have paid down their notes; and 3/ the deal is no longer 'pari passu' with HCLF.

Temple Street Lofts

Sean Fitzpatrick reported that Temple Street Lofts has expressed an interest in refinancing and make upgrades to their apartments. As discussed in the March Housing Committee, this property, formerly Sage Allen, has a previous CCEDA funded loan. The property has three components: 78 market rate lofts; 42 townhouses with 170 student beds; 14,425 sq. ft. of retail space, plus 343 parking spaces. The committee discussed the question: If CHFA is able to re-structure the building's debt profile, will CRDA also contribute to a capital improvement/modernization funding?

Albany & Vine – 690-696 Albany Avenue

Mr. Fitzpatrick reported that this mixed-use property project will be brought up to the Neighborhood Committee. The Hartford Development Office has been helping them to put together information to present to the Neighborhood Committee and CRDA.

Venue Committee

Kim Hart reported on the following Venue Committee items:

XL Center

AAC Tournament - The AAC Men's Basketball Tournament was held last weekend with attendance of less than 20k, compared to a budgeted number of around 30k. UConn won in the first three rounds, with average attendance at those games of 5,500 - 6,000, compared to around 8,000 in 2015. Attendance for the non-UConn sessions averaged between 1,500 and 2,000 per session, which met expectations.

Ticket revenue just about covered the league guarantee and the building's expenses (\$650k), so net income was based solely on F&B revenue. Despite having 10,000 fewer people, overall concessions met budget. Final numbers are not in.

A number of factors account for this disparity:

- The league guarantee this year was \$1.2m, \$200k higher than in 2015.
- The demand for premium seating was down – we sold \$75k less this year than in 2015;
- In 2015, UConn was entering the tournament after a successful season, as well as coming off a 2014 National Championship run. This year they entered the tournament after a 4-game losing streak, with not a lot of optimism surrounding the team.
- UConn students were on spring break.
- Secondary market played a role. Participating schools are required to purchase a certain number of tickets. This year, many of those schools turned around and sold those tickets to brokers, who then resold them at minimal prices (\$5), so a lot of our individual ticket purchasers were buying tickets

that were technically already sold, instead of buying from us. This is something that we did not see in 2015.

In terms of state and local impact, the Convention and Sports Bureau estimates that the event still had a \$3.1 million economic impact on the Greater Hartford region. It was estimated to generate 3,000 room nights and over \$225k in state sales tax revenue.

Capital Improvements/Transformation – Bob Saint will address this in greater detail, but the security, elevator and ice slab projects at XL are progressing. Funding for essentially the first half of the XL transformation (\$50m in FY18 and \$75m in FY19) remains in the state bond package as it makes its way through the legislative process.

Pratt & Whitney Stadium at Rentschler Field

The field and exterior of Pratt & Whitney Stadium remain buttoned up for the winter, but a number of events are being held in the Club and other indoor spaces, including weekly Pratt & Whitney job recruiting events. The first outdoor event of the year will be the UConn Spring Game on April 21st.

Bids will go out next week for the 10-acre parking project, while construction on the East Hartford Boulevard North Project was supposed to start this week, but was delayed by the weather.

CT Convention Center

The Convention Center has entered its busy time of year, with events and shows booked for nearly every week between now and August.

CT Tennis Center

Renovations at the CT Tennis Center are continuing and should be completed by May. Sales staff is concentrating on sponsorship agreements for this year's tournament and they're 75% of the way toward their goal of \$3.5m.

Bob Saint gave an update regarding XL & Church Street Garage:

XL/Church Street Garage Security & Elevator Upgrade Project

- Procurement – Bid documents were advertised on 1/9/17 and received on 2/15/17. Dimeo submitted their Task Authorization Proposal on 3/12/17.
- Construction – is scheduled to start next week.

XL Slab Replacement

- Procurement – Bids have been received, scope review meetings are in progress
- Construction – scheduled for 5/21/17 – 8/31/17

Church Street Garage Project

- Overhead Crack Repair – high priority repair of cracks found in the concrete beams are complete.
- Additional Crack Repairs – Design documents for repair of additional overhead cracks will be incorporated into the design documents for long term structural repairs.
- Design – for long term structural and waterproofing repairs is in progress.

Neighborhood Committee

Mayor Bronin shared that the Swift Factory that was presented at the beginning of the Board meeting is a project a long time in the making and that a tremendous amount of work and coordination have gone into this project. It was highlighted in the City's Promise Zone application and is an integral part of the Promise Zone.

The project is concerned about the timing of the New Market Tax Credits as they need to be allocated by July. Ideally, the project would like to close in May otherwise there is a risk of the New Market Tax Credits being pulled. July would be the latest that the project could close.

The following motion was moved by Mayor Luke Bronin, seconded by Catherine Smith and unanimously approved.

"The CRDA Board of Directors hereby approves the use of \$4,000,000 in CRDA Neighborhood funds for the Swift Factory project on Love Lane.

Such funds shall be distributed as a loan, with minimum debt service calculated using an initial 1% APR and paid monthly upon stabilization. The developer shall also pay CRDA 70% of net available cash after payment of first lien debt service and other required distributions, per the federal tax code requirements for historic credits. Payment to CRDA shall continue over a 20-year term until the Authority has received all of its capital with a 3% IRR.

Such assistance shall be subject to 1) State Bond Commission approval; 2) the execution of leases governing no less than 50% of leasable project space or those generating no less than 50% of projected rental revenue; 3) all state and federal approvals required by tenants, if any; 4) the resolution of any outstanding tax liabilities to the City of Hartford, and 5) such fiduciary terms and hiring requirements deemed appropriate by the Executive Director."

