

Agenda
CRDA Board Meeting
June 18, 2024
(Rescheduled from June 20, 2024)
*****5:00pm*****

In-Person Meeting with Virtual option

- 5:00pm - 5:00pm • Call to Order & Minutes {5-22-24} *
- 5:10pm - 5:20pm • Mayor Reports
 - Hartford Mayor Arunan Arulampalam
 - East Hartford Mayor Connor Martin
- 5:20pm – 5:40pm • Finance Report
 - CRDA Revenue Bonds-Standby Bond Purchase Agreement Renewal *
 - Audits Update
 - Budgets *
 - State Appropriations, CT Regional Market, Front Street District, CRDA Parking Facilities, Central Utility Plant (CUP), Bond Indenture/Trustee, Church Street Garage, Bushnell South Garage, XL Center, XL Center Sports Bar, Convention Services Subsidy, CT Convention Center, CRDA Office, Pratt & Whitney Stadium at Rentschler Field
- 5:40pm – 5:45pm • Housing & Neighborhood Committee
 - Project Updates
- 5:45pm – 5:50pm • Regional & Economic Development Projects Committee (RED)
 - Project Updates
- 5:50pm – 5:55pm • Venue Committee
 - XL Center
 - Pratt & Whitney Stadium at Rentschler Field
 - CT Convention Center
- 6:00pm – 6:15pm • Executive Director
 - Bond Commission
 - Construction Report
- 6:15pm • Adjourn

* *Vote Item*

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Draft Minutes

May 22, 2024

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

Wednesday, May 22, 2024

3:00pm –In-person meeting with virtual option

(The Board Meeting was held via Microsoft Teams with in-person availability)

Board Members Present: Chairman David Robinson; Vice Chairman Andy Bessette; Paul Hinsch; Randal Davis; David Jorgensen; Matthew Pugliese; Dan O’Keefe; Mayor Arunan Arulampalam; Joanne Berger-Sweeney; Andrew Diaz-Matos; Bob Patricelli; Pam Sucato

Board Members Absent: Seila Mosquera-Bruno; Mayor Connor Martin

CRDA Staff Present: Michael Freimuth; Joseph Geremia; Robert Houlihan; Jennifer Gaffey; Kim Hart; Terryl Mitchell Smith; Mark O’Connell; Derek Peterson; Erica Levis

Guests: Riverfront Recapture - Mike Zaleski, President & CEO; Marc Nicol, Director of Park Planning & Development; Eileen Buckheit, Town of East Hartford

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

Minutes

The minutes from April 25, 2024, were moved by Joanne Berger Sweeney, seconded by Paul Hinsch and approved.

Presentation

Chairman David Robinson introduced Mike Zaleski, President & CEO of Riverfront Recapture who presented the ongoing projects that are happening along the Connecticut River in Hartford, East Hartford, Windsor and Wethersfield. The presentation also gave insight into potential plans for other projects expected to be started soon. The presentation can be found at <https://crdact.net/project/regional-economic-development/riverfront-recapture/>.

Mr. Zaleski updated the Board on the delays that Riverfront has experienced from the US Army Corps of Engineers (USACE) with regards to the permits need to finish projects Great River Park and Future Park near Windsor Meadows, that have been delayed since 2020. The delays stem from the significant turnover in staffing at the USACE over the years, additional studies that have been required, as well as the 2020 pandemic.

Riverfront Recapture continues dialogue with USACE, attempting to get approvals.

Chairman Robinson and Mr. Freimuth offered assistance if there is anything CRDA can do to move the process forward.

Mayor Reports

Hartford Mayor Arulampalam reported on the following:

Albany and Woodland – Groundbreaking scheduled for Thursday, May 24, 2024

Arrowhead Development – Almost closed and is moving towards construction

66 Pratt St – UConn Dormitory project, moving forward

Eileen Buckheit provided an East Hartford update due to Mayor Connor Martin's absence.

Silver Lane Plaza - The back building is demolished, moving ahead to hiring an environmental company to start on the side two buildings. There are 4 tenants left and an eviction court date at the end of June.

McCartin School – The demolition and housing proposal is being reviewed to possibly be on the next bond commission meeting agenda.

East River Drive at "Commerce Park" – The Town is moving ahead on the apartment project, which is for 120-130 market rate apartments being developed by Simon Konover.

Main Street improvements - A CIF application is being submitted in June.

Financial Update – May 2024

CRDA's CFO Joseph Geremia reported the following financial update for April 2024. Mr. Geremia noted CLA, this years audit firm, were onsite in the prior week for interim audit testing which went well and on schedule.

Fiscal Year 2024 Financial Statements, Audits, and Fiscal Year 2025 Budgets

CRDA Fiscal Year 2024 interim audit

CRDA Financial Statements

CRDA Federal Awards audit

CT Convention Center Contractual-Basis Financial Statements

XL Center Contractual-Basis Financial Statements

CRDA Parking Facilities Contractual-Basis Financial Statements

Rentschler Field Contractual-Basis Financial Statements

Fiscal Year 2025 Budgets

Management companies/CRDA staff prepare draft budgets (April through May)

CRDA staff review draft budgets followed by appropriate adjustments (May/June)

CRDA Board Venue Committee presented major venue budgets (June)

CRDA Board Executive & Finance Committee members presented state appropriation and major venue budgets (June)

Full Board presented state appropriation and venue budgets for authorization (June)

Fiscal Year 2024 Financial Statements for the Nine Months Ending 3/31/2024

Balance Sheet

- Current cash increase reflects timing differences with state funding regarding housing construction drawdowns

Financial Update – May 2024 (cont.)

- Unrestricted investment increase reflects timing differences with housing and operations funding
- 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 - Mar. 2024

Stats: Occupancy: 82% with 16 tenants
 Activity: Farmers' Market: 2024 season opened on April 6
 Mar. financials: Operating revenue \$43,100 favorable to budget due to seasonal parking agreements
 Operating expenses \$59,000 favorable to budget due to savings in security and maintenance deferred to spring
 Net income of \$214,700 favorable to budget by \$102,100
 Total year projection of \$177,800 net income favorable to budget by \$56,000

CRDA Parking Facilities – Mar./Apr. 2024

Stats (Apr.): Utilization of 79% is favorable to budget by 17%
 Mar. financials Revenues \$440,200 favorable to budget due to increase in monthly parkers and corporate validation revenues
 Expenses \$578,200 unfavorable compared to budget due to personnel, repairs & maintenance, and increases in credit card fees due to increased transient revenue
 Net income of \$185,400 unfavorable to budget by \$138,000
 Total year projection of \$170,000 net income unfavorable to budget by \$155,900

Church Street Garage – Mar./Apr. 2024

Stats (Apr.): Utilization increased to 28% is unfavorable to budget by 1%
 Mar. financials: Revenues \$138,000 favorable to budget due to increase in monthly parkers and corporate validations
 Expenses \$119,500 unfavorable compared to budget due to increase in insurance, utilities, and repairs & maintenance
 Net income of \$65,300 favorable to budget by \$18,500
 Total year projection of \$36,000 net income favorable to budget by \$18,000

Bushnell South Garage – Mar. 2024

Stats: Averaging 160 state vehicles per day-42% utilization
 Tuesday through Thursday average of 200 state vehicles per day
 Mar. financials: Revenues \$28,300 favorable to budget due to transient and event revenues
 Expenses \$33,000 unfavorable compared to budget due to increase in insurance and utilities
 Net income of \$103,600 unfavorable to budget by \$4,700
 Total year projection of break-even with CRDA appropriation even with budget
 Bushnell Theatre event parking cooperation – operations personnel coordination

CT Convention Center – Mar. 2024

Event Update: Hosted 86 events this fiscal year with YTD attendance over 332,000
 Scheduled for 132 events this fiscal year vs. budget of 109 events
 Beyond King Tut exhibit and GLOW holiday show performed better than budget
 CUP energy services agreement renewal equates to 20% energy savings in FY25 and FY26
 Mar. financials: Revenues \$584,300 favorable to budget due to two additional banquet catering events and F&B revenues from public events

Expenses \$71,200 favorable to budget due to savings in event personnel and vacant positions as well as CUP utilities
Net operations favorable to budget by \$655,500
Total year projection \$430,000 favorable to budget with CRDA appropriation

XL Center – Mar. 2024

Event Update: Hosted 87 events this fiscal year with YTD approximate attendance of 426,400
Scheduled for 116 events this fiscal year vs. budget of 116 events
Concerts scheduled in April with holds for end of Q1 in FY2025
Increased Hartford Wolfpack group sales activity

Mar. financials: Event revenue \$194,500 unfavorable to budget due to concert schedule pushed back (\$182,200) as well as UConn women's basketball (\$159,500) offset slightly with favorable UConn men's basketball 2,800, men's hockey \$3,200, and misc. family events \$141,200
Other Income \$258,900 unfavorable compared to budget due to timing of sponsorship partners and ticket charge fees
Operating expenses \$201,200 unfavorable compared to budget due to increased expenses in utilities as well as F&B personnel, credit card fees, and supplies offset slightly with savings in personnel and insurance
Hockey operations \$776,300 favorable compared to budget due to increases in TV revenues, ticket sales, and savings in sales personnel
Net operations favorable to budget by \$121,700, 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 \$32,000 through Mar. 2024
Sports lounge net operations loss of \$495,000 through Mar. 2024

P&W Stadium at Rentschler Field – Mar. 2024

Event Update: 6 UConn football games, 1 int'l soccer game, with 27 parking lot and catered events held

Mar. financials: Event revenue \$206,800 favorable compared to budget with \$325,200 attributed to professional soccer offset with \$112,800 unfavorable UConn football season and \$5,600 unfavorable parking lot and catered events compared to budget
Operating expenses \$37,800 unfavorable compared to budget due to F&B personnel and repairs & maintenance slightly offset with savings in insurance
Other Income \$53,900 favorable to budget due to sponsorship partners
Net operations favorable to budget by \$222,900
Total year projection of \$9,100 net income even with budget with CRDA appropriation

Housing and Neighborhood Committee

Joanne Berger Sweeney and Michael Freimuth briefed the Board together on the following projects:

Project: **Cast Iron Building**
241 Asylum St., Hartford, CT
Werner and Company/Cast Iron LLC

Background: The Cast Iron Building is a mixed-use residential, office and retail building, and has been owned

6

and operated by Keith Werner of Werner and Co. (“Werner,” or “Borrower”) since 2000. Werner began the building’s first conversion from office to residential by adding two apartments on the fourth floor in 2000 and leasing the remaining floors as office and ground-floor retail. In December of 2018, CRDA provided a \$200,000 loan for the construction of four additional units on floors 6 and 7, at a 3% interest rate, interest-only for a 2-year term with the ability to extend the loan for three years at 3%, amortizing principal and interest over 25 years. The Borrower exercised its three-year extension option, and in 2023, CRDA approved another 1-year extension. As of May 1, 2024, the CRDA loan balance is approximately \$168,000.

