

Agenda
CRDA Board Meeting
Thursday, January 21, 2021

*****3:00pm*****

Go-To-Meeting

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|-----------------|--|
| 3:00pm – 3:05pm | <ul style="list-style-type: none">● Call to Order & Minutes<ul style="list-style-type: none">- New CRDA Board Members<ul style="list-style-type: none">○ Randal Davis○ Andrew Diaz-Matos- Draft Minutes November 19, 2020 * |
| 3:05pm – 3:15pm | <ul style="list-style-type: none">● Mayors Reports |
| 3:15pm – 3:20pm | <ul style="list-style-type: none">● Finance Report<ul style="list-style-type: none">- Monthly Financial update- Auditor RFP- FAC Budget Transfer |
| 3:20pm – 3:35pm | <ul style="list-style-type: none">● Venue Update<ul style="list-style-type: none">- XL Center<ul style="list-style-type: none">○ Management Agreement *○ Wolfpack/MSG Agreement- Rentschler- Connecticut Convention Center<ul style="list-style-type: none">○ Management Agreement *- Dillon Stadium- Venue Studies- COVID related use of venues |
| 3:35pm – 3:45pm | <ul style="list-style-type: none">● Housing & Neighborhood Committee<ul style="list-style-type: none">- 246-252 Lawrence *- 213 Lawrence *- Projects Updates |
| 3:45pm – 3:50pm | <ul style="list-style-type: none">● Regional & Economic Development Committee<ul style="list-style-type: none">- Regional Market RFP |
| 3:50pm – 4:00pm | <ul style="list-style-type: none">● Executive Director<ul style="list-style-type: none">- Ethics Requirements- Construction Report |
| 4:00pm | <ul style="list-style-type: none">● Adjourn |

** Vote item*

DRAFT

Minutes of the CRDA Board

November 19, 2020

**Capital Region Development Authority
100 Columbus Boulevard
5th Floor**

Hartford, CT 06103

Thursday, November 19, 2020

3:00 pm – GoToMeeting

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

Board Members Present: Chairwoman Suzanne Hopgood; Andy Bessette; Mayor Luke Bronin; David Jorgensen; Alexandra Daum; David Robinson; Robert Patricelli; Joanne Berger Sweeney, Mayor Marcia Leclerc, Joseph Giulietti

Board Members Absent; Seila Mosquera-Bruno; Melissa McCaw

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

Minutes

The minutes of the October 15, 2020 CRDA Board Meeting were moved by Mayor Luke Bronin, seconded by Joanne Berger-Sweeney and approved.

Mayor Report

Mayor Bronin reported on the following:

- Parkville Market is beginning their next phase of expanding next door.
- Key Food Supermarket has opened in the Parkville neighborhood.
- New Market Tax Credit application has been submitted and we will not know the status until summer 2021.
- Opportunity Zone Fund-the City is in active conversations which may set up a Hartford program.
- 525 Main Street – we are in negotiations with the respondent to RFP which was selected as the preferred developer hopefully yielding a deal some time soon.
- Actively pursuing a grocery store for the DoNo project however we do not have anything to report on that yet.
- Albany and Woodland – continuing to work with Rohan Freeman in hopes that we have a project to do there. He asked for a lengthy period where he had exclusive development rights and the City is not able to grant as long of a period as he wanted. He has been given 90 days plus 90 more if needed. Options for an alternative plan are also being looked into.

Mayor Leclerc reported on the following:

Showcase Property – RFP was extended to January

Founders Plaza discussion – moving along

Riverfront – work is moving along for improvements to the river front

Finance

CRDA CFO Joseph Geremia reported the following financial update for November 2020.

Fiscal Year 2021 Operating Statistics

CT Convention Center – Sept. 2020

Stats: No events scheduled until Jul. 2021 due to state COVID-19 restrictions

Sept.financials: Net Loss of \$1.474M favorable to budget by \$283,600 due to COVID-19 shutdown
Total year projection of \$6.432M loss unfavorable to budget by \$2.424M
CRDA advance of \$750,000

CRDA Parking Facilities – Sept./Oct. 2020

Oct. stats: Utilization of 43% unfavorable to budget by 16%
Monthly rate customers unfavorable to budget by 2,400 at 7,800 YTD
Transient customers unfavorable to budget by 37,800 at 14,200 YTD
Sept. financials: Revenue unfavorable to budget by \$489,500 due to facility limited openings thru Jul. 21
Expenses \$236,700 favorable compared to budget due to savings in utilities, security,
vehicle ID tag purchases, credit card fees, and repairs & maintenance
Net Income \$252,800 unfavorable to budget
Total year projection of \$2.201M net income unfavorable to budget by \$1.161M

Church Street Garage – Sept./Oct. 2020

Oct. stats: Utilization of 57% unfavorable to budget by 15%
Monthly rate customers unfavorable to budget by 900 at 3,600 YTD
Transient customers unfavorable to budget by 2,900 at 2,500 YTD
Sept. financials: Revenue unfavorable to budget by \$155,500
Expenses \$77,400 favorable compared to budget due to savings in utilities and security
Net Income \$78,100 unfavorable to budget
Total year projection even with budget of \$62,000 net income

XL Center – Sept. 2020

Oct. stats: No events scheduled until Sept. 2021 due to state COVID-19 restrictions
Tentative AHL season in Feb. 2021
Sept. financials: Operating expenses \$413,600 favorable to budget due to savings in personnel and
repairs & maintenance
Net Loss of \$1,225,500 favorable to budget by \$480,900 due to COVID-19 shutdown
Total year projection of \$6.245M loss unfavorable to budget by \$448,500
Cash Flow: Payables aged at 90 to 150 days (\$3.257M), 74% over 120 days
Payables: City: \$2.194M, Spectra Corp.: \$330,000
CRDA advance of \$750,000
Cash flow: Nov. 2020 thru Feb. 2021 – payroll and limited payables

