

**Agenda**  
**CRDA Board Meeting**  
**June 16, 2022**  
**\*\*\*3:00pm\*\*\***  
**Teams Meeting**

- |                 |   |
|-----------------|---|
| 3:00pm - 3:05pm | ● Call to Order & Minutes {5-19-22} *   |
| 3:05pm - 3:15pm | ● Mayor Reports<br>- Hartford Mayor Like Bronin<br>- East Hartford Mayor Mike Walsh   |
| 3:15pm – 3:30pm | ● Finance Report<br>- Budgets FY2022-23 * <ul style="list-style-type: none"><li>• State Appropriations and ARPA Funding, CT Convention Center, Convention Services Subsidy, XL Center, CRDA Office, P&amp;W Stadium at Rentschler Field</li></ul>         |
| 3:30pm – 3:45pm | ● Housing & Neighborhood Committee<br>- 200 Constitution *<br>- Project Updates   |
| 3:45pm – 3:50pm | ● Regional & Economic Development Committee<br>- Project Status   |
| 3:50pm – 4:05pm | ● Venue Update<br>- XL Center <ul style="list-style-type: none"><li>• Sports Betting</li><li>• OVG</li></ul><br>- Pratt & Whitney Stadium at Rentschler Field <ul style="list-style-type: none"><li>• Lacrosse update</li></ul><br>- CT Convention Center |
| 4:05pm – 4:30pm | ● Executive Director<br>- Fund Change – Parkville *<br>- Bushnell South RFQ<br>- Construction Update<br>- Hopgood Recognition   |
| 4:30pm          | ● Adjourn   |

*\* Vote item*

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# Draft Minutes

May 19, 2022

Capital Region Development Authority  
100 Columbus Boulevard, 5<sup>th</sup> Floor  
Hartford, CT 06103

Thursday, May 19, 2022  
3:00pm – Teams Meeting

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

**Board Members Present:** Chairwoman Suzanne Hopgood; Andy Bessette; Alexandra Daum; David Jorgensen; Andrew Diaz-Matos; Robert Patricelli; Paul Hinsch; David Robinson; Joanne Berger-Sweeney; Randal Davis;

**Board Members Absent:** Seila Mosquera-Bruno; Mayor Mike Walsh; Mayor Luke Bronin; Joseph Giulietti

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

**Guest:** Eileen Buckheit, Director of Development, Town of East Hartford

### Minutes

*“The March 24, 2022 CRDA Board meeting minutes were moved by Andy Bessette, seconded by David Robinson and approved.”*

There was a brief discussion regarding renewal of board member appointments. Mr. Freimuth and Attorney Lazzaro indicated that once members are appointed, they stay on the Board until they resign or are replaced. A spreadsheet will be distributed to the Board with their information regarding appointments.

### Presentation

Eileen Buckheit gave a brief presentation on the Silver Lane Corridor Redevelopment Plan for the Town of East Hartford. Pending adoption by Summer 2022, the plan addresses a number of projects along this key roadway. The largest of these is the redevelopment of the former Showcase Cinema site by Jasko Development and construction of up to 420 market rate apartments. The demolition and redevelopment of other blighted properties, including the Silver Lane Plaza shopping area, are also included in the plan. Ms. Buckheit noted that CRDA bond funding designated for East Hartford has been used and will continue to be needed for full implementation of the plan.

### Mayor Reports

*Hartford* – Randal Davis gave a brief report in Mayor Bronin’s absence. Mr. Davis indicated that the report the Mayor gave at the last meeting, with respect to some of the large projects in Hartford, those projects are all still ongoing as well as many more in the pipeline. The Mayor will give a more in depth report at the June Board meeting.

Mr. Davis highlighted a couple of the projects:

State’s Innovation Corridor Grant Program - Hartford submitted an application focused on Parkville and a decision is expected very soon.

DONO – will be starting next phase in the next few months.

*East Hartford* – Eileen Buckheit reported on the following projects in Mayor Walsh’s absence:

DECD Challenge Grant - EH received \$2 million from the DECD Challenge grant. We will be partnering with Goodwin University on a marina on their campus.

Si-Fi Networks FiberCity - SiFi launch was this week. They have all the permits and approvals to begin laying fiber in the ground.

Business Development Fund - The ARPA small business assistance program was launched on May 1<sup>st</sup>. Grants of up to \$125,000 can be approved per business if they meet the criteria of the program which generally includes facades, expansion or job growth.

McCartin School – Work towards demolition and redevelopment of the McCartin School site continues. the plan is to move this along this year with the assistance of CRDA.

National Development and Showcase Cinemas - These sites are both scheduled for Inland Wetlands approvals in July and Planning and Zoning Commission approvals in August. Both developers hope to close on the deals this fall with construction starting before winter.

## Finance

Chief Financial Officer Joseph Geremia reported on the following financial update for May 2022.

### Fiscal Year 2022 Operating Statistics

#### CT Convention Center – Mar. 2022

Event Update: Events restarted in Sept. 2021  
Scheduled for 69 events this fiscal year vs. budget of 70 events  
Family shows, video gaming, dancing, and religious groups remain on schedule  
Event promoters concerned about attendance and exhibitor product availability

Mar. financials: Revenues \$234,500 unfavorable to budget due to recent event cancellations and lower rental income negotiated with promoters for shows that did occur, both related to COVID-19  
Expenses \$481,400 favorable to budget due to savings in utilities and marketing  
Net Loss of \$3.944M favorable to budget by \$246,900  
Total year projection of \$5.846M loss even with budget

#### CRDA Parking Facilities – Mar./Apr. 2022

Stats (Apr.): Utilization of 64% is favorable to budget by 16%

Mar. financials: Revenues \$841,400 favorable to budget due to transient and hotel guest revenues as well as large consumer shows returning to the convention center in January  
Expenses \$756,800 unfavorable compared to budget due to increased event personnel and for repairs & maintenance  
Net Income \$84,600 favorable to budget  
Total year projection of \$819,200 net income even with budget

#### Church Street Garage – Mar./Apr. 2022

Stats (Apr.): Utilization of 42% is unfavorable to budget by 14%

Mar. financials: Revenue unfavorable to budget by \$258,900 due to decrease vehicle counts in market monthly contracts

Expenses \$884,400 favorable compared to budget due to deferral of CRDA facility support  
Net Income \$625,500 favorable to budget  
Total year projection of \$798,000 net income is \$473,000 favorable to budget  
Lost one corporate account for second half of fiscal year

