

**Capital Region Development Authority**

**100 Columbus Boulevard**

**5<sup>th</sup> Floor**

**Hartford, CT 06103**

**Thursday, April 16, 2020**

**3:00 pm – Conference Call**

*(The Board Meeting was held via telephone with public accessibility)*

**Board Members Present:** Chairwoman Suzanne Hopgood; Andy Bessette; Mayor Luke Bronin; Erik Johnson; Joseph Giuliatti; David Jorgensen; Alexandra Daum; Konstantinos Diamantis; Seila Mosquera-Bruno; Mayor Marcia Leclerc; David Robinson; Joanne Berger Sweeney

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

**Minutes**

The minutes of the February 20, 2020 CRDA Board Meeting were moved by Mayor Marcia Leclerc, seconded by David Jorgensen and approved on April 16, 2020, including the addition of the CT Regional Market FY2020 Six Month Budget, and with Alexandra Baum abstaining.

**Housing & Neighborhood**

CRDA Executive Director Michael Freimuth gave a brief explanation regarding amending the Capewell Lofts Note. The following modifications are being requested for the Loan/Note agreement and Master Lease agreement for 70 POP LLC (AKA Capewell Lofts).

***Capewell Lofts Development - 70 Pop LLC and CRDA Note***

**Issue:** A discrepancy exists within the legal documents, notes and mortgage governing the use of cash proceeds available at the close of individual operating years for the Capewell Lofts complex. Such discrepancy has caused disagreement between CIL/70 Pop LLC and CRDA concerning the application of cash proceeds to retire principle and interest on the CRDA Note versus the distribution of a priority return to the historic tax credit investor (NGM Insurance Co) and/or capital reserve account.

**History:** During the final packaging of the overall development budget, the federal historic tax credit program was unexpectedly impacted by the Boardwalk lawsuit challenging some of the fundamental operating procedures of the program concerning partnerships and the return of capital resulting from the sale/purchase of the credits. Consequently, funds generated by the tax credits were at risk and changes had to be made very late in the project's financing. Such changes also had to be made without clear guidance from the court or the IRS. To ensure that the credits were available, and the financing package could be closed (after nearly a decade of false starts while the complex physically deteriorated further), it was agreed that a priority return would be allowed to the tax credit investor ahead of payment on the CRDA loan. This was agreed to by CRDA with the understanding that such priority, though effectively putting equity ahead of debt, would be necessary to lock in the investor and its funds.

Due to these changes occurring near the end of the financing packaging, a variety of documents covering the complex financing package including the CRDA Note and the Master Tenant Operating Agreement were executed with differences within the definitions of cash flow, net operating income and priority return differs. As a consequence, 70 Pop has made payments to the investor while CRDA had expected such cash being distributed towards servicing the CRDA Note. This has caused the confusion

and disagreement in the servicing of the note and unless resolved by the parties, will continue until the five-year agreement, required by IRS rules, expires.

Solution: The simplest route to resolve this matter is to provide a CRDA Loan and Note Modification and provide consent for a modification to the Master Tenant Operating Agreement for the period of time required by IRS rules regarding the federal historic tax credit program and remaining in the investor agreement (through December 2022.)

The following motion was moved by Seila Mosquera-Bruno, seconded by Joanne Berger Sweeney and approved.

*“The CRDA Board of Directors approves modifications for the Loan/Note agreement and Master Lease agreement for 70 POP LLC (AKA Capewell Lofts) that clarify and adjust the payments to CRDA through 2022.”*

Mr. Freimuth explained the changes in the structure of the DONO – Parcel C project as follows:

### ***Downtown North (DoNo) - Parcel C***

Background:

- The first parcel of development in the City of Hartford’s Downtown North, other than the ballpark is Parcel C. The City selected RMS Companies as the developer for the area and the project at Parcel C was proposed as a 200 unit, new construction residential complex with a 300 car garage.
- There were a variety of legal challenges that prevented progress with the project that have now been resolved.
- The City Council recently approved a development agreement with RMS that governs the development and lease of the property, workforce housing and a payment in lieu of taxes agreement (PILOT).
- The State Bond Commission allocated \$12M to the project on Sep. 20,2018. In subsequent action, the State Bond Commission allowed the funds to be used either at Parcel C and/or D where demolition of the existing building has been planned. To date, CRDA has used \$200,000 of the funds for engineering investigation of the demolition of the Parcel D structure.
- The CRDA Board authorized the use of up to \$12M for the Parcel C development at its September 2018 meeting subject to subsequent review by the Housing & Neighborhood Committee and the full board of the deal’s terms.

Current Deal Structure:

- RMS now proposes a 270-unit residential complex (50 Jr 1BR, 130 1BR, 65 2BR) with a 330 car garage with a total development budget of \$56.1M. 27 units will be workforce housing defined by the city as available to tenants with up to 120% median income.
- The capital stack is \$36M bank financing, \$11.8M CRDA loan, \$1.7M bridge financing and \$6.6M equity.
- CRDA funds will be loaned at 3% interest only during construction and then once a certificate of occupancy is issued, CRDA construction loan will be converted to a 30 yr mortgage amortizing P&I at 3%.

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

*“The CRDA approves an \$11.8 million loan to RMS Companies (or acceptable single purpose entity) at 3% interest only during construction converting to a permanent loan amortizing at 3% principle and interest for 30 years subject to all funds being secured by the developer and such due diligence and fiduciary requirements as deemed necessary by the executive director and CRDA counsel.”*

## **Finance**

CRDA’s CFO Joseph Geremia, gave the following update for the Fiscal Year 2020 Operating Statistics.

### **Financial Update – April 2020**

#### CT Convention Center – February/March 2020

Mar. stats: 178 event days held YTD with YTD attendance at 229,500  
Feb.financials: Event revenue \$200,000 favorable to budget due to increase in F&B income  
Facility maintenance expenses \$70,000 unfavorable to budget  
Net Income \$140,000 favorable to budget

Capital Plan: Structure between 14 and 15 years old  
Next 3 year’s major systems’ repairs and replacement:  
Plumbing-hot water/sprinkler system (\$505,000), HVAC (\$215,000),  
Bldg. hardware/security (\$400,000), Lighting controls (\$175,000)

#### CRDA Parking Facilities – February/March 2020

Mar. stats: Utilization favorable to budget at 81%  
Monthly rate customers unfavorable to prior year by 700 at 28,700 YTD  
Transient customers unfavorable to prior year by 43,700 at 313,800 YTD  
Feb. financials: Transient and hotel guest revenue unfavorable to budget slightly offset with favorable  
Monthly rate customer revenue to budget  
Expenses favorable compared to budget due to utilities and snow removal savings  
Net Income \$80,000 favorable to budget

#### Capital Plan: Structures between 14 and 15 years old

CTCC - \$4M Project (Waterproofing \$3.1M, Drainage \$300K, Misc \$600K)  
\$1.3M completed (FY2018-FY2019) Remaining scheduled through FY2023  
FSN – \$750K (Waterproofing \$400K, Drainage \$100K, Misc \$250K)  
\$200K completed (FY2019) Remaining scheduled through FY2023  
CSC and FSS to be reviewed FY2021 and bid FY2023 & Beyond

#### Church Street Garage - February/March 2020

Mar. stats: Utilization unfavorable to budget at 67%  
Monthly rate customers unfavorable to budget by 600 at 9,900 YTD  
Transient customers unfavorable to budget by 3,700 at 12,100 YTD  
Feb. financials: Event revenue favorable to budget offset with unfavorable monthly rate customer  
revenue to budget  
Expenses favorable compared to budget due to utilities and snow removal savings  
Net Income \$100,000 favorable to budget