P&W Stadium at Rentschler Field – Sept. 2020

Oct. Stats: Toronto FC scheduled for 6 games through Nov. 2020
UConn football season cancelled due to COVID-19 restrictions
Sept. financials: Operating expenses \$156,900 favorable compared to budget due to savings in personnel
and repairs & maintenance
Net Loss of \$405,800 unfavorable to budget by \$51,400 due to COVID-19 shutdown
Total year projection of \$993,300 loss unfavorable to budget by \$41,200
Cash Flow: Payables aged at 90 to 120 days (\$1,084,400), 38% over 120 days
Cash flow: limited payables and no payroll
Payables: XL for payroll: \$319,000, Spectra Corp.: \$240,000, State police: \$90,000

CT Regional Market

Oct. Stats: 82 warehouse units and restaurant – Occupancy: 88% with 16 tenants
Activity: Farmers' Market opened for 2020 season on May 2 operating through Nov. 2020
Sept. financials: Operating revenue of \$230,300 favorable to budget by \$28,200

Operating expenses of \$179,600 favorable to budget by \$8,800 due to savings in building maintenance and utilities offset with increases in security and farmers' market labor
Net income of \$50,700 favorable to budget by \$37,000

Dillon Stadium- Calendar Year – Sept. 2020

Calendar year revised operating expense budget of \$250,000

Sept. financials: Operating expenses of \$169,600 (67% actual vs. 75% of revised annual budget)

Capital reserve balance: \$261,000

Venue Update

Andy Bessette requested that Michael Freimuth discuss the XL Center at the end of the venue update. Michael Freimuth reported on the following:

Rentschler Field

- COVID19 testing as well as Food Share are running simultaneously. Traffic is starting to backup for both activities.
- Toronto soccer – Playoff game is expected to go forward, however whether to have fans or not is still pending.
- Lacrosse – May 2021 will be the next time the building will be used.

CT Convention Center

- COVID19 testing is underway in the tower garage and traffic is backing up significantly. There is also a walk-up testing station.
- Surge facility – reactivating the surge hospital facility is still being discussed. OPM has been notified of the probability of the impending hospital and understands that CRDA does not have cash to bring back staff or to take on utilities and any other costs associated with it. Chair Hopgood thought it prudent to remind the Board that staff cannot be brought back without a funding source to pay them.

Dillon

We are at the end of the second year of control with community and day to day maintenance managed by Spectra through CRDA. Whatever budget funds leftover will roll into next year. Should CRDA continue to manage the facility, a budget will be presented to the Board in January 2021. The City can choose to run it a different way, that is their call to make.

XL

CRDA continues to have discussions with legislators, as well as OPM regarding the best way to go about the renovations in phases. The plan has been modified in part because of budget and part because of COVID. The SCI team is working aggressively on two fronts, to finalize the plan that is going to be amended and to put together construction budgets for initial phases of work. It is hopeful that the initial phases will be done at the turn of the new year.

It is necessary to schedule a public hearing on the plan as it now exists. There will be presentations done through the Venue Committee and presented by the design team as well as staff and there will be time for public comment.

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

***“The CRDA Board requests and hereby approves that the CRDA Venue Committee schedule a public hearing (virtual) on Tuesday, January 5, 2021, 4:00pm for the purpose of presenting the updated and revised redevelopment plan for the XL Center, including an opportunity for public comment.*”**

Housing & Neighborhood Committee

Michael Freimuth presented the following housing projects that are in construction. Their financing packages and loans need to be amended due to COVID. These projects were discussed and approved for financing modifications at the November Housing and Neighborhood Committee:

103-21 Allyn Street (aka 88 Allyn Partnership)

Whereas 103-21 Allyn, a historic renovation encompassing a three building configuration creating 66 units of housing along with street level retail is eligible for historic credit bonus if it were to dedicate 20% of the units as affordable;

Whereas a review of the rents and operating pro forma show that the property's ability to service its expenses and debt would not be adversely impacted by a restriction on rents for the affordable units;

Whereas the project would be able to secure additional funds from the credits to meet construction delays and overruns created in part by the Covid pandemic but also by standards required by the historic renovation program;

Whereas the CRDA loan agreements restricted the property to a market rate units;

Now therefore be it resolved that the Executive Director is authorized to enter into agreements allowing for a bonus increase in historic credits to 103-21 Allyn St (aka 88 Allyn Partnership) requiring a 20% affordable housing unit mix.

100 Trumbull Street

Whereas 100 Trumbull Street is owned by the same investment group that developed 101 and 111 Pearl Street, both of which are changing ownership in order to raise capital for the completion and lease up/stabilization of 101/111 Pearl;

Whereas CRDA lent to 100 Trumbull Street in order to convert 8 units into 16 one bedroom and efficiency units, nearly half of which have been or will be completed by December 2021;

Whereas the remaining funds have not be expended but the new ownership group wishes to continue the program and has asked for an extension of the completion date;

Whereas such extension does not harm the operating pro forma;

Now therefore be it resolved that the Executive Director is authorized to extend the completion date for the full conversion of the first 8 units to December 2021 and the second 8 units to December 2022 and amend the subsequent repayment commencement dates to January 2022 for the first tranche of units and January 2023 for the second tranche of units."

Pratt Street 1 – 55-75 Pratt Street

Whereas CRDA has approved acquisition and construction loan funding for the Pratt Street Initiative phase 1 at 99 Pratt Street and 196 Trumbull Street for the conversion of those vacant properties into 129 apartment units;

Whereas the Project eventually will include the conversion of the adjoining properties known as 55-75 Pratt Street for additional retail and residential space;



Whereas the executive director may request that the phase 1 funding also be secured by a mortgage on 55-75 Pratt Street in order to provide additional collateral for the CRDA phase 1 financing;

Now therefore be it resolved that should the executive director determine it is appropriate to obtain additional collateral to further secure CRDA funding phase 1 of the Project, that the executive director be dully authorized to require that the property at 55-75 Pratt Street be secured as collateral for said CRDA loan.