**Bushnell South Garage – Mar./Apr. 2022**

Stats (Apr.): Opened to State departments in December 2021  
Averaging 141 state vehicles per day-34% utilization  
Mar. financials: No YTD operating revenue generated  
Expenses \$13,700 favorable compared to budget due to savings in personnel and insurance offset with increased snow removal expenses  
Net Loss \$13,700 favorable to budget  
Total year projection of \$219,500 loss even with budget

**XL Center – Mar. 2022**

Event Update: Sports seasons occurred for AHL hockey, UConn basketball, and UConn hockey  
Concert industry moved holds into Fall 2022  
Indoor event attendance and increased staffing requirements remain concerns as well as a slow return of group sales activity  
Mar. financials: Event revenue \$287,600 unfavorable compared to budget [HWP: (\$89K), WBB: (\$46K), MBB: \$158K, MIH: (\$11K), Concerts: (\$384K), and other events: \$84K]  
Other Income \$238,700 unfavorable to budget due to sponsorship COVID-renegotiations  
Operating expenses \$288,100 favorable compared to budget due to savings in personnel, utilities, and insurance  
Hockey operations \$10,600 favorable compared to budget  
Net Loss of \$2,650,900 unfavorable to budget by \$227,600  
Total year projection \$126,700 unfavorable compared to budgeted loss of \$3.644M

**P&W Stadium at Rentschler Field – Mar. 2022**

Event Update: Held 2 USA soccer games, 1 NYC league soccer game, 6 UConn football games, holiday lights display, and misc. parking lot events  
Scheduled to host NCAA Lacrosse event in May 2022 and international soccer game in June 2022  
Mar. financials: Event revenue \$812,300 favorable compared to budget due to 2 USA soccer games \$420,000, a NYC soccer game \$213,000, 6 UConn football games \$80,600, and parking lot events \$98,700  
Operating expenses \$263,700 unfavorable compared to budget due to F&B event personnel  
Other Income \$227,100 unfavorable to budget due to sponsorship COVID-renegotiations  
Net Operating loss of \$139,000 favorable to budget by \$321,500  
Total year projection \$740,000 favorable compared to budgeted loss of \$879,000 due to three professional soccer events and dependent on scheduled NCAA lacrosse event, remaining professional soccer event, as well as UConn venue support of \$250,000  
\$522,300 received in State funding due to prior year losses related to COVID-19

## CT Regional Market - Mar. 2022

Stats: Occupancy: 81% with 12 tenants  
Activity: Farmers' Market operated for 2021 season from April 3 through Oct. 30  
Farmers' Market opened for 2022 season on April 2

Mar. financials: Operating revenue \$79,600 unfavorable to budget due to decreased warehouse rental income compared to budget  
Operating expenses \$100,200 favorable to budget due to savings in utilities, insurance, security, and snow removal  
Net income of \$204,700 favorable to budget by \$20,600  
Total year projection of \$229,600 net income even with budget

## *Fiscal Year 2023 Budgets*

Mr. Geremia reported on the following FY2023 Budget Process:

1. Management companies/CRDA staff prepared draft budgets (March through May)
2. CRDA staff reviewed draft budgets followed by appropriate adjustments (May)
3. CRDA Board Executive & Finance Committee members reviewed budgets with CRDA staff (May)
4. Full Board presented budgets for authorization (May)
5. CRDA Board Venue Committee presented major venue budgets (May)
6. CRDA Board Executive & Finance Committee members to review state appropriation and major venue budgets (May)
7. Full Board to be presented state appropriation and major venue budgets for authorization (June)

Mr. Geremia presented the following FY23 budgets highlighting significant areas of interest.

### **CT Regional Market                      FY23 Operating Budget: \$150,647**

The Regional Market is funded through three sources. The market receives lease revenue for refrigerated agricultural space, farmers' market fees, and billboard revenue. Operating expenses consists of maintenance, utilities, security, facility management fees, and transitional expenses, as well as net operating expenses of \$31,191 associated with the farmers' market.

### **Front Street District                      FY23 Operating Budget: \$38,914**

The Front Street district is funded through PILOT revenues received from HB Nitkin, the district's retail operator. Operating expenses consists of insurance, median and bridge maintenance, utilities, snow removal, and misc. expenses.

### **Central Utility Plant, CRDA Parking Facilities, and Bond Indenture/Trustee Budgets**

The operations and budgets for the Central Utility Plant, CRDA Parking Facilities, and Bond Indenture/Trustee budgets are related to the economic activity generated by the CT Convention Center. Their revenues are netted together with excess funds sent to the State Treasurer's Office for the use of covering CRDA revenue bond debt.

### **Bond Indenture/Trustee                      FY23 Operating Budget: \$56,634**

Revenues from the CRDA Parking Facilities and the CUP are deposited with the Trustee. CRDA then allocates a Board-approved budget to fund the expenses of the operations, capital needs, and the costs associated with the bond debt service. Of these funds, \$960,000 is allocated towards the remaining \$4.7 million of the 5-year capital plan that totaled \$6.7 million. Excess funds are sent to the State Treasurer's Office for the use of covering CRDA revenue bond debt.

**Central Utility Plant (CUP) FY23 Operating Budget (expenses): \$3,037,230**

The central utility plant (“CUP”) is governed by an energy sharing agreement, administrated by CRDA, between the Connecticut Convention Center, the Marriott Hotel and the Connecticut Science Center whereby each party is required, among other things, to fund a certain portion of the CUP’s operations, debt service and capital needs.

FY23 Budgeted Net Operating Gain of \$0.

**CRDA Parking Facilities**                      **FY23 Operating Budget: \$402,942**

The CRDA Parking Facilities include the garages located at the Connecticut Convention Center, the Connecticut Science Center, and the two garages on Front Street, Front Street North and South garages. These garages generate revenues through monthly parking contracts, employee parking, and residential parking contracts. Additional revenues are generated through convention center and hotel events, transient parking, and parking along Front Street.

**Church Street Garage**                      **FY23 Operating Budget: (\$742,809)**

The Church Street Garage generates revenues through monthly parking contracts, corporate validations, transient parking, and through events held at the XL Center.

Expenses include payroll and benefits, insurance, security, utilities, maintenance, and snow removal.

