

Agenda
CRDA Board Meeting
Thursday, February 18, 2021

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

Go-To-Meeting

- | | |
|-----------------|--|
| 3:00pm – 3:05pm | ● Call to Order & Minutes |
| 3:05pm – 3:15pm | ● Mayors Reports |
| 3:15pm – 3:20pm | ● Finance Report <ul style="list-style-type: none">- Monthly Financial update- FY'21-FY'22 Budget |
| 3:20pm – 3:35pm | ● Venue Update <ul style="list-style-type: none">- XL Center<ul style="list-style-type: none">○ XL Lease Option *- Rentschler- Connecticut Convention Center- Dillon Stadium |
| 3:35pm – 3:45pm | ● Housing & Neighborhood Committee <ul style="list-style-type: none">- 88 Allyn Street<ul style="list-style-type: none">- payment forbearance request *- COVID impact on CRDA Residential Projects- Project Update |
| 3:45pm – 3:50pm | ● Regional & Economic Development Committee <ul style="list-style-type: none">- Regional Market RFP |
| 3:50pm – 4:00pm | ● Executive Director <ul style="list-style-type: none">- Trinity Street Properties- Construction Report |
| 4:00pm | ● Adjourn |

** Vote item*

CRDA February Board Meeting
Thu, Feb 18, 2021 3:00 PM - 4:00 PM (EST)

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/950652725>

You can also dial in using your phone.
United States: [+1 \(312\) 757-3121](tel:+13127573121)

Access Code: 950-652-725

CRDA Draft Minutes

January 21, 2021

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

Hartford, CT 06103

Thursday, January 21, 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, Garrett Eucalitto; Randal Davis; Andrew Diaz-Matos; Seila Mosquera-Bruno

Board Members Absent: Melissa McCaw

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

New CRDA Board Members

Chairwoman Hopgood introduced two new CRDA Board members appointed by Hartford Mayor Bronin effective January 21, 2021. The appointments are as follows:

- Randal Davis
- Andrew Diaz-Matos

Chairwoman Hopgood further recommended the new Board members to Committees as follows:

- Randal Davis – Regional and Economic Development Projects Committee
- Andrew Diaz-Matos – Venue Committee

Minutes

The minutes of the November 19, 2020 CRDA Board Meeting were moved by Mayor Marcia Leclerc, seconded by David Robinson and approved.

Mayor Report

Mayor Leclerc reported on the following:

Goodwin – opened their first commercial building with American Eagle as the anchor store.

Showcase Property – RFP was extended to January, bids are due January 28th.

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

Senior Center – Expect a ribbon cutting in Spring

Prestige Park - Horst Engineering recently announced closure of their site in Massachusetts to begin their new building. The new headquarter is 180,000 sq. ft.

Mayor Bronin reported on the following:

- Park & Main – the prefab modular construction is partially complete
- Bushnell South parking garage construction is moving forward
- Arrowhead Café site – RFP has been solicited
- Hartford Public School Building – RFP has been solicited
- Pearl Street firehouse – RFP has been solicited

Finance

CRDA CFO Joseph Geremia reported the following financial update for January 2021. Mr. Geremia referred to the report in the Board package and offered to take questions from Board members at any time throughout the month.

The Financial Advisory Committee (FAC) met on January 7, 2021 and approved the transfer of \$3M to cover the operational shortfalls at XL and Rentschler, \$1.5M for each venue. While Michael Freimuth discussed the budget transfer in the package, Mr. Geremia provided additional comments. Board members inquired as to how the allocation works with the Authority's initial budget forecast and the current projected shortfall.

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

P&W Stadium at Rentschler Field – Nov. 2020

Stats: Toronto FC played a seven game season (one 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

Venue Update

Andy Bessette explained that CRDA engaged Johnson Planning, that completed a Strategic Plan Study of the CT Convention Center in 2019, to advise CRDA on any key savings that could be obtained with venue management companies. Johnson advised that management fee savings in exchange for additional years on the contract term was the most common arrangement struck at other venues. Therefore, CRDA has negotiated deals with Spectra at XL and Waterford at the Convention Center. The following are the agreements presented to the Board review and approval.

