

**Capital Region Development Authority**

**100 Columbus Boulevard, 5<sup>th</sup> Floor**

**Hartford, CT 06103**

**Thursday, January 19, 2023**

**3:00pm – Teams Meeting**

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

**Board Members Present:** Andy Bessette; Alexandra Daum; David Jorgensen; Andrew Diaz-Matos; Robert Patricelli; Paul Hinsch; Mayor Mike Walsh; David Robinson; Randal Davis; Pam Sucato; Joanne Berger Sweeney; Seila Mosquera-Bruno

**Board Members Absent:** Mayor Luke Bronin

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

**Guests:** The Michaels Organization - Geoff Lewis, Director of Development and Jay Russo, VP of Development. Amenta/Emma - Anthony Amenta, AIA, LEED, AP, Principal.

**Minutes**

*“The November 17, 2022 CRDA Board meeting minutes were moved by David Robinson, seconded by Bob Patricelli and approved.”*

**Presentation – Bushnell South**

A presentation was given by The Michaels Organization, Geoff Lewis, Director of Development and Jay Russo, VP of Development. Mr. Lewis and Mr. Russo gave a brief overview of The Michaels Organization Team, their core values and included their financial relationships.

A Master Plan and Implementation Strategy was shared focusing on the Bushnell South Vision. The presentation can be found on the CRDA website at CRDACT.net.

**Mayor Reports**

*Hartford* – Randal Davis reported in Mayor Bronin’s absence. Mr. Davis indicated that the City continues to be busy on development.

Albany/Woodland – continues to move forward  
270 Albany Ave. – before city council for approval  
Arrowhead – continues to make progress

*East Hartford* – Mayor Walsh reported on the following East Hartford projects:

Silver Lane Plaza – Town to acquire property for development – Jan. 2023. Resettlement of existing tenants; move toward demolition of the central building; explore development options.

Rentschler Field Logistics Center – Fully approved; Construction to begin January 2023 with occupancy in 2024. “Groundbreaking”, March 6, 2023.

Concourse Park at Showcase – Finalize sale agreement. Construction to begin in 2023, opening late 2024

Simon Konover Riverview Apartments – Planned 130 units near American Eagle HQ. Need local approvals and permits. Hope to begin construction late 2023 with occupancy in 2024.

Church Corners Inn – Purchased by Town January 10, 2023. Received \$2.5M Community Investment state grant. Relocate existing tenants; gut the building; issue RFP to redevelop the building June 2023.

McCartin School to Homeownership – The YMCA to vacate by March 2023. Demolition approval in place; issue demolition RFP; RFP property by Fall 2023.

## **Finance**

CRDA CFO Joseph Geremia reported on the following financial update for January 2023.

### **Fiscal Year 2023 Operating Statistics**

CT Convention Center – Nov. 2022

Event Update: Scheduled for 101 events this fiscal year vs. budget of 74 events  
Corporate and short-term meeting segments returning  
Increased attendance at public shows  
Increased event inquiries

Nov. financials: Revenues \$114,700 favorable to budget due to increased F&B event revenues  
Expenses \$182,000 favorable to budget due to savings in event personnel and expenses offset with higher utilities usage  
Net Loss of \$1.684M favorable to budget by \$296,700  
Total year projection of \$5.258M loss even with budget

CRDA Parking Facilities – Nov./Dec. 2022

Stats (Dec.): Utilization of 66% is favorable to budget by 7%

Nov. financials: Revenues \$208,700 favorable to budget due to transient and validation revenues  
Expenses \$59,300 unfavorable compared to budget due to savings in personnel offset with increases in credit card fees, insurance, and repairs & maintenance  
Net Income \$149,400 favorable to budget  
Total year projection of \$400,500 net income even with budget

Church Street Garage – Nov./Dec. 2022

Stats (Dec.): Utilization of 14% is unfavorable to budget by 3%

Nov. financials: Revenue unfavorable to budget by \$193,800 due to reduction in corporate monthly parkers offset slightly by an increase in corporate validations  
Expenses \$759,400 favorable compared to budget due to deferral of CRDA facility support as well as savings in personnel and insurance  
Net Income \$565,600 favorable to budget  
Total year projection of \$742,800 net loss is even with budget

