

**Agenda**  
**CRDA Board Meeting**  
**January 18, 2024**  
**\*\*\*3:00pm\*\*\***  
**Teams meeting**

- |                 |   |   |
|-----------------|---|---|
| 3:00pm - 3:00pm | • | Call to Order & Minutes {12-6-23)*  |
| 3:00pm - 3:05pm | • | New CRDA Board Members & Organizing Issues <ul style="list-style-type: none"><li>- DECD Commissioner Daniel O'Keefe with Matt Pugliese as Proxy</li><li>- Hartford Mayor Arunan Arulampalam</li><li>- Committees<ul style="list-style-type: none"><li>* RED Chairman – East Hartford Mayor Connor Martin</li><li>* Members<ul style="list-style-type: none"><li>- Housing – Hartford Mayor Arulampalam</li><li>- Executive &amp; Finance – Hartford Mayor Arulampalam</li><li>- RED – DECD (O'Keefe/Pugliese)</li></ul></li></ul></li></ul> |
| 3:05pm - 3:15pm | • | Mayor Reports <ul style="list-style-type: none"><li>- Hartford Mayor Arunan Arulampalam</li><li>- East Hartford Mayor Connor Martin</li></ul>   |
| 3:15pm – 3:20pm | • | Finance Report <ul style="list-style-type: none"><li>- Monthly Update</li></ul>   |
| 3:20pm – 3:35pm | • | Housing & Neighborhood Committee <ul style="list-style-type: none"><li>- Project Updates</li></ul>  |
| 3:35pm – 3:45pm | • | Regional & Economic Development Projects Committee (RED) <ul style="list-style-type: none"><li>- Albany &amp; Woodland *</li><li>- Loan: Bushnell South Property Acquisition *</li><li>- Project Updates</li></ul>  |
| 3:45pm – 3:55pm | • | Venue Committee <ul style="list-style-type: none"><li>- XL Center</li><li>- Pratt &amp; Whitney Stadium at Rentschler Field</li><li>- CT Convention Center</li></ul>  |
| 3:55pm – 4:00pm | • | Executive Director <ul style="list-style-type: none"><li>- UConn Research Innovation Center at XL</li><li>- Riverfront Windsor Meadows Update</li><li>- Construction Report</li></ul>   |
| 4:00pm – 4:15pm | • | Executive Session – Personnel *   |
|                 | • | Miscellaneous <ul style="list-style-type: none"><li>- CRDA Board Contact Information</li></ul>  |
| 4:15pm          | • | Adjourn   |

*\* Vote Item*

Microsoft Teams meeting

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**DRAFT**  
**Minutes**  
**December 6, 2023**

**Capital Region Development Authority  
100 Columbus Boulevard, 5<sup>th</sup> Floor  
Hartford, CT 06103  
Monday, December 6, 2023  
6:00pm – In person Meeting**

***(The Board Meeting was held in person with Microsoft Teams with public access availability)***

**Board Members Present:** Chairman David Robinson; Andy Bessette; Andrew Diaz-Matos; Paul Hinsch; Randal Davis; Bob Patricelli; Pam Sucato; Mayor Luke Bronin; David Jorgensen; ; Seila Mosquera-Bruno; Alexandra Daum; Mayor Connor Martin

**Board Members Absent:** Joanne Berger-Sweeney

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

**Guests:** Doug Suisman, Suisman Urban Design; Jackie Mandyk, iQuilt

Chairman David Robinson called the meeting to order at 6:07pm.

**Addendum to CRDA Board Meeting Agenda**

Chairman Robinson introduced Urban Planner and Architect Doug Suisman to update the Board regarding “Hartford 400”.

The following motion was moved by David Jorgensen, seconded by Paul Hinsch and approved.

*“to add the presentation to the Board Agenda with a majority stating that they approve”.*

Doug Suisman presented the Hartford400 plan, which is overseen by The iQuilt Partnership and is a river-centered vision plan for Hartford and the region that integrates environmental, economic, social, transportation, and cultural aspirations. The three transformative projects of Hartford 400 are the Hartline, River Road, and Midtown.

These projects and complementary developments across the region, planned and underway, will make a more sustainable, prosperous, equitable, mobile, and vibrant place for future generations: a place to “green, grow, live, move, and play” for all its inhabitants. The Hartline does not depend on any highway reconfiguration, estimating approximately \$65M, completion in two to five years.

Chairman Robinson asked what is currently going on with regards to design perspectives or what are the key next steps? Mr. Suisman replied that the mobility plan is a huge ten to fifteen-year highway, configuration project and River Road and Midtown need to be correlated with that.

Alexandra Daum indicated that she has seen similar projects, and the tunnels add tens of billions of dollars to projects commenting that yes, it would be great however, we need to be realistic about the project cost.

Luke Bronin added that when Doug is talking about the Hartline, he is speaking about both the Hartline and the River Link. There has been a very strong partnership and a common understanding between both the City and the State, especially DOT about the shared sense of urgency and excitement about both of those projects.

Bob Patricelli asked about the discussions regarding lowering I84. Mr. Suisman replied by stating that the Mobility Study covers the I84. The Hartford 400 Plan is more focused on the connection to the river, rather than that segment.

Mr. Freimuth asked if an economic model was done. Mr. Suisman said that would be a critical next step whether it is done by Hartford 400 or someone else.

### **Minutes**

The minutes from October 26, 2023 and November 13, 2023 were moved by Chairman Robinson, seconded by Randal Davis and approved.

Newly Appointed CRDA Board members

- East Hartford Mayor Connor Martin
- DECD Commissioner Dan O'Keefe. Outgoing Commissioner Alexandra Daum introduced Matt Pugliese, DECD Executive Director of Community, who oversees capital project and real estate development programs. Mr. Pugliese will be Dan O'Keefe's designee going forward.
- Hartford Mayor Arunan Arulampalam, effective January 1, 2024

The following motion was moved by Alexandra Daum, seconded by David Jorgensen and approved.

*"Effective December 6, 2023, East Hartford Mayor Connor Martin has been appointed as a CRDA Board Member."*

### **Mayor Reports**

Hartford Mayor Bronin reported on the following projects. He indicated that nearly all of these projects are done in partnership with CRDA. The future of Hartford depends on continuing to keep the momentum going with this kind of development. Mayor Bronin emphasized that he thinks a goal of five thousand units of housing in the downtown area should be set as well as thousands more in the neighborhoods. Mayor Bronin thanked the Board and hopes that the Board will continue to advocate for the resources from Bond Commission or from elsewhere to make these and future projects possible.

- Congratulated East Hartford Mayor Martin
- 1580 Main St.- closing/groundbreaking
- Barber St. – finalized funding to build a new library branch
- Barber and Westland – affordable housing projects
- Clark school – next CIF rounds may have the ability to demolish the old school as a continuation of the development in the Barber Street corridor
- Albany & Woodland – finalized funding and close to finalizing a development agreement.
- 614 Albany/270 Albany – looking to move forward to authorizing its development
- Arrowhead Gateway project – close to a closing date
- Dispensary – recently opened at the Parkville Market campus
- Phase 2 of Parkville Market – work continues
- 273 Hamilton – work continues
- 17-35 Bartholomew – moving forward soon
- DoNo Parcel B – Finalize lease and move forward
- RPI Campus – Randy Salvatore has acquired, which presents an opportunity to expand that development
- Data Center that sits behind the baseball park, demolish possibly through CIF process
- 55 Elm – work continues

- 525 Main – work continues
- Bushnell South Projects – work continues
- 242 Trumbull – work continues

East Hartford Mayor Connor Martin – Mayor Martin started by greeting everyone and thanked Mayor Bronin for his help in getting started as Mayor. He stated that he has spoken to Mayor Bronin and Mayor elect Arunan Arulampalam and that he looks forward to working closely to complement each other's communities. Mayor Martin indicated that the Hartford 400 vision is amazing and complements the Founder's Plaza development very nicely.

Mayor Martin reported on the following projects:

- Concourse Park at Showcase – apartments are going into the old Showcase Cinema site. The contract is being extended for six months to end of April 2024, due to interest rates, they are trying to secure the last piece of funding needed to start construction.
- National Development – ahead of schedule. Wayfair is going to move in mid-Spring. The Lowe's warehouse is coming along.
- Silver Lane Plaza – working on the demolition of the rear building and eviction of the five remaining tenants in the other two buildings.
- Founder's Plaza – major mixed use development. Working to create a master plan.
- Church Corner's Inn – it seems we have found a developer for the building, and it will not be demolished. With the help of some CIF funding, Parker Benjamin Company, that specializes in historic preservation has proposed 24 multi bedroom units with two being affordable housing and maintaining three commercial retail spaces on the first floor. Looking to transfer the property in January 2024.
- Simon Konover – bring apartments to the riverfront. Working with CRDA to find out how different funding can work to reach an agreement that works for both parties.
- McCartin School – looking to demolish the former senior center which has been vacant for a number of years. The town has conducted remediation abatements. Looking to subdivide the property into sixteen single family housing homes.
- ARPA Funds – using to renovating Town Hall and historic buildings in Town
- Used sport Facility - Feasibility study that will tell us how big, where it should be located and the cost. This will also require a needs assessment to look at our current youth programming and identify where those gaps are, in hopes that the newly built facility can fill in some of those gaps while providing youth resources, counseling and sports.
- Main street – revitalization of Main Street. A transportation and traffic study are currently being conducted. Next steps will be to pursue a master plan to guide decision making with revitalization of East Hartford's Main Street.

### **Financial Update – December 2023**

CRDA CFO Joseph Geremia reported on the following financial information:

#### **Fiscal Year 2021 and Fiscal Year 2022 State Audit**

State Auditors of Public Accounts

Fiscal Year 2021 and Fiscal Year 2022 Audit

Scheduled for Dec. 2023 – released December 6, 2023

#### **Fiscal Year 2024 Financial Statements for the Three Months Ending 9/30/2023**

*Balance Sheet*

- Current restricted investment increase reflects escrowed City funds towards housing construction projects
- Due from State decrease reflects receipt of FY2023 venue deficiency funding
- Non-current housing loan's receivable increase reflects housing construction drawdowns from 315 Trumbull St. and 55 Elm St. as well as municipality projects of 525 Main St., 275 Pearl St., and 237 Hamilton St. projects
- Accounts payable net increase relates to escrowed City funds towards housing construction projects

*Statement of Revenues, Expenses and Changes in Net Position*

- Grant Income reflects State appropriation funding
- Other Income reflects CRDA housing loan origination fees
- Combined facilities income and expenses referenced in venue financial projections

Fiscal Year 2024 Operating Statistics

CT Regional Market - Oct. 2023

Stats: Occupancy: 82% with 16 tenants

Activity: Farmers' Market: 2023 season from April 1 through October 28

Oct. financials: Operating revenue \$30,100 favorable to budget due to seasonal parking agreements

Operating expenses \$24,700 favorable to budget due to savings in maintenance and security

Net income of \$108,800 favorable to budget by \$54,800

Total year projection of \$141,800 net income favorable to budget by \$20,000

CRDA Parking Facilities – Oct. 2023

Stats (Oct.): Utilization of 74% is favorable to budget by 14%

Oct. financials: Revenues \$186,400 favorable to budget due to increase in monthly parkers, hotel guest overnight revenues, as well as transient and corporate validation revenues

Expenses \$169,200 unfavorable compared to budget due to repairs & maintenance, and increases in credit card fees due to increased transient revenue offset with savings in utilities

Net loss of \$84,600 favorable to budget by \$17,200

Total year projection of \$325,900 net income even with budget

Church Street Garage – Oct. 2023

Stats (Oct.): Utilization of 15% is unfavorable to budget by 2%

Oct. financials: Revenues \$105,500 favorable to budget due to increases in Hilton parkers and corporate validations as well as slight increase in corporate monthly parkers

Expenses \$27,100 unfavorable compared to budget due to increases in insurance and repairs & maintenance offset with savings in personnel.

