

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, June 15, 2017
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette: Garret Eucalitto; Sean Fitzpatrick; David Jorgensen: James Redeker; Joanne Berger-Sweeney; Catherine Smith

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

Call to Order

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

Presentations

Video – Capitol Lofts – Interview of several people after Capitol Lofts opened.
Power Point Presentation – Dirty Dozen – slides of CRDA projects before and after.

Minutes

The minutes from the May 18, 2017 Board Meeting were moved by Andy Bessette, seconded by Joanne Berger Sweeney and approved.

Mayor Reports

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

- Mayor Luke Bronin worked to raise private funds to maintain the Connecticut River Fireworks on Mortensen Riverfront Plaza happening on July 8, 2017. This along with other events that are being marketed together on the website summerinhartford.com.
- Thanks to Commissioner Redeker for helping to move on the \$30 Million Albany Avenue Streetscape Improvement project this summer. After several failed attempts to have a conduit installed through Frontier, we are now in contact with Comcast and there is a good chance that Comcast will step in however, this cannot wait, this conduit needs to get done prior to CTDOT starting to dig. We have made a request to the Neighborhood Committee and to the CRDA Board for back-up financing in the amount of \$525, 000 for this infrastructure. I will talk more about this in the Neighborhood Committee report.

Housing Committee

Sean Fitzpatrick and Michael Freimuth gave an update regarding the following projects that were discussed by conference call Housing Committee Meeting on June 2, 2017.

- There was discussion regarding how the Committee should be thinking about the “single” projects that are being submitted considering the State's financial situation and the level of the current commitments that are already extended. It is the sense of the Committee, and if the Board concurs, that the Committee would probably not take on smaller projects at this time as to not overextend

ourselves and reserve the funds until there is a full understanding of what is going on with major developments such as Bushnell Square.

- Pipeline report – all projects are rented between 96-100% with the exception of Capitol Lofts, which is currently in the rent-up phase.
- \$44 Million remaining in the Housing Fund Balance, this does not include the approximately \$5 Million that has been recaptured from the reimbursement of principal.

Venue Committee

Andy Bessette reported on the following Venue Committee items:

XL Center

- Awaiting the special legislative session and adoption of a bond package to know where we stand in terms of funding for the XL Center transformation. We've received one response to our RFQ for a public-private partnership and staff is currently reviewing this.
- Bob Saint will provide a construction update later in the meeting.

Pratt & Whitney Stadium at Rentschler Field

- Ticket sales are doing well for the July 1st soccer match between US and Ghana. 16,500 tickets have been sold to date, anticipating a crowd of about 20k people.
- Roof repair has been completed, while repaving work is underway and concrete repairs will begin shortly.
- In light of recent events in Manchester England, as well as recommendations from security experts, we are pricing metal detectors for the Stadium. We expect that we would need between 40 and 50 machines and our hope is that by purchasing these in conjunction with XL, we can reduce the overall cost.
- Clearing work will begin next week on the new 10-acre parking lot, while work on East Hartford Boulevard North is proceeding on schedule.

Convention Center

- Elevator repair work is continuing in the freestanding garage.

Tennis Center

- The Connecticut Open tournament is scheduled for August 18-26.

Neighborhood Committee

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

The Neighborhood Committee has not met since the last Board meeting, however, there are a few brief updates:

Albany Streetscape

Sean Fitzpatrick explained that the Albany Avenue Streetscape project is a \$30 million DOT project that will install landscape, utility, sidewalk and crosswalk improvements designed to improve pedestrian and vehicular safety on a 1.5 mile stretch of road from Bedford Street to Westbourne Parkway.

As noted in the Mayor's report, the City had been working with Comcast to include the installation of fiber optic cabling for high-speed internet as part of the project. In the event that Comcast declines to participate, the City is hoping to at least install the conduit for such cabling while the streets are opened for other utility work, with the hope that another provider can be found in the future.

Work on the project is expected to start soon and the City is asking CRDA to fund the conduit installation at a cost \$525,000. Mr. Freimuth noted that even if the Board approved funding for the conduit, the funds could not be made available until after the Bond Commission meets and no meetings are scheduled for the foreseeable future. Mr. Freimuth reported that DOT had been approached about including the conduit in its scope of work, with CRDA picking up the costs of another component later in the project once Bond Commission approval had been secured. Commissioner Redeker indicated that he would look into the possibility of such an arrangement.

In the meantime, the Board was asked to consider a resolution approving the use of \$525,000 in CRDA neighborhood funds for any portion of the Albany Avenue Streetscape project.

After a lengthy discussion, the following motion was moved by Sean Fitzpatrick, seconded by Joanne Berger Sweeney and unanimously approved.

"The CRDA Board of Directors hereby approves the use of \$525,000 in CRDA Neighborhood funds for the Albany Avenue Operational, Safety and Streetscape Improvements Project. Such funds shall be distributed as a grant to assist the City of Hartford with landscape, utility, sidewalk and crosswalk improvements designed to improve pedestrian and vehicular safety in a 1.5 mile stretch of Albany Avenue from Bedford Street west to Westbourne Parkway. Such grant shall be subject to 1) State Bond Commission approval, if necessary, and 2) such fiduciary terms deemed appropriate by the Executive Director."

Bowles Park (\$5m for demolition/abatement)

- Both the CRDA and DECD grant agreements have been executed;
- Abatement of the buildings should be completed soon, with demolition to follow;
- It is believed that HHA has closed on CHFA financing for the project, while closing on the bank financing is scheduled for end of June 2017.

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 us to construct the road on the City-owned site.

Swift Project (\$4.3m)

- The US Economic Development Administration has increased their initial award from \$2.4m to \$2.8m for fit out of the food business incubator and shared office space - the developer is working to execute a formal agreement for that funding.
- Community Solutions has received permission from the City to demolish two ancillary garages on the Swift property and they are working with the demo/abatement contractor to schedule that work. They are also awaiting bids for renovation of the two houses on site.
- They expect to have leases with Bears and Trifecta executed shortly, while negotiations are continuing with the health clinic.

Finance

Joseph Geremia reported on the *Fiscal Year 2017 Operating Statistics*:

CT Convention Center – April/May 2017

May stats: 243 event days held YTD with YTD attendance at 344,600

April financials: F&B revenue favorable compared to budget with expenses even with budget
Total year projection \$250,000 favorable to budget

CRDA Parking Facilities – April/May 2017

May stats: Utilization favorable to budget at 69%

Monthly rate customers favorable to prior year by 740 at 28,500 YTD

Transient customers favorable to prior year by 50,600 at 431,100 YTD

April financials: Transient revenue and monthly rate customer revenue favorable compared to budget
Total year projection \$500,000 favorable to budget

XL Center - April/May 2017

May stats: 139 event days held YTD with YTD attendance at 524,000

April financials: Event revenue \$900,000 unfavorable to budget attributed to cancelled concerts which includes \$550,000 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

Church Street Garage - April/May 2017

May stats: Utilization of 72% even with budget

Monthly rate customers unfavorable to budget by 600 at 11,500 YTD

Transient customers unfavorable to budget by 3,900 at 14,800 YTD

April 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 - April/May 2017

May stats: 148 event days held YTD with YTD attendance at 183,900

April financials: Event revenue \$300,000 unfavorable to budget with \$250,000 attributed to UCONN football and \$100,000 from removal of soccer game
F&B revenue \$125,000 unfavorable to budget
Expenses \$300,000 favorable to budget
Total year projection \$125,000 unfavorable to budget

<u>Residential Housing Initiatives</u> –	Total Contracted Loans:	\$49.4M
	Current Contracted Loans:	\$43.5M
	Current Disbursed:	\$41.7M

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
 - 3.B. May 23 and June 13 (scheduled) Meetings
 - Board attendees: Suzanne Hopgood, Andy Bessette, Ben Barnes
 - 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)

Fiscal Year 2018 Budgets

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

Central Utility Plant (CUP) FY18 Operating Budget: \$3,015,080

FY18 Net Operating Gain of \$0

FY17 Projected Net Operating Gain of \$0

FY18 Budget Highlights: Zero-sum budget with expenses being covered on a pro-rated basis between the CT Convention Center, CT Science Center and the Hartford Marriott.

CRDA Parking Facilities FY18 Operating Budget: \$7,122,179

FY18 Net Operating Gain of \$3,287,964

FY17 Projected Net Operating Gain of \$3,435,830

FY18 Budget Highlights: Revenue increase in monthly contracts due to addition of UCONN downtown campus. No changes made to Parking rates except elimination of early bird rates.

Bond Indenture/Trustee FY18 Operating Budget: \$8,976,351

FY18 Net Operating Gain of \$1,783,167

FY17 Projected Net Operating Gain of \$2,645,313

FY18 Budget Highlights: Revenues from the CRDA Parking Facilities and the CUP are deposited with the Trustee. CRDA then allocates a Board-approved budget to fund the expenses of the operations, capital needs, and the costs associated with the bond debt service. Excess funds are sent to the State Treasurer’s Office for the use of covering CRDA revenue bond debt. Capital needs budget amounts to \$672,000.

Front Street District FY18 Operating Budget: \$120,347

FY18 Net Operating Gain of \$261

FY17 Projected Net Operating Loss of \$27,309

FY18 Budget Highlights: Budget includes expenses of insurance and infrastructure maintenance.

CRDA Office FY18 Operating Budget: \$3,153,112

FY18 Net Operating Gain of \$391,467

FY17 Projected Net Operating Loss of \$76,896

FY18 Budget Highlights: Budget includes a \$200,000 appropriation reduction, approximately \$725,000 in revenue related to the CRDA Residential Housing Initiative projects, and approximately \$430,000 in capital construction project fees.

Church Street Garage FY18 Operating Budget: \$2,603,900

FY18 Net Operating Gain of \$897,314

FY17 Projected Net Operating Gain of \$1,242,218

FY18 Budget Highlights: Garage net operating gains reinvested in capital improvements such as replacement of elevators and stairwells as well as providing an operating subsidy to the XL Center.

CT Convention Center FY18 Operating Budget: \$7,963,941

FY18 Net Operating Gain of \$0 [Net operating loss of \$3,808,300 without CRDA appropriation.]

FY17 Projected Net Operating Gain of \$206,556 [Includes CRDA appropriation of \$3,808,300.]

FY18 Budget Highlights: Revenue increase in city-wide conventions and banquets for events held every other year. Venue generates approximately \$5.3 million in State tax revenue.

Subsidy Program FY18 Operating Budget: \$129,000

FY18 Net Operating Loss of \$102,600

FY17 Projected Net Operating Loss of \$23,825

FY18 Budget Highlights: Program subsidies offered and contracted are now fully reserved through FY23. Inherited the program from the GHCVB with a \$600,000 deficit balance.

XL Center FY18 Operating Budget: \$5,500,869

FY18 Net Operating Loss of \$1,105,397 [Net operating loss of \$2,105,397 without CRDA appropriation.]

FY17 Projected Net Operating Loss of \$941,452 [Includes CRDA appropriation of \$1,000,000.]

FY18 Budget Highlights: Revenues include 7 full concerts vs 2 hosted in FY17. Also increased security personnel due to system upgrades.

Pratt & Whitney Stadium @ Rentschler Field FY18 Operating Budget: \$2,305,752

FY18 Net Operating Loss of \$37,241 [Excludes \$250,000 UCONN operating assessment]

FY17 Projected Net Operating Loss of \$232,381 [Excludes \$250,000 UCONN operating assessment]

FY18 Budget Highlights: Increase in net revenues due to projected increase in UCONN football average game attendance and increased net F&B revenue due to concession upgrades and increased non-UCONN event catering revenue.

CRDA State Appropriation Allocation

	CRDA	CTCC	XL Center	CT Open	Total
FY18 Appropriation	\$1,440,821	\$3,908,300	\$600,000	\$200,000	\$6,149,121
FY17 Appropriation	\$1,704,953	\$3,908,300	\$600,000	\$200,000	\$6,413,253

Board members congratulated Joe Geremia and Mike Freimuth for a job well done with the work on this years' budget.

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

“The CRDA Board of Directors approves the State Appropriation FYE2018 Allocation and the ten FYE 2018 Budgets approved by the Finance/Executive Committees on May 3, May 23, and June 13, subject to available funds, known as: CT Convention Center; Subsidy Program; Front Street District; CRDA Parking Facilities; Central Utility Plant (CUP); Bond Indenture/Trustee; CRDA Office; Church Street Garage; P&W Stadium at Rentschler Field; XL Center.”

Executive Director Report

Michael Freimuth reported on the following construction and legislative items:

Construction

XL Center Ice Slab - Bob Saint presented a PowerPoint of the XL Center Ice Slab Replacement that included the demolition through the beginning of the insulation process. Bob went on to explain the procedure that was used and the steps going forward which includes replacing the slab on July 14 with all things staying on schedule.

XL Security Upgrades – well underway and on schedule to be complete before building reopens.

XL & Church Street Garage elevators – in the XL Center, the NE freight elevator is being replaced and we are replacing three elevators in the Church Street garage. Constructed is expected to begin in both facilities at the end of August.

Church Street Garage – Design work is being done to work on the membrane of the Church Street Garage, this is a function of funding. Emergency repairs have been done however there is considerable work yet to be completed.

UConn - 84% complete. It is expected that classes will be held in August.

Legislative update

2017 Legislative Session - Update on CRDA-related Bills

1) FY18 / FY19 Appropriation - Awaiting Special Session action

	FY18	FY19
CRDA Requested	\$6,413,253	\$6,413,253
Governor's Budget	\$6,149,121	\$6,149,121
Approved by Legislature	?	?

2) **FY18 / FY19 Bond Package** – Awaiting Special Session action

	Requested FY18	Requested FY19	Finance Committee FY18	Finance Committee FY19	Approved FY18	Approved FY19
Development/Housing	\$30 m	\$30 m	\$40 m	\$40 m	?	?
Parking Garages	\$5 m	\$5 m	\$5 m	\$5 m	?	?
Front Street	\$3 m	\$7 m	\$3 m	\$7 m	?	?
XL Center	\$50 m	\$75 m	\$40 m	\$35 m	?	?
Stadium	\$1.5 m	\$1.5 m	\$1.5 m	\$1.5 m	?	?

3) **Advisory Council on Large Entertainment Events**

In conjunction with casino legislation, the General Assembly created an “Advisory Council on Large Entertainment Events” to coordinate large entertainment events at facilities of greater than 5,000 seats in the State. In addition to the XL Center and Pratt & Whitney Stadium, the Council includes Webster Bank Arena, Harbor Yard Ballpark, Dunkin' Donuts Park and New Britain Stadium.

The Council must meet at least annually to consider (1) the coordination of concerts, mixed martial arts events and other large entertainment events and (2) other issues related to the facilities' operation, as determined by the Council. Once authorization for a third casino is in place, the Mashantucket Pequot and Mohegan tribes will each designate a representative to serve on the Council. Such representatives must assist the other facilities in scheduling large entertainment events that are booked at the casinos, but may be available for additional dates in the state.

4) **Mixed Martial Arts (MMA)**

Of particular interest to both the XL Center and the Convention Center, the Legislature has eliminated the requirement that MMA promoters pay health care costs for competitors and instead requires promoters to provide liability insurance and death benefits, as is currently required for boxing events. The health care requirement had effectively prevented promoters from booking events in the State and efforts to overturn the law had been ongoing for a number of years.

The new legislation also eliminates the current 5% gross receipt tax on boxing and MMA events.

5) **Ticket Sales at Concert Venues**

a) **Transfer of Tickets** -- Legislation was approved prohibiting venues from denying admission to a ticket holder because their ticket was purchased through a third party seller. It prohibits venues from using a ticketing system that does not give the purchaser the option to buy tickets that can be transferred to another person without (1) additional fees and (2) the consent of the venue.

Paperless ticketing -- which requires purchasers to show a credit card and ID for admission instead of a ticket -- is allowed, but venues must give purchasers the option of a paper or e-ticket. Concert or theater venues with less than 3,500 seats are exempt from the requirement.

While designed to offer consumers a more convenient, user-friendly purchase process, the legislation can be seen as anti-consumer in that it benefits third party ticket sellers who purchase large blocks of tickets to a show for resale, increasing demand and driving up resale prices. Such sellers will now have the ability to “transfer” any tickets to their clients, where previously some were designated as “non-transferrable”.

The legislation could also limit the XL Center's ability to book certain artists who require venues to offer paperless ticketing for their shows in an effort to restrict such third party sales. Such artists include Bruce Springsteen, Adele, Miley Cyrus and Metallica. A number of other states have passed similar legislation and Spectra advises us that over the long term the number of artists insisting on paperless ticketing systems may diminish if it begins to impact them financially.

- b) **Use of Ticket Software** -- An additional provision passed this session prohibits the use automated software to purchase tickets on the internet. Such software enables third party ticket sellers to bypass or render inoperable security measures in order to purchase large blocks of tickets for resale. Any violation will be deemed to violate the Connecticut Unfair Trade Practices Act.

Meeting Adjourned at 7:43.

"The minutes of the June 15, 2017 CRDA Board Meeting were moved by Andy Bessette seconded by Sean Fitzpatrick and approved by Board Members at the September 21, 2017 CRDA Board Meeting."

Minutes

Capital Region Development Authority
Capewell Lofts
57 Charter Oak Avenue
Hartford, CT 06106
Thursday, August 8, 2017
12:00 pm

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Ben Barnes; David Jorgensen; Evonne Klein; Mayor Marcia Leclerc; James Redeker; Catherine Smith

CRDA Staff Present: Michael Freimuth; Anthony Lazzaro; Joseph Geremia; Jennifer Gaffey

Guests: Jamie Bratt (Representing Hartford)

CRDA Board members participated in a strategic discussion concerning:

- The XL Center's mission and its impact on the downtown business community as well as the status of pending agreements with the AHL and the UConn Athletic Program.
- How the Board will go forward in prioritizing the housing money in light of ongoing budget concerns and the desire to initiate "in-fill" housing at Bushnell Park South and other areas of the downtown.

Adjourned at 2:00pm.

"The minutes of the August 8, 2017 CRDA Board Meeting were moved by Andy Bessette seconded by Dave Jorgensen approved by Board Members at the September 21, 2017 CRDA Board Meeting."

Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, September 21, 2017
6:00 pm

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette: Ben Barnes; Mayor Luke Bronin; Sean Fitzpatrick; David Jorgensen: Evonne Klein; Michael Matteo (phone); James Redeker; Catherine Smith

Board Members Absent: Mayor Marcia Leclerc; Joanne Berger-Sweeney

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

Guests: Tennis Foundation of CT – Anne Worcester; Dana Cialfi; Chris Shakelton; Mark Ojakian

Auditors - Mahoney Sabol and Company: Jennifer Hawkins, CPA, Partner; Michael VanDeventer, CPA, Partner; Samantha Thomas, CPA, Manager; Nicole Greatorex, Senior

Call to Order

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

Minutes

The minutes from the June 15, 2017 Board Meeting were moved by Andy Bessette, seconded by Sean Fitzpatrick and approved.

