

Agenda
CRDA Board Meeting
November 21, 2024
Virtual - Teams Meeting
3:00pm

- 3:00pm – 3:00pm • Call to Order & Minutes {10-17-24} *
- 3:00pm – 3:05pm • Finance Report