In addition to adding four units with CRDA financing, Werner applied for tax credits related to the completion of a historic rehab, including the replacement of the building’s Corinthian style capitals on the front of the building. The application for the historical tax credits is in the third stage (out of five), and the State Historic Preservation Office (“SHPO”) has approved the capitals which are ready to be affixed to the front of the building. The Borrower expects \$181,000 in tax credits to be monetized by year-end 2025 and to be used to pay down CRDA debt service.

Werner has plans to convert the remaining floors of vacant office space (2nd and 3rd floor) to 3 apartment units and is requesting additional loan proceeds from CRDA in the amount of \$257,000. A corporate tenant (Hartford Athletics) is under LOI to lease the new apartments for a term of three years beginning at receipt of certificate of occupancy, but in no event later than November 1, 2024. Assuming a November 1 lease start date, this will add \$95,000 of additional rental income in 2025, and the building will be 100% occupied. The building’s current net income covers amortizing debt service assuming the new loan, and coverage increases significantly on a stabilized basis (2025).

Proposal: Staff recommend making a loan of up to \$425,000 to Werner and Company to be used to pay off the existing \$168,000 CRDA loan and use up to \$257,000 for the conversion of the remaining two floors of office to residential. The proposed loan will have a term of 2-years and earn interest at 3.25%, with no interest-only period. Interest payments will be calculated using a 25-year amortization schedule and the loan is pre-payable at any time without penalty.

The following motion was moved by Joanne Berger Sweeney, seconded by Chairman Robinson approved.

“The Executive Director is authorized to lend up to \$425,000 of CRDA Housing funds over a two-year term to Werner & Co. (or such acceptable single purpose entity) for the conversion of two floors of office space to three residential units at 241 Asylum Street, Hartford, at 3.25% interest with amortizing principal and interest over 25 years. The loan is to be used to pay off CRDA’s existing \$168,000 loan and for construction costs related to the office conversion to residential. The loan shall be a subordinate second position lien and is subject to other fiduciary diligence deemed necessary by the Executive Director and CRDA counsel, including but not limited to, approval from the senior lender (NBT), a new appraisal.”

Project: **DoNo/North Crossing – RPI**
Address: 275 Windsor St., Hartford, CT
RMS Companies

Background: The City of Hartford selected RMS to redevelop the area known as DoNo/North Crossing that includes Dunkin Stadium and the recently completed Parcel C, now “The Pennant.” In 2020, CRDA assisted in the financing of the project with both housing funds and its public/private investment fund, and the now finalized 270-unit project (delivered in 2022) is 90% occupied as it enters peak leasing season. In December 2021, CRDA secured additional financing for the second phase of residential development including a 228-unit residential wrap project with a 524-space parking garage known as Parcel B. Parcel B served as the primary

parking lot for Dunkin Park. As previously reported, Parcel B had been stalled due to pending litigation between a Dunkin Stadium developer and the City of Hartford.

In mid-2023, with Parcel B on hold, RMS moved on an opportunity to purchase 275 Windsor Street, known as the Rensselaer Polytechnic Institute (“RPI”) site. RPI is a 12.69-acre parcel of land due north of Dunkin Stadium not part of the original redevelopment area, and not a part of the Parcel B litigation. The initial plan for the RPI site included a phased multifamily development, with phase one containing 269-units and a new garage. Currently, three buildings exist on-site, two vacant RPI school buildings and structured parking with 459 spaces.

At the CRDA Board Meeting on September 21, 2023, the Board authorized the Executive Director to seek Bond Commission approval to use the previously approved \$3 million awarded to the 200 Constitution Plaza development for the 275 Windsor Street project or the 200 Constitution Plaza project.

In October 2023, a settlement was reached in the lawsuit between the city of Hartford and the developer fired from the Dunkin Stadium project. It ended a freeze on development around the park that had stalled RMS’s plans for Parcel B, that served as the primary parking area for the Stadium. With the RPI site under contract, and the ability to break ground on Parcel B, RMS closed its acquisition on the RPI site, and reengaged on the development of Parcel B. RMS and the city of Hartford came to an agreement to allow parking for the Stadium to be relocated to the existing 459 space garage on the RPI site, which generates approximately \$144,000 of income annually. Parcel B is now under construction.

RMS is working on both projects simultaneously. In addition to the acquisition of RPI (\$3.8 million), RMS has considerable work to do on site, including demolition of the existing school buildings and environmental remediation which are estimated at approximately \$2.5 million (not including soft costs).

Proposal: Staff recommends making the \$3 million previously available for 275 Windsor Street to be used to offset the \$3.8 million purchase price of the RPI site. RMS is incurring construction and due diligence costs for both projects as it continues a dual path. The proposed loan will earn interest at 3% and carry a term of 5-years, with interest-only payments for years 1-5. The loan is pre-payable at any time without penalty. The loan will be a first priority lien, securitized by the value of the land, verified by independent appraisal, and the income producing parking structure.

The following motion was moved by Andy Bessette, seconded by Joanne Berger Sweeney and approved as amended.

“The Executive Director has approval to lend up to \$3 million to RMS (or such acceptable single purpose entity) at 3% interest only for a period of five years and to complete other fiduciary diligence deemed necessary by the Executive Director and CRDA counsel. This includes but is not limited to the receipt of an independent appraisal valuing the property in the amount of \$3.0 million or greater.”

Project: **University of Connecticut Dormitory Housing**
64 Pratt Street (242 Trumbull Street Annex)

Background: Student enrollment increases and an interest in dormitory housing has evolved into a proposal to develop a 200+ person dorm facility downtown. After conducting a search of several buildings near the university’s three downtown facilities (Business School at Constitution Plaza, main regional campus on Front Street and the pending research facility at the XL Center), the school entered negotiations for a property at 64 Pratt Street (242 Trumbull annex) owned by the Shelbourne Company and the Lexington Partners Group.

The owners would convert the existing 87,000 sf/five story office building into residential living space for undergraduates subject to UConn specifications and a long-term lease with the school to provide rent at dorm room rates to the developers.

<u>Development Budget:</u>	Private Bank Financing	\$10,064,305
	CRDA bridge/perm	10,000,000
	Equity	3,000,000
	City/State Grant	<u>4,892,097</u>
		\$ 27,956,402 TDC

CRDA Assistance: CRDA would extend a loan to the developer totaling \$10M that will serve as a construction loan converting to a permanent note after refinancing in year 3. The CRDA note will be reduced from proceeds of the refinancing with the remainder to serve as a 20-year loan, 30-year amortization at 3% interest. The loan would terminate in year 20 unless there is an extension of the UConn lease and can be extended up to 10 years. During the first two years, during construction and initial lease up, the loan will be 3% interest only.

The following motion was moved by Joanne Berger Sweeney, seconded by Chairman Robinson approved with Andy Bessette abstaining.

“The executive director is authorized to lend to the borrower, Shelbourne/Lexington Partners (or such single purpose entity acceptable to CRDA) up to \$10,000,000 for the purposes of converting the 64 Pratt Street (annex of 242 Trumbull St), Hartford into a dormitory for the University of Connecticut with no less than a 20 year lease at the terms outlined above subject to: 1/ State of Connecticut Bond Commission authorization, 2/ all funding sources sufficient to complete the project being committed; and 3/ such fiduciary terms as deemed necessary and appropriate by CRDA legal counsel and executive director.”

Regional and Economic Development Projects Committee

In Mayor Martin’s absence, Mr. Freimuth stated that the committee met on May 9, 2024 and discussed Riverfront projects as presented earlier in the Mayor’s report. The following project was approved by the committee and moved to the Board for consideration:

Project: Former McCartin School Housing Subdivision

Background: In September 2018, the State Bond Commission allocated \$1 million of designated East Hartford bond funds for the demolition of four blighted properties in the town.

In July 2022, the Bond Commission amended its allocation to allow a portion of these funds to be used at the former McCartin Elementary School, which the Town intends to demolish and replace with single family housing. Pursuant to an MOU with the Town, CRDA utilized approximately \$70,000 of these funds for a hazardous building materials study and the creation of a demolition and abatement plan for the site.

In May 2023, the Board approved \$3.5 million to implement the abatement and demolition plan.

Proposal: The Town is now seeking an additional \$1.0 million from its bond account to construct certain site improvements - including roadways, sidewalks and utilities - necessary for residential development. Following completion of that work, the Town will issue an RFP for a housing developer to construct at least 16 single-family houses on the site.

The following motion was moved by Randal Davis, seconded by Joanne Berger Sweeney and approved.

“The Executive Director is authorized to apply to the State Bond Commission for a total of \$4.5 million from the designated CRDA/East Hartford authorizations to provide a grant in aid to the Town of East Hartford for demolition, abatement and site work at the former McCartin school to allow for residential development on the site. The Executive Director is authorized to enter into appropriate assistance agreements with the Town of East Hartford for such grant and to utilize CRDA staff to assist the Town with these projects.”

Venue Committee

Vice Chairman Andy Bessette reported on the following venue Committee update for April 2024:

XL Center

The Wolfpack have advanced to the Atlantic Division Finals of the Calder Cup championships and will play their third game against the Hershey Bears tonight at the XL Center. The Bears lead the series 2-0.

The building continues its run of hugely successful events this spring. WWE Raw was held earlier this month and attracted over 9,000 wrestling fans. Nearly 20,000 people attended the CORE Hydration Classic gymnastics event held this weekend. The nationally televised event featured three U.S. Olympic all-around gold medalists, including Simone Biles. This was the final qualifier for the U.S. Gymnastics Championships scheduled for later this month. XL has also played host to graduation ceremonies for Eastern Connecticut, St. Joseph’s and the University of Hartford.

In addition to Wolfpack games, upcoming events include two popular Latino musical shows. Next week, Aventura Cerrando Ciclos featuring Romeo Santos will perform in the arena. In June, XL will host the popular Columbian singer Feid and his 2024 Ferxxocalipsis tour.

