

Agenda
CRDA Board Meeting
March 21, 2024
*****5:00pm*****
In-person
(Teams meeting available)

- 5:00pm - 5:00pm • Call to Order & Minutes {1-18-24)*
- 5:00pm - 5:10pm • Mayor Reports
 - Hartford Mayor Arunan Arulampalam
 - East Hartford Mayor Connor Martin
- 5:10pm – 5:20pm • Finance Report
 - Monthly/Quarterly Update
 - SFI/OSE reports due May 1, 2024
- 5:20pm – 5:30pm • Housing & Neighborhood Committee
 - 30 Laurel Street *
 - DoNo Amendment Parcel B *
 - Project Updates
- 5:30pm – 5:40pm • Regional & Economic Development Projects Committee (RED)
 - Project Updates – E. Hartford
- 5:40pm – 5:55pm • Venue Committee
 - XL Center
 - Bids for reconstruction
 - Pratt & Whitney Stadium at Rentschler Field
 - CT Convention Center
- 5:55pm – 6:30pm • Executive Director
 - Underwriting Position Hiring
 - Regional Ag Market
 - MRDA status
 - UConn expansion
 - Front Street (81 & 89 Arch Street Status)
 - Bushnell South Redevelopment
 - Spinnaker Loan
 - NRZ Letter
 - Parking/Traffic RFP
 - Storm Drainage/MDC issues
 - Projects (55 Elm, 65 Elm, Trinity Street, TMO)
 - Construction Report
- 6:30pm • Adjourn

** Vote Item*

Microsoft Teams meeting

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DRAFT

Minutes

January 18, 2024

Capital Region Development Authority
100 Columbus Boulevard, 5th Floor
Hartford, CT 06103

Thursday, January 18, 2024

3:00pm – Virtual or In person Meeting

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

Board Members Present: Chairman David Robinson; Vice Chairman Andy Bessette; Andrew Diaz-Matos; Paul Hinsch; Randal Davis; Bob Patricelli; Pam Sucato; David Jorgensen; Seila Mosquera-Bruno; Daniel O’Keefe/Matthew Pugliese

Board Members Absent: Mayor Arunan Arulampalam; Mayor Connor Martin; Joanne Berger-Sweeney

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

Guests: Mike Zaleski, Riverfront Recapture

Chairman David Robinson called the meeting to order at 3:00pm.

Minutes

The minutes from December 6, 2023 were moved by Andy Bessette, seconded by Andrew Diaz-Matos and approved.

New CRDA Board Members & Organizing Issues

- DECD Commissioner Daniel O’Keefe with Matthew Pugliese as Proxy
- Hartford Mayor Arunan Arulampalam
- Committees
 - ° RED Chairman – East Hartford Mayor Connor Martin
 - ° Members
 - Housing – Hartford Mayor Arulampalam
 - Executive & Finance – Hartford Mayor Arulampalam
 - RED – DECD (O’Keefe/Pugliese)

The following motion was moved by Andy Bessette, seconded by Randal Davis and approved.
“Effective January 18, 2023, the CRDA Committee assignments noted were approved.”

Mayor Reports

Due to the Mayors’ absence, the mayor reports were omitted.

Financial Update – December 2023

CRDA CFO Joseph Geremia reported on the following financial information:

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: \$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: \$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

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

Mr. Diaz-Matos asked what the projected loss for the Sports Book is for the year. Mr. Geremia replied that it is being recorded under the Sports Lounge, and it is projected that it may be a \$600,000 to \$700,000 gain for the year. There is also the Sports betting portion, from the CT Lottery and so far, CRDA has received \$18,000. The Lottery projections were that we would be able to offset the lounge loss, but we haven't seen that volume come through yet.

Housing and Neighborhood Committee

Mr. Freimuth gave the briefing in Joanne Berger Sweeney's absence.

55 Elm - late Spring opening

Hartford Hilton to Doubletree/residential – March opening

Colt – closed & occupied

525 Main – June opening scheduled

275 Pearl – June opening scheduled

29 Ashley – sold by NINA

Regional & Economic Development Projects Committee (RED)

Mr. Freimuth gave the briefing in Mayor Martin's absence.

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.

Albany Woodland 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

Chairman Robinson confirmed with Mr. Freimuth that the City of Hartford is putting in more funds and CRDA is allowing the city to utilize the funds in a slightly different proportion than before. Mr. Freimuth added that the CRDA funds are a loan.

The following motion was moved by David Jorgensen, seconded by Randal Davis and approved.

“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.”

Bushnell South Property Acquisition Loan

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

6

(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.

Andrew Diaz-Matos said that some of these are cost items, i.e. the survey; the parking plan, etc. are we taking on those costs or are they shared with Bushnell or Spinnaker? Mr. Freimuth responded stating that CRDA will try to spread out the cost but there is some capacity at CRDA to take on some of this initiative. There are some funds set aside for predevelopment.

Mr. Patricelli, with the advice from counsel, will abstain from voting on this item. He stated that he would like the record to show that he is very supportive of the proposal that is being made by Mr. Freimuth and would also like you to know that the Bushnell would like to express their appreciation to the Chairman and Executive Director, particularly to their interventions to come to this collectively suitable compromise proposal on parking. Further stating that a key piece going forward is the creation of the communications loop. We would welcome that and would propose that, something like an updated version of the Bushnell South Planning Group be constituted by the CRDA, not as a formal CRDA body, but as an advisory body, to inform other parties of interest and gather input for the CRDA, not as a binding set of recommendations but as an advisory to the CRDA.

The Chairman thanked Mr. Patricelli for his comments and participation in the process. He also stated that Bob is abstaining because he also sits on the Board of the Bushnell. Mike will continue to spearhead putting something together regarding the “communication loop”.

Mr. Bessette asked Mr. Patricelli if this addresses everything that Mr. David Fay asked Andy to address last month? Mr. Patricelli responded yes, in spirit. There will be new issues that will come up once the parking study is done. The Bushnell is withdrawing its proposal to acquire the option itself.

The Chairman asked Mr. Freimuth if he’s reviewed the terms with Spinnaker and if they are on board with the approach? Mr. Freimuth responded yes, and that Spinnaker is on the Board Meeting call. They owe CRDA some information, appraisals, environmental reports, surveys, the letter to the Federal Government, things of that nature. There have been discussions regarding our counsel and their counsel getting together the week of January 22, 2024, to start mapping this out.

Sila Mosquera Bruno stated that she would like to thank Mr. Freimuth for putting this together and there is a path forward. David Jorgensen also stated that he was happy that we were able to move this forward.

The following motion was moved by David Jorgensen, seconded by Randal Davis and approved with Bob Patricelli abstaining.

“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.”

East Hartford Projects update

Showcase Theater site –development starting in April

Silverlane Shopping Center – preparing for demolition

Founder’s Plaza - Land development agreements for demolition and site work

Venue Committee

XL Center

The Wolfpack are currently 10-6 at home, with attendance averaging around 3,900 fans per game. UConn hockey has played four games at XL and their attendance has averaged about 3,600. The UConn women’s basketball team has played five games with an average attendance of 8,000, while the men have played five games with an average attendance of 11,600.

The CT Ice Tournament featuring teams from UConn, Quinnipiac, Sacred Heart and Yale will be played January 26th and 27th at XL. Other upcoming events include the Hartford Home Show this weekend, Andrea Bocelli on February 23rd (following cancellation of his December show) and a Toby Mac show on March 20th.

Pratt & Whitney Stadium

For the third year in a row, the Stadium played host to the *Magic of Lights* drive-through holiday light display. Attendance has roughly been the same each year, with about 20,000 cars over the show’s five-week run and the Stadium receiving a flat fee per car, plus expenses.

Major renovation work at the Stadium is still awaiting Bond Commission approval. CRDA had requested the \$12 million approved by the General Assembly for the first phase of the \$60 million project. Construction management bid documents have been drafted and will be issued once funds have been allocated.

Mr. Bessette asked Mr. Freimuth when the Bond Commission will or if this project will be approved. Mr. Freimuth responded that the request did not make December’s Bond Commission meeting and although the meetings are scheduled monthly, the next meeting will likely be in the Spring and we will try to get this on the Bond Commission then.

Connecticut Convention Center

The Convention Center has recently completed the replacement of its domestic hot water system. In December, the State Bond Commission allocated \$1.4 million to the facility for necessary security upgrades, replacement/repair of variable fan drive motors and other repairs throughout the building.

The Glow Holiday Light Festival and Market was a resounding success with over 54,000 tickets sold.

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.

Executive Director

OVG – CRDA is in discussions with OVG on the Management Agreement for the XL Center, working to get to the Board and to OPM for consideration.

XL Center Bid Process – Bob Houlihan is working on getting the bids in the next few weeks. Also, RFI's had to be clarified and sent out.

UConn Campus Expansion – Northland and UConn have come to an agreement for UConn to take over the former St. Joseph's space at the XL Center, bringing new programs downtown to the 50,000 sq.ft. of space. The programs will be: Food Entrepreneurial Agricultural related curriculum; Community Based Clinic; PhD Training - Wellness and Mental Health Facility; Institutional Sports Medicine & Health Research Unit, connected to the Farmington UConn Health Center. The plan is to be in by the end of 2024. They are anticipating 50-75 staff members plus students. They may also utilize the Church Street garage, similar to the agreement they have at the convention center.

Riverfront Land Inc. (RFI) - Update

Acquired by Riverfront Recapture at Windsor/Hartford Line

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.

Mr. Freimuth updated the Board on the Riverfront Land Inc. project:

Chairman Robinson asked what the risk to the project of the delay? Mr. Freimuth responded it is a cost exposure. Right now it is compromised due to environmental rules, and the cost continues to go up.