Capital Plan: Structure between 27 and 56 years old  
Concrete repairs (\$9.5M), Waterproofing (\$3.3M), Painting & Coating (\$1.3M),  
Drainage & Misc. repairs (\$1.6M)  
FY2021 (\$5M BC funded), FY2022 (\$2M Op funded), FY2023 & Beyond (\$9M unfunded)

#### XL Center - February/March 2020

Mar. stats: 101 event days held YTD with YTD attendance at 424,500

Feb. financials: Event revenue \$734,000 unfavorable to budget, of which \$642,000 is attributed to a lower than budgeted number of concerts and two underperforming concerts, \$145,000 is attributed to unfavorable attendance at UCONN basketball, and the remaining favorable variance of \$53,000 is attributed to the USA women's basketball and hockey games held  
Hockey operations \$19,000 favorable to budget  
Operating expenses \$708,000 favorable to budget due to event operating expense savings as well as savings in personnel due to vacant positions  
Other income \$145,000 unfavorable to budget due to slower sponsorship renewals  
Net income \$152,000 unfavorable to budget

**P&W Stadium at Rentschler Field - February/March 2020**

Mar. stats: 84 event days held YTD with YTD attendance at 86,700  
Feb. financials: Event revenue \$324,000 unfavorable to budget of which \$265,000 is attributed to lower than budgeted UCONN football attendance with the remainder attributed to the over-all F&B department  
Expenses \$76,000 favorable compared to budget due to personnel and maintenance savings  
Net income \$263,000 unfavorable to budget

**Future fiscal year major non-UConn event income:**

FY2021 – NCAA lacrosse final four. Bids for 2 USA soccer games.  
FY2022 – NCAA lacrosse final four. Bid for USA Ruby.  
FY2023 – Bid for USA soccer game.

**Capital Plan: Structure between 17 and 19 years old**

Next 3 year's major systems' repairs and replacement:  
Roof membrane (\$750,000), HVAC units (\$700,000), Structural re-caulking (\$415,000),  
Parking lot repairs (\$400,000), Tunnel repair (\$100,000)

**CT Regional Market**

Stats: 82 warehouse units and restaurant – Occupancy: 78% with 13 tenants  
Activity: Farmers' Market applications being taken for 2020 season  
Issued RFP for Property Management, Marketing, Leasing and Expansion Services  
Capital repairs and improvements continuing (bus station, boiler, water main)

**CRDA operating budget effective January 1, 2020**

Feb. financials: Operating revenue of \$110,000 with \$61,000 in operating expenses  
Net income of \$49,000

**Dillon Stadium – Calendar Year - March 2020**

Calendar year revised operating expense budget of \$250,000  
Feb. financials: Operating expenses of \$40,100 (16% of revised annual budget)  
Capital reserve balance: \$21,000

**FY2020 Independent Audit (Cohn Reznick)**

Interim Audit: April (virtual)  
FYE Audit: Mid July to Early September

**FY2021 Budget Process**

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

Andy Bessette suggested building budgets that assume different scenarios against “normal time” with reduction deficits of 75%; 50%; 35% and even 25%. This exercise would be helpful in the event that people don’t come back out to venues or events until there is a vaccine, testing or a treatment, perhaps not until 2021. Michael Freimuth agreed to examine this and put together the budgets as requested by the Board.

## **COVID-19 Update – April 2020**

### **CT Convention Center**

FY2020 event gross revenue cancellations of \$2,707,000 consisting over 56 events with 84,400 in estimated attendance

Projected FY2020 loss \$1,314,800 unfavorable to budget with COVID-19 cancellations

No confirmed events scheduled until July

FY2021 event gross revenue cancellations of \$1,041,000 consisting over 8 events with 16,400 in estimated attendance

	FY2020	COVID-19	
	Adopted Budget	Adjusted Budget	Notes
Total operating expenses	8,163,085	8,163,085	
Expense savings due to COVID-19 closure		(288,607)	
Expenses due to COVID-19 emergency facility		193,200	waste removal, post cleaning, engineering supplies, R&M, battery backup system
Net revenues from events	4,354,785	2,944,553	
State/CRDA appropriation	3,808,300	3,808,300	
Net operating results	-	(1,314,825)	
COVID-19 operating impact		(1,314,825)	Projected financial funding need