Finance

Joseph Geremia, CRDA CFO reported on the following FY 2017 Operating Statistics

CT Convention Center – January/February 2017

February stats: 168 event days held YTD with YTD attendance at 249,500
January financials: F&B revenue favorable compared to budget with expenses even with budget
Total year projection \$100,000 favorable to budget

CRDA Parking Facilities – January/February 2017

February stats: Utilization favorable to budget at 100%
Front Street garages at 210% utilization due to increased transient turnover and greater demand from Front St Lofts residents
Monthly rate customers favorable to prior year by 600 at 20,700 YTD
Transient customers favorable to prior year by 32,600 at 293,300 YTD
January financials: Transient revenue and monthly rate customer revenue favorable compared to budget
Total year projection \$200,000 favorable to budget

XL Center - January/February 2017

February stats: 103 event days held YTD with YTD attendance at 380,800
January financials: Event revenue \$750,000 unfavorable to budget attributed to 4 cancelled concerts

Hockey operations \$100,000 unfavorable compared to budget
Operating expenses (utility costs) \$50,000 unfavorable to budget
Total year projection approx. \$900,000 unfavorable to budget

Church Street Garage - January/February 2017

February stats: Utilization of 74% even with budget
Monthly rate customers favorable to budget by 300 at 9,100 YTD
Transient customers unfavorable to budget by 2,900 at 7,900 YTD
January financials: Transient revenue and monthly rate customer revenue unfavorable to budget
offset with favorable event parking revenue and expense savings
Total year projection even with budget

Rentschler Field - January/February 2017

February stats: 102 event days held YTD with YTD attendance at 167,300
January financials: Event revenue \$350,000 unfavorable to budget with \$250,000 attributed to
UCONN football and \$100,000 from removal of soccer game
F&B revenue \$100,000 unfavorable to budget
Expenses \$200,000 favorable to budget
Total year projection \$250,000 unfavorable to budget

Residential Housing Initiatives	Total Contracted Loans:	\$49.4M
	Current Contracted Loans:	\$43.5M
	Current Disbursed:	\$39.9M

Executive Director Report

Anthony Lazzaro reported on the following projects:

Newington-National Welding Site – Two Expressions of Interest (RFEI) were received. Next steps will be to meet with the Town of Newington so they are made aware of the proposed ideas.

Radisson – Contractors were recently changed, work is being continued by new company. CRDA has requested updated documents, including the new budget and project schedule. We continue to work towards an August 2017 deadline. The project is 32% complete.

Executive Session

The following motion was moved by Sean Fitzpatrick, seconded by Mayor Luke Bronin and unanimously approved.

“The CRDA Board of Directors hereby moves to go into Executive Session for a contract discussion.”

The Board resumed the Board Meeting at 7:30pm and made to following motion.

“The CRDA Board of Directors hereby authorizes its Vice Chairman, Andy Bessette, to negotiate a seven-year employment contract extension with its Executive Director, Michael Freimuth, under the same terms and conditions as the current contract.”

The CRDA Board Meeting adjourned at 7:30pm.

“The minutes of the March 16, 2017 CRDA Board Meeting were moved by Sean Fitzpatrick seconded by Catherine Smith and unanimously approved by Board Members at the April 20, 2017 CRDA Board Meeting.”

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, April 20, 2017
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Joanne Berger-Sweeney; Mayor Luke Bronin (arrived 6:50pm); Sean Fitzpatrick; David Jorgensen; Evonne Klein; Michael Matteo; Catherine Smith

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

Guests: Jeff Ravetz, President of Gerona Ventures, Chris Doscas, Gerona Ventures; Joseph Klaynberg, Wonder Works Construction.

Call to Order

Chairwoman Hopgood called the Board Meeting to order at 6:03pm.

Minutes

The minutes from the March 16, 2017 Board Meeting were moved by Sean Fitzpatrick, seconded by Catherine Smith and approved.

Mayor Reports

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

- Yard Goat Ball Park is Open and the response has been very positive.
- The City is working to get adjacent parcels developed, there are some legal issues to get through.
- The City's staff time that was spent on the baseball park will now focus more on neighborhood projects that will be brought forth to the Neighborhood Committee.

Michael Freimuth reported the following items for East Hartford.

- East Hartford Boulevard - construction is underway

Housing Committee

Sean Fitzpatrick and Mike Freimuth gave a brief description of the changes to the 101, 111 Pearl Street and 81 Arch Street projects.

Jeff Ravetz presented a Power Point of the current condition of 101 & 111 Pearl Street, and the designs of what the apartments will look like when complete. Mr. Ravetz introduced his associate Chris Doscas and Joseph Kaynberg, owner of Wonder Works Construction with whom Gerona Ventures is a partner. Mr. Ravetz explained the Pearl Street project is similar to Spectra with which Gerona also partnered with Wonder Works.

101 and 111 Pearl Streets

Background: The two properties, 101 and 111 Pearl Street have been vacant for over a generation and were previously owned by the City of Hartford and CHFA. Multiple proposals to renovate the buildings have been unsuccessful. CRDA considered and approved an application from the applicant, Girona Ventures/Wonder Works Construction (developers of former Sonesta) in December 2016. Since this time, a variety of issues have been tackled with consequent changes to the basic underwriting of the CRDA financial package. Below is a summary of the changes and a recommendation for an amended CRDA assistance agreement.