The Venue Committee inquired about why something similar could not be done for Rentschler. Mike explained that the UConn Agreement with Rentschler expires in 2023 as does the Management Agreement with OPM. Due to this timing, CRDA is not in a position to expand it for a discount now until further discussions take place between UConn and OPM.

XL Center

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

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

Connecticut Convention Center

The Waterford Venue Services Hartford LLC Agreements relating to the CT Convention Center were presented as follows:

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

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

Wolfpack Amendment – Information purposes only

Mr. Bessette explained the nuances of the following amendment that is being presented to Board Members regarding the 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'.

Mr. Freimuth indicated that besides Johnson Planning, who previously worked for CRDA on the convention center, looked at management give backs, discounts throughout the industry and that guided the negotiations with Waterford and Spectra, CRDA also retained Stone Consulting, who were sub-consultants that did the economic analysis of the XL Center in 2019. OPM and DECD both asked for a further extension of the analysis and some work was done on that.

Also Stafford Sports, which has worked with CRDA off/on for the last four years, has been negotiating with UConn on a long term UConn agreement for the XL facility that reflects a new seating and F&B structure that we hope to put into the building.

Board members inquired about COVID related use of funds for venues and asked if perhaps there was a chance to get reimbursed for some of the COVID related funds. Mr. Freimuth responded by saying that CRDA finance team monitors that and bills OPM which goes to the COVID accounts. That only can handle direct expenses linked to our operations that need to be reimbursed. They cannot make up for revenue shortfalls or things that fall under normal business.

Venue Studies

The following was presented regarding COVID-Related Operations in CRDA Facilities:

CT Convention Center

Testing – Hartford Healthcare has been operating a drive-through COVID testing site in the Convention Center stand-alone garage since November 12, 2020.

Vaccinations – Hartford Healthcare opened a vaccination site in the atrium of the Convention Center on December 12, 2020.

Surge 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

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.

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.

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

Michael Freimuth presented the following housing projects that were discussed and approved at the November Housing and Neighborhood Committee:

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.

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

“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.

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.”

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.

The following resolution was moved by Andy Bessette, seconded by Seila Mosquera-Bruno and approved.

“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.”

Michael Freimuth gave the status on various CRDA housing projects.

Regional & Economic Development Committee

Mayor Leclerc reported the Committee convened with new members on January 14, 2021. Mr. Freimuth was able to give an update to the Committee on past projects and a few new projects that lay in wait. CT Regional Agricultural Market – There is an RFP out for Development and Planning that is due back on January 15, 2021.

Parkville Market – looking to expand into the neighboring building. CRDA will assist with access to DOT property adjacent to the market site for much needed parking.

Goodwin College Drainage Phase I and 2 – have been completed and maybe just some tidying up of paperwork is required.

Showcase Cinemas – demolition happened several months ago and the RFP is due back on the January 28, 2021.

Silver Lane sidewalk project – Currently getting wetland permitting. Discussions with OPM with regards to sidewalks has been completed so the project will continue to move forward.

East Bank project on Founders Plaza – the design team has been meeting on a regular basis. A new Master plan was presented to the parties this week by Tecton.

Riverfront Recapture – includes some new design elements that must go through DEEP and the Army Corp of Engineers to accomplish some improvements to the benches and the lighting project as well as using the town's new signage to put in wayfaring markers and new entrance signage at the Park.

Bushnell South Project – a firm has been selected to assist with developing the master plan and a contract is currently being negotiated.

Windsor Locks Project – the town has approached CRDA for assistance with blighted sights as well as a TOD project. Because the town lies outside of CRDA's defined work area, a statutory change will be required for us to provide any financial assistance or logistical support.

