

Agenda

**CRDA Regional and Economic Development Projects Committee
Meeting / GoToMeeting
Thursday, January 13, 2022
3:00 pm**

- I. Approval of Minutes from November 18, 2021*
- II. Parkville Market II*
- III. Regional Market Study Update
- IV. Project Updates
- V. Adjournment

CRDA Regional & Economic Development Committee Monthly Meeting
Thu, Jan 13, 2022 3:00 PM - 4:00 PM (EST)

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Regional and Economic Development Committee
Conference Call
Draft Meeting Minutes
November 18, 2021
3:00 PM

Members Present via GoToMeeting: Board Chair Suzanne Hopgood, Randal Davis, DECD Deputy Commissioner Alexandra Daum and Bob Patricelli

Staff Present via GoToMeeting: Mike Freimuth and Kim Hart

The meeting was called to order at 3:05 p.m. by Ms. Hopgood, who was chairing the Committee following the recent retirement of East Hartford Mayor Marcia LeClerc. Ms. Hopgood asked for a motion to approve the minutes of the September 9, 2021 meeting and those were approved on a voice vote.

1) **Project updates** - Mr. Freimuth updated members on the following projects:

- a. **Hilton Hotel** – This project will likely be discussed within the Housing & Neighborhood Committee at its December meeting. CRDA funds are being requested as part of a complicated funding stack for a reboot of the Hilton Hotel. Mr. Freimuth reminded Committee members that CRDA has a vested interest in seeing the hotel remain open, as it is a key housing location for Convention Center events.
- b. **Regional Market** – Mr. Freimuth noted that after a series of drafts, HR&A's first report on the Regional Market is now available. Commissioner Hurlburt of the State Ag Department has reviewed the document and expressed his support for the consultant's approach. A second HR&A report outlining desired uses for the site and potential square footages is expected shortly. Mr. Freimuth noted that a presentation to the full Board is tentatively scheduled for December or January.
- c. **Parkville Market – Phase 2**: Mr. Freimuth noted that the developer of the Parkville Market has paid off his original CRDA note and the proceeds will likely be rolled into a second phase of development. Renovation of two buildings, including one across a courtyard from the original Market building, could include a distillery, entertainment space, sit-down dining, rooftop area and potentially a brewery. CRDA funds are likely to be used for environmental remediation, with City economic development funds also in the mix. Additional details will be presented at a future committee meeting.
- d. **Great River Park** – Work by Riverfront Recapture at the East Hartford park will close down over the winter months.

- e. **Goodwin Drainage Project** – Mr. Freimuth noted that the third phase of drainage upgrades near Goodwin College will begin in the spring, utilizing American Rescue Plan Act funds secured by East Hartford. CRDA is working to finalize an MOU with the Town.
 - f. **Bushnell South Garage** – Mr. Freimuth reported that the garage is expected to be operational around December 1st.
- 2) **Other Business** – Mr. Freimuth noted that Mike Walsh, the newly-elected mayor of East Hartford, has expressed an interest in serving on the Regional and Economic Development Committee.

The next meeting of the Regional & Economic Development Committee is scheduled for December 9, 2021.

There being no further business, the meeting was adjourned at 3:28 p.m.

PROJECT: Parkville Market Phase 2
1390-1400 Park Street, Hartford CT
1390-1400 Park Street LLC (Borrower)

BACKGROUND: The first phase of Parkville Market was funded by a CRDA \$3.5M loan that has since been refinanced and paid off. That phase converted a former lumber warehouse to a variety of small food vendors/restaurants that has become a successful marketplace, establishing itself in the neighborhood in spite of the Covid pandemic. This second phase will expand upon the success of the first and provide expansion opportunities, additional entertainment options as well as larger space configurations and include a distillery. Its funding will be provided by the City of Hartford/CRDA Revolving Fund Program.