Bushnell South Garage – Nov./Dec. 2022

Stats (Dec.): Averaging 175 state vehicles per day-46% utilization

Nov. financials: Revenues \$4,900 favorable to budget due to transient revenues  
Expenses \$5,200 favorable compared to budget due to savings in insurance

Net Loss \$10,100 favorable to budget  
Total year projection of \$325,000 loss even with budget

XL Center – Nov. 2022

Event Update: Hosted 28 events vs. budget of 26 events including 8 Wolfpack games, 3 UConn men's basketball and 2 UConn women's basketball games  
Concert industry moved holds into Spring 2023  
Increased event group sales activity

Nov. financials: Event revenue \$147,700 unfavorable compared to all event type budgets  
Other Income \$14,600 favorable compared to budget  
Operating expenses \$81,500 favorable compared to budget due to savings in personnel  
Hockey operations \$56,700 favorable compared to budget due to savings in sales personnel  
Net Loss of \$2.049M favorable to budget by \$5,100  
Total year projection of \$3.432M loss unfavorable to budget by \$137,000

P&W Stadium at Rentschler Field – Nov. 2022

Event Update: 6 UConn football games with 30 parking lot and catered events held

Nov. financials: Event revenue \$327,100 favorable compared to budget with \$305,000 due to UConn football paid ticket surcharges and F&B revenues and \$22,100 due to increase in catered events  
Operating expenses \$76,900 favorable compared to budget due to savings in personnel, utilities, as well as repairs & maintenance  
Other Income \$30,600 favorable to budget due to increased sponsorship partners  
Net Operating income of \$391,200 favorable to budget by \$434,600  
Total year projection of \$1.019M loss favorable to budget by \$305,000

CT Regional Market - Nov. 2022

Stats: Occupancy: 81% with 13 tenants

Activity: Farmers' Market opened for 2022 season on April 2  
Over 13,000 customers this season averaging 500 customers per weekend over 26 weeks

Nov. financials: Operating revenue \$17,100 favorable to budget due to seasonal parking agreements  
Operating expenses \$117,600 favorable to budget due to savings in utilities, maintenance, and security  
Net income of \$207,300 favorable to budget by \$134,700  
Total year projection of \$150,600 net income even with budget

Randal Davis inquired about how many parking spaces at Bushnell South Garage are utilized during the work week. Mr. Geremia responded that 46% are utilized during the work week.

**Housing & Neighborhood Committee**

Before handing over the Committee update to Michael Freimuth, Joanne Berger-Sweeney spoke briefly regarding the occupancy rates of the CRDA housing projects.

Michael Freimuth reported on the following projects:

Bedford Commons and MLK Projects are pending CHFA approval.

55 Elm – loan closing occurred

525 Main – loan closing occurred

Firehouse on Pearl Street – securing tax credits

NINA – working on possible two new projects

Arrowhead & FullerBrush – work continues

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

Mayor Walsh reported that he had covered any of the projects in his East Hartford Mayor's report. Mr. Freimuth reported that Goodwin – third phase of Storm Drain Project continues.

### **Venue Committee**

Andy Bessette reported on the following Venue Committee items for November.

#### **Pratt & Whitney Stadium**

The Stadium hosted its last bowl event of the year on December 10<sup>th</sup>, with the State high school championships returning to the building after a 10-year absence. Three games were held with approximately 7,000 people in attendance.

National Development has begun site work for its logistics center to be located on the balance of the Pratt airfield site. There are ongoing conversations with the developer regarding traffic management on game days.

#### **Connecticut Convention Center**

The Convention Center is hosting the New England Winterfest volleyball tournament over three weekends this month. Upcoming events include the Northeast RV and Camping Show and the popular Connecticut Flower and Garden show.

Replacement of the building's cooling towers and painting of the motor court ceiling have been completed, while the new passenger elevator should be operational by the end of the month. The building's lighting control system will also be replaced over the next month.

#### **XL Center**

The Wolfpack have played 16 home games to date, averaging about 2,800 fans per game with per caps of \$16. UConn men's basketball has played five games to date, with average attendance just over 9,000 and per caps of \$14.25. The women have played four games, averaging 5,900 per game with per caps of \$8.21.