Bob Patricelli would like to let Mayor Bronin know that the Committee had a brief discussion of the farmer's market/regional market and added that he would like to know the Mayor's thoughts on finding a home for the market someplace more effective in the City, perhaps associated with Parkville Market. Mayor Bronin responded that he is strongly in favor of putting the market in a place that is more accessible by foot that helps to contribute to the vitality of a neighborhood. He added that Parkville area might be a little bit challenging because logistically it may be difficult due to getting trucks in/out, although maybe it could. He ended by saying that he definitely thinks there are sites throughout the City where it could absolutely work and where it would make a big difference.

Executive Director Report

Ethics Requirements – Tony Lazzaro sent an email to Board members reminding them of State of Connecticut Ethics requirements, Statement of Financial Interest is included in this information. A refresher of some of the ethics rules may be done at an upcoming meeting either in person or virtual as an annual update.

Construction Report

Robert Saint reported on the following construction items:

99 Pratt – Abatement has started.

Colt U Building – working through permits and expect to mobilize next week.

Park & Main – It is pre-fab so when the building goes up, everything will be in place and it will be quick. Plumbing is being connected and final finishes are being done in the Building B. Site prep is being done for Building A.

San Juan Center – drywall is complete and trim phase has started.

DoNo Parcel C – precast garage construction is largely finished and crews are installing the geo piles for the next phase.

Brackett – two houses are under construction and a third is about to begin. Water and sewer mains are in place. Working through final issues with MDC to get the laterals done. Installation of the gas line and paving will probably not happen until the Spring.

Riverfront Recapture – the old farmhouse has been dismantled and the environmental investigation of site continues.

Quirk West – parts of construction are moving well. Construction on main level looks like it will be complete in about 6 six weeks. Some parts of building open early Spring, other parts, late Spring.

Bushnell South Garage – due to COVID, paving, concrete work, painting put off until Spring. Other than those finishes, the building is substantially complete.

Adjourned 4:09pm

DRAFT

Financial Report

Financial Update – February 2021

Fiscal Year 2021 Operating Statistics

CT Convention Center – Dec. 2020

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

Dec. financials: Net Loss of \$2.883M favorable to budget by \$570,00 due to COVID-19 shutdown

Total year projection of \$6.108M loss favorable to budget by \$220,000, with \$3.564M in undetermined funding sources

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

CRDA advance of \$750,000

CRDA Parking Facilities – Dec. 2020/Jan.2021

Jan. stats: Utilization of 42% unfavorable to budget by 19%

Monthly rate customers unfavorable to budget by 4,600 at 13,300 YTD

Transient customers unfavorable to budget by 103,600 at 28,200 YTD

Dec. financials: Revenue unfavorable to budget by \$1,203,200 due to facility limited openings thru Jul. 21

Expenses \$396,900 favorable compared to budget due to savings in utilities, security, vehicle ID tag purchases, credit card fees, and repairs & maintenance

Net Income \$806,300 unfavorable to budget

Total year projection of \$895,600 net income unfavorable to budget by \$2.467M

Church Street Garage – Dec. 2020/Jan.2021

Jan. stats: Utilization of 56% unfavorable to budget by 16%

Monthly rate customers unfavorable to budget by 1,700 at 6,100 YTD

Transient customers unfavorable to budget by 4,800 at 4,600 YTD

Dec. financials: Revenue unfavorable to budget by \$198,400

Expenses \$142,800 favorable compared to budget due to savings in utilities and security

Net Income \$55,700 unfavorable to budget

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

XL Center – Dec. 2020/Jan.2021

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

Dec. financials: Operating expenses \$1,292,700 favorable to budget due to savings in personnel, supplies, contracted services, and repairs & maintenance

Net Loss of \$2,385,200 favorable to budget by \$992,900 due to COVID-19 shutdown

Total year projection of \$5.812M loss unfavorable to budget by \$16,200, with \$3.456M 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

Received \$1.5M supplemental funding in January 2021

CRDA advance of \$750,000

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P&W Stadium at Rentschler Field – Dec. 2020/Jan. 2021

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

Dec. financials: Operating expenses \$402,800 favorable compared to budget due to savings in personnel, supplies, contracted services, and repairs & maintenance

Net Loss of \$486,200 unfavorable to budget by \$469,100 due to COVID-19 shutdown