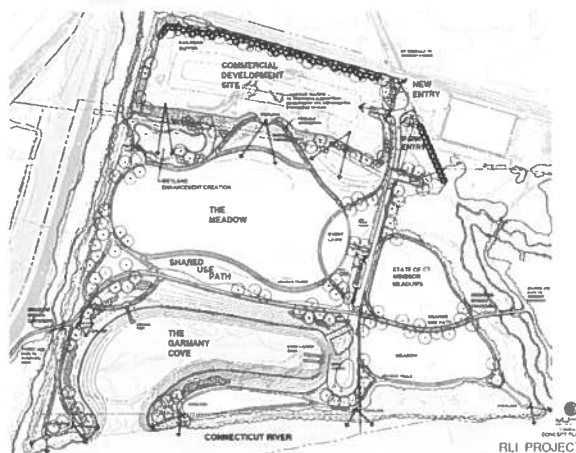
Mr. Mike Zaleski thanked Chairman Robinson for the support and also the opportunity to update the Board on this project. Riverfront Recapture is working on a variety of project along the river including the Hartford to Windsor Riverwalk which will connect to the sixty acres of new riverfront space that we were able to purchase in 2019 and as Mike Freimuth mentioned we are moving forward a master plan for the design of a brand new community space, a public park along the Connecticut River, which will help us achieve our mission of connecting people to the Connecticut River. There is an additional ten acres of commercial development that will go there as well. The challenge is building in a flood plain. There should be significant regulations but what we are coming up against is understaffing at certain agencies, the Army Corp of Engineers has had our projects for a while. We are trying to reach out to others who have influence over these agencies and trying to get some consideration to move up the line.

Chairman Robinson asked if the Hartline Trail is running through Riverfront Park and will run up to and through this parcel as well?

Mr. Zaleski said the Hartline would connect to Riverside Park, then Riverside Park will connect two and half miles north to the Hartford Windsor line where Riverfront Recapture owns these sixty acres of property and then there are additional connections to Kenney Park and other ideas that will connect the region through a multi model trail. These are projects that are successful in other cities/regions, and we are hoping to continue to move this project forward. This is only one piece of the puzzle.

Randal Davis said the city has been working closely with Riverfront and they are extremely good stewards of the area and have been exceptionally good partners throughout this process.

Mr. Jorgensen asked if we have the support high enough from Federal officials that can help to try to move this forward? Mr. Zaleski responded stating that Congressman Larson has been helpful and a lot of the holdup is being caused by staffing issues.



Construction Report

Mr. Freimuth stated that at each meeting he has been going through the construction report and decided to include it in the materials for the Board package.

Mr. Freimuth asked Board members to review the Board of Director information sheet and give any updates to Jennifer Gaffey.

Mr. Bessette asked for clarification of Board Meeting dates/times. Chairman Robinson indicated that once a quarter there will be a late meeting, 5:00pm and the other three meetings will be on Teams at 3:00pm. This will be reviewed at the end of the year to see if his will change.

Executive Session

The following motion was moved by David Jorgensen, seconded by Seila Mosquera-Bruno and approved.

“CRDA Board members were moved to a separate “virtual room” to discuss a personnel matter.”

The Executive Session ended and Board Members were brought back to the Board Meeting. The meeting adjourned with no further action.

Adjourn – 4:20pm

Next Board Meeting – February 15, 2024, 3:00pm –virtual with in-person option.

Finance Report

Financial Update – March 2024

Fiscal Year 2024 Financial Statements for the Six Months Ending 12/31/2023

Balance Sheet

- Current cash increase reflects timing differences with state funding regarding housing construction drawdowns
- Restricted investment increase reflects escrowed funds towards the City-funded housing program
- Accounts Receivable increase reflects increased venue event activity
- Non-current housing loan asset increase reflects housing construction drawdowns from 315 Trumbull St., 55 Elm St., 275 Pearl St., 525 Main St. as well as the Doubletree renovation.
- Accounts payable net increase relates to timing differences in state funding within the CRDA Housing Initiative program and escrowed funds towards the City-funded housing program

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 - Jan. 2024

Stats: Occupancy: 82% with 16 tenants

Activity: Farmers' Market: 2024 season open on April 6

Jan. financials: Operating revenue \$31,500 favorable to budget due to seasonal parking agreements

Operating expenses \$70,400 favorable to budget due to savings in security and maintenance deferred to spring

Net income of \$172,000 favorable to budget by \$101,900

Total year projection of \$166,800 net income favorable to budget by \$45,000

CRDA Parking Facilities – Jan./Feb. 2024

Stats (Feb.): Utilization of 78% is favorable to budget by 16%

Jan. financials: Revenues \$350,800 favorable to budget due to increase in monthly parkers, as well as transient and corporate validation revenues

Expenses \$356,400 unfavorable compared to budget due to personnel, repairs & maintenance and increases in credit card fees due to increased transient revenue offset with savings in utilities

Net income of \$62,500 unfavorable to budget by \$5,600

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

Church Street Garage – Jan./Feb. 2024

Stats (Feb.): Utilization increased to 26% is unfavorable to budget by 1%

Jan. financials: Revenues \$140,500 favorable to budget due to increases in DoubleTree parkers and corporate validations as well as slight increase in corporate monthly parkers

Expenses \$105,100 unfavorable compared to budget due to increases in insurance and repairs & maintenance

Net loss of \$66,700 favorable to budget by \$35,400

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

Financial Update – March 2024 (cont.)

Bushnell South Garage – Jan. 2024

Stats: Averaging 160 state vehicles per day-42% utilization
Tuesday through Thursday average of 200 state vehicles per day
Jan. financials: Revenues \$11,800 favorable to budget due to transient revenues
Expenses \$22,300 unfavorable compared to budget due to increase in insurance
Net income of \$155,400 unfavorable to budget by \$10,500
Total year projection of break-even with CRDA appropriation even with budget
Bushnell Theatre event parking cooperation – operations personnel coordination

CT Convention Center – Jan. 2024

Event Update: Hosted 61 events this fiscal year with YTD attendance over 234,000
Scheduled for 128 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
Jan. financials: Revenues \$240,300 favorable to budget due to two additional banquet catering events and F&B revenues from public events
Expenses \$180,300 favorable to budget due to savings in event personnel and vacant positions as well as CUP utilities
Net operations favorable to budget by \$420,600
Total year projection \$325,000 favorable to budget with CRDA appropriation

XL Center – Jan. 2024

Event Update: Hosted 64 events this fiscal year with YTD approximate attendance of 279,000
Scheduled for 116 events this fiscal year vs. budget of 116 events
Concerts scheduled in March and April with holds for end of Q1 in FY2025
Increased Hartford Wolfpack group sales activity
Jan. financials: Event revenue \$325,500 unfavorable to budget due to concert schedule pushed back (\$409,400) as well as UConn women's basketball (\$120,100) offset slightly with favorable UConn men's basketball 39,100, men's hockey \$3,000, and misc. family events \$161,900
Other Income \$225,800 unfavorable compared to budget due to timing of sponsorship partners and ticket charge fees
Operating expenses \$57,900 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 \$345,800 favorable compared to budget due to increase in TV revenues and savings in sales personnel
Net operations unfavorable to budget by \$147,600, 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

Sports lounge weekend and event-day activity outperforming minimal week day activity
Initiated marketing campaign in January and staffing changes in February
Launched a new menu in March with local events to come
Sports betting CT Lottery YTD net revenue of \$28,000 through Feb. 2024
50% collected between Jan. and Feb. 2024
Sports lounge net operations loss of \$375,000 through Feb. 2024
50% decrease in average monthly net operations loss

Financial Update – March 2024 (cont.)

P&W Stadium at Rentschler Field – Jan. 2024

Event Update: 6 UConn football games, 1 int'l soccer game, with 24 parking lot and catered events held

Jan. financials: Event revenue \$213,000 favorable compared to budget with \$325,200 attributed to professional soccer and \$600 favorable parking lot and catered events offset with \$112,800 unfavorable UConn football season compared to budget

Operating expenses \$33,300 unfavorable compared to budget due to F&B personnel slightly offset with savings in insurance

Other Income \$53,800 favorable to budget due to sponsorship partners

Net operations favorable to budget by \$233,500

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

(UNAUDITED)

CAPITAL REGION DEVELOPMENT AUTHORITY

Balance Sheets

December 31, 2023 and June 30, 2023

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
<u>ASSETS</u>			
Current assets:			
Unrestricted cash and cash equivalents	\$13,110,490	\$14,166,363	(\$1,055,873)
Restricted cash and cash equivalents	29,646,214	28,838,370	807,844
Unrestricted investments	12,111,335	8,930,519	3,180,816
Restricted investments	19,184,285	3,428,536	15,755,749
Accounts receivable, net	2,555,241	755,496	1,799,745
Lease receivable	2,739,512	2,739,512	0
Loans receivable: housing-current, net	62,772	40,787	21,985
Due from State of Connecticut	0	2,250,000	(2,250,000)
Other current assets	1,376,126	853,576	522,550
Total current assets	<u>\$80,785,975</u>	<u>\$62,003,159</u>	<u>\$18,782,816</u>
Non-current assets:			
Restricted cash and cash equivalents	\$5,238,068	\$5,065,458	\$172,610
Restricted investments	742,343	722,666	19,677
Lease receivable, non-current	19,024,780	19,024,780	-
Loans receivable-housing, net	142,347,489	128,386,865	13,960,624
Other assets	2,830,867	2,415,920	414,947
Capital assets not being depreciated:			
Construction in progress	107,806	3,786,765	(3,678,959)
Capital assets being depreciated:			
General Operations, net	27,507	17,240	10,267
Adriaen's Landing, net	186,709,628	191,511,527	(4,801,899)
XL Center, net	48,407,608	49,595,102	(1,187,494)
Church Street Garage, net	19,161,456	19,805,456	(644,000)
Bushnell South Garage, net	16,204,094	16,420,149	(216,055)
Intangible assets being amortized:			
Right-To-Use Parking System Arrangements, net	1,617,300	1,617,300	-
Total non-current assets	<u>\$442,418,946</u>	<u>\$438,369,228</u>	<u>\$4,049,718</u>
Total assets	<u>\$523,204,921</u>	<u>\$500,372,387</u>	<u>\$22,832,534</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable and accrued expenses	\$57,919,649	\$42,393,245	\$15,526,404
Accrued interest payable	114,829	106,923	7,906
Current portion of bonds payable	4,290,000	4,290,000	-
Current portion of loan payable	817,011	817,011	-
Coronavirus relief fund deferred revenue	698,934	698,934	-
Parking System Arrangements	646,920	646,920	-
Total current liabilities	<u>\$64,487,343</u>	<u>\$48,953,033</u>	<u>\$15,534,310</u>
Non-current liabilities:			
Due to State of Connecticut-contract assistance	\$64,783,778	\$63,604,589	\$1,179,189
Bonds payable, net	55,769,194	55,827,013	(57,819)
Loan payable	2,803,169	3,206,578	(403,409)
Parking System Arrangements	970,380	970,380	-
Total non-current liabilities	<u>\$124,326,521</u>	<u>\$123,608,560</u>	<u>\$717,961</u>
Total liabilities	<u>\$188,813,864</u>	<u>\$172,561,593</u>	<u>\$16,252,271</u>
<u>DEFERRED INFLOW OF RESOURCES</u>			
Leases	<u>\$21,764,292</u>	<u>\$21,764,292</u>	<u>\$0</u>
<u>NET POSITION</u>			
Net investment in capital assets	\$142,478,408	\$153,714,512	(\$11,236,104)
Restricted for:			
Housing loans	142,410,261	128,427,651	13,982,610
Central Utility Plant	1,417,227	1,072,041	345,186
Other	23,747,469	12,576,678	11,170,791
Unrestricted	2,573,400	10,255,620	(7,682,220)
Total net position	<u>\$312,626,765</u>	<u>\$306,046,502</u>	<u>\$6,580,263</u>
Total liabilities, deferred inflow of resources and net position	<u>\$523,204,921</u>	<u>\$500,372,387</u>	<u>\$22,832,534</u>

The accompanying notes are an integral part of these financial statements.