Net Loss of \$156,000 favorable to budget by \$78,400

Total year projection of \$18,000 net income even with budget

Bushnell South Garage – Oct. 2023

Stats (Oct.): Averaging 160 state vehicles per day-42% utilization.

Tuesday through Thursday average of 200 state vehicles per day

Oct. financials: Revenues \$3,400 favorable to budget due to transient revenues

Expenses \$4,800 unfavorable compared to budget due to increase in insurance offset with savings in personnel

Net Loss unfavorable to budget by \$1,400

Total year projection of break-even with CRDA appropriation even with budget

**XL Center – Sept. 2023**

Event Update: Hosted 9 events this fiscal year vs. budget of 6 events

Scheduled for 116 events this fiscal year vs. budget of 116 events

Concerts scheduled in Dec. 2023 and Mar. 2024 with holds from Mar. 2024 through May 2024

Increased Hartford Wolfpack group sales activity

Sports lounge seeing weekend and event-day activity; minimal week day activity

Sports betting averaging 6,000 transactions for November; no YTD CT Lottery net revenue

Sept. financials: Event revenue \$156,200 favorable to budget due to Monster Truck event

Other Income \$129,300 unfavorable compared to budget due to timing of sponsorship partners and ticket charge fees

Operating expenses \$99,600 favorable compared to budget due to savings in personnel and utilities

Hockey operations \$72,300 favorable compared to budget due to increase in TV revenues and savings in sales personnel

Net operations favorable to budget by \$198,800

Total year projection of \$19,600 net income even with budget with CRDA appropriation

**CT Convention Center – Oct. 2023**

Event Update: Hosted 33 events this fiscal year vs. budget of 36 events

Scheduled for 112 events this fiscal year vs. budget of 109 events

Corporate and short-term meeting segments returning

Increased event inquiries and returned contracts for FY2025 and FY2026

Beyond King Tut opened to the public for two months with approx. 28,750 in attendance

Oct. financials: Revenues \$146,400 favorable to budget due to two additional banquet catering events

Expenses \$246,100 favorable to budget due to savings in event personnel and utility expense

Net operations favorable to budget by \$392,500

Total year projection of break-even with CRDA appropriation even with budget

**P&W Stadium at Rentschler Field – Sept. 2023**

Event Update: 4 UConn football games with 12 parking lot and catered events held

Sept. financials: Event revenue \$63,100 unfavorable compared to budget with \$43,500 attributed to

UConn football paid ticket surcharges and F&B revenues

Operating expenses \$12,800 favorable compared to budget due to savings in personnel and insurance

Other Income \$16,900 favorable to budget due to sponsorship partners

Net operations unfavorable to budget by \$33,400

Total year projection of \$9,100 net income even with budget with CRDA appropriation

**Auditing Services Request for Proposals**

RFP issued every three years for services

Audit firm can perform services up to six years before new firm must be selected

Audit services requested for fiscal years 2024, 2025, and 2026

Services include 11 tasks: Audit of CRDA, CTCC, CRDA Parking Facilities, XL Center, & Rentschler Field as well as a payroll compliance audit per entity once during the three-year period, and CRDA Federal Single audit

RFP released on October 4

Firm proposals received on November 8 with interviews on November 15

Selection committee consisted of Paul Hinsch, Anthony Lazzaro, and Joseph Geremia  
Unanimous recommendation of CliftonLarsonAllen LLP (CLA)

CliftonLarsonAllen LLP

Headquarters – West Hartford

Engagement principal – Vanessa Rossitto, CPA

Experience in government, assurance, information-technology, and Federal Single audit services

Past clients include CT Housing Finance Authority, CT Lottery, Rhode Island Convention Center

Average fiscal year fee of \$154,750 per year over three-year period split by entity

The following motion was moved by Seila Mosquera-Bruno, seconded by Paul Hinsch and approved.

*“The CRDA Board of Directors hereby authorizes the Executive Director to execute an Engagement Letter with CliftonLarsonAllen LLP consistent with the terms outlined above.”*

### **Housing and Neighborhood Committee**

Mr. Freimuth reported that the Housing and Neighborhood Committee met on November 3, 2023 with two projects being advanced for consideration.

Project: Downtown North Parcel B  
Downtown Crossing

Developer: RMS, Stamford Ct

Background: This second phase of the DoNo development program has been delayed due to litigation and now can be pursued with the resolution of the lawsuits. Funds for this project were approved by the State Bond Commission in December 2021, subject to final underwriting by the CRDA board.

Parcel B itself has two phases, this first portion includes 237 units of housing along with a garage sized to accommodate both components of the Parcel’s development with 524 parking spaces. Street front retail space at 4300 sf is also planned. A future phase will fill the site out with another 300 units that will be subject to additional funding consideration at a later date.

The 237 units will include 62 ‘jr’ one bedroom units, 120 full size one bedroom units and 55 two bedroom units. Ten percent (10%) of the units will be affordable.

#### **Development**

Sources: \$35M Conventional financing  
\$13.6M CRDA loan  
\$9.42 M Equity  
\$58.02M

#### **CRDA**

Request: Developer seeks a \$13.6M loan with a 30 yr amortization at 3%. This is consistent with loan to phase 1/parcel C in terms and sizing.

The following motion was moved by David Jorgensen, seconded by Luke Bronin and approved.

*"The Executive Director is authorized to lend \$13.6M as approved by the State Bond Commission to RMS Companies of Stamford (or such acceptable single purpose entity) at 3% interest only during construction for a period of no more than 2 years and amortizing at 30 years thereafter subject to such fiduciary terms and conditions as deemed appropriate by CRDA and its counsel."*

Project: Arrowhead Development

Developer: Gateway Partnership LLC  
(Carabetta Development)  
In partnership with San Juan Center

Description: Previously approved by the CRDA board, the Arrowhead project consists of multiple municipal properties as well as several deteriorated privately owned buildings that together will be reconstructed as a complimentary project to the ballpark and DoNo efforts. Since its initial acceptance via a city RFP process in 2021, the project which includes the former Arrowhead Café building as well as the historic 'FlatIron building' has been revised and now consists of a total of three buildings with several vacant lots that will be rebuilt into 45 units (up from initial 43) at a total development budget of \$19M (up from initial \$17M) projection. The adjustments in the budget are due to a variety of factors including increases in financing costs, construction projections and environmental clean-up costs.

Budget: The \$19M project has a complex capital stack made up of federal and state historic credits, private capital, bank conventional loan, an energy grant, state Community Impact funds and federal HOME dollars. The CRDA loan would now total \$4.1 million at 2% interest with a 30 year amortization. The State Bond Commission authorized funds for the Arrowhead block in 2018 (\$3.8M) and will now be complimented by \$300,000 from the CRDA Housing Revolving Capital Fund (replenished funds from project payments).

CRDA Request: The developer is seeking an additional \$300,000 from CRDA at the same terms and conditions as CRDA's previous loan award of \$3.8 million. The remainder of additional funding is being provided by additional equity and loans from other sources. Further, Gateway Partnership will be formed by Carabetta Development and will no longer include the San Juan Center who will remain involved as a property manager.

The following motion was moved by Bob Patricelli, seconded by Luke Bronin and approved.

*"The Executive Director is authorized to increase its loan to the Gateway Partnership LLC, with Carabetta Development as its principal partner to \$4.1 million including the previously authorized \$3.8 million from the State Bond Commission and \$300,000 from the CRDA Housing Revolving Capital fund at 2%/30 years with all other conditions remaining the same subject to all funding sources being available and closed simultaneously with the CRDA loan."*

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

Mr. Freimuth indicated that Mayor Martin is welcome to join whatever CRDA subcommittees he would like. Previously, Mayor Walsh chaired the Regional & Economic Development Projects Committee and, if Mayor Martin is comfortable with taking on the role of Chair, he will be sent all meeting dates and information for the committee.

Mr. Freimuth indicated that the RED Committee met on November 9, 2023 and has advanced the following project for the Boards consideration.

Project: Carbone's Ristorante on Front Street

Background: Long a fixture in Hartford's South End, dating back to 1938, Carbone's Restaurant closed during the pandemic (March 2020) and the owners have been seeking both a new use for the Franklin Avenue site and a new location to re-establish the restaurant in the city. The family led by Vinnie and John Carbone have recently negotiated a lease to replace the former Spotlight/Apple movie theatre at the corner of Columbus Blvd and Front Street directly across from the Connecticut Convention Center.

Simultaneously, the \$5.5-\$6 million redevelopment of the former Franklin Avenue site into a new 21 unit mixed use residential building with 4600 s.f. commercial retail space has been planned. Together, the two projects would represent nearly \$9 million of new investment in the two neighborhoods (south end and downtown). The Franklin Ave mixed use project will be considered by the CRDA housing and neighborhood committee as a separate underwriting transaction.

#### CRDA

Request: The Carbone's have asked for assistance to convert the movie theatre into a new Carbone's Ristorante. The total conversion of the space is projected to cost \$3.7 million (in addition to nearly \$450,000 of owner investment from the HB Nitkin Group). Before the Regional Economic Development Committee and the full board is a request to provide a \$1.7M loan to complete the project. The restaurant will consist of 11,000 square feet of space including kitchen, dining and bar areas and will employ 50.

#### Development

Budget

\$ 1,550,000	private equity
500,000	Ct Boost Loan
<u>1,700,000</u>	CRDA loan
\$3,750,000	Restaurant Fit Out

#### CRDA Loan

Structure The \$1.7M would be a combination of \$1.4M in CRDA Front Street funds and \$300,000 from the City of Hartford Revolving Loan Fund. The terms would be 5% interest, 10 year note with a 15 year amortization and a 20% cash flow participation agreement allowing for excess annual cash to be used to buy down the principal.

The following motion was moved by David Jorgensen, seconded by Paul Hinsch and approved.

*"The executive director is authorized to lend \$1.7M to the Carbone's Ristorante on Front Street (or such single purpose entity acceptable to CRDA) per the loan structure noted above and to secure the approvals from the State of Connecticut Bond Commission for use of Front Street development monies and the City of Hartford to use the Revolving Loan Funds as administered by the MOU dated December 3, 2021 subject to all other funds being secured and available and such fiduciary terms and conditions as deemed necessary and appropriate by CRDA and its counsel."*

#### Venue Committee

XL Center

An update on the XL Sportsbook, as well as arena renovation plans, will be presented later in the meeting.

The Wolfpack are currently 8-2 at home, with attendance averaging 3,550. UConn hockey has played two games at XL and their attendance has averaged about 2,200. The UConn women's basketball team has played one game with 5,100 fans in attendance, while the men have played three games with an average attendance of 10,350.

Upcoming events at XL include an Andrea Bocelli concert, the Harlem Globetrotters later this month and Disney on Ice and the Hartford Home Show in January.

Mr. Freimuth indicated that the Venue Committee met on and advanced the following extension agreement for the Board's consideration.

### **Extension of City Lease for the XL Center**

#### **Background:**

PA 23-204 authorized CRDA to enter an agreement with OVG for the XL Center but required that CRDA first execute an extension of any agreements with the City of Hartford reflecting the proposed terms of the new management as well as recognize that State rent would be nominal and that the building would be considered a state property for purposes of taxation and regulatory matters.