The minutes from the August 8, 2017 Board Special Meeting were moved by Andy Bessette, seconded by Dave Jorgensen and approved.

Annual Audit

Jennifer Hawkins, CPA, Partner with Mahoney Sabol and Company, outside auditing firm reported on CRDA's Financial Statements, Special Purpose Financial Statements, and the Report on Compliance and Internal Control.

The overview consisted of auditing the authority as a whole on a consolidated basis which includes the Convention Center, parking facilities and the XL Center. An audit was also performed by Mahoney Sabol for Pratt & Whitney 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 follows 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 met during the audit.

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 were identified, no material weaknesses in internal control were identified. Ms. Hawkins offered to speak with the Board in Executive Session and the Board agreed.

Ms. Hawkins gave an update regarding the LAZ-Massachusetts parking lot money theft. The Massachusetts theft had to do with manual processes, where cash was being collected from parking lots. Books and records were managed among three individuals that had control and were able to manipulate records and skim cash over a period of several years. Fortunately, in Hartford, all parking lots are automated – down to the lane used. Processes for daily and monthly reconciliations are in place. All processes are reviewed for monthly and transient parkers and the auditors feel very satisfied with the controls that are in place to prevent fraud.

Tennis Foundation of Connecticut

A video that recapped the August 2017 CT Tennis Open was shown. Ms. Worcester gave an overview of the events and activities of the tournament that was held from August 18-26, 2017. The 2017 budgetary numbers are currently being reconciled. The 2018 budget will be further discussed in Executive Session.

Executive Session

A motion to go into Executive Session for audit review and unrelated contract negotiations was moved by Andy Bessette, seconded by Dave Jorgensen and approved at 6:27pm. The Board meeting reconvened at 7:15pm. No action was taken in the Executive Session.

Mayor Reports

Mayor Bronin reported on the following:

- The City and CRDA are working together to solicit proposals for Dillon Stadium, the goal is to make sure we preserve Dillon Stadium as a community asset but also use the opportunity for other possible uses.
- The City submitted a proposal to DECD to include a Hartford site in the State's proposal to Amazon.
- The City experimented this summer to try and make Pratt Street a more lively block and closed to traffic at lunch time and on Fridays and included bands and outdoor entertainment. It was reported that it had a positive effect on the restaurants and stores on Pratt and the City looks to continuing this next year.

Finance

CRDA, CFO Joseph Geremia reported that the Annual Report is complete which includes the narrative section that explains each area that CRDA is responsible for and the second section that is the annual audit which Jennifer Hawkins of Mahoney Sabol reported on earlier in the meeting.

The following motion was moved by Andy Bessette, seconded by Dave Jorgensen and approved.
"The CRDA Board of Directors hereby approves the CRDA Annual Report/Audit for FY2016-2017, as presented."

The following is the Financial update for September 2017 was presented by CRDA CFO Joseph Geremia:

Fiscal Year 2017 Audit and Annual Report

CRDA audit completed with no findings
Annual Report completed and ready for filing upon approval
Rentschler Field audit completed with no findings

Fiscal Year 2017 Operating Statistics

CT Convention Center – July/August 2017

August stats: 22 event days held YTD with YTD attendance at 42,000
July financials: F&B revenue favorable with event services revenue unfavorable compared to budget.
Expenses even with budget.
Total year projection even with budget.

CRDA Parking Facilities – July/August 2017

August stats: Utilization favorable to budget at 68%
Monthly rate customers favorable to prior year by 40 at 5,200 YTD
Transient customers favorable to prior year by 10,600 at 70,400 YTD
July financials: Transient revenue and consumer show's revenue favorable compared to budget
Total year projection even with budget

XL Center - July/August 2017

August stats: 2 event days held YTD with YTD attendance at 400
July financials: Event revenue \$150,000 unfavorable to budget attributed to two cancelled events
Hockey operations even with budget
Operating expenses favorable compared to budget
Total year projection approx. \$100,000 unfavorable to budget

Church Street Garage - July/August 2017

August stats: Utilization of 76% even with budget
Monthly rate customers favorable to budget by 150 at 2,400 YTD
Transient customers unfavorable to budget by 1,100 at 1,600 YTD
July financials: Transient revenue and monthly rate customer revenue favorable to budget
Total year projection even with budget

Rentschler Field - July/August 2017

August stats: 32 event days held YTD with YTD attendance at 45,900
July financials: Event revenue and F&B revenue even with budget
UCONN football season beginning with August financials
Expenses even with budget
Total year projection even with budget

Residential Housing Initiatives –	Total Contracted Loans:	\$56.0M
	Current Contracted Loans:	\$50.8M
	Current Disbursed:	\$42.7M

The following Budget updates were presented due to the Legislative Budget negotiations. The Board discussed the uncertainty of the State Budget and what course of action will be necessary should budget reductions become greater than initially estimated.

Ben Barnes commented that CRDA should clearly identify housing and neighborhood development projects and also added that the question will become whether CRDA will have the ability to operate the XL Center, Convention Center & Rentschler Field with this level of appropriation.

**Budget Update – FY2018/2019
September 2017**

CRDA Board Approved Budget

Operations Appropriation	FY2018 & FY2019	\$6,149,121
Capital Plans		
XL Center	Complete current improvements	\$1.1M
Stadium	Complete current improvements	\$1.0M
Church St Garage	Complete current improvements	\$1.2M
CTCC	Continue self-funded improvements	
Housing	Continue current projects (Radisson, 101 & 111 Pearl, 81 Arch, 103 Allyn, 1279 Main, 370 Asylum, Brackett, Bowles, Swift)	\$43.4M

Governor’s Executive Order Budget

Operations Appropriation	FY2018 & FY2019	\$6,149,121
Capital Plans		
XL Center	Complete current improvements	\$1.1M
Stadium	Complete current improvements	\$1.0M
Church St Garage	Complete current improvements	\$1.2M
CTCC	Continue self-funded improvements	
Housing	Continue current projects (Radisson, 101 & 111 Pearl, 81 Arch, 103 Allyn, 1279 Main, 370 Asylum, Brackett, Bowles, Swift)	\$43.4M

General Assembly 9/15 Approved Budget

Operations Appropriation	FY2018 & FY2019	\$4,969,121 (Reduction of \$1,180,000)
Capital Plans		
XL Center	Complete current improvements	\$1.1M
Stadium	Complete current improvements	\$1.0M
Church St Garage	Complete current improvements	\$1.2M
CTCC	Continue self-funded improvements	
Housing	Continue current projects (Radisson, 101 & 111 Pearl, 81 Arch, 103 Allyn, 1279 Main, 370 Asylum, Brackett, Bowles, Swift)	\$43.4M
General 32-602	Additional bond funding for FY2018 & FY2019	\$40M & \$40M

Governor’s 9/15 Non-Approved Budget Recommendation

Operations Appropriation	FY2018 & FY2019	\$6,261,621 & \$6,299,121
Capital Plans		
XL Center	Complete current improvements Additional bond funding for FY2018 & FY2019	\$1.1M \$40M & \$75M
Stadium	Complete current improvements Additional bond funding for FY2018 & FY2019	\$1.0M \$1.5M & \$1.5M
Church St Garage	Complete current improvements	\$1.2M

CTCC	Additional bond funding for FY2018 & FY2019	\$5M & \$5M
Housing	Continue self-funded improvements	
	Continue current projects	\$43.4M
	(Radisson, 101 & 111 Pearl, 81 Arch, 103 Allyn, 1279 Main, 370 Asylum, Brackett, Bowles, Swift)	
General 32-602	Additional bond funding for FY2018 & FY2019	\$40M/\$10M E.H.
Front St District	Additional bond funding for FY2018 & FY2019	\$3M & \$7M

**Budget Update – FY2018/FY2019
September 2017**

	<u>FY2018</u>	<u>FY2019</u>
<u>Operations Appropriation</u>		
CRDA Board Approved Budget	\$6,149,121	\$6,149,121
Governor’s Recommendation	\$6,261,621	\$6,299,121
General Assembly Budget (Reduction of \$1,180,000)	\$4,969,121	\$4,969,121

Capital Plans

Governor’s Recommendation		
XL Center	\$40M	\$75M
Stadium & CTCC	\$1.5M	\$1.5M
Church St Garage	\$5M	\$5M
Front St District	\$3M	\$7M
General 32-602	\$40M	
General 32-602 (E. Htfd.)	\$10M	
General Assembly Budget		
General 32-602	\$40M	\$40M

Housing Committee

Sean Fitzpatrick indicated Mayor Leclerc asked if there was a vehicle that comprehensively looked at the positive impact of the completed housing projects. The staff has put together some data that reflects this information in the form of a report called the CRDA Housing Investment Analysis (as of July 2017).

Michael Freimuth spoke to the report, explaining that the tax generation for these buildings, that were basically vacant for many years, are now netting approximately \$1M in new tax generation. This amount does not include permit fees, from the development deals, that go to the City.

Mr. Freimuth reviewed and presented the following projects that were approved at the September Housing Committee.

100 Trumbull (Trumbull on the Park)

- Project: Conversion of 16 existing 2 BR units into 32 units (16 studios, 16 1BRs) for a net gain within the building of 16 units. Existing configuration (13 studio, 55 1BR, 32 2BR) 100 units into (29 studio, 71 1BR, 16 2BR) 116 units.
- Developer: Girona Ventures
- Budget: \$1,460,000 Construction costs and reserves tied to new units
960,000 CRDA loan
500,000 Equity
- CRDA Deal: .
- Structure: \$60k/unit x 16 units, 3%/20 yr.
Utilization of recapitalized funds
Linked to underwriting/redevelopment of Pearl Street deal
Increases value of 100 Trumbull, attracting more equity into overall deal
Triggers CRDA tax assessment.

The following resolution regarding 100 Trumbull (Trumbull on the Park) was moved by Sean Fitzpatrick, seconded by Luke Bronin and approved by the CRDA Board of Directors.

- Resolution: *"The Executive Director is authorized to use recapitalized housing funds to make a loan to Girona Venture or such single purpose entity in the amount of \$960,000 at 3%, 20 yr. amortization subject to such fiduciary terms as deemed appropriate by the Executive Director and CRDA counsel."*

101/111 Pearl Street

- Issue: There is a possibility of utilizing federal historic tax credits to bring additional equity into the 101/111 Pearl Street project, funds that may be necessary based on final bank underwriting. However, these funds could not be committed and then made available for a period of time, and in any case, no sooner than six months from targeted closing (late Sept/early Oct). Bridging these potential funds could expedite the closing and construction of the buildings and provide a contingency to any shortfalls in final underwriting.
- CRDA: A request has been made for CRDA to utilize its re-capitalized funds (some of which were repaid by the developer from another project) and provide a bridge loan for the federal credits for an estimated period of 6 months at 3% interest. The loan would be no more than \$1,000,000 and collateralized by the credit commitment and would be extended as a 'last resort' source of funds.

The following resolution regarding 101/111 Pearl Street was moved by Sean Fitzpatrick, seconded by Luke Bronin and approved by the CRDA Board of Directors.

- Resolution: *"The Executive Director is authorized to use recapitalized housing funds to extend a bridge loan against the proceeds of federal historic credits to the developers of 111 Pearl Street in an amount not to exceed \$1,000,000 for a period of time no longer than one year at 3% interest subject to such fiduciary terms as deemed appropriate by the Executive Director and CRDA Counsel"*

103-5, 109-21 Allyn Street

Project: Reconstruction and conversion of three vacant historic buildings into 66 units of housing (39 Studio, 24 1BR, 3 2BR) and 3750 sf retail space.

Developer: Paul Khakshouri

Initial TDC/Dev Source: \$10,885,121
4,500,000 Bank
4,000,000 CRDA
2,000,000 CRDA bridge historic
385,121 Equity

New TDC/Dev Source: \$12,558,000
6,115,000 Joint Community Loan Funds (up to \$6.5M)
6,000,000 CRDA
385,000 Equity

Original CRDA deal structure: \$6M at 3% interest only, 20 yr. amortization, 5 yr. term with buy down of \$2M from bank at perm financing and a second buy down of \$2M from state historic credits with the remainder of \$2M staying as a perm for 5 yrs.

New CRDA deal structure: \$6M at 3% interest only, 5 yr. term in second position behind loan funds that will finance up to \$6.5M and will bridge both federal and state historic credits. The project goes from a market deal to an 80/20 market/affordable arrangement.

The following resolution regarding 103-5, 109-21 Allyn Street was moved by Sean Fitzpatrick, seconded by Ben Barnes and approved by the CRDA Board of Directors.

Resolution: *"The Executive Director is authorized to amend the CRDA loan terms as a \$6M loan at 3% interest only, 5 yr. term. The project will have an 80/20 market/affordable mix of units."*

Venue Committee

Michael Freimuth gave a brief explanation regarding the Dillon Stadium RFP. CRDA, with the help of the City of Hartford, has put out an RFP to help to analyze any prospective interest for the Dillon Stadium. RFP's are due October 13, 2017.

Andy Bessette reported on the following Venue Committee items:

XL Center

- Awaiting adoption of a State budget and bond package to know where funding for the XL Center transformation stands.
- One response to the RFQ for a public-private partnership. Savage Funding was interviewed in July. A detailed proposal is expected.

- Wolfpack affiliation agreement is set to expire after this season and we are currently in discussions with MSG regarding an extension of that agreement.
- The Wolfpack, UConn hockey and men's basketball seasons begin in late October, with women's basketball starting November 1st. Upcoming events include Professional Bull Riding, as well as three major concerts in next two months -- Roger Waters, Guns N Roses and Dead & Company.
- Metal detectors have been purchased for both XL and the Stadium, per the recommendations of our security consultant, and we expect to put them into operation this season. Bob Saint is working with Spectra and the Office of the State Fire Marshall on entrance layouts that will ensure safe and efficient ingress and egress.

Pratt & Whitney Stadium at Rentschler Field

- The July 1st soccer match between US and Ghana was a great success, with 21,000 people in attendance and net revenue of approximately \$180k for the building. (This figure is about \$30k over projected revenue.)
- UConn opened its 2017 football season on August 31st with a win over Holy Cross. Attendance was just over 16,000, which resulted in lower-than-expected parking and concession numbers. It's our hope that attendance will improve as the season progresses.
- The cancellation of UConn's September 9th home game against South Florida due to Hurricane Irma was potentially a huge financial loss, however, the League was able to reschedule the game for Sunday, September 24, 2017.
- Spectra Food Services has introduced a number of new food options this season and fans also have the option of working with a company called "Tailgate Guys", who will organize a more upscale tailgating experience for them, including tents and catering.
- Clearing, grading and drainage work has been completed on the new 10-acre parking lot, along with fencing, electrical conduit and light pole installation. Additional topsoil will be imported from the Cabela's site and finished off with hydro-seeding before the winter. The lot will be available for parking next season.
- Construction of East Hartford Boulevard North is essentially complete, with some landscaping and irrigation work left to finish. The road was completed in time for the first UConn game and was deemed a success in terms of moving Stadium traffic through our southern lots.

Convention Center

- The Convention Center has begun a busy fall season of events. The week of September 18, the Center hosted Impact 2017 – the basement systems convention – which is currently the most profitable event held in the building. Upcoming events include the CT Women's Expo, the annual Home Show, Willie Pep Boxing and Pokémon Regional Championships.
- An event comparison is included between the XL vs. CTCC. The comparison clearly shows that there is a significant price differential in the police/security line item.

Neighborhood Committee

Mayor Bronin stated that the City may need to make a higher level of public participation for some neighborhood projects than is done for the downtown projects. This has not been discussed in the Neighborhood Committee however he wanted to state that CRDA may have to be the primary driver of some projects moving forward.

Bowles Park - (\$5m for demolition/abatement)

- Phase I Demolition is complete. Phase 2 abatement is proceeding, with demolition to start in about 3 weeks. Demolition should be completed by the end of November.
- Groundbreaking had been scheduled for this week, however, was postponed due to inclement weather.

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

- CRDA staff has been meeting with developer on road design and overall site plan.
- In order to move ahead with the road project, developer will need to transfer small sliver of property to City. City has provided developer with draft transfer agreement and comments expected back this week.
- Also in the works is an agreement between the City and CRDA that will allow the Authority to construct the road on City-owned site.
- Developer is also awaiting State Dept. of Housing signoff on project budget.

Swift Project (\$4.3m)

- Community Solutions has signed lease with Bears BBQ for nearly 20% of the rentable space in the building. Also have an LOI from hydroponic company for another 48% of space and expect lease to be signed shortly.
- CRDA funding is contingent upon execution of leases covering 50% of space or 50% of projected rental revenue. These two leases will cover 68% of space and 64% of projected revenue.
- CRDA has retained outside counsel and continues to work with developer on loan agreement.
- Recent work on site includes environmental investigation, engagement of a window subcontractor and hiring a Hartford contractor to rehabilitate two older houses adjacent to the factory.

Albany Avenue Internet - (\$525,000)

- City had hoped to use these funds to install conduit as part of ongoing DOT Albany Avenue streetscape project. Given State budget situation it is unclear when the Bond Commission might meet and release these funds.

Executive Director Report

Newington – opted to build a hotel.

East Hartford – trying to get development deal signed for project (agreements between UTC, Town and the developer). CRDA will move forward once the deal is in place.

Wethersfield – moving forward slowly.

Construction update:

450 Columbus Blvd. – ribbon cutting/dedication ceremony took place on September 20th.

Church Street Garage – Actively replacing elevators/security systems.

XL Center – elevators are being fixed. Slab replacement complete & new ice successfully created.

Rentschler – leaking wall is in the process of being fixed.

Radisson – developer is programming funds to meet change orders.

81 Arch – closing documents are in progress

370 Asylum – documents are at AG

1279 Main – Pending architectural updates

Adjourned 8:15

“The minutes of the September 21, 2017 CRDA Board Meeting were moved by Sean Fitzpatrick seconded by Dave Jorgensen, approved by Board Members at the October 19, 2017 CRDA Board Meeting with Nick Lundgren and Tim Sullivan abstaining.”

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

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

Board Members Absent: Ben Barnes; Mayor Luke Bronin

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

Call to Order

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

Minutes

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

Executive Session

Executive Session did not take place.

Marketing Video

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

Mayor Reports

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

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

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

Mayor Leclerc reported on the following:

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

Finance

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

Fiscal Year 2017 Operating Statistics

CT Convention Center – August/September 2017

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

CRDA Parking Facilities – August/September 2017

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

XL Center - August/September 2017

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

Church Street Garage - August/September 2017

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

Rentschler Field - August/September 2017

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

Residential Housing Initiatives:

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

Housing Committee

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

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

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

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

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

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

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

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

Venue Committee

Kim Hart delivered the following October Venue Committee update:

XL Center

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

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

Pratt & Whitney Stadium at Rentschler Field

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

Connecticut Convention Center

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

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

Dillon Stadium

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

Neighborhood Committee

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

Construction

370 Asylum - closed and mobilizing.

101/111 Pearl - environmental clean-up.