Garage net operating gain provides a supplemental operating subsidy to the XL Center as well as reinvested in capital improvements such as structural repairs and replacement of the waterproof membrane.

FY23 Net Operating Loss of \$742,809 includes \$1,400,000 income draw for XL Center supplemental funding.

**Bushnell South Garage**                      **FY23 Operating Budget: (\$325,024)**

The Bushnell South Garage provides parking for State employees from a number of State agencies as well as the Judicial branch. The garage also has the ability to generate revenue in the evening or on weekends by providing parking to patrons of the Bushnell Theatre.

Expenses include payroll and benefits, insurance, security, utilities, maintenance, and snow removal.

Garage net operating loss funded with initial opening State financing.

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

*“The CRDA Board of Directors hereby authorizes the seven FYE 2023 Budgets under the scenarios recommended by management subject to available funds known as: CT Regional Market; Front Street District; Bond Indenture/Trustee; Central Utility Plant (CUP); CRDA Parking Facilities; Church Street Garage; and the Bushnell South Garage.”*

**Housing & Neighborhood Committee**

Joanne Berger Sweeney, along with Mr. Freimuth, reported on the following projects that were discussed and vetted by the CRDA Housing and Neighborhood committee on March 4, 2022.

Project:            Fuller Brush - 3580 Main Street Hartford, CT

Conversion of Buildings 1&2 into Residential Units, Building 3 as amenity building

Developer: Shelbourne Properties

History: The former Fuller Brush industrial campus in Hartford's North End consists of 12.5 acres, 10 buildings and 326,000 sf of space. Ultimately the property will include a mix of uses including commercial, industrial, innovation and office space. The proposal was approved by the Housing/Neighborhood Committee on April 1, 2022.

The project will renovate Buildings 1 & 2 into 153 housing units with 140 large studios and one bedroom and 13 two-bedroom units totaling 174,565 sf of the complex. (Building 3 will serve as an amenity building)

	<u>Const.</u>	<u>Perm.</u>
Dev. Budget: Conventional Senior Debt	\$12.0M	\$12.0M
CRDA/City Dev Acct.	8.5M	6.5M
CPACE	6.9M	6.9M
Federal HOME	1.0M	1.0M
Federal HTC	1.1M	4.5M
State HTC		4.0M
Def Fee	1.0M	
Equity/cash	<u>5.7M</u>	<u>1.3M</u>
TDC	\$36.2M	\$36.2M

Proposal: To utilize up to \$8.5M in CRDA and City development funds to gap the project. CRDA will lend up to \$5.5M and the City development account will fund up to \$3M to create a combined \$8.5M subordinate loan at 2%/30yr terms with interest only payments in years one thru five, amortization beginning in year six with a 15-year term and a partial pay down of the CRDA funds in year 2 from the Federal Historic Credits proceeds. There is some expected variance in final credit and loan amounts as well as development budget due to ongoing construction and financial pricing environments.

The following motion was moved by Andy Bessette, seconded by Randal Davis and approved.

*"The executive director is authorized to lend to Shelbourne Properties (or such acceptable single purpose entity) up to \$5.5M in CRDA housing assistance and up to \$3M of city funds consistent with the CRDA/City of Hartford MOU of December 3, 2021 at 2%/30-year amortization with a 15-year term; an interest only period of five years; and a buy down once historic credits are monetized in year two; subject to the State Bond Commission approval of the \$5.5M; all other sources of funds being secured; and such fiduciary terms and conditions as deemed necessary and appropriate by the executive director and CRDA counsel".*

Mr. Freimuth reported on the following other projects:

- Housing - Rents are doing well and occupancies are in the 90% range
- Hilton – converting to Double Tree – Financing is in closing phase.
- 55 Elm – moving forward
- Park & Main – 95% leased



David Jorgensen brought up an issue related to Park & Main. Before the investment that CRDA made for the Park & Main project there was some discussion about the need to relocate some social services and shelters, clinics and rehab facilities that are located in the South Green area. There is a lot of criminal activity along with drug dealing. It was my understanding that these services would be moved to a more industrial or commercial spaces instead of where families are raising families and children are walking to school.

Last month I was asked to attend a joint NRZ meeting for Blue Hills and Upper Albany. There were discussions regarding the South Park Inn being relocated to 333 Homestead Avenue. The neighborhood is concerned and the NRZ are against it for all of the same reasons Park & Main had the same concerns. Maybe the Mayor, at the next meeting, can update the Board regarding where the facilities will be relocated.

Randal Davis indicated that the Mayor put out a statement specific to this. He heard and listened to all of the concerns of the residents. It is a complex discussion in terms of how and where these facilities will be relocated. The facilities will not currently be relocated to 333 Homestead Avenue.

Mr. Jorgensen indicated that these are critical services and he is willing to help in any way he can. He thanked Mr. Davis for the update.

### **Regional and Economic Development Projects Committee (RED)**

Mr. Freimuth gave the RED Committee report on behalf of Mayor Walsh:

- Hilton – converting to Double Tree – Financing is in closing phase, possibly June.
- The Bond – is moving forward

### **Venue Committee**

Andy Bessette, Chairman of the Venue Committee, reported on the following items:

#### **XL Center – Sports Betting Lounge**

The General Assembly has approved a provision allowing for all net revenue from a sports betting lounge at XL to be transferred to CRDA for operation of that venue. A term sheet for an agreement with the Connecticut Lottery Corporation should be ready for the next Venue Committee meeting.

Such revenue will keep the sports betting lounge from operating at a loss. Staff operating the betting components of the lounge will be employed by the Lottery Corporation. Rising construction and material costs will likely impact the project budget and work should proceed as soon as possible.

#### **OVG Partnership**

OVG has been evaluating XL's potential to host premier concerts, with a focus on seating and load-in capacity. That evaluation has concluded that the seating bowl can be reconfigured to accommodate the 13,500 seats and staging layout required for large concerts. Improving the venue's load-in and load-out capacity will be more problematic, but potential solutions have been identified. The next step will be estimating the cost of the desired improvements.

## Pratt & Whitney Stadium at Rentschler Field

CRDA staff are currently reviewing the Stadium building assessment prepared by Populous and will present copies to the Committee for the next meeting. This assessment comes at a critical time with the OPM/UConn lease expiring next year, along with the OPM/CRDA Stadium operating agreement and the CRDA/OVG management agreement.