1279-83 Main Street (conversion date extension)

Whereas CRDA has partnered with the Hartford Community Loan Fund (HCLF) and the San Juan Center to renovate 1279-83 Main Street (Project) into 10 units and two storefronts;

Whereas the Project has incurred construction delays and costs overruns, was redesigned and secured new general contractor and its funding was increased by HCLF and by CRDA (2017);

Whereas the Project has now made considerable progress and is nearing completion;

Whereas the Projects initial conversion date was to be May 2021 for full mortgage servicing but now needs to be adjusted to May 2022 in order to allow for lease up and stabilization in 2021;

Whereas HCLF and SJC have requested that CRDA amend its conversion date to be consistent with HCLF mortgage:

Now therefore be it resolved that the CRDA Board approves the adjustment of the mortgage conversion date to May 2022; as approved by the CRDA Housing and Neighborhood Committee at its November 6, 2020 meeting;

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

“The CRDA Board approves the actions of the Housing and Neighborhood Committee of November 6, 2020 approving term modifications as expressed in the resolutions above to the following projects: 103-21 Allyn, 100 Trumbull St, Pratt Street Phase 1, and 1279-83 (conversion date extension).”

Mr. Freimuth continued with the budget amendment portion to 1279-83 Main Street:

1279-83 Main Street (Budget Amendment)

Whereas the 1279-83 Main Street Project must adjust underground electrical cables traversing Main Street in order to upgrade its electrical service which had not been budgeted or planned and presents a cost increase of \$60,000, of which the developer will contribute \$20,000 with additional funds being redirected from the balance within the Project contingency account, and the developer has asked for an increase of \$32,000 from CRDA;

Whereas the increase in units from 8 to 10 as well as storefront rent will increase the Project’s revenue in order to service the additional debt;

Whereas CRDA has a special development account of \$4 million established to renovate mixed use properties including retail components on the ‘Arrowhead Block’ within the DoNo Redevelopment Area and 1279-83 Main Street is such a property;

Whereas the Arrowhead Funds can also be used in lieu of CRDA Capital Reserve Funds previously allocated to this Project;

The following motion was moved by Andy Bessette, seconded by Bob Patricelli and approved.

“Now therefore be it resolved that the CRDA Board approves an increase in its original loan to the 1279-83 Main Street Project to \$297,000 to accommodate the increased electrical cost and associated fees at the same terms and conditions as the initial note and that such funds totaling \$32,000 shall be allocated from the Arrowhead Block fund previously approved by the Board and the State Bond Commission; and that CRDA staff re-allocate funds from the Arrowhead Block accounts to supplant those CRDA Capital Reserve funds totaling \$140,000 previously utilized for the 1279-83 Main St project.”

Mr. Freimuth explained that most of the housing projects that had occupancy dips due to COVID, in the summer, have come back up to the 90% range.

- 101 Pearl is up to 81% occupancy
- 111 Pearl is at 90%
- 201 Ann is still working to come back and they continue to make payments.
- Brackett Knoll – will pave road in the Spring
- Swift Bldg. – has CO and tenants are moving in
- Riverfront projects – continue to move ahead
- Quirk Middle School – continue to move ahead

Regional & Economic Development Committee

Chairwoman Hopgood announced a new Committee member, Alexandra Daum. Michael Freimuth asked Marcia Leclerc to call a meeting of the Regional and Economic Development Committee to discuss the Regional Market and a few other projects that will fall under this committee.

Possible projects:

- Founders Plaza
- Silver Lane
-

Executive Director Report

Anthony Lazzaro reported on the Front Street District Pilot Deferral Agreement explaining the need to include Front Street in the COVID related relief for the various properties run by HB Nitkin.

Front Street District Pilot Deferral Agreement between CRDA and HB Nitkin

Background:

- Pursuant to Chapter 588x of the Connecticut General Statutes, CRDA executed multiple PILOT Agreements with HB Nitkin (“HBN”) for the respective properties located within the Front Street District.
- The proceeds from such agreements are used by CRDA to operate the Front Street District, including but limited to, insurance, snow removal (sidewalks and streets), utilities costs, repairs and maintenance of the sidewalks, streetlamp replacement, etc.
- Due to the COVID pandemic, numerous tenants located within the Front Street District have been unable to make rent payments or, in some cases, have permanently ceased operating; accordingly, HBN has asked for PILOT relief from CRDA.

- Due to the decreased utilization of the Front Street District, CRDA is able to offer a PILOT deferral for Thirty-Three Thousand Dollars (\$33,000) consistent with the terms provided below, for the current fiscal year.

Proposed Terms:

- HBN will receive a \$33,000 PILOT deferral for the current fiscal year;
- For the period beginning FY 2023 and ending FY 2025, HBN will make three (3) supplemental payments of Eleven Thousand Dollars (\$11,000) per fiscal year in addition to its scheduled PILOT payments.

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

“The CRDA Board Hereby authorizes the Executive Director to execute a Pilot Deferral Agreement with HB Nitkin for the various properties located within the Front Street District, in accordance with the terms and conditions provided above.”

Mr. Freimuth reported on the following updates:

- Bushnell South Development area – the RFP has been released by the Bushnell.
- Regional Market – Development RFP has been released by CRDA.
- Contract Standard Review Board Draft Report – Dillon Stadium
The Conclusions and Recommendations Draft Report concerning Dillon Stadium was distributed. The report conveyed concerns regarding the process and the physical construction of the stadium.

A response is being written by Anthony Lazzaro responding to the various concerns.

The following statement was read by CRDA Chair Suzanne Hopgood. Chair Hopgood asked Board members if they wanted to add their comments to the following statement. Only one Board member responded saying that the statement was excellent. Michael Freimuth indicated that the statement would be included in CRDA’s written response back to the Contracting Standards Board.

State Contracting Review Board

Role of CRDA Board during Dillon Work

For the record, it’s important to note that the CRDA Board was fully engaged with the decision to go forward with the demolition and preliminary design work for Dillon Stadium recognizing that the work was critical for public safety but also the construction schedule. The building was partially condemned and a public safety hazard and there was also a real possibility that we would lose the first season of soccer if the work were held up much longer. On more than one occasion, staff presented the ongoing issues and overall dilemma to the appropriate board committee and other members in full session.

There is no surprise here. First, the Hartford City Council approved the deal and all terms were agreed to by all the parties; secondly, we had a contract with the city to build the stadium with its own performance expectations; and third, we had conversation with then State Budget officials and were planning on asking for an amendment to the state bond commission if it was determined to be necessary.