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

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

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

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

Executive Director Report

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

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

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

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

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

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

Adjourned at 7:15pm

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

**Capital Region Development Authority
100 Columbus Boulevard
Meeting Room 11 – Ballroom Level
Hartford, CT 06103
Thursday, November 30, 2017
6:15 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Ben Barnes; Sean Fitzpatrick; Mayor Marcia Leclerc; Nick Lundgren; Michael Matteo; Jim Redeker; Catherine Smith; Joanne Berger-Sweeney

Board Members Absent: Mayor Luke Bronin; Dave Jorgensen

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

Guests: Ari Santiago, President, IT Direct; Anne Worcester, Dana Cialfi; Chris Stapleton, TFC, Chris Lawrence, General Manager Comcast Spectacor

Call to Order

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

Minutes

The minutes from the October 19, 2017 Board Meeting were moved by Andy Bessette, seconded by Joanne Berger Sweeney and approved.

IT Security

Ari Santiago gave an overview of the operations performed by IT Direct in order to keep CRDA's operations efficient by making sure the systems are fast, reliable and secure. Mr. Santiago further explained that his team provides constant IT solutions to help keep CRDA's data protected at all costs. IT Direct provides nightly and monthly system back-ups of all computer systems as well as off-site back-ups is an added security in order to ensure that all information is protected against being breached. The monitoring of CRDA's computer systems is critical for the protection of the Authority.

IT Direct is in the process of testing and reviewing an on-line training series in order to help users detect forms of breaches.

Chairwoman Hopgood suggested that an IT Security update be presented in the future for Rentschler Field and XL Center venues. Chris Lawrence, General Manager of Comcast Spectacor will prepare to provide this update to the Board at a future Board Meeting.

Mayor Reports

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

- On November 20, 2017 the City issued an RFP for the 32 city owned properties, totaling 13 acres, around Dunkin' Donuts Park, the responses are due by Feb. 15, 2018.

- The State of Connecticut, along with Commissioner Smith and the Brownfield's office at DECD, announced on November 20, 2017 a \$1.9M Brownfield Grant to remediate three abandoned factory sites on Homestead Avenue. The City has been working with the Federal and State EPA for many years to accomplish taking down these factories and preparing the sites for redevelopment.
- The City received two proposals from the RFP for the Park and Main properties. One from Corporation for Independent Living, which developed Capewell Lofts and the other from a consortium of a local engineering firms, the Freeman Companies and Spinnaker, which is a well known regional housing builder. A selection panel has been put together to move this along as expeditiously as possible. The panel is made up of one City representative and five others from different anchor institutions in the area.
- Start-up "Food Camp" held its first selection of firms to participate in the Hartford Insurtec initiative.

Mayor Leclerc reported on the following:

- E. Hartford received a Brownfield's grant and it has been added to other funds that have been compiled to remove a derelict Housing Authority property on Burnside Avenue.
- E. Hartford is looking forward to the possibilities aligned with the submission to CT Working Cities.
- Horizon Outlet mall has hit a bump in the road, however it continues to be re-worked.
- The town is undertaking a rebranding of the Silver Lane Corridor which is in the middle of a redevelopment study.

Finance

Financial Update – November 2017

Fiscal Year 2018 Financial Statements for the Three Months Ending 9/30/2017

Balance Sheet

- Housing loan's receivable net increase reflects housing construction drawdowns from 111 Pearl Street and Bowles Park/Willow Creek project.
- Accounts payable net increase relates to increases with the XL Center and CT Convention Center offset with decreases in Tennis Escrow and DAS office relocation project.

Statement of Revenues, Expenses and Changes in Net Position

- Restricted revenue increase reflects housing loan administrative fees.
- Combined facilities income and expenses referenced below.
- Development cost for the current fiscal year includes \$250,000 in CT Open tennis tournament support.

Fiscal Year 2018 Operating Statistics

CT Convention Center – September/October 2017

October stats: 76 event days held YTD with YTD attendance at 84,500
Qtr. 1 financials: Net Income \$175,000 favorable to budget
F&B revenue favorable compared to budget
Operating expenses even with budget
Total year projection \$175,000 favorable to budget

CRDA Parking Facilities – September/October 2017

October stats: Utilization favorable to budget at 74%
Monthly rate customers favorable to prior year by 1,300 at 11,700 YTD
Transient customers favorable to prior year by 14,000 at 138,100 YTD
Qtr. 1 financials: Net Income \$50,000 favorable to budget
Transient and monthly rate customer revenue even with budget
Repair & maintenance expense favorable to budget
Total year projection even with budget

XL Center - September/October 2017

October stats: 16 event days held YTD with YTD attendance at 52,100
Qtr. 1 financials: Event revenue even with budget
Hockey operations \$100,000 favorable compared to budget
Operating expenses even with budget
Total year projection approx. \$630,000 unfavorable to budget (Includes \$300,000 attributed to new event admissions tax effective Dec. 1, 2017, \$215,000 attributed to three cancelled events, and \$115,000 in underperforming events)

Church Street Garage - September/October 2017

October stats: Utilization of 77% favorable to budget of 72%
Monthly rate customers favorable to budget by 300 at 4,700 YTD
Transient customers unfavorable to budget by 300 at 5,100 YTD
Qtr. 1 financials: Net Income even with budget
Operating expenses even with budget
Total year projection even with budget

Rentschler Field - September/October 2017

October stats: 66 event days held YTD with YTD attendance at 126,500
Qtr. 1 financials: Event revenue even with budget with \$100,000 unfavorable variance attributed to UCONN football offset with \$100,000 favorable budget variance with soccer game
F&B revenue \$440,000 unfavorable to budget attributed to UCONN football
Expenses \$100,000 favorable to budget
For four months, \$325,000 unfavorable to budget
Total year projection \$475,000 unfavorable to budget of which \$250,000 is covered by UCONN
\$100,000 unfavorable facility fee due to UCONN football attendance
\$475,000 unfavorable F&B revenue due to UCONN football attendance
Offset with \$100,000 favorable with expenses

Residential Housing Initiatives – Total Contracted Loans: \$81.0M
Current Disbursed: \$44.6M

Michael Freimuth Reported that no action is needed regarding the Budget.

Venue Committee

Andy Bessette delivered the following November Venue Committee update:

XL Center

- The 2017-2018 hockey and basketball seasons are underway:

The Wolf Pack is averaging 2,700 attendees per game through their first 10 games, with sales the highest in 5 years and \$74,000 over the same period last year, which is encouraging. Concessions per-caps for these games have averaged \$11.08 per game, almost \$.60 over budget.

UConn hockey is averaging just under 2,300 attendees per game through their first 8 games. While attendance has been disappointing to date, we're hopeful the second half of the season will see an increase. Concessions per-caps are averaging \$11.41 per game, which is \$.56 better than budget and \$.72 better than last season's average.

UConn Men's basketball is averaging 4,300 attendees through 3 games, with the Women's team seeing 5,800 per game for their first 2 games. Concessions numbers have been very strong. Both teams face big opponents this month where we expect to see a spike in attendance, with the women hosting Notre Dame December 3rd and the men hosting Wichita St. on December 30th.

- XL hosted two major concerts in the last month:

While Guns 'n Roses had just over 10,000 paid attendees, the building essentially broke even due to the artists' high guarantee. Preliminary numbers for The Dead & Company show an approximately \$175,000 profit for the building, including the strongest concession numbers in at least 5 years.

Related to the Dead & Company show, it had been widely reported that an individual had threatened violence at the show on social media. Although the individual was believed to be residing in another part of the country, Hartford Police, the FBI and Spectra took his threats very seriously and security was beefed up for the event. Enhanced procedures included more comprehensive "wandering" of patrons, as we are still awaiting delivery of our walk-through metal detectors. Thankfully, there were no incidents.

XL Budget – the legislature added the State admission tax back, which will take money off the top of any ticket sold for an event in the building, which adds an additional \$300,000 deficit to an already projected \$3M deficit in the XL budget.

Also, it is a sparse year for events, events either rolled into the next fiscal year or cancelled altogether. In addition, a variety of emergency repairs have been needed and attendance at UCONN hockey and men's/women's basketball is down this season all which contribute to the shortfall.

CRDA was participating in a public/private solicitation that has been cancelled by CRDA resulting from a legislative directive that the building be put up for sale. The legislated allocation will be used towards soft costs necessary to ready the building to be sold. It is the suggestion of the CRDA staff that the bid is put out in the Spring as it is legislated that it be done by June 30, 2019.

The following resolution regarding requests for proposals for the disposition of the XL Center was moved by Andy Besette, seconded by Ben Barnes and approved.

“WHEREAS, the City of Hartford (the “City”) owns certain land and facilities located at One Civic Center Plaza in Hartford, Connecticut known as the XL Center;

WHEREAS, CRDA currently leases and operates the XL Center pursuant to that certain Second Amended and Restated Lease Agreement dated April 26th, 2013 by and between CRDA and the City (the “Lease”);

WHEREAS, the State of Connecticut, pursuant to Public Act 17-2, has directed the City to issue a request for proposals (“RFP”) for the purchase of the XL Center;

WHEREAS, the State of Connecticut, pursuant to Public Act 17-2, has also authorized an amount not to exceed Forty Million Dollars (\$40,000,000) to CRDA to be used for alterations, renovation and improvements to improve the operation efficiency, to increase facility revenues, to modernize security systems and operations, and to improve the overall sport, entertainment and exhibition value of the XL Center, including capital improvements, acquisition of abutting real estate and rights of way, tenant and fan amenities and necessary infrastructure connections (the “Bond Expenditures”);

WHEREAS, CRDA and the City find it desirous to issue a joint RFP for the disposition of the XL Center; and

NOW THEREFORE, be it resolved by the Board of Directors of CRDA as follows:

1. The Executive Director shall coordinate and issue a joint RFP with the City for the disposition of the XL Center.

2. The Executive Director shall execute any and all necessary agreements for professional services related to the Bond Expenditures for the XL Center.”

- Trumbull Block

Inside of the \$40M that the legislature approved in October, there is specific language that allows CRDA to acquire the atrium and the abutting building. These discussions will be reopened; however whether a deal can be agreed to is subject to ongoing conversations. Whether CRDA sells the building or continues to operate the building, there is a financial and practical reason to control the Atrium/Trumbull Block property. This will lead to a reduction in operational expenses, and create some revenue potential, helping to mitigate some of the operational current budget problems.

Pratt & Whitney Stadium at Rentschler Field

- UConn football finished their season with a 2-4 record at home and an average attendance of just over 14,000 – the lowest since the Stadium opened. The Stadium budget has been severely impacted by this low attendance with total event income down about \$28,000 per game on average from last season. Compounding the problem was the fact that the building only hosted 6 UConn games this year, with their 7th home game being played at Fenway Park.

The Stadium was able to host two soccer matches during the first quarter of the fiscal year, producing \$266,000 in event revenue, compared to a budget of \$153,000.

Dillon Stadium

Michael Freimuth gave a brief overview of the RFP process stating that the RFP went out in September with the intent to see if there was an interest to operate in the building by a sports franchise that also provided a preservation of the facility for community and scholastic use. The bidders were able to tour the site and a public forum was held on November 1, 2017 where each group was given the opportunity to present and the general public was given the opportunity to comment. Three proposals were presented including Hartford City, FC; Civic Mind and Hartford Sports Group.

CRDA staff members reviewed the proposals as well as a committee that was apprised of Andy Bessette, Michael Matteo, David Jorgensen and Sean Fitzpatrick. Q&A's were sent out following the reviews of two of the respondents and additional information has been received from all three groups.

After the presentations and an extensive review, it is the recommendation of the committee and CRDA staff members that the City pursue further negotiations with the Hartford Sports Group.

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

“The CRDA Board of Directors hereby approves the recommendations of the Venue Committee relative to the redevelopment of Dillon Stadium and authorizes the Executive Director to submit such recommendations to the City of Hartford for final approval and action.”

Tennis

Michael Freimuth gave a brief update explaining that the TFC organizers and operators are actively working to close sponsorship negotiations, therefore Mr. Freimuth requests that the Board extend the deadline regarding sponsors until the end of January to wrap up the sponsorship negotiations that are underway and make the decision at that time as to whether to move forward with the 2018 Tournament.

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

“The CRDA Board of Directors hereby extends its deadline for the TFC to submit a proposed balanced budget for the 2018 Connecticut Open Tournament to CRDA on or before January 30, 2018.”

Housing Committee

Sean Fitzpatrick congratulated Michael Freimuth and Anthony Lazzaro for a busy and productive month with the closings of 101/111 Pearl and Front Street Phase IV.

Michael Freimuth reported

North Armory - CRDA received Bond Commission approval to move forward with the project at the Colt complex, which will convert the North Armory, the last of the buildings at Colt, into 48 units.

Wyllys Street - CRDA will also move forward with the project, which is a new construction project.

1279-83 Main Street - a project that has been redesigned from 8 (2BR) units to 10 (1 BR) units which has reduced some of the costs of the building in the way the plumbing, electrical and HVAC work.

Background: Previously approved by CRDA for a \$175,000 second mortgage (3%/25 yrs) behind the Hartford Community Loan Fund. The project was to renovate a mixed-use property into 8 2BR units and street front rental across from the YardGoats Stadium.

\$400,000 Hartford Comm Loan Fund
\$170,431 State Historic Tax Credits
\$175,000 CRDA Loan
\$229,553 Owner equity and land
\$974,984 Total Dev. Cost

ReWorked Deal: During the demolition and historic review phase, the project scope changed. In order to meet the resulting increased costs, two strategies were pursued. The first was to reconfigure the project into 10 1BR units (rather than 8 2BR) increasing revenue and reducing some costs associated with the two bedroom breakout. The second approach was to increase the debt borrowing to new levels that could be sustained by the unit mix/rental rate configuration.

\$730,000 Hartford Comm. Loan Fund
\$170,431 State Historic Tax Credits
\$265,000 CRDA Loan
\$193,540 Owner equity/land (w/\$30k add'l incurred to date)
\$1,358,971 TDC

Summary: Increased HCLF first mortgage, increased CRDA note from \$175,000 to \$265,000, same term and interest rate (3%/25 yrs.). CRDA cost per unit initially at \$21,875, now at \$26,500.

The following resolution was moved by Andy Bessette, seconded by Jim Redeker and approved.

"The Executive Director is authorized to increase the amount of CRDA assistance to \$265,000, same terms and conditions as those authorized on June 16, 2016."



11/30/17

Neighborhood Committee

Michael Freimuth reported:

Bowles Park – Demolition is nearing completion.

Brackett Knoll – City is drafting document for transfer of parcel required for road construction from developer to City and an access agreement allowing CRDA to construct road.

Swift Factory – Developer has signed lease with Bear's BBQ and is finalizing lease with aquaponics tenant. CRDA counsel drafting closing documents.

Albany Ave/Main Street – Project is currently on hold.

Executive Director Report

Federal Tax Legislation

Historic Tax Credit program due to tax law changes, the program is at risk of being stopped which will be a major funding gap for CRDA going forward.

New Market Tax Credit Program – also at risk of being of the funding being stopped.

Other Legislation – considering putting restrictions on funding for stadiums and venues.

State legislation

Land Bank Program – this program was approved for Hartford.

Other items

Nix's Seafood – is closed

Bushnell –

- Bond Commission authorized demolition of 10 Clinton Street.

- DAS - Substantial progress has been made regarding the parking issue as there is a 300 car parking deficit. DAS has decided on two recommended possibilities, both would fit within the plan.

- A variety of conversations with Konover about 55 Elm have also taken place.

OPM/CRDA/MIRA/DEEP - OPM has asked CRDA to work with MIRA and DEEP to put together an RFP for a piece of industrial land on the City's south side.

CRDA combined Board Meeting for January/February 2018 – will take place February 8th.

Executive Session

A motion to go into Executive Session for contract negotiations was moved by Sean Fitzpatrick, seconded by Catherine Smith and approved.

"The CRDA Board Meeting moves to go into Executive Session with Joseph Geremia and Chris Lawrence attending."

The Board meeting reconvened at 7:55pm.

The following motion was moved by Catherine Smith, seconded by Ben Barnes and unanimously approved.

"The CRDA Board authorizes the Executive Director to use up to \$750,000 from the CRDA Revolving Fund to support XL Center Operations as needed."

Adjourned at 7:45pm

"The minutes of the November 30, 2017 CRDA Board Meeting were moved by Andy Bessette seconded by Catherine Smith and approved by Board Members at the February 8, 2018 CRDA Board Meeting."

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, February 8, 2018
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Besette; Mayor Luke Bronin (phone); Kiley Gosselin; Meg Green; David Jorgensen (phone); Evonne Klein; Mayor Marcia Leclerc; Michael Matteo; Catherine Smith

Board Members Absent: Jim Redeker; Joanne Berger Sweeney

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 6:04pm.

Minutes – Commissioner Appointment

The minutes from the November 30, 2017 Board Meeting were moved by Evonne Klein, seconded by Catherine Smith and approved.

Kiley Gosselin had previously been sworn in as a CRDA Board member.

Innovation Investment Program

Len Wolman and Michael Freimuth visited North Carolina to meet with an entrepreneurial group to discuss an initiative that is taking place in Durham, N.C. The initiative, through Duke University, is to connect investors with start-ups. It launches investor money through their alumni network and people associated with the school, by student and entrepreneurial development efforts, and they are positioning all those efforts into Downtown Durham. Dilapidated buildings are being converted into business centers, expanding the whole infrastructure downtown.

In speaking to the Board, Mr. Wolman discussed his meetings with several local business leaders to examine how this effort can be incorporated in Connecticut. This effort has to be collaborative and needs the whole community to be supportive and have key stakeholders buy-in in order for it to be successful. One of the things that was brought to light is that there are Connecticut investors investing in North Carolina. So the questions becomes, what needs to be done in order for Connecticut investors to invest in Connecticut?

There will be a cost associated with this effort and it will need multiple funding sources. One of the questions will be can CRDA contribute to the effort? The initial round is less than One Hundred Thousand Dollars which will help to get the initiative started and it will grow from there. This project will have to be monitored as it grows and measured as it goes along.

Catherine Smith indicated that CI has been looking at the Angels and trying to get them to invest in Connecticut based companies because that's their whole model. Also, trying to get more VC firms to invest in the State.