## Connecticut Convention Center

Repair work in the building continues, including planning for a new elevator and replacement of the cooling towers. Repairs to the plaza deck between the Convention Center and Marriott are nearing completion.

## Events

The Convention Center is currently hosting an immersive Sistine Chapel event and various group meetings. Pratt & Whitney Stadium is preparing for the NCAA lacrosse championships later this month, while the XL Center hosted a WWE event earlier this month. The Journey concert scheduled for May 10<sup>th</sup> was postponed due to a band member testing positive for COVID and OVG is hoping to reschedule in the near future.

XL Center - Chairwoman Hopgood asked about other alternatives regarding the ramp at XL for loading and uploading. Mr. Freimuth reported that by designing the lower level, three to four trucks will be able to operate at once vs. currently where one truck can be loaded/unloaded at a time. A lot of the construction and design is underneath the building.

The south ramp is being currently being looked at which is coming off of Ann Street. That may require rearranging some of the columns. Construction services is trying to get pricing on these possibilities.

Bob Saint added that the full-size tractor trailers go in using the North ramp and the sports lounge is going to sit on top of it. As part of that project, we are in the process of improving that ramp.

Rentschler Field - Kim Hart presented the National Development Logistics Center Master Plan Rendering at Rentschler Field and reviewed its potential impact on stadium operations.

## Executive Director Report

Mr. Freimuth reported on the following items:

Legislative summary – Mr. Freimuth reported on the Approved Bills from the 2022 Legislative Session impacting CRDA.

*Budget Revisions* – The FY23 budget revision bill makes no changes to CRDA’s \$6.3 million appropriation for next year. It also leaves intact the \$2.5m in American Rescue Plan funds authorized in 2022 session for venue recovery. The bond section of the bill authorizes \$50 million in new bonding for CRDA projects. (*House Bill 5506, sections 1-2 & 318*)

*Sports Betting at XL* – The budget revision bill provides that revenue from the sports betting facility to be located at the XL Center will be directed to CRDA for operation of that venue. This legislation is

necessary for the Authority to move forward with construction of the sports betting facility. (*House Bill 5506, sections 431- 432*)

*CRDA Solicitation of Private Investments* – The budget revision bill also includes clarification language authorizing CRDA to solicit private investment funds from businesses to finance any project the Authority undertakes. The bill requires that private investments be made under similar terms and conditions as the investments CRDA makes in the project. (*House Bill 5506, sections 475-476*)

*City of Hartford Residential Assessment* – This legislation extends the residential assessment provision for CRDA projects from those located within our statutory district to those located anywhere in the Capital City. (*Senate Bill 9, section 10*)

*Brainard Airport Study* – This legislation authorizes DECD to undertake a comprehensive study of the Brainard Airport site, specifically to assess the benefits and opportunity costs to Hartford and the state of the current and alternative uses of the airport property. Committee legislation had authorized CRDA to conduct the study. (*House Bill 5506, section 430*)

*Stadium Budget Submittal* – This legislation repeals a procedural requirement that OPM (CRDA) submit a copy of the Stadium operating and capital budgets to both the Comptroller and the General Assembly prior to the start of each fiscal year for comments and review prior to a final stadium budget adoption. As a practical matter, the timing was not workable. The Authority will continue to provide for annual audits of the Stadium's operations that are also submitted to the Legislative committees of cognizance. (*House Bill 5506, section 169*)

Parkville/Hamilton Fund Change – Mr. Freimuth discussed a proposal to swap funding sources for two Parkville projects. All of the terms of the deals would remain the same however the CRDA and City funding allocations will be modified.

Board members raised a question regarding whether this would raise any concerns. Mr. Freimuth indicated he would bring it back to the Board in a more formal review in June.

Adjourned - 4:28pm

# Finance Report

Budgets FY2022-23

**Fiscal Year 2023 Budgets**

**FY2023 Budget Process**

1. Management companies/CRDA staff prepared draft budgets (March through May)
2. CRDA staff reviewed draft budgets followed by appropriate adjustments (May)
3. CRDA Board Venue Committee presented major venue budgets (May)
4. CRDA Board Executive & Finance Committee members presented state appropriation and major venue budgets (May)
5. Full Board presented state appropriation and major venue budgets for authorization (June)

**CRDA State Appropriation Allocation Request**

	<u>CRDA</u>	<u>CTCC<sup>1</sup></u>	<u>XL Center<sup>2</sup></u>	<u>Total</u>
FY23 Appropriation	\$1,265,821	\$4,183,300	\$800,000	\$6,249,121
FY22 Appropriation	\$1,390,821	\$4,058,300	\$800,000	\$6,249,121

<sup>1</sup> - CTCC funding includes convention services subsidy program funding of \$50,000.

<sup>2</sup> - XL Center funding supplemented with \$1.4M of excess revenues from Church St garage.

<sup>3</sup> - P&W Stadium at Rentschler Field financial results are reported within the operations of the Office of Policy and Management contained in the Consolidated Financial Statements for the State of Connecticut and are not included within the Financial Statements of CRDA.

**CRDA State American Recovery Plan Allocation Request**

	<u>CTCC<sup>1</sup></u>	<u>XL Center</u>	<u>Rentschler<sup>2</sup></u>	<u>CRDA<sup>3</sup></u>	<u>Total</u>
FY23 Appropriation	\$1,175,000	\$1,100,000	\$ 25,000	\$200,000	\$2,500,000
FY22 Appropriation	\$2,100,000	\$2,000,000	\$900,000	\$ 0	\$5,000,000

<sup>1</sup> - CTCC funding includes convention services subsidy program funding of \$50,000 and \$100,000 in FY23 and FY22 respectively.

<sup>2</sup> - P&W Stadium at Rentschler Field financial results are reported within the operations of the Office of Policy and Management contained in the Consolidated Financial Statements for the State of Connecticut and are not included within the Financial Statements of CRDA.

<sup>3</sup> - CRDA \$200,000 appropriation to be held in reserve to allocate to a major venue based on FY23 financial results.

**CT Convention Center FY23 Operating Budget: (\$5,258,300)**

The Connecticut Convention Center net event revenues through building rental income and through event services income for rental of equipment and decorating. The remaining net event revenues represents net food and beverage income with catered events representing 77% and concession income representing 23%.

Expenses are divided into operating expenses, fixed costs, and debt service. Operating expenses consists of all payroll-related expenses as well as administrative, financial, marketing, and security. Fixed costs consist of maintenance, utilities, insurance, and management fees.

