

**Capital Region Development Authority**

**100 Columbus Boulevard**

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

**Hartford, CT 06103**

**Thursday, May 21, 2020**

**3:00 pm – Conference Call**

*(The Board Meeting was held via GoToMeeting with public access)*

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

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

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

**Guests:** Ben Weiss, General Manager, XL Center/Pratt & Whitney Stadium/Hartford Wolf Pack Business Operations - Spectra Venue Management  
Michael Costelli, General Manager, CT Convention Center – Waterford Venue Management

**Minutes**

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

**Housing & Neighborhood**

Erik Johnson noted that the Committee had not met but that it will soon convene to discuss several projects impacted by COVID issues.

**Finance**

CRDA CFO Joseph Geremia reported on the following Fiscal Year 2020 Operating Statistics:

CT Convention Center – March/April 2020

Apr. stats: 178 event days held YTD with YTD attendance at 229,500  
Mar. financials: Event revenue \$135,000 unfavorable to budget  
Facility maintenance expenses \$86,000 unfavorable to budget  
Net Income \$87,000 unfavorable to budget  
Total year projection \$1,794,500 unfavorable 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 – March/April 2020

Apr. stats: Utilization at 79% unfavorable to budget by 1%  
Monthly rate customers unfavorable to prior year by 800 at 31,800 YTD  
Transient customers unfavorable to prior year by 88,700 at 313,800 YTD

Mar. financials: Revenue unfavorable to budget by \$349,000  
Expenses favorable compared to budget due to utilities and snow removal savings  
Net Income \$137,000 unfavorable to budget  
Total year projection \$1,053,800 unfavorable 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 - March/April 2020

Apr. stats: Utilization 3% favorable to budget at 75%  
Monthly rate customers favorable to budget by 525 at 11,600 YTD  
Transient customers unfavorable to budget by 4,100 at 9,300 YTD

Mar. financials: Revenue unfavorable to budget by \$12,000  
Expenses favorable compared to budget due to utilities and snow removal svgs  
Net Income \$14,000 unfavorable to budget  
Total year projection \$658,000 unfavorable 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 - March/April 2020

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

Mar. financials: Event revenue \$859,000 unfavorable to budget, of which \$697,000 is attributed to a lower than budgeted number of concerts and two underperforming concerts, \$99,000 is attributed to unfavorable attendance at UCONN basketball, \$167,000 is attributed to family events, and the remaining favorable variance of \$104,000 is attributed to the USA women's basketball and hockey games held  
Hockey operations \$145,000 unfavorable to budget  
Operating expenses \$796,000 favorable to budget due to event operating expense savings as well as savings in personnel due to vacant positions  
Other income \$184,000 unfavorable to budget due to lower sponsorship renewals  
Net income \$393,000 unfavorable to budget  
Total year projection \$1,703,500 unfavorable to budget

#### P&W Stadium at Rentschler Field - March/April 2020

Apr. stats: 84 event days held YTD with YTD attendance at 86,700

Mar. financials: Event revenue \$357,000 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 \$100,000 favorable compared to budget due to personnel and maintenance savings  
Net income \$23,000 unfavorable to budget

Total year projection of \$936,000 loss unfavorable to budget by \$399,000

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 opened for 2020 season on May 2  
Selected Property Management company  
Capital repairs and improvements continuing

CRDA operating budget effective January 1, 2020

Mar. financials: Operating revenue of \$210,143 even with budget  
Operating expenses of \$100,710 favorable to budget due to savings in facility mgmt. fee,  
snow removal, and repairs & maintenance  
Net income of \$109,433 favorable to budget by \$90,863

Dillon Stadium – Calendar Year - April 2020

Calendar year revised operating expense budget of \$250,000  
Mar. financials: Operating expenses of \$60,300 (24% of revised annual budget)  
Capital reserve balance: \$21,000

**Venues’ COVID-19 related issues**

- Mgmt. companies working with event promoters, leagues, and schools for event programming
- CRDA working with mgmt. companies on re-opening procedures and capital requirements
- CRDA working with OPM on venue cash flow requirements