Mayors Reports

East Hartford Mayor, Marcia Leclerc reported the following:

- Silver Lane Advisory Committee was formulated several months ago in response to the Brownfield Area Revitalization Grant that was received. This ran simultaneously with a Transportation Grant received from CRCOG looking at ingress and egress along the Silver Lane corridor and where there were gaps in transportation and changes that are necessary to support economic development growth. The first public hearing was held and very well attended.
- Three rundown properties have been demolished.
- East Hartford is a recipient of the working City Challenge that encompasses the Silver Lane area, one of the lowest performing school districts. CBDG money was also received to be used for improvements in that same area.
- March 31, 2018 is the deadline for the outlet shops contract.
- The Enterprise Zone is being reviewed by the town.
- The new P&W Engineering Building is almost complete, waiting for the final CO.
- The Town is doing a business visitation program, 10 businesses were visited this last quarter to strengthen retention.
- Working to create a college district zone with Goodwin College.
- The Town is acquiring a property to build a new Senior Center.
- American Eagle is moving their Main Office to East Hartford.

Michael Freimuth explained that the following motion regards funds that were specifically allocated to East Hartford under the CRDA Statute. The Town could use the funds should the Silver Lane priority development zone project move forward. This will allow Bond Commission to consider the request through CRDA.

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 \$10 million in CRDA funding allotted for the Town of East Hartford to provide a grant to the Town for the acquisition, abatement, demolition, environmental investigation and remediation, as well as reuse planning, for priority development parcels, with an emphasis within the Silver Lane Development area. Such CRDA funding shall be subject to (1) State Bond Commission approval and (2) such fiduciary terms as deemed appropriate by the Executive Director."

Kiley Gosselin reported the following update for Hartford's Mayor Luke Bronin:

- Demolition of three large properties on Homestead Avenue is moving forward. A contractor has been selected and the contract is at DECD for signature.
- Due to interest, the DoNo parcel RFP has been extended from Feb. 15 to March 1, 2018.
- The Committee is in the final selection process of choosing a proposal for the RFP for Park & Main project.

- Hartford Sports Group was chosen from an RFP process put forth by CRDA in partnership with the City. The City is currently discussing different ownership structures and financing.
- Mayor Bronin gave a brief explanation regarding the State Bond Commission allocations for Hartford:
 - Westbrook Village – demolition costs which will allow the City to do the demolition and relocation of the Westbrook site in preparation for development.
 - Dillon Stadium and Colt Park - An allocation for much needed improvements.

Finance

The Financial update for February 2018 was reported by Joseph Geremia, CRDA CFO.

Fiscal Year 2018 Financial Statements for the Six Months Ending 12/31/2017

Balance Sheet

- Housing loan's receivable net increase reflects housing construction drawdowns from 111 Pearl Street, 81 Arch Street, and Bowles Park/Willow Creek projects
- Accounts payable net increase relates to increases with the CRDA Housing Initiative program and XL Center offset with decreases in Tennis Escrow and DAS office relocation project
- Due to State increase reflects 12/15/17 CRDA Parking Facilities debt service
- Loans Payable decrease reflects scheduled repayments towards Traveler's loan

Statement of Revenues, Expenses and Changes in Net Position

- Restricted Revenue and Other Income increases reflect administrative fees on housing loans and capital projects
- Combined facilities income and expenses referenced below
- Development cost for the current fiscal year includes \$250,000 in CT Open tennis tournament support

Fiscal Year 2018 Operating Statistics

CT Convention Center -- December 2017

December stats: 111 event days held YTD with YTD attendance at 121,000
 Qtr. 2 financials: Net Income \$160,000 favorable to budget
 F&B revenue favorable compared to budget
 Operating expenses even with budget
 Total year projection \$175,000 favorable to budget

CRDA Parking Facilities – December 2017

December stats: Utilization favorable to budget at 79%
 Monthly rate customers favorable to prior year by 3,400 at 18,900 YTD
 Transient customers favorable to prior year by 5,400 at 205,400 YTD
 Qtr. 2 financials: Net Income \$100,000 favorable to budget
 Transient revenue favorable to budget with monthly rate customer revenue even with budget
 Repair & maintenance expense favorable to budget
 Total year projection \$100,000 favorable to budget

XL Center - December 2017

December stats: 51 event days held YTD with YTD attendance at 190,900
Qtr. 2 financials: Event revenue \$530,000 unfavorable compared to budget, of which \$200,000 is attributed to F&B revenue and the remaining \$330,000 attributed to a lower than budgeted number of concerts and other events
Hockey operations \$250,000 unfavorable compared to budget
Operating expenses \$300,000 favorable to budget
Total year projection approx. \$800,000 unfavorable to budget (Includes \$300,000 attributed to new event admissions tax effective Dec. 1, 2017, \$215,000 attributed to three cancelled events, \$210,000 in underperforming events, and \$75,000 in underperforming hockey net operations)

Church Street Garage - December 2017

December stats: Utilization of 76% favorable to budget of 72%
Monthly rate customers favorable to budget by 400 at 7,000 YTD
Transient customers unfavorable to budget by 700 at 8,100 YTD
Qtr. 2 financials: Net Income even with budget
Equipment maintenance expense favorable to budget
Total year projection even with budget

Rentschler Field - December 2017

December stats: 79 event days held YTD with YTD attendance at 143,900
Qtr. 2 financials: Event revenue even with budget with \$100,000 unfavorable variance attributed to UCONN football offset with \$100,000 favorable budget variance with soccer game
F&B revenue \$530,000 unfavorable to budget attributed to UCONN football
Expenses \$175,000 favorable to budget
For six months, \$345,000 unfavorable to budget
Total year projection \$410,000 unfavorable to budget of which \$250,000 is covered by UCONN
\$100,000 unfavorable facility fee due to UCONN football attendance
\$560,000 unfavorable F&B revenue due to UCONN football attendance
Offset with \$100,000 favorable soccer game revenue and \$130,000 favorable with expenses

Residential Housing Initiatives – Total Contracted Loans: \$81.0M
Current Disbursed: \$47.1M

Fiscal Years 2018 – 2020 Audit RFP

RFP released: January 29, 2018
Deadline for submitting proposals: March 2, 2018
Contractor Selection: March 16, 2018

Housing Committee

Kiley Gosselin gave an update pertaining to the 28 High Street project listed below. This project was approved by the CRDA Housing Committee, which is forwarding to the CRDA Board for approval.

Project Sponsor: Constantinos Constantinou, Tolland, CT

Description: Conversion of historic vacant commercial building (former Lewtan Property) into 28 units (10 studio, 10 1BR, 8 2BR) 80/20 market/affordable mix with 600 s.f. retail first floor. Project was initially brought to CRDA via the Ct Main Street Initiative and LISC as a TOD project. It was reviewed by CRDA Housing Committee twice in the past 12 months and has been restructured. It adjoins other CRDA projects in the immediate area including 179 Allyn, 201 Ann St, 370 Asylum and 107-21 Allyn. CRDA support for zoning text amendments and utilization of City Anti Blight tax incentives assisted in the financing and design of the project.

Development

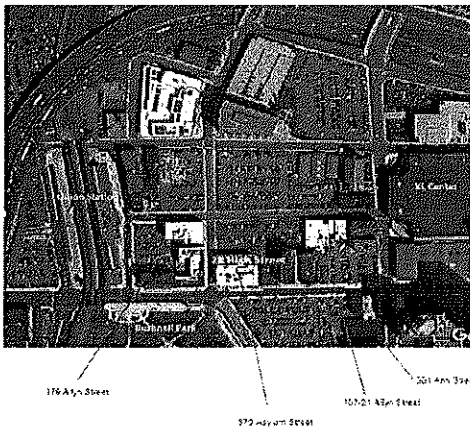
Budget: \$4,000,000 hard construction
150,000 soft costs
80,000 financing costs
1,020,000 acquisition
300,000 contingency
\$5,550,000 TDC

Sources: \$1,362,000 Equity
1,088,000 GreenBank
1,200,000 State Historic Credits
1,900,000 CRDA
\$5,550,000

CRDA Funds: \$1.9M represents \$68,000/unit. Financing to be 3% interest only for 18 months construction and once completed 3% P&I amortized over 28.5 yrs.

The following resolution was moved by Andy Bessette seconded by Catherine Smith and approved.

RESOLUTION:



The CRDA Board authorizes the use of \$1.9M of CRDA housing funds to be lent to Constantinos Constantinou (or such single purpose entity acceptable to CRDA) for the conversion of 28 High Street, Hartford, CT into 28 residential units and 600 s.f. of retail space at 3% interest only during construction and 3% P&I amortizing over 28.5 years subject to **1/** State of Connecticut bond commission approval; **2/** all other sources of funding being secured; and **3/** such fiduciary terms as deemed necessary by the executive director and CRDA counsel.

Venue Committee

Andy Bessette reported on the following Venue Committee items:

XL Center

The 2017-2018 hockey and basketball seasons are in full swing.

- UConn hockey – The team is averaging just over 2,300 attendees for the season. The last 3 games have been very strong, with an average attendance of 4,300, including a season high of 5,300 vs. UNH. The team has won 5 games in a row and has a strong shot at hosting the Hockey East playoff games in March, which would be unbudgeted revenue for the building.
- UConn basketball – The men’s team is averaging 7,200 attendees, with strong showings for Wichita State (12,000) and Villanova (13,600). The women have averaged 8,600, with Notre Dame (11,900) and Cincinnati (9,800) being the strongest games.
- Wolf Pack – The team is averaging 2,700 attendees for the season however, we’ve seen an increase after the holidays, with January games averaging 3,500 attendees.
- Concessions – Concession numbers have been very strong for all events, with Wolfpack games in particular doing well. Per caps for these games have averaged \$10.92 per game, almost \$2.00 over budget and \$1.00 over last year. We’ve been very impressed with the job Spectra and Ovations have done managing and growing the concessions operations at both XL and the Stadium. They attribute these increases to a number of factors:
 - Proper balance of staffing for events and the use of non-profit groups (more staff = shorter lines = more purchases);
 - Training staff to offer customers additional items and to make them aware of value upgrades (“do you want to supersize that?”);
 - New vendors added each year with more menu options. This year, Ovations has added Ted’s Steamed Cheeseburgers and Chick-fil-A stands, as well as a greater variety of local craft beers;
 - Tailoring menu options to fit events, with concessions stands “flipped” to create more bars or more kid-friendly menus depending on the event;
 - Larger and better-quality souvenir cups. Priced at \$6, this 44 oz. soda has been a top seller; and
 - Using social media ahead of events to market special offers, with fans coming in to the building looking specifically for kid-friendly combos and specialty drinks
 - Spectra has offered Happy Hour in the Comcast Club two hours prior to game time which has been very successful. It has been so successful that reservations are now required.
- Concerts – Spectra has announced three major concerts in the last month: (1) Def Leppard & Journey for May 21, (2) Elton John for September 19 and (3) The Eagles for Oct 6. The Elton John show, part of his farewell tour, sold out in 15 minutes. There are other pending shows yet to be announced. Unfortunately, we have lost out on a few larger shows as a direct result of the newly-imposed 10% State admissions tax.
- Metal Detectors - XL introduced the new metal detectors during Disney On Ice shows in mid-January. After roughly 20 events, the process has been smooth and seamless and provides a much more

enjoyable experience for patrons, while adding a needed layer of security. There has been a slight increase in staffing during the initial phase, but the hope is that as staff become more familiar with the process, those levels will drop.

- NCAA Basketball Tournament - Initial pre-sales for the March 2019 Tournament will begin soon.
- Bob Saint will be providing a venue construction update later in the meeting.

Pratt & Whitney Stadium at Rentschler Field

Though off season, the Stadium continues to host various meetings, training and receptions. The Operations staff and groundskeepers are working on winter projects to prepare for the spring/summer season.

Spectra is holding dates for potential soccer matches and has also responded to RFP's for lacrosse and international soccer events. They are also beginning preparations for the upcoming NCAA Lacrosse event in May, 2019.

Convention Center

The Convention Center is enjoying a busy few months, hosting the Camping and RV show, as well as a Wedding Expo and Kids' Fair earlier this year. The popular Hartford Boat Show comes to the building this weekend, followed by the Flower and Garden show later in the month.

Michael Freimuth gave a brief update regarding the following items:

XL Center RFP – The RFP to sell the XL center should be presented to the CRDA Board at the March Board meeting with an anticipated April release date.

Northland Property – will be discussed in Executive Session.

MSG - Wolfpack agreement with Global Spectrum through MSG is being renewed, this extension will be taken up at the March Board meeting.

UConn – Men/Women Basketball - Men's Hockey – three-year extension of the current contract has been negotiated.

XL Naming Rights – currently working on a five-year renewal. (XL wants an exit clause should the building be sold).

Bob gave a brief construction update regarding the following items:

Freight elevator – the elevator in the Northwest corner of the XL Center is due to come on-line at the end of February. The remaining two elevators are expected to come online at the end of March.

Security Project – substantially finished. Adding a couple of new cameras and continue to tweak it where blind spots are discovered. One or two cameras will be added to the atrium to support the metal detector.

LED Lighting – replacement working with Eversource – it will be an 18 month payback.

Chiller Replacement for Ice – will need to be replaced within the next two seasons. Working towards getting a design in place this summer to have it bid out and be ready to do the installation the summer of 2019.

Tennis – The TFC Board had a conference call today, February 8, 2018, with regard to the status of sponsorships for the August 2018 tournament. There are still a series of potential possible sponsorships that are outstanding and due by the end of February. As well as ongoing conversations with the WTA for the event. Measurable progress has been made and it looks like the 2018 tournament will move forward. The sponsorships will be looked at again the first week of March and if necessary action is needed, an CRDA Executive Committee Meeting may be called prior to the next CRDA Board Meeting.

Board members asked if it is known how many sponsorships need to be closed in the next few weeks. Catherine Smith responded that there are about five sponsorships that are very important to hit the big numbers and there is a pipeline of promising smaller sponsors that add up to \$100,000.

Neighborhood Committee

Michael Freimuth and Mayor Luke Bronin gave a brief description of the Dillon Stadium project.

Dillon Stadium – CRDA would be in a position to manage the construction of the Dillon improvements which is still in need of the City’s licensing and procurement. The team would run the stadium events for team days and the City would run the facility for non-team days. Perhaps, a third-party vendor to manage the stadium year-round with a certain fee schedule that would have to be negotiated. The building would continue to be a City owned asset. A March target is anticipated for approval.

The construction would be meant for significant repairs for locker rooms, concessions, men’s & ladies rooms, lighting, signage, replacement of bleachers and the artificial turf and improvements for the field.

The following resolution was moved as amended by Catherine Smith seconded by Andy Bessette and unanimously approved.

“The CRDA Board of Directors hereby approves the recommendations of the Neighborhood Committee regarding the use of \$10 million in CRDA “Neighborhood Funds” for improvements at Dillon Stadium and Colt Park. Improvements shall include the renovation of existing structures, repair/replacement of bleachers, new fencing, curbing, sidewalk, landscape and lighting improvements at Dillon Stadium. Additional streetscape, landscape and site improvements will be made at the adjacent Colt Park, with playing field upgrades to be made at both facilities. Such CRDA funding shall be subject to (1) State Bond Commission approval, (2) City of Hartford approval of an agreement to license Dillon Stadium to a United Soccer League level or higher sports team, and (3) other such fiduciary terms as deemed appropriate by the Executive Director.”

Mayor Luke Bronin reported that a historic building that is in severe disrepair at 1240 Albany Avenue is currently being considered as a project for the Neighborhood Committee. No action has been taken by the Neighborhood Committee.

Chairwoman Hopgood reported that President Gwendolyn Thames asked to meet to discuss the number of properties that are being vacated including churches, schools and library branch closings. She indicated that there needs to be an amount of work that the City does before CRDA gets into any conversations regarding these properties. Mayor Bronin indicated that Michael Freimuth and he met with Jay Williams of the Foundation and among the things they discussed was the possibility of funding a position that will be housed either at CRDA or at the City to focus on master planning for those properties in particular.

Swift – A slide was presented on the overhead to depict the complex Swift project. Michael Freimuth explained that CRDA has \$4.3 Million invested into the overall intricate funding. He further explained that this will give the Board some idea of what the new market tax credits are like.

Executive Director Report

370 Asylum – construction is 15% complete and in the framing stage.

Main Street Redevelopment Block – CT Main Street (CMSC) has been asked to prepare a redevelopment plan for an area of Main Street in close proximity to Dunkin Donuts Stadium. Crosskey Architects, the Corporation for Independent Living and Fuss & O’Neill Engineering, will assist with redevelopment planning for this site. CMSC proposes to conduct this scope of work for a fee of \$30,000 to be completed within a 90 day timeframe.

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

“The CRDA Board of Directors hereby approves \$30,000 for the scope of work outlined for the Main Street Redevelopment Block”.

3 Constitution –Michael Freimuth explained that \$65K in CRDA funds along with \$65K from Girona Venture, were previously approved to enhance the corner of 3 Constitution. However, the owner of the property, is not able to put forth the additional funds to move the project forward. The Board agreed that the Executive Director shall rescind the allotment until such a time that the project and funds are ready to move forward.

100 Reserve Road – MIRA/CRDA – RFP for Lease of 20+/-Acre Portion of 100 Reserve Road. CRDA will seek, assess and recommend a use and lease structure. The parcel is expected to be leased to CRDA as a master tenant who in turn will sublease to the selected bidder. RFP’s are due by February 16, 2018.

Executive Session

The following motion was moved by Andy Bessette, seconded by Catherine Smith and unanimously approved. CRDA Legal Counsel Tony Lazzaro was asked to join Executive Session.

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

The Board resumed the Board Meeting at 8:15pm.

The following resolution was moved by Andy Bessette, seconded by Catherine Smith and unanimously approve.

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 concept design 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 concept design, such comments were overwhelmingly supportive;*

***WHEREAS**, the CRDA Board of Directors has subsequently reviewed the recommendations and amended the proposed concept design accordingly (the "Final Concept Design"); and*

***WHEREAS**, in accordance with the Final Concept Design, it is necessary for the Authority to acquire certain real property illustrated in the proposed site plan (See Exhibits A and B).*

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

- 1. That it authorizes its Executive Director to proceed with plans to transform the XL Center in accordance with the approved concept design, including the acquisition of that certain real property illustrated in the proposed site plan, subject to available funding.*

The CRDA Board Meeting adjourned at 8:20pm

"The minutes of the February 8, 2018 CRDA Board Meeting were moved by Evonne Klein seconded by Dave Jorgensen and approved by Board Members at the March 22, 2018 CRDA Board Meeting."

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, March 22, 2018
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Ben Barnes; Kiley Gosselin; David Jorgensen; Evonne Klein; Mayor Marcia Leclerc; Cheryl Malerba (phone); Michael Matteo; Catherine Smith

Board Members Absent: Andy Bessette; Mayor Luke Bronin; Joanne Berger Sweeney

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

Call to Order

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

Executive Session

The following motion was moved by Evonne Klein, seconded by Dave Jorgensen and approved.

“Executive Session has been moved from the last item on the agenda to the first item on the agenda.”

At 6:35pm the Board Meeting resumed and the following motions were moved:

The following motion was moved by Suzanne Hopgood, seconded by Ben Barnes and approved.