Its admittedly difficult to balance process and project, but that is why a quasi-agency, with some business assessment, is assigned projects as difficult as Dillon. One final note: all dollars are

accounted for and in fact, the board specifically asked our independent auditors, Cohn Reznick, to report back to the Board on this project. Dillon has now been in use for nearly two years contributing to the renewal of the neighborhood and the city.

Chairwoman Hopgood felt that she could speak for the Board in conveying that it has been an extraordinary year stating that, I think we have an extraordinary year to thank the Staff of CRDA because, as always, we get to look good as the Board while they do all the work. It is a good time to say thank you and to ask that everyone on the staff be recognized for the hard work that they've done and the excellent job they've done in a very difficult year. Board members approved of Chair Hopgood sentiments.

Adjourned 3:52pm

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Finance Report

Financial Update – January 2021

Fiscal Year 2021 Operating Statistics

CT Convention Center – Nov. 2020

Stats: no events scheduled until July 2021 due to state COVID-19 restrictions

Nov. financials: Net Loss of \$2.340M favorable to budget by \$389,500 due to COVID-19 shutdown

Total year projection of \$6.330M even with budget, with \$2.208M in undetermined funding sources

Cash Flow: Estimated available cash with aged payables through May/June 2021

CRDA advance of \$750,000

CRDA Parking Facilities – Nov./Dec. 2020

Dec. stats: Utilization of 42% unfavorable to budget by 17%

Monthly rate customers unfavorable to budget by 3,800 at 11,600 YTD

Transient customers unfavorable to budget by 50,100 at 22,600 YTD

Nov. financials: Revenue unfavorable to budget by \$900,300 due to facility limited openings thru Jul. 21

Expenses \$320,300 favorable compared to budget due to savings in utilities, security, vehicle ID tag purchases, credit card fees, and repairs & maintenance

Net Income \$580,000 unfavorable to budget

Total year projection of \$1.081M net income unfavorable to budget by \$2.282M

Church Street Garage – Nov./Dec. 2020

Dec. stats: Utilization of 57% unfavorable to budget by 15%

Monthly rate customers unfavorable to budget by 1,400 at 5,200 YTD

Transient customers unfavorable to budget by 4,300 at 3,700 YTD

Nov. financials: Revenue unfavorable to budget by \$157,200

Expenses \$105,900 favorable compared to budget due to savings in utilities and security

Net Income \$51,300 unfavorable to budget

Total year projection even with budget of \$62,000 net income

XL Center – Nov. 2020

Stats: AHL 12 to 16 game season scheduled between February and May 2021 (fans TBD)

No other events scheduled until Sept. 2021 due to state COVID-19 restrictions

Nov. financials: Operating expenses \$1,022,100 favorable to budget due to savings in personnel, supplies, contracted services, and repairs & maintenance

Net Loss of \$1,920,600 favorable to budget by \$877,700 due to COVID-19 shutdown

Total year projection of \$6.215M loss unfavorable to budget by \$419,200, with \$2.496M in undetermined funding sources

Cash Flow: Estimated available cash with aged payables through April/May 2021

Payables aged at 90 to 120 days, except City of Hartford (\$2.194M)

Received \$1.5M supplemental funding in January 2021

CRDA advance of \$750,000

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P&W Stadium at Rentschler Field – Nov. 2020

Stats: Toronto FC played a 7 game season (1 with fans); NCAA Lacrosse event scheduled for May 2021
UConn football season cancelled due to COVID-19 restrictions

Nov. financials: Operating expenses \$320,200 favorable compared to budget due to savings in personnel, supplies, contracted services, and repairs & maintenance

Net Loss of \$597,600 unfavorable to budget by \$551,500 due to COVID-19 shutdown

Total year projection of \$990,000 loss unfavorable to budget by \$37,900

Cash Flow: Estimated available cash with aged payables through June 2021

Received \$1.5M supplemental funding in January 2021

CT Regional Market

Stats: 82 warehouse units and restaurant – Occupancy: 88% with 16 tenants

Activity: Farmers' Market opened for 2020 season on May 2 operating through Nov. 2020

Dec. financials: Operating revenue of \$425,600 favorable to budget by \$36,800

Operating expenses of \$323,200 favorable to budget by \$56,400 due to savings in building maintenance and utilities offset with increases in security and farmers' market labor

Net income of \$102,400 favorable to budget by \$93,200

Dillon Stadium – Calendar Year – Dec. 2020

Calendar year revised operating expense budget of \$250,000

Dec. financials: Operating expenses of \$222,300 favorable to revised budget by \$27,700


Capital reserve balance: \$222,000

Debt Service Update

Through first six months of Fiscal Year 2021

Funded \$2,163,300 towards budgeted \$3,113,200 in Parking facility, CUP, and Bond expense operating funding

Funded \$0 towards budgeted \$1,307,500 in Bond principal and interest funding

TO: Melissa McCaw, Secretary, OPM
FROM: Michael Freimuth, Executive Director, CRDA 
RE: Venue Operating Deficiencies and Cash Flows
P&W Stadium at Rentschler Field, E. Hartford
XL Center, Hartford
DATE: December 21, 2020

REQUEST:

Critical cash flow concerns at the XL Center and P&W Stadium at Rentschler Field have compelled us to request an emergency allocation of \$3 million to meet substantial payroll, security, and other payables as well as ongoing operational exposures. Such funds will bring the financial crisis back into balance allowing us to support continued minimal venue operations and to partially close deficiencies lagging from the previous fiscal year.

FY 20 DEFICIENCIES:

The unfunded operating losses at XL and the Stadium for FY20 amounted to \$944,000 and \$776,000, respectively. This was due in large part to the COVID-19 health emergency that cancelled events, halted bookings and left these public venues unable to generate any revenue during the last four months of the fiscal year. For Rentschler, below projected attendance at UConn football games also contributed to the losses. In any case, these deficiencies have been carried forward and contribute to the ongoing cash crisis.