Changes:

1. Due to concerns raised by the CRDA Board, yet keeping in mind the marketplace demand as well as revenue optimization in the mix of units, the overall program has been changed by reducing the number of studio apartments by 20 units, increasing the number of 1BR by 22 and redesigning some of the first-floor space to add 3 units. The new mix for both buildings includes 197 studios, 54 1Br, 7 2BR for a total of 258 units.
2. Reduced the CRDA loan for 111 Pearl from \$8.9M to \$6.06M.
3. Increased the CRDA loan for 101 Pearl from \$9.24M to \$9.42M
4. Reduced brownfield loans from a projected \$6.1M to \$4M
5. Restructured the deal to capitalize on the Blighted Property Tax Discount
6. Replaced the CRDA historic bridge loan with private lending
7. Increased developer equity from \$4.09 M to \$6.6M
8. Amenities: semi-furnished apartments, bike room, storage, conference/library, screening rooms, gym, business center, roof top lounge, parking, retail at ground.
9. Increase in conventional first mortgage interest rate assumption.

“The following resolution regarding 101 and 111 Pearl Streets was moved by Sean Fitzpatrick, seconded by Catherine Smith and approved by the CRDA Board of Directors.

101 Pearl: “The CRDA Board approves the use of State Bond allocation housing funds to assist the developer, Girona Ventures (or such acceptable single purpose entity) to construct 157 new units of housing at 101 Pearl Street Hartford and the Executive Director is authorized to extend a formal term sheet to the developer offering up to \$9.42 Million in assistance at 3% interest only during construction, converting to a permanent loan at certificate of occupancy at 3% interest plus 1% principal paydown per annum for 30 years, with 50% of net loan proceeds to pay down CRDA outstanding principal at year 10. In year 20, 50% of net loan proceeds from refinancing to pay off brownfield loan with residual of 50% of such proceeds to pay down CRDA principal outstanding. CRDA remaining balance to be paid off in year 30 and is subject to 1) State of Connecticut Bond Commission approval and; 2) all other sources of funds being secured; and 3) such fiduciary terms as deemed appropriate by the Executive Director and CRDA Counsel.”

111 Pearl: “The CRDA Board approves the use of State Bond allocation housing funds to assist the developer, Girona Ventures (or such acceptable single purpose entity) to construct 101 units of housing at 111 Pearl Street Hartford and the Executive Director is authorized to extend a formal term sheet to the developer offering up to \$6.06 Million in assistance at 3%, interest only, during construction, converting to a permanent loan at certificate of occupancy at 3% interest plus 1% principal paydown per annum for 30 years, with 50% of net loan proceeds to pay down CRDA outstanding principal at year 10. In year 20, 50% of net loan proceeds from refinancing to pay off brownfield loan with residual of 50% of such proceeds to pay off CRDA principal outstanding. CRDA loan remaining balance to be paid down in year 30 and is subject to 1) State of Connecticut Bond Commission approval; 2) all other sources of funds being secured; and 3) such fiduciary terms and conditions as deemed appropriate by Executive Director and CRDA Counsel.” [Strikes \$2.835M historic bridge loan]

81 Arch Street (Front St Phase IV)

Background: The project is the new construction of a mixed use residential/retail building as phase IV of the Front St project area. CRDA approved a \$5.6M second note at 1% for 30 yrs to complete the projected \$20 M project. A primary mortgage at \$11M was to be brokered. But a changing regulatory calculation of debt service coverage ratio as well as new financial market conditions have required a change in the building's capital stack. The hard construction costs have been further determined/estimated and interest rates have increased slightly since the CRDA and State Bond Commission action. Code requirements have also required a slight reduction in units from 54 to 53.

Changes:

1. Costs projected at \$22.2M, up from \$20.3M
2. First Mortgage at \$12.5M, up from \$11M
3. Equity increased from \$3.8 to \$4M
4. State brownfield grant still at \$1M
5. DSCR requirements now apply to full debt, not just first note
6. Refinance of note in yr 10, to take down CRDA note, first mortgage and developer equity
7. Equity ROI constant, but NOI cash to meet higher equity requires adjustment
8. Debt service increased due to higher interest rate environment
9. Loan to Value calculation also adjusted due to regulatory change
10. Convert CRDA \$5.6M assistance from note to equity but with a 2% return based on waterfall and quicker repayment than 30 yrs.

"The following resolution regarding 81 Arch Street was moved by Sean Fitzpatrick, seconded by Catherine Smith and approved by the CRDA Board of Directors.

New Resolution: "The Board of Directors hereby approves the use of CRDA Housing funds to assist the developer, H.B. Nitkin (or such acceptable single purpose entity) to construct a mixed use housing-retail building, (also known as Front Street Phase IV) consisting of 53 market rate units (16 studio; 14 1-BR; 23 2BR) and approximately 11,000 sq. ft. of retail space at 81 Arch Street, Hartford and the Executive Director is authorized to extend a formal term sheet offering up to \$5.6 Million in assistance in the form of loan at 1% for 30 yrs or in the form of equity with no less than a 2% return on investment, sharing in waterfall cash through year 10 when a refinancing of the project is planned and the CRDA equity is repaid to the extent possible with no less than 50% of the cash from such refinancing that exists above the remaining principle balance of the first note; or in the event there is a sale of the asset, the CRDA equity is fully repaid; subject to 1) all other funding being secured to meet a total development budget of \$22.2 Million; 2) State Bond Commission approvals; and 3) such fiduciary terms deemed appropriate by the Executive Director."

