

**Capital Region Development Authority
100 Columbus Boulevard, 5th 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

Bushnell Theatre event parking cooperation – operations personnel coordination

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
1,700,000 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:

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

Expense Reduction to be calculated as follows:

Amount under Expense Benchmark	Percentage of Savings
\$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:

Amount over Concessions Revenue Benchmark	Percentage of Overage
\$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 30th 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.

The December 6, 2023 CRDA Board meeting minutes were moved by Andy Bessette, seconded by Andrew Diaz-Matos and approved at the January 18, 2024 Board Meeting.

Adjourned 7:50pm

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