Pratt & Whitney Stadium

The Stadium Management RFP issued in late April has been rescinded and later in this meeting the Board will consider a resolution extending OVG’s contract for another year.

As noted at the last meeting, the Stadium is preparing for two international soccer matches to be held in mid-June. Columbia and Bolivia will play on June 15th, while Ecuador and Honduras will play on June 16th.

CRDA has requested \$5 million from the next Bond Commission meeting for roof repairs, renovation of team facilities and smaller projects around the building. Other renovation work at the Stadium remains on hold pending Bond Commission approval.

Connecticut Convention Center

Upcoming events this summer include the Connecticut Legal Conference, Unicorn World and the Great American Stamp Show.

As noted at the last meeting, water issues continue to plague walkways around the Convention Center, particularly along the Riverfront Esplanade. To address these issues, CRDA has requested \$2 million from the next Bond Commission meeting for replacement of pavers and repair of waterproofing and drainage.

Mr. Freimuth explained the following project for consideration:

Rentschler Stadium Management Extension

Background: In April 2013, CRDA entered into a ten-year Facilities Management Agreement with Global Spectrum (now OVG) for management of both the XL Center and Pratt & Whitney Stadium. In 2021, the XL portions of the Agreement were extended to June 30, 2025, while the Stadium portions were later extended to June 30, 2024.

Currently, the two buildings work closely together, with several positions shared between them and salaries allocated accordingly, producing economies for both. Under the new management arrangement contemplated for the XL Center, however, the buildings may need to be operated independently and any savings associated with a single operator may be lost and must be assessed and accounted for. This also assures that a bidding process built on independent operations at Rentschler is accurate and fair.

Consequently, the process of fully separating operations of the two venues is more complicated than initially thought with a consequent impact on the existing and approved biennial budget for the upcoming fiscal year. Upon consultation with OPM, a one-year extension of the Stadium portions of the Agreement will allow us adequate time to work through that process, to maintain the next year's budget forecast as previously contemplated within the State's biennial budget and to evaluate the bid process upon final resolution of any management agreement to operate the XL, an operating agreement that should resolve itself in the next several months.

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

"The Executive Director is authorized to extend the provisions of the Facilities Management Agreement with OVG pertaining to Pratt & Whitney Stadium until June 30, 2025."

Executive Director

Mr. Freimuth reported on the following:

XL Center – legislation is giving flexibility in negotiating the management agreement with OVG. Also, there has been an increase in granting greater budget flexibility recognizing that the bids came in higher than expected in the first round, increasing the amount to \$125M.

Other legislative action – there were a few bills that were moving regarding quasi-public agencies that did not make it through the session. There were some changes to housing and TOD based bills. There were a couple of amendments to the MRDA statute. The Governor's office is trying to get this started up and CRDA might assist them as they get started.

Bushnell South – CRDA and MDC have been meeting regarding storm drainage issues and an engineering firm has been retained to put together some options and began discussions with Spinnaker and The Michaels Group (TMO) on what it means to their projects and how to accommodate the storm drainage issue.

An RFP for parking traffic issue is about to go out.

The Annex will be leasing as early as June 2024 and Spinnaker is discussing two other buildings near 55 Elm. TMO is working out phasing this project so later this summer a phased approach to the Bushnell site will be brought back before the Board

The Trinity Project – has a deadline to close by December.

Cashflow Mortgages – Some of the earlier projects were based on Cashflow Mortgages and CRDA is now starting to see cashflow payments come in, most notably 777 Main.

Construction Report

Housing initiatives this calendar year include the opening of 55 Elm; 525 Main and 275 Pearl.

Chairman Robinson reminded Board members that the next Board meeting is, in-person with a virtual option available, Thursday, June 20 at 5:00pm.

Board adjourned at 4:19pm

DRAFT

Finance Report

Financial Update – June 2024

CRDA Parking and Energy Fee Revenue Bonds - Standby Bond Purchase Agreement Renewal

Fifth amendment expiring on August 25, 2024
Sixth amendment – three-year extension with Bank of America

Fiscal Year 2024 Financial Statements and Audits

- CRDA Fiscal Year 2024 audit
 - CRDA Financial Statements
 - CRDA Federal Awards audit
 - CT Convention Center Contractual-Basis Financial Statements
 - XL Center Contractual-Basis Financial Statements
 - CRDA Parking Facilities Contractual-Basis Financial Statements
 - Rentschler Field Contractual-Basis Financial Statements

Fiscal Year 2025 Budgets

FY2025 Budget Process

1. Management companies/CRDA staff prepared draft budgets (March through May)
2. CRDA staff reviewed draft budgets followed by appropriate adjustments (May/June)
3. CRDA Board Executive & Finance Committee members reviewed budgets with CRDA staff (June)
4. Full Board presented budgets for authorization (June)
 - All budgets subject to available funding and appropriations from the State of Connecticut
 - All budgets fully funded

CRDA State Appropriation Allocation Request

	<u>FY25 Appropriation</u>
CRDA Office	\$ 1,445,022
Bushnell South Garage	\$ 400,000
XL Center	\$ 2,000,000
XL Center Sports Bar	\$ 600,000
Convention Services Program	\$ 100,000
CT Convention Center	\$ 5,650,000
P&W Stadium ¹	<u>\$ 650,000</u>
Total	\$10,845,022

¹ - P&W Stadium at Rentschler Field financial results are reported within the operations of the Office of Policy and Management contained in the Consolidated Financial Statements of the State of Connecticut and are not included within the Financial Statements of CRDA.

Fiscal Year 2025 Budgets (cont.)

CT Regional Market FY25 Operating Budget [Net]: \$122,428

The Regional Market is funded through three sources. The market receives lease revenue for refrigerated agricultural space, farmers' market fees, and billboard revenue. CRDA will be working with State agencies to determine the financial feasibility of converting the static billboards to electronic billboards. Operating expenses consist of maintenance, utilities, security, facility management fees, and transitional expenses, as well as net operating expenses of \$20,480 associated with the farmers' market.

Front Street District FY25 Operating Budget [Net]: \$107,549

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

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

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

CRDA Parking Facilities FY25 Operating Budget [Net]: \$358,754

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

Central Utility Plant (CUP) FY25 Operating Budget [Net]: \$0 (Breakeven)

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

Bond Indenture/Trustee FY25 Operating Budget [Net]: \$4,893

Revenues from the CRDA Parking Facilities and the CUP are deposited with the Trustee. CRDA then allocates a Board-approved budget to fund the expenses of the operations, capital needs, and the costs associated with the bond debt service. Of these funds, \$240,000 is allocated towards the capital plan. This budget authorizes up to \$960,000 to be allocated towards the capital plan upon available funds. Excess funds are sent to the State Treasurer's Office for the use of covering CRDA revenue bond debt.

Church Street Garage FY25 Operating Budget [Net]: \$76,997

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

This budget includes a market monthly contract rate increase that continues to offer the lowest level downtown rates.

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

Fiscal Year 2025 Budgets (cont.)

Bushnell South Garage FY25 Operating Budget [Net]: \$1,433

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

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

FY25 Net Operating Loss of \$398,567 without CRDA appropriation.
Projected CRDA appropriation of \$400,000.

XL Center FY25 Operating Budget [Net]: \$3,350

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

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

FY25 Net Operating Loss of \$1,996,650 without CRDA appropriation.
Projected CRDA appropriation of \$2,000,000.

XL Center Sports Bar FY25 Operating Budget [Net]: \$762

The XL Center Sports Bar generates operating revenues through food and beverage income.

Operating expenses are food and beverage cost of goods, payroll and benefits, as well as administrative, financial, marketing, and utility expenses.

FY25 Net Operating Loss of \$599,238 without CRDA appropriation.
Projected CRDA appropriation of \$600,000.

Convention Services Subsidy Program FY25 Operating Budget [Net]: \$(85,000)

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

The convention subsidy program is funded through two sources. The program receives a state appropriation and a parking subsidy from the CRDA Parking Facilities due to the increased revenue generated by booking these city-wide events. Program commitments are reserved through fiscal year 2030.

Projected CRDA appropriation of \$100,000.

Fiscal Year 2024 Budgets (cont.)

CT Convention Center FY25 Operating Budget [Net]: \$0 (Breakeven)

The Connecticut Convention Center net event revenues through building rental income and through event services income for rental of equipment and decorating. The remaining net event revenues represent net food and beverage income with catered events representing 70% and concession income representing 30%.

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

FY25 Net Operating Loss of \$5,650,000 without CRDA appropriation.

Projected CRDA appropriation of \$5,650,000.

CRDA Office FY25 Operating Budget [Net]: \$24,204

The CRDA office is funded through numerous sources. The Authority receives a state appropriation {\$1.45M}, program administrative fees through its management of capital projects at its venues and throughout the region {\$400K} as well as loan origination fees through the residential housing program {\$405K}. The Authority also generates interest on its residential housing loans {\$1.48M} as well as accrued interest on its residential housing loans and non-residential housing investments payable to the Authority in future fiscal years {\$1.16M}.

Expenses are for payroll and benefits which are transferred to the State Treasurer and fees including legal, auditing, information technology, and consulting. Administrative expenses also include insurance and office expenses which includes marketing, telephone, and office supplies. This budget includes fully staffing 14.5 FTEs and reflects State COLA adjusted with Authority market analysis.

Projected CRDA appropriation of \$1,445,022.

Pratt & Whitney Stadium @ Rentschler Field FY25 Operating Budget [Net]: \$8,144

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

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

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

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

FY25 Net Operating Loss of \$891,856 without CRDA appropriation.

Projected State appropriation of \$650,000 and UConn operating assessment of \$250,000.

Proposed Budget Adoption Resolution

The CRDA Board of Directors hereby authorizes the FYE 2025 State Appropriation request and the twelve FYE 2025 Budgets under the scenarios recommended by management subject to available funds known as: CT Convention Center; Convention Services Subsidy Program; XL Center; XL Center Sports Bar; CT Regional Market; Front Street District; Bond Indenture/Trustee; Central Utility Plant (CUP); CRDA Parking Facilities; Church Street Garage; Bushnell South Garage; and CRDA Office; and for OPM review and recommendation purposes, Pratt & Whitney Stadium @ Rentschler Field.