Venue Committee

Kim Hart reported on the following Venue Committee items:

XL Center

NCAA Tournament - The big news this week is that NCAA announced that the XL Center will play host to the first and second round games in the Men's Division I Basketball tournament in March 2019. This will be the first time the building has hosted this tournament since 1998.

Events - Hockey and basketball seasons have wrapped up and the building will host three more events -- the last Barnum & Bailey tour (4/27-4/30) and the Eastern and Central State University graduation ceremonies (5/16-5/20), before shutting down for summer construction.

Pratt & Whitney Stadium at Rentschler Field

NCAA Lacrosse – The NCAA has also awarded three tournament events to Rentschler Stadium – in 2019, we'll host the Men's lacrosse quarterfinals and then in 2021 and 2022, we'll host the lacrosse championships. We're working with Fairfield University, who will be the host school.

Events –UConn's Spring Game is April 21 and 4,000 people are expected. It's been announced that Ghana will be the opponent when the US Men's Team plays at the Stadium on July 3rd – budgeting attendance of about 18k people. Summer season begins with Rising Pint BrewFest, followed by number of charity walks, fun runs and a kickball tournament. First UConn game is August 31st against Holy Cross.

- Construction – Bids are due next week on the 10-acre parking project, while work continues on the East Hartford Boulevard North Roadway. The Horizon outlet mall project is being revised to a slightly smaller footprint and the site-work packages will be re-bid upon completion of design. Legal agreements are still being worked out -- the current scheduled goal is to break ground in June.

CT Convention Center

The Convention Center is in the midst of its busy season, with upcoming events including: Governor's Conference on Tourism, Hartford Symphony Gala, National HS Mock Trial Competition, National Association for Home Care & Hospice Financial Management Conference, Miss CT Competition and the CT Barber Expo.

Statewide, the big convention news was Mohegan Sun's recent announcement that it's planning to open its own Expo Center next summer. Two brief articles on the project are included in your packet.

Neighborhood Committee

Kim Hart, in Mayor Bronin's absence, gave the following update regarding the Neighborhood Committee:

Bowles Park

- All of the units have been vacated – the last resident was relocated two weeks ago. Contractor will be on site next week.
- The draft agreement between CRDA and the Hartford Housing Authority for \$5 million in assistance is currently being reviewed by the parties. A similar agreement between DECD and the Housing Authority for \$2 million in assistance is also being circulated.
- Demo bids have been received and CRDA staff are reviewing in light of the demolition phase budget.
- The proposed 15-year 40% tax abatement agreement on rental housing was approved by the City Council on March 13th.
- The first LIHTC Phase is closing and will fund approximately 70 units of mixed income housing.

Brackett Knoll

- CRDA staff are in the process of drafting a \$1.56 million assistance agreement, including \$925,000 for construction of a road extension.
- CRDA staff has met with the developer and site/civil engineer regarding preparation of an overall site plan, final road design and utility permit agreements. The developer will be meeting with the City shortly to review plans and schedule.
- We understand that the developer is also working with the State Department of Housing on approval of a revised Phase 2 project budget.
- Interested families are being interviewed and those meeting income eligibility requirements are being referred to local banks for mortgage prequalification and to housing counseling classes at the Urban League.

Swift Project

- The Swift team has met with CRDA, CHRO and the city procurement staff to review State and City hiring requirements. The project has broken out a \$4M work package that will be bid separately in order to meet those requirements. (CRDA = 25% SBE utilization, of which 25% are MBE; City = 30% resident hiring.)
- Bids have been received for all core and shell packages and these are currently being reviewed by the contractor. It is anticipated that a GMP will be agreed upon by the end of April.
- Leases have been sent to Bears BBQ and Trifecta Ecosystems for review and final details are being negotiated. Discussions with Community Health Center Inc. are progressing.
- Subject to State Bond Commission, the project anticipates closing on finances and beginning construction sometime in June.

Finance

Joseph Geremia, CRDA CFO reported on the following FY 2017 Operating Statistics for April.

CT Convention Center – February/March 2017

March stats: 199 event days held YTD with YTD attendance at 305,900
February financials: F&B revenue favorable compared to budget with expenses even with budget
Total year projection \$100,000 favorable to budget

CRDA Parking Facilities – February/March 2017

March stats: Utilization favorable to budget at 70%
Monthly rate customers favorable to prior year by 650 at 23,300 YTD
Transient customers favorable to prior year by 47,800 at 354,800 YTD
February financials: Transient revenue and monthly rate customer revenue favorable compared to budget
Total year projection \$300,000 favorable to budget

XL Center - February/March 2017

March stats: 125 event days held YTD with YTD attendance at 463,600
February financials: Event revenue \$750,000 unfavorable to budget attributed to cancelled concerts which includes \$450,000 unfavorable F&B revenue to budget
Hockey operations \$100,000 unfavorable compared to budget
Operating expenses even with budget
Total year projection approx. \$900,000 unfavorable to budget

Church Street Garage - February/March 2017

March stats: Utilization of 72% even with budget
 Monthly rate customers favorable to budget by 400 at 10,400 YTD
 Transient customers unfavorable to budget by 3,200 at 8,900 YTD

February financials: Transient revenue and monthly rate customer revenue unfavorable to budget
 offset with favorable event parking revenue and expense savings
 Total year projection even with budget

Rentschler Field - February/March 2017

March stats: 114 event days held YTD with YTD attendance at 160,000

February financials: Event revenue \$350,000 unfavorable to budget with \$250,000 attributed to UCONN football and \$100,000 from removal of soccer game
 F&B revenue \$100,000 unfavorable to budget
 Expenses \$200,000 favorable to budget
 Total year projection \$200,000 unfavorable to budget

Residential Housing Initiatives

Total Contracted Loans:	\$49.4M
Current Contracted Loans:	\$43.5M
Current Disbursed:	\$40.7M

Mr. Geremia also informed Board Members of the Finance Committee Meetings that have been scheduled, in May, to review the CRDA Budgets for FY'18. Commissioner Smith suggested an email with the dates be sent to Board Members.