Total year projection of \$1,245,800 loss unfavorable to budget by \$293,700 primarily due to loss of UConn football season and UConn field subsidy of \$250,000 removed from projection, with \$522,000 in undetermined funding sources

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

Received \$1.5M supplemental funding in January 2021

CT Regional Market (Same update as prior month)

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 (Same update as prior month)

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

Funding for Calendar Year 2021 due from Htfd. Athletic

Venue Update

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**CAPITAL REGION DEVELOPMENT AUTHORITY
Board of Directors**

February 18, 2021

Resolution

WHEREAS, City of Hartford and the Capital Region Development Authority entered into that certain Second Amended and Restated Lease Agreement dated as of April 26, 2013 relating to certain land and facilities known as the XL Center located at One Civic Center Plaza, Hartford Connecticut (the "Lease Agreement");

WHEREAS, pursuant to Article II, the term of the Lease Agreement expires June 30, 2023; however, CRDA has the right to exercise two successive periods of five (5) years each;

WHEREAS, Spectra Venue Management ("Spectra") and CRDA entered into that certain Facilities Management Agreement dated April 26, 2013 relating to the Management of Rentschler Field and the Hartford Civic Center, as amended (the "Management Agreement");

WHEREAS, on January 21, 2021, the CRDA Board of Directors authorized its Executive Director to execute an amendment the Management Agreement with Spectra that extends its term for two (2) additional years, thereby expiring June 30, 2025; and

WHEREAS, as a condition precedent to amending the Management Agreement in accordance with the Board's authorization of January 21, 2021, the Board of Directors finds it desirous to exercise its right to extend the term of the Lease Agreement by one (1) five-year period, thereby expiring June 30, 2028.

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

1. That it authorizes its Executive Director to exercise CRDA's right to extend the term of the Lease Agreement by one (1) five-year period, thereby expiring June 30, 2028.

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**Housing
&
Neighborhood
Committee**

PROJECT: 103-21 Allyn Street, Hartford
(aka 88 Allyn Partnership)

BACKGROUND: The redevelopment of the former Lewtan buildings into 66 residential units has struggled during Covid, first in completion of construction and now with lease up. The buildings however are complete, have a c/o and are approximately 33% occupied. Nonetheless, the properties can not carry their debt until they reach a higher occupancy and have asked for a forbearance of interest on the CRDA loan thru June 30, 2021. This would mirror a request that is under consideration at Peoples United Bank for a similar forbearance thru June 2021.

CRDA has a \$6.6M subordinate loan earning 3% interest and goes to permanent financing once the building stabilizes. PUB first priority loan totals \$5.5M. Historic credits and equity balance out the \$21.1M project.

CRDA has taken several actions to assist the building to close construction and operating shortfalls, including granting a three-month forbearance in October 2020, increasing the affordability requirement to trigger additional historic credits, and creating a backstop escrow account. The action now requested will be designed to complement the terms of the primary lender with the goal to structure a total refinancing later in 2021 as the market improves and lease up reaches stabilization. An additional six-month forbearance is valued at \$99,540 which will be collected at refinancing as a fee due CRDA.

RESOLUTION: The executive director is authorized to grant an additional six-month forbearance through June 30, 2021 for 103-21 Allyn Street (aka 88 Allyn Partnership) to match that of Peoples United Bank.

Tenant Rent Deficiencies

Report from CRDA Loan Servicing

We've reached out to our properties and continue to follow-up. We requested information from 25 properties and received 18 responses (72%) to date.

Almost all properties say they are doing generally well, reporting between 80% and 100% occupied (with the exception of 2 properties).

And properties are between 70% and 100% of renters paying on time. Only 1 property needs to call some renters for payment.

Every property seems to be dealing with COVID a little differently. Some of the actions they are taking are: eliminate credit card fees, waive early termination or amenity fees, offer payment plans or move-in specials, and many are offering lease renewals with no rate increases. Almost every property is offering at least one of these options.