The Third Amended and Restated Lease Agreement was recently approved by the Hartford City Council and modifies the existing lease in several specific areas:

- 20 yr extension to be co-terminus with expected CRDA/OVG 20 year agreement
- Existing Lease remains in effect until new CRDA/OVG agreement is executed and begins term of lease extension at that point
- Third Amendment is only in effect if such CRDA/OVG agreement is consummated.
- Rent Payments and State building designation for period of lease
- Recognizes Ct Lottery as sub-lease and Sportsbook revenues are to be used for operations and/or capital reserve for building
- Allows for use of Ann Street for development, construction, loading operations and parking by XL Center
- Maintains existing agreement terms including Police and Fire agreements
- Makes technical and legal changes as necessary

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

*"The Executive Director is authorized to execute a 20 yr. extension and amendment of the current lease with the City of Hartford for the XL Center. The extension, known as the Third Amended and Restated Lease Agreement, will be in effect only if an extension and amended management agreement with OVG 360 is also executed for the same period."*

### *Pratt & Whitney Stadium*

UConn football finished its 2023 season with a disappointing 1-6 record at home and an average attendance of 12,550 fans per game, up only slightly from last year. The budget implications of such low football attendance are expected to be at least partially offset by the US vs Germany soccer match held in October, which performed well above expectations.

CRDA has requested from the Bond Commission the first \$12 million approved by the General Assembly for renovations and improvements at the Stadium. Construction management bid documents have been drafted and will be issued once funds have been allocated.

The Stadium will host the CIAC football State championships this weekend before the field is closed out for the winter. The facility is also currently hosting *Magic of Lights*, a drive-through holiday display that runs through the end of December.

### *Connecticut Convention Center*

The Center is currently hosting the Glow Holiday Light Festival and Market, which will run through Christmas. Some 20k tickets have been sold to date. Larger upcoming events include the RV and Camping show in January, as well as the Connecticut Wedding and Bridal Expo and the ever-popular Connecticut Flower and Garden Show in February.

As noted at the last Board meeting, there are no capital improvements currently underway in the building, however, in early January, the facility will be replacing its domestic hot water system. CRDA has also asked the Bond Commission for \$1.4 million for necessary security upgrades, the replacement/repair of variable fan drive motors and other repairs at the Convention Center.

Anthony Lazzaro gave a brief update regarding the committee's finding for the selection of Building Management and Catering and Concession Services for the CT Convention Center. The Committee was made up of Anthony Lazzaro, Joseph Geremia and David Jorgensen.

## **BUILDING MANAGEMENT SERVICES (INCLUDING SALES & MARKETING), AND CATERING & CONCESSIONS SERVICES FOR THE CONNECTICUT CONVENTION CENTER**

### **Selection Process:**

- A formal public Request for Proposals ("RFP") for management services at the Convention Center was issued on October 4, 2023.
- CRDA received three (3) submissions from Waterford Venue Services Hartford, LLC ("Waterford"), Levy Convention Centers ("Levy"), and EP Experience, LLC ("EP"), respectively. Levy and EP's submissions were limited to Catering & Concession Services only. At the conclusion of the evaluation process, CRDA clarified and confirmed that Waterford's submission was a single proposal for both services and, as such, not severable. Accordingly, as the sole respondent that would provide both requested services, Waterford was chosen as the preferred bidder and offered, and accepted, a proposed qualified management agreement under the following terms.

### **Terms:**

- The terms of the proposed Building Management Agreement (including Sales & Marketing Services) as well as the Catering & Concessions Agreement are provided on the attached Term Sheet.

The following motion was moved by Alexandra Daum, seconded by Andy Bessette and approved.

*"The CRDA Board of Directors hereby authorizes the Executive Director to execute such Agreements with Waterford Venue Services Hartford, LLC in accordance with the terms and conditions presented."*

### **TERM SHEET**

#### **Building Management Services (including Sales & Marketing)**

- Annual Base Fee: \$243,700; with a CPI indexed annual increase capped at 5%.
- Annual Incentive Fee: an amount equal to the greater of (i) the sum of any Revenue Increase and Special Revenue Increase and (ii) the Expense Reduction.

Revenue Increase to be calculated as follows:

<b>Amount over Revenue Benchmark</b>	<b>Percentage of Overage</b>
\$1 - \$500,000	10%
\$500,001 - \$1,000,000	12.5%
\$1,000,001 and up	15%

Expense Reduction to be calculated as follows:

<b>Amount under Expense Benchmark</b>	<b>Percentage of Savings</b>
\$1 - \$500,000	1.5%
\$500,001 - \$1,000,000	2.5%
\$1,000,001 and up	5.0%

#### **Catering & Concessions Services**

- Annual Base Fee – \$145,900; with a CPI indexed annual increase capped at 5%.
- Annual Incentive Fee: an amount equal to any Concessions Revenue Increase as follows:

Concession Revenue Increase to be calculated as follows:

<b>Amount over Concessions Revenue Benchmark</b>	<b>Percentage of Overage</b>
\$1 - \$250,000	6%
\$250,001 - \$500,000	8%
\$500,001 and up	10%

#### **Duration**

- The term of both proposed agreements is five years cancellable, at the Authority's sole discretion, after the completion of the third year. The duration and fees are in accordance with I.R.S. Guidelines.

#### **Executive Director**

USS Hartford Bell

Kim Hart reported that the City has submitted a request to Naval History and Heritage Command to transfer the bell to CRDA. Their approval letter will likely provide some guidelines as to if and how the bell should be restored and where it should be displayed. Once those guidelines are received, we'll reach out to the bell restorers we've contacted to get prices for restoration and display plans for the bell.

Chairman Robinson asked Kim Hart if the Navy is requiring CRDA to get a loan from the bell? Kim said yes.

Mayor Bronin said that Groton is beginning the 30th anniversary of the new USS Hartford, the 30<sup>th</sup> anniversary is commissioning this time next year. They are eager for a connection with the crew and the City of Hartford.

## *Construction update*

Riverfront recapture – starting activity

235 Hamilton – waiting to close to fill redevelopment financing

Drainage programs in E. Hartford – wrapping up

XL Construction – Bids are out, we should know more after the new year

Rentschler – waiting on Bond Commission

Convention Center – Domestic line blew and caused a lot of damage to elevators and flooded kitchen.

Marriott – completed refinancing, paying back DECD

RPI – Salvatore has purchased the property, discussions about demo, site work and planning.

Bushnell South – Parcel A – ongoing conversations. Spent time in Committee, wrestling the question of whether to assist Spinnaker or not, for a loan to acquire Parcel A. Bushnell Theater has flagged it as a concern to them primarily because of parking anxieties.

Mayor Bronin said that this project is of critical importance, and he knows that the Bushnell has legitimate concerns regarding parking that we need to partner with them to address. He said we have to be clear about the choice that is front of us which is either to partner with Spinnaker to get control of this lot which is an absolutely critical piece of the broader Bushnell South Development or to lose that opportunity and to let this parcel go onto the market and face total uncertainty which is not consistent with the plan that this group has worked so hard to put together. It may also remain in competition for the federal courthouse.

Andy Bessette said he had a conversation with the Bushnell and spoke to David Robinson about it and believes there is still some misunderstanding with the Bushnell. Andy suggests a meeting with Mike Freimuth and/or David Robinson, to make sure we know what's important, or not, to David Fay/Bushnell. Mr. Bessette said that he was told that parking is not important and that the parcel is already owned by developer, Konover, Spinnaker has an option to exercise to buy the parcel. A meeting is needed to understand what the facts are.

Bob Patricelli, who said he is not speaking for the Bushnell; however, he chairs the real Estate Committee at the Bushnell. Mr. Patricelli said he disagrees with Mayor Bronin that there are no other options on the table. The Bushnell has made an offer to acquire the property should spinnaker be unable to exercise its option. There is another option on the table, fully financed that does not required CRDA funds, it is the Bushnell will acquire it and develop it pursuant to the Bushnell South Plan and at the same time, protect the vitally necessary parking that David Fay spoke to Andy Bessette about today. We, the Bushnell, have no right in the situation but there is a buyer that is solidly anchored in Bushnell South and CRDA does not have to spend \$3M to acquire the property.

Mayor Bronin responded by stating that there may be a willingness to buy, on the Bushnell's behalf, but it is not at all clear that there is a willingness on Konover to sell on those same terms. Second, from the CRDA's perspective, there is a benefit to CRDA being in the deal. Although I am supportive of the Bushnell and what they do for our community, it is a different mission from CRDA's and I think there is an advantage to having leverage in this deal and having the ability to influence the timeline of development, the outcome of development and I would submit, respectfully that the interests are not one hundred percent aligned. That the Bushnell, while I agree that it wants to see development, I think in the current circumstance, would prioritize parking over housing. I think we, as a body, have a mission to prioritize housing. That development of housing is critical to the broader goal of revitalizing that neighborhood.

Mr. Patricelli responded that the Bushnell is the promulgator of the Bushnell South Planning effort, which was a multi-use development effort including, most importantly residential. The Bushnell South plan calls for a 620

space parking garage, I haven't heard Spinnaker commit to that and I haven't heard CRDA submit to that. The Bushnell needs that as part of a mixed-use residential development.

Paul Hinsch stated that the Federal Government is definitely in the mix with this location as a probable site for the court house. We will know next year if they choose this location.

Alexandra Daum directed her comments to Mr. Patricelli stating that saying you want housing and parking and you're never going to ask the State for funds, that would be great but there is no housing built in the city without State funds. Mr. Patricelli said he never said Bushnell would never ask for money for development, the Bushnell doesn't need it to acquire the parcel.

Ms. Daum said it further underscores that there will be state funds in the ultimate development. This \$3M short term loan that is going to come back with interest and very good security is a pretty good price for some certainty. As we are all sitting here with our CRDA hats on, housing is what we have to prioritize.

Mr. Patricelli made a last comment which is CRDA can be confident that pursuing the Bushnell South Plan, the Bushnell would want to engage a developer to build residential housing and that would require coming back to CRDA, which would give CRDA the kind of shared control that you want. I would like to think, to Andy's point, that we need to get people around the table to talk this out.

Chairman Robinson stated there are shared objectives on all sides. I agree with the Mayor, I've been in conversations with the Bushnell, as much as we'd like to find a path forward that everyone can sign onto, we also are realistic that it may not be possible, and some interests have to take precedence. The only comment I would make is a willing buyer obviously does not mean that they can compel a sale and I think we are trying to control our own destiny and drive the mission of the CRDA forward. I also think anything short of that does put the overall objectives of Bushnell South, which I grant you, was spirited by the Bushnell and I believe they are firmly supportive of the overall objective of Bushnell South but controlling this property and what happens to it, I think advances that mission. I will also say that everyone here is mindful of the Bushnell's parking concerns or otherwise, how it's developed, and those conversations will definitely continue to try to alleviate any concerns they may have, without obviously being in a position to make guarantees.

Mr. Patricelli said, if this Board decides that the CRDA needs to, in effect control the disposition on that parcel, the Bushnell could live with that if it saw evidence that this Board was providing for the parking needs for the Bushnell, but up until now, there has been no parking study done by the CRDA. There has been no commitment to creating parking structures which the Goody Clancey Plan requires, so I think there is the opportunity for agreement, but it is going to require this organization to embrace the parking issue as its job.

Ms. Daum and Mr. Robinson stated that it is not CRDA's job. Mr. Robinson said there is an openness to discuss those issues surrounding parking.