Executive Director Report

Construction Projects

UCONN campus – 72 % completion. Some move-ins are beginning into the Prospect Street building, which is a separate building that UCONN purchased.
 Radisson – approximately 50% complete.
 1279 Main – permits for demolition in place.
 450 Columbus – restacking to accommodate DECD.

XL Center

Mike reported that he and Bob Saint took legislators on tours of the XL Center last week. Commissioner Catherine Smith, DECD, offered to do a REMI with the information that is received. Bob Saint reported on the following on-going projects with regard to XL.:

- Elevator work – in the submittal phase
- Security work – has started on-site
- Slab project – in the submittal phase (work will last from late May to end of August)

XL Center

Michael Freimuth remarked that CRDA and SCI has met with UCONN to make sure the features they want and feel they need are incorporated into the changes being made to the building. Also, the question has come up at legislative hearings in March regarding whether private capital can match some of the public monies. But the States P3 Program is currently very difficult and needs to be stripped down and rebuilt to

accommodate private dollars and public properties. This is a statutory issue with OPM that not only needs to be addressed for CRDA but other State Agencies would benefit from the changes as well.

He further explained the motion below is to amend the SCI Architects agreement adding additional services as well as possibly phasing out the works 3 yrs. to 4 yrs.

- On October 15, 2014, CRDA entered into a Consulting Services Agreement with SCI Architects, P.C. for Arena Program Development and Construction Feasibility Services (as amended, the "Agreement").
- Such Agreement was amended on June 1, 2015 to include additional services to assist the general contractor in completing a more certain cost estimate and construction schedule.
- Such Agreement was further amended on December 1, 2016 to provide for general architect and engineering consulting services for XL Center, including services related to the replacement of the ice rink slab.
- CRDA desires to amend the Agreement to provide for additional services relating to the transformation of the XL Center for an amount not exceed One Hundred Fifty Thousand Dollars (\$150,000)

The following motion was moved by Sean Fitzpatrick, and seconded by Catherine Smith and unanimously approved.

"The CRDA Board of Directors hereby authorizes the Executive Director to amend the Agreement to include additional services relating to the transformation of the XL Center; the cost of such service not to exceed \$150,000."

Newington

Two proposals have been received and are being evaluated by the town. One is construction of housing, the second is a hotel. The Town is going to present findings to its Economic Development Board who will then present it to the Town Council.

Strategic Retreat

Michael Freimuth suggested that a strategic retreat be set up to discuss how we go forward in prioritizing the housing money in light of ongoing budget pressures as well as what's happened to the stock we've built. We will discuss how the unallocated money should be used including the Bushnell Development area as well as the Downtown North area.

Executive Session

The following motion was moved by Sean Fitzpatrick, seconded by Joann Berger-Sweeney and unanimously approved.

"The CRDA Board of Directors hereby moves to go into Executive Session for a contract discussion."

The Board resumed the Board Meeting at 7:30pm and adjourned.

"The minutes of the April 20, 2017 CRDA Board Meeting were moved by Sean Fitzpatrick seconded by Joanne Berger Sweeney approved by Board Members, with Tim Sullivan and Nick Lundgren abstaining at the May 18, 2017 CRDA Board Meeting."

Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, May 18, 2017
6:00 pm

Board Members Present: Chairwoman Suzanne Hopgood; Joanne Berger-Sweeney; (arrived 6:20pm); Sean Fitzpatrick; Nick Lundgren; Michael Matteo; Tim Sullivan

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

Guests: Shana Schlossberg, Upward Hartford

Call to Order

Chairwoman Hopgood called the Board Meeting to order at 6:03pm.

Upward Hartford

Shana Schlossberg, Founder of Upward Hartford, formerly Innovate Hartford, presented a video regarding Upward Hartford which is a venture about creating a network of business owners, inventors, entrepreneurs and others to spur economic activity. Upward Hartford is located at 20 Church Street, in the Stilts Building.

Minutes

The minutes from the April 18, 2017 Board Meeting were moved by Sean Fitzpatrick, seconded by Joanne Berger Sweeney and approved with Tim Sullivan and Nick Lundgren abstaining.

Mayor Reports

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

- Willow Creek, fka, Bowles Park, received second round of LiHTC credits from CHFA. Demo to begin this year with the support from CRDA Neighborhood funds.
- Westbrook Village did not get credits in this round. We are trying to keep them focused on the retail development.
- Capitol Gateway Master Planning process is being driven by the I84 Viaduct Program and has hired two federally funded consultants to look at location and orientation of the new rail station as well as all of the development, including traffic and development opportunities.
- Now that Stadium is complete, the Department of Development Services primary focus is on the following three development items:
 - 1.) to build a full service grocery store in the DONO area. In 2014, market studies and other work was done that created contacts with supermarket chains that entertain urban stores. We would like to bring in new members because stores like Whole Foods have opened in urban areas like Detroit, Jackson MS, and Newark (with the help of Prudential Financial) which the City has also spoken to regarding corporate support. To look at different areas around town so it can serve the community as well as adjacent areas.