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(UNAUDITED)

CAPITAL REGION DEVELOPMENT AUTHORITY

Statements of Revenues, Expenses and Changes in Net Position

For the quarters ended December 31, 2023 and December 31, 2022

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
Operating revenues:			
Grants - State of Connecticut/Other:			
Operational	\$574,985	\$262,281	\$312,704
Development district, subsidy and Other	2,100,000	1,300,000	800,000
Coronavirus relief fund revenue	-	-	-
American Rescue Plan Act funds	-	-	-
Combined Facilities:			
Convention Center	3,751,585	3,607,282	144,303
Parking	1,872,930	1,634,870	238,060
Central utility plant	347,306	393,301	(45,995)
XL Center	1,458,608	1,747,510	(288,902)
Church Street Garage	411,534	305,280	106,254
Bushnell South Garage	15,878	14,761	1,117
CT Regional Market	234,976	246,108	(11,132)
Front Street District	158,108	-	158,108
Other income (CRDA)	763,258	357,744	405,514
Total operating revenues	<u>\$11,689,168</u>	<u>\$9,869,137</u>	<u>\$1,820,031</u>
Operating expenses:			
Authority operations:			
Personnel	\$523,130	\$379,474	\$143,656
General and administrative	76,090	61,120	14,970
Coronavirus relief fund expenses	-	-	-
American Rescue Plan Act expenses	-	-	-
Pension expense	267,198	268,826	(1,628)
Combined Facilities:			
Convention Center	4,377,184	3,981,527	395,657
Parking	1,748,200	1,472,038	276,162
Central utility plant	235,866	280,587	(44,721)
XL Center	2,474,575	2,421,796	52,779
Church Street Garage	361,373	286,908	74,465
Bushnell South Garage	109,552	72,805	36,747
CT Regional Market	239,557	83,903	155,654
Front Street District	22,922	14,130	8,792
Bond administration	74,378	95,574	(21,196)
Development costs	-	-	-
Depreciation and amortization	4,292,492	3,823,405	469,087
Total operating expenses	<u>\$14,802,517</u>	<u>\$13,242,093</u>	<u>\$1,560,424</u>
Loss from operations	<u>(\$3,113,349)</u>	<u>(\$3,372,956)</u>	<u>\$259,607</u>
Non-operating revenue/(expense):			
Interest income	\$878,199	\$604,493	\$273,706
Interest expenses	(597,029)	(545,401)	(51,628)
Non-operating expense, net	<u>\$281,170</u>	<u>\$59,092</u>	<u>\$222,078</u>
Loss before capital contributions and transfer	<u>(\$2,832,179)</u>	<u>(\$3,313,864)</u>	<u>\$481,685</u>
Capital contributions	\$867,879	\$311,155	\$556,724
Transfer - State of Connecticut Housing Loan Program	4,190,148	2,469,971	1,720,177
Change in net position	<u>\$2,225,848</u>	<u>(\$532,738)</u>	<u>\$2,758,586</u>
Net position, beginning of quarter	<u>\$310,400,917</u>	<u>\$286,427,837</u>	<u>\$23,973,080</u>
Net position, end of quarter	<u>\$312,626,765</u>	<u>\$285,895,099</u>	<u>\$26,731,666</u>

The accompanying notes are an integral part of these financial statements.

**Housing
&
Neighborhood
Committee**

30 Laurel Street, Hartford

3/21/24

Project: The acquisition and conversion of a partially occupied class B office/commercial building located with the CRDA district but close to the Parkville neighborhood into 47 market rate units (12 studio, 27 1BR and 8 2BR).

Developer: Spectra Construction and Development (Dan Klaynberg), 554 Fifth Ave, NY,NY

Development

Budget:	Acquisition	\$1,573,000
	Soft Costs	969,726
	Financing	869,381
	Op Reserve	100,000
	Dev Fee	534,609 (5.4%)
	Hard Costs	<u>5,712,892</u>
	TDC	\$9,759,608

Sources	Sen Loan	\$3,900,000
	CRDA loan	3,525,000
	Equity	1,800,000
	Def Dev Fee	<u>534,609</u>
	Total	\$9,759,608

Request: Subordinate financing of \$3.525 million at 2%, 30yr amortization

RESOLUTION: The executive director is authorized to provide financing to Spectra Construction and Development (or such single purpose entity as approved by CRDA) for the acquisition and conversion of 30 Laurel Street, Hartford into 47 residential units by lending up to \$3.525 million at 2%/30 year amortization with construction period interest at 2%, subject to: 1/ all financing being secured, 2/ approval of the State Bond Commission and 3/ such fiduciary terms as deemed necessary and appropriate by the executive director and CRDA counsel.

(20)

DoNo Parcel B, Hartford
Amendment to CRDA Approval

3/21/24

Project: Phase II, Parcel B1 of the Downtown North/Downtown Crossing was approved by CRDA and the State Bond Commission for a \$13.6M loan in 2021 and 2023 and the developer, RMS Companies has been negotiating to complete its application for a \$34M senior loan. Another \$16.9M in equity completes the Project financing. This phase includes 237 housing units and a 524-car garage directly across the street from the Yard Goats ballpark as well as the first phase of DoNo (the Pennant) with its 270 units and accompanying garage.

Issue: The senior lender's underwriting calls for a three-year interest only period during construction and the initial lease up and stabilization of the Project. The CRDA loan, as approved in 2023, allows up to a two-year interest only period and then the construction loan is to convert to a permanent loan amortizing principal and interest at 3% for the remainder of the thirty-year term. The senior lender requires the initial interest only period be consistent between the loans, and they view the Project as stabilizing in year three thereby justifying the longer I/O period.

RESOLUTION: The Executive Director is authorized to extend the interest only period of the \$13.6M loan to RMS (or such approved single purpose entity) for the construction of Phase II, Parcel B1 of Downtown North Project from a two-year period to a three-year period to be consistent with the senior loan and its underwriting.

(21)