PROPOSAL: Construction of the second phase will cost approximately \$4.6 Million that will convert the 35,475 s.f. 2-story industrial into the following: First Floor with an 1800 sf bar, 10,366 sf event hall and a 3,110 sf craft distillery including a retail and tap room; Second floor with 5,062 sf of event space and room for 5-10 food vendors; and a roof top entertainment area.

The project will be funded by a \$3.5M CRDA/City loan
.5 M Forgivable Loan/Grant
.6 M equity

RESOLUTION: The Executive Director is authorized to lend to 1390-1400 Park Street LLC (or such single purpose entity as may be acceptable to CRDA), \$4 million from the CRDA/City of Hartford Revolving Fund for purposes of converting 1390 Park Street into the next phase of the Parkville Market. Upon completion and successful opening of this second phase, \$500,000 of the \$4M will be converted into a grant to the project. The full \$4M will be lent at 3% interest only during construction (but in any case, not for a period longer than 18 months). Upon completion of construction, a \$3.5 M loan at 3% interest, amortizing for a 20 year period, with a term of no more than five years will be made from CRDA to the borrower.

Project address: 1390 Park Street

Current Use

1390 Park Street is a 35,475 square foot, 2 story Industrial building located in the CX-2 zone with a TOD overlay zone. The building is currently used as a retail outlet (Madame's Beauty Supply), warehouse (F) and temporary winter or cold weather seating for 146 socially distanced patrons of the nearby Parkville Market.

Proposed use(s)

We intend to convert 1390 Park Street to the following uses:

FIRST FLOOR

1. A bar comprised of 1,800 square feet along with a small seating area. (Phase A)
2. There will also be an event space comprised of 10,366 square feet. (Phase B)
3. An addition of stairs and elevator to outside of building (Phase C)
4. A small craft brewery comprised of 3,110 square feet with a retail area and taproom containing 2,500 square feet, as shown on the attached floor plan. (Phase D)

SECOND FLOOR

5. Event space (5,062 Sq. Ft) (Phase E)
6. 5-10 retail food vendor spaces. (580 Sq. Ft each) (Phase F)

ROOF TOP

7. A roof top event space containing 2,500 square feet, comprised of seating, music, bar with an open area. (Phase E)

Project Narrative

The building was built in two phases. The front and back building are attached. Front Building- First floor: In the front of the building is an existing beauty shop which consists of 1800 sq ft, beyond that area there is an 1,800 square foot bar and 10,366 square feet that is currently being used as temporary dining during the pandemic, but we will eventually plan to use as event space. Above that space (i.e. second floor), there is an existing tenant (Putnam Housing) with 10,366 square feet of space, which will be potentially used as addition food kiosks (5-10) when tenant eventually moves out.

The attached back building has roughly 11,220 square feet. Back Building-First Floor will be used to manufacture beer and will also contain a tap room (5,610 square feet total). Additionally, we are planning to use the Second Floor (5,610 square feet) and Rooftop (usable space is approximately 2,500 square feet) as event space.

Rent Roll & Recurring Charges

Property: 1390-1400 Park Street, LLC

As of 11/04/21

| Tenant | Unit | Unit Type | RC |
|---|------------------|-----------|--------------------|
| 1390-1400 Park Street, LLC | | | |
| Parkville Market LLC | 1400 Park | | 55,000.00 |
| PMC, LLC (event space) | 1390 Park Street | | 5,000.00 |
| Madams Beauty Supply | Suite 3 | Retail | 2,300.00 |
| Independent Outdoor LLC dba Suite 8amar Companies | | Retail | 2,500.00 |
| Putnam Housing LLC | Suite 206 | Retail | 3,170.20 |
| KTH | 1396 Park Street | Retail | 7,500.00 |
| Property Total | | | \$75,470.20 |

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LIFECARE DESIGN, INC.
1429 Park St. Ste 201
Hardford Ct. 06106
a whitechapel • a stone way • a better design
www.lifecareinc.com

[illegible]