- 2.) to focus on the properties that are adjacent to the stadium but not within the six parcels that are tied up in the master development plan, those will get untied eventually.
- 3.) South Green Development process – we are taking steps to talk about the social services side of this development. We want to make sure what is done in the short term will be consistent with the larger development and the connection between Bushnell Park and Colt Park.

Housing Committee

Sean Fitzpatrick and Michael Freimuth gave an update regarding the following projects that were approved by the Housing Committee, Colt Gateway North Armory and 105-7 Wyllys Street. Mike Freimuth reviewed the Housing Pipeline Reports as well as introduced a newly developed report regarding absorption.

Colt Gateway North Armory

Project Sponsor: Colt Gateway, LLC

Description: The North Armory (100 Huyshope Ave., Hartford) is one of the last buildings to be renovated and brought back on line at the Colt complex. This phase will include 48 units of housing (12 studios, 20 1BRs and 16 2Br/2Bath) and commercial space on the first floor. The project is modeled after the unit configurations and operational history of the earlier residential developments within the Colt complex by the developer.

TDC: \$13,629,653

Sources: \$ 3,305,872 Equity
 2,500,000 Bank Financing
 1,517,236 Federal Historic Credit
 1,896,545 State Historic Credit
 1,530,000 Brownfield Loan
 2,880,000 CRDA Gap (\$60k/unit x 48)

CRDA Request: Gap financing of \$2.88M at 3% for 20 yrs.

The following resolution regarding Colt Gateway North Armory was moved by Sean Fitzpatrick, seconded by Michael Matteo and approved by the CRDA Board of Directors with Tim Sullivan abstaining.

“The CRDA Board hereby approves the use of State Bond allocation housing funds to assist the developer, Colt Gateway, LLC (or such acceptable single purpose entity) to construct 48 new units of housing within the North Armory complex, Hartford and the Executive Director is authorized to extend a formal term sheet to the developer offering up to \$2.88 million in assistance at 3% interest amortizing over a 20 year term, in no less than a second position subordinate lien on the North Armory, subject to 1/ State of Connecticut Bond Commission approval, 2/ all other sources of funds being secured; and 3/such fiduciary terms and conditions as deemed appropriate by the Executive Director and CRDA Counsel.”

105-7 Wyllys Street

Project Sponsor: Joseph Citino
Providian Builders of CT

Description: The new construction of 18 3BR units with parking.

TDC: \$4.2M

Sources: \$ 1,600,000 Hartford Community Loan Fund
1,000,000 Equity
1,600,000 CRDA Gap

CRDA Request: Construction loan of \$1.6M at 3% interest converting to permanent financing of \$1.6M at 2%, 30 yrs.

History: This project, in various forms has appeared previously before CRDA. Most recently (Dec. 2016) it was approved for \$1.9M in CRDA funds at 1%, 30 yrs. for a different configuration of 24 smaller units and a \$4.2M TDC. However, it proved impossible to secure conventional financing. It has been re-booted with help from the HCLF and by adjusting the developer's equity upwards, changing the unit profile, reducing the total CRDA commitment with a slightly higher interest rate.

The project has a higher loan/unit cost ratio at \$88k/unit (compared to CRDA average of \$60k/unit) but this reflects 1/ new construction costs (and is comparable to other CRDA new construction \$/unit); 2/ larger units (3BR); as well as 3/ the loss of other significant public financing options from earlier deal structures.

The following resolution regarding 105-7 Wyllys Street was moved by Sean Fitzpatrick, seconded by Joanne Berger Sweeney and approved by the CRDA Board of Directors.

"The CRDA Board hereby approves the use of State Bond Allocation housing funds to assist the developer, Providian Builders/Joe Citino (or such acceptable single purpose entity) to construct 18 3BR units of housing at 105-7 Wyllys Street, Hartford and the Executive Director is authorized to extend a formal term sheet to the developer offering up to \$1.6 Million in assistance at 3% interest during construction and converting to a 2% interest mortgage, amortizing P&I over a 30 year term with no less than a second position subordinate lien, subject to 1/State of Connecticut Bond Commission approval, 2/all other sources of funding being secured; and 3/such fiduciary terms and conditions as deemed appropriate by the Executive Director and CRDA counsel."

Venue Committee

Kim Hart reported on the following Venue Committee items:

XL Center

A Request for Qualifications and Expressions of Interest was issued on May 8th looking for a private development partner to assist with transformation of the XL Center, bids are due June 9th. A short list of interested parties will be developed and will be asked to submit detailed proposals through an RFP.

The XL Center did very well with the last tour of the Ringling Brothers and Barnum & Bailey circus in April –revenue was budgeted at approximately \$120k and actual figures were closer to \$340k.

CCSU's graduation will be held at XL on Saturday and then the building will be closed for events as work begins on the ice slab project. The glycol in the system has already been drained, the floor has been cut and slab removal will begin next week. Work is on schedule to be completed by September 1st. (The next scheduled event is Roger Waters concert on Sept. 24th)

Work is also continuing on security upgrades and elevator repairs, along with additional elevator work and concrete repairs at the Church Street garage. Two full time staff are transitioning to part time.

Pratt & Whitney Stadium at Rentschler Field

The building is preparing for a soccer game on July 1st. 12,000 tickets have been sold already and about 18,000 people are expected (budgeted \$150k). Three US Men's games are being televised prior to the July 1st game and the upcoming game will be featured in ad spots.

In addition to regular off-season maintenance projects, the building is undertaking some concrete and roof repairs, as well as some repaving work over the summer, utilizing bond funds.