FY23 Net Operating Loss of \$5,258,300 without CRDA appropriation.

Projected CRDA appropriation of \$4,133,300 and ARPA funding of \$1,125,000 totaling \$5,258,300.

## **Fiscal Year 2023 Budgets (cont.)**

### **Convention Services Subsidy Program FY23 Operating Budget (expenses): \$173,750**

Contractual event subsidies are used at the CT Convention Center as a marketing tool to draw business to the city and the Convention Center that has significant economic impact to the state. The event inducements, or event subsidies, or event rebates, are used by groups to offset expenses such as transportation, convention center costs or marketing of the convention. There are guidelines on their use and a formal approval process within the convention center and CRDA.

The convention subsidy program is funded through three sources. The program receives a state appropriation subsidy, parking subsidy from the CRDA Parking Facilities due to the increased revenue generated by booking these city-wide events, and interest income.

Projected CRDA appropriation of \$50,000 and ARPA funding of \$50,000.

### **XL Center FY23 Operating Budget: (\$3,295,218)**

The XL Center generates operating revenues through rental income, ticket fees, and ancillary income comprised of food and beverage income and from novelty and club income. Net ticket revenue is not retained by and is not reflected in the venue's financials. Events held at the XL Center include concerts, UCONN men's and women's basketball, UCONN hockey, misc. sporting events, and family events. The AHL hockey operations is recorded as a net subsidy.

Operating expenses are facility overhead costs as well as administrative, financial, marketing and sales expenses.

FY23 Net Operating Loss of \$3,295,218 without CRDA appropriation.

Projected CRDA appropriation of \$800,000 and ARPA funding of \$1,100,000 as well as \$1,400,000 in excess revenues from the Church St. garage totaling \$3,300,000.

### **CRDA Office FY23 Operating Budget: \$330,744**

The CRDA office is funded through numerous sources. The Authority receives a state appropriation, program administrative fees through its management of capital projects at its venues and throughout the region as well as origination fees through the residential housing program. The Authority also generates interest on its residential housing loans as well as accrued interest on its residential housing loans and non-residential housing investments due to the Authority in the future. Accrued interest on its residential housing loans amount to \$751,666.

Expenses are for payroll and benefits which is transferred to the State Treasurer and fees including legal, auditing, information technology, and consulting. Administrative expenses also include insurance and office expenses which includes marketing, telephone, and office supplies.

Projected CRDA appropriation of \$1,265,821.

## **Fiscal Year 2023 Budgets (cont.)**

### **Pratt & Whitney Stadium @ Rentschler Field FY23 Operating Budget: (\$1,323,673)**

Financial results of the Stadium at Rentschler Field are reported within the operations of the Office of Policy and Management contained in the Consolidated Financial Statements for the State of Connecticut and are not included within the Financial Statements of CRDA.

Pratt & Whitney Stadium revenues and expenditures are managed through an Operating Account and an Enterprise Fund, a special revenue fund of the State of Connecticut specifically dedicated to the stadium. This mechanism assures that revenue from non-UConn events and other event revenues are dedicated to the venue's operating expenses. Non-UConn events must produce revenues in excess of expenses and any earnings are retained by the Enterprise Fund for the facility.

The Stadium generates operating revenues through rental income, ticket fees, and ancillary income comprised of food and beverage income and from parking fees. Net ticket revenue is not retained by and is not reflected in the venue's financials. Events held at the Stadium include UConn football, international soccer games, as well as catered and parking lot events. UConn football attendance based on projections provided by UConn Athletics Department.

Operating expenses are facility overhead costs as well as administrative, financial, marketing and sales expenses.

FY23 Net Operating Loss of \$1,323,673.

Projected UConn operating assessment of \$250,000 and State ARPA funding of \$25,000.

Projected additional funding of \$1,048,673 to be determined and allotted by OPM.

## **Proposed Budget Adoption Resolution**

*The CRDA Board of Directors hereby authorizes the State Appropriation and American Recovery Plan FYE2023 Allocation requests and the four FYE 2023 Budgets under the scenarios recommended by management subject to available funds known as: CT Convention Center; Convention Services Subsidy Program; XL Center; CRDA Office; and for OPM review and recommendation purposes, Pratt & Whitney Stadium @ Rentschler Field.*

**Housing  
&  
Neighborhood  
Committee**



## 200 Constitution Plaza

PROJECT: Conversion of former training/office building into 101 residential units  
125,000 sf vacant commercial space, linked to underground garage system

DEVELOPERS: Biagio Barone, Barone Properties, Stratford, CT  
John Guedes, Primrose Companies, Bridgeport, CT

PROPOSAL: Conversion into 101 units – 24 1BR, 28 2BR, 49 studios  
10% affordable units  
Preservation of auditorium/conference areas of first floor

SOURCES: \$13.75 M conventional financing 25 yr amortization/10 yr term  
2.0 M equity  
3.0 M CRDA loan, 3%, 25yr amortization/10 yr term  
\$18.75 M TDC

RESOLUTION: *“The Executive Director is authorized to make a housing loan of up to \$3 million at an interest rate of up to 3% with 25 years amortization and a ten year term to the development team of Biagio Barone and John Guedes (together forming a single purpose entity acceptable to CRDA) for the purpose of converting 200 Constitution Plaza into 101 residential units, 10% of which shall be affordable for a period of 15 years, subject to 1/ all sources of funding and approvals being secured; 2/State of Connecticut Bond Commission allocation and approval; and 3/such fiduciary terms and conditions that are necessary and appropriate to the satisfaction of the executive director and CRDA counsel.”*