COVID-19

As COVID-19 shut down these facilities and all revenues from events ceased, numerous actions were taken to alleviate some of the cash flow burden. These included (1) reducing staff to a minimal operating level to maintain and secure the buildings (over 125 employees have been laid off); (2) eliminating or suspending all available maintenance agreements; (3) negotiating fee concessions with the management companies operating these facilities and (4) the transfer of funds from garage operation accounts to underwrite XL Center expenses. In addition, CRDA advanced over \$750,000 in its capital reserve to meet ongoing expenses at the XL Center, funds that were paid back to CRDA from various projects and previously reserved for capital upgrades and smaller community projects. Even with these measures in place, the facility payable accounts are now pushed out to an average of 90 to 120 days and cash balances have been depleted to a level where the CRDA staff and Board members are concerned about the continued operation of these facilities.

At the end of the first six months of the fiscal year, the XL Center and Stadium are now carrying nearly \$3.4 million and \$1.2 million in accounts payable including payroll, respectively. With no revenue being generated and no clear indication as to when these facilities can fully reopen, the unfunded losses for the current fiscal year are projected to be \$4.4 million at the XL Center and \$993,000 at the Stadium.

GOING FORWARD:

Without an immediate influx of funds, it is unclear whether these facilities will even be able to reopen once COVID is behind us. More immediately, we are having difficulty in fulfilling our contractual obligations to vendors and sponsors, nearly all of whom are Connecticut entities dealing with their own COVID challenges. In addition, both facilities have major events booked for the upcoming spring -- Olympic qualifier gymnastics competition at the XL Center and NCAA lacrosse championship at the Stadium -- that are still scheduled to go forward. These events represent significant sources of revenue for these venues - revenue that could help put them back on their feet, but that could be forfeited if these venues are unable to reopen.

USE of FUNDS:

Funds will be split evenly between the two facilities and used to pay down payroll accounts totaling \$560,000 at the XL Center and \$775,000 at Rentschler and to pay down a portion of account payables to vendors at both facilities to a customary and appropriate business level of approx. 60 days totaling \$1.05M. Remaining monies will be utilized to stretch the facilities towards the spring of 2021.

Venue Update

**MOTION TO AMEND THE SPECTRA VENUE
MANAGEMENT AGREEMENT RELATING TO
THE XL CENTER**

- On April 26, 2013, CRDA entered into a ten (10) year Management Agreement with Spectra Venue Management (“Spectra”) relating to the management, food & beverage sales, and marketing of the XL Center and Rentschler Field (the “Agreement”).
- 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 as a result of the coronavirus disease outbreak in the State of Connecticut.
- As a result of such declarations, Spectra ceased holding and booking events at the XL Center for the immediate future.
- As a result, CRDA has incurred significantly larger deficits than originally forecasted at the XL Center.
- The parties desire to amend the Agreement to provide for certain financial relief to CRDA in return for a two (2) year extension of the Agreement with respect to the XL Center, only.
- In exchange for such two-year extension, Spectra will agree to forego its management fee for a six (6) month period occurring during FYE 2021 - FYE 2022.
- All other terms and conditions of the Agreements will remain unchanged.

The CRDA Board of Directors hereby authorizes its Executive Director to execute the amended Agreement on the terms provided above.

MSG - Wolfpack 2021 Operating Agreement Amendment

Background: The AHL season has been significantly disrupted by the Covid epidemic as has general operations at the XL Center. In a normal year, approximately 40 AHL games are held with an attendance averaging 3500-4000 per game. MSG pays team related expenses, XL operates the building and earns revenues from tickets, sponsorships and F&B. XL pays an affiliation fee as well.

Spring 2021: MSG/AHL will operate the team this year for a short three-month 30 game schedule. In consideration for the use of the XL, MSG will pay expenses related to training/practice events and games which will be fan-less, covering any incremental expenses associated with such use. There will not be an affiliation charge to the XL Center.

Status: The contract is between Spectra and MSG and the general terms have been agreed to by CRDA management. The Venue Committee reviewed this matter and concurred with Spectra decision to move forward along these lines for upcoming 'season'.

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**MOTION TO AMEND THE WATERFORD VENUE
SERVICES HARTFORD L.L.C. AGREEMENTS
RELATING TO THE CONNECTICUT
CONVENTION CENTER**

- On July 1, 2017, CRDA entered into a five (5) year Management Agreement and a coterminous Catering & Concessions Agreement with Waterford Venue Service Hartford, LLC (“Waterford”) relating to the management, sales, and marketing of the of the Convention Center as well as its catering & concession services (collectively, the “Agreements”).
- 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 as a result of the coronavirus disease outbreak in the State of Connecticut.
- As a result of such declarations, Waterford ceased holding and booking events at the Convention Center for the immediate future.
- As a result, CRDA has incurred significantly larger deficits than originally forecasted.
- The parties desire to amend the Agreements to provide for certain financial relief to CRDA in return for a one (1) year extension of both Agreements.
- In exchange for such one-year extensions, Waterford will agree to forego its Catering & Concessions management fee for a four (4) month period during FYE 2021.
- All other terms and conditions of the Agreements will remain unchanged.

The CRDA Board of Directors hereby authorizes its Executive Director to execute the amended Agreements on the terms provided above.

COVID-Related Operations in CRDA Facilities

CT Convention Center

- a) **Testing** – Hartford Healthcare has been operating a drive-through COVID testing site in the Convention Center stand-alone garage since November 12, 2020.
- b) **Vaccinations** – Hartford Healthcare opened a vaccination site in the atrium of the Convention Center on December 12, 2020.
- c) **Overflow Hospital** – The Exhibition Hall is currently set up as an overflow hospital site with 600 beds. During the spring of 2020, a similar recovery hospital was erected with approximately 640 beds; it was dismantled in June of 2020.

Pratt & Whitney Stadium

- a) **Food Distribution** – Foodshare has operated a drive-through food distribution site in the paved lots behind the Stadium since April 2020. Distribution is currently down to one day a week.
- b) **Testing** – Community Health Center (CHC) has operated a drive-through testing site in the grass lots on the north side of the Stadium since June 2020.
- c) **Vaccinations** – With Foodshare in place, the Stadium was unable to accommodate CHC's request to use the site as for drive-through vaccinations. CHC instead reached out to Pratt and their parent company, Raytheon, to secure access to the former airfield located behind the Stadium and a mass vaccination site opened there on January 18th. The Stadium is providing logistical support, as well as space for vaccine freezer storage.