Global has updated their five year capital plan for the building – some of the bigger ticket items that will be required over the next few years include: (a) replacement of 5 HVAC units (\$2.5m), (b) security camera upgrades, (c) toilet valve replacements, (d) parking lot signage and lighting and (e) furniture replacement. \$3m has been requested in the next bond package that's currently pending before the General Assembly.

Last week, a contractor was selected to construct the 10 acre grass lot at the far southern end of the site – the same contractor who built the existing grass lots - and we expect to have a shovel in the ground by June 1st. Also at Rentschler, work is continuing on EHBS – with drainage, granite curbing and light pole bases currently being installed.

The design for the Horizon project is being revised to a slightly smaller footprint. Bids are due, May 19 on the infrastructure and site work package that CRDA is administering on behalf of the Town. There are still some required agreements that have not been executed, but the project is still scheduled to break ground in June.

CT Convention Center

Elevator repair work in the free-standing garage.

Neighborhood Committee

Kim Hart, in Mayor Bronin's absence, gave the following update regarding the Neighborhood Committee:

Willow Creek (CRDA is providing \$5m for demolition/abatement)

- Abatement work has started at the site in preparation for demolition of structures
- HHA has executed all of the CRDA and DECD funding documents and they are making their way through the AG approval process. They are awaiting final documents from CHFA on the mortgage modification that needs to be resolved before we can release our funding. The developer is finalizing a couple of issues with their equity investor and permanent lender.
- Official groundbreaking tentatively scheduled for third week in June.

Brackett Knoll (\$1.56 million - \$925k for road, \$630k for site acquisition/improvements)

- CRDA staff has been meeting with the developer and the site/civil engineer on the overall site plan. There have also been meetings with the City, MDC and other utilities to finalize plans and secure necessary approvals. The developer needs to convey a sliver of land that it owns to the City before work on the road can begin, so that is in the works, as is an agreement between the City and CRDA to allow CRDA to construct the road on the City-owned site.

Swift Project

- Community Solutions has reached a GMP with its contractor and work on the main factory building is set to start in late July/early August. Community Solutions has received conditional approval from the U.S. Economic Development Administration for \$2.4m for fit out of the food business incubator and shared office space. They are working with Bears BBQ, Trifecta Ecosystems and the health clinic tenant to finalize the details of their respective leases.
- On May 12th, the State Bond Commission approved \$4.3m in CRDA funding for the project. The Board previously approved a \$4m package in March, however, just prior to the Bond Commission meeting, an issue arose concerning CRDA funds being used as leverage for the New Market Task Credits. It became apparent that the use of CRDA funds in this way triggered a State Treasurer approval process and another trip back to the Bond Commission. In order to avoid this delay, \$300k in additional funding as offered – **subject to Board approval** – to make up for the funding lost when the funds are taken out of the NMTC equation.

The following resolution regarding the Swift Factory was moved by Sean Fitzpatrick, seconded by Joanne Berger Sweeney and approved by the CRDA Board of Directors.

“The CRDA Board of Directors hereby approves increasing the amount of Neighborhood funds authorized for the Swift Factory project from \$4,000,000, as authorized at its March 16, 2017 meeting, to \$4,300,000.

Such funds shall be distributed as a loan, with minimum debt service calculated using an initial 1% APR and paid monthly upon stabilization. The developer shall also pay CRDA 70% of net available cash after payment of first lien debt service and other required distributions, per the federal tax code requirements for historic credits. Payment to CRDA shall continue over a 20-year term until the Authority has received all of its capital with a 3% IRR.

Such assistance shall be subject to 1) the execution of leases governing no less than 50% of leasable project space or those generating no less than 50% of projected rental revenue; 2) all state and federal approvals required by tenants, if any; 3) the resolution of any outstanding tax liabilities to the City of Hartford, and 4) such fiduciary terms and hiring requirements deemed appropriate by the Executive Director.”

Finance

Michael Freimuth, in CFO Joseph Geremia’s absence, reported on the following FY 2017 Operating Statistics for May and also the Quarterly Financial Update. Finance Committee Meetings to review FY18 Budgets were also announced.

Fiscal Year 2017 Financial Statements for the Nine Months Ending 3/31/2017

Balance Sheet

- Accounts receivable decrease reflects timing differences between funding and payments relating to the State office relocation projection managed by CRDA off-set with a decreased liability in accrued expenses

- Loans receivable increase reflects housing construction drawdowns from 50 Morgan St (Radisson)
- Current loans payable decrease reflects payoff of XL Center loan with Spectra

Statement of Revenues, Expenses and Changes in Net Position

- Operational and other grants decreases reflect a timing difference between State appropriation quarterly funding percentages (\$745,000) and an overall State appropriation budget decrease (\$550,000)
- Restricted revenue decrease reflects completion of State Office relocation project fees
- Combined facilities income and expenses referenced below
- Development cost for the current fiscal year reflects CT Open tennis tournament support

Fiscal Year 2017 Operating Statistics

CT Convention Center – March/April 2017

April stats: 220 event days held YTD with YTD attendance at 330,100
 Qtr. 3 financials: Net Income \$150,000 favorable to budget
 F&B revenue favorable compared to budget
 Total year projection \$175,000 favorable to budget

CRDA Parking Facilities – March/April 2017

April stats: Utilization favorable to budget at 70%
 Monthly rate customers favorable to prior year by 650 at 25,900 YTD
 Transient customers favorable to prior year by 53,000 at 398,000 YTD
 Qtr. 3 financials: Net Income \$100,000 favorable to budget
 Transient and monthly rate customer revenue favorable to budget by \$100,000 each
 Total year projection \$300,000 favorable to budget