Adjourned 7:50pm

**Next Board Meeting – January 18, 2024, 3:00pm – in person with a virtual option.**

# Finance

## Financial Update – January 2024

### Fiscal Year 2024 Operating Statistics

#### CT Regional Market - Nov. 2023

Stats: Occupancy: 82% with 16 tenants  
Activity: Farmers' Market: 2023 season from April 1 through October 28  
Nov. financials: Operating revenue \$40,600 favorable to budget due to seasonal parking agreements  
Operating expenses \$91,000 favorable to budget due to savings in security and maintenance deferred to spring  
Net income of \$150,500 favorable to budget by \$131,600  
Total year projection of \$161,800 net income favorable to budget by \$40,000

#### CRDA Parking Facilities – Nov./Dec. 2023

Stats (Dec.): Utilization of 75% is favorable to budget by 14%  
Nov. financials: Revenues \$281,900 favorable to budget due to increase in monthly parkers, hotel guest overnight revenues, as well as transient and corporate validation revenues  
Expenses \$194,100 unfavorable compared to budget due to repairs & maintenance, and increases in credit card fees due to increased transient revenue offset with savings in utilities  
Net income of \$16,900 favorable to budget by \$87,800  
Total year projection of \$325,900 net income even with budget

#### Church Street Garage – Nov./Dec. 2023

Stats (Dec.): Utilization of 14% is unfavorable to budget by 4%  
Nov. financials: Revenues \$98,600 favorable to budget due to increases in Hilton parkers and corporate validations as well as slight increase in corporate monthly parkers  
Expenses \$55,600 unfavorable compared to budget due to increases in insurance and repairs & maintenance offset with savings in personnel  
Net Loss of \$168,700 favorable to budget by \$43,000  
Total year projection of \$18,000 net income even with budget

#### Bushnell South Garage – Nov./Dec. 2023

Stats (Dec.): Averaging 160 state vehicles per day-42% utilization  
Tuesday through Thursday average of 200 state vehicles per day  
Nov. financials: Revenues \$8,300 favorable to budget due to transient revenues  
Expenses \$14,500 unfavorable compared to budget due to increase in insurance offset with savings in personnel  
Net Loss unfavorable to budget by \$6,200  
Total year projection of break-even with CRDA appropriation even with budget  
Bushnell Theatre event parking cooperation – operations personnel coordination

## Financial Update – January 2024 (cont.)

### CT Convention Center – Nov. 2023

Event Update: Hosted 46 events this fiscal year vs. budget of 46 events  
Scheduled for 125 events this fiscal year vs. budget of 109 events  
Corporate and short-term meeting segments returning  
Increased event inquiries and returned contracts for FY2025 and FY2026  
Beyond King Tut exhibit and GLOW holiday show performed better than budget  
Nov. financials: Revenues \$308,500 favorable to budget due to two additional banquet catering events and F&B revenues from public events  
Expenses \$260,100 favorable to budget due to savings in event personnel and vacant positions  
Net operations favorable to budget by \$568,600  
Total year projection of break-even with CRDA appropriation even with budget

### XL Center – Nov. 2023

Event Update: Hosted 32 events this fiscal year vs. budget of 28 events  
Scheduled for 116 events this fiscal year vs. budget of 116 events  
Concerts scheduled in Feb. and Mar. 2024 with holds from Mar. 2024 through May 2024  
Increased Hartford Wolfpack group sales activity  
Sports lounge seeing weekend and event-day activity; minimal week day activity  
Sports betting CT Lottery YTD net revenue of \$18,000 through Dec. 2023  
Nov. financials: Event revenue \$82,400 unfavorable to budget due to concert schedule pushed back, Jurassic World event, as well as UConn women's basketball and men's hockey offset slightly with favorable Monster Truck event and UConn men's basketball  
Other Income \$175,300 unfavorable compared to budget due to timing of sponsorship partners and ticket charge fees  
Operating expenses \$92,000 favorable compared to budget due to savings in personnel offset with increased expenses in utilities as well as F&B personnel, credit card fees, and supplies  
Hockey operations \$127,100 favorable compared to budget due to increase in TV revenues and savings in sales personnel  
Sports lounge net operations loss of \$284,100 through Dec. 2023  
Net operations unfavorable to budget by \$68,600, excluding sports lounge net operations  
Total year projection of \$19,600 net income even with budget with CRDA appropriation, exclusive of estimated sports lounge net operations loss

### P&W Stadium at Rentschler Field – Nov. 2023

Event Update: 6 UConn football games, 1 int'l soccer game, with 18 parking lot and catered events held  
Nov. financials: Event revenue \$175,500 favorable compared to budget with \$325,200 attributed to professional soccer offset with \$112,800 unfavorable UConn football season and \$36,900 unfavorable parking lot and catered events compared to budget  
Operating expenses \$34,300 unfavorable compared to budget due to F&B personnel and credit card fees slightly offset with savings in insurance  
Other Income \$45,400 favorable to budget due to sponsorship partners  
Net operations favorable to budget by \$186,600  
Total year projection of \$9,100 net income even with budget with CRDA appropriation

# **Housing & Neighborhood Committee**

CRDA Housing Approved

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/Aff Split	Structure	CRDA Bal. Approved	Bond Commission	Closed	Target Occupancy	Leased <sup>1</sup>
777 Main	285	\$84.5M	\$298K	\$17.7M	\$61K	80/20	\$7.5M equity \$10.2M 1st mortgage	1/18/2013 3/17/2013	3/13/2013	3/28/2014	Renting	98%
201 Amy/Gard	26	\$4.45M	\$201K	\$1.8M/\$250K	\$28.8K	100	Note Paid Off	4/25/2013	6/21/2013	10/29/2013	Renting	86%
279 Allyn	63	\$14.89M	\$233K	\$6.5M	\$103K	80/20	\$3.25M equity, \$1.64M 2nd loan, 2nd 2022	3/21/2013	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 (insuring/converted to mortgage note)	1/15/2014 2/16/2013	2/28/2014 11/16/2014	6/30/2015	Renting	96%
390 Capitol	112	\$35.3M	\$290K	\$7M	\$67.5K	80/20	2 loans, 5% 20 yr.	6/19/2014	3/17/2015	9/22/2015	Renting	99%
36 Lewis	6	\$1.8M	\$306K	\$300K	\$50K	100	construction/perman loan 1.3% 30 yr.	6/19/2014	7/25/2014	4/6/2015	Renting	100%
38-42 Elm	6	\$1.24M	\$206K	\$349,350 <sup>a</sup>	\$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 1/13/2020	7/28/2015	12/12/2020	Renting	100%
370 Asylum	60	\$70.3M	\$338K	\$4M	\$66K	70/30	loan <3% 20 yr.	6/18/2015 7/18/2016	3/24/2016	9/29/2017	Renting	93%
Millennium	96	\$19.5M	\$201K	\$6.5M	\$67.7K	100	former Radisson, foreclosure 2/2021	10/15/2015	11/17/2015	3/31/2016	Renting	88%
81 Arch	53	\$23M	\$380K	\$5.6M	\$103.7K	100	Mezz 2% 10 yr.	10/30/2016 3/16/2017	11/15/2016	11/7/2017	Renting	100%
101 Pearl	157	\$28.4M	\$184K	\$9.24M	\$58.8K	100	construction/perman 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/perman loan 3% 30 yr.	12/8/2016	5/12/2017	11/8/2017	Renting	96%
88 103-211 Allyn	66	\$21.1M	\$319K	\$6.6M <sup>a</sup>	\$103K	80/20	construction/perman loan 3% 5 yr.	12/8/2016 8/9/2018	2/1/2017 6/26/2019	10/31/2018	Renting	86%
Coit North	48	\$13.6M	\$283K	\$2.88M	\$60K	100	construction/perman loan 3% 20 yr.	5/18/2017	11/29/2017	7/7/2018	Renting	100%
28 High	28	\$5.5M	\$196.4K	\$1.9M	\$67.8K	80/20	loan 3% 30 yr. - ref 8/21	2/7/2018	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	2030/2022	97%
246-250 Lawrence	12	\$1.8M	\$125K	\$521K	\$43.4K	100	Historic bridge loan - Paid off perman loan 3% 20 yr. (2014)	10/18/2018	2/13/2018	1/4/2019	Renting	100%
Coit "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	\$12M	\$93K	100	\$3M/\$5M 1% 5yr./30yr.	10/17/2019 9/17/2020	4/16/2021 12/18/2019	4/16/2021	Renting	100%
Pratt 2 - 18 Temple	47	\$34.9M	\$210K	\$7M	\$41.5K	90/10	New Units 47 / Total units 166 / 16 Aff. Units / 7.75% 30 yr. loan	9/17/2020	4/16/2021	10/15/2021	Renting	97%
Park/Nam	126	\$16.8	\$212K	\$8.4M	\$66.7K	80/20	Perk 30/Man 87 20 yr. 3%	9/20/2018	9/20/2018	6/25/2020	Renting	98%
DoHo "C"	270	\$56.2M	\$208K	\$11.8M	\$43.7K	90/10	3% 30 yr 15 yr term 2% 30 yr Perma \$7M	9/20/2018 4/16/2020	9/20/2018	9/30/2020	Renting	95%
55 Elm	164	\$63.3M	\$385K	\$13.5M	\$82.1K	80/20	2% bridge \$6.5M/15 yr. term	3/18/2021	4/16/2021	12/15/2022	2024	
DoHo "B"	237	\$52.02M	\$231K	\$13.6M	\$57.3K	90/10	3% 30 yr.	12/16/2023	12/15/2021		2025	
Hilton	147	\$17.9M	\$121K	\$5.9M	\$40K	80/20	3% 30 yr.	12/3/2021	12/15/2021 10/6/2023	8/29/2022	2024	
DoHo Arrowhead Block	45	\$17M	\$395K	\$3.8M	\$86.4K	80/20	3% 30 yr	10/20/2022	9/1/2018			
Coit "L" - East	45	\$6.7M	\$148.8K	\$1.5M	\$33.3K	100	3% 20 yr.	11/17/2022	12/8/2022	8/15/2023	2024	
18-20 & 30 Trinity	108	\$45.35M	\$417K	\$6.5M	\$60.1K	80/20	\$6.5M \$1.5% 5 yrs./30 yr. loan	5/18/2023	10/6/2023			
31.45 Pratt	37	\$7M	\$189K	\$1.11M	\$30K	100	3% 30 yr.	9/21/2023	12/14/2023			
15 Lewis St.	78	\$26.7M	\$342K	\$7M	\$89K	90/10	\$5M 3% 30 yr. - \$1M Cashflow Note	9/21/2023	10/6/2023			
Summary	2867 <sup>1</sup>	\$746.7M	\$255K	\$172M	\$64.6K avg	87/13	2500 market / 358 affordable					