### **CRDA Parking Facilities**

\$1,425,000 in gross revenue loss due to event cancellations

Projected FY2020 loss \$1,067,500 unfavorable to budget with COVID-19 cancellations

### **Church Street Garage**

\$486,000 in gross revenue loss due to event cancellations

Projected FY2020 loss \$625,000 unfavorable to budget with COVID-19 cancellations

### **XL Center**

FY2020 event gross revenue cancellations of \$3,522,700 consisting over 16 events with 126,200 in estimated attendance

Projected FY2020 loss \$1,842,500 unfavorable to budget with COVID-19 cancellations

No confirmed events scheduled until August

FY2021 event gross revenue cancellations of \$1,275,000 consisting over 3 events with 39,000 in estimated attendance

	FY2020	COVID-19	
	Adopted Budget	Adjusted Budget	
Total operating expenses	7,429,565	7,429,565	
Net hockey operating expenses	464,155	847,846	lost 1.5 months of season with highest attendance and revenue capability
Expense savings due to COVID-19 closure		(591,808)	
Net revenues from events	5,622,194	3,971,776	
State/CRDA appropriation	800,000	800,000	
CRDA/Church St garage fund transfer	1,400,000	1,000,000	reduction in garage funding capacity due to lost parking revenues
Net operating results	(71,526)	(1,913,827)	
COVID-19 operating impact		(1,842,301)	Projected financial funding need

### **P&W Stadium at Rentschler Field**

FY2020 event gross revenue cancellations of \$488,400 consisting over 20 events with 47,800 in estimated attendance

Projected FY2020 loss \$393,200 unfavorable to budget with COVID-19 cancellations  
Estimated fiscal year OPM deficit funding need of \$831,000 with additional \$100,000 from Stadium Enterprise Fund

25 events scheduled within May and June with 41,300 in projected gross revenues

	FY2020	COVID-19	
	Adopted Budget	Adjusted Budget	
Total operating expenses	2,356,649	2,356,649	
Expense savings due to COVID-19 closure		(85,467)	
Net revenues from events	1,568,873	1,090,234	
UConn stadium expense funding	250,000	250,000	
Stadium enterprise fund transfer		100,000	
Net operating results	(537,776)	(830,948)	Projected financial funding need
COVID-19 operating impact		(293,172)	

### **CT Regional Market**

Farmers' Market opening delayed to May 1

### **Dillon Stadium**

Season opening home game delayed to May 16

Board Members agreed with Mayor Bronin that, in this environment, it may be a good time to start improvements to the XL Center.

### **Executive Director Report**

Michael Freimuth indicated that prior to the disruption of the Legislature, the following Capital Budget approvals were made. The following is a list of items approved by the Legislature, however these need Bond Commission approval.

#### **Capital Bonding Approvals**

CRDA  
FY2020/2021  
Capital Budgets  
PA 20-1: Effective 3/12/2020

Description	Section	FY2020	FY2021
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Alterations, renovations and improvements to the XL Center	2(g) / 21(e)	27,500,000	37,500,000
Grant-in-aid to the municipality of East Hartford for the purposes of general economic development activities	13(g) / 32(f)(1)	10,000,000	10,000,000
CRDA economic development for projects outside Authority's boundaries	32(f)(2)	-	10,000,000
		<hr/>	
		37,500,000	57,500,000
Informational Purposes (not CRDA directed) CT Municipal Redevelopment Authority To capitalize the Connecticut Municipal Redevelopment Authority		82 -	45,000,000

Michael Freimuth along with CRDA Legal Counsel Anthony Lazzaro described the following Board Resolution that authorizes the Executive Director to make decisions regarding businesses impacted by COVID-19.