**Venues’ Projected State Tax Loss Impact due to COVID-19 (Mar.13 through Jun. 30)**

<u>Impact by Tax Type</u>	<u>Impact by Venue</u>
Employer Payroll Tax \$ 47,449	Convention Center \$199,914
Sales & Use Tax \$365,951	Parking Facilities \$ 70,883
State Admissions Tax \$497,204	XL Center \$511,552
Total Taxes \$910,604	Rentschler Field \$108,250
	Church St Garage <u>\$ 20,005</u>
	Total Taxes \$910,604

**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 budgets with CRDA staff and Venue staff (June 3, 2020)
4. Full Board presented budgets for authorization (June 18)

## Venue

Michael Freimuth introduced Ben Weiss from Spectra Venue Management to give Board members insight into guidelines for reopening the venues including XL Center/P&W Stadium/Dillon Stadium.

Below is a snapshot of some of the considerations and operational areas that are the focus of how a plan is being developed for reopening the venues. As guidelines are recommended/mandated, the plan will be adjusted accordingly.

### A. Parking

- a. Lot time openings
- b. Tailgating/gathering in lots
- c. Parking configuration adjustments
- d. Parking lot staff and use of proper PPE and/or use of Plexi booths; Additional training

### B. Guest Ingress

- a. Considering assigning entrances based on ticket/seat location
- b. Utilize ground markings/signage/stanchions to promote distancing while patrons wait for entry
- c. Utilization of every other door to add to distancing during ingress; prop doors open where possible to reduce touch points

### C. Security Screening/Guest Experience

- a. Staff training regarding new guidelines
- b. Adjustments to mag/security checkpoints and set up
- c. Bag Policy and touch point reduction
- d. Floor markings and signage to maintain patron distancing as lines form
- e. Proper Staff PPE and Training
- f. Patron Sanitizing locations and Sanitizing teams/staff assigned to specific areas

### D. Concourse Management

- a. Concourse patron traffic flow and management
- b. Use of stanchions, particularly in front of concessions, to assist with lines and proper distancing
- c. Elevator management/protocols
- d. Adjustment to typical concourse patron congregation locations (including typical food/bev service points)

### E. Seating Bowl

- a. Model scenarios/event seating with distance seating
- b. Management of seats in the event we are using a distancing model
- c. Adjust protocols to address congestions at top of down aisles

### F. Merch

- a. Line management/stanchions/ signs
- b. Touchless payment options
- c. Staff PPE and distance training

- G. Food/Bev/Lounges
  - a. Menus; considering single use and/or digital
  - b. Limit touch points between staff and patron
  - c. Considering Plexi partitions at concessions
  - d. Staff Training (focus on hygiene and sanitation); Appropriate PPE
  - e. Tables/chairs at dining locations
  - f. Packaged products (condiments, beverages, utensils, etc)
- H. Cleaning Protocols
  - a. Cleaning Logs
  - b. New policies, procedures, equipment
  - c. Staff training
  - d. Increased cleaning staff pre, during and post event
  - e. Certification program
- I. Guest Initiatives
  - a. Communication on new policies
- J. Building Infrastructure
  - a. Enhancements to air quality/HVAC
  - b. Increased signage
  - c. Escalators/UV handrails
  - d. Room capacity adjustments
  - e. Reduction in touch points (doors, touchless payments, etc)
- K. Employee Initiatives
  - a. Guidelines/education/training on ways to reduce risk
  - b. Exposure protocols; Sick protocols
- L. Ticketing
  - a. Delivery method for tickets
  - b. Ticket scanning/purchasing
  - c. Staff/Sellers PPE
- M. Marketing
  - a. Communication Plan
- N. Sales Opportunities
  - a. New revenue opportunities/sponsorship activation opportunities

Michael Freimuth introduced Mike Costelli from Waterford Venue Services to present some of the re-opening considerations for the CT Convention Center.