1/10/2024

- <sup>1</sup> deposits and leases
- <sup>a</sup> \$75K/unit est. residential + 188 hotel rooms
- <sup>b</sup> notes repaid
- <sup>c</sup> \$16K from Housing Cap. Fund
- <sup>d</sup> \$351 including recap and neighborhood deals
- <sup>e</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 Sigourney	4	\$1.16M	\$290K	\$200K	\$50K	Aff	\$200,000 Hist. Bridge Loan 'Heritage Homes - Affordable	12/8/2016	N/A	5/7/2018	Renting	100%
								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	Owned	86 & 82 Sold
80-82 Hawthorn	2	\$818K	\$409K	\$200K	\$100K	Mkt	Heritage (NINA) Market	3/18/2021	6/1/2018	7/27/2021	Owned	80 & 82 Sold
213 Lawrence	3	\$900K	\$300K	\$410K	\$126K	Mkt	1st Mortgage 3% 25 Yr.	11/17/2022 1/21/2021	N/A	5/5/2023 2/9/2022	Owned	100%
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	12/21/2022	2024	
275 Pearl	35	\$9.46M	\$242K	\$2.86M	\$73.5K	Mkt	City Funds 1.5% 20 Yrs. + 1% buydown	10/21/2021	N/A	2/15/2023	2024	
Bedford Commons	84	\$21.3M	\$250K	\$1M	\$12K	Aff	City Funds 2% Loan co-term with CHFA	10/20/2022	N/A		2023	
29 Ashley	1	\$565K	\$565K	\$150K	\$50K	Aff	Heritage \$50K Grant	2/16/2023	6/1/2018	5/25/2023	2023	
847 Asylum	3	\$1.87M	\$623K	\$300K	\$66.6K	Aff	Heritage \$150K Loan Heritage \$200K Grant	2/16/2023	6/1/2018	5/25/2023	2024	
690 Albany	8	\$2.49M	\$312K	\$800K	\$100K	25/75	3% 20 yr. 2 Mkt/6 Aff	5/18/2023	N/A		2024	
<b>Summary</b>	<b>424<sup>3</sup></b>											

10/17/2023

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

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

<sup>3</sup> 233 Hartford 111 Regional, 84 rehab

(21)

# 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 #SPILLI	FY16 Neighborhood (Promise Zone)	\$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 Neighborhood (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 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.
Albany Ave/ Main Street	High Speed internet cabling connection to North End Business	TBD	\$525,000	FY16 Neighborhood (Promise Zone)	Funds used to match Federal Promise Zone Funding and compliment Albany Ave. Streetscape project	6/15/2017	6/15/2017	11/29/2017	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 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
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 Neighborhood	Loans and grants \$1.6M remaining	5/11/2018 2/3/2023	5/24/2018	6/1/2018	multiple properties see Housing Varied Funding Report
Fuller Brush	Conversion of 2 buildings to res. 153 units	\$42.6M	\$2,000,000 <del>\$3,500,000</del> \$3,000,000	Neighborhood	\$8.5M initial Loans 2% 30 yr. bridge historic & perm Two notes CRDA/City	4/1/2022	5/19/2022	7/29/2022	In construction
Liberty Church	Steeple Restoration Historic Rehab	\$1M+	\$1,000,000	Urban Act	Grant Funds	N/A	N/A	5/31/2022	Asst. Agmnt. Pending
235 Hamilton Part 2	Conv. 189 units Plus commercial	\$91.6M	\$8,500,000		Loan to accompany City revolving Fund Loan of \$4M	3/16/2023	3/16/2023	4/6/2023	Closed, pending start of const.
Albany/Woodland	new construction mixed use project Historic Rehab	\$2.1M	\$5,500,000		Loan/Equity	3/9/2023	3/10/2023	3/16/2023	Pre-Development
17 Bartholomew	57 new units	\$17.60	\$3,000,000	CRDA/City	3% Loan/30 Yr.	9/19/2023	9/23/2023	NA	Pending Closing
			\$5,549,830						

1/10/2024

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**Regional  
&  
Economic Development  
Projects  
Committee**

## **Albany & Woodland Project Parcel B**

Background: The City has tried unsuccessfully for a number of years to develop the vacant 2.3-acre property at the corner of Albany Avenue and Woodland Street in the heart of the Upper Albany neighborhood. The site sits along a significant regional, cultural, commercial and commuter corridor with a vibrant Caribbean/West Indian, African American and Hispanic presence around it. The City hopes to build on the success of other initiatives in the area, including the University of Hartford Performing Arts Center project, the YMCA North Hartford Center project and the Hartford Public Library – Upper Albany Branch project, as well as other streetscape and façade improvement projects.

The City is proposing a public/private partnership in which the property will be subdivided into two lots and sold to two separate developers. One of those parcels – Parcel B - will be sold to the non-profit GrowAmerica (acting as “Community Development Properties Woodland Inc” for this project), who plans to construct a 32,000-sf building on the site, housing a new City Health Department, an upscale restaurant, a potential bank and one additional commercial tenant. Approximately 119 parking spaces will be constructed on the interior of the site to support the development. Total development costs for this project were originally estimated at between \$10 million and \$12.5 million.

Proposal: Construction estimates have increased and projects costs are now expected to total \$19.4 million, including Health Department fit out. To fill the gap, the City is proposing to increase its contribution from the Revolving Loan Funds held by CRDA from \$7.0 million to \$12.85 million. The City will grant an additional \$1.05 million directly to the developer.

The \$5.5 million CRDA construction loan approved by the Committee and Board in March of 2023 will not change. The \$1.75 million of the Revolving Loan Funds approved in April for distribution as pre-development funding, however, has been increased to \$3.1 million.

### Parcel B Development Budget:

CRDA Bond Funds	\$ 5,500,000
City Revolving Loan Fund	\$12,850,000 (to be administered by CRDA)
<u>Additional City Funds</u>	<u>\$ 1,050,000 (to be administered directly by City)</u>
TDC	\$19,400,000

### RESOLUTION:

*The executive director is authorized to grant up to \$12.85M of City funds consistent with the CRDA/City of Hartford MOU of December 3, 2021 to Community Development Properties Woodland Inc (or such acceptable single purpose entity). Such funds would be distributed as a grant, with up to \$3,100,000 released as pre-development funding. All funding shall be subject to such fiduciary terms and conditions as deemed necessary and appropriate by the executive director and CRDA counsel.*

## Term Sheet – Loan to acquire real estate within Bushnell South redevelopment area.

**Borrower:** Spinnaker Development (SREP HTFD II LLC, the single purpose entity)

**Purpose:** Acquisition of 'Parcel A' (90,000 sf/2 acre +/-) in accordance with existing Option between Owner (Alkon/Konover) and Borrower (Block bordered by Hudson, Capitol, West and Buckingham)  
Currently vacant lot used for parking with one small building and billboard.  
250 parking spots (estimated)  
3 parcels (63, 67 Capitol, 186 Buckingham)

Acquisition of 'Parcel B' (13,000 sf)  
3 Parcels (94,98, 110 Buckingham Street)

Long term redevelopment to start within five years as part of Bushnell South plan for residential mixed use with parking in accordance with Goody Clancy plan and City of Harford land use/zoning

**Loan:** Up to \$3M at 3% I/O for a five-year term, Interest deferred during the non-exclusive and at no cost utilization of Parcel A to Bushnell Theatre patrons for designated events.  
Borrower to provide additional funds for acquisition and to cover closing costs.  
No prepayment Penalty  
First Position priority loan, security, collateral on all six parcels, no other liens.  
Loan and interest due upon maturity

Subject to CRDA approval, an extension of the term may be made if developer is actively pursuing development, or market conditions are unfavorable and/or CRDA unable to commit and deliver necessary public financial support for a project on the parcel and/or CRDA does not wish to exercise its option to purchase at end of year 5.

**Covenants:** Long term redevelopment program acceptable to CRDA (to be governed by a land development agreement following Goody Clancy development envelope (# units, # parking spaces, # s.f. commercial)  
Covenants travel with parcels for any third-party acquirer.  
Covenants remain with parcels after loan retirement.  
Borrower responsible for all operating expenses (taxes, utilities, insurance, etc)

**Other Conditions:** Confirming appraisal  
Environmental assessment with any costs/liabilities on borrower  
Alkon/Konover to rescind offer to Federal General Services Administration Federal Court House solicitation (with confirmation from GSA likely to lag loan closing)  
Funded (\$2M from CRDA Recapitalized loan pool, \$1M from COH MOU Revolving Loan)  
CRDA may include the initial acquisition loan as part of a restructured development financing package at a future date.  
Release of Parcel B for a separate development, independent of Parcel A with pay down of principal.

CRDA  
Options

At loan maturity (or at such time as allowed by extension) providing Borrower is not pursuing active development or market conditions prohibit development consistent with Goody Clancy plan, there shall be an Option to CRDA to purchase Parcel A prior to any offer of sale to others at Borrowers cost, inclusive of loan, its deferred interest, and approved/eligible holding/predevelopment costs but in no event for more than appraised value at time of option.

Other

**Deal Elements** Post Loan Closing: Subject to securing funding, CRDA with Bushnell and developers active in the area will create parking management and development plan consistent with Goody Clancy to address parking and traffic issues within the Bushnell South Redevelopment area, such plan to explore options to improve access and egress of Buckingham and Capitol Ave garages as well as use of other vacant lots in area adjacent to development area.

Minimum of three-year agreement for Bushnell Theatre patrons to utilize on a nonexclusive basis an estimated 250 parking spaces at Parcel A at no fee/charge to the Theatre for designated Theatre events.

Seek to allow the Bushnell Theatre to invest equity for first floor commercial space and/or parking facilities within land development agreements for Parcel A or abutting Parcel 4 should such investment be feasible.

Take steps to improve communication loop between city, CRDA, Bushnell and various developers as to final plan of development and construction related implementation.

**RESOLUTION:**

*The Executive Director is authorized to 1/ lend up to \$3M to Spinnaker (or such acceptable single purpose entity) at the terms and conditions as outlined above; 2/to secure the aforementioned land development agreement for subsequent board approval; 3/to undertake a traffic and parking management study to guide the entire Bushnell South development area; and 4/ to establish a process to integrate the various concerns of the multiple parties and developers active in the area including but not limited to development scale, density, traffic, parking, storm water management, design and overall operational issues.*

# 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 12/11/2018 7/21/2020	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 in negotiation with residential developer CRDA role complete
Bushnell South Garage	Garage	\$17,000,000	CRDA Prop.	-	-	9/20/2018	Garage 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
Riverfront Recapture (Hartford/Windsor Side)	Phase I development of extension to Hartford Riverwalk north of Riverside Park	\$1,025,000	Grant-in-Aid	-	-	9/20/2018	Site work scheduled, engineering underway
Hilton/DoubleTree	Conversion of hotel to new brand 170 Rooms	\$5,100,000	Loan	12/3/2021	12/15/2021	12/21/2021	Work underway - Expected opening in March 2024
Bond	Elevator work	\$1,000,000	Loan	1/7/2022	3/24/2022	n/a	Construction underway
235-7 Hamilton Part 1	Construction & Environmental loan	\$4,000,000	City Funds loan	1/7/2022	6/16/2022	n/a	Work Underway March 2024 Opening
Albany/Woodland	New construction, mixed use project	\$5,500,000	Loan / Equity	3/9/2023	3/16/2023	7/21/2020 7/23/2021	Construction Underway
Carbone's Restaurant	Restaurant relocation to Front Street	\$1,700,000	\$1.4m CRDA loan \$300K City MOU loan	11/9/2023	12/6/2023	12/14/2023	

1/10/2024



# **Venue Committee**

# Executive Director

## Riverfront Land Inc. (RFI)

Acquired by Riverfront Recapture at Windsor/Hartford Line

### Update

Riverfront Recapture is working in partnership with the City of Hartford and numerous state agencies to build 2.5 miles of Riverwalk and a new park that will make a regional connection to Windsor. CRDA has provided \$1,025,000 to Riverfront Recapture for the park's conceptual planning, environmental site investigation, building assessment, remediation and demolition, riverwalk design, regulatory permitting and commercial market analysis.

In addition to the CRDA contribution, the project has also secured private funding, Federal EPA and CT DECD Brownfield funds, a CT DEEP greenways and trails grant, Federal Highway TAP and Community Connectivity grants via the DOT, contributions from both the City of Hartford and Town of Windsor and more recently a CT DECD CIF grant.