CRDA Housing Approved

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mktz/AF Split	Structure	CRDA Bd. Approval	Bond Commission	Closed	Target Occupancy	Leased <sup>1</sup>
777 Main	285	\$84.5M	\$296K	\$17.7M	\$62K	80/20	\$7.5M equity \$10.2M 2nd mortgage	1/30/2013 3/22/2013	3/13/2013	3/28/2014	Renting	98%
201 Ann/Grand	26	\$4.45M	\$202K	\$3.8M/\$750K	\$148.8K	100	Note Paid Off	4/25/2013	6/21/2013	10/29/2013	Renting	86%
179 Allyn	63	\$14.89M	\$233K	\$6.5M	\$103K	80/20	\$3.25M equity, \$2.25M 2nd Loan, Refi 2022	3/21/2013 3/24/2022	6/21/2013	11/15/2013	Renting	84%
Sonesta/Spectra	190	\$23.9M	\$123K	\$2.05M	\$10.6K	85/15	Note Paid Off	6/4/2013	6/21/2013	12/5/2013	Renting	97%
Capewell	72	\$26.1M	\$359K	\$5.0M	\$69.4K	80/20	construction financing/converted to mortgage note	1/15/2014 1/16/2014	2/78/2014 11/16/2014	6/30/2015	Renting	96%
390 Capitol	112	\$35.3M	\$290K	\$7M	\$62.5K	80/20	2 loans, 3% 20 yr.	6/19/2014	3/17/2015	9/22/2015	Renting	95%
35 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 5/21/2015	7/25/2014	2/25/2015	Renting	66%
1279-83 Main	10	\$1.35M	\$135K	\$297K	\$29.7K	100	loan 3% 25 yr.	11/30/2017	7/28/2015	12/12/2020	Renting	100%
370 Asylum	60	\$20.3M	\$338K	\$4M	\$66K	70/30	loan <3%, 20 yr.	6/18/2015 2/18/2016	3/24/2016	9/29/2017	Renting	96%
50 Millennium	96	\$19.5M	# 2	\$6.5M	\$67.7K	100	Former Madison, foreclosure 2/2021	10/15/2015	12/11/2015	3/31/2016	Renting	80%
81 Arch	53	\$23M	\$380K	\$5.6M	\$103.7K	100	Mezz 2% 10 yr.	10/20/2016 3/16/2017	11/15/2016	11/7/2017	Renting	95%
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	97%
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	96%
88 (103-21) Allyn	66	\$21.1M	\$319K	\$6.6M*	\$103K	80/20	construction/perm loan 3% 5 yr.	12/8/2016 8/8/2018	2/1/2017 6/26/2019	10/31/2018	Renting	95%
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., refi 8/21	2/2/2018	2/16/2018	8/29/2018	Renting	100%
100 Trumbull	16	\$1.5M	\$93.7K	\$960K	\$60K	100	loan 3% 20 yr.	9/21/2017	2/16/2018	4/12/2018	2020/2022	97%
246-250 Lawrence	12	\$1.5M	\$125K	\$521K	\$43.4K	100	Historic bridge loan - Paid off perm loan 3% 20 yr. (\$91K)	10/18/2018	12/11/2018	1/4/2019	Renting	100%
Colt "U"	28	\$7M	\$269K	\$1.5M	\$53.5K	100	loan 3% 20 yr.	1/10/2019	12/18/2019	11/30/2020	Renting	100%
Pratt 1 - 99 Pratt	129	\$29.8M	\$231K	\$1.2M	\$93K	100	\$3M/\$59M 1% 5yr. 30yr.	10/17/2019 9/17/2020	4/16/2021 12/18/2019	4/16/2021	2022	
Pratt 2 - 18 Temple	47	\$34.9M	\$210K	\$7M	\$42.5K	90/10	New Units 47 / Total units 166 / 16 Aff. Units / 2.75% 30 yr. loan	9/17/2020	4/16/2021	10/15/2021	2022	
Park/Main	126	\$26.8	\$212K	\$8.4M	\$66.7K	80/20	20 yr. 3%, 39/87	9/20/2018	9/20/2018	6/25/2020	2021/2022	73%
Dolno "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	
55 Elm	164	\$63.3M	\$385K	\$13.5M	\$81.3K	80/20	2% 30 yr. Perm. \$7M 2% bridge \$6.5M 15 yr. term	4/16/2020	4/16/2021		2023	
Dolno "B"	228	\$52.8M	\$231K	\$13.6M	\$59.6K	90/10	3% 30 yr.	3/18/2021	12/15/2021		2023/4	
Hilton	147	\$17.9M	\$121K	\$5.9M	\$40K	80/20	3% 30 yr.	12/3/2021	12/15/2021		2023	
Summary	2546 <sup>1</sup>	\$640M	\$251K	\$156M	\$61.5K median \$64K avg.	87/13	2220 market / 326 affordable					

6/14/2022

<sup>1</sup> deposits and leases  
<sup>2</sup> \$75K/unit est. residential + 168 hotel rooms  
<sup>3</sup> notes repaid  
<sup>4</sup> \$16K from Housing Cap. Fund  
<sup>5</sup> 2741 w/ Front St. & Recap deals (less \$100)  
<sup>6</sup> \$200K reserve via Bond Commission

CRDA Housing Approved - Varied Funding Sources

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/Aff Split	Structure	CRDA Bd. Approval	Bond Commission	Closed	Target Occupancy	Occupancy
Front Street	121	\$35.7M	\$310K	\$12M	\$99.1K	Mkt	DECD grant	N/A	12/12/2007	12/17/2013	Renting	97%
Silas Deane	111	\$27M	\$225K	\$5M	\$41.6K	Mkt	Urban Act	N/A	9/30/2016	5/24/2018	Renting	85%
289 Asylum	8	\$1.474M	\$184K	\$485K <sup>2</sup>	\$56K	Mkt	Note has been paid off.	12/8/2016		6/13/2018		
241 Asylum	4	\$1.99M	\$150K	\$200K	\$50K	Mkt	construction note 5 yr., Capital Funds	03/22/2018	N/A	01/28/2021	Renting	100%
115-117							\$200,000 Hist. Bridge Loan	12/8/2016	N/A	5/7/2018	Renting	100%
Sigourney	4	\$1.16M	\$290K	\$200K	\$50K	Aff	Heritage Homes - Affordable	5/24/2018	6/1/2018	8/13/2019	Owned	115&117 Sold
86-88 Hawthorn	2	\$830K	\$418K	\$50K	\$25K	Aff	Heritage Homes (NINA) Aff.	5/24/2018	6/1/2018	8/13/2019	2020	86 & 82 Sold
80-82 Hawthorn	2	\$818K	\$409K	\$200K	\$100K	Mkt	Heritage (NINA) Market	3/18/2021	6/1/2018	7/27/2021	2022	80 & 82 Sold
213 Lawrence	3	\$462K	\$154K	\$370K	\$123K	Mkt	1st Mortgage 3% 20 Yr.	1/21/2021	N/A	2/9/2022	2022	
525 Main Street	42	\$7.8M	\$186K	\$2.1M	\$50K	80/20	City Funds 2.5% 20 Yrs. + 1% buydown	10/21/2021	N/A		2023	
275 Pearl	39	\$9.46M	\$242K	\$2.86M	\$73.5K	Mkt	City Funds 1.5% 20 Yrs. + 1% buydown	10/21/2021	N/A		2023	
Summary	336 <sup>3</sup>											