For possible evictions once the emergency orders expire, 8 properties said they may have 1 tenant each, 1 property has 3 potentially, and 1 property has 5 potentially. Total of 10 properties (40%) awaiting some form of evictions process.

CRDA Housing Approved

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/Aff 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	3/13/2013	3/28/2014	Renting	86%
201 Ann/Grand	26	\$4.45M	\$202K	\$3.8M/\$750K	\$28.8K	100	initial constr. note \$3.8M ³ convert to 2nd mortgage at \$750,000	3/24/2013	6/23/2013	10/29/2013	Renting	35%
179 Allyn	63	\$14.89M	\$233K	\$6.5M	\$103K	80/20	\$3.25M equity, \$3.25M 2nd Loan	3/21/2013	6/21/2013	11/15/2013	Renting	97%
Sonesta/Spectra	190	\$23.9M	\$123K	\$2.05M	\$10.8K	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%
390 Capital	112	\$35.3M	\$290K	\$7M	\$62.5K	80/20	2 loans, .5% 20 yr.	6/19/2014	3/17/2015	9/23/2015	Renting	97%
36 Lewis	6	\$1.8M	\$306K	\$300K	\$50K	100	construction/perm 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.	6/19/2014	7/25/2014	2/25/2015	Renting	100%
1279-83 Main	10	\$1.35M	\$135K	\$297K	\$29.7K	100	loan 3% 25 yr.	5/21/2015	6/16/2016	9/9/2016	Renting	30%
370 Asylum	60	\$20.3M	\$338K	\$4M	\$66K	70/30	loan <3% 20 yr.	2/18/2016	3/24/2016	9/29/2017	Renting	96%
Radisson	96	\$19.5M	* z	\$6.5M	\$67.7K	100	hotel conv. const. note	10/15/2015	12/11/2015	3/31/2016	Renting	33%
81 Arch	59	\$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/perm loan 3% 30 yr.	12/8/2016	5/12/2017	11/8/2017	Renting	80%
111 Pearl	101	\$21.55M	\$208K	\$6.06M	\$59.47K	100	construction/perm loan 3% 30 yr.	12/8/2016	5/12/2017	11/8/2017	Renting	90%
103 Allyn	66	\$21.1M	\$319K	\$6.6M ⁶	\$103K	80/20	construction/perm loan 3% 5 yr.	12/8/2016	2/1/2017	10/31/2018	Renting	30%
105-7 Wyllys	9	\$2.5M	\$277K	\$800K	\$88.8K	100	construction/perm loan 2-3% 30 yr.	5/18/2017	11/29/2017	8/31/2019	2021	
Colt North	48	\$13.6M	\$283K	\$2.88M	\$60K	100	construction/perm loan 3% 20 yr.	5/18/2017	11/29/2017	7/2/2018	Renting	100%
28 High	28	\$5.5M	\$196.4K	\$1.9M	\$67.8K	80/20	loan 3% 30 yr.	2/2/2018	2/16/2018	8/29/2018	Renting 1/21	
100 Trumbull	16	\$1.5M	\$93.7K	\$960K	\$60K	100	loan 3% 20 yr.	9/21/2017	2/16/2018	4/12/2018	2018/19/20	95%
246-250 Lawrence	12	\$1.5M	\$125K	\$521K	\$43.4K	100	Historic bridge loan & perm loan 3% 20 yr.	10/18/2018	12/11/2018	1/4/2019	Renting	33%
Colt "U"	28	\$7M	\$269K	\$1.5M	\$53.5K	100	loan 3% 20 yr.	1/10/2019	12/18/2019	11/30/2020	Late 2021	
Pratt I	129	\$29.8M	\$231K	\$12M	\$93K	80/20	\$3M & \$9M 1% 5yr 30yr. 20	10/17/2019	9/17/2020	12/18/2019	2022	
Park/Main	126	\$26.8	\$212K	\$8.4M	\$66.7K	80/20	Yr. 3%	9/20/2018	9/20/2018	6/25/2020	2022	
Done "C"	270	\$56.2M	\$208K	\$11.8M	\$43.7K	90/10	3% 30 yr. 15 yr. term	9/20/2018	9/20/2018	9/30/2020	2022	
Summary	1969 ⁵	\$472M	\$239K	\$121.7M	\$62.5K median \$64K avg.	86/14	1697 market / 251 affordable					