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

***Board Resolution***

***WHEREAS***, on March 10, 2020, the Governor of the State of Connecticut issued declarations of public health and civil preparedness emergencies, proclaiming a state of emergency throughout the State of Connecticut as a result of the coronavirus disease (“COVID-19”) outbreak in the United States and confirmed spread in Connecticut;

***WHEREAS***, on March 15, 2020, the Governor of the State of Connecticut issued Executive Order 7C, as amended by Executive Order 7X, cancelling all public school classes, and consequently school lunch programs until May 20, 2020;

***WHEREAS***, on March 16, 2020, the Governor of the State of Connecticut issued Executive Order 7D prohibiting the on-premises consumption of food and beverage (alcoholic and non-alcoholic) at Connecticut bars, restaurants, and private clubs;

***WHEREAS***, on April 10, 2020, the Governor of the State of Connecticut issued Executive Order 7X providing protection for residential renters impacted by the COVID-19 outbreak, including sixty (60) day grace periods for April Rent and May Rent;

***WHEREAS***, many of the tenants at the Connecticut Regional Market provide food to public school lunch programs, restaurants, bars, and private clubs in the Hartford region;

***WHEREAS***, many residents of Connecticut are experiencing or will experience a significant loss of income as a result of business closures, reduced work hours or wages, or layoffs related to COVID-19, all of which affect their ability to pay their rent, and thus leave them vulnerable to eviction and increased amounts owed in the form of penalties, interest, and late fees, all of which cause potential risks to public health and safety; and

*WHEREAS, the Board of Directors finds it desirable to take the following actions in response to the COVID-19 outbreak and Governor Lamont's respective Executive Orders;*

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

- 1. That it authorizes the Executive Director with the approval of the Regional and Economic Development Committee to review and modify rental agreements with the respective tenants at the Connecticut Region Market on a case-by-case to reflect the impact of the COVID-19 outbreak on their respective businesses;*
- 2. That it authorizes the Executive Director with the approval of the Housing and Neighborhood Development Committee to review and modify various loan agreements with CRDA borrowers on a case-by-case basis to reflect the impact of the COVID-19 outbreak on the respective rent rolls; and*
- 3. That this resolution expires on September 30, 2020, unless modified by the Board of Directors.*

Mr. Freimuth presented the following MOU to the CRDA Board members regarding the use of the CT Convention Center being used as a private Healthcare Facility.

The MOU was approved by the CRDA Executive Committee on April 9, 2020.

The MOU governs the use of the CT Convention Center as an emergency hospital. The convention center has been turned over to DAS and Unified Command to manage the facility as a hospital. In the event that it becomes operational, it will be managed by Hartford HealthCare.



**MEMORANDUM OF UNDERSTANDING**

**Between**

**THE CAPITAL REGION DEVELOPMENT AUTHORITY**

**And**

**THE STATE OF CONNECTICUT  
DEPARTMENT OF ADMINISTRATIVE SERVICES**

THIS MEMORANDUM OF UNDERSTANDING (the “MOU”) is entered into this \_\_\_\_ day of April, 2020, by and between the Capital Region Development Authority, a body corporate and public constituting a public instrumentality and political subdivision of the State of Connecticut (“CRDA”) authorized by sections 32-601 and 32-602 of the Connecticut General Statutes and the State of Connecticut Department of Administrative Services (“DAS”) authorized by sections 4a-1, 4a-2, and 4b-1 of the Connecticut General Statutes, pursuant to the provisions of Connecticut General Statute Section 4b-29, as amended, and Governor Lamont’s Executive Orders 7J and 7U. (CRDA and DAS may collectively be referred to herein as the “Parties”).