CRDA Housing Approved

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/Av Split	Structure	CRDA Bd. Approval	Bond Commission	Closed	Target Occupancy	Leased ¹
777 Main	285	\$84.5M	\$296K	\$17.7M	\$62K	80/20	\$7.5M equity / \$10.2M 2nd mortgage	1/30/2013 / 3/13/2013	3/13/2013	3/7/2014	Renting	98%
201 Ann/Grand	26	\$4.45M	\$202K	\$3.8M/\$750K	\$28.8K	100	Note Paid Off	4/25/2013	6/21/2013	10/29/2013	Renting	86%
179 Allyn	63	\$14.89M	\$233K	\$6.5M	\$103K	80/20	\$3.35M equity / \$3.25M 2nd Loan Refi 2022	3/21/2013 / 3/24/2022	6/21/2013	11/15/2013	Renting	84%
Sonesta/Spectra	190	\$23.9M	\$123K	\$2.05M	\$10.6K	85/15	Note Paid Off	6/4/2013	6/21/2013	12/5/2013	Renting	97%
Capewell	72	\$26.1M	\$359K	\$5.0M	\$69.4K	80/20	construction financing/converted to mortgage note	1/15/2014 / 2/16/2023	2/28/2014 / 11/16/2014	6/30/2015	Renting	96%
390 Capitol	112	\$35.3M	\$390K	\$7M	\$62.5K	80/20	2 loans, 5%, 20 yr.	6/19/2014	3/17/2015	9/22/2015	Renting	95%
36 Lewis	6	\$1.8M	\$306K	\$300K	\$50K	100	construction/pern loan 1-3% 30 yr.	6/19/2014	7/25/2014	4/8/2015	Renting	100%
38-42 Elm	6	\$1.24M	\$206K	\$349,350*	\$61.5K	100	loan 3% 30 yr.	6/19/2014 / 2/18/2015	7/25/2014	2/25/2015	Renting	68%
1279-83 Main	10	\$1.35M	\$135K	\$397K	\$39.7K	100	loan 3% 25 yr.	6/16/2016 / 11/19/2017	7/28/2015	12/12/2020	Renting	100%
370 Asylum	60	\$20.3M	\$338K	\$4M	\$66K	70/30	loan 3%, 20 yr.	6/18/2015 / 2/18/2016	3/24/2016	9/29/2017	Renting	95%
Millennium	96	\$19.5M	\$201K	\$6.5M	\$67.7K	100	Former Radisson, foreclosure 2/2021	10/15/2015 / 12/11/2015	12/11/2015	3/31/2016	Renting	88%
81 Arch	53	\$23M	\$380K	\$5.6M	\$103.7K	100	Mezz 2% 10 yr.	10/20/2016 / 3/16/2017	11/15/2016	11/7/2017	Renting	100%
101 Pearl	137	\$28.4M	\$184K	\$9.24M	\$58.8K	100	construction/pern 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/pern loan 3% 30 yr.	12/8/2016	5/12/2017	11/8/2017	Renting	96%
88 (108-21) Allyn	66	\$21.1M	\$319K	\$6.8M ⁴	\$103K	80/20	construction/pern loan 3% 5 yr.	12/8/2016	2/1/2017	11/8/2017	Renting	86%
Colt North	48	\$13.6M	\$283K	\$2.88M	\$60K	100	construction/pern loan 3% 20 yr.	5/18/2017	11/29/2017	7/2/2018	Renting	100%
28 High	28	\$5.5M	\$196.4K	\$1.9M	\$67.8K	80/20	loan 3% 30 yr., refi 8/21	2/2/2018	2/16/2018	8/29/2018	Renting	100%
100 Trumbull	16	\$1.5M	\$93.7K	\$960K	\$60K	100	loan 3% 20 yr.	9/21/2017	2/16/2018	4/12/2018	2020/2022	97%
246-250 Lawrence	12	\$1.5M	\$125K	\$52.1K	\$43.4K	100	Historic bridge loan - Paid off perm loan 3% 20 yr. (291K)	10/18/2018	12/11/2018	1/4/2019	Renting	100%
Colt "U"	28	\$7M	\$269K	\$1.5M	\$53.5K	100	loan 3% 20 yr.	1/10/2019	12/18/2019	11/30/2020	Renting	100%
Pratt 1 - 99 Pratt	129	\$29.8M	\$231K	\$12M	\$93K	100	\$3M/\$5M 1% 5yr/30yr.	10/17/2019 / 9/2/2020	4/16/2021	4/16/2021	Renting	100%
Pratt 2 - 18 Temple	47	\$34.9M	\$210K	\$2M	\$42.5K	80/20	New Units 47 / Total Units 166 / 16 Afr. Units / 2.75% 30 yr. loan	9/17/2020	4/16/2021	10/15/2021	Renting	97%
Park/Main	126	\$26.8	\$212K	\$8.4M	\$66.7K	80/20	20 yr. 3% Park 39/Main 87	9/20/2018	9/20/2018	6/25/2020	Renting	98%
DeNo "C"	270	\$56.2M	\$208K	\$11.8M	\$43.7K	90/10	3% 30 yr. 15 yr. term	9/20/2018	9/20/2018	9/30/2020	Renting	95%
58 Elm	164	\$63.3M	\$385K	\$13.5M	\$81.3K	80/20	2% 30 yr. Perm. \$7M 2% bridge \$6.5M 15 yr. term.	4/16/2020	9/20/2018	9/30/2020	Renting	95%
DeNo "B"	237	\$63.3M	\$231K	\$13.6M	\$57.3K	90/10	3% 30 yr.	3/18/2021	4/16/2021	12/15/2022	2024	
Hilton	147	\$17.9M	\$212K	\$5.9M	\$40K	80/20	3% 30 yr.	12/16/2023	12/15/2021		2025	
DeNo Arrowhead Black	45	\$17M	\$395K	\$3.8M	\$84.4K	80/20	3% 30 yr.	12/15/2021	12/15/2021	8/29/2022	2024	
Colt "L" - "East"	45	\$6.7M	\$148.8K	\$1.5M	\$33.3K	100	3% 20 yr.	10/20/2022	9/1/2018		2024	
18-20 & 30 Trinity	108	\$45.35M	\$417K	\$6.5M	\$60.1K	80/20	\$6.5M \$1.5M 5 yrs/30 yr. loan	5/18/2023	10/16/2023			
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. - \$2M Cashflow Note	9/21/2023	10/16/2023			
Summary	2867*	\$751M	\$255K	\$172M	\$62.6K median price avg.	87/13	2500 market/358 affordable	3/13/2024				

¹ deposits and leases
² \$75K/unit est. residential + 188 hotel rooms
³ notes repaid
⁴ \$16K from Housing Cap. Fund
⁵ 3351 including recap and neighborhood deals
⁶ \$200K reserve via Bond Commission

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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 ²	\$56K	Mkt	Note has been paid off.	12/8/2016		6/13/2018	Renting	100%
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 ¹ Heritage Homes - Affordable	12/8/2016	N/A	5/7/2018	Renting	100%
86-88 Hawthorn	2	\$830K	\$418K	\$50K	\$25K	Aff	Heritage Homes (NINA) Aff.	5/24/2018	6/1/2018	8/13/2019	Owned	115&117 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	N/A	5/5/2023	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	Sold
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	
Summary	424³											

3/13/2024

¹ Paydown of note from sale

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

³ 233 Hartford 111 Regional, 84 rehab

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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 \$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.	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)		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 Revenue 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 \$3,500,000 \$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. Agmt. Pending
235 Hamilton Part 2	Conv. 235 units Plus commercial	\$90M	\$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	\$21M	\$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

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**Regional
&
Economic Development
Projects
Committee**

CRDA Regional and Economic Development Projects

Project	Description	CRDA Amount	Structure	Committee Approval	CRDA Board Approval	Bond Commission Approval	Status
Hartford Regional Market	Planning & design for redevelopment & improvements	\$1,500,000	Grant-in-aid	-	-	7/25/2018 12/11/2018 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
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	

3/23/2024

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CRDA Redevelopment Projects

Project	Description	Promise Zone?	TDC	CRDA Amount	Structure	CRDA Board	Bond Commission Approval	Status
DoNo - Healthy Hub	Grocery Store	N	\$22.7M	\$8,500,000	Loan and cash flow note	9/20/2018	9/20/2018	Site selection process underway
Bushnell South Acquisition	Loan to assemble land	N	\$3.25M	\$3M	5 Yr. loan \$2M CRDA/\$1M City	1/18/2024	N/A	Closed 2/28/24

CRDA Rescinded Projects

Project	#	Units	TDC	CRDA Amt.	Mkt/Aff Split	Action	Initial CRDA Bd. Approval	Bond Commission
105-7 Willys	9		\$2.5M	\$600K	100	rescinded	5/18/2017 3/21/2019	11/29/2017
3 Constitution	49		\$17.7M	\$4,289	100	rescinded	9/19/2013	2/28/2014
289 Asylum	16		\$1.7M	\$575K	100	rescinded	4/25/2013	11/16/2014
East Hartford			\$	\$1.1M	-	reprogramming	6/21/2018	7/12/2016
Parkville Market 2			\$4M	\$3.5 M	-	alt financing	6/16/2022	-
690-714 Albany	8		\$3.8M	\$2.5 M	Aff	rescinded	6/21/2018	7/25/2018
200 Constitution	101		\$18.7M	\$2.5 M	90/10	expired	6/16/2018	7/29/2022
MLK	155		\$62M	\$4.8 M	55/45	rescinded	11/17/2022	4/6/2023

City-CRDA Revolving Loan Projects

Project	Description	Amount	Structure	CRDA Bd. Approval	Status
235-7 Hamilton-Part 1	Construction & Enviro. Clean-up	\$4M	Loan	6/16/2022	Loan closed, 9/22 work underway
525 Main	Housing Conversion	\$2.10	Loan 2.5%, 20 yrs.	10/21/2021	In construction
275 Pearl	Housing Conversion Foreclosure	\$2.86M	Loan 1.5%, 20 yrs.	10/21/2021	In construction
Bedford Commons	Rehab Aff. Units	\$1M	Loan 2%	10/21/2022	Pending CHFA
Albany Woodland	New Retail Construction	\$7M	Grant	3/16/2023	Contract Development
Fuller Brush	Conversion	\$3M	Loan 2%	5/19/2022	In construction
35 Bartholomew	New Garage	\$5.2M	Grant	9/21/2023	Pending Closing
17 Bartholomew	57 Units	\$1.5M	Loan 3%	9/21/2023	Pending Closing
Carbones	Restaurant Role	\$500K	Loan 5%	12/16/2023	Pending
Bushnell So.	Land Acquisition	\$1M	Loan 3%	1/18/2024	Closed Feb. 28, 2024

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Venue Committee

- XL Center
- P&W Stadium at Rentschler Field
- Connecticut Convention Center

Pandemic Bonus: Traveling attractions fuel comeback for Hartford's major event venues

By Andrew Larson

After the pandemic lull, Hartford's major event venues have returned to, or eclipsed, pre-pandemic levels of attendance and revenue, partly due to a boost from traveling shows and attractions that helped fill a void during their downtime.

The operators of the XL Center, Pratt & Whitney Stadium at Rentschler Field and the Connecticut Convention Center pivoted during the pandemic, and in its immediate aftermath, partnering with companies that produce globetrotting attractions — events they might not normally consider.

Now, these shows will continue to boost attendance and revenue, even as regular events return, said **Ben Weiss, general manager at Oak View Group**, which manages events at the XL Center and Pratt & Whitney Stadium.

XL

"The events that I deal with are back to pre-pandemic levels, or better, to be honest," Weiss said. "I mean, some of the frequency of live events is back to 100%-plus."

XL Center events generated \$17.2 million in revenue during the 2023 fiscal year, the same amount as in fiscal year 2019. The venue's revenue dropped below \$12 million in fiscal year 2020, and in fiscal year 2021 it was under \$1 million.

Meanwhile, the Connecticut Convention Center had revenue of \$3.3 million in fiscal year 2023 — about \$1 million higher than in 2018 and 2019. Attendance last fiscal year (406,822) also eclipsed 2018 and 2019 levels, although the overall number of events (108) was lower.

One of the touring attractions that helped propel Hartford area venues through the pandemic was "Jurassic Quest," an interactive dinosaur-themed experience, which returns to the Connecticut Convention Center March 1 to March 3.

During the pandemic, "Jurassic Quest" — originally planned to be held inside Pratt & Whitney Stadium — was moved to the stadium's parking lot as a drive-thru event.

It was a soaring success, attracting about 15,000 vehicles full of people anxious about leaving their homes, but grateful for family-friendly entertainment that gave them an opportunity to venture outside, while remaining socially distanced.

Also, "Jurassic Quest" a success from a financial standpoint because it generated revenue from an event that otherwise would have been canceled.

"You can call it like a bonus," Weiss said.

The next year, as restrictions eased, "Jurassic Quest" moved several miles away to the Connecticut Convention Center, where it continues to draw crowds.

More content creators

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The show includes scientifically accurate animatronic dinosaurs, created in collaboration with paleontologists, along with live shows and demonstrations, such as fossil digs.