ELEVATOR/STAR
EXTENSION LOWER LEVEL
1 GRADE

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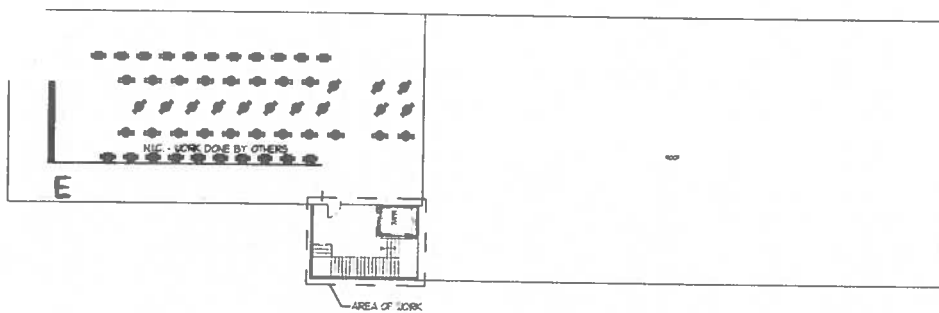
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INVESTIGATION SHALL BE
BY THE DATE OF DEPARTURE
FROM THE SPANISH TERRITORY
THE APPLICANT "AND THE
DEPORTATION"

PARKVILLE
MANAGEMENT LLC
100 PARK ST
HARTFORD CT 06106

STAIR/ELEVATOR
LOBBY ADDITION
100 PARK ST
HARTFORD, CT 06106



LIFECARE DESIGN INC
1429 Park St Ste 201
Hartford CT 06106
and features - planning - design - design design
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| DATE | REVISION |
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ELEVATOR/STAIR
EXTENSION UPPER LEVEL
1 ROOF PLANS
DATE: 1/1/10
BY: JLB
CHECKED: JLB
SCALE: 1/8" = 1'-0"

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SCALE: 1/32" = 1'-0"

ROOF OF PLAN WITH ELEVATOR LOBBY ADDITION

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SCHEDULE OF VALUES

1390 PARK ST RENOVATION
1390 PARK ST
Parkville Management

OCTOBER 20, 2021

| | A | B | C | D |
|----|----------|---|-----------------|--------------------|
| 1 | BASE BID | DESCRIPTION | VALUE | CONTRACTOR |
| 2 | | | | |
| 3 | | GENERAL CONDITIONS | | |
| 4 | | Temp Facilities - Porto-Let/ Temp Protection/ Fencing | \$ 20,000.00 | Pioneer Builders |
| 5 | | Admin 50 Hrs @ \$35.00 | \$ 1,750.00 | Pioneer Builders |
| 6 | | Pre-Construction 30 Hrs @ \$82.00 | \$ 2,460.00 | Pioneer Builders |
| 7 | | Supervision 52 weeks @ \$2,200 p/ week | \$ 114,400.00 | Pioneer Builders |
| 8 | | Project Manager 416 Hrs @ \$90.00 | \$ 37,440.00 | Pioneer Builders |
| 9 | | Laborer - 960 Hrs @ \$45 | \$ 43,200.00 | Pioneer Builders |
| 10 | | Dumpsters - 20 @ \$650 | \$ 13,000.00 | Marchion & Faucher |
| 11 | | | | |
| 12 | | TRADES | | |
| 13 | | Selective Demolition | \$ 190,000.00 | |
| 14 | | Concrete | \$ 40,000.00 | |
| 15 | | Masonry | \$ 210,000.00 | |
| 16 | | Structural Steel/ Misc Metals | \$ 500,000.00 | |
| 17 | | Roofing | \$ 390,000.00 | |
| 18 | | Doors, frames and hardware | \$ 50,000.00 | |
| 19 | | Windows & Storefronts | \$ 150,000.00 | |
| 20 | | Framing & Drywall | \$ 325,000.00 | |
| 21 | | Stage Area | \$ 60,000.00 | |
| 22 | | Roof Top Floor | \$ 112,000.00 | |
| 23 | | Painting | \$ 90,000.00 | |
| 24 | | Concrete Floor Polishing | \$ 50,000.00 | |
| 25 | | Ceramic Bathroom Flooring | \$ 128,000.00 | |
| 26 | | LVT Flooring | \$ 140,000.00 | |
| 27 | | Bathroom Accessories | \$ 50,000.00 | |
| 28 | | Elevator | \$ 150,000.00 | |
| 29 | | Sprinkler | \$ 140,000.00 | |
| 30 | | Plumbing | \$ 120,000.00 | |
| 31 | | HVAC | \$ 450,000.00 | |
| 32 | | Electrical & Fire Alarm | \$ 350,000.00 | |
| 33 | | Site | \$ 30,000.00 | |
| 34 | | Grease Interceptor | \$ 15,000.00 | |
| 35 | | | | |
| 36 | | Contingency | \$ 100,000.00 | All Trades |
| 37 | | | | |
| 38 | | Sub-Total | \$ 4,072,250.00 | |
| 39 | | CT Sales Tax 6.35% | \$ 258,587.88 | |
| 40 | | | | |
| 41 | | SUB-TOTAL | \$ 4,330,837.88 | |
| 42 | | CM Fee 6% | \$ 259,850.27 | |
| 43 | TOTAL | Total | \$ 4,590,688.15 | |
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1390-1400 Park Street