CRDA Parking & Energy Fee Revenue Bonds Standby Bond Purchase Agreement

Request to approve a three-year extension (the sixth amendment) of the Standby Bond Purchase Agreement {SBPA} per the attached resolution and rates provided effective on or before August 25, 2024.
Extension assumes no material changes to the terms or conditions of the current SBPA.

Agreement extension reviewed by bond counsel: Updike, Kelly, Spellacy, P.C.

Extension requires approval by the State Treasurer's office and OPM per the Contract for Financial Assistance related to CRDA's revenue bonds.

Fee Letter Table:

Bank of America, the existing liquidity provider on the Authority's Series 2004B Variable Rate Bonds, proposed the following fee grid for a three-year extension on the SBPA.

(State's GO Rating)

Level	Moody's	S&P	Fitch	Current Fee	Proposed Fee
1	Aa3 or >	AA- or >	AA- or >	0.47%	0.44%
2	A1	A+	A+	0.52%	0.49%
3	A2	A	A	0.62%	0.59%
4	A3	A-	A-	0.72%	0.70%
5	Baa1	BBB+	BBB+	0.87%	0.85%
6	Baa2	BBB	BBB	1.02%	1.00%
7	Baa3	BBB-	BBB-	1.17%	1.15%

Resolution – next page

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CAPITAL REGION
DEVELOPMENT AUTHORITY AUTHORIZING EXTENSION OF THE
AMENDED AND RESTATED STANDBY BOND PURCHASE AGREEMENT
IN EFFECT WITH RESPECT TO ITS REVENUE BONDS, 2004 SERIES B,
AND AUTHORIZING RELATED AGREEMENTS

ADOPTED:

BE IT RESOLVED by the Board of Directors of the Capital Region Development Authority (the "Authority") as follows:

Section 1. The extension of the Amended and Restated Standby Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Authority, U.S. Bank National Association, predecessor in interest to U.S. Bank Trust Company, National Association, as Trustee and Tender Agent, and Bank of America, N.A. (the "Bank"), in effect with respect to the Authority's Parking and Energy Fee Revenue Bonds, 2004 Series B (the "Bonds"), for an additional three years pursuant to a Sixth Amendment to the Amended and Restated Standby Bond Purchase Agreement (the "Sixth Amendment"), and on terms outlined in the fee proposal set forth in that certain Third Amended and Restated Fee Letter between the Authority and the Bank (the "Fee Letter"), is hereby approved.

Section 2. The proper officers of the Authority are hereby authorized to execute and deliver, in the name of the Authority, the Sixth Amendment to effect such extension and the Fee Letter on terms at least as favorable as the fee proposal presented to this meeting, with such further changes and additions as such officers shall approve, such approval to be conclusively evidenced by their execution and delivery of the Sixth Amendment and the Fee Letter.

Section 3. The proper officers of the Authority are hereby authorized to do and perform such acts, and execute and deliver, in the name of the Authority, such additional instruments, agreements, notices and certificates, including a remarketing supplement, with respect to the Bonds and the amendment of the Bond Purchase Agreement, as they deem necessary or appropriate to carry into effect the intent of the foregoing resolutions, and as shall not be inconsistent with the foregoing resolutions.

Section 4. For purposes of this resolution, the "proper officers" of the Authority shall be the Chairman, the Vice Chairman, the Secretary, the Treasurer, the Executive Director and the Deputy Director of the Authority, and each or any of them.

Section 5. This resolution will take effect immediately.

Housing & Neighborhood Committee

CHDA Housing Approved

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	#KCU/AF Split	Structure	CRDA Bid Approval	Bond Commission	Closed	Target Occupancy	Leased*
777 Main	285	\$46.5M	\$161.4	\$17.7M	\$62K	80/20	27.5% equity 510.2M 2nd mortgage	3/31/2013	3/31/2013	3/28/2014	Renting	98%
301 And Grand	26	\$4.45M	\$171.2	\$3,886,252.0K	\$28.8K	100	Note Paid Off	4/25/2013	6/21/2013	10/29/2013	Renting	85%
179 Allyn	63	\$14.89M	\$236.3	\$6.5M	\$103K	80/20	\$1,354,999.9K, \$3,356,200, 1400... Net 2022	3/14/2013	6/21/2013	11/15/2013	Renting	84%
Sonesta Spectra	190	\$23.9M	\$125.8	\$2.05M	\$10.8K	85/15	* Note Paid Off	6/4/2013	6/21/2013	12/5/2013	Renting	97%
Cajewell	72	\$26.1M	\$362.8	\$5.0M	\$69.4K	80/20	construction financing/committed to mortgage note	1/15/2014	2/28/2014	6/30/2015	Renting	96%
390 Capital	112	\$35.3M	\$315.2	\$7M	\$62.5K	80/20	2 loans, 5% 20 yr.	6/19/2014	3/17/2015	9/22/2015	Renting	99%
36 Lewis	6	\$1.8M	\$300K	\$300K	\$50K	100	construction/perm loan 1-3% 30 yr.	6/19/2014	7/15/2014	4/8/2015	Renting	100%
38-42 Elm	6	\$1.1M	\$200K	\$349,350*	\$61.5K	100	loan 3% 30 yr	6/16/2016	7/25/2014	2/23/2015	Renting	66%
1278-83 Main	10	\$1.35M	\$135K	\$297K	\$29.7K	100	loan 3% 25 yr	11/19/2010	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	3/24/2016	9/29/2017	Renting	95%
Millennium	56	\$19.5M	\$348K	\$6.5M	\$67.7K	100	Former Radisson, foreclosure 2/2021	10/15/2015	12/1/2015	3/31/2016	Renting	88%
81 Arch	53	\$33M	\$380K	\$5.6M	\$103.7K	100	Mizz 2% 10 yr.	10/20/2016	3/16/2017	11/7/2017	Renting	100%
301 Pearl	157	\$28.4M	\$180K	\$9.24M	\$58.8K	100	construction/perm loan 3% 30 yr	12/8/2016	5/12/2017	11/8/2017	Renting	97%
111 Pearl	101	\$21.55M	\$208K	\$6,066K	\$59.47K	100	construction/perm loan 3% 30 yr	12/8/2016	5/12/2017	11/8/2017	Renting	96%
88 (102-21) Allyn	66	\$21.1M	\$319K	\$6.6M*	\$103K	80/20	construction/perm loan 3% 5 yr.	12/8/2016	2/1/2017	11/8/2017	Renting	86%
Coil North	48	\$13.6M	\$283K	\$2.88M	\$60K	100	construction/perm loan 3% 20 yr.	10/4/2019	12/18/2019	11/30/2020	Renting	100%
28 High	20	\$5.5M	\$196.4K	\$1.8M	\$67.8K	80/20	loan 3% 30 yr. refi 8/23	9/17/2020	12/18/2019	4/16/2021	Renting	100%
100 Trumbull	8	\$750K	\$93.7K	\$400K	\$50K	100	loan 3% 20 yr.	2/2/2018	2/16/2018	4/29/2018	Renting	100%
248-250 Lawrence	12	\$1.5M	\$125K	\$52.1K	\$43.4K	100	Historic bridge loan - Paid off perm loan 3% 20 yr. (291K)	9/1/2017	2/16/2018	4/12/2018	2020/2022	97%
Coil "F"	28	\$7M	\$289K	\$1.5M	\$53.5K	100	loan 3% 20 yr.	10/18/2018	12/1/2018	1/4/2019	Renting	100%
Pratt 1 - 99 Pratt	129	\$29.8M	\$231K	\$12M	\$93K	100	\$3M 4.5% 1% 5yr 30yr New Units 47 / Total units 166 /	1/10/2019	12/18/2019	11/30/2020	Renting	100%
Pratt 2 - 18 Temple	47	\$34.9M	\$210K	\$2M	\$42.5K	90/10	16 A/F Units / 2.75% 30 yr. loan	9/17/2020	12/18/2019	4/16/2021	Renting	100%
Pratt/Man	126	\$26.8	\$212K	\$8.0M	\$66.7K	80/20	20 yr. 3% Perm 38/Man 87	9/20/2018	9/20/2018	6/25/2020	Renting	96%
Dobro "C"	270	\$56.2M	\$208K	\$11.8M	\$43.7K	90/10	3% 30 yr 15 yr term	9/30/2018	9/30/2018	9/30/2020	Renting	95%
55 Elm	164	\$63.3M	\$385K	\$13.5M	\$42.1K	80/20	2% 30 yr. Perm. 57M 2% bridge \$6.5M 15 yr term	4/16/2020	9/29/2018	9/30/2020	Renting	95%
Dobro "B"	237	\$63.3M	\$231K	\$13.6M	\$57.3K	90/10	3% 30 yr.	3/18/2021	4/16/2021	12/15/2022	2024	
Brew/Hilton	147	\$17.9M	\$121K	\$5.9M	\$40K	80/20	3% 30 yr.	12/16/2023	12/17/2021	6/15/2024	2025/6	
Dobro Arrowhead Block	45	\$17M	\$395K	\$4.1M	\$88.4K	80/20	3% 30 yr. \$3.8M + \$300K	12/3/2021	12/19/2021	8/29/2022	2024	40%
Coil "E" east*	45	\$6.7M	\$148.8K	\$1.5M	\$33.3K	100	3% 20 yr	11/17/2022	12/8/2022	8/15/2023	2024	93%
18-20 & 30 Timmy	108	\$45.35M	\$417K	\$6.5M	\$60.1K	80/20	\$6.5M \$1.5% 5 yrs 730 yr. loan	5/18/2023	10/6/2023			
31-45 Pratt	38	\$7M	\$189K	\$1.1M	\$30K	100	3% 30 yr.	9/21/2023	12/14/2023			
15 Lewis St.	78	\$26.7M	\$342K	\$7M	\$89K	90/10	55M 3% 30 yr. - \$2M Cashflow Note	9/1/2023	10/6/2023			
30 Laurel	47	\$9.8M	\$208K	\$3.52M	\$75K	100	3% 30 yr.	3/1/2024	6/7/2024			
Summary	2907*	\$759M	\$260K	\$175M	\$61.5K median \$48.1K avg.	87/13	2547 market / 358 affordable					

6/10/2024

* deposits and rents
 * \$75K/unit est. residential + 188 hotel rooms
 * notes repaid
 * \$16K from Housing Cap. Fund
 * 385K including recap and neighborhood debts
 * \$200K reserve via Bond Commission