XL Center

CRDA and Spectra staff have met with both testing and vaccine site organizers about utilizing the XL Center, however, all parties have agreed the site is unsuitable. Aside from the cost of opening the building, the arena floor is currently unavailable as the Wolfpack starts its 2020-21 season next month and AHL COVID protocols limit access to certain sections of the building. In addition, there is no easy access to the basement Exhibit Hall from the main entrance and parking is limited.

**Housing
&
Neighborhood
Committee**

PROJECT: 246-8/250-2 Lawrence Street
Hartford, CT

BACKGROUND: Two six family vacant structures renovated by Wolverine Property (A. Gill developer, Lawrence Street Property LLC) using bank financing, a CRDA loan (\$521,000) and historic credits have been completed and are in lease up. However, the \$1.5M project ran into significant construction and material delays due to COVID as well as late SHPO sign off of historic work/certification. Consequently, the developer has not completed the monetization of the historic credits in time to retire the \$225,000 historic credit bridge loan component of the CRDA assistance.

PROPOSAL: The developer has asked for a six-month extension of the term expiration of the historic bridge loan (originally due Jan 4, 2021 and \$225,000) and will continue to pay interest on the loan during such a delay and the permanent portion of the note (\$296,000) will remain as originally awarded. Staff recommends approval of the request.

RESOLUTION: The executive director is authorized to modify the term of the historic credits bridge loan by extending its expiration/due date from January 4, 2021 to July 1, 2021.

PROJECT: 213/215 Lawrence Street
Hartford, CT

BACKGROUND: This three story, 3 unit building has been vacant and a neighborhood blight for nearly a decade and abuts the Lyceum Center located on Lawrence Street. City foreclosure and blight enforcement efforts have been underway and a Receiver, per new state statutes dealing with blighted properties has been appointed by the State Superior Court (August 2020) authorizing the receiver to step in, secure and clean the property and renovate it in a priority position to other claims on the real estate except municipal liens. The receiver, Wolverine Properties/A. Gill has been active in restoring properties in the area, has the appointment of the state court and support of the city to redevelop the property.

PROPOSAL: Use of a Receiver is new to the State of Connecticut blight fight and conventional mortgages are difficult to secure as a consequence. A. Gill/Wolverine Properties has requested CRDA to fund a first mortgage in lieu of conventional financing with the understanding that such mortgage would be protected by the court per the new statute. In doing so, the long vacant property will be put back into use and a template for tackling such properties will be established.

BUDGET: It is estimated that the renovation of the three units will cost \$462,000. The developer will provide equity of \$92,000 (approximately 20%) and requests a CRDA loan of \$370,000 at 3% interest amortizing over a 20-year term.

It is planned that the repayment of the historic credit bridge loan of \$225,000 from the same developer for nearby properties at 246-8 and 250-2 Lawrence be made available to fund the CRDA mortgage supplemented by \$145,000 in CRDA Housing Recapitalized funds.

RESOLUTION: The executive director is authorized to make a loan to A. Gill/Wolverine Properties or such acceptable single purpose entity in the amount of \$370,000 at 3%, amortizing over a 20-year term, subject to the repayment of the \$225,000 historic bridge loan made to 246-8/250-2 Lawrence and \$145,000 of available funds from the CRDA Housing Recapitalization fund; and such terms and fiduciary conditions as deemed necessary by the executive director and CRDA counsel.

CRDA Housing Approved

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/AF Split	Structure	CRDA Bd. Approval	Bond Commission	Closed	Target Occupancy	Leased ¹
777 Main	285	\$84.5M	\$296K	\$17.7M	\$62K	80/20	\$7.5M equity \$10.2M 2nd mortgage	1/30/2013	3/15/2013	3/28/2014	Renting	86%
201 Ann/Grand	26	\$4.45M	\$202K	\$3.8M/\$750K	\$28.8K	100	initial const. note \$3.8M ³ convert to 2nd mortgage at \$750,000	3/21/2013	6/21/2013	10/29/2013	Renting	35%
179 Allyn	63	\$14.89M	\$233K	\$6.5M	\$103K	80/20	\$5.25M equity, \$3.25M 2nd loan	3/21/2013	6/21/2013	11/15/2013	Renting	97%
Sonesta/Spectra	190	\$23.9M	\$123K	\$2.05M	\$10.6K	85/15	Bridge HTC ³	6/4/2013	6/21/2013	12/5/2013	Renting	95%
Capewell	72	\$26.1M	\$359K	\$5.0M	\$69.4K	80/20	construction financing/converted to mortgage note	1/15/2014	11/16/2014	6/30/2015	Renting	97%
990 Capital	112	\$85.3M	\$290K	\$7M	\$62.5K	80/20	2 loans, .5% 20 yr.	6/19/2014	3/17/2015	9/22/2015	Renting	97%
36 Lewis	6	\$1.8M	\$306K	\$300K	\$50K	100	construction/perp loan 1-.3% 30 yr.	6/19/2014	7/25/2014	4/8/2015	Renting	100%
38-42 Elm	6	\$1.24M	\$206K	\$349,350 ⁴	\$61.5K	100	loan 3% 30 yr.	2/18/2016	7/25/2014	2/25/2015	Renting	100%
1279-83 Main	10	\$1.35M	\$135K ⁵	\$297K ⁶	\$29.7K	100	loan 3% 25 yr.	5/21/2015	7/28/2015	9/9/2016		
370 Asylum	60	\$20.3M	\$338K	\$4M	\$66K	70/30	loan <3% 20 yr.	6/18/2015	3/24/2016	9/29/2017	Renting	96%
Radisson	96	\$19.5M	* 2	\$6.5M	\$67.7K	100	hotel conv. const. note	10/15/2015	12/11/2015	3/31/2016	Renting	33%
81 Arch	53	\$23M	\$380K	\$5.6M	\$103.7K	100	30 yr. 1% loan	10/20/2016	11/15/2016	11/7/2017	Renting	79%
101 Pearl	157	\$28.4M	\$184K	\$9.24M	\$58.8K	100	construction/perp loan 3% 30 yr.	12/8/2016	5/12/2017	11/8/2017	Renting	80%
111 Pearl	101	\$21.55M	\$208K	\$6.08M	\$59.47K	100	construction/perp loan 3% 30 yr.	12/8/2016	5/12/2017	11/8/2017	Renting	90%
109 Allyn	66	\$21.1M	\$319K	\$6.6M ⁶	\$103K	80/20	construction/perp loan 3% 5 yr.	12/8/2016	2/1/2017	2/1/2017	Renting	30%
105-7 Wyllys	9	\$2.5M	\$277K	\$800K	\$88.8K	100	construction/perp loan 2-3% 30 yr.	8/8/2018	6/26/2019	10/31/2018	Renting	
Colt North	48	\$13.6M	\$283K	\$2.88M	\$60K	100	construction/perp loan 3% 20 yr.	5/18/2017	11/29/2017	8/31/2019	2021	
28 High	28	\$5.5M	\$196.4K	\$1.9M	\$67.8K	80/20	loan 3% 30 yr.	5/18/2017	11/29/2017	7/2/2018	Renting	100%
100 Trumbull	16	\$1.5M	\$93.7K	\$960K	\$60K	100	loan 3% 20 yr.	2/2/2018	2/16/2018	8/29/2018	Renting 1/21	
245-250 Lawrence	12	\$1.5M	\$125K	\$521K	\$43.4K	100	Historic bridge loan & perp loan 3% 20 yr.	9/21/2017	2/16/2018	4/12/2018	2018/19/20	95%
Colt "U"	28	\$7M	\$268K	\$1.5M	\$59.5K	100	loan 3% 20 yr.	10/18/2018	12/11/2018	1/4/2019	Renting	33%
Pratt I	129	\$29.8M	\$231K	\$12M	\$93K	80/20	\$3M & \$9M 1% 5yr. 30yr. ²⁰	1/10/2019	12/18/2019	11/30/2020	Late 2021	
Park/Main	126	\$26.8	\$212K	\$8.4M	\$66.7K	80/20	yr. 3%	10/17/2019	9/17/2020	12/18/2019	2022	
Dono "C"	270	\$56.2M	\$208K	\$11.8M	\$43.7K	90/10	3% 30 yr. 15 yr. term	9/20/2018	9/20/2018	6/25/2020	2022	
Summary	1969 ⁵	\$472M	\$239K	\$121.7M	\$62.5K median \$64K avg.	86/14	1697 market / 251 affordable					