Riverfront has started the Master Planning work for the future park and its associated commercial development site. In November, Riverfront contracted with Hargreaves Jones, an internationally recognized Landscape Architecture firm that specializes in waterfront development projects. Services include community engagement, program development, economic research, improving the natural environment, master planning, and cost estimating funded via a Federal HUD grant secured through Congressman Larson's office. The goal is to complete the project's Master Plan (park and commercial space), begin fundraising for the next phase of development, and hopefully start the design and permitting work before the close of 2024.

In addition to Master Planning efforts, the project is working through its initial phase environmental challenges including impacts to numerous endangered, threatened, and special concern species and securing the regulatory permits for remediating the Brownfield site which includes significant excavation to provide cap material for covering impacted soils. The excavation and cap work will result in an expanded cove connected to the river and a new 10-acre commercial development pad away from the river and out of the floodplain.

Remediation and initial site work was scheduled to start in the spring of 2024, but recent regulatory setbacks have increased development costs, created delays, and negatively impacted the start of construction. And there are real concerns project funding secured years ago will not be sufficient to complete the work as post-Covid inflation has caused material, equipment and labor prices to jump.

## RLI LOCATION MAP 100 Meadow Road, Windsor, CT





15 JANUARY 2021  
CONCEPT PLAN

# RLI PROJECT



CONNECTICUT RIVER

# Construction Update

1/18/2024

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule
CRDA Housing Projects 525 Main Street	42	29,570	6,031,090	-	70%	Yes	HVAC Contractor has roughed in corridors, VRF installation is ongoing. P&E Trades are substantially roughed. Prerock is complete and metal framing has been completed. Entry Doors are restored and window restoration has commenced. Cabinets are stored onsite. Project has slowed due to HVAC Contractor moving slower than anticipated. Rough inspections to take place late January.	The project completion is for July 2024. Electrical Gear will impact final completion. Actual CO TBD based on gear arrival anticipated to be on 10/2024 and Eversource ? AHJ approvals. Application sent to PURA for temporary power while waiting for gear arrival has been approved.
275 Pearl Street	35	31,358	7,500,766	-	60%	Yes	Vertical framing is completed on all floors. MEP Rough work is ongoing with P&E Contractors at 80% Rough. HVAC is at 60%. Exterior facade work is at 100%. Basement trenching complete, waiting for UG plumbing.	Current construction schedule shows completion July 2024 pending electrical gear arrival on 10/2024.
100 Trumbull St	16/2-BR 32/1-BR	17,840	1,206,228	335,609	60%	Yes	Phase 1 - 16 Unit conversion completed	Phase 2 will begin when units are vacated - status TBD
55 Elm	164		39,524,125	528,994	65%	Yes	Press (Annex) building is in final stages of finishes with fixtures and appliances currently being installed. Annex on schedule for Jan. 2024 completion for turnover. Main building is at a 50% install stage overall. Metal framing and pre-rock is complete. HVAC Corridor rough is complete floors 3-7. MEP Trades are all beginning rough in on upper 4 floors. All demo is completed and Lighting & Mechanical Equipment is stored on site.	Schedule calls for completion of Annex 02/01/2024 with Main Building scheduled for 06/01/2024. These dates are contingent on permanent power from Eversource (TBD)
Hilton - Apartments	147		17,820,000	-	85%	No	Project consists of floors 12-22. Final finishes are being installed on floor 22, 21 will follow. Rough work has started on floors 16-20, demo is completed on all other floors. Water Mains are installed for building apts on floor 16	Completion is on schedule for 03/15/2024
Hilton - Double-Tree Conversion	166		4,903,863	-	99%	Yes	Project is complete. Conversion from Hilton to DoubleTree will coincide with Hilton Apartments opening 03/15/2023.	Construction completed on 12/30/2023. Hilton to Doubletree conversion will coincide with Apartment completion on 03/15/2024.
847 Asylum NINA	three family home	8,540	1,155,000		60%	Yes	This project will reconfigure the historic Linus Plimpton House from a rooming house into an owner-occupied three-family home. Building has been reframed to accommodate the new use. Rough plumbing and electrical work are complete and approved by the City Inspector. Remaining HVAC units and ductwork are currently being installed and should be complete and ready for inspection by the end of the month.	Certificate of Occupancy scheduled for February 2024.
Bedford Gardens	85						Waiting on closing to meet with Developer for a formal schedule.	TBD
Arrowhead	44						CRDA Staff has reviewed drawings. Construction schedule was obtained along with budgeted cost.	Current Schedule shows 12 month duration anticipated start date of January 2024 to be confirmed

# Construction Update

1/18/2024

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule
<b>CRDA Neighborhood Projects</b>								
Riverfront Recapture Hartford - Riverfront Park(Windsor side)			1,000,000 (* full CRDA Loan)	-	83%	Yes	The project is in the permitting phase. Various DEEP permit applications have been submitted. Riverfront Recapture and DEEP continue to negotiate a 25 year lease for a 16 acre portion of Windsor Meadows State Park. Remaining CRDA funds will be used to pay Fuss & O'Neill - completion of the construction bid documents after the regulatory permitting process is complete & Construction of the Riverwalk. Hargreaves Jones is under contract to provide Park Master Planning Service	This project is at the mercy of the regulatory process.
Fuller Brush	153		28,831,841	-	0%	No	CRDA Construction staff has met with Axela Construction on site. Construction kick-off meeting scheduled for January 17th	Contractors have mobilized. Make safe & Demo has begun. Anticipated 20 month duration. Completion estimated for August 2025.
237 Hamilton Phase 2 - Conversion & Adaptive Reuse	235		8,500,000 (* full CRDA Loan)		0%	No	CRDA Staff met with Carlos Moulita onsite and walked project. Currently completing Environmental clean up.	Project is awaiting closing. Projected start date 03/01/2024
<b>Regional &amp; Economic Development Projects</b>								
East Hartford Great River Park Improvement			1,324,010 (* full CRDA loan)		27%	Yes	The project is still in the permitting phase. The Army Corp of Engineers Regulatory Permit, has been submitted and is being reviewed. The Army Corp has conditionally approved the Section 408 permit and it is in a public comment period. A new project cost estimate will be developed upon completion of the regulatory permit process. Construction could start in spring 2024 after the seasonal flooding.	As with the Great River Park this project is at the mercy of the permitting process. Construction could start in Spring 2024
E.H. Drainage Project King Court Segment			1,097,000	-	80%	No	All underground drainage work has been completed. Final paving will begin in Spring 2024. CRDA will monitor site periodically over winter.	Final Paving will be completed by May 2024.
338 Asylum Street - The Bond Residences			1,075,000	-	15%	Yes	(3) New elevator machines have been delivered, installation is ongoing.	Elevator work to be completed mid April
McCartin School Demo.		25,380	TBD	-	0%	No	CWA Contract has been executed	Bidding to commence when funding is secured.
Silver Lane Plaza Demo			1,196,000	-	0%	No	Manafort Bros. was low bidder and contract has been awarded.	Work to begin mid-late January. CRDA kick off meeting on 01/15/24
<b>Venues</b>								
2023 XL Renovation Project			7,000,000	-	6%	Yes	Bid documents have been distributed to trades. Addendum #4 and over 400 RFI's are in process. Final Addendum to be issued to trades on 1/17/24	Bids due 1/26/24. GMP Early February
Rentschler Field							1st tranche of funding for \$12M request to Bond Commission TBD - work to include Roofing, AV/IT/Security/Broadcast, Structural Repairs and Caulking	CM Award Q1 2024. Work to commence Summer 2024, subject to funding.
CT Science Center Columns							CRDA Staff met the administration of the CSC along with Capasso to review logistics. Construction to start 01/08/2024.	Completion prior to 04/01/2024

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# Miscellaneous

Capital Region Development Authority***Board of Directors***		
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Brian Kane sits in his new office in Aetna's Farmington Avenue campus in Hartford.

## New Aetna President Kane embraces insurer's history and future: 'There are no plans for Aetna to leave Hartford'

By Greg Bordone  
gbordone@hartfordbusiness.com

**A**dd Brian Kane to the long list of people struggling to find a home in Connecticut.

"There's literally nothing on the market," said Kane, a New York City transplant who, as of early December, temporarily settled in a West Hartford condo near the Bloomfield town line where he lives with his wife, Anna, their nine-month-old son, and mini-Dachshund dog Mallomar, named after the chocolate marshmallow cookie.

Kane isn't your average homebuyer. In September, he started a new job as president of Hartford-based Aetna, the iconic 170-year-old health insurer and one of the city's largest employers and taxpayers.

At a time when executives don't always live near their company's headquarters, Kane's decision to put down roots in Greater Hartford is significant. Many have wondered what Aetna's future in Hartford would be following CVS Health's 2018 purchase of the company.

Recent layoffs at Aetna — part of a broader nationwide cost-cutting effort by CVS Health — created further unease.

But Kane, 50, said he's bullish on Hartford and wants to reignite

### BRIAN KANE

*President, Aetna  
Executive Vice President,  
CVS Health*

**Education:** Bachelor's degree in economics and political science, Stanford University; MBA, Harvard University

**Age:** 50

Aetna's role in the city, starting with getting more people back to the office on a consistent basis and bringing back to life the company's sprawling 1.7-million-square-foot corporate headquarters campus on Farmington Avenue.

"There are no plans for Aetna to leave Hartford," Kane said during a recent sit-down interview at the company's Hartford campus. "I've moved my family here. We're committed. Our history and legacy are here, and so I don't think you can minimize that. We play an important role in the community. We have thousands of employees in Connecticut, many of whom are going to come back to the office, who haven't already, but we're going to see more and more come back to the office."

He added: "I mean, it's hard to

believe we've been here for 170 years, and getting people to focus on that and restoring the luster and pride of Aetna, is very important to me and the company."

A history buff, Kane said he's taken time in his first few months on the job to learn about Hartford's history and Aetna's longtime role in it. During a two-day retreat with his senior executive team at Aetna's headquarters, he brought in a historian from the Connecticut Museum of Culture and History, who showed off artifacts and discussed the city's and Aetna's past.

In mid-December, he had lunch with former Aetna CEO Jack Rowe, who led the company from 2000 to 2006. They broke bread in the eighth-floor dining room of Aetna's headquarters, where Rowe used to host board meetings.

"I want my executive team to be very tied into Hartford, to participate in the Hartford community, and you're going to see us be much more active in the community, whether it's joining not-for-profit boards, doing volunteer events, hosting more things at our campus," Kane said.

He's a big believer of employees being in the office, arguing it helps build company culture and spurs collaboration and innovation. When he's not traveling, Kane said he's on the Hartford campus five days a week.

Aetna in January 2023 implemented a two-day, in-office requirement for most employees. That changed to three days in office in September.

Kane said he also wants to bring back many of the office amenities that went dark in recent years. That includes small things like a popcorn machine that was popular among employees.

He also wants to restore a historic Austin Quadruplex organ that sits in Aetna's auditorium and have it played during company events. It was built by Hartford-based Austin Organs Inc. and purchased by Aetna about a century ago.

"A lot of the amenities in the building got shut down for COVID and even before that, and we want to bring all those back in," Kane said. "It's hard to believe it was several years when people were out of the office, and so we are really focusing on bringing people back to Hartford and developing a regular cadence around business meetings in person. And then really focusing a lot on what we have to do, which includes, importantly, the integration with CVS."

### Growing the business

Kane in early December spent close to an hour with the Hartford Business Journal outlining his priorities for 2024 and beyond.

Approachable and genial, Kane wore a gray suit paired with a baby blue tie, and a white dress shirt with sleeves bookended by cufflinks.

He brings a notable resume to his new role. The Harvard MBA graduate spent 17 years at Goldman, Sachs & Co., including time as a managing director in the investment banking division.