#### I. Staff

- Documentation for return to work (liability, confirmation of training, etc.)
- Training Plan (overall and department specific)
- PPE requirements
- Scheduling (ramp up based on business requirements, etc.)
- Determine what associates may not be ready to return
- Breakroom, restroom, locker room protocols
- Evaluate time clock (currently touchscreen)
- Evaluate potential uniform challenges

#### II. Building/General

- Signage for Covid specific issues
- Appropriate protocols for entrances and exits
- Public space furniture (placement and type)
- Capital Investment Plan (UV lights for escalators, air quality control, automatic doors,function room tables, cleaning equipment, etc.)
- Review all new and developing State mandated requirements
- Develop S.O.P. for public access (temperature taking, liability releases, etc.)
- Develop new staffing levels for required cleaning and policing of Covid specific regulations
- Develop new room capacities
- Traffic patterns for public space
- Review any new necessary requirements and certifications for outside third-party contractors

#### III. Sales

- Client contact (ensure communication)
- Handling of contracted space changes based on new requirements
- Food and Beverage changes (menus, minimums, guarantees, etc.)
- Increased costs due to new protocols (what is appropriate to be passed along vs. absorbed)
- Evaluate marketing plan (trade shows, travel, etc.)
- Current rental agreements (may require additional language to address new concerns)
- Rental rates
- Food and Beverage minimums (need to adjust)
- Room capacities and set style
- Booking of short-term business policy (what is realistic)
- Payment and deposit schedules (due dates)
- Review plans with all partners (Hotels, CTCSB, etc.)

#### IV. Food and Beverage

- Equipment needs
- Service requirements (plate covers, service ware, pre-sets, etc.)
- Menus (no more buffets?)
- Concessions (how to service, packaging, POS, etc.)
- Booth services (show floor)
- Bars (spacing, cash management, containers, ice, etc.)

## Executive Director Report

Joseph Geremia gave a brief explanation regarding the selection of a property manager to handle the day to day operations at the CT Regional Market.

The process and terms and conditions are outlined below:

Selection Process:

- A formal public Request for Proposals (“RFP”) for management services at the Connecticut Regional Market was issued on February 26, 2020.
- CRDA received one (1) submission; however, the proposal was reviewed by staff and deemed acceptable. The proposal is from the RM Bradley Management Corporation and comprised the following terms and conditions:

Terms & Conditions:

- Fee – The greater of 4% of Collected Gross Revenue or \$3,000 per month. Additional maintenance personnel will be dispatched, as needed, for an hourly charge of Eighty Dollars (\$80).
- Property Management Functions - Monthly accounting services, property manager allocation, preparation of service contracts with third party vendors, and general oversight of the property.
- Duration – The term of the proposed agreement is three (3) years.

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

*“The CRDA Board of Directors hereby authorizes the Executive Director to negotiate and execute a Service Agreement with RM Bradley Management Corporation on the terms and conditions presented above.”*

Michael Freimuth highlighted a few projects:

- Planning exercises on Founders Plaza are underway
- Working on Silver Lane improvements through Bob Saint’s office continues
- Windsor Locks train station was approved/ CRDA has been working with the town on redevelopment options of the Train station.
- West Hartford – CRDA is engaged with West Hartford for a possible project. The Mayor would like to present to the Board in the near term.
- Wethersfield – the first phase has opened up
- Parkville Market – had a soft opening
- Regional Ag Market – Farmer’s Market is open
- 690 Albany – currently on hold
- 101 Pearl – construction difficulties delayed leasing
- Allyn St – project is running late
- High Street – project is running late
- Colt North Armory - is leasing

Other:

UCONN/CRDA – CRDA is in communication with UConn to increase their participation in encouraging new innovative tech start-ups in downtown Hartford.

UConn Athletics – CRDA is working with UConn Athletics in an effort to get some understanding of their calendars for next year and structuring a new long-term relationship with XL.

By-laws – CRDA will need to take on some new by-laws as a result of contemplated Quasi-agency rule changes and directives.

### **Construction Update**

Bob Saint presented a brief update on some construction projects:

High Street - moving along, project has been impacted by delivery issues

East Hartford drainage – progressing

Bushnell garage – progressing

Quirk West - out to bid

Bracket – attempting to get site work to advance on the road at Brackett

XL chiller replacement – working hard to try to make ice in September

Adjourned 3:50pm.

*The minutes of the May 21, 2020 CRDA Board Meeting were moved by David Jorgensen, seconded by David Robinson and approved at the June 25, 2020 CRDA Board Meeting.*