1/12/2021

¹ deposits and leases
² \$75K/unit est. residential + 188 hotel rooms
³ notes repaid
⁴ \$16K from Housing Cap. Fund
⁵ 2108 w/ Front St. & Recap deals
⁶ \$200K reserve via Bond Commission

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CRDA Neighborhood Projects

Project	Description	TDC	CRDA Amount	CRDA Funds	Structure	Committee Approval	CRDA Board	Bond Commission Approval	Status
Bowles Park	Demolition of 410-unit housing project & construction of 91 new rental and owned units on Granby Street (Blue Hills neighborhood)	\$40m	\$5,000,000	FY16 Neighborhood	\$5m grant for demolition	9/9/2016	9/15/2016	9/30/2016	Phase I complete & leasing underway.
Brackett Knoll	Construction of 14 two-family owner-occupied homes on Naugatuck Street	\$3.7m	\$1,555,000	FY16 Neighborhood (Promise Zone)	\$630,000 grant for site acquisition/improvements; CRDA to use \$925,000 to construct required road	11/10/2016	12/8/2016	2/1/2017	Road construction underway. Housing foundation to begin.
Swift Factory	Renovation of historic factory into "Community Food and Job Creation Hub" serving the Northeast. Upper Albany and Clay Arsenal neighborhoods	\$32.7m	\$4,300,000	FY16 Neighborhood (Promise Zone)	\$4.3m loan - minimum debt service calculated using an initial 1% APR and be paid monthly upon stabilization. CRDA to receive 70% of net available cash after payment of first lien debt service & other required distributions. Payment shall continue over a 20-year term until CRDA has received all of its capital with 3% IRR. Funds contingent upon execution of tenant leases (a) for no less than 50% of leasable project space or (b) no less than 50% of projected rental revenue.	3/10/2017	3/16/2017	5/12/2017	CO issued. First tenants moving in.
Albany Ave / Main Street	High Speed internet cabling connection to North End Business	TBD	\$525,000	FY16 Neighborhood (Promise Zone)	Funds used to match Federal Promise Zone Funding and compliment Albany Ave. Streetscape project	6/15/2017	6/15/2017	11/29/2017	Construction complete.
Dillon Stadium	Management and renovation of Stadium, including replacement of field, replacement or refurbishment of bleachers, upgraded seating, lighting & sound system, upgrades to concessions, restroom and locker facilities, building code and ADA upgrades and new site entrance. Additional upgrades to be made at neighboring Colt Park.	\$10m	\$10,000,000	FY17 Neighborhood	CRDA to oversee renovations and hold construction contracts. Work at Dillon to be done in conjunction with Hartford Sports Group (HSG) and their architect. Scope of Colt Park renovation to be developed in conjunction with City of Hartford.	1/12/2018	2/8/2018	2/16/2018	Punch list items being completed.
Charter Oak Health Center	Renovation of vacant building into specialty health clinic	\$1.9 m	\$450,000	FY16 General	Grant for exterior work, historic restoration & site work	NA	6/21/2018	9/20/2018	Construction completed
690-714 Albany Ave.	Renovation of 8 unit / 3,500 sf storefront bldg	\$3.8m	\$2,500,000	FY16 General	Equity investment in renovation	NA	6/21/2018 3/21/2019	7/25/2018	On hold
Quirk Middle School / PAL	Renovation of former middle school	\$7.5m	\$7,500,000	\$3.9 = FY16 General \$3.6 = FY16 Neigh (PZ)	Includes \$500,000 for implementation of Neighborhood Security Fellows training program			7/25/2018	Construction underway
Heritage Home	Assistance via NINA to increase home ownership in Asylum Hill area.	TBA	\$2,500,000	FY17 Neighborhood	Loans and grants	5/11/2018	5/24/2018	6/1/2018	Construction completed. 86 Hawthorne under contract / 88 Hawthorne on market.
Riverfront Recepture	Phase I development of extension to Hartford Riverwalk north of Riverside Park		\$1,000,000	FY15 Neighborhood	Grant-in-Aid			9/20/2018	Remediation completed on all structures. two demolished, one slated for dismantling. Soil testing, geotech borings completed.