UConn Hockey has played 13 games at XL this season, averaging about 2,000 fans per game with per caps of \$15.25. The team will play their remaining four home games at the Freitas Ice Forum, which opened on the Storrs campus last week. Moving forward, it is expected that team will split their home season between the two facilities, as men's and women's basketball currently do.

Upcoming events at XL include a Jeff Dunham comedy show, Monster Jam, a Journey/Toto concert and a Paw Patrol kids' show.

There continues to be long lead time items seen with the sports bar construction marred by supply chain issues.

### **Executive Director Report**

Mr. Freimuth reported on the following items:

Due Diligence draft letter – Bushnell South – Draft letter to Michaels Organization with items that are intended to be a preliminary outline of general development needs of the potential project was discussed.

Atheneum Parking Agreement – Tony Lazzaro gave a brief overview of the Proposed Extension of Promotional Parking Rates for the Wadsworth Atheneum Museum of Art.

- The Wadsworth shall advertise and promote the Front Street North Garage and Front Street South Garage for museum guests.
- Visitors and guests of the Wadsworth shall be charged a promotional daily rate of **Three Dollars (\$3)**.
- Duration – The promotional rate shall be extended for three (3) additional years beginning January 1, 2023 and ending December 31, 2025.
- During the promotional period, Wadsworth shall offer a discounted daily admission fee of **Five Dollars (\$5)** per person for guests and visitors to the Connecticut Convention Center.

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

*“The CRDA Board of Directors hereby approves the extension of the promotional rate for the Wadsworth Atheneum on the terms and conditions presented above.”*

Downtown Comm Prop. Working Group – David Griggs, Metro Hartford, set up a working group on downtown commercial property. It is likely that CRDA will be involved in any strategies that come out of the group to help finance conversions of the buildings.

#### Construction update

- 9 Pratt St., occupancies started in parts of the building
- Park & Main – punch list is wrapping up
- Parkville – actively doing environmental cleanup at 235 Hamilton.
- Temple – student housing has been converted to conventional housing, occupancies ongoing
- 55 Elm – construction to start in the Spring
- Hilton – housing units and upgrades to Double Tree hotel brand standards to begin in the Spring
- Church Street Garage – water tightening continues

Committee Assignments – Bob Patricelli is moving from Regional and Economic Development Projects Committee to Housing and Neighborhood. Pam Sucato will be Commissioner Eucalitto's proxy on the Regional and Economic Development Projects Committee. All other Committee members will stay on their respective committees.

Private Capital Open Solicitation – Legislative changes have allowed CRDA to continue this program. A solicitation RFP will be posted and allow CRDA to take that public/private model and use it for future projects that CRDA undertakes.

Tony Lazzaro further indicated that should a Board member that is part of an organization that replies to the RFP, said Board member will have to recuse themselves completely from any consideration from the Board and not have contact with CRDA Staff or other Board Members regarding these projects and that is also true for any communication with the host companies, etc.

David Robinson stated that he fully supports these efforts for resources that may be out there to the broader community to bear on behalf of the City, CRDA, Region, etc. Mr. Robinson asked how the public will be notified of the RFP. Attorney Lazzaro stated that the RFP will be on the State website, CRDA website and a mailing directly to companies that have expressed interest in the past. Bob Patricelli asked if there was language to review. Attorney Lazzaro said it is forthcoming as some of the language needs to be reworked. Another week of review and changes and attorney Lazzaro will send a copy to Bob Patricelli.

Legislative Session - The 2023 Legislative Session is underway. This session includes the bi-annual budget, so CRDA will be working to secure the next two years of appropriations for CRDA operations. The capital plan, what is critical to the venues will also be set. There will be quasi-public bills, as there have been in past years and we will react as appropriate. The XL center may need some legislative packaging as well.

### **Executive Session**

Mr. Bessette requested a motion to go into Executive Session. The motion was moved by David Jorgensen, seconded by Andrew Diaz-Matos, and approved. Board members were moved to a separate “virtual room” to discuss a Real Estate purchase.

At 4:58pm, Executive Session ended and Board Members were brought back to the Board Meeting. The meeting adjourned with no further action.

Adjourn – 4:58pm

*“The January 19, 2023 CRDA Board meeting minutes were moved by Andrew Diaz-Matos, seconded by Randal Davis and approved with Mayor Luke Bronin abstaining at the February 16, 2023 Board Meeting.”*