| Account | | Current | When Completed (GRDA funded) |
|--|-------------------|---------------------|---------------------------------|
| Income | | | |
| PKM Rent Income 1400 Park | 20,000sqft | \$660,000.00 | \$660,000.00 |
| PMC 1390 Bar | 1,800sqft | | \$90,000.00 |
| PMC Rent Income 1390 event space | 10,000sqft | \$60,000.00 | \$150,000.00 |
| 3rd party 1390 Brewery 1st Fl rear | 5,000 sqft | | \$105,000.00 |
| PMC 1390 Event Space 2nd Fl & Roof Top | 7,500sqft | | \$180,000.00 |
| 3rd party Old Day Care | 4,500sqft | | \$90,000.00 |
| Other Tenants' Rent Income | | \$95,640.00 | \$95,640.00 |
| Billboard | \$30000 | | |
| Madam Beauty supply | \$27600 | 2000sqft | |
| Putman Housing | \$38040 | 10,000sqft | |
| Total Income | 61,800sqft | \$815,640.00 | \$1,370,640.00 |
| Expense | | | |
| Electrical Repair | | \$3,228.37 | \$3,228.37 |
| HVAC - Repairs | | \$5,224.96 | \$5,224.96 |
| Insurance | | \$18,500.00 | \$18,500.00 |
| Landscaping | | \$5,500.00 | \$5,500.00 |
| Legal and Professional Fees | | \$4,500.00 | \$4,500.00 |
| Management Fee | | \$15,600.00 | \$15,600.00 |
| Plumbing | | \$2,800.00 | \$2,800.00 |
| Property Taxes | | \$54,172.30 | \$54,172.30 |
| Repairs & Maintenance | | \$13,715.28 | \$13,715.28 |
| Roof Repair | | \$5,131.83 | \$5,131.83 |
| Snow Removal | | \$28,144.00 | \$28,144.00 |
| Sprinkler/Fire system | | \$4,627.40 | \$4,627.40 |
| Electrical | | \$4,150.00 | \$4,150.00 |
| Utilities - Water/Sewer | | \$14,500.00 | \$14,500.00 |
| Total Expense | | \$179,794.14 | \$179,794.14 |
| Net Operating Income | | \$635,845.86 | \$1,190,845.86 |
| Net Income | | \$635,845.86 | \$1,190,845.86 |

(11)