CRDA Housing Approved - Varied Funding Sources

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/Aff Split	Structure	CRDA Bd. Approval	Bond Commission	Closed	Target Occupancy	Occupancy
Front Street	121	\$35.7M	\$310K	\$12M	\$99.1K	Mkt	DECD grant	N/A	12/12/2007	12/17/2013	Renting	97%
Silas Deane	111	\$27M	\$225K	\$5M	\$41.6K	Mkt	Urban Act	N/A	9/30/2016	5/24/2018	Renting	85%
289 Asylum	8	\$1.474M	\$184K	\$485K 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							\$200,000 Hist. Bridge Loan *	12/8/2016	N/A	5/7/2018	Renting	115&117
Signourney	4	\$1.16M	\$290K	\$200K	\$50K	Aff	Heritage Homes - Affordable	5/24/2018	6/1/2018	8/13/2019	Owned	Sold
86-88 Hawthorn	2	\$830K	\$418K	\$50K	\$25K	Aff	Heritage Homes (NINA) Aff.	5/24/2018	6/1/2018	8/13/2019	Owned	86 & 82 Sold
80-82 Hawthorn	2	\$818K	\$409K	\$200K	\$100K	Mkt	Heritage (NINA) Market	3/18/2021	6/1/2018	7/27/2021	Owned	80 & 82 Sold
213 Lawrence	3	\$900K	\$300K	\$410K	\$126K	Mkt	1st Mortgage 3% 25 Yr.	11/17/2022	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	6/13/2024	N/A	100%
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	2/16/2023	6/1/2018	5/25/2023	2024	
690 Albany	8	\$2.49M	\$312K	\$800K	\$100K	25/75	Heritage \$200K Grant	2/16/2023	6/1/2018	5/25/2023	2024	
							3% 20 yr. 2 Mkt/6 Aff	5/18/2023	N/A		2024	
Summary	424³											

6/10/2024

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

23

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 #REF!	FY16 Neighborhood	\$5m grant for demolition	9/9/2016	9/15/2016	9/30/2016	CRDA completed
Brackett Knoll	Construction of 14 two-family owner-occupied homes on Naugatuck Street	\$3.7m	\$1,555,000	FY16 Neighborhood (Promise Zone)	\$20,860 used for MDC connection charges for housing lots. Balance used to construct required road; Board approved additional \$154k for road on 6/20/19	11/10/2016	12/8/2016	2/1/2017	Road completed
Swift Factory	Renovation of historic factory into "Community Food and Job Creation Hub" serving the Northeast, Upper Albany and Clay Arsenal neighborhoods	\$32.7m	\$4,300,000	FY16 Neighborhood (Promise Zone)	\$4.3m loan - minimum debt service calculated using an initial 1% APR and be paid monthly upon stabilization. CRDA to receive 70% of net available cash after payment of first lien debt service & other required distributions. Payment shall continue over a 20-year term until CRDA has received all of its capital with 3% IRR. Funds contingent upon execution of tenant leases (a) for no less than 50% of leasable project space or (b) no less than 50% of projected rental revenue.	3/10/2017	3/16/2017	5/12/2017	CO issued.
Albany Ave/ Main Street	High Speed internet cabling connection to North End Business	TBD	\$525,000	FY16 Neighborhood (Promise Zone)	Funds used to match Federal Promise Zone Funding and compliment Albany Ave. Streetscape project	6/15/2017	6/15/2017	11/29/2017	Completed
Dillon Stadium	Management and renovation of Stadium, including replacement of field, replacement or refurbishment of bleachers, upgraded seating, lighting & sound system, upgrades to concessions, restroom and locker facilities, building code and ADA upgrades and new site entrance. Additional upgrades to be made at neighboring Colt Park.	\$10m	\$10,000,000	FY17 Neighborhood	CRDA to oversee renovations and hold construction contracts. Work at Dillon to be done in conjunction with Hartford Sports Group (HSG) and their architect. Scope of Colt Park renovation to be developed in conjunction with City of Hartford.	1/12/2018	2/8/2018	2/16/2018	Completed
Charter Oak Health Center	Renovation of vacant building into specialty health clinic	\$1.9 m	\$450,000	FY 16 General	Grant for exterior work, historic restoration & site work	NA	6/21/2018	9/20/2018	Completed
Quirk Middle School / PAL	Renovation of former middle school	\$7.5m	\$7,500,000	\$3.9 = FY16 General \$3.6 = FY16 Neigh (PZ)	Includes \$500,000 for implementation of Neighborhood Security Fellows training program			7/25/2018	Completed
Heritage Home	Assistance via NINA to increase home ownership in Asylum Hill area.	TBA	\$2,500,000	FY17 Neighborhood	Loans and grants \$1.6M remaining	5/11/2018 2/3/2023	5/24/2018	6/1/2018	multiple properties see Housing Varied Funding Report
Fuller Brush	Conversion of 2 buildings to res. 153 units	\$42.6M	\$2,000,000 \$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	3/31/2022	Work Underway
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	Project being redesigned
17 Bartholomew	57 new units	\$17.60	\$3,000,000	CRDA/City	3% Loan/30 Yr.	9/19/2023	9/21/2023	NA	Pending Closing
35 Bartholomew	Parking Garage	\$11.6M	\$5,200,000	CRDA/City	\$5.2M Grant	9/19/2023	9/21/2023	NA	Awaiting Pvt. Financing

Venue Committee

**Regional
&
Economic Development
Committee**

CRDA Regional and Economic Development Projects

Project	Description	CRDA Amount	Structure	Committee Approval	CRDA Board Approval	Bond Commission Approval	Status
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
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	Opened 3/24
Bond	Elevator work	\$1,000,000	Loan	1/7/2022	3/24/2022	n/a	Construction completed
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 1/18/2024	Construction to begin shortly
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	loan closing in process

6/10/2024

27

CRDA Redevelopment Projects

Project	Description	Promise Zone?	TDC	CRDA Amt.	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 and funding gap
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
RPI Site	mixed use expansion of DoNo	N	\$3M	\$3M	Loan \$3M	9/21/2023 5/22/2024	10/6/2023	Pending
UConn 64 Pratt	200 Bed Dormitory	N	\$28M	\$10M	Loan to private developer 20 yr./3%	5/22/2024	6/7/2024	design phase

CRDA Rescinded Projects

Project	# Units	TDC	CRDA Amt.	Mkt/Aff Split	Action	Initial CRDA Bd. Approval	Bond Commission
105-7 Wlbrs	9	\$2.5M	\$800K	100	rescinded	5/18/2017	
3 Constitution	49	\$17.7M	\$4,289	100	rescinded	3/21/2019	11/29/2017 6/26/2019
289 Asylum	16	\$1.7M	\$575K	100	rescinded	9/19/2013	2/28/2016 11/16/2014
East Hartford	Horizon Mall	\$	\$12M		reprogramming	4/25/2013	6/21/2013
Parkville Market 2	Retail	\$4M	\$3.5 M		aff financing	6/16/2022	7/12/2016 6/1/2018
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
MUK	155	\$82M	\$4.8 M	55/45	rescinded	11/17/2022	4/6/2023
1000 Trumbull	8	\$750K	\$480K	100	cancel	9/21/2017	4/12/2018

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	Closed 6/13/2024
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	\$300K	Loan 5%	12/6/2023	Pending
Bushnell So.	Land Acquisition	\$1M	Loan 3%	1/18/2024	Closed Feb. 28, 2024

6/10/2024

28

CRDA/East Hartford

Project	Description	CRDA Amount	Structure	Committee Approval	CRDA Board Approval	Bond Commission Approval	Status
Former Showcase Cinema Site	Acquisition, demolition and redevelopment of former multiplex site	\$12,000,000 ¹	Grant-in-aid		9/15/2016 5/18/2023	7/12/2016 6/1/2018 6/30/2023	Design plans include approx. 300 apartments plus amenities; CRDA \$7m grant agreement currently being drafted
Drainage Improvements near Goodwin College	Installation of new drainage lines to accommodate new development in Goodwin area	\$4,000,000	Grant-in-aid		6/21/2018	7/25/2018	Phase I and Phase II complete. Phase III is nearing completion
Silver Lane Improvements	Installation of new sidewalks, crosswalks and streetscape improvements recommended in CRCOG Silver Lane study	\$1,011,887	Grant-in-aid (Balance of funds given to OPM for EHBN project)			4/4/2009	Phase 1 of sidewalk project completed CRDA assisting Town with planning for Phase 2
Founders Plaza	Master Planning & Garage design to allow for residential development and demolition/abatement Demolition of buildings on or adjacent to Founders Plaza site	\$500,000 \$6,500,000	Grant-in-aid Grant-in-aid		5/18/2023	6/1/2018 6/30/2023	Discussions continue with Town, developer planning consultants and CRDA Demo BOA in planning
Great River Park	Improvements to Great River Park, including repairs & improved access to and within the park, particularly for disabled visitors	\$1,340,000	Grant-in-aid		9/20/2018	9/20/2018	Army Corp. permits pending
Neighborhood Property Improvements	Abatement and demolition of four blighted structures, including a former Town fire station and three residential properties. Funds also available for McCartin School	\$1,000,000	Grant-in-aid		9/20/2018	9/20/2018 7/29/2022	Four structures demolished to date; Demo plan created for McCartin
McCartin Site Housing	Demolition and abatement of former school and construction of site improvements to allow for residential development	\$4,500,000	Grant-in-aid	5/9/2024	5/18/2023 5/16/2024	6/7/2024	Funds Approved 6/7/24
Silver Lane Plaza	Acquisition and Redevelopment of Silver Lane Retail	\$10,500,000	Grant	9/9/2021	2/8/2018 9/16/2021	12/21/2021 5/26/2022	First of three buildings has been demolished. Demo design underway for other two while Town works to relocate remaining tenants. Town in discussions with potential developer.