\$35,350,000

11/16/2020

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**Regional
&
Economic Development
Projects
Committee**

CRDA Regional and Economic Development Projects

Project	Description	TDC	TDC Per Unit	CRDA Managed Amount	Structure	Committee Approval	CRDA Board	Bond Commission Approval	Status
Hartford Regional Market	Planning & design for redevelopment & improvements		n/a	\$1,050,000	Grant-in-aid			7/25/2018 12/18/2018	Formal leases underway, long term planning RFP issued
Front Street District	Paving & crosswalk improvements at Front/Columbus intersection, storm drainage improvements and waterproofing & related garage improvements at Front St. North Garage		n/a	\$3,000,000	Direct CRDA expenditure			7/25/2018	Garage storm drain improvement work nearing completion
East Hartford - Showcase Cinemas	Acquisition, demolition and redevelopment of former multiplex site		n/a	\$12,000,000	Grant-in-aid			7/12/2016 6/1/2018	Demolition complete. Town discussions with developer underway
East Hartford - Drainage Improvements near Goodwin College	Installation of new drainage lines to accommodate new development in Goodwin area		n/a	\$4,000,000	Grant-in-aid		6/21/2018	7/25/2018	Phase I and Phase II work nearing completion
East Hartford - Silver Lane Improvements	Installation of new sidewalks, crosswalks and streetscape improvements recommended in CROC Silver Lane study		n/a	\$1,011,887	Grant-in-aid (Balance of funds given to OPM for EHBN project)			4/4/2009	Sidewalk design complete. Liability & maintenance issues to be resolved.
East Hartford - Founders Plaza	Master Planning & Garage design to allow for residential development in area		n/a	\$500,000	Grant-in-aid			6/1/2018	Discussions continue with Town, developer planning consultants and CRDA
East Hartford - Great River Park	Improvements to Great River Park, including repairs & improved access to and within the park, particularly for disabled visitors		n/a	\$1,340,000	Grant-in-aid			9/20/2018	Agreements signed with Riverfront Recapture.
East Hartford - Neighborhood Property Improvements	Abatement and demolition of four bright structures, including a former Town fire station and three residential properties		n/a	\$ 1,000,000	Grant-in-aid			9/20/2018	MOU signed with Town.
East Hartford - Horizon Mall	Infrastructure improvements and site work for outlet mall		n/a	\$ 12,000,000	Urban Act Grant	n/a	9/15/2016	7/12/2016	Mall development cancelled 3/18
Newington - National Welding Site	Administration of abatement and demolition of site; Assistance with development of site.	TBD	n/a	\$ 2,000,000	DECD Brownfields Grant	n/a	1/15/2013	n/a	Town negotiation with residential developer
Bushnell South Garage	Garage	\$17m	N/A	\$17,000,000	CRDA Prop.			9/20/2018	in construction
Parkville Market	Community Market	\$5.1m	N/A	\$3,500,000	Construction / Bridge Loan	12/20/2018	1/10/2019	4/2/2019	Certificate of Occupancy received. Opened

11/16/2020

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CRDA Redevelopment Projects

Project	Description	Promise Zone?	TDC	CRDA Amount	Structure	CRDA Board	Bond Commission Approval	Status
DoNo - Healthy Hub	Grocery Store	N	\$22.7m	\$8,500,000	Loan and cash flow note	9/20/2018	9/20/2018	Site selection process underway
DoNo - Arrowhead Block	Establishment of fund to assist neighborhood property owners with exterior refurbishments	N	-	\$4,000,000	Loan and equity	9/20/2018	9/20/2018	1279-83 Main; other projects in review
Albany/Woodland	new construction mixed use project	Y	\$2.1m	\$5,500,000	Loan/Equity		7/21/2020	Pre-development

11/16/2020

\$ 18,000,000

Executive Director

Jennifer Gaffey

From: Jennifer Gaffey
Sent: Tuesday, January 19, 2021 10:40 AM
To: Andy F. Bessette (bessette@travelers.com); Joanne Berger Sweeney (Joanne.Berger-Sweeney@trincoll.edu.); Bronin, Luke; Joseph Giuliatti (Joseph.Giuliatti@ct.gov); Suzanne Hopgood; hopgoods@hopgoodgroup.com; David Jorgensen; seila.mosquera-bruno@ct.gov; MLeclerc@easthartfordct.gov; David Lehman (david.lehman@ct.gov); 'Melissa McCaw (melissa.mccaw@ct.gov)'; 'david.robinson@thehartford.com'; Bob Patricelli; Diamantis, Konstantinos; Daum, Alexandra; Rolfe, Mark D; Eucalitto, Garrett T.
Cc: 'Callahan, Jacqueline Furphy (JFCALLAH@travelers.com)'; LeMoine, Patrice; Srivastava, Vas; Caggiano, Carolyn V.; Tallarita, Bernadette; ETchelidze@easthartfordct.gov; Brierton, Maureen; Aronne, Alexis; Reilly, Elizabeth D (ERM Executive); Glaude, Kriste L.; Rasid, Paige
Subject: Code of Ethics
Attachments: Public-Officials-and-State-Employees-Guide-Rev-January-2020.pdf

Dear CRDA Board of Directors,

The Department of Ethics has asked that new state employees and public officials be provided an updated copy of the Guide to the Code of Ethics for Public Officials and State Employees. Both new and existing Board members should read the Guide and make themselves familiar with the various laws and regulations enacted by the State of Connecticut concerning the Ethics Code.

If you have any questions regarding the Guide or the Ethics Code, please do not hesitate to contact me.

Best regards and Happy New Year,

Anthony

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