XL Center - March/April 2017

April stats: 136 event days held YTD with YTD attendance at 515,500
 Qtr. 3 financials: Event revenue \$750,000 unfavorable to budget attributed to cancelled concerts which includes \$525,000 unfavorable F&B revenue to budget
 Hockey operations \$150,000 unfavorable compared to budget
 Operating expenses even with budget
 Total year projection approx. \$750,000 unfavorable to budget
 (Slightly more favorable than prior month's projection)

Church Street Garage - March/April 2017

April stats: Utilization of 67% unfavorable to budget of 70%
 Monthly rate customers favorable to budget by 550 at 11,600 YTD
 Transient customers unfavorable to budget by 3,600 at 9,800 YTD
 Qtr. 3 financials: Net Income \$250,000 favorable to budget
 Event revenue \$125,000 favorable to budget due to XL Center family shows and sporting events
 Operating expenses \$125,000 favorable to budget due to savings in insurance, equipment leasing, and snow removal
 Total year projection \$250,000 favorable to budget

Rentschler Field - March/April 2017

April stats: 128 event days held YTD with YTD attendance at 178,400
 Qtr. 3 financials: Event revenue \$300,000 unfavorable to budget with \$200,000 attributed to UCONN football and \$100,000 from removal of soccer game

F&B revenue \$125,000 unfavorable to budget
Expenses \$275,000 favorable to budget
Total year projection \$200,000 unfavorable to budget

FY2018 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. May 3 Meeting
Board attendees: Suzanne Hopgood, Andy Bessette, Ben Barnes
Discussion: CT Convention Center, Subsidy Program, CRDA Parking Facilities, Central Utility Plant, and Bond Indenture/Trustee
Discussion: XL Center, Pratt & Whitney Stadium @ Rentschler Field, Front Street District, Church Street Garage, CRDA Office, and CRDA State Appropriation Allocation
 - 3.B. Meeting/Phone Conference to be Scheduled
Discussion: XL Center, Pratt & Whitney Stadium @ Rentschler Field, Front Street District, Church Street Garage, CRDA Office, and CRDA State Appropriation Allocation
4. Full Board presented budgets for authorization (June 15)

Residential Housing Initiatives

Contracted Loans: \$44.2M
Current Disbursed: \$42.4M

Executive Director Report

Construction Projects

450 Columbus Blvd. –Restacking taking place in June – DECD move will be completed in September.

Downtown UCONN Campus – 80% complete, substantial completion is targeted for August 11, 2017.

Big Mo event at UCONN campus on May 20, 2017

East Hartford Horizon project – bids are due May 19, 2017

CTCC Garage – construction repairs/updates being made per Revenue Bond Agreement – drawings are in progress, work will begin later this year.

1279 Main Street – demolition near completion

81 Arch Street – nearly ready to close on financing

National Welding Site Project (Newington)– scheduled to meet with OPM – May 19, 2017.

Wethersfield – private financing is still being negotiated.

Bushnell Development Area Summary:

The CRDA has been working with the Bushnell, the City, neighborhood representatives and others to create a plan to redevelop the area around the Bushnell, State office buildings and private properties including that area south of Bushnell Park and fronting along Capitol Avenue, Buckingham Street and parts of Clinton, Hudson and West Streets.

As the project becomes more defined there is a need to advance its formal planning, including how property can be phased to reach the goals of the redevelopment initiative while reflecting other ongoing construction (the State Office Building) and private ownership projects being considered.

After consultation with the city and the Bushnell, CRDA has sought a proposal from Suisman Urban Design, which has been retained by various parties in the area and is familiar with the city's master plan, its land use rules and such initiatives as the iQuilt Program, to provide services that will assess the many moving pieces and create a visual narrative to show how the conceptual master plan can come together.

The following resolution regarding Bushnell Development Area was moved by Sean Fitzpatrick, seconded by Joanne Berger Sweeney and approved by the CRDA Board of Directors.

"The CRDA Board authorizes the Executive Director to contribute up to \$40,000 towards the expense of such services."

Executive Session

The following motion was moved by Sean Fitzpatrick, seconded by Joann Berger-Sweeney and unanimously approved.

"The CRDA Board of Directors hereby moves to go into Executive Session for a personnel discussion."

The Board resumed the Board Meeting and made the following motion.

"WHEREAS, pursuant to Connecticut General Statutes § 32-601(c)(2), the Authority shall have an executive director who shall be appointed by the Board of Directors; and

WHEREAS, on March 16, 2017, at its Board Meeting, the Authority authorized its Vice Chairman, Andy Bessette, to negotiate a seven-year employment contract extension with its current executive director, Michael Freimuth, under the same terms and conditions as the current contract (the "Original Agreement").

WHEREAS, as a result of such negotiations, the Authority and Mr. Freimuth are mutually desirous of amending and restating the Original Agreement to provide for a seven-year extension of such terms and conditions (the "Amended and Restated Employment Agreement");

NOW THEREFORE, BE IT RESOLVED:

The Authority's Board of Directors hereby authorizes its Chair, Suzanne Hopgood, to execute the Amended and Restated Employment Agreement, as discussed."

"The minutes of the May 18, 2017 CRDA Board Meeting were moved by Andy Bessette seconded by Joanne Berger Sweeney approved by Board Members at the June 15, 2017 CRDA Board Meeting."