# UConn seeks CT funds to expand campus into Hartford's XL Center

*Emily DiSalvo*

HARTFORD — UConn is looking to expand its presence in the capital city, this time with hopes of creating a "Research and Innovation Center" within the XL Center.

The university applied for \$5 million in state bond funding for the acquisition or leasing of a space within the XL Center that was used by University of St. Joseph for a pharmacy school until 2022.

"UConn's downtown Hartford campus has been a vibrant center of learning, service and community since it opened in 2017, and we are excited about the opportunity to bring that same energy to the XL Center space," said Stephanie Reitz, a university spokesperson.

Mayor Luke Bronin said he is excited for UConn to increase its footprint in the city.

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"We're thrilled to see UConn expand in downtown Hartford and build on the tremendous success of UConn Hartford branch," Bronin said.

The State Bond Commission will meet Friday to decide whether or not to authorize the funding. The university's application says the funds will be used to "support leasing and operator costs of the space and to offset costs due to renovations and maintenance."

"Specifics of the space's interior design and renovations and other details are being developed, and will be included when the item is brought to the UConn Board of Trustees for its review and vote in 2024," Reitz said.

Thanks to state funding, the XL Center is set to undergo a \$100 million renovation. The Capital Region Development Authority manages the XL Center, whose primary tenants include the UConn men's and women's basketball teams, as well as the AHL's Hartford Wolf Pack. Michael Freimuth, executive director of the CRDA, said the expansion shows the "strong role and growth" of the downtown campus.

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UConn Hartford's campus is centered around the former Hartford Times building on Prospect Street. It is home to several undergraduate and graduate programs, including business, social work and public policy.

"Its 50,000 square feet presents a case study in how to use vacant commercial space in the post-COVID economic environment and its presence within the XL Center reinforces the vital activity center the arena complex provides," Freimuth said.

# Xcel Energy Center, RiverCentre updates could cost 'hundreds of millions.' City officials explain why.



Xcel Energy Center (Courtesy Xcel Energy Center)



By **FREDERICK MELO** | [fmelo@pioneerpress.com](mailto:fmelo@pioneerpress.com) | Pioneer Press

PUBLISHED: December 4, 2023 at 1:28 p.m. | UPDATED: December 6, 2023 at 11:19 a.m.

Remodeling, if not reinventing, downtown St. Paul's Xcel Energy Center and the city's adjoining RiverCentre convention halls would require the state to find "hundreds of millions" of dollars, a request that has already drawn meetings between St. Paul Mayor Melvin Carter, Gov. Tim Walz and management of the Minnesota Wild. The mayor's office is pitching the project as the revitalization of a city-owned statewide asset that hosts more than just professional hockey games. Think of state high school sports tournaments, high school graduations, concerts, conventions and the annual Hmong New Year's celebration.

Each year, the city sends \$315 million in sales tax revenue alone to the state of Minnesota, a significant portion of which can be attributed to events at the arena complex. City officials have estimated that between hotel rooms, a hotel occupancy tax, jobs and other related spending, the facility's overall economic impact adds up to roughly \$493 million annually.

Still, there's opposition in some corners for using public funds to boost privately-managed professional sports stadiums. A funding request that could exceed \$300 million, by some estimates, may require the city to come up with a local match at a time when St. Paul is hard-pressed to hold the line on property taxes while filling potholes, housing the homeless and addressing other municipal priorities.

St. Paul City Council Member Mitra Jalali on Friday said she could not make an informed comment without first seeing a specific proposal, but added, "I'll be reviewing the details very closely to make sure we can make a responsible investment in this asset."

Deputy Mayor Jaime Tincher and St. Paul Planning Director Nicolle Goodman recently sat down with the Pioneer Press for an update on where things stand. Also in attendance were St. Paul Financial Services Director John McCarthy and Melanie McMahon, the mayor's executive project lead for redevelopment. This interview has been edited for length and clarity.

**Q:** The Xcel opened in 2000. Why does it need a renovation now?

**Jaime Tincher:** The Xcel Energy Center and the RiverCentre complex are city-owned facilities, and from a city perspective, it's the most important economic driver for downtown. There 130 nights where we have events, whether it's hockey games or Hmong New Year or other events. And the Xcel is 23 years old. We compete really well in the concert space. But 20 years later, what the artists of today want even in terms of how they access their space, it's way different. What was important to the hockey experience 20 years ago, that's changed, from the fan experience, the sight lines to the games, access to food and beverages. Folks years ago maybe wanted more box suites, and 20 years ago it might have been corporate partners buying big box suites. And that's not necessarily what the tech folks want today.

That's a lot of what we're learning from arenas in other parts of the country, as well as U.S. Bank Stadium in Minneapolis. In order to fund all the other priorities that we have, we have to have that economic vitality. All downtowns right now are struggling. The events that are happening in that space are supporting our restaurants downtown.

**Nicolle Goodman:** That's what's keeping our downtown going. There was a recent weekend when every downtown hotel room was booked because of what was happening at the Xcel. It was the weekend that Pearl Jam was here.

**Q:** What kinds of improvements are you looking at and how much would they cost?

**Tincher:** The city is working closely with the Wild to create a wish-list of improvements for the X and the RiverCentre, and the team has been surveying fans about their priorities. Time is short as the legislative session kicks off in January, so that list needs to come together within weeks, not months.

"If we don't need to replace the roof, that might be a good thing. We're trying to figure out what are the things that need to be renovated. We still have supply chain issues. We still have inflation. We still have costs on construction that are somewhat volatile."

"I know the \$300 million number has been floated. Certainly, we want to be prepared with a number by the time we go into the legislative session and the specific items we're looking for. You're going to have a state surplus, which are one-time funds. We know there's a lot of other priorities for that money. And there's a lot of other priorities for the city as well, like the unsheltered homeless."

One area that is sure to get scrutiny is the arena loading dock. "In a competitive market for concerts, conventions and sporting events, artists can go anywhere. Events can go lots of places. It's vitally important to the functioning of that facility."

The X needs upkeep, but so does the adjoining RiverCentre convention space, their shared — and poorly aging — parking ramp across the street and the Third Street bridge connecting Kellogg Boulevard to the East Side. It's safe to expect, according to the mayor's office, that conversations with lawmakers and the governor will move forward on all those fronts.

**Q:** Some other stadiums open their doors to weekly running groups and small community events. Have you talked to the downtown neighborhood coalition, the CapitolRiver Council, or other neighborhood advocates and community partners about what they'd like to see at the X?

**Tincher:** Those conversations will unfold as we get more details.

**Q:** Asking for hundreds of millions of dollars from the state with likely require a local match, which could impact property taxpayers. Have you reached out to the city council or school board?

**Tincher:** I know that there are people who are opposed to public support for sports facilities. What I would say is this arena is a whole lot more than a sports facility. If that building was still there and we lost the Wild, we'd lose that \$493 million of financial impact. We anticipate that (this project) is going to be a partnership between the state, the city and the Wild. Once we know what the renovations are, we can figure out what level of city spending feels fair."

**Q:** Don't taxpayers already finance the X through the city's half-cent sales tax, as well as a tax increment finance district downtown?

**John McCarthy:** To pay for the construction bonds that opened the X in 2000, the arena complex is supported by up to 40% of the proceeds from the city's half-cent sales tax, an arrangement that expires in 2042. General maintenance in and around the facility is also supported by a tax increment finance district, which redirects about \$3.5 million annually in property tax increment generated within some 21 square blocks of downtown St. Paul. That TIF district was recently extended to the year 2033.

That's why the deputy mayor talks about the Xcel being so well maintained. It's not covering big exciting things. It's the roof, and the HVAC.

**Q:** How long will construction take?

**Tincher:** Teams attempt to time construction around their playing schedule as much as they can. Still, Milwaukee and Atlanta stadiums followed a multi-year construction

schedule. In Indianapolis, stadium construction happened to move forward during the pandemic, when no sports games were scheduled, which sped the timetable.

**Q:** Not every St. Paul family can afford to attend a hockey game or concert at the X, even before the surprise Ticketmaster fees are added on at check-out. Beyond hotel room bookings and spending at downtown restaurants, what would be in this deal for everyday St. Paul residents and their kids?

**Tincher:** Minnesota Wild owner Craig Leipold is a co-chair of the mayor's "College Bound St. Paul" initiative, which seeks to connect every child born in the city to a college savings account. In recent months, the X has hosted blood drives in partnership with the American Red Cross and the Memorial Blood Bank, an "action day" with the United Way, "Wild University" sessions with Boys & Girls Clubs, a "Hiring Our Heroes" job fair event for veterans, girls hockey clinics, a Mite Holiday Jamboree and a Level I Youth Referee seminar and clinic.

The X hosts annual high school state tournaments for girls volleyball, boys and girls hockey and wrestling, as well as college hockey games. The state's new professional women's hockey team will play 11 games in the arena this season.

**Melanie McMahon:** The arena is more than just professional sports. I think of high school graduations, and Hmong New Year and state tournaments. This is another opportunity for the city to be reflected in that and that these values and those visions are really carried through.



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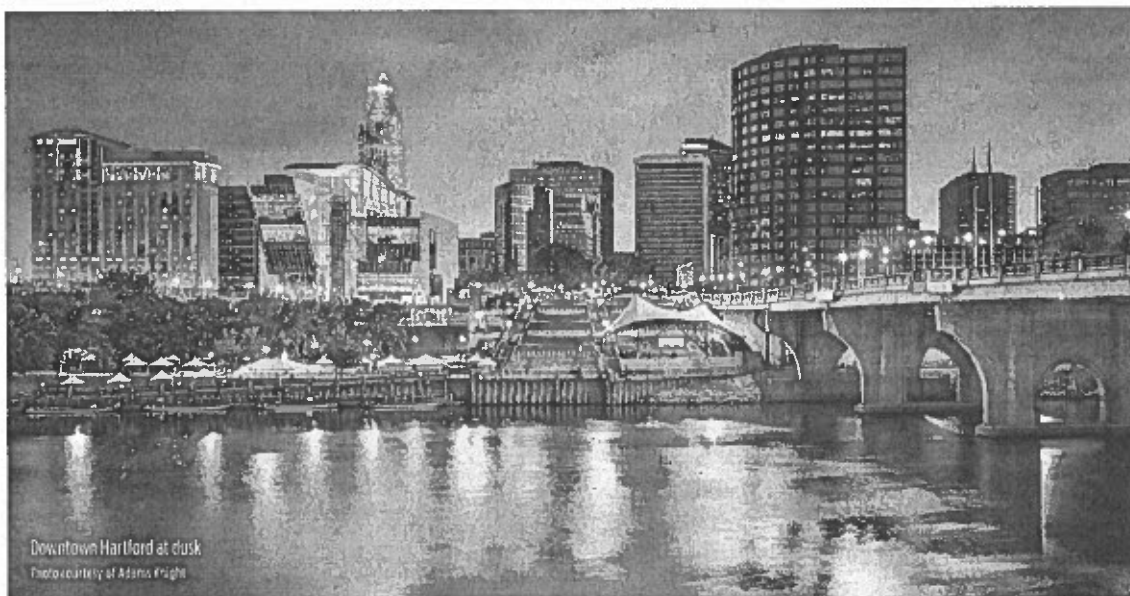
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# You Can Always Go Downtown



by MARK AREND  
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**D**owntown Hartford, until recent years, was bustling from 9 to 5. Not so much when the office workers headed back to the suburbs from the banks, insurance companies and other places of businesses after work. Some would stay and take in a show at The Hartford Stage Company or the XL Center arena, but then it was back to the 'burbs.