“Jurassic Quest,” owned by Texas-based Family Quest Entertainment, has three touring units that hit 130 cities across the United States and Canada each year. The company is also working to develop an international unit, said **Jeff Munn**, an entertainment executive who was recently appointed **CEO of Family Quest**.

Each unit contains 15 semi-trailers, packed with dinosaurs and activities, and buses that carry 30 full-time employees who operate the events. In addition, the company hires 30 to 40 temporary workers locally for each event.

“We’ll do the show and then as soon as the show’s over on Sunday night, they load everything back up into the wee hours of the morning,” Munn said. “And then the trucks are off first thing Monday on to the next destination.”

PHOTO | CONTRIBUTED

“Jurassic Quest,” an interactive dinosaur-themed experience, returns to the Connecticut Convention Center March 1 to March 3.

Munn said there are more traveling attractions like “Jurassic Quest” entering the events space, in response to consumer demand. He said his company has acquired a LEGO-themed attraction, called “Brick Fest Live,” which he hopes to bring to Hartford.

“After decades of being in this industry, I’ve never experienced so many options in the market,” Munn said. “I’m finding that families are more discriminant than ever, they also demand more than ever, and so the value proposition we offer is critical.”

At the XL Center, Weiss said he’s also seeing more of these types of shows, which he believes are an offshoot of the pandemic.

“There are more content creators and producers out there than I can recall,” Weiss said. “I think people want to be out and doing events. I think it’s the hangover effect of COVID. People were stuck inside wanting to do things, and that kind of lifted off as we saw the great explosion of people outside partaking in activities.”

The success of the drive-thru “Jurassic Quest” event gave birth to Pratt & Whitney Stadium’s other drive-thru event, the holiday-themed “Magic of Lights” show, which debuted in 2021.

Weiss said Magic of Lights is also popular, and he expects it to continue as an annual tradition.

The company that produces “Magic of Lights” is New York-based Family Entertainment Live, which also produces a “Hot Wheels Monster Trucks Live” show, set to appear at the XL Center March 23 and March 24.

Without the pandemic, Weiss said he wouldn’t have been connected with the company.

CT Convention Center

The drive-thru lights show is complemented by “Glow Hartford,” an indoor holiday light festival at the **Connecticut Convention Center**.

Glow Hartford debuted in 2022 after being delayed due to the pandemic. It returned in 2023 and

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sold close to 50,000 tickets, making it one of the venue's most popular events.

Overall, the Connecticut Convention Center has been slower to return to its pre-pandemic event frequency because many of its conventions are held cyclically, on yearly rotations, and are booked years in advance, said **Michael Costelli, general manager** of the facility.

In the meantime, the Connecticut Convention Center has filled voids with traveling shows like "Beyond Van Gogh: The Immersive Experience" and "Beyond King Tut: The Immersive Experience" — both produced by Paquin Entertainment Group, based in Winnipeg, Manitoba.

"The exhibit hall became available during times that traditionally it's not available because of COVID, so it created this vacuum," Costelli said.

He said the convention center proactively looked for these types of traveling events to fill space during open intervals.

"If it wasn't for the pandemic, we probably would have never gotten to be partners with them," Costelli said. "So, I think that relationship will surely lend itself towards doing more business here at the convention center."

As regularly scheduled conventions and shows return, traveling events may become less common. Conventions tend to fill up the hotels, like the adjacent Hartford Marriott Downtown, and attract visitors to the city for days at a time — often from out-of-state or even international locales.

Events like "Beyond Van Gogh" might draw people from across Connecticut, but they tend not to stay overnight.

"They're great shows, but they're day-trippers," Costelli said. "Our job is to fill hotel rooms as well as bringing day-trippers."

Starting next summer, the Connecticut Convention Center won't have as much downtime as it did this year, Costelli said. However, when there is downtime in the winter, popular events will return.

"Jurassic Quest is a totally different animal and they'll come pretty much any time of the year," Costelli said. "They'll come whenever we have space available."

The Connecticut Convention Center also has consumer shows interspersed between conventions and day-tripper events. Those include the Connecticut Flower and Garden Show, held Feb. 22 to Feb. 25, which attracts people from all over the Northeast.

"The economic impact can be very drastic between a day-tripper and an overnigher," Costelli said. "We have to find that happy mix. You're never going to have 100% conventions. It's just impossible."

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Executive Director

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March 4, 2024

The Honorable Arunan Arulampalam, Mayor
City of Hartford
500 Main Street
Hartford, CT 06103

Mr. Michael Freimuth, Executive Director
CRDA / Capital Region Development Authority
100 Columbus Boulevard, FL 5
Hartford, CT 06103

RE: Formation of a Bushnell South Project Oversight Committee

Dear Mayor Arulampalam and Mr. Freimuth,

On behalf of the South Downtown NRZ (SoDo), I write to request the creation of a Project Oversight Committee for the Bushnell South Project: redevelopment of properties on Elm, Trinity, Clinton, West, Buckingham, Cedar, Wadsworth, and Hudson Streets, and Capitol Avenue between Bushnell Park, Washington Street, Park Street, and Main Street. We also request that this committee, chaired by CRDA, include representatives from the SoDo NRZ, the City, Hartford NEXT Inc., and other such stakeholders as those organizations consider necessary.

This request is prompted by recent events that have immediate and long-term implications for the SoDo neighborhood. The Bushnell South Master Plan and Implementation Strategy published by Goody Clancy in October 2021 was enthusiastically received by the neighborhood and SoDo NRZ. It embraced the urban planning goals of SoDo's 2011 Neighborhood Plan. The City of Hartford has now funded and retained FHIC, an urban planning consultancy, to help SoDo update its Strategic Plan and its Neighborhood Plan. As we proceed to update our plans, we are very concerned that the recent presentations by the Michaels Organization for their portion of Bushnell South depart significantly from the vision of the Bushnell South Master Plan. Their plans include significant amounts of surface parking on the interior of the site. Also, David Fey, President of Bushnell Center for the Performing Arts recently expressed a need for additional parking at the corner of Capitol Avenue and Hudson Street in contravention of the district parking vision that was described in the Bushnell South Master Plan.

Parking remains the single-most significant issue that threatens to undermine the basic integrity of this transformative project, which seeks to establish a pedestrian-friendly streetscape. We would appreciate the opportunity to review the parking requirements that CRDA is relying upon to guide the developers' planning and the District Parking Plan for our neighborhood, if such requirements exist. We remain committed to mitigating existing friction points and eager to expand the residential, cultural, social, and recreational resources within SoDo. The "live, work, and play" dynamic should define the character of our neighborhood.

Please accept this letter as an affirmation of SoDo's appreciation for all CRDA and the City have done. We look forward to collaborating with you to make this vision a reality. We'd also welcome you to join us for our monthly NRZ meetings: 6pm, the 3rd Wednesday of each month, at 136 Capitol Avenue.

Sincerely,

A handwritten signature in black ink that reads "Robin Zaleski".

Robin Zaleski
President
South Downtown NRZ
SoDo-Hartford.com

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cc: Randal P. Davis, Deputy Director of Development Services, City of Hartford
Robert P Houlihan, Director of Design & Construction Services, CRDA

Construction Report

March 2024

3/21/2024

Construction Update

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule
CRDA Housing Projects								
525 Main Street	42	29,570	6,031,090	-	76%	Yes	HVAC Contractor has roughed in corridors, VRF Installation is ongoing, P&E Trades are substantially roughed. Sheetrock has started on floors 3 & 4. 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 wall inspections have passed for floors 3 & 4.	The project completion is for July 2024. Electrical Gear will impact final completion. Application sent to PURA for temporary power configure, while waiting for gear arrival, has been approved.
275 Pearl Street	35	31,358	7,500,766	-	66%	Yes	Rough framing is completed on all floors. MEP Rough work is ongoing with P&E Contractors at 80% Rough, HVAC is at 70%. 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.
55 Elm	164		39,524,125	543,821	71%	Yes	Press (Annex) building is in final stages of finishes with fixtures and appliances currently being installed. Annex on schedule for April 2024 completion. Main building is at a 60% install stage overall. HVAC Corridor rough is complete floors 3-7. MEP Trades are all beginning rough in on upper 4 floors. Rough Inspection on floors 6 & 7 have passed and drywall has commenced. Lighting & Mechanical Equipment is stored on site. Roof is complete.	Schedule calls for completion of Annex 04/01/2024 with Main Building scheduled for 06/01/2024. These dates are contingent on permanent power from Eversource (TBD).
Hilton - Apartments	147		17,820,000	-	99%	No	Project has been completed and rentals are underway.	Ribbon Cutting was 03/07/2024.
Hilton - Double-Tree Conversion	166		4,903,863	-	99%	Yes	Project is complete. Conversion from Hilton to DoubleTree has been completed.	Ribbon Cutting was 03/07/2024.
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. Gas service has been turned on for the two residential apartments. Finish work will now commence on the two apartments including trim work, priming, and painting.	Certificate of Occupancy scheduled for February 2024.
Bedford Gardens	85	72,462	10,622,000	-	0%	No	Waiting on closing to meet with Developer for a formal schedule.	TBD
Arrowhead	44	31,230	12,770,697	-	0%	No	CRDA Staff has reviewed drawings. Construction schedule was obtained along with budgeted cost.	Current Construction Schedule shows 12 month duration, anticipated start date of April/May 2024 to be confirmed.
169 Bartholomew	100	67,217	25,323,338	-	0%	No	A large industrial property in Parkview will be converted into 100 residential units plus commercial space. They have cleared P&Z and are working through architectural and historic preservation processes. Some environmental work is completed	CRDA has made contact with the developer. Currently waiting on closing. Construction schedule TBD.
31/45 Pratt Street	37		5,071,404	-	0%	No	Conversion of office/commercial space into studio and one-bedroom units.	CRDA staff meet with Owner/Developer 02/20/2024 for initial walk through. Schedule start date is May 2024.
15 Lewis Street	78	43,000	16,848,000	-	0%	No	Vacant office building to be converted into 78 residential units and 5,000 sf restaurant space.	