2/4/2021

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)	\$650,000 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 production begun.
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	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	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	multiple properties see Housing Varied Funding Report

\$34,330,000

2/4/2021

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**Regional
and
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 streetcapes improvements recommended in CRDOG Silver Lane study		n/a	\$1,011,887	Grant-in-aid (Balance of funds given to OPM for EHRK 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 blighted 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 - Horton 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
Riverfront Recapture	Phase I development of extension to Hartford Riverwalk north of Riverside Park		#####	Y15 Neighborhood	Grant-in-Aid			9/20/2018	Remediation, soil testing, geo borings underway

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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	\$21m	\$5,500,000	Loan/Equity		7/21/2020	Pre-development

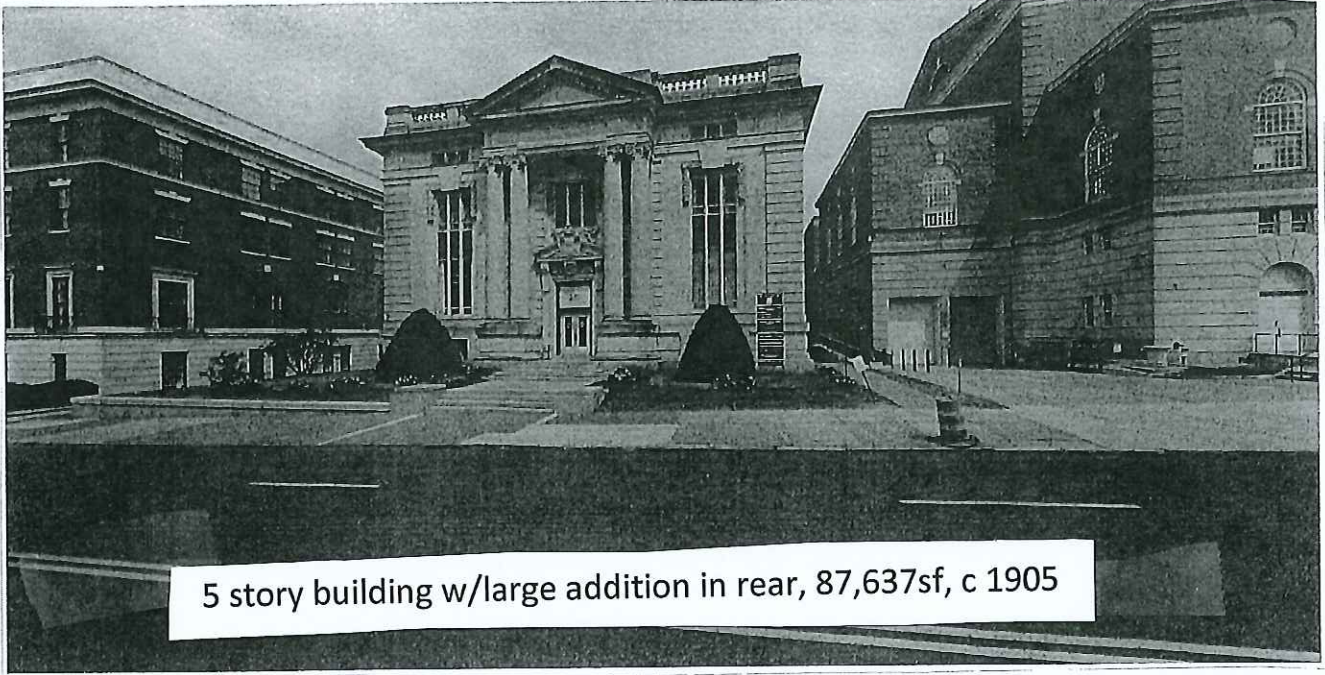
11/16/2020

\$ 18,000,000

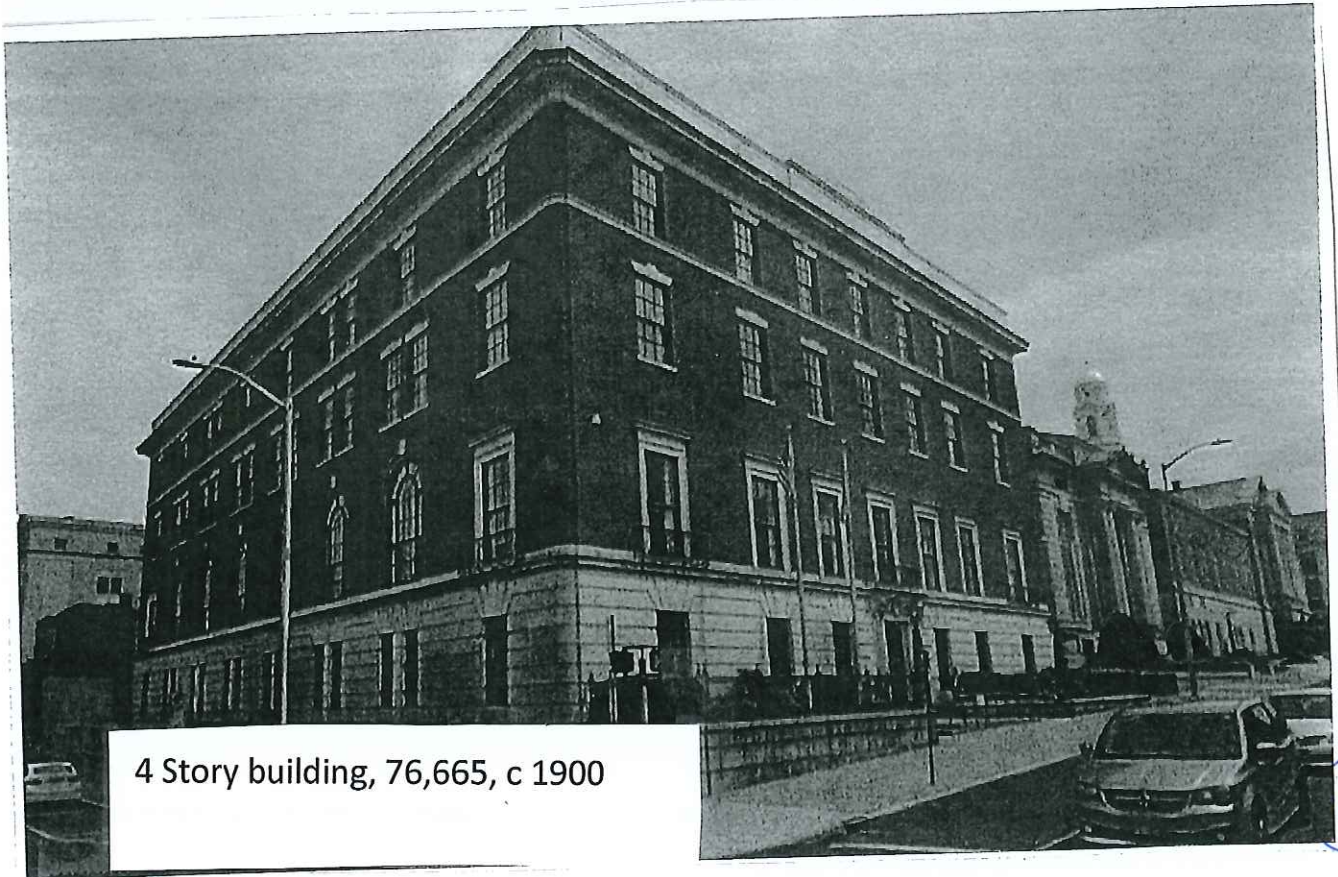
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Executive Director Report

18-20 and 30 Trinity



5 story building w/large addition in rear, 87,637sf, c 1905



4 Story building, 76,665, c 1900

18-20 and 30 Trinity