6/10/2024

¹ Transferred to CRDA from other State Agencies

Executive Director

CRDA Prop Capital Expenditures

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 \$2,000,000	Direct CRDA expenditure	-	-	7/25/2018 6/7/2024	Repairs completed Add'l cap monies authorized
Bushnell South Garage	Garage	\$17,000,000	CRDA Prop.	-	-	9/20/2018	Garage Open
CSG	Garage Rehab	\$5,000,000	CRDA Prop	-	-	6/7/2024	Next Phase & Blue Light
Renschler	Foot Repairs	\$5,000,000	CRDA Prop	-	-	6/7/2024	Locker Room & Roof
CT Convention Center	Plaza Repair	\$2,000,000	CRDA Prop	-	-	6/7/2024	Spec in work

6/10/2024

6/20/2024

Construction Update

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule	Red Flag
CRDA Housing Projects 525 Main Street	42	29,570	6,031,090	80,788	83%	Yes	HVAC Contractor has rough in corridors to complete, all Roof Top Equipment to be set week of 06/10/2024. P&E Trades are substantially roughed. Sheetrock is complete on floors 2, 3 & 4. Ceilings are in and painting has begun. Cabinets are stored onsite. Rough wall inspections have passed floors 1 - 4. Two (2) Model units are being completed on Floor 3.	The project completion is for 09/08/2024 per Daniel Klaynberg. Electrical Gear will impact final completion. Application sent to PURA for temporary power configuration, while waiting for gear arrival, has been approved.	N/A
275 Pearl Street	35	31,358	7,500,766	-	58%	Yes	Rough framing is completed on all floors. MEP Rough work is ongoing with P&E Contractors at 80% Rough. HVAC is at 80% with all Roof Top Equipment set week of 06/10/2024. Exterior facade work is at 100%. Basement trenching complete, waiting for UG plumbing. Drywall has begun on all floors.	Daniel Klaynberg is anticipating a completion of 09/08/2024 pending electrical gear arrival in Nov. 2024. Application will be sent to PURA for temporary power configuration.	N/A
55 Elm	164		39,524,125	590,050	75%	Yes	Press (Annex) Building is at 100% complete. Main Building Finishes have started on Floors 5 & 6. Rough work continues on all other areas. Permanent power is now in place. Annex has 28 units rented to CVS for summer interns.	Annex occupancy and substantial completion- May 24, 2024 5th & 6th Floor and Partial 1st floor Main Building occupancy - July 15th, 2024 Main Building completion with 2nd & 7th floor amenities - September 27th, 2024 per Alyssa Kent Basement & 1st Floor Amenities - November 15th, 2024	N/A
847 Asylum NINA	three family home	8,540	1,155,000		64%	Yes	The two residential apartments are nearing completion. Flooring, trim work, doors, painting, and lighting are all substantially in place. Cabinets and vanities are installed with countertops expected shortly. Finish work is also underway in the owner's unit including the installation of baseboard trim as well as trim around the doors and windows. New hardwood flooring for the owner's unit is expected to arrive next week.	Completion date October 2024	N/A
Bedford Gardens	85	72,462	10,622,000	-	0%	No	Waiting on closing to meet with Developer for a formal schedule.	Closing is imminent - Construction schedule TBD.	N/A
Arrowhead	44	31,230	12,770,697	-	0%	No	CRDA Staff has reviewed drawings. Construction schedule was obtained along with budgeted cost. Waiting on final closing scheduled for week of 06/10/2024.	Current Construction Schedule shows 12 month duration, anticipated start date of Summer 2024 to be confirmed.	N/A
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.	N/A
31745 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. Met again 05/19/2024 to revise schedule to start date of September 2024 per Tom Briggs of Simon Konover.	N/A
690 Albany	8	12,458	1,267,565		0%	No	Eight (8) unit fire restoration & rehabilitation.	CRDA staff meet with Owner/Developer 04/03/2024 for initial walk through. Schedule start date and closing TBD.	N/A

32

Construction Update

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule	Red Flag
64 Pratt Street / UCONN Dorms							Bond Commission approved funding for development of over 200 new residential dorm units at 64 Pratt Street	CRDA Staff waiting on meeting with developer, date TBD.	
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, to be completed in early fall.	This project is at the mercy of the regulatory process.	permits
Fuller Brush	153		26,210,764	957,693	20%	Yes	Demolition has progressed to 95% and trades have mobilized. Vertical Metal Framing Has been completed in Building #2. Building #1 is framed at 25%. All HVAC Equipment is stored and secured onsite.	Anticipated 20 month duration. Completion estimated for August 2025 per Axela Construction Schedule.	N/A
237 Hamilton Phase 2 - Conversion & Adaptive Reuse	235		8,500,000 (* full CRDA Loan)		0%	No	CRDA Staff met with Carlos Moulta onsite and walked project. Currently completing Environmental clean up. Project budget has been revised and more units have been added. CRDA has requested additional documentation	Project is awaiting closing. Projected start date late summer 2024.	N/A
Albany & Woodland			10,233,353		2%	yes	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.	General Contractor has mobilized and construction has commenced. CRDA has met with GC. 12 month completion is anticipated per GC (PAC Group).	N/A
Liberty Church			900,000	-	40%	No	Project Contractor is onsite and work is underway, staging is up. Project is progressing as scheduled, work completed to 40% as of 05/31/2024. Payment Application #3 has been approved by CRDA.	Estimated completion: August 2024 per Paul Basiaance of Valley Restoration.	N/A
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 NLAA study and provided a service proposal. Construction could start in early winter 2024 if Army Corp permits are received in July and additional construction funding is secured.	As with the Great River Park this project is at the mercy of the permitting process.	permits
E.H. Drainage Project King Court Segment			1,097,000	13,165	98%	No	Job is at 100% completion. Reviewing final billing and CO's. Awaiting Closeout Documents.	Project has been completed to 100%. Genovesi/Zivic Finalizing Closeout Documents.	N/A
338 Asylum Street - The Bond Residences			476,772	-	100%	Yes	Elevator project is completed, final billing submitted and approved by CRDA staff.	Complete.	N/A

33

Construction Update

6/20/2024

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule	Red Flag
McCartin School Demo.		25,380	TBD	-	0%	No	Bond Commission approved funding of \$4.5M toward demolition and infrastructure/road improvements. Demo and Abatement bid docs complete RFP is in process. Concept Road design to be determined. Engineered drawings schedule TBD, subject to MDC backlog of one year.	Preliminary start for demo and abatement in Q4 of 2024, completion estimated Q1/Q2 2025. Road construction schedule TBD.	N/A
Demo BoA building at Port Eastside/Founders							Bond commission approved funding for demolition of vacant buildings.		
Silver Lane Plaza Demo			1,196,000	-	53%	No	Building is gone, top soil and hydroseed began week of 06/10/2024. ToEH & CWA have signed off on compliance/completion per specifications.	Final top soil & seeding will be completed by June 14, 2024. Town of EH is pleased with progress and completion date per Eileen Buckheit	N/A
Silver Lane Plaza Demo- Phase 2							Pre-Demolition Hazardous Materials Survey was awarded to Fuss & O'Neil. They began work on 06/03/2024.	F&O will be completed with their HMS within 6 weeks. Town of EH working on eviction of final three (3) tenants. Schedule of Demolition TBD.	

Venues									
2023 XL Renovation Project						TBD	Revised Architectural and MEP bids are in and scope reviews are nearing completion. Roof bids are due 6/21/24.	Bond Commission approval necessary	N/A
Rentschler Field						\$5M	Bond commission approved funding for roof repairs, waterproofing & renovation of team facilities	A&E / Roof Design Consultant RFP prepared and draft is under review.	N/A
Front Street District						\$2M	Bond commission approved funding for infrastructure repairs and improvements, including sidewalk, crosswalk, and lighting repairs, and ADA compliance safety improvements.		
Church Street Garage						\$5M	Bond commission approved funding for structural repairs & safety improvements including Blue Light System	CRDA Staff to perform field review of existing conditions with engineering consultant to prioritize safety and aesthetic issues as required.	
Convention Center Plaza						\$2M	Bond Commission approved funding to repair water damage to the riverfront esplanade at the Connecticut Convention Center& misc. repairs	TBD	

34

From: [Marc Nicol](#)
To: [Erica Lewis](#)
Cc: [Mark O'Connell](#); [Martha Conneely](#); [Mike Zaleski](#); [Kimberly Hart](#)
Subject: RE: Update
Date: Monday, June 10, 2024 11:46:19 AM

Hello Erica –

My broken record is unfortunately still playing....

1. Great River Park Improvement project:

- a. The Army Corp regulatory division is still reviewing the application – it is the last outstanding permit application – was submitted in February 2022.
- b. We received Army Corp comments on the Not Likely to have an Adverse Affect (NLAA) study to determine the project's impact on State and Federal endangered fish. GEI is preparing a response and should share with Army Corp within the next week.
- c. GEI updated the construction cost estimate and shared with RRI in May. Total project cost estimate of \$2,871,587 with construction at \$2,233,000.00. The estimate is based on 2025 construction rates, includes a 20% contingency fee, and project administration / inspection services.
- d. Await confirmation form The CT Port Authority on whether the Town of East Hartford can pass through any SHIPP grant funding received to Riverfront Recapture. Request sent by email on May 30, 2024. RRI and Town of East Hartford developing application for \$1,548,000.00 (application must come from a Municipality) for the proposed marine improvements and will submit by July 1.
- e. Construction could start in early winter 2024 if Army Corp permits are received in July and additional construction funding is secured.

2. Riverfront Land Development (RLI) project:

- a. The second Natural Diversity Database and tidal wetland studies are now underway and being funded by Federal EPA. Preliminary reports expected by September 1, 2024.
- b. DEEP has agreed to a standing monthly meeting with their various department staff to review and discuss project permit status. Army Corp regulatory, DECD Brownfield Office, and Federal EPA also participate in the meeting. Next meeting is scheduled for June 17.
- c. DEEP Permitting on hold until we have a current NDDB Determination Letter on file – hopefully in September 2024.
- d. RRI and DEEP negotiating the addition of some amount of tidal wetland area within the cove. Will be based on new study data.
- e. Outstanding permits that have been submitted and await approval include:
 - i. Army Corp general permit for RLI
 - ii. DEEP General Inland Wetland for WMSP
 - iii. DEEP Structure Dredge & Fill for RLI
 - iv. DEEP Non-consumption Diversion for RLI

- v. DEEP Dredging Consultation for RLI
- f. Riverfront Recapture and DEEP continue to negotiate a 25 year lease for a 16 acre portion of Windsor Meadows State Park (WMSP) that directly abuts the RLI property and is currently inaccessible to the public. Await final comments from State Attorney General , Office of Policy & Management and Bureau of Land Management.
- g. Await feedback from CT DECD on CIF grant retainage requirement. Original requirement was 20%, revised to 10% by DECD in early May. RRI requesting no retainage be held as the CIF money will be spent on providing public access to State land, improvements will be owned by CT DEEP, and no direct revenue will be generated by the improvements.
- h. Hargreaves Jones (HJ) working on Park Master Planning Service including gathering project data, hosting community works shops, participating in local public events, interviewing stakeholders, and meeting with the project advisory committee.
- i. A workshop was held on Saturday, May 18th at Parker Memorial Community Center in North Hartford. Light attendance, but provided good feedback.
- j. Working with HJ and HR&A on park economics with a focus on generating revenue through real estate and commercial development in addition to park programming and events.
- k. Park Master Plan should be complete in early fall.