3/8/2022

<sup>1</sup> Paydown of principle from sale

<sup>2</sup> New balance at \$485K with interest rolled on initial \$450K condo note

<sup>3</sup> 225 Hartford 111 Regional

19

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 Neighborhoodhood	\$5m grant for demolition	9/9/2016	9/15/2016	9/30/2016	CRDA completed
Brackett Knoll	Construction of 14 two-family owner-occupied homes on Naugatuck Street	\$3.7m	\$1,555,000	FY16 Neighborhoodhood (Promise Zone)	\$20,860 used for MDC connection charges for housing lots. Balance used to construct required road; Board approved additional \$154k for road on 6/20/19	11/10/2016	12/8/2016	2/1/2017	Road completed
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 Neighborhoodhood (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.
Albany Ave/ Main Street	High Speed internet cabling connection to North End Business	TBD	\$525,000	FY16 Neighborhoodhood (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	Completed
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 Neighborhoodhood	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 3/23/2019	7/25/2018	On hold, funds to be reprogrammed
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	Completed
Heritage Home	Assistance via NINA to increase home ownership in Asylum Hill area.	TBA	\$2,500,000	FY17 Neighborhoodhood	Loans and grants	5/11/2018	5/24/2018	6/1/2018	multiple properties see Housing Varied Funding Report
Fuller Brush	Conversion of 2 buildings to res.	\$36.2M	\$5,500,000	Neighborhood	2% 30 yr. bridge historic & perm	4/1/2022	5/19/2022		pending

\$39,830,000

6/1/2022

20

**Regional  
&  
Economic  
Development  
Committee**

**CRDA Regional and Economic Development Projects**

Project	Description	CRDA Amount	Structure	Committee Approval	CRDA Board Approval	Bond Commission Approval	Status
Hartford Regional Market	Planning & design for redevelopment & improvements	\$1,500,000	Grant-in-aid			7/25/2018 12/18/2018 7/20/2020	Report presented to Board 3/22
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
Newington - National Welding Site	Administration of abatement and demolition of site; Assistance with development of site	\$2,000,000	DECD Brownfields Grant	n/a	1/15/2013	n/a	Town negotiation with residential developer CRDA role complete
Bushnell South Garage	Garage	\$17,000,000	CRDA Prop.			9/20/2018	Garage to open for State employees
Parkville Market	Community Market	\$3,500,000	Construction / Bridge Loan Note Repaid	12/20/2018	1/10/2019	4/2/2019	Open
Parkville Market 2	Comm. Mkt	\$3,500,000	Loan	1/13/2022	1/20/2022	n/a	Pending Closing
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	\$5,100,000	Loan	12/9/2021	12/15/2021	12/21/2021	Approvals in place 1/22
Bond	Historic Façade	\$1,000,000	Loan	1/7/2022	3/24/2022	n/a	Closed 3/30/2022

5/15/2022

22

**CRDA/East Hartford  
Regional and Economic Development Projects**

Project	Description	CRDA Amount	Structure	Committee Approval	CRDA Board Approval	Bond Commission Approval	Status
East Hartford - Showase Cinemas	Acquisition, demolition and redevelopment of former multiplex site	\$12,000,000 <sup>1</sup>	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 CRCOG Silver Lane study	\$1,011,887	Grant-in-aid (Balance of funds given to OPM for EBN 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	MOU signed with Town
East Hartford	Acq Redevel Silver Lane Retail	\$10,500,000	Grant	9/9/2021	9/16/2021	12/21/2021 & 5/26/2022	\$500K Preliminary Planning 12/21/21 \$10M 5/26/22 Balance

6/1/2022

<sup>1</sup> Transferred to CRDA from other State Agencies

CRDA Redevelopment Projects

Project	Description	Promise Zone?	TDC	CRDA Amount	Structure	CRDA Board Approval	Bond Commission Approval	Status
DoHo - 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
DoHo - 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 Pending Challenge Grant from DECD
Albany/Woodland	new construction mixed use project	Y	\$21m	\$5,500,000	Loan/Equity		7/21/2020 and 7/23/2021	Pre-development

\$ 18,000,000

CRDA Rescinded Projects

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/AMI Split	Structure	CRDA Bd. Approval	Bond Commission
105-7 Wyllys	9	\$2.5M	\$277K	\$800K	\$88.8K	100	rescinded	5/19/2017 3/21/2019	11/29/2017 6/26/2019
3 Constitution	49	\$17.7M	\$233K	\$4,289	\$87.3K	100	rescinded	9/19/2013	2/28/2014 11/10/2014
289 Asylum	16	\$1.7M	\$32K		\$575K	100	rescinded	4/15/2013	6/21/2013 7/12/2016
East Hartford	Hartford Mall	5		\$1.2M	Urban Act Grant		reprogramming	6/18/2018	6/1/2018

5/15/2022

24



# Executive Director

## PARKVILLE PROJECTS FUNDING ADJUSTMENTS

**Background:** CRDA has been supporting several commercial projects in the Parkville neighborhood, all with multiple capital sources including local, state, federal, private as well as CRDA funds.

Two projects in particular are confronting issues with this mix of resources including Parkville Market 2 and the 235-237 Hamilton Ave mixed use conversion project.

The multiple resources have been difficult to blend and have conflicting timing, causing delay in project implementation

A solution is to better match CRDA monies with the timing, current budget and matching resources that are ready to go with each project.

CRDA has previously approved the use of \$4M from the 'City Development Fund' (CRDA/City MOU) to the second phase of Parkville Market (December 15, 2021)

CRDA Housing and Neighborhood Committee (January 7, 2022) approved the use of up to \$3.5M of CRDA Recapitalization Funds for the environmental clean-up of 235-7 Hamilton mixed use conversion.

As of June 2022, the Parkville 2 project is ready to go but at a modified and reduced budget requiring \$3.5M of CRDA Recap funds at the same loan terms as the previous award of \$4M from the city funds.