WITNESSETH:

WHEREAS, on March 10, 2020, the Governor of the State of Connecticut issued declarations of public health and civil preparedness emergencies, proclaiming a state of emergency throughout the State of Connecticut as a result of the coronavirus disease (“COVID-19”) outbreak in the United States and confirmed spread in Connecticut; and

WHEREAS, during the current public health crisis, additional accommodations and facilities beyond what is currently available to DAS may be necessary to address the effects of COVID-19, including but not limited to, emergency housing, health care, and medical treatment; and

WHEREAS, CRDA is the de-facto owner and operator of Connecticut Convention Center, as defined in Section 32-600(3) of the Connecticut General Statutes; and

WHEREAS, the Governor has activated the State Response Framework in accordance with the National Incident Management System (NIMS), including full activation of the Governor’s Unified Command, State Emergency Operations Center, and, as part of the COVID-19 response operations, the Governor’s Unified Command desires to have a mechanism in place by which DAS may arrange with CRDA for the use of its Connecticut Convention Center for emergency health services and other activities in response to the COVID-19 emergency; and

WHEREAS, under NIMS, DAS is the state agency lead for Emergency Support Function 3, Public Works; and

WHEREAS, the Connecticut Convention Center may, at the direction and permission of DAS, CRDA, and the Governor's Unified Command, be used by private healthcare systems ("Healthcare System") to provide emergency health services; and

WHEREAS, in accordance with Governor Lamont's Executive Order 7U, the Connecticut Convention Center shall be considered a health care facility for purposes of civil liability;

NOW THEREFORE, in consideration of the foregoing recitals and mutual agreements and undertakings set forth below, the parties hereto hereby agree as follows:

1. PREMISES

This MOU will encompass all or portions of the Connecticut Convention Center, including the related parking facilities.

2. USE

The Connecticut Convention Center may be used to provide emergency shelter and housing, emergency health care and related services, and such other services as may be deemed necessary by DAS and/or the Governor's Unified Command in response to the COVID-19 emergency.

At the expiration or other termination of this MOU, DAS will surrender the Connecticut Convention Center in the same or improved condition as that existing at the beginning of the Term, except for reasonable wear and tear based upon good maintenance practices. DAS, or their contractors, shall be responsible for the removal of all its medical fixtures, including medical equipment and personal property within seven (7) days of the expiration of this MOU.

3. COSTS

CRDA, DAS, and the State Emergency Operations Center shall participate in the procurement of labor, equipment, or materials required to prepare and maintain the Connecticut Convention Center for the uses contemplated by this MOU and shall track any and all costs associated therewith (the "Service Costs"). Service Costs shall include, but not be limited to: utility costs, staff/vendor labor and material expenses, police or private security expenses, repairs or replacement due to damage to either state or CRDA property, reinstalling existing property that may have been removed as part of the facility conversion and other related cost incurred as a result of this MOU.

The Parties agree that Service Costs shall be reimbursed from disaster assistance funds to the extent that such funds are available. In the event CRDA, in consultation with DAS and OPM, reasonably determines that disaster assistance funds are not available, DAS and/or OPM agree to provide alternative funding for the unreimbursed Service Costs.

To the extent that Service Costs require immediate funding (i.e., funding Convention Center payroll), DAS and/or OPM agree to provide such funding within ten (10) days of receipt of written notice from CRDA.

4. TERM

The term of this MOU shall commence upon the date this MOU is approved by the Office of Policy and Management, and shall continue for an indefinite time until terminated as set forth herein. This MOU shall terminate within fourteen (14) days after the Governor revokes the current public health and emergency preparedness emergencies, or at such earlier or later date as the Parties agree, or the Unified Command determines is appropriate. This MOU shall not be binding on the Parties unless and until it is approved by the Office of Policy and Management.