“The full Board ratifies the decision of the Executive Committee to authorizing the Connecticut Open Tournament in New Haven in August 2018.”

The following motion was moved by Catherine Smith, seconded by Ben Barnes and approved.

“Authorizing the Executive Director to sell the WTA license to the Tournament Foundation of Connecticut (TFC) for purposes of a collateral instrument necessary to secure a loan agreement with the USTA for purposes of the 2018 tournament.”

Minutes

The minutes from the February 8, 2018 Board Meeting were moved by Evonne Klein, seconded by Catherine Smith and approved.

Mayors Reports

East Hartford Mayor, Marcia Leclerc reported the following:

- Horizon Project is not moving forward. The town is now meeting to discuss reallocating the funds to projects on Silver Lane.

- CT Working Cities – new person hired
- 2018-2019 Budget adopted with a 47.66 Mill Rate
- Senior Center purchased and closing.

Kiley Gosselin reported the following update for Hartford’s Mayor Luke Bronin:

- **DONO RFP:** On November 20, the City of Hartford issued a Request for Proposals (RFP) for thirty-two City-owned properties totaling 13 acres around Dunkin’ Donuts Park responses were due by March 1, 2018. The City received one proposal from Randy Salvatore. Randy is a developer with extensive experience in urban development. He most recently completed the beautiful renovation of the historic Goodwin Hotel downtown. The details of the proposal are sealed as part of our procurement process which should begin shortly. A team of City officials and neighborhood representatives will review the proposal in accordance with those procurement processes.
- **Homestead Demo:** Early stage demolition (shut-offs, permits, site prep) has begun at the Homestead campus. Full demolition should be completed by June 1. The remediation and demolition is possible thanks to a \$1.9 million grant to the City from DECD.
- **Park & Main RFP:** The City received two proposals in response to its recent RFP for redevelopment of the City-owned parcels at the intersection of Park and Main Streets in the South Green neighborhood. The Hartford-based Corporation for Independent Living, the developer of the Capewell Lofts was the entity selected as the winning bid. The proposed project is a mixed-use, mixed-income residential development. The City will now begin negotiating final project details with CIL.
- **Dillon Stadium:** Hartford Sports Group was selected as the best of three proposals submitted in response to CRDA’s RFP on Dillon Stadium. HSG proposes to put a USL team at a renovated Dillon stadium as early as Spring, 2019. CRDA will oversee the stadium renovation and may also take a role in managing stadium accounts as well as stadium operations for the first couple of years the stadium is in operation. Current plans would have the stadium complete in time for April 2019. The project would also include funds for upgrades to neighboring Colt Park consistent with the City’s plan for that park and in conjunction with a recently awarded federal grant. Negotiations are currently underway between HSG, CRDA and the City.

Finance

Executive Director Michael Freimuth reported the Financial update in CFO Joseph Geremia’s absence.

Fiscal Year 2018 Operating Statistics

CT Convention Center – January/February 2018

February stats: 168 event days held YTD with YTD attendance at 233,800

January financials: Rental and F&B revenue favorable compared to budget.
Utility expenses and Salaries slightly unfavorable to budget
Total year projection approx. \$125,000 favorable to budget

CRDA Parking Facilities – January/February 2018

February stats: Utilization favorable to budget at 83%
Monthly rate customers favorable to prior year by 5,300 at 26,000 YTD
Transient customers favorable to prior year by 9,700 at 303,000 YTD

January financials: Transient revenue and consumer show's revenue favorable compared to budget.
Total year projection approx. \$125,000 favorable to budget

XL Center - January/February 2018

February stats: 92 event days held YTD with YTD attendance at 343,300

January financials: Event revenue \$200,000 unfavorable to budget.
Hockey operations \$50,000 favorable compared to budget.
Operating expenses \$100,000 favorable compared to budget.
Total year projection approx. \$800,000 unfavorable to budget (Includes \$300,000 attributed to new event admissions tax effective Dec. 1, 2017, \$300,000 attributed to five cancelled/unsuccessful event bids, \$125,000 in underperforming events, and \$75,000 in underperforming hockey net operations)

Church Street Garage - January/February 2018

February stats: Utilization of 76% even with budget
Monthly rate customers favorable to budget by 550 at 9,400 YTD
Transient customers unfavorable to budget by 1,100 at 9,600 YTD
January financials: Transient and monthly rate customer revenues favorable to budget.
Total year projection even with budget.

Rentschler Field - January/February 2018

February stats: 91 event days held YTD with YTD attendance at 143,600
January financials: Event revenue even with budget with \$100,000 unfavorable variance attributed to UCONN football offset with \$100,000 favorable budget variance with soccer game.
F&B revenue \$550,000 unfavorable to budget attributed to UCONN football.
Expenses \$200,000 favorable to budget
Total year projection approx. \$375,000 unfavorable to budget.

Residential Housing Initiatives – Total Contracted Loans: \$81.0M
Current Disbursed: \$49.8M

Fiscal Years 2018 – 2020 Audit RFP

RFP released:	January 29, 2018	7 Firms inquired
Proposals submitted:	March 2, 2018	6 Firms
Contractor Interviews:	March 8, 2018	2 Firms
Contractor Selection:	March 16, 2018	Cohn Reznick
Contractor Approval:	March 22, 2018	

Interim Audit:	Late April/Early May
FYE Audit:	Late July to Early September
Audit Released:	September 28, 2018

Proposals submitted from six firms:

Cohn Reznick of Hartford; Blum Shapiro of West Hartford; Whittlesey of Hartford;
CliftonLarsonAllen of West Hartford; UHY of West Hartford; PKF O'Conner Davies of Wethersfield.

Proposals include audit services for CRDA, CRDA Parking Facilities, CTCC, XL Center, and P&W Stadium.

Audit fees ranged from \$99,000 to \$140,000 per fiscal year.

Recommendation: Cohn Reznick

Selected staff consisting of Partner, Concurring Partner, Advising Partners, Audit Manager, and Senior Auditors.

Previous governmental auditing experience with: Dept. of Transportation; CT Health & Educational Facilities Authority; and Bridgeport Housing Authority. Previous experience with LAZ Parking; Waterford; National Hockey League; and Dallas Cowboys Football.

The following motion was moved by Catherine Smith, seconded by Marcia Leclerc and approved.

"The CRDA Board of Directors hereby authorizes the Executive Director to execute an Engagement Letter with Cohn Reznick LLP consistent with the terms outlined above."

Housing Committee

Kiley Gosselin updated Board members regarding the pipeline as well as reintroduced the 289 Asylum Street project which was originally approved in 2016. The financial terms of the 289 Asylum Street project have been amended to increase the CRDA construction and historic bridge loan to \$450,000 from \$400,000 to be funded from recapitalized housing funds. The developer equity participation also increases from \$117,000 to \$174,000.

- PROJECT:** 289 Asylum Street
Conversion of small commercial building to 8 Residential Condominiums
Jose Ramirez, developer
- PREVIOUS APPROVAL:** Housing Committee – 11/4/2016
CRDA Board – 12/8/2016
\$400,000 - historic bridge loan (\$207,000) and construction loan (\$193,000)
- STATUS:** The project has contended with two significant issues: 1/ considerable legal requirements to organize the condominium structure; prepare by laws, declarations etc.; and 2/ obtaining and securing bond-able contractors, many of who are small and/or MBE. Both have been completed. During the last year, there has been a slight increase in the construction costs but also, there has been an increase in the value of the condominiums as determined by an updated appraisal. New development costs are \$1.47M (up from \$1.36M).
- REQUEST:** To increase the CRDA construction and historic bridge to \$450,000 (from \$400k) to be funded from recapitalized funds. The Hartford Community Loan Fund, remains at \$850,000 as the primary lender while the developer will increase its equity participation to \$174,000 (from \$117k) representing 12%.

The following motion was moved by Catherine Smith, seconded by Marcia Leclerc and approved.

"The executive director is authorized to extend a loan to Jose Ramirez or such acceptable special purpose entity acceptable to CRDA in the amount of \$450,000 at 4% interest, for a period of 24 months

from recapitalized funds for purposes of converting 289 Asylum Street into 8 condominium residential units subject to 1/all necessary funds being available and committed and 2/ such due diligence as deemed necessary by the executive director and CRDA counsel."

Mike Freimuth reported that the Housing Committee will tour Housing projects and will send a notice out with proposed dates.

Venue Committee

Kim Hart reported on the following Venue Committee items:

XL Center

- Two significant agreements have been finalized at XL:
 1. XL Insurance has renewed their naming rights agreement for an additional 5 years
 2. MSG has extended their Wolfpack affiliation agreement for at least 2 more years, with three additional one-year options. Our affiliation fee will be \$1.25M.
- UConn Hockey finished the season 8-8-1 at home with an average attendance of 3,000 per game, down from just over 3,400 last year. Unfortunately, the team did not secure a playoff spot this year.
- UConn Basketball – Men’s BB saw an average attendance of 7,200 fans per game, down from 8,400 last season, while Women’s BB saw a significant increase, averaging over 9,000 per game compared to 7,000 last season.
- Wolf Pack – With 7 home games remaining in the season, the Wolf Pack are averaging 3,300 fans per game - up from 3,100 at this point last season. The team is not likely to make the playoffs and they’re turning their attention to next year, with a season ticket renewal campaign already in progress.
- Concessions - As we reported at the last Board meeting, we’ve seen increases in concessions numbers across all teams. UConn Hockey and WBB per-caps increased more than \$.50 from last year, while MBB and Wolfpack per caps were up \$1 over last year.
- Concerts – In addition to the four concerts already on the calendar (Def Leppard/Journey, Elton John, The Eagles and Maroon 5), there is the potential for a few other large shows over the next 18 months.
- Admissions Tax – Last week, Chris Lawrence testified before the Legislature’s Finance Committee, alongside Live Nation’s Jimmy Koplik, in support of legislation eliminating the State’s 10% admissions tax. Both testified that elimination of the XL Center’s exemption in December has already resulted in the building losing out on certain larger shows and will continue to pose issues for future events.
- NCAA Basketball Tournament - Initial pre-sales for the March 2019 Tournament have begun.

Pratt & Whitney Stadium at Rentschler Field

Although we’re in the off season, the Stadium has been hosting various meetings, training and receptions in the Tower. UConn’s Spring game is scheduled for April 14th, while Spectra is holding dates for

potential soccer matches in July. Additionally, Spectra and Fairfield University are beginning preparations for the upcoming NCAA Lacrosse quarterfinal tournament in May, 2019.

Convention Center

The Convention Center was the recipient of two awards within the Waterford Group – the 2017 Food and Beverage Team of the Year Award, as well as the prestigious Waterford Group Chairman’s Award.

Upcoming events include the CT Golf Show this weekend, as well as the New England Fishing & Hunting Show, the CT Music Educators’ Association and the CT Barber Expo.

Neighborhood Committee

Michael Freimuth reviewed the Neighborhood Project update which now includes the Albany Ave/Main Street project. Michael Freimuth asked Cheryl Malerba if DOT will be able to assist on this project. Ms. Malerba indicated that she is seeking advice from a DOT chief engineer however does not have an answer as of the Board Meeting.

Executive Director Report

Michael Freimuth reported on the following items:

Sale of XL Center – testified at legislative hearing regarding how CRDA will proceed with sale of XL Center.

XL Center-property acquisition - received second appraisal on the Trumbull Block run by Northland. CRDA is now in a position to make a formal offer to Northland.

Spectra – Spectra has gone through a change in management. The teams in the field will not be affected by this transition.

Dillon Stadium – CRDA has been asked to play a role in the Dillon Stadium project through the expertise of our venue team (Spectra). CRDA has agreed to commit to an agreement with a non-recourse structure, meaning CRDA is not exposed should Dillon operate at a loss. City and investor group (HSG-Hartford Sports Group) will put together an agreement and CRDA will manage it, pending City Council approval. CRDA will enter a “license” with the City which will establish CRDA as the “operator” and Spectra will run it. The funds will be paid up front from the investor group.

David Jorgensen requested time with Kiley Gosselin to discuss the process, through the City, to obtain permission to utilize Dillon and other fields throughout the City, for recreational functions.

100 Reserve Road – on behalf of MIRA, CRDA, OPM and DECD solicited proposals for 100 Reserve Road. Two interested parties solicited bids. The bids have been reviewed and MIRA will have to agree to the decision.

MIRA is requiring DEEP to sign off indicating that nothing impacts emissions permits that are tied to property lines.

The purpose of the Reserve Road RFP is to utilize the excess property for economic development purposes.

DASH

Michael Freimuth explained that DOT indicated that it wants to start charging for the DASH. Mr. Freimuth suggested that perhaps the DASH limit its hours to connect with rush hour and the Hartford line and/or noontime to connect with restaurant use. There are many non-event days where there is no ridership however, this would require route changes and a public hearing. It is also a concern because it conflicts with some contracts at the CTCC.

Ms. Malerba indicated that DOT is having internal discussions to try to mitigate the problem. She also indicated that part of the problem is the budget. DOT has also proposed a \$1 fare increase, not only for the DASH but the Green Bus Downtown shuttle in New Haven.

Bushnell South – Konover properties will soon be listed and they are actively trying to sell 55 Elm and other surrounding land and the broker has approached CRDA.

There is capital budget legislation pending from CRDA requesting to finance a garage on the side of the current health lab building which is scheduled for demolition this summer.

Construction Update

Church Street Garage Elevators

Completion of 1st Elevator – The first elevator is complete and in service

Final Completion – The second and third elevators are projected to be complete by the end of April

XL Security Upgrades

Additional Cameras for Metal Detectors – on order

XL Slab Replacement

Slab replacement and installation of the dasher system is complete.

Adriaen's Landing Garages – Repair & Maintenance

(Convention Center Garage, Loading Dock, Front Street North Garage and Plaza Renovations)

Bid was issued on 3/8/18

Pre-bid meeting was held on 3/15/18

Bids are due on 4/4/18

Contract award is scheduled for 4/11/18

Construction will begin as weather permits in mid to late April

Rentschler Field

Surge suppression equipment has been recommended following drive failure on 3 out of 4 tower elevators. Project on hold pending determination of funding priorities.

81 Arch Street - Approximately 12%

101/111 Pearl - Approximately 10%

The CRDA Board Meeting adjourned at 7:30pm

“The minutes of the March 22, 2018 CRDA Board Meeting were moved by Catherine Smith seconded by Marcia Leclerc and approved by Board Members at the April 19, 2018 CRDA Board Meeting.”

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, April 19, 2018
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Ben Barnes; Mayor Luke Bronin; Kiley Gosselin; David Jorgensen; Mayor Marcia Leclerc; Michael Matteo (phone); Catherine Smith; Joanne Berger Sweeney (phone), Glendowlyn Thames

Board Members Absent: Evonne Klein; James Redeker

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

Guests: Mr. Jason Sardilli and Mr. Devon Sardilli from Sardilli Produce and Dairy; Attorney Walter Paulekas, Ford & Paulekas LLP, along with Michael Flanigan, President Freshpoint Connecticut, LLC. Representing Freshpoint.

Call to Order

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

Minutes

The minutes from the March 22, 2018 Board Meeting were moved by David Jorgensen, seconded by Mayor Marcia Leclerc and approved.

Mayors Reports

East Hartford Mayor, Marcia Leclerc reported the following:

Demolition of the building on Main & Pitkin – Development of a Dunkin will begin shortly. The Town will provide streetscape and trail head improvements as a gateway project.

99-101 East River Drive: Former site of the State Data Center has been gutted and renovated with the top three floors available for buildout. Fantastic location at the footbridge walkway to Hartford.

Potential Development Conversations: Conversations with property owners within the Founders Plaza area continue to generate potential investment and interest. Additional parking demands are needed and we will be looking to address those.

Connecticut Boulevard Improvements: Demolition of a former garage left vacant land in poor condition. Working with the property owners on a landscaping plan has been designed for the property.

The former Staples building will be converted and modified to a Hoffman Service Center and the former UCONN Health Center has been sold and will be renovated to a KIA dealership.

Silver Lane Plaza: Long abandoned Silver Lane Plaza has been working with our Development Department for a façade renovation and parking lot improvements and has received all approvals.

Goodwin College: Façade improvements and expansion of the Manufacturing Center at Goodwin College, expansion of the Riverside Magnet School are in process.

Senior Center: Closing on the purchase of the property next week. Retained the Christopher Williams Architect. All funding is in place and the project will move forward upon the completion of the architectural plans.

Wickman Library: Retained Silver Petrucelli to provide design plan for the restoration and ADA compliance for this shuttered historic facility.

Silver Lane Advisory Committee: The Advisory Committee was formed to guide a grant-funded study of how to best redevelop the commercial areas of Silver Lane, running from Main Street to Forbes Street. The Committee was created as a result of the Town's \$200,000 Brownfields Area-Wide Redevelopment (BAR) grant, awarded by the Department of Economic and Community Development (DECD). The purpose of the project is to create a comprehensive plan of the Silver Lane Corridor while identifying and studying the redevelopment potential of targeted brownfield sites. This plan will be based upon market, environmental, and engineering analysis over a 16-month period. Milone and MacBroom, Inc. of Cheshire CT is assisting the Town in the development of the plan.

Silver Lane Transportation Study: The Committee is also tasked ensuring that the BAR Project is coordinated with a multitude of studies and projects in the Silver Lane area, including the development at Rentschler Field, the completion of the flood control study of Willow Brook, and a transportation study conducted by the Capitol Region Council of Governments.

Kiley Gosselin reported the following update for Hartford's Mayor Luke Bronin:

DoNo RFP: on November 20, the City of Hartford issued a Request for Proposals (RFP) for thirty-two City-owned properties totaling 13 acres around Dunkin' Donuts Park responses were due by March 1, 2018. The City received one proposal from Randy Salvatore. Randy is a developer with extensive experience in urban development. He most recently completed the beautiful renovation of the historic Goodwin Hotel downtown. A team of City officials and neighborhood representatives are reviewing the proposal in accordance with our procurement processes. We expect to begin direct conversations with Mr. Salvatore regarding the scope of the project soon.

Homestead Demo: Early stage demolition (shut-offs, permits, site prep) has begun at the Homestead campus. Full demolition should be completed by June 1. We expect to see heavy equipment at the site in approximately two weeks. We are in active discussions about new development once demolition is complete. The remediation and demolition is possible thanks to a \$1.9 million grant to the City from DECD.

Park and Main RFP: The City received two proposals in response to its recent RFP for redevelopment of the City owned parcels at the intersection of Park and Main Streets in the South Green neighborhood. The Hartford-based Corporation for Independent Loving, developer of the Capewell Lofts was the entity selected as the winning bid. The proposed project is a mixed use residential development with majority market-rate rentals. The City is in the process of negotiating project details with CIL and hopes to submit a proposal to CRDA for review in the coming weeks/months.