The 237 Hamilton funding structure continues to evolve, and several private sources require more extensive environmental assessment and clean up resolution prior to locking their funds. As such, utilization of the city development funds (CRDA/City MOU) at \$4M is more suitable for this project and necessary to increased costs (from initial estimates of \$3M+) and it can proceed as an independent task prior to the other funding streams coming on-line.

The developer lead is the same for each project and the combined CRDA funding (\$4M from city development funds and \$3.5M from CRDA recapitalization funds) remains the same though allocated differently to each project at the same loan interest rate and terms for each construction note as previously authorized.

### Resolution:

*“Resolved, the Executive Director is authorized to redirect CRDA resources for the Parkville neighborhood, specifically allocating \$3.5M of CRDA Recapitalization funds to Parkville Market 2 at the same loan terms as previously approved and \$4M of City Funds per the CRDA/City MOU to the 235-7 Hamilton Project at the same loan terms as approved by CRDA Committee.”*

# Miscellaneous

# Bordonaro: Here's what some top business leaders think about the future of work and Hartford

HBS 5/23/22

By Greg Bordonaro

This week's print edition has a human resources focus section, a topic that is top-of-mind for all employers.

In fact, I've sat down or chatted with at least a dozen Hartford area business leaders over the past month or so, and the first and most interesting topic of conversation is typically about the state of the current and future workplace, and retaining and attracting talent.

Here are a few insights I gleaned from these leaders, who represent various industries from professional services and health care to banking and finance, manufacturing and insurance. I won't identify them by name or company because the conversations were on background only.

But many of them shared similar sentiments that are worth summing up because they provide a window into the potential short- and long-term future of the local workplace and city of Hartford.

1. The hybrid work model is here to stay; the five-day, in-office workweek is likely a thing of the past for most employers.

2. Despite offering more flexible work arrangements, top executives and managers want employees in the office more often, at least two or three days a week. However, many employers are hesitant to push their workers too far amid a tight labor market. Coming into the office remains optional for some companies.

There are pros and cons to the flexible work environment, these executives said. On the plus side, it's offering workers greater independence and the ability to spend more time with family. However, there are concerns about loss of collaboration and mentorship, especially among younger workers. It's also more difficult to create and maintain company culture.

3. Companies are using free lunches, drinks and other social gatherings to lure people back to the office. One employer rented out space in Hartford's Parkville Market to bring together its workers, who are still largely working remotely. Another offers free lunch on Wednesdays.

4. Many Hartford employers have, or are considering downsizing their office space. One executive whose company occupies about 130,000 square feet of space downtown is looking to consolidate to 75,000 square feet.

5. Privately, leaders are worried about downtown Hartford's future vibrancy, and it's one of the reasons they'd like more workers to return to the office. But they are

also concerned about the lack of amenities to draw workers downtown.

It's a bit of a chicken-and-egg problem. In order for more restaurants and retailers to open in the city, there needs to be more consistent foot traffic.

It will be interesting to see how the city's Hart Lift program impacts downtown's vibrancy. The program is using \$6 million in federal stimulus funds to help landlords outfit spaces for new restaurants and retailers. As of April 19, 25 grants were approved totaling nearly \$2.5 million.

6. Executives agree downtown must continue building new apartments, but they say the city must add jobs to attract residents who want to be close to where they work. The city has added more than 2,500 apartments over the last decade; one official said it will take another 20,000 units to truly change the city's dynamics, but that would take decades to achieve. It would also likely require the conversion of some Class A office space to residential use.

The conventional wisdom has been that 5,000 residential units downtown will help bring more restaurants and retailers.

7. Casual work attire is in vogue. I met one managing partner of a multinational firm who was wearing a golf shirt and jeans. Was it casual Friday? Nope, it's casual everyday at the company's Hartford office, at least when people actually show up.

On an average day about 10% of the company's employees are in office; the rest are working remotely. The casual dress code was implemented pre-pandemic as a way to build a more attractive company culture, particularly for younger workers.

You know we are in different times when a newspaperman is the best-dressed person in the room.

8. One company executive told me the tight labor market shows no signs of abating, but a recession could shift the dynamics. If companies are forced to tighten their belts later this year, employees brought on at higher-than-usual salaries could be cost-cutting targets.

29

## Hartford planners see proposed pot shop as a plus, but CRDA sees threat to arts/entertainment district

By Michael Puffer

A proposed retail cannabis shop at 89 Arch St. has the backing of Hartford's planning department, but the Capital Region Development Authority says it is not welcome.

The proposed location — formerly home to the Blind Pig Pizza Co — sits just off one corner of the Front Street Arts and Entertainment District.

The CRDA used more than \$200 million in state funds to redevelop the roughly four-block district, which now contains an upscale 175-unit apartment development, entertainment venues and restaurants serving everything from tacos to expensive steak. The district is also home to a branch campus of the University of Connecticut.

"CRDA's statutory mission includes the creation of family-friendly entertainment within the Front Street District," reads a portion of a June 3 email from CRDA Deputy Director Anthony Lazzaro to Hartford Senior Planner Paul Ashworth. "...We believe the addition of a marijuana distribution center to the District would be contrary to this goal."

Derrick Gibbs — CEO of Middletown-based homecare and behavioral health provider Change Incorporated — and partners have applied to bring a cannabis retail shop to a 2,500-square-foot building that formerly housed the Blind Big Pizza Co.

Gibbs' request for a special permit is the subject of a hearing scheduled to open at Tuesday night's meeting of the Planning and Zoning Commission.

Even so, Ashworth's report to the Planning and Zoning Commission recommends approval, describing the shop as a potential source of new energy and traffic for the downtown zoning district. Ashworth reports the zoning district aims to create an "active atmosphere" through the day and into the evening through a mix of uses.

"The proposed retail use would draw in customers at a variety of time periods and add to the active atmosphere of the neighborhood, consistent with the district," reads a portion of Ashworth's report.

According to the application the location at 89 Arch St. can hold up to 25 shoppers at one time. It would be open from 8 a.m. to 9:30 p.m. Monday through Saturday and from 10 a.m. to 5:30 p.m. Sundays.

Gibbs promised to hire three additional security personnel for the first month of operation.

Ashworth's report to the commission recommends approval, pending two conditions. A queuing plan for patrons spilling out of the shop would have to be approved by city police and the Department of Public Works. And Gibbs would also have to give the city 30 days of notice prior to opening.

30