**1390 - 1400 Park Street
Phase II**

| Phase | Cost |
|------------|----------------|
| A | \$95,000.00 |
| B | \$1,250,000.00 |
| C | \$775,000.00 |
| D | \$497,000.00 |
| E | \$681,000.00 |
| F | \$774,250.00 |
| | |
| Soft Costs | 518,438.20 |
| | |
| Total | \$4,590,688.20 |

CRDA Regional and Economic Development Projects

| Project | Description | TDC | CRDA Amount | Structure | Committee Approval | CRDA Board Approval | Bond Commission Approval | Status |
|--|---|--------|-------------------|--|--------------------|---------------------|--------------------------|---|
| Hartford Regional Market | Planning & design for redevelopment & improvements | | \$1,050,000 | Grant-in-aid | | | 7/25/2018 12/18/2018 | Planning consultant to present initial site allocation to RED Committee on 01/22 |
| Front Street District | Paving & crosswalk improvements at Front/Columbus intersection, storm drainage improvements and waterproofing & related garage improvements at Front St. North Garage | | \$3,000,000 | Direct CRDA expenditure | | | 7/25/2018 | Completed |
| East Hartford - Showcase Cinemas | Acquisition, demolition and redevelopment of former multiplex site | | \$12,000,000 | Grant-in-aid | | | 7/12/2016 6/1/2018 | Developer has been selected |
| East Hartford - Drainage Improvements near Goodwin College | Installation of new drainage lines to accommodate new development in Goodwin area | | \$4,000,000 | Grant-in-aid | | 6/21/2018 | 7/25/2018 | Phase I and Phase II complete. Funding secured for Phase III. |
| East Hartford - Silver Lane Improvements | Installation of new sidewalks, crosswalks and streetscape improvements recommended in CRDOG Silver Lane study | | \$1,011,887 | Grant-in-aid (Balance of funds given to OPM for EH&N project) | | | 4/4/2009 | Contractor selected - awaiting OPM signoff on easements and environmental permit applications |
| East Hartford - Founders Plaza | Master Planning & Garage design to allow for residential development in area | | \$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 | | \$1,340,000 | Grant-in-aid | | | 9/20/2018 | Work continues |
| East Hartford - Neighborhood Property Improvements | Abatement and demolition of four blighted structures, including a former Town fire station and three residential properties | \$ | 1,000,000 | Grant-in-aid | | | 9/20/2018 | MDU signed with Town. |
| East Hartford - Horizon Mall | Infrastructure improvements and site work for outlet mall | \$ | 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 | \$ 2,000,000 | DECD Brownfields Grant | n/a | 1/15/2013 | n/a | Town negotiation with residential developer |
| Bushnell South Garage | Garage | \$17m | \$17,000,000 | CRDA Prop. | | | 9/20/2018 | Garage scheduled to open for State employees in mid-December |
| Parville Market | Community Market | \$5.1m | \$3,500,000 | Construction / Bridge Loan Note Repaid | 12/20/2018 | 1/10/2019 | 4/2/2019 | Open |
| Riverfront Recapture | Phase I development of extension to Hartford Riverwalk north of Riverside Park | | FY15 Neighborhood | Grant-in-Aid | | | 9/20/2018 | Major site work scheduled to begin Spring 2022 |
| Hilton/DoubleTree | Conversion of hotel | \$11M | \$5.10 | Loan | 12/3/2021 | 12/15/2021 | 12/21/2021 | Pending City Council |

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 and 7/23/2021 | Pre-development |

8/6/2021

\$ 18,000,000

CRDA Rescinded Project

| Project | # Units | TDC | TDC/Unit | CRDA Amt. | CRDA \$/Unit | Mkt/Aff Split | Structure | Bond Commission | Closed | Target Occupancy | Leased' |
|--------------|---------|--------|----------|-----------|--------------|---------------|-----------|-------------------------|-----------|------------------|---------|
| 105-7 Wyllys | 9 | \$2.5M | \$277K | \$800K | \$88.8K | 100 | rescinded | 11/29/2017 6/26/2019 | 8/31/2019 | 2022 | N/A |

1/4/2022