Please feel free to call or email with any questions you have.

Thanks,

Marc

From: Erica Levis <elevis@crdact.net>
Sent: Monday, June 10, 2024 11:01 AM
To: Marc Nicol <MNicol@Riverfront.org>
Cc: Mark O'Connell <moconnell@crdact.net>; Martha Conneely <MConneely@riverfront.org>; Mike Zaleski <MZaleski@Riverfront.org>
Subject: RE: Update

CAUTION [External]

Good Morning Marc,

Our monthly Board Meeting is coming up, anything new to report from below?

Thanks,

Erica

36

Miscellaneous

Dozens of rental leases signed as CT hotel and apartments combine. ‘It doesn’t break the bank’

Kenneth R. Gosselin

Hilton

The numbers show the “velocity” of Connecticut interest.

A \$29 million redevelopment of downtown Hartford’s Hilton that pushed into new territory by combining apartments with a smaller hotel is finding eye-catching acceptance: apartment leases are being signed at a dizzying pace, with dozens snapped up in just weeks.

The 147 rentals in The Revel apartments on the top 10 floors of the former Hilton debuted two months ago and already, 60 have been leased and about 15 are occupied. Their smaller size and lower rents than other new apartments in the city, are driving the leasing, the developer said Thursday.

“The velocity has been incredible,” Randy Salvatore, founder and chief executive of the Stamford-based developer RMS Cos., said. “The thing that is unique about this building is that the apartments are smaller” but the rental prices “are affordable to people so, therefore, it is hitting a different segment of people who really want to be in Hartford in a new building with all the modern amenities, but it doesn’t break the bank.”

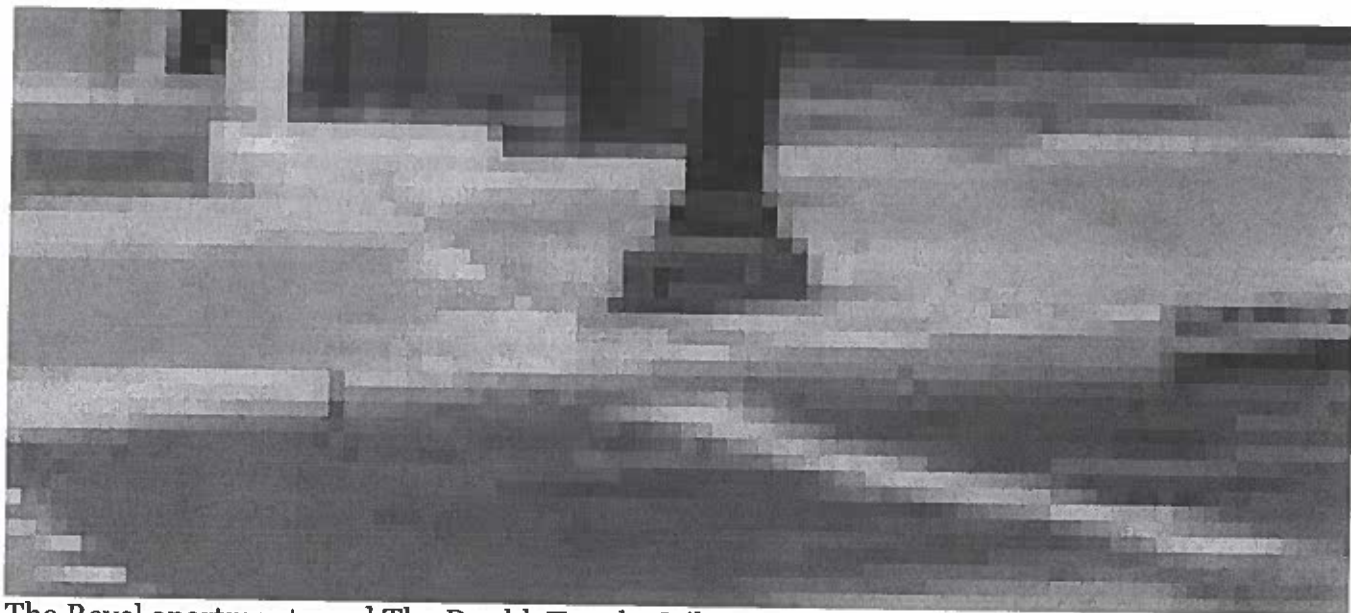
Salvatore said a third of the leases have been signed by tenants who are moving into the state, boding well for efforts to build up Connecticut’s population. Another third are relocating from outside of Hartford but within Connecticut and the final third are from within the city, Salvatore said.

From where ?

The rush of leasing by tenants relocating within Hartford does not appear to pulling down occupancies in other apartments new to the market in downtown Hartford, Salvatore said.

COURANT
5-23-24

38



The Revel apartments and The DoubleTree by Hilton on Trumbull Street in downtown Hartford. (Aaron Flaum/Hartford Courant)

Salvatore said he is looking for other options in the city for creating similar apartments that could offer comparable rents.

“If you’re renting at these price points, then you need to cost-effectively find situations, so we’re actively looking for that,” Salvatore said. “When you see demand like this, you see there is a need. This is a perfect example of taking a situation which was an obsolete building and repurposing it, and it becomes a big success, growing the population and that’s the key.”

“There are a lot of office buildings in downtown that are potential candidates,” Salvatore said.


The apartments at the Revel are above a 170-room Double Tree hotel, renovated by the Waterford Group, that downsized from the 390-room Hilton. The apartments are primarily be studios, one- and two-bedroom units, with 20% pegged as “affordable” carrying income restrictions.

The studios range in size from 294 to 329 square feet, with monthly market-rate rents between \$1,250 and \$1,340. This compares with the average studio size of 488 square feet in downtown Hartford and a monthly rent of \$1,434, according to apartmentfinder.com.

Overall, the apartment sizes range from 294 to 1,269 square feet, the largest unit being the sole three-bedroom rental. Monthly market-rate rents are between \$1,250 and \$2,900. There is \$20 monthly amenity fee and parking at a monthly cost of \$119, plus tax will be in the nearby Church Street garage, operated by the Capital Region Development Authority.

The Hilton — already aging and obsolete — teetered on imminent closure in the pandemic, as plummeting travel and bookings slowed to nearly nothing. A closure threatened to leave a huge hole in downtown Hartford.

39



Randy Salvatore, President & CEO, RMS Cos. addresses guests during the ribbon cutting ceremony in March to mark the opening of the DoubleTree by Hilton and The Revel apartments in downtown Hartford. (Aaron Flaum/Hartford Courant)

The conversion was possible because of an \$11 million rescue plan of state-taxpayer backed, CRDA loans. The public funds were divided between the hotel downsizing and the new apartments.

As a developer, Salvatore has taken a major stake in Hartford, building North Crossing around Dunkin Park, Hartford’s minor league ballpark. Salvatore also is embarking on the redevelopment of the neighboring, former 13-acre campus of Rensselaer Polytechnic Institute.

Salvatore said RMS is seeing strong demand for apartment demand not only in Hartford — the first phase of North Crossing “The Pennant” is 95% leased —but in its projects in New Haven and Stamford.

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

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40

COURANT 5-29-24

New apartments in CT city filling fast. Could it bolster argument for more rental construction?

Kenneth R. Gosselin

99 PRATT

The grand opening ceremonies Wednesday for the new apartments at the corner of Pratt and Trumbull streets didn't mark the typical milestone of construction wrapping up.

Instead, a ribbon-cutting celebrated that all but one of the 97 apartments at 99 Pratt St. in downtown Hartford are now rented, a little over a year after the launch of leasing.

"We have three vacant, two of them are leased and one of them is not leased," Amanda Giacco, operations director for Hartford at Lexington Partners, said. "With three tours tomorrow. Very busy."

Those who support the addition of more housing in and around downtown say the lease-up at 99 Pratt provides a potent answer to those who question why the city keeps needing to add more apartments.

"That's why," David Griggs, chief executive of the MetroHartford Alliance, the region's chamber of commerce, said. "One left."

Griggs was among those attending the grand opening of the nearly \$30 million conversion of 99 Pratt, built for the Steiger's Department Store in 1928 — its upper floors later used for offices after the store closed in 1962.

In the last decade, more than 3,000 apartments have been added to the downtown area as the city seeks to better balance office workers — slow to return after the pandemic — and those who live in the city. The goal has become even more crucial as companies downtown have shed space because more of their employees are at home for more of the workweek.

Virtually all the projects, most of them conversions of existing office buildings, have some component of public funding.

The five-story structure, with its Art Deco-style flourishes, was redeveloped by the trio of Brooklyn, N.Y.-based Shelbourne Global Solutions LLC, the building's owner and downtown's larger commercial landlord; Hartford-based Lexington Partners, major developer and property manager in the Hartford area and beyond; and LAZ Investments, the investment arm of parking giant LAZ Parking.

The partners will collaborate on a project diagonally across Pratt, on its north side, that will convert office space into a residence hall for up to 200 University of Connecticut students, a half-mile from the university's regional campus on Front Street.

Shelbourne owns the building slated for the residence hall. Shelbourne also has acquired more buildings on the same side of the street as 99 Pratt. Shelbourne officials said Wednesday that they are still working on plans for those buildings but nothing is imminent.

The studios and one-bedroom units range in size from 354 square feet to 570 square feet. According to the web site for 99 Pratt, rents for studios with sizes from 377 square feet to 436 square feet are \$1,303 to \$1,488 a month, plus additional charges for amenities, pets and bike storage.

Wednesday's event also highlighted the strides made in filling the storefronts along Pratt Street that for years languished and the efforts made to reshape the brick-lined, pedestrian-only street into both a place to live and an entertainment destination. Those efforts got a big boost from the city's \$6 million Hart Lift storefront revitalization program.

