

Agenda
CRDA Housing & Neighborhood Committee Meeting
GoToMeeting
Friday, February 5, 2021
9:00 am

- Approval of Minutes of January 15, 2021 *
- 88 Allyn Street
 - payment forbearance request *
- 201 Ann Street update
- Heritage Homes update
- COVID Impact Survey of CRDA Financed Residential Buildings
- Adjourn

CRDA February Housing Committee
Fri, Feb 5, 2021 9:00 AM - 9:30 AM (EST)

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/500058861>

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United States: [+1 \(872\) 240-3212](tel:+18722403212)

Access Code: 500-058-861* Vote item

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.

Gross Income (pro forma at 90% occupancy)	\$1,029,600	At 33%	\$377,520
Expenses	357,000		350,000
NOI	672,600		27,520
Debt Service (primary)	337,128		
Debt Service (CRDA)	<u>198,800</u>		
Excess Cash	139,672		

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.

Michael W. Freimuth

From: Joseph Geremia
Sent: Friday, January 29, 2021 4:10 PM
To: Michael W. Freimuth
Cc: Joseph Geremia
Subject: RE: tenant rent deficiencies

For HSG Comm. Report

Mike,

We've reached out to our properties and continue to follow-up. We requested information from about 25 properties and received about 15 responses so far.

Almost all properties say they are doing generally well, reporting between 80% and 100% occupied, and 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, 3 properties said they may have 1 tenant each, 1 property has 3 potentially, and 1 property has 5 potentially.

We're trying one more time next week to increase our responses.

Joseph Geremia, MBA, AFA, PHR, MPM, MMC
Chief Financial Officer

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From: Michael W. Freimuth <mfreimuth@crdact.net>
Sent: Thursday, November 12, 2020 1:29 PM
To: Joseph Geremia <jgeremia@crdact.net>
Subject: tenant rent deficiencies

Joe: has Lauren been able to talk with financial contacts at various housing deals to get a feeling as to what if any rent collection issues exist due to Covid and tenant non payment?

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 1 complete & leasing underway.
Bradlett 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 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 complement 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	FY 16 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 NIMA 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

CRDA Housing Approved

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/Aff Split	Structure	CRDA Bd. Approval	Bond Commission	Closed	Target Occupancy	Leased¹
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 ¹ 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	\$3.25M equity, \$3.25M 2nd loan	3/21/2013	6/21/2013	11/15/2013	Renting	97%
Senesta/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	2/28/2014 11/16/2014	6/30/2015	Renting	97%
390 Capitol	112	\$35.3M	\$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/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*	\$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	\$297K	\$29.7K	100	loan 3% 25 yr.	5/21/2015		9/9/2016 9/20/2019	2021	
370 Asylum	60	\$20.3M	\$338K	\$4M	\$66K	70/30	loan <3% 20 yr.	6/19/2015 2/18/2016	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	\$105.7K	100	30 yr. 1% loan	10/20/2016	11/15/2016	11/7/2017	Renting	75%
101 Pearl	157	\$28.4M	\$184K	\$9.24M	\$58.8K	100	construction/perm loan 3% 30 yr.	12/19/2016	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.	12/18/2016	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.	12/18/2016	2/1/2017	10/31/2018	Renting	30%
105-7 Wavilys	9	\$2.5M	\$277K	\$800K	\$88.8K	100	construction/perm loan 2-3% 30 yr.	8/8/2018	6/26/2019			
Colt North	48	\$13.6M	\$283K	\$2.88M	\$60K	100	construction/perm loan 3% 20 yr.	5/18/2017 3/21/2019	11/29/2017 6/26/2019	8/31/2019	2021	
28 High	28	\$5.5M	\$196.4K	\$1.9M	\$67.8K	80/20	construction/perm loan 3% 20 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	
246-250 Lawrence	12	\$1.5M	\$125K	\$521K	\$43.4K	100	Historic bridge loan & perm loan 3% 20 yr.	9/21/2017	2/16/2018	4/12/2018	2018/19/20	95%
Colt "U"	28	\$7M	\$289K	\$1.5M	\$53.5K	100	loan 3% 20 yr.	10/18/2018	12/11/2018	1/4/2019	Renting	33%
Pratt I	129	\$29.8M	\$231K	\$1.2M	\$99K	80/20	\$3M&\$9M 1% 5yr 30yr.	1/19/2019	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	12/18/2019		2022	
Dona "C"	270	\$56.2M	\$208K	\$11.8M	\$43.7K	90/10	3% 30 yr. 15 yr. term	9/17/2020	9/20/2018	6/25/2020	2022	
Summary	1,969 ⁵	\$472M	\$239K	\$121.7M	\$62.5K median \$44K avg.	86/14	1697 market / 251 affordable	9/20/2018	9/20/2018	9/30/2020	2022	

2/14/2021

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