Dillon Stadium: Hartford Sports Group was selected as the best of three proposals submitted in response to CRDA's RFP on Dillon Stadium. HSG proposes to put a USL team at a renovated Dillon stadium as early as Spring 2019. On April 9, City Council approved a detailed term sheet outlining a proposed structure between CRDA, HSG and the City. CRDA will oversee the stadium renovation and will also take a role in managing stadium accounts as well as stadium operations for at least the first five years. Current plans would have the stadium complete in time for April 2019. The project would also include funds for upgrades to neighboring Colt Park consistent with the City's plan for that park and in conjunction with a recently awarded federal grant. Formal agreements between the City, HSG and CRDA are currently being developed. The City will continue to work on necessary ordinance changes and planning and zoning approvals to effectuate appropriate stadium operations (serving of alcohol, signage, community fee structure, etc.)

Finance

CRDA CFO Joseph Geremia reported the financial update for April 2018.

Fiscal Year 2018 Operating Statistics

CT Convention Center – January/February 2018

March stats: 188 event days held YTD with YTD attendance at 278,000
February financials: Rental and F&B revenue favorable compared to budget
Utility expenses and Salaries slightly unfavorable to budget
Total year projection approx. \$125,000 favorable to budget

CRDA Parking Facilities – January/February 2018

March stats: Utilization favorable to budget at 84%
Monthly rate customers favorable to prior year by 6,100 at 29,400 YTD
Transient customers unfavorable to prior year by 3,600 at 351,100 YTD
February financials: Transient revenue favorable compared to budget
Total year projection approx. \$200,000 favorable to budget

XL Center - January/February 2018

March stats: 102 event days held YTD with YTD attendance at 373,800
February financials: Event revenue \$1M unfavorable to budget
Hockey operations \$75,000 unfavorable compared to budget
Operating expenses \$250,000 favorable compared to budget
Total year projection approx. \$1M unfavorable to budget (Includes \$300,000 attributed to new event admissions tax effective Dec. 1, 2017, \$400,000 attributed to seven cancelled/unsuccessful event bids, \$250,000 in underperforming events, and \$50,000 in underperforming hockey net operations)

Church Street Garage - January/February 2018

March stats: Utilization of 76% even with budget
Monthly rate customers favorable to budget by 600 at 10,500 YTD
Transient customers unfavorable to budget by 1,300 at 10,700 YTD
February financials: Transient and monthly rate customer revenues favorable to budget
Total year projection even with budget

P&W Stadium - January/February 2018

March stats: 101 event days held YTD with YTD attendance at 145,200
February financials: Event revenue even with budget with \$100,000 unfavorable variance

attributed to UCONN football offset with \$100,000 favorable budget variance with soccer game F&B revenue \$550,000 unfavorable to budget attributed to UCONN football
 Expenses \$200,000 favorable to budget
 Total year projection approx. \$375,000 unfavorable to budget

Residential Housing Initiatives –

Total Contracted Loans: \$82.0M
 Current Disbursed: \$50.4M

FY2019 Budget Process

1. Venues prepared draft budgets (March through April)
2. CRDA staff review draft budgets with Venue staff followed by appropriate adjustments (April)
3. CRDA Board Finance Committee & members review draft budgets with CRDA staff and Venue staff followed by appropriate adjustments
 - 3.A. April 24 or 25 Meeting to be scheduled
 Discussion: CT Convention Center, Subsidy Program, CRDA Parking Facilities, Central
 - 3.B May 1 or 2 Meeting 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 21)

CRDA Parking & Energy Fee Revenue Bonds

Series B	\$55.530M	Currently under a standby bond purchase agreement with Bank of America through Aug. 27, 2018 Action: Renew standby bond purchase agreement
Series D	\$17.665M	5% to 5.75% Callable after June 15 Action: Refinance into new issuance to reduce annual debt service payments Bond Counsel: Soeder & Associates working with State Treasurer Financial Advisor: Lamont Financial Services

Housing Committee

Michael Freimuth reported on the following project update:

- 100 Trumbull – project closed for the conversion of two-bedroom units into studios and one bedroom units.
- High Street – possible late June closing.
- 241 Asylum – project near closing.
- Radisson – no change
- 81 Arch Street – 16% complete
- 370 Asylum - 45% complete
- 101 Pearl Street – abatement and demo complete; project approximately 12% complete
- 111 Pearl Street – abatement and demo complete; project approximately 10% complete

Venue Committee

Andy Bessette reported on the following Venue Committee items:

XL Center

- RFP – The RFP for the sale of the XL Center will be issued on April 30th.
- Wolfpack – The Wolfpack held its final game of the season last week, finishing the season with 34 wins and 42 losses. The team averaged 3,300 fans per game, roughly the same as last year. Concessions numbers continue to show improvement and members should have a sheet in their packet showing some impressive figures for the season.
- Admissions Tax – The impact of the newly-imposed State admissions tax on XL has been dramatic. The Wolfpack alone is estimated to pay over \$70k this year and \$200k next year in admissions taxes and promoters warn that the tax will deter acts from playing at XL in the future. Legislation repealing the tax was passed by the State Finance Committee, but it faces an uncertain future on the House and Senate floors.

Pratt & Whitney Stadium

- Field Replacement - A memo from Mike Freimuth explaining the Stadium reseeding project is included in Board members' packets. Work is scheduled to begin in the next week and will continue through the end of the month.
- Stadium Operating Budget - The Stadium is projected to finish the year approximately \$375,000 in the red due to declining UConn football attendance. Per our lease agreement, the University is required to cover the first \$250,000 of any shortfall and the balance will be made up by utilizing reserve funds in the Stadium Enterprise Fund.
- UConn Football - The Stadium hosted more than 2,000 fans last weekend for the UConn Spring Game. UConn's 2018 schedule has been announced and the Stadium will be hosting six home games this fall.
- Trooper Funeral – As widely reported in the media, the Stadium hosted the wake and funeral of State Trooper Kevin Miller, who died earlier this month.

Convention Center

- The building is operating according to budget and attendance projections. There are a number of water leak issues on outside walkways that need to be addressed and funding will be requested when the State Bond Commission is next scheduled to convene. A capital repair program to address issues in the parking garage is currently underway.

Dillon Stadium

- The Dillon Stadium term sheet was approved by the Hartford City Council on April 9th and a copy was included in your packet. CRDA will manage the construction work at Dillon, utilizing \$10 million for Stadium improvements and a new artificial playing surface, as well as improvements to neighboring Colt Park. A capital reserve will also be built into the project budget. Bob Saint has been meeting with Hartford Sports Group (HSG) to lay out a construction budget and schedule.

CRDA and the City will enter into a License/Use Agreement for CRDA's management of the facility and HSG will cover operating expenses. Should such expenses exceed \$300,000 in a given year, HSG may assume direct management of Dillon. Spectra will likely manage the day-to-day operations of Dillon on CRDA's behalf and they will likely enter into a separate agreement with HSG for game-day operations. The City will continue to schedule community usage of Dillon and HSG will create a community event fund to help cover the cost of such usage.

The parties have agreed to a five-year deal with a number of renewal options. A working group is meeting weekly to work out the details of the various agreements.

Tennis Center

- The agreement transferring the tournament sanction to the TFC is currently being negotiated. WTA and USTA assistance is being arranged for the 2018 tournament schedule for August 17th - 25th.

Neighborhood Committee

Mayor Luke Bronin gave an update regarding the status of projects, similar to what was reported in the Mayor's report, reiterating information regarding the DoNo and Park & Main RFP's.

Opportunity Zones Nomination – provides a federal tax incentive for investors to re-invest unrealized capital gains into opportunity zones through opportunity funds. no capital gains for 10 years – Certain kind of funds. Catherine Smith indicated that 10 Zones were nominated for Hartford.

Mayor Leclerc ask Catherine Smith to forward the information regarding how many Zones were nominated for East Hartford.

Executive Director Report

Michael Freimuth reported on the following items:

100 Retreat Road – The RFP for 100 Retreat Road consists of 20+ acres of property and is owned by the State of Connecticut through MIRA (Materials Innovation and Recycling Authority) fka CRRA and is seeking a potential leasee for a portion of land available as surplus for commercial and/or industrial use.

The following companies responded to the RFP in February: Sardilli Produce and Dairy; Freshpoint.

Michael Freimuth distributed a quick summary of economic components proposed by the bidders. The summary focused on some of the following comparisons: Lease Rent; Lease Terms; Property Tax New Growth; Job Generation; Job Retention.

100 Reserve Road Quick Summary of Economic Components As Proposed By Bidders		
	Fresh Point	Sardilli
Lease Rent	\$200,000	\$120,000
Lease Terms	30 YR. 6 10 Year Renewals	30 YR. 3 10 Year Renewals
Property Tax Net Growth	\$720,000	\$271,000
Job Generation	75 Phase I (1-3 yrs.)	125 Phase I (3-5 yrs.)
	80 Phase II	150+ Phase II City Resident Priority
Job Retention	185	125
City Parcel	Property Tax at Par	Purchase at \$300,000, lease back pass through structure with CRDA
	Purchased at 110% FMR	
Build Out	145,000 S.F.	100,000 S.F.
	40-100,000 Phase II	75,000 Phase I
	Phase I - \$39M	Phase I - \$26M (\$5M DECD Contingency)
	Phase I - 12-18 Months	Phase I - 24-36 Months
Common Benefits	Charitable Programs In place	New Farmers Market

Board members vetted questions regarding job growth and retention as well as tax generation. Representing Sardilli was Jason Sardilli and Devon Sardilli and representing Freshpoint was Walter Paulekas, Ford & Paulekas LLP, along with Michael Flanigan, President Freshpoint Connecticut, LLC.

The following motion was moved by Ben Barnes and seconded by Catherine Smith.

“The CRDA Board recommends that Executive Director Michael Freimuth gather additional information regarding tax generation and job growth prior to making a recommendation to MIRA.”

Front Street Phase IV – Additional funds, from the CCEDA Adriaen’s Landing period, will be used for unexpected environmental cost and cleanup.

Conveyance Bill – Bushnell South Project is moving forward.

East Hartford Funds – Discussed the Horizon Project not moving forward and waiting for City to indicate the usage of unallocated state funds.

Neighborhood Project Manager – A job description is currently being drafted for a position that will be housed at CRDA and funded by a grant to the City of Hartford.

Executive Session

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

“The CRDA Board of Directors hereby moves to go into Executive Session Property Negotiations and Staff Reviews.”

The Board resumed the Board Meeting at 7:25pm and adjourned.

“The minutes of the April 19, 2018 CRDA Board Meeting were moved by Andy Bessette seconded by David Jorgensen and approved by Board Members at the April 19, 2018 CRDA Board Meeting with David Kooris and David Robinson abstaining.”

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, May 24, 2018
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Mayor Luke Bronin; Kiley Gosselin; Meg Green; David Jorgensen; Mayor Marcia Leclerc; Joanne Berger Sweeney; David Robinson; David Kooris (phone)

Board Members Absent: Evonne Klein; Michael Matteo; Jim Redeker; Glendowyn Thames

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

Call to Order

Chairwoman Hopgood read statement regarding public meeting. The meeting was called to order at 6:00pm.

New Board Members

Chairwoman Hopgood introduced David Robinson, EVP and General Counsel from The Hartford. Mr. Robinson commented that he was excited to serve on the CRDA Board.

David Kooris, Deputy Commissioner at the Department of Economic and Community Development, joins CRDA Board as designee for Commissioner Catherine Smith.

Minutes

The minutes from the April 19, 2018 Board Meeting were moved by Andy Bessette, seconded by David Jorgensen and approved with David Kooris and David Robinson abstaining.

Mayors Reports

Mayor Marcia Leclerc reported on the following Development Projects for East Hartford:

- Goodwin College Opportunities:
Presented map of Storm Water Management – Phase 1, 2 and 3 residential is approximately 90 units each; hotel – 66 room boutique styled hotel; Marina, restaurant; conference meeting center, etc. Main Street mixed Use development 9,000 sq. ft.
- Showcase Cinemas, Silver Lane – explained investment in Silver Lane along with proposed designs for Silver Lane Plaza.
- Founders Plaza Garage – presented Founders Plaza Parking Garage Map.
- Opportunity Zones - Five Opportunity Zones were selected in East Hartford.

Kiley Gosselin reported the following update for Hartford's Mayor Luke Bronin:

- DONO RFP: Procurement process is complete.
- Opportunity Zones: Ten Opportunity Zones were approved by Treasury. Currently working with partners to identify marketing tools and other information used to assist property owners in marketing their potential investments and well as conducting some outreach with potential investors. We are awaiting full program regulations from Federal Government.
- Dillon Stadium: The City has been in active discussions with CRDA and HSG to finalize the use agreements. Targeting a 2019 opening with an active USL franchise. CRDA is in the process of selecting a construction manager. Pre-development design work is ongoing. Full construction work is expected to get underway mid-late summer.

Finance

CRDA CFO Joseph Geremia reported on the following:

Fiscal Year 2019 Budgets

FY2019 Budget Process

1. Venues prepared draft budgets (March/April)
2. CRDA staff review draft budgets with Venue staff followed by appropriate adjustments (April/May)
3. CRDA Board Finance Committee & members review draft budgets with CRDA staff and Venue staff followed by appropriate adjustments (May 11)
4. Full Board presented budgets for authorization (June 24)

FY2019 Budgets

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

CRDA State Appropriation Allocation

	<u>CRDA</u>	<u>CTCC</u>	<u>XL Center</u>	<u>Front ST</u>	<u>CT Open</u>	<u>Total</u>
FY19 Appropriation	\$1,415,821	\$3,958,300	\$800,000 ¹	\$75,000 ²	\$ 0 ³	\$6,249,121
FY18 Appropriation	\$1,503,321	\$3,908,300	\$600,000	\$ 0	\$250,000	\$6,261,621

¹ - XL Center funding supplemented with excess revenues from Church St garage.

² - Front St PILOT to sufficiently fund maintenance starting in FY2020.

³ - CT Open FY19 funding allocated through DECD.

Central Utility Plant (CUP) FY19 Operating Budget: \$3,061,730

FY19 Net Operating Gain of \$0

FY18 Projected Net Operating Gain of \$0

FY19 Budget Highlights: Zero-sum budget with expenses being covered on a pro-rated basis between the CT Convention Center, CT Science Center and the Hartford Marriott.

CRDA Parking Facilities FY19 Operating Budget: \$7,344,529

FY19 Net Operating Gain of \$3,448,826

FY18 Projected Net Operating Gain of \$3,509,709

FY19 Budget Highlights: Revenue increase in monthly contracts due to additional corporate contracts. Expense increases in utilities and repairs & maintenance. No changes made to Parking rates.

Bond Indenture/Trustee FY19 Operating Budget: \$9,148,461

FY19 Net Operating Gain of \$1,545,123

FY18 Projected Net Operating Gain of \$1,900,603

FY19 Budget Highlights: Revenues from the CRDA Parking Facilities and the CUP are deposited with the Trustee. CRDA then allocates a Board-approved budget to fund the expenses of the operations, capital needs, and the costs associated with the bond debt service. Of these funds, \$756,000 is allocated towards the 5-year capital plan of \$4.5 million. Excess funds are sent to the State Treasurer's Office for the use of covering CRDA revenue bond debt.

Front Street District FY19 Operating Budget: \$115,634

FY19 Net Operating Gain of \$210

FY18 Projected Net Operating Loss of \$15,621

FY19 Budget Highlights: Budget includes expenses of insurance and infrastructure maintenance.

CRDA Office FY19 Operating Budget: \$3,245,444

FY19 Net Operating Gain of \$168,530

FY18 Projected Net Operating Gain of \$204,585

FY19 Budget Highlights: Budget includes approximately \$747,000 in revenue related to the CRDA Residential Housing Initiative projects (\$341,000 from fees and \$406,000 from interest), and approximately \$325,000 in capital construction project fees. Appropriation covers approximately 45% of CRDA Office expenses. Senior Project Manager/Underwriter included.

Church Street Garage FY19 Operating Budget: \$2,734,635

FY19 Net Operating Gain of \$996,170 [Includes \$500,000 equity draw for XL Center supplemental funding]

FY18 Projected Net Operating Gain of \$829,673 [Includes \$1M equity draw for XL Center supp. funding]

FY19 Budget Highlights: Garage net operating gains reinvested in capital improvements such as replacement of elevators and stairwells as well as providing a supplemental operating subsidy to the XL Center.

CT Convention Center FY19 Operating Budget: \$8,057,389

FY19 Net Operating Gain of \$0 [Net operating loss of \$3,808,300 without CRDA appropriation.]

FY18 Projected Net Operating Gain of \$162,322 [Includes CRDA appropriation of \$3,808,300.]

FY19 Budget Highlights: Revenue increase in city-wide conventions and banquets.

Venue generates approximately \$5.3 million in State tax revenue. Conventions generating 5,000 more room nights this year.

Subsidy Program FY19 Operating Budget: \$304,450

FY19 Net Operating Loss of \$120,950

FY18 Projected Net Operating Loss of \$98,150

FY19 Budget Highlights: Program subsidies offered and contracted are now fully reserved through FY24. Inherited the program from the GHCVB with a \$600,000 deficit balance.

XL Center FY19 Operating Budget: \$7,412,681

FY19 Net Operating Loss of \$1,898,410 [Net operating loss of \$2,998,410 without CRDA

appropriation.]

FY18 Projected Net Operating Loss of \$3,429,523 [Includes CRDA appropriation of \$1,000,000.]
FY19 Budget Highlights: Revenues include 7 full concerts vs 4 hosted in FY18. Also increased Food & Beverage revenues due to scheduled events as well as \$200,000 savings in AHL Hockey net operations.

Pratt & Whitney Stadium @ Rentschler Field FY19 Operating Budget: \$2,269,944

FY19 Net Operating Loss of \$372,930 [Excludes \$250,000 UCONN operating assessment]

FY18 Projected Net Operating Loss of \$400,866 [Excludes \$250,000 UCONN operating assessment]

FY19 Budget Highlights: Increase in net revenues due to increased non-UCONN event catering and rental revenues. Attendance based on UCONN athletic department projections.

CT Open

FY19 funding allocated through DECD.

CRDA projected to transfer Tournament Sanction to Tennis Foundation of CT prior to beginning of FY19.

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

"The CRDA Board of Directors hereby authorizes the State Appropriation FYE2019 Allocation and the ten FYE 2019 Budgets subject to available funds known as: CT Convention Center; Subsidy Program; Front Street District; CRDA Parking Facilities; Central utility Plant (CUP); Bond Indentures/Trustee; CRDA Office; Church Street Garage; P&W Stadium at Rentschler Field; XL Center."