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Construction Update									
Project Summary	Unifs	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule	
CRDA Neighborhood Projects									
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 was January 17th. Demolition has begun throughout building.	Contractors have mobilized. Make safe & Demo is nearing completion. 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 mid summer 2024.	
Albany & Woodland							The developer, National Development Council (NDC), will 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.	CRDA staff is awaiting construction schedule and is currently reviewing "soft cost" budgets.	
Liberty Church						No	Contractor has erected and wrapped staging around the steeple area and is currently evaluating existing conditions. That work should be completed by the end of this month. SHPO will be on site this week and following that visit the Church will file formal approval applications with SHPO and the City Historic Preservation Commission.		
Regional & Economic Development Projects									
East Hartford Great River Park Improvement			1,324,010 (* full CRDA loan)		27%	Yes	The project is still in the permitting phase. GEI Consulting, has secured a subconsultant for the NILAA study and provided a service proposal. Construction could start in late fall 2024 if Army Corp permits are received in May and additional construction funding is secured.	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			500,000		35%	Yes	(3) New elevator machines have been delivered, installation is ongoing. 2 of 3 cars are completed to date.	Elevator work to be completed end of April 2024.	
McCarlin School Demo.		25,380	TBD		0%	No	CWA Contract has been executed.	CRDA has reviewed proposed 16 lot development plan and provided increased density recommendations. Bidding to commence when funding is secured.	

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3/21/2024

Construction Update

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule
Silver Lane Plaza Demo			1,196,000	-	0%	No	Abatement has been completed and letter of compliance was submitted on 03/07/2024. Demo permit was submitted and approved on 03/08/2024.	Building deconstruction will start week of 03/18/2024 and will take approx. 6 weeks to final completion.
Silver Lane Plaza Demo-Phase 2							Abatement & Demo of remaining two buildings at Silver Lane Plaza. RFP for Pre-Demolition Hazardous Materials Survey will be issued this month.	
Venues 2023 XL Renovation Project			7,000,000 - for PreCom/Design/Bid Services	-		Yes	Bids opened on 2/07/24. Total projected costs are over budget. A budget that focuses on revenue generating components has been agreed to with OVG.	The project is to be re-drawn/specified and re-bid by the end of June with a revised schedule starting in August of 2024 and completed by the end of 2026 pending Bond Commission approval.
Rentschler Field							Funding / Bond Commission TBD - priority work to include replacement of Tower Roof and Roofing, Structural Repairs and Caulking and Technology upgrades.	Roof Design Consultant RFP prepared and under review.
CT Science Center Columns			256,340	-	100%	Yes	Final sign off by Thornton-Tomasetti was 03/06/2024.	Project is completed.

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Miscellaneous

PARKING

Hearst Papers
2-14-24

Hartford sees rise in parking revenue as downtown begins a comeback

Liese Klein

HARTFORD — More people have been paying to park in Hartford in recent months, reflecting more XL Center events, popular Hartford Stage shows, a gradual return to the office for workers, and a return to in-person classes for students, officials say.

City data shows a 13-percent increase in revenue from parking meters citywide in calendar year 2023 compared to 2022, and a 24-percent increase in revenue from the city's parking app, according to budget reports.

Money taken in by the city's main public parking structure, the 900-space MAT Garage at Main and Trumbull streets downtown, rose nearly 9 percent in the same period.

"I feel like people are definitely returning to the city more and there's more events going on," said Jill Turlo, CEO of the Hartford Parking Authority. The opening of new shops and restaurants on Pratt Street and on the outskirts of downtown has also drawn more parkers, she added. "It's a really great time for Hartford."

Article continues below this ad

Events like the Lizzo concert last June at the XL Center and the recent holiday production of "A Christmas Carol" at Hartford Stage have helped fill the MAT garage, Turlo said.

After expenses, all revenue from the parking authority goes into the city's operating fund, Turlo said.

The seven garages housing 7,707 parking spaces that are managed by the Capital Region Development Authority in downtown have also seen a steady uptick in revenues and usage in the recent months, hitting a post-pandemic high of 75 percent occupancy as of December.

That's up from 58 percent occupancy in November 2021 but still short of pre-pandemic levels, CRDA Executive Director Michael Freimuth said.

Article continues below this ad

The four CRDA garages in Hartford's Front Street district near the Connecticut Convention Center and UConn's Hartford campus are back to pre-pandemic occupancies, Freimuth said.

Freimuth said he expected better numbers at the authority's Church Street garage when the conversion of the Hilton Hotel is complete and the XL Center's schedule fills up. That garage was often nearly full pre-pandemic but lost several key corporate users, plunging to occupancy in the mid-teens in 2022. It's expected to reach 45 percent this year, he said.

Companies urging workers to get back to the office have helped boost parking revenue and activity downtown in the past year, said David Griggs, CEO of MetroHartford Alliance.

"We are seeing more return to work, and we are seeing more and more companies pushing the

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return to work,” Griggs said. “So that’s good in terms of foot traffic and support for the restaurants and retail that had been hit so hard through the pandemic.”

Article continues below this ad

Parking ticket take dips as policies shift

Although parking revenue is up, the money taken in from parking tickets by the City of Hartford went down 1.4 percent year-on-year due to a number of factors, Turlo said. Several workers left the authority’s 10-person ticketing team in the last months of 2023, but those jobs are now filled, Turlo said.

Another change has been in ticketing policy, so that those who make typos when entering their plate numbers into forms on parking kiosks or apps are less likely to be forced to pay up.

“Essentially, they made an error, but I think issuing them a ticket is just a waste of everyone’s time,” Turlo said.

Article continues below this ad

The city’s parking app, downloadable as “Woonerf-Hartford Parking,” is also being used by more downtown users, making it easier to avoid overstaying your meter. “It’s a lot more convenient to be able to sort of pull it up on your phone — you can extend a session or start a new session remotely,” Turlo said.

Parkers to find fewer surface lots

Article continues below this ad

New in the top job as of August, Turlo of the Hartford Parking Authority said she was looking forward to making it easier to pay for parking downtown and optimize the city’s existing parking infrastructure.

“Since I took over, I’ve been working to sort of formalize a lot of our policies, and I’m looking for every possible opportunity to see where we can update information, where we can make improvements,” Turlo said. “I’m open to suggestions from every quarter, and we’ve been receiving them, which is great.”

Feb 14, 2024

Photo of Liese Klein

Liese Klein is a business reporter with CT Insider focusing on the Hartford area. She has covered business in Connecticut for 15 years and previously worked at New Haven Biz, Business New Haven, the New York Daily News and the Asahi Evening News in Tokyo.



Hilton

New apartments in former downtown Hartford Hilton hotel space set for debut

3-7-24

By Greg Bordonaro

Developer Randy Salvatore on Thursday showed off his latest downtown Hartford project, debuting sleek new apartments in space that formerly served as hotel rooms inside the Hilton Hartford hotel.

The \$29 million redevelopment included converting the top 11 floors of the 22-story building on Trumbull Street into 147 modern apartments.

“The Revel” apartments include a mix of studios and one- and two-bedroom units, with panoramic views of the city. The building’s bottom floors are now home to a DoubleTree by Hilton Hartford hotel, which has 170 guest rooms.

The former Hilton hotel, which struggled financially for years, especially coming out of the pandemic, had 393 guest rooms.

Leasing for the apartments will begin in about two weeks, Salvatore said, while the hotel has remained open during the conversion.

Salvatore partnered on the project with the Waterford Group, which owned the Hilton hotel since 2005.

Len Wolman, chairman of Waterford Group, said the partnership, which included support from the state, city, Capital Regional Development Authority (CRDA) and Hilton, saved the building from closure.

Salvatore, president and CEO of Stamford-based RMS Cos., was joined by Gov. Ned Lamont, Hartford Mayor Arunan Arulampalam and William Fortier, Hilton’s senior vice president for development in the Americas at a press conference Thursday morning.

Salvatore and others described the complicated nature of converting the hotel into apartments, and that he was excited to “transform a dated building into a vibrant mixed-use property in the center of downtown Hartford.”

“Looking ahead, I could not be more optimistic about Hartford’s future,” Salvatore said.

Preserving city's image

Losing money and dependent on soon-to-end federal COVID-19 relief funds for survival, the Waterford Group in late 2021 brought plans to the CRDA to convert more than half of the Hilton hotel’s guest rooms into apartments.

A year earlier, in 2020, an effort to auction the troubled hotel failed to turn up any offers.

Salvatore said he got involved in the conversion because he feared the loss of a prominent downtown hotel would be a blow to the city’s image and his nearby North Crossing development, which includes plans to build about 1,000 apartments in mostly parking lot space around Dunkin’ Park.

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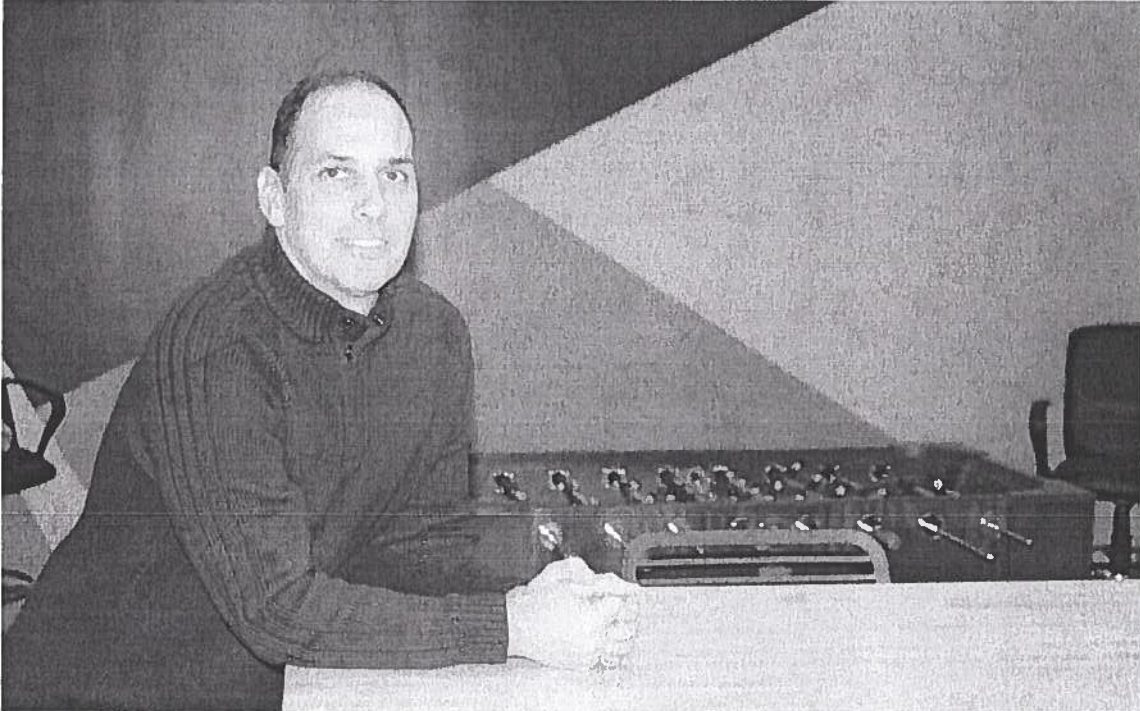
In 2022, Salvatore debuted his first 270-unit apartment building in North Crossing, known as “The Pennant.” Work is now underway on North Crossing’s next phases.