That's quickly changing. Connecticut's capital city is becoming a magnet for companies and their employees relocating from other parts of the country, particularly for young adults preferring an urban lifestyle.

"Over the past 10 years or so, downtown has changed," says Mike Freimuth, executive director of the Capital Region Development Authority (CRDA). "It's evolving from just being a nine to

five business community to something more like an urban neighborhood. We've built some 3,300 housing units downtown in the last 10 years. A lot of that is conversion of old office buildings to residential uses. Some second-tier office buildings needed a refresh, and a lot of them went residential."

A good example is downtown's 179 Allyn Street, a commercial building dating to 1883 that was converted into a mixed-used property in 2015 with 63 apartment units, a fitness center and community room. It's listed on the National Register of Historic Places and is steps from dining and entertainment options. Dakota Partners LLC, based in Massachusetts, was the developer. Freimuth says downtown Hartford increasingly is seeing interest from out-of-state developers in refurbishing such properties.

"People new to the area are finding their way downtown," he says. "Most are 25 to 40, single, and they're not ready to invest in suburban living just yet, or they don't want to. The city has been able to capitalize on that, and we're doing new construction and using vacant sites. We've built about 270 units on what was vacant land, and another 240 are in the pipeline – and another 300 or so are behind that. This is attracting national investors now where it initially was local and regional investors. There is now demand, and Hartford's quality of life is starting to be recognized."

As for housing costs, Freimuth says the real estate coming online is about 80% market rate and 20% affordable. "Price points vary, but the target is the young professionals getting started."

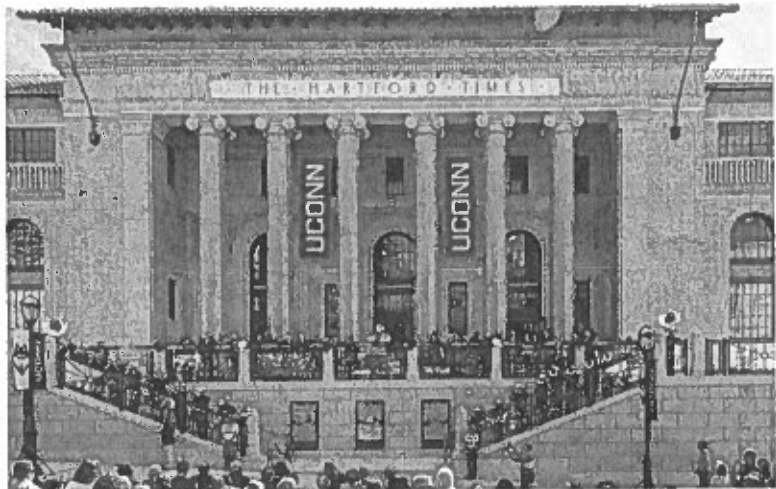
### To the Nth Degree

In 2017, The University of Connecticut opened its UConn Hartford campus in the historic Hartford Times building that was completed in 1920. Space in two other buildings, including the Hartford Public Library, complete the downtown campus. More than 3,100 students and nearly 300 faculty and staff add energy to the district and proximity to Hartford's businesses, where some of the students may one day work. The campus offers 11 undergraduate degree programs, six graduate programs and 10 non-degree and certificate programs.

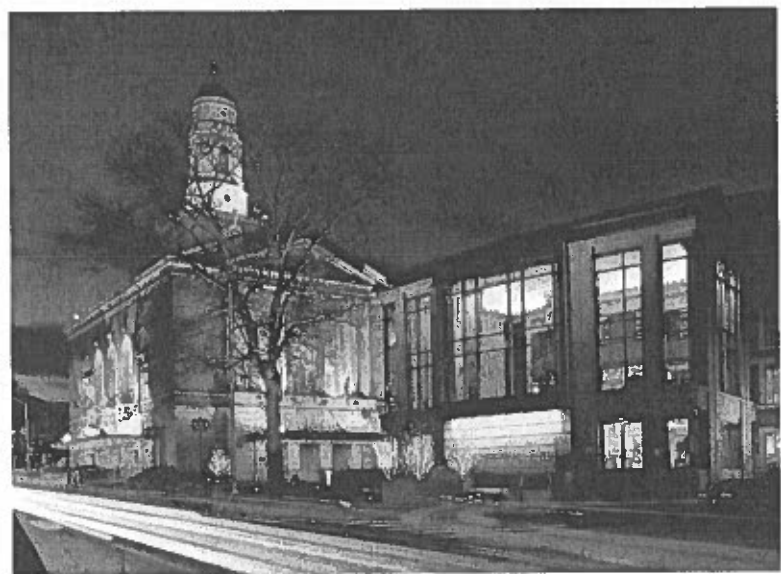
Similarly, the Capital campus of Connecticut State Community College has occupied 11 floors in the former G. Fox department store building in downtown Hartford for the past several years. It has an enrollment of about 3,300 and offers more than 60 degree and certificate programs.

Though not in downtown Hartford, other colleges and universities in the metro area include Trinity College, UConn School of Law, the University of Hartford, Central Connecticut State University, the University of St. Joseph and Tunxis Community College. Yale University in New Haven is a 40-minute drive south of Hartford; the University of Connecticut's main campus is a half hour east, in Storrs.

Students, residents moving into the real estate coming online in Hartford and others in search of entertainment options have several to choose from. XL Center, known as the Hartford Civic Center back when it was the home of the Hartford Whalers NHL team, is set to undergo \$100 million in upgrades. Other downtown



A former newspaper headquarters is the home of the University of Connecticut's downtown Hartford campus.  
Photo courtesy of Adams Knight



The Bushnell Center for the Performing Arts  
Photo courtesy of The Bushnell

venues include the Hartford Stage, the Xfinity Theatre Hartford – an outdoor arena that can accommodate 30,000 people, The Infinity Music Hall that seats 500 and the Bushnell Center for the Performing Arts.

"Central business districts in the U.S. are becoming more arts and entertainment districts," notes CRDA's Freimuth. "Residential development, cultural, arts and education are as critical to downtowns' futures as the corporate headquarters was. Downtowns must evolve, and that is happening in Hartford." ▼

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## Hartford Hilton preps for debut as hotel with apartments on top

Liese Klein

### Hartford Hilton readies for March debut as DoubleTree hotel with high-end apartments on top

Photo of Liese Klein

Jan. 12, 2024

New subscriber benefit:

HARTFORD — Both the apartments and hotel rooms at the newly renovated Hartford Hilton downtown offer spectacular views of the city — and a glimpse of one possible solution to the region's office vacancy woes.

Starting in March, the building at 315 Trumbull St. will take on a new identity as a DoubleTree by Hilton hotel on its bottom 11 floors and a high-end apartment building called The Revel on its top 11 floors. The apartments and hotel will have separate entrances, separate elevators and their own dedicated gyms and amenities.

DoubleTree guests will get exclusive use of the indoor pool on the fifth floor and the hotel's high-speed wifi. The new sign is already hanging on the building's facade, covered by a tarp.

Nearly all of the 170 revamped hotel rooms are already hosting guests, who appreciate the restful blue color scheme and upgraded bathrooms, fixtures and amenities, said Nadina Dellaripa, the hotel's director of sales and marketing.

"The rooms look fantastic. And it's really nice that we have all of them all set and ready to go," Dellaripa said. Hartford-based companies, which make up a good proportion of the hotel's clientele, have responded well to the revamp, she added. "They're really, really excited about some really great reviews from our clients."

The 147 rental apartments in the building are still awaiting final touches, with leasing set to start in March. On offer will be a mix of studios and one- and two-bedroom units. Studios around 400 square feet in size will start at about \$1,250-a-month to rent.

"I'm going to call it a very New York City-style design, where you have everything compact in a small space but you have everything that you need," said Randy Salvatore of Stamford-based RMS Companies, developer of the Hilton project and recent Hartford complexes like the Pennant. Because of their small size, "we can make the apartments extremely affordable," he said.

Salvatore and developer Waterford Hotel Group have teamed up on the \$28.9 million Hilton project, with help from an \$11 million loan through the Capital Region Development Authority (CRDA), a quasi-public agency that brokers state funding to spark new projects.

### Hotel chain repositions for a changing Hartford

Waterford has been involved with the hotel building since 2004 and was looking to pivot after the pandemic, said Len Wolman, the company's chairman and CEO.

The company had announced it might auction off the property and shut the Hilton down in 2020 during the worst of the pandemic impact.

"The last few years have not been easy given COVID and the pandemic that we all went through, and as a result, we worked with the city and the state to figure out how to position this thing correctly for the future," Wolman said.

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New development in downtown Hartford along with more events at the XL Center have helped the hotel industry rebound to some extent, Wolman said.

"There's definitely been improvement; demand has been improving," Wolman said. "I think the one big challenge is still determining exactly what the return to office is when it comes to corporate. ... it's definitely going to impact demand moving forward."

Corporate accounts have been a big part of the Hartford Hilton's business and will continue to be as the property downsizes and shifts to the DoubleTree brand, which offers lower prices and three-star-level service and amenities.

"We're really keeping up with our corporate accounts and letting them know what's coming in," Dellaripa said. "They're really excited because the main message of DoubleTree is a double dose of comfort."

The hotel's meeting halls, some offices and other shared space are being converted into more guest rooms. Although the ground-floor restaurant, Herb N' Kitchen, is open seven days a week for breakfast, lunch and dinner, hotel staff encourage guests to get out and explore downtown including new businesses on nearby Pratt Street.

"There's a couple of great restaurants that we definitely make sure to promote to guests," Dellaripa said. "We want to give them all of the options with so many things in walking distance from here."

## Developer: Apartment demand still strong

The new activity in downtown Hartford makes Salvatore confident he will soon lease out the Hilton building's 147 apartments even as he gets ready to break ground on a building set to house 237 apartments a few blocks away near Dunkin' Park. That's only the first phase of an RMS project estimated to bring 1,000 units to the northern edge of downtown.

"There's a demand there — if you look around at all the buildings within Hartford, the occupancies are extremely high, and whatever gets built or converted, ends up getting leased very quickly," Salvatore said. "I think that's just evidence that the market is demanding more housing."

Although Salvatore himself has never done a project that brings together a hotel and new apartments in one building, he said it's been a successful template nationwide.

"We think it's going to be actually an amenity to different people to have those two uses there. If people have friends or guests visiting, they can stay in the hotel down below," Salvatore said. "So we think they're totally synergistic."

Hotel conversions into apartments have been ongoing in downtown Hartford, with the former Sonesta Hotel at 5 Constitution Plaza converted into 190 apartments in 2015. Now called the Spectra Luxury Apartments, the building boasts 90 to 100 percent occupancy, according to CRDA.

The former Radisson Hotel on Morgan Street was planned as a combined hotel and apartment conversion, but ended up as all apartments when it reopened as The Millennium in 2022. The canvas for the tallest mural in New England, the building was set for auction this summer due to a tax dispute that was eventually resolved.

More recent conversions include the Homewood Suites on Asylum Street, which reopened as the Bond Residences apartments in 2020.

Apartments have been floated as one solution to downtown Hartford's ongoing office vacancy crisis as the state and major corporate employers lag in bringing workers back.

Despite the recent conversions, downtown Hartford needs more hotel rooms, not less, as it seeks to expand its convention business and entertainment district, CRDA Executive Director Mike Freimuth said.

"The Hartford Hilton conversion to partial DoubleTree/residential was a recognition of this potential re-use trend especially for older buildings, but Hartford needs to maintain a minimum number of hotel rooms for the convention center, XL Center and other facilities to succeed," Freimuth said.