The following Financial update for May 2018 was given by Joseph Geremia:

Fiscal Year 2018 Financial Statements for the Nine Months Ending 3/31/2018

Balance Sheet

- Current unrestricted cash increase reflects event escrow timing differences between ticket purchases and event occurrences at the XL Center
- Current restricted cash decrease reflects timing differences with the decreased level of capital improvement funds expended by the XL Center and the CT Open off-set with timing differences with increased housing loan funding
- Accounts receivable increase reflects operating activity at the XL Center
- Housing loan's receivable net increase reflects housing construction drawdowns from 101 & 111 Pearl Street, 81 Arch Street, 100 Trumbull, 241 Asylum, and Bowles Park/Willow Creek projects
- Accounts payable net increase relates to increases with the CRDA Housing Initiative program and XL Center offset with decreases in Tennis Escrow and DAS office relocation project
- Due to State increase reflects 12/15/17 CRDA Parking Facilities debt service
- Loans Payable decrease reflects scheduled repayments towards Traveler's loan

Statement of Revenues, Expenses and Changes in Net Position

- Restricted Revenue and Other Income increases reflect administrative fees on housing loans and capital projects
- Combined facilities income and expenses referenced below
- Development cost for the current fiscal year includes \$250,000 in CT Open tennis tournament support

Fiscal Year 2018 Operating Statistics

CT Convention Center – March/April 2018

April stats: 217 event days held YTD with YTD attendance at 328,000
Qtr. 3 financials: Net Income \$30,000 favorable to budget
F&B revenue \$150,000 favorable compared to budget offset with rental income \$70,000 unfavorable compared to budget
Utility expenses and Salaries slightly unfavorable to budget
Total year projection \$160,000 favorable to budget

CRDA Parking Facilities – March/April 2018

April stats: Utilization favorable to budget at 84%
Monthly rate customers favorable to prior year by 6,800 at 32,700 YTD
Transient customers favorable to prior year by 700 at 398,700 YTD
Qtr. 3 financials: Net Income \$180,000 favorable to budget
Transient revenue favorable to budget with monthly rate customer revenue even with budget
Repair & maintenance expense favorable to budget
Total year projection \$200,000 favorable to budget

XL Center - March/April 2018

April stats: 111 event days held YTD with YTD attendance at 434,000
Qtr. 3 financials: Event revenue \$1.2M unfavorable compared to budget, of which \$425,000 is attributed to F&B revenue and the remaining \$775,000 attributed to a lower than budgeted number of concerts and other events
Hockey operations \$125,000 unfavorable compared to budget
Operating expenses \$330,000 favorable to budget
Total year projection approx. \$1M unfavorable to budget (Includes \$300,000 attributed to new event admissions tax effective Dec. 1, 2017, \$400,000 attributed to seven cancelled/unsuccessful events, \$250,000 in underperforming events, and \$50,000 in underperforming hockey net operations)

Church Street Garage - March/April 2018

April stats: Utilization of 76% favorable to budget of 72%
Monthly rate customers favorable to budget by 600 at 11,700 YTD
Transient customers unfavorable to budget by 1,400 at 12,000 YTD
Qtr. 3 financials: Net Income slightly favorable to budget
Equipment maintenance and insurance expenses favorable to budget
Total year projection even with budget (less additional \$500,000 in equity pulled by CRDA to support operations at the XL Center)

Rentschler Field - March/April 2018

April stats: 116 event days held YTD with YTD attendance at 156,000
Qtr. 3 financials: Event revenue even with budget with \$100,000 unfavorable variance attributed to UCONN football offset with \$100,000 favorable budget variance with soccer game.
F&B revenue \$520,000 unfavorable to budget attributed to UCONN football
Expenses \$250,000 favorable to budget

For nine months, \$245,000 unfavorable to budget
 Total year projection \$350,000 unfavorable to budget of which \$250,000 is covered by UCONN
 \$100,000 unfavorable facility fee due to UCONN football attendance
 \$550,000 unfavorable F&B revenue due to UCONN football attendance
 Offset with \$100,000 favorable soccer game revenue and \$200,000 favorable with expenses

Residential Housing Initiatives – Total Contracted Loans: \$82.3M
 Current Disbursed: \$58.2M

Housing Committee

Michael Freimuth shared the updated project charts and asked Bob Saint to give a quick update on the housing projects:

- 81 Arch Street – 18% complete
- 370 Asylum Street – 53% complete
- 101 Pearl Street – 12% complete – demo and abatement done–waiting for revised schedule for completion date
- 111 Pearl Street – 14% complete – momentum picking up–waiting for revised schedule for completion date

Mayor Leclerc asked if other property owners are looking to renovate in order to compete with the new housing coming on line. Ms. Gosselin and Mayor Bronin indicated that there seems to be some interest regarding how to make upgrades to older housing units and how to finance those upgrades.

David Robinson asked for clarification regarding the variability in the CRDA dollars per unit. Mr. Freimuth explained the different variables that go into working through the financing for a project.

Mr. Freimuth gave a brief explanation regarding the following Allyn Street project. Although CRDA’s number is the same, the bank and the tax credit financiers have asked CRDA to go out ten years vs. five years. The request is as follows:

103-5, 109-21 Allyn Street - Update May 21, 2018

Project: Reconstruction and conversion of three vacant historic buildings into 66 units of Housing (39 studio, 24 1BR, 3 2BR) and 3750 sf retail space

Developer: Paul Khakshouri
 Allyn 88 LLC

Total Dev. Costs: \$17,574,451
 5,554,000 United Bank
 6,000,000 CRDA
 4,536,373 Boston Comm Cap/LISC bridge for fed/state historic credits
 1,255,115 Deferred Dev Fed
 228,963 Equity

Changes: The project is a market rate deal
 The project now has federal tax credits to close the budget gap
 CRDA no longer bridging historic credits
 CRDA terms adjusted from \$6M, 3% interest only, 5 yr term to \$6M, 3% interest only for 5 years, 3% P&I for years 6-10

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

“The executive director is authorized to amend the CRDA loan terms to allow for a ten-year term with the second five years at 3% P&I amortizing on a 30 year basis.”

Venue Committee

Chairwoman Hopgood explained that the XL Center item concerning the Trumbull Block will not be addressed in the Venue Committee report. Andy Bessette reported on the following Venue Committee items for May:

XL Center

- RFP – The RFP for the sale of the XL Center was issued on April 30th. Responses are due on June 30th.
- NCAA Basketball – Initial pre-sales for the March 2019 Tournament have begun, with XL selling over 4,000 tickets to date, the third highest among the 12 host cities.
- Concerts – Def Leopard and Journey kicked off their new tour at the XL Center on Monday, May 21st. The building will host Elton John, The Eagles, Maroon 5 and J Cole this fall and tickets are also on sale for Fleetwood Mac next March.
- Admissions Tax Legislation – Legislation restoring the XL Center’s exemption from the State admissions tax was passed by the Finance Committee this session, but the provision never made it in to the final budget bill. There are concerns about what impact the tax will have on the building’s finances, as promoters warn it could deter acts from playing XL in the future.

Pratt & Whitney Stadium

- Women’s Soccer – Tickets will go on sale soon for the Tournament of Nations Women’s soccer tournament to be held on Sunday, July 29th. The event will feature two games –Japan vs. Brazil in the afternoon, followed by the United States vs. Australia in the evening.
- Field Replacement – As noted at the last meeting, the Stadium field reseeding project is underway. The field was stripped and seeded in late April and the grass has started to fill in. Weather conditions have been favorable and the plan is to have the field ready for the July 29th soccer game. Bob Saint gave a brief explanation about the reseeding.

Dillon Stadium

- Bob will have an update on Dillon construction activities later in the meeting. The project has received City Council approval and is now making its way through the Planning & Zoning process. CRDA, the City and Hartford Sports Group continue negotiations on the various legal documents required for the renovation and operation of the facility. The budget and tight schedule remain areas of concern.

Convention Center

- The Convention Center hosted 2,400 people for the State Democratic Convention last weekend and received glowing reviews for the event. The building is moving into its slow season however, it will host a number of events throughout the summer, including the popular ConnectiCon convention in July.

There are a number of water leak issues on outside walkways that need to be addressed and funding will be requested when the State Bond Commission is next scheduled to convene. A capital repair program to address issues in the parking garage is currently underway.

Neighborhood Committee

Mr. Freimuth gave a brief update regarding the following projects with regard to the Neighborhood Committee projects:

Bowles – wrapping up demolition and close out agreements

Bracket Knoll – meetings happened today, May 24th. The road design is finishing up, bid documents are expected on June 1st. RFP will be sent out approximately two weeks later.

SWIFT Factory – Construction management will start mid-June.

Albany Avenue – CRDA's funds have been transferred to DOT.

Hartford Heritage Homes

Mr. Freimuth presented the Hartford Heritage Homes project that was vetted by the Neighborhood Committee on May 11, 2018. The summary below includes the funding request and project benefits for the restoration of historic homes at 115 and 117 Sigourney Street and four new townhomes on Hawthorn Street.

Hartford Heritage Homes consists of the rehabilitation of two blighted historic homes on Sigourney Street and the construction of four new townhomes on Hawthorn Street. In total, eight units will be created, five single-family homes and one three-family home. The project is part of the homeownership development strategy of Northside Institutions Neighborhood Alliance ("NINA"), a nonprofit community development corporation whose mission is the revitalization of Hartford's Asylum Hill neighborhood.

Over the last ten years, NINA has built or rehabilitated over twenty homes for sale in Asylum Hill. The historic homes at 115 and 117 Sigourney Street will be restored to their original use as a single-family home and a three-family home. The four new townhomes on Hawthorn Street will be constructed to complement the Gothic Revival home immediately behind the development site. This home was built by John and Isabella Beecher Hooker in 1855 and is one of the most historic homes in Hartford. It was Mark Twain's original Hartford residence before he built his famous mansion on Farmington Avenue.

Funding commitments are substantially in place to enable construction to begin this summer on the historic homes on Sigourney Street and the two new townhomes at 86 and 88 Hawthorn Street. NINA now seeks CRDA support to complete this development by constructing the two remaining townhomes at 80 and 82 Hawthorn Street.

CRDA Funding Request:

- \$450,000 (\$300,000 grant/ \$150,000 loan)

- \$300,000 grant will subsidize the construction of the new townhomes on Hawthorn Street.
- \$150,000 loan (proposed terms: 4%, 24 months) will help finance the renovation of the historic homes on Sigourney Street. CRDA loan will be repaid from State Historic Homes tax credit proceeds earned on the project.

Project Benefits:

- Transit-oriented development: the homes are all within walking distance of the CTFAstrak station at Sigourney Street.
- Leveraged investment: CRDA funds will be leveraged with over \$2.2 million of additional investment from Aetna, The Hartford, USC, Eversource, and the State DOH.
- Neighborhood revitalization: the project will continue the positive momentum underway in the area which has included the construction of new or newly-renovated homes on Imlay, Laurel, and South Marshall Street.
- Historic Restoration: two blighted historic structures listed on the State Register of Historic Places will be restored as owner-occupied homes.
- Historic Infill: the new townhomes are designed to complement the adjacent Gothic Revival mansion on Hawthorn Street, Mark Twain's first home in Hartford.
- Increased homeownership: the homes will provide opportunities for moderate-income families to own homes in Asylum Hill, a neighborhood with a *very* low rate of homeownership.
- Experienced Developer: NINA has built or restored over 20 homes for sale in Asylum Hill over the last decade and received numerous awards and accolades for its work.
- Demonstration Project: The Hawthorn Street townhomes could serve as a model for other townhome developments in Hartford including the Capitol Avenue blocks between Main Street and the State Capitol.

Hartford Heritage Homes -By the Numbers:

- Four new townhomes, two restored historic homes
- Six homes for sale (5 single-family homes and 1 three-family)
- Each home: 3BR/2.5 Baths with generous living space ranging from 1,838 to 2,667 sf
- Total development cost: \$2,804,036/\$350,505 per unit
- Projected Sales Proceeds: Single-Family Homes - \$1,000,000/\$200,000 per home;
Three-Family Home - \$290,000
- CRDA Funding Request: \$45,000/\$55,000 per unit

The following motion was moved by Andy Bessette, seconded by Joanne Berger Sweeney and approved.

“Whereas Northside Institutions Neighborhood Alliance (NINA) has actively been restoring homes for homeownership since 2006;

Whereas NINA has acquired considerable experience and expertise in redeveloping vacant homes and has been honored for its work;

Whereas NINA has matched its efforts to those of the public sector including linking home ownership opportunities to the transit system (Ct Fast Trak and bus way);

Whereas NINA has requested assistance from CRDA for the creation of eight new housing units, 6 ownership, 2 rentals, the project being known as Heritage Homes;

Whereas five single family homes will be restored/developed and one 3 family home with a home owner and the total development cost is \$2.8M;

Whereas NINA requested \$450,000 from CRDA to undertake this first phase of CRDA related projects and \$2,050,000 for a total of \$2.5M for a wider CRDA/NINA homeownership effort;

Whereas the Neighborhood Committee of the CRDA Board reviewed the proposal(s) at its May 11, 2018 meeting and adopted a resolution recommending the program;

Now Be It Resolved that the Executive Director is to work with NINA to establish a homeownership program of up to \$2.5 Million, with the first \$450,000 to be allocated to the Heritage Home project at 115-117 Sigourney Street and 80-88 Hawthorn Street with subsequent funding to be reviewed and approved by the CRDA Neighborhood Committee and full CRDA Board as individual projects are presented.”

690 Albany

Due to the nature of the project being housing, Mr. Freimuth and Chairwoman Hopgood suggested that the following project go through the Housing Committee as well as the Neighborhood Committee.

Mr. Freimuth introduced Emily Wolfe, Executive Director of Sheldon Oak to present the 690 Albany project. Ms. Wolfe presented the project to inform Board members about the work that has been already been done and to ask the Board, through the Neighborhood Committee, to review the project for future funding.

Mayor Bronin asked to say a few words on behalf of the project indicating that Sheldon Oaks has the most successful efforts to stabilize and revitalize a neighborhood with a series of redevelopment that has changed the neighborhood. He added that this project has the possibility to have a catalytic effect.

Ms. Wolfe explained that the property consists of two legal parcels, the small retail-only building at 690 Albany Avenue and the three-story mixed-use building at 696-714 Albany Avenue.

There were contaminants detected which have lead to the need to demolish the building at 690 Albany and use the parcel to provide parking and landscaped green space. Funding is also being requested for the mixed-use building for residential rents that are market rents.

Ms. Wolf indicated that work regarding Zoning, Brownfields Funding has been ongoing over the past year.

Executive Director Report

Michael Freimuth reported on the following items:

Bushnell Garage – the FY2019 State Budget secured \$16M for the Bushnell Garage which will allow for construction and development on Capitol Avenue.

Hartford Regional Market – Last month the discussion regarding the MIRA property was to try to accommodate both of the proposals responding to the RFP at the Marketplace and at MIRA. Both Sardilli and Freshpoint have responded to the proposals. Sardilli is currently looking at suburban sites, and it is not clear whether we will be able to put something together long term. The Conveyance Bill transferred the property to CRDA in order to redevelop the Regional Marketplace. Mr. Sardilli has indicted that he is not interested in the MIRA site.

Mr. Freimuth presented maps of the property to show Board members the parcels so they can better understand the area.

Trinity Downtown – Trinity President Joanne Berger Sweeney announced that Trinity Downtown opened on Constitution Plaza. She added that within the building at Constitution Plaza, is the Liberal Arts Action Lab which is a project between Trinity College and Capital Community College’s faculty and students working together on city neighborhood projects as consultants.

Adjourned at 7:55

“The minutes of the May 24, 2018 CRDA Board Meeting were moved by David Jorgensen seconded by Kiley Gosselin and approved by Board Members at the June 21, 2018 CRDA Board Meeting with the following correction (page 10 of 5/24/18 minutes) to the address on the Hawthorn Street project to read 80-88 Hawthorn Street.”

*“Now Be It Resolved that the Executive Director is to work with NINA to establish a homeownership program of up to \$2.5 Million, with the first \$450,000 to be allocated to the Heritage Home project at 115-117 Sigourney Street and **80-88** Hawthorn Street with subsequent funding to be reviewed and approved by the CRDA Neighborhood Committee and full CRDA Board as individual projects are presented.”*

**Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103
Thursday, June 21, 2018
6:00 pm**

Board Members Present: Chairwoman Suzanne Hopgood; Kiley Gosselin; David Jorgensen; David Robinson; David Kooris; Michael Matteo (phone); Nick Lundgren; Kerry Kelley; Glendowlyn Thames

Board Members Absent: Andy Bessette; Joanne Berger Sweeney; Mayor Luke Bronin; Mayor Marcia Leclerc; Jim Redeker

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

Guests: Emily Wolf, Executive Director Sheldon Oaks; Cal Vinal, President & CEO, Capital for Change; Eileen Buckheit, Town of East Hartford

Honor Spectra Employees

On behalf of the CRDA board of directors and staff, Chairwoman, Suzanne Hopgood honored three individuals credited with saving Hartford Police Officer Jill Kidik's life during a disturbance at Spectra Luxury Apartments with certificates of appreciation. Chris Lawrence, XL Center/Rentschler Field General Manager, presented them each with gift certificates to any performance of their choosing.

Jacqueline Marciano, Spectra assistant property manager and Jose Casanova, a Spectra maintenance worker, were present to accept the framed awards that read "In recognition of your heroic act of bravery that saved the life of Hartford Police Officer Jill Kidik on May 17, 2018". The third individual, Marvin Dixon was not available and Spectra General Property Manager, Laurie Waddell accepted the award and gift certificate on his behalf.

Call to Order & Committee Assignments

Chairwoman Hopgood read a statement regarding public meeting. The meeting was called to order at 6:03pm.

The CRDA Committees were restructured and Board members assignments follow. The Chairperson of the Full Board is a member of each committee.

Executive & Finance Committees

Suzanne Hopgood
Andy Bessette

Ben Barnes – OPM
Luke Bronin- Hartford Mayor

Housing & Neighborhood

Downtown projects within initial CRDA mission/scope
Neighborhood projects
Bushnell South project
DoNo efforts

Non-housing commercial projects, infrastructure, community dev projects, demo/site

Kiley Gosselin (Chair)	Nick Lundgren *
Mayor Luke Bronin	Paul Canning *
Joanne Berger Sweeney	Don Chapman*
Commissioner Evonne Klein	

Regional and Econ Dev Projects (NEW)

E. Hartford projects (Goodwin College Neighborhood, Rentschler area development, Silver Lane, Riverfront)
Newington (Nat'l Welding site)
Wethersfield (the Borden, Silas Deane)
Hartford Regional Market
Front Street District
TOD initiatives
Garage operations

Mayor Marcia Leclerc (Chair)
Commissioner Jim Redeker
Council President Glendowlyn Thames
Commissioner Catherine Smith

Venue

XL Center
Pratt & Whitney Stadium (Rentschler)
Convention Center
Dillon Stadium
Tennis Foundation of Connecticut

Andy Bessette (Chair)
David Robinson
Michael Matteo
David Jorgensen

* non-voting

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

"The CRDA Board hereby authorizes the restructuring of the Committee chairs and assignments as stated."