The CRDA provided \$11 million in loans to help finance the Hilton hotel conversion.

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March 4, 2024

Here's why one engineering firm relocated from West Hartford to downtown Hartford



HBJ PHOTO | HANNA SNYDER GAMBINI

PES Structural Engineers Principal David Aucoin in the firm's new downtown Hartford office.

By Hanna Snyder Gambini

Despite suffering from a high vacancy rate, one trend that's benefitted Hartford's struggling office market has been the slow, but consistent movement of companies relocating from the suburbs to the city's downtown.

PES Structural Engineers

[More Information >](#)

One of the latest companies to make the move was PES Structural Engineers. The national firm has relocated its Connecticut regional office from West Hartford to the Front Street Entertainment District in downtown Hartford.

PES Principal David Aucoin said the new 4,250-square-foot space, at the corner of Columbus Boulevard and Arch Street, offers a more vibrant city setting for the firm's eight Connecticut employees.

The new office also provides room for growth as PES wants to double its local employee count. PES has 57 total employees between its Hartford office and Atlanta headquarters.

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The firm had been located in the Bishops Corner retail center of West Hartford since 2012, but it outgrew the small space, which had singular rooms and no open feel, Aucoin said.

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"As we grew, we wanted more of an architectural engineering collaborative space, especially as people are getting back (to the office) from the pandemic," Aucoin said.

Room to grow

PES was founded in 1988 and offers structural engineering services to clients throughout the U.S.

It has been involved in some major local developments, including the One Park apartment project in West Hartford with Lexington Partners, and the 55 Elm St. redevelopment in Hartford, which is converting a seven-story former government building into apartments with Spinnaker Real Estate Partners.

The company works regularly with Hartford-area design firms like Tecton Architects, JCJ Architecture, Crosskey Architects, Shepley Bulfinch and Amenta Emma, Aucoin said.

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Being closer to those clients was part of the reason for the move to downtown, Aucoin said. It's also an easier commute for most employees.

When PES was looking to grow and offer a more dynamic office setting, options like leasing and renovating additional space in its former West Hartford home, at 2446 Albany Ave., would have been too costly, and didn't suit the firm's design needs, said Aucoin.

David Brownell, the Northeast director of marketing and business intelligence for PES, said space in West Hartford is in high demand. The Hartford office market offered more options and favorable lease rates and incentives.

PES received a \$75,000 tenant-improvement budget within the terms of its five-year lease, and the firm invested another \$200,000 in the build out of its new space, Aucoin said.

The Front Street location, at 75 Columbus Blvd., is near Infinity Music Hall and UConn's Hartford campus, in addition to restaurants like Bear's Smokehouse BBQ, The Capital Grille and Plan b Burger Bar.

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PES' office features exposed ductwork and structural beams, large windows and an open, collaborative space where engineers and project managers can work side-by-side.

Many companies, post-pandemic, have repurposed their spaces to create a sense of community and collaboration, Aucoin said.

PES leaders also looked at space in the historic Colt Gateway building, which was architecturally appealing with concrete columns and offered a great view of the city skyline, Aucoin said.

Aucoin said the move brings him full circle — he graduated from Trinity College in Hartford, and worked his first job in the Gold Building at the beginning of his career in the late 1990s.

Suburban migration

PES' move has been a bright spot in what's been a challenging post-pandemic Hartford office market.

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The public health crisis made remote work more popular and caused many companies to rethink their office space policies and needs. Many businesses have adopted hybrid work models that require employees to come to the office at least a few days a week.

PES employees, for example, can work from home Mondays and Fridays, a trend that started during the pandemic, but are encouraged to be in the office midweek.

Hybrid work schedules have made companies desire more vibrant office settings that help lure people back to the office. For some, it has also reduced their need for space.

Downtown Hartford's office vacancy rate was 18.7% pre-pandemic in the fourth quarter of 2019, but ballooned above 27% at the end of the fourth quarter of 2023, according to CBRE. The city's larger Class A buildings have faced even bigger challenges, and currently have a vacancy rate of 32%.

John McCormick, executive vice president of brokerage firm CBRE in Hartford, said 2023 represented the 10th consecutive year of the suburban migration into Hartford.

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Other recent examples included Talcott Financial Group's move last year to downtown Hartford from Windsor. Before that, SunLife Financial relocated its Connecticut office from Windsor to the Gold Building, at One Financial Plaza.

Decades-long efforts to add more amenities in Hartford — like Dunkin' Park, the Front Street Entertainment District, new apartments and, most recently, new restaurants aided by the city's Hart Lift grant program — have made the city more attractive, McCormick said.

"People just want to be part of that versus being in a suburban office park," McCormick said.

The city also offers a discount to more competitive office markets.

Lease rates for space in West Hartford average \$35 to \$40 per square foot, whereas in downtown Hartford, it's closer to \$22 to \$25 per square foot, McCormick said.

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"So, there's some economic value that companies are looking to take advantage of," McCormick said.

At A Glance

PES Structural Engineers

Industry: Engineering consultant

HQ: Atlanta

CT office: 75 Columbus Blvd., Hartford

Top CT Executive: David Aucoin, Principal

Website: pesengineers.com

Contact: 860-479-1737



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Meet Connecticut's 2024 Power Players



Set for Hartford growth spurt, UConn seeks to offer downtown student housing



Hartford-based Amenta Emma Architects announces leadership transition

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UConn

Set for Hartford growth spurt, UConn seeks to offer downtown student housing

By Michael Puffer

The University of Connecticut is deepening its ties to the Capital City, with plans to grow its downtown campus footprint while connecting students to new research, employment, internship and even housing opportunities.

UConn's tentative XL Center lease terms
[More Information](#)

The expansion includes UConn taking over 51,000 square feet of vacant space at the XL Center, where the school this fall will debut new research and clinical programs.

University leaders are also strongly considering the addition of student dormitory space downtown. The effort would likely include a partnership with a private developer who would convert an empty or underutilized office building into student housing.

The overall expansion, school leaders said, aims to create new work and internship opportunities for students, while also opening up potential partnerships with Hartford businesses, nonprofits and arts programs.

Dormitory space would also satisfy students' long-running desires for a more traditional college experience in the city, said **Mark Overmyer-Velazquez, dean and chief academic officer of UConn's Hartford campus.**

"For me, it's all about how do I improve their education and their experience, and enhance those with what's going on in the city," Overmyer-Velazquez said.

UConn is finalizing a five-year lease for the XL Center space, which was previously occupied by the University of St. Joseph's pharmacy school.

UConn has set a tentative \$1.2 million budget to retrofit the space, which will host a new agricultural and food science program, sports medicine center, mental health clinic and two badly needed lecture halls.

[RELATED: [Privately developed college dorm in downtown Waterbury pays off; UConn's Avery Point campus leadership shows interest](#)]

State lawmakers last year allocated \$5 million in bond funding to support the expansion. The state Bond Commission approved those funds in December.

It will be the largest expansion in Hartford by UConn since 2017, when the school debuted its new \$150 million regional campus in the former Hartford Times Building.

The Hartford campus, which relocated from West Hartford, brought with it much fanfare, originally hosting about 2,300 undergraduate and graduate students and 300 faculty.

UConn also has its graduate business school in downtown Hartford, located at Constitution Plaza.

Residential expansion

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UConn could begin offering downtown housing options by the end of this year or in 2025, school officials said.

In addition to undergraduate students, it could accommodate pupils from UConn's Hartford-based law school and Farmington-based medical campus.

"We are looking at establishing a residence hall for undergraduate students, and also possibly graduate students in downtown Hartford," **UConn Provost Anne D'Alleva** recently told the Hartford Business Journal. "Students at the Hartford campus have for some time shared that they would like to have a housing option as part of their college experience."

UConn is considering a pilot program in which it would lease downtown apartments from a private landlord and make the units available for students.

It's a model the school already employs at its campus in Stamford, where UConn leases three residential buildings that house about 500 students who live in suite-style apartments.

UConn, which directly manages those residence halls, plans to lease additional space near its Stamford campus this fall to increase student housing options there, officials said.

UConn also has student housing available at its Waterbury campus that operates in a slightly different manner.

"There is a lot of demand for housing in Stamford, and we believe that demand would be equally strong for a residential experience at the Hartford campus," D'Alleva said.

D'Alleva said UConn isn't looking to acquire additional Hartford real estate, so any dormitory space would require a partnership with a private landlord or developer.

"The process right now is about identifying a suitable location and then, I think, we need to assess what renovations might be necessary," D'Alleva said.

Christopher Reilly, president of prolific Hartford-based developer Lexington Partners, said his firm is speaking with UConn about possibly redeveloping existing office space into dorms, which would be leased to the university.

"They are very motivated, and we are still trying to work out how to do it all," Reilly said.

New programs, greater impact

City officials said UConn's Hartford expansion will provide downtown an economic boost.

The move will bring hundreds of additional students to the city each weekday during the school year.

"We are talking about all of these younger students and grad students who are going to be spending their time there, that will create a new attraction for business," said **Hartford Economic Development Director Patrick Pentalow**. "I think it's a huge win for Hartford, and I think it's a win for UConn as well."

HBJ PHOTO | MICHAEL PUFFER

Hartford Economic Development Director Patrick Pentalow outside City Hall.