Michael Seidenfeld, Shelbourne's chief operating officer, said, in remarks before the ribbon-cutting, that he vividly recalled his first visit to Pratt Street on a cold, winter day in 2017 and his impressions of a street that was "forlorn, unloved and forgotten."

"And I look at the Pratt Street of today — May, 2024 — and it's a completely different picture," Seidenfeld said. "Today, Pratt Street can stand on its own. It has taken off on its own, with its own vibe, its own vision."

Seidenfeld saluted those new shops and restaurants opening on Pratt in the past 18 months. But Seidenfeld also praised the persistence of those that had stuck it out during the tough times. Among those Seidenfeld mentioned were Morneault Stackpole Moore Tryon, Vaughan's Public House, The Tobacco Shop, Sunberry and Professional Barber Shop.

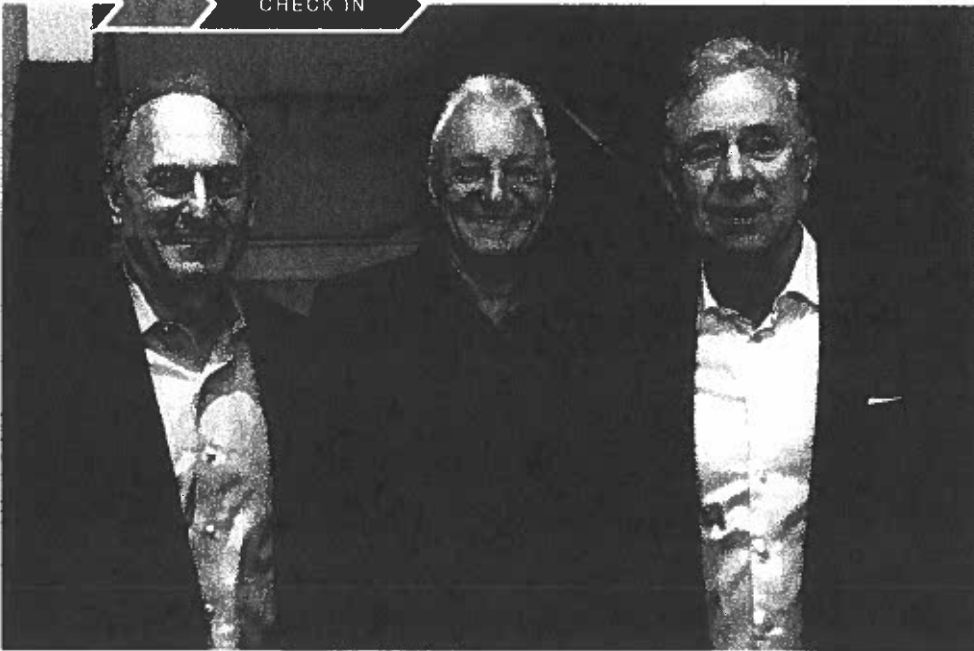
"Those were the retail owners who stood here at the front lines in the dark and challenging days of the pandemic," Seidenfeld said.

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

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(42)



DEVELOPMENT

Waterford Hotel Group Project Makes a Difference in Downtown Hartford

by DENNIS NESSLER

COVID CREATED CHALLENGES for many hotel companies, but some operators managed to turn those challenges into opportunities. One such company is Waterford, Connecticut-based Waterford Hotel Group, which spearheaded the recently completed transformation of the Hilton Hartford into a mixed-use development that includes both a hotel and premier apartment complex.

The new project—which now features the 170-room DoubleTree by Hilton Hartford Downtown as well as The Revel Apartments—officially opened in April. The \$29 million redevelopment project brought together several entities, including Waterford, Hilton, RMS Companies, in addition to state and local politicians, to effectively transform the property.

The full-service Hilton Hartford was facing closure, in large part due to COVID-related revenue declines, according to Len Wolman, chairman/CEO, Waterford Hotel Group. He explained the motivation for the repositioning, noting, “We wanted to make sure the building didn’t go dark.”

Wolman added, “This project wasn’t just about saving an underperforming asset; it was about reimagining its potential. Through collaboration with RMS Companies, we’ve created a solution that

(L-R): MARK AND LEN WOLMAN OF WATERFORD HOTEL GROUP, CONNECTICUT GOVERNOR NED LAMONT

caters to both travelers and residents.” He continued, “This project’s success prevented a potentially devastating closure. Located next to the XL Center, a major entertainment hub, a shuttered building would have significantly impacted the city. Through collaboration with local, state, and federal partners, we were able to breathe new life into the property.”

The redevelopment converted the upper 11 floors of the hotel into 147 modern apartments. The lower floors were fully renovated and converted to the DoubleTree by Hilton. A key piece of the redevelopment plan was that each component has its own set of common areas, according to Wolman.

“This project transformed a single building into distinct experiences for two different audiences: hotel guests and apartment residents. Each group benefits from dedicated entrances and common areas. Upon arrival, clear signage guides guests to the DoubleTree entrance, featuring a welcoming lobby, restaurant access, and dedicated hotel elevators,” said Wolman.

The Revel Apartments were developed by Randy Salvatore, president and CEO of Stamford-based RMS Companies.

“We are excited to have been a part of this development, which serves as a model partnership involving the State of Connecticut, City of Hartford, Capital Region Development Authority, and the

“THIS PROJECT’S SUCCESS PREVENTED A POTENTIALLY DEVASTATING CLOSURE. LOCATED NEXT TO THE XL CENTER, A MAJOR ENTERTAINMENT HUB, A SHUTTERED BUILDING WOULD HAVE SIGNIFICANTLY IMPACTED THE CITY. THROUGH COLLABORATION WITH LOCAL, STATE, AND FEDERAL PARTNERS, WE WERE ABLE TO BREATHE NEW LIFE INTO THE PROPERTY.”

LEN WOLMAN

private sector 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,” said Salvatore in a statement.

A critical piece of that future is Hartford’s XL Center, which is poised to receive additional funding for its revitalization thanks to a recently passed \$370 million budget stabilization plan. The bill increases the amount of funding that can be contributed to a full-scale renovation from \$80 million to \$125 million.

continued on page 46 →



→ CHOICE continued from page 8

ORGANIZATIONAL RESTRUCTURING

The corporate transition following the integration of Radisson Hotels Americas has seen Choice Hotels realign its organizational structure around three key segments: upscale, core brands, and extended stay. Pacious explained, “When you’ve gone through a transformational acquisition like we have, it requires a new organizational structure to get closer to the customer—that was the purpose of it. And so, it’s allowing our teams to interact more closely with the extended-stay owners and the upscale owners.”

Part of this realignment is the repositioning of the Park Inn by Radisson brand within the premium value segment. Choice Hotels is filling a white space with this brand to appeal to younger travelers seeking affordable yet experiential accommodations that prioritize simplicity and value. With



four Park Inn by Radisson hotels currently open in the United States, Choice Hotels aims to capitalize on the brand’s potential as a conversion opportunity for franchisees.

At the convention, Tom Nee, senior vice president of foundation development, Choice Hotels, announced the first new contract for the Park Inn by Radisson brand will be in San Antonio, Texas. Nee also shared that there was interest for the brand at the convention, leading to a powerful combination of the company’s three value brands: Park Inn by Radisson, Rodeway Inn, and Econo Lodge. Park Inn by Radisson is situated in the portfolio under Quality Inn.

“The data shows there’s more opportunity to go after a different kind of traveler with Park Inn by Radisson,” said David Pepper, chief development officer. “This traveler is younger, they’re looking for different offerings and new experiences, but they still count on the simplicity and affordability of this space. They’re searching for modern value, and we’ve focused on ways for owners to develop it simply.”

Going forward, Choice Hotels is committed to driving revenue growth for its stakeholders through addressing the needs of its franchisees and implementing changes that correspond with its growth strategy. The convention marked a milestone in the company’s journey toward sustained growth and innovation. Through strategic realignment, enhanced marketing initiatives, and brand repositioning, Choice Hotels remains steadfast in its commitment to delivering value to guests and franchisees alike.

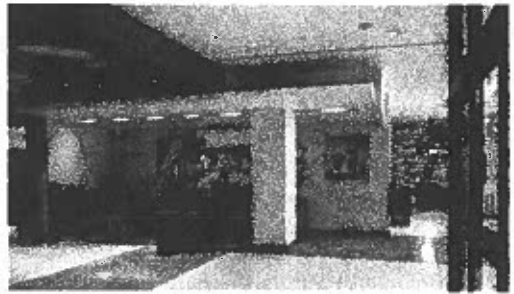
→ WATERFORD continued from page 10

COMMITMENT TO REVITALIZING HARTFORD

For Waterford, the hybrid development was “a significant project,” said Wolman. The company has for years maintained a strong presence in the Hartford area, already managing the 409-room Hartford Marriott Downtown as well as the Connecticut Convention Center. The company first acquired the Hilton Hartford in 2004.

“This project exemplifies Waterford’s unwavering commitment to Hartford’s revitalization, a commitment that began over 25 years ago. Our partnership with the State of Connecticut on Adriaen’s Landing stands as a testament to this dedication. The project transformed a key area into a vibrant hub, encompassing the Connecticut Convention Center, Marriott Hartford Downtown, Connecticut Science Center, and the Front Street District with its apartments, retail, and University of Connecticut Hartford campus,” he said.

Given its heavy commitment to the city, it’s no surprise that Wolman emphasized the importance of the project economically, particularly as it relates to local employment. “This transformation not only saved existing hotel jobs, but also created new ones throughout



the development, construction, and reopening phases. The DoubleTree by Hilton and The Revel Apartments represent a significant investment in Hartford’s economic well-being and its workforce,” he said.

Wolman also touted the company’s longstanding relationship with Hilton, who worked closely with Waterford to find solutions while rebranding and repositioning the property. “They have been a great partner for decades. ... We’re thrilled to retain the Hilton name on it,” he said.

Waterford Hotel Group President Michael Heaton noted, “We took a negative and turned it into a positive.” He added, “It all came together well. We’re excited because DoubleTree is a good brand. Hilton is a good partner and the City and the State have been behind everything we’re doing. You need those hotel rooms to attract conventions to the city.”

For Waterford Hotel Group—a national management firm with some 30 hotels in its portfolio of major branded and independent hotels—the future is bright as well, according to Wolman.

“This innovative approach is a testament to Waterford’s growth strategy. We see mixed-use developments like this as a promising avenue for the future, and we’ll continue to explore similar projects,” he said.

44