Minutes

The minutes of the May 24, 2018 CRDA Board Meeting were moved by David Jorgensen seconded by Kiley Gosselin and approved with the following correction (page 10 of 5/24/18 minutes) to the address on the Hawthorn Street project to read 80-88 Hawthorn Street.

*"Now Be It Resolved that the Executive Director is to work with NINA to establish a homeownership program of up to \$2.5 Million, with the first \$450,000 to be allocated to the Heritage Home project at 115-117 Sigourney Street and **80-88** Hawthorn Street with subsequent funding to be reviewed and approved by the CRDA Neighborhood Committee and full CRDA Board as individual projects are presented."*

Mayors Reports

Kiley Gosselin reported the following update for Hartford's Mayor Luke Bronin:

- DONO RFP: the RFP is officially complete and was awarded to Randy Salvatore who is working on design concepts.
- Homestead Demolition – Demolition is underway and is being prepared for redevelopment. Crop One is a California based Hydroponics company slated to take over vacant space and develop a large growing facility with a commitment to hire 25% of Hartford residents with a commitment to hire more.
- Dillon Stadium: City is in active negotiations with CRDA and Hartford Sports Group (HSG) to finalize agreements. Design and predevelopment work are ongoing.
- Opportunity Zones – working with partners to put together some marketing materials and to find where opportunities exist within those zones.
- Park & Main RFP --The City received two proposals in response to the RFP for the redevelopment of those City owned parcels CIL was selected. Working with CIL to develop a workable proforma.
- Hartford Rail Line -- is an important and exciting component for the City of Hartford and we've already seen an increase in both business owners as well as real estate investors that have started to show interest in properties, not just near the train station but in Hartford in general.
- Lime Bike – Dock free pedal bikes now available throughout the City.

Eileen Buckheit reported on the following Development Projects for East Hartford:

- Received the go ahead from Town Council to start negotiations with National Amusements on the Showcase Cinema site. Working on a purchase and sales agreement. National Amusements requires a 90 day deadline and the town is working to meet that deadline.
- The second public hearing was held for the Silver Lane Community which went well and received positive feedback. The land use part of the survey is wrapping up and the Town is now moving onto the transportation study with Milone and McBroom. Working with CRDA on the investment to fill in the gaps for sidewalks, bus shelters, handicapped accessibility and some new landscaping on Silver Lane.
- Goodwin College has RFP out for the hotel and conference center and is due back the second week of July.

Finance

CRDA's CFO Joseph Geremia reported on the following for Financial update for June 2018:

Fiscal Year 2018 Operating Statistics

CT Convention Center – April/May 2018

May stats: 217 event days held YTD with YTD attendance at 328,000

April financials: Rental and F&B revenue favorable compared to budget
Utility expenses and Salaries slightly unfavorable to budget
Total year projection approx. \$150,000 favorable to budget

CRDA Parking Facilities – April/May 2018

May stats: Utilization favorable to budget at 82%

Monthly rate customers favorable to prior year by 6,700 at 35,200 YTD

Transient customers favorable to prior year by 3,400 at 434,400 YTD

April financials: CTCC consumer shows, hotel overnight, and transient revenues favorable compared to budget.

Total year projection approx. \$400,000 favorable to budget.

XL Center - April/May 2018

May stats: 115 event days held YTD with YTD attendance at 453,300

April financials: Event revenue \$1.3M unfavorable to budget

Hockey operations \$55,000 unfavorable compared to budget

Operating expenses \$475,000 favorable compared to budget

Total year projection approx. \$900,000 unfavorable to budget

(Includes \$350,000 attributed to new event admissions tax effective Dec. 1, 2017, \$700,000 attributed to seven cancelled/unsuccessful event bids, and \$200,000 in underperforming events)

Church Street Garage - April/May 2018

May stats: Utilization of 76% even with budget

Monthly rate customers favorable to budget by 700 at 12,800 YTD

Transient customers unfavorable to budget by 1,400 at 13,300 YTD

April financials: Transient and monthly rate customer revenues favorable to budget

Total year projection even with budget

P&W Stadium - April/May 2018

May stats: 133 event days held YTD with YTD attendance at 160,300

April financials: Event revenue even with budget with \$100,000 unfavorable variance attributed to UCONN football offset with \$100,000 favorable budget variance with soccer game.

F&B revenue \$550,000 unfavorable to budget attributed to UCONN football

Expenses and Other Income \$275,000 favorable to budget

Total year projection approx. \$275,000 unfavorable to budget

Bank of America-Bond Debt Agreement

Joseph Geremia reported that an extension of the current agreement for the Series B Bonds that were issued in 2004 is set to expire August 2018. The extension is necessary to provide liquidity for the purchase of Series B Bonds.

The following motion regarding the third amendment to the amended and reinstated standby Bond Purchase Agreement (“Standby Bond Purchase Agreement”) was moved by David Jorgensen seconded by Nick Lundgren and approved.

RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE CAPITAL REGION DEVELOPMENT
AUTHORITY AUTHORIZING EXTENSION OF THE AMENDED AND RESTATED STANDBY
BOND PURCHASE AGREEMENT IN EFFECT WITH RESPECT TO ITS REVENUE BONDS, 2004
SERIES B, AND AUTHORIZING RELATED AGREEMENTS

BE IT RESOLVED by the Board of Directors of the Authority as follows:

Section 1. The extension of the Amended and Restated Standby Bond Purchase Agreement with Bank of America, N.A. (the "Bank"), in effect with respect to the Authority's Parking and Energy Fee Revenue Bonds, 2004 Series B (the "Bonds"), in accordance with the terms and conditions contained in the draft Fourth Amendment to Amended and Restated Bond Purchase Agreement among the Authority, U.S. Bank National Association, as Trustee and Tender Agent and the Bank, as presented to this meeting, be and it hereby is approved, subject to obtaining the approval of the State acting by and through the Secretary of the Office of Policy and Management and the State Treasurer.

Section 2. The Amended and Restated Fee Letter between the Authority and the Bank, in the form presented to this meeting, be and it hereby is approved.

Section 3. The proper officers of the Authority are hereby authorized to execute and deliver, in the name of the Authority, the Fourth Amendment to the Amended and Restated Standby Bond Purchase Agreement to effect such extension and the Amended and Restated Fee Letter, in the forms or substantially the forms presented to this meeting, with such further changes and additions as such officers shall approve, such approval to be conclusively evidenced by their execution and delivery of such Fourth Amendment to the Amended and Restated Standby Bond Purchase Agreement and Amended and Restated Fee Letter.

Section 4. The proper officers of the Authority be and hereby are authorized to deliver to the Remarketing Agent a Remarketing Supplement with respect to the Bonds and reflecting the Amended and Restated Bond Purchase Agreement, in the form or substantially the form of the draft thereof presented to this meeting, with such further changes and additions as such officers shall approve.

Section 5. The proper officers of the Authority are hereby authorized to do and perform such acts, and execute and deliver, in the name of the Authority, such additional instruments, agreements and certificates, with respect to the 2004 Series B Bonds, as they deem necessary or appropriate to carry into effect the intent of the foregoing resolutions, and as shall not be inconsistent with the foregoing resolutions.

Section 6. For purposes of this resolution, the "proper officers" of the Authority shall be the Chairman, the Vice Chairman, the Secretary, the Treasurer, the Executive Director and the Assistant Director of the Authority, and each or any of them.

Section 7. This resolution will take effect immediately.

Housing Committee

Michael Freimuth indicated that construction continues on Arch St.; 101 & 111 Pearl Street; 289 Asylum. A resolution for the Radisson project is almost complete. Colt Armory is ready to close. 28 High Street continues to work through the process to get to the closing table. Wyllys Street is lagging behind due to tax interpretations that are seeking resolution.

The following projects that are outside of new CRDA Capital Bonding have closed in the last month which include the Borden in Wethersfield on the Silas Deane; 241 Asylum and 289 Asylum.

Venue Committee

The Venue Committee had a conference call on June 1, 2018. Michael Freimuth reported on the following:

Convention Center

- ConnectiCon begins July 13; Riverfront fireworks are on July 14.

TFC

The agreements between the U.S. Tennis Association as well as the Women's Tennis Association are complete. The Agreement with the Tennis Foundation of CT is close to completion.

Pratt & Whitney Stadium

- Due to the aging field, it was stripped to subsoils, new soil was imported and then reseeded.

Dillon Stadium

- CRDA has a license agreement with the City giving permission to begin construction at Dillon Stadium and convert the building. Newfield Construction has been selected as the construction manager and is mobilizing to get bids for the various elements of the project. The "Use Agreement" between the City, HSG, and CRDA, regarding the operations of the facility, is being worked on by legal counsel and should be completed in the next few weeks.

XL Center

- Church Street Garage elevators have been replaced; XL freight elevator is up and running; CRDA construction staff are beginning to work on escalators in the atrium; and will soon begin to replace lighting system and chiller systems.
- The critical question is the acquisition of the Northland "Trumbull Block". Previously the Board adopted a resolution authorizing CRDA to do so.
- The resolution before the Board is a reaffirmation of the reasons CRDA believes the Trumbull Block is important to the XL.

After a lengthy discussion, the following resolution was moved by Kiley Gosselin seconded by Michael Matteo and approved.

WHEREAS, pursuant to Section 32-602(a)(7) of the Connecticut General Statutes, one of the purposes of the Capital Region Development Authority (the "Authority") is to stimulate economic development in the City of Hartford and the towns contiguous thereto;

WHEREAS, pursuant to Section 32-602(d)(3) of the Connecticut General Statutes, with respect to Capital City Projects as defined in Section 32-600(2)(C) of the Connecticut General Statutes, 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 has determined that the redevelopment of the XL Center is necessary to stimulate economic development in the City of Hartford and the surrounding region by creating a facility that will attract additional events, increase the number of patrons attending XL Center events and neighboring businesses, and provide patrons a better entertainment experience;

WHEREAS, the Authority engaged SCI Architects, P.C. (“SCI”) to conduct a study of the XL Center focused on construction feasibility and program development;

WHEREAS, SCI presented the results of its study in a report dated February 19, 2015;

WHEREAS, SCI concluded in that report that the “XL Center’s functionality and ability to generate revenue are severely limited by its age, obsolete design, mechanical systems, limited size of the current building footprints, narrow concourses, limited fan amenities, shortage of restrooms and ADA deficiencies” and that “most of the overall mechanical, electrical and plumbing infrastructure is in poor condition”;

WHEREAS, SCI prepared a concept plan for redevelopment of the XL Center that includes the acquisition of a portion of the property of Northland Two Pillars, LLC or affiliated entities that abuts the XL Center (the “Additional Property”);

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

WHEREAS, on December 8, 2016, the Authority’s Board of Directors approved a final concept plan for the XL Center (the “Final Concept Design”);

WHEREAS, in June, 2017, the Connecticut General Assembly in Section 378(f)(1) of the June Special Session, Public Act No. 17-2 (the “Act”) specifically authorized the proceeds of the sale of certain bonds to be used for the XL Center, for “[a]lterations, renovations and improvements to improve operational efficiency, to increase facility revenues, to modernize security systems and operations, and to improve the overall sport, entertainment and exhibition value of the XL Center in Hartford, including capital improvements, acquisition of abutting real estate and rights of way, tenant and fan amenities and necessary infrastructure connections, not exceeding \$40,000,000”;

WHEREAS, on November 29, 2017, the Connecticut State Bond Commission authorized the issuance of bonds in the amount of \$40,000,000 to meet the objectives with regard to the XL Center stated in the Act, including but not limited to, capital improvements and the acquisition of abutting real estate and rights of way, tenant and fan amenities and necessary infrastructure connections;

WHEREAS, on February 8, 2018, the Authority resolved to authorize its Executive Director to proceed with plans to redevelop the XL Center in accordance with the approved Final Concept Design, including the acquisition of the Additional Property, subject to the available funding under the Act;

WHEREAS, the Authority has determined that, commensurate with the available funding of \$40,000,000 currently authorized for the XL Center redevelopment, and in order to meet modern safety and operational requirements for public facilities, it must undertake a portion of the Final Concept Design as evaluated by SCI attached hereto as Exhibit 1 (the "Evaluation Report"); and

WHEREAS, the Evaluation Report includes the acquisition of the Additional Property, and the Authority has reaffirmed that the acquisition of the Additional Property is necessary.

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

1. That it approves the Evaluation Report and Findings;
2. That it reaffirms the acquisition of the Additional Property by the Authority to effectuate the Evaluation Report and Findings; and
3. That it authorizes its Executive Director to proceed with plans to redevelop the XL Center in accordance with the approved Evaluation Report and Findings, including the acquisition of the Additional Property.

Neighborhood Committee

Mr. Freimuth gave a brief update regarding the following projects with regard to the Neighborhood Committee:

Bowles Park – mostly complete, storm drain issues still being worked on.

Brackett Knoll – waiting for final comments regarding road design from Comcast, Frontier, Eversource and MDC. Close to going out to bid. Working through the discussion regarding trees.

SWIFT – Construction will begin in July.

Albany Ave. – Transferred CRDA funds to CTDOT

Charter Oak Health Center, Inc.

Michael Freimuth explained that the Charter Oak Health Center, Inc. project is working to enhance its delivery of specialist care for patients through the renovation of the 32 Grand Street building.

CRDA grant funding will contribute to the renovation of 32 Grand Street, a building that is across the street from the main clinic at 21 Grand Street. The renovation of the building itself is a necessary and vital component towards the provision of high quality health care services. Within the newly renovated building, the plan is to 1) offer a wide variety of specialty services to patients that have previously been difficult patients to access; and 2) provide enhanced care coordination services to the most seriously ill patients through the use of Community Health Workers.

The following motion was moved by David Robinson, seconded by Nick Lundgren and approved.

"The CRDA Board of Directors authorizes the Executive Director to apply to the State Bond Commission for \$450,000 from the 'neighborhood/citywide designed funds' as authorized by the State General Assembly in order to provide a grant in aid to Charter Oak Health Center to fund the renovation of a vacant building at 32 Grand St into a specialty clinic as well as make improvements to lots at 35 and 40

Grand Street, Hartford, CT subject to 1/ City of Hartford approval of the facility/land use and zoning; 2/all necessary funding being secured to complete the project; and 3/ such fiduciary assurances as deemed necessary by the Executive Director and CRDA counsel.”

Albany and Vine Project, Hartford

Michael Freimuth explained that the Albany and Vine project includes the redevelopment of two parcels on Albany Avenue (between Vine and Magnolia Streets) in Hartford. The developer, Sheldon Oak, intends to purchase a three-story mixed-use building at 696-714 Albany and a one-story retail building at 690 Albany. The mixed-use building would be renovated to create eight units of housing (4 market rate, 4 affordable) atop 3,500 sf of retail space. Due to environmental issues, the existing retail building would be demolished and the site cleared for parking and landscaped green space.

These buildings sit adjacent to 4-40 Vine Street, a \$23 million 10-building apartment renovation project completed by Sheldon Oak in 2015, The State is also undertaking a \$30 million streetscape improvement project in this area. The parcels to be acquired have not been adequately maintained and have become a center for illegal activities, hampering these community revitalization efforts. The City has asked for CRDA’s assistance in addressing the situation.

CRDA is requesting neighborhood funds authorized under Section 13(g)(1) of PA 15-1, June Special Session to provide a grant or equity to Sheldon Oak for the project.

Financing:

CRDA	\$ 2,237,580 (initial, not to exceed \$2.5M)
C4C Loan	420,000
Home Grant (City)	743,104
DECD Brownfield	532,560
State Historic Credits	822,880
Upper Albany Façade	100,000
Energy Subsidy	90,000
<u>Developer/Investor Cash</u>	<u>250,000</u>
TDC:	\$5,196,124

Michael Freimuth introduced Sheldon Oaks Executive Director Emily Wolf to further explain the Albany and Vine project. Cal Vinal shared his expertise with regard to the neighborhood and the transformation needed to reform the city block.

After a lengthy discussion, the following motion was moved by David Robinson, seconded by Nick Lundgren and approved.

“The CRDA Board of Directors authorizes the Executive Director to invest up to \$2.5 million in ‘neighborhood/citywide’ funds as an equity contribution to the redevelopment of 690-714 Albany Avenue into eight units of housing, fifty percent as affordable and 3500 square feet of renovated retail space by Sheldon Oak Housing Development Corporation or a single purpose entity acceptable to the Executive Director providing 1/ such funds are authorized by the State Bond Commission; 2/ all funding necessary to complete the project is secured; and 3/ such fiduciary terms as deemed necessary and appropriate by the Executive Director and the CRDA counsel.”

Executive Director Report

Michael Freimuth asked Eileen Buckheit, Economic Development Director for the Town of East Hartford, to report on the Goodwin College Storm Water Drainage Improvement Project.

Installation of new storm drainage between Main Street, Connecticut State Route 2 and the Connecticut River in order to manage storm and flooding issues in the area planned to be redeveloped by Goodwin College including the initial phases of housing totaling 90 units, a 66-room boutique hotel and associated mixed use development along Main Street.

Funding: \$4 million Grant in Aid for Infrastructure
Request: East Hartford/CRDA Development Funds
Section 389(f)(2), PA 17-2

The project has been in the planning for several years and is critical in order to accommodate economic development in E. Hartford along the riverfront and Goodwin College areas. It was presented by Mayor Leclerc to the CRDA Board at its May 2018 meeting.

The project has been designed in accordance with State DEEP Storm water Quality requirements, the Town of E. Hartford guidelines and MDC requirements and will be undertaken in two segments: the Ensign Street drainage improvements and the Kings Court drainage improvements and will include landscaping, reduced potable water demand and innovative water management practices.

The following motion was moved by David Kooris, seconded by Kiley Gosselin and approved.

“The CRDA Board of Directors authorizes the Executive Director to apply to the State Bond Commission for \$4Million from the designated East Hartford/CRDA Capital Authorizations within the State Biennial Budget (2017-19) in order to provide a grant in aid to the Town of East Hartford for purposes of the Goodwin College Storm Water Drainage Improvement Project; to enter appropriate assistance agreements with the Town of East Hartford; and to construct the public works in accordance with State, municipal and MDC requirements.”

MIRA Lease – it is recommended that the MIRA property will be leased through CRDA to the user, Sysco FreshPoint. Another bidder Sardilli, withdrew from the bid process indicating they were looking at other sites.

Bushnell – Konover has put their properties including 55 Elm, out to bid, the status of the responses is unknown.

10 Clinon – CRDA is putting out a request for design services to begin the “garage project”. The former Health Department is being demolished where the garage would be built.

Board Meetings – July Board meeting is Call of the Chair. There is no meeting in August.

Adjourned at 7:40

“The minutes of the June 21, 2018 CRDA Board Meeting were moved by Evonne Klein, seconded by David Jorgensen and approved at the September 20, 2018 CRDA Board Meeting.”