The XL Center will host a new food innovation center headed by UConn's Department of Agriculture. The center is meant to help Connecticut farmers produce in-demand crops, increasing the value of the state's agricultural sector. The center will also pair UConn faculty with industry to conduct research and joint

projects.

The psychology clinic will provide low-cost therapy services to the public and hands-on experience for students. The Institute for Sports Medicine inside the XL Center will bring together researchers, physicians, clinicians and physical therapists from the UConn Department of Kinesiology in Storrs and UConn Health to provide instruction and services, said **Pamir Alpay, UConn's vice president for research, innovation and entrepreneurship.**

"This will be a very central location where we can do clinical work, where we can do research work," Alpay said.

Alpay said the university hopes the new clinical opportunities will help spur future enrollment growth. The Hartford campus began the 2023 fall semester with 1,473 undergraduate students.

D'Alleva said the upcoming Hartford expansion also complements the university's recently adopted 10-year strategic master plan, which calls for "seven world-class campuses and one flagship university."

The campuses include Storrs; the regionals in Hartford, Waterbury, Stamford and Avery Point in Groton; along with the UConn Health facility in Farmington and UConn's law school in Hartford.

"The idea is that we want to build each of our campuses and take advantage of opportunities that each of our locations represent," D'Alleva said. "Of course, Hartford is our capital and a major business city in the nation, and so we want to build our presence in Hartford."

UConn's tentative XL Center lease terms

Space: 51,077 square feet

Term: Five years, with two, five-year renewal options

Cost: \$970,470 for first year, with 2.5% annual increases through year five, plus a pro rata share of any increases in common area operating costs.

Of note: \$5 million in state bond funding will be used to cover relocation, tenant fit-out and approximately three years of lease costs. The university will pay entirely for years four and five.

Landlord: Northland

Source: UConn Board of Trustees

OFFICE CONVERSIONS

CT metro area grabs spot on national listing of most office-apartment conversions expected in 2024

Kenneth R. Gosselin

Conversions of old office buildings into apartments picked up momentum in the last decade in the Hartford metro area, so much so that a new report places Hartford among the top 20 metros nationwide for rental redevelopment. 

The Hartford metro area came in at 17th on the list compiled by [RentCafe](#), a nationwide online listing service for apartments, for rental conversions. The redevelopment of offices into housing nationally got an added boost as the pandemic altered the working environment, with office employees spending more time working from home. As a result, office vacancies are growing, raising the critical question of what to do with all the excess space.

The surge also comes as \$150 billion in office mortgages comes due in 2024.

“As residential space demand surges, developers are leaping at the chance to repurpose these aging giants,” according to the RentCafe report. “Currently, office conversions represent a staggering 38% of the 147,000 apartments in future adaptive reuse projects, outpacing any other building type.”

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Planned Office-to-Apartment Conversions by Metro Area

	Metro Area	2024 Office-to-Apartments Pipeline	Office-to-Apartments Pipeline Y-o-Y % Change	Share of Office-to-Apartments 2024	Total Future Conversions
1	Washington, D.C.	5,820	88%	65%	9,021
2	New York, NY	5,215	18%	45%	11,485
3	Dallas, TX	3,163	58%	83%	3,833
4	Chicago, IL	2,822	-9%	55%	5,140
5	Los Angeles, CA	2,442	6%	37%	6,660
6	Cleveland, OH	2,012	-10%	63%	3,210
7	Cincinnati, OH	1,563	-6%	81%	1,919
8	Kansas City, MO	1,510	84%	50%	3,033
9	Atlanta, GA	1,422	40%	52%	2,713
10	Phoenix, AZ	1,377	114%	63%	2,172
11	Minneapolis, MN	1,334	13%	59%	2,244
12	Detroit, MI	1,070	40%	27%	3,905
13	Columbus, OH	1,006	35%	58%	1,740
14	Philadelphia, PA	975	136%	19%	5,092
15	Seattle, WA	973	5%	46%	2,138
16	Birmingham, AL	942	41%	50%	1,875
17	Hartford, CT	930	61%	37%	2,523
18	Milwaukee, WI	911	-8%	41%	2,217
19	Denver, CO	902	0%	36%	2,528
	Charlotte				

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Matrix/RentCafe)

“That’s not just the largest slice of the redevelopment pie—it’s a record high since 2020.,” according to the report. “Clearly, the buzz of business is giving way to the hum of home life, right where the city’s heartbeat used to be.”

In downtown Hartford, [the office vacancy rate hit a 35-year-high in 2023](#).

According to RentCafe, the Hartford metro area has a pipeline of 930 apartment conversions so far in 2024, a 61% increase from the previous year. Among the projects is the conversion of the former state offices at 55 Elm St. in downtown Hartford into 164 apartments.

The conversion of office space represented 37% of all space planned for conversion to apartments in the Hartford metro area.

Washington, D.C. metro area topped the list, with 5,820 conversions planned, followed by New York with 5,215 and Dallas with 3,163.

Across the country, there are 55,300 new apartments planned for conversion from office space, a fourfold increase from 12,100 in 2021, RentCafe said.

Kenneth R. Gosselin can be reached at kgosselin@courant.com.

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Office Conversions

Here's the real reason more empty offices aren't being converted into apartments, says Goldman Sachs

Goldman Sachs
3-8-24

Meghan Malas

Underutilized office buildings, due to the surge of remote work, have increased the U.S. office vacancy rate to 13.5%, the highest level since 2000. Over the next decade, Goldman Sachs analysts expect the office vacancy rate to rise to 18%.

According to Goldman Sachs, about 4% of U.S. office buildings may no longer be viable. And in the cities most affected by remote work, between 14% and 16% of offices may no longer be viable. These are typically office buildings located in suburban areas or central business districts that were built more than 30 years ago, have not been renovated since 2000, and currently have vacancy rates exceeding 30%.

However, only 0.49% of office inventory was converted into multifamily units in 2023, compared to 0.23% in pre-pandemic 2019. Goldman Sachs expects that figure to rise to just 0.74% by 2028.

That's according to a recent report published by Goldman Sachs, which concludes that the high costs of converting office buildings to multifamily housing units are hindering a more significant acceleration.

How Goldman Sachs expects the office-to-multifamily conversion rate to rise between now and 2028

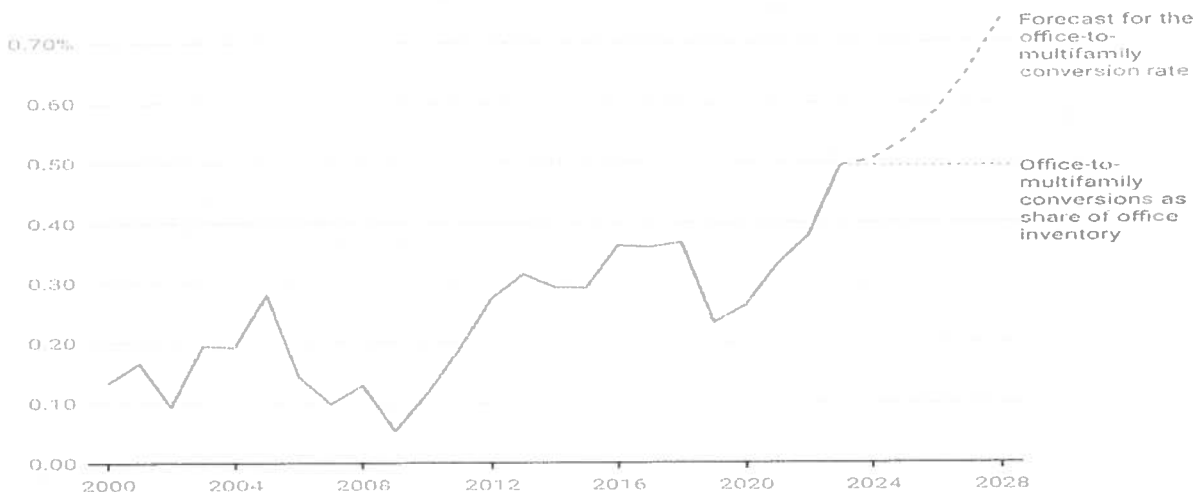


Chart: Meghan Malas • Source: Goldman Sachs • Created with Datawrapper



"The office-to-multifamily conversion rate is [still] quite low, suggesting that there may be substantial financial and physical hurdles to conversion," wrote Goldman Sachs analysts Vinay Viswanathan and Elsie Peng in the report.

According to analysts at Goldman Sachs, office prices still haven't fallen enough to entice developers to do more conversions.

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Goldman Sachs analysts found that: “For the top 5 metropolitan areas that are most affected by remote work, we estimate that office acquisition prices would need to fall almost 50% for conversion to be financially feasible. This suggests that most of these offices will likely remain underutilized in the near term.”

In part, office prices haven't fallen further because institutional barriers to reevaluating office space have resulted in many lenders extending or modifying office mortgages that might otherwise default. As a result, forced property sales that would have otherwise already happened have not occurred. *

The report states that another obstacle to conversion is safety codes. Residential building codes require bedrooms to have certain sizes of windows, but it is impossible to restructure some office buildings with deep floor plates—common in large buildings—in a way that provides all units with proper windows, Goldman Sachs analysts explain. Additionally, transforming an office's existing plumbing, ventilation, and electric system for each residential unit can be challenging.

“The annual conversion rate from office to multifamily will remain low and only increase slowly to 0.74% in the next four years, delivering about 20,000 additional multifamily units per year,” wrote Goldman Sachs. That's a drop in the bucket compared to the total of 468,000 multifamily units that were built in 2023.

Big picture: Office-to-residential housing conversions are on the rise; however, economic and financial barriers mean that it still remains a small segment of the residential housing market.

By *FastCo Works* 1 minute Read

As the pace of business continues to accelerate, the premium on productivity and talent development has never been higher. Constrained by time-consuming tasks, many of today's executives are turning to AI to build efficiency up and down the ranks, while leveraging the time saved to think bigger, manage better, and stay ahead of the competition. From generative AI tools to IT infrastructure solutions, AI offers unprecedented potential to support productivity, inform better decision-making, and attract and retain the best workforce talent. In this discussion, we'll explore how AI efficiencies can create the time and space for businesses, teams, and individuals to thrive.

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