5. OTHER AGREEMENTS

- a. The Parties agree that DAS or the Healthcare System may install temporary equipment, furniture and other tangible personal property as necessary to provide the emergency response services set forth herein. DAS, the State Emergency Operations Center, and/or the Healthcare System shall remove such temporary property at the termination of this MOU, in accordance with Section 2 of this MOU.
- b. The Parties agree that any CRDA staff or vendor that agrees to and does provide work under this MOU may provide the following services during the term of the MOU:
  - i. Maintenance of exterior of buildings
  - ii. Facility maintenance supporting building operations (e.g., HVAC)
  - iii. Contracted Security, if available, for the perimeter of the accessed spaces, supplemented by other sources as needed
- c. Center for Disease Control ("CDC") required protective equipment to avoid virus transmission will be provided within available inventory to all CRDA staff and contractors performing work with respect to services under this MOU that would expose them to persons with the virus. CRDA staff will not be required to perform work without CDC required protective equipment. Additionally, DAS agrees that the Healthcare System shall provide training to the staff and contractors regarding protocols, policies, and information required to conduct contracted activities during the public health emergency.
- d. If the CRDA cannot provide appropriate staff/contractor levels to support this MOU, DAS, the Governor's Unified Command, the State Emergency Operations Center and the CRDA will collaborate to supplement the work with other staff, including if necessary, outside vendors.
- e. DAS in collaboration with the Healthcare System will engage contracted food services and cleaning services for medical and all related areas.
- f. DAS, in collaboration with the Healthcare System and CRDA, will provide the Healthcare System with secure wireless and hardwired internet services while in service at the Connecticut Convention Center.

- g. In the event that any damages occur at the Connecticut Convention Center to public or private property by reason of this MOU, CRDA will invoice DAS for such reasonable repair or replacement; except that no such invoice will be sent for damage to the facilities caused by the negligent, reckless or intentional acts of the officers, employees or agents of CRDA.

6. AMENDMENTS


No changes, amendments, or modifications of any of the terms or conditions of this MOU shall be valid unless reduced to writing and signed by the Parties hereto, and approved by the Office of Policy and Management.

IN WITNESS WHEREOF, this MOU has been duly executed by the following parties:

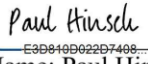
CAPITAL REGION DEVELOPMENT AUTHORITY

DocuSigned by:  
 By:   
 46ABE5E58B804430  
 Name: Michael Freimuth  
 Title: Its Executive Director  
 Date: 4/11/2020

DEPARTMENT OF ADMINISTRATIVE SERVICES

DocuSigned by:  
 By:   
 59274CBB6F1A416...  
 Name: Noel Petra  
 Title: Its Deputy Commissioner  
 Date: 4/11/2020

OFFICE OF POLICY AND MANAGEMENT

DocuSigned by:  
 By:   
 E3D810D022D7408...  
 Name: Paul Hinsch  
 Title: Its Director of Asset Management  
 Date: 4/11/2020

Bob Saint highlighted a few points related to Construction and the impact of COVID-19.

*Construction Report – COVID19 Impact*

- Reduction in labor force
- Delays of materials – especially out of state custom manufactured products
- Reduced productivity due to preventative measures
- Delays with inspections
- Difficulty getting design team members on-site to resolve issues
- Most of the impact to date has been relatively small.
- CM's have safety plans related to Covid-19, these plans are changing daily in response to the changing environment.

*New Market Tax Credit – CRDA Application*

Michael Freimuth explained to the Board that CRDA is working on a new initiative to find some new funds. CRDA is working with the towns of Hartford and East Hartford to put together an application to become a community development entity, that is a U.S. Treasury designation that allows CRDA to activate and participate in the New Market Tax Credit Program. The program focuses on commercial and mixed-use projects, and it is a way of raising equity for programs to marry up with CRDA funds. There is an application cycle underway and a team is being assembled.

Mayor Leclerc thanked Michael Freimuth for the continued work and would like to say that she appreciates the hard work that CRDA is doing and continuing to work on the projects despite the environment and difficulty of what everyone is currently going through. She added that she will echo Mayor Bronin's sentiments that if ever there was a time to start improvements to the XL Center, the time is probably now. It will get people back to work and may show signs that there is hope in the future.

Adjourned 3:59 pm.

*The minutes of the April 16, 2020 CRDA Board Meeting were moved by David Robinson, seconded by Andy Bessette and approved at the May 21, 2020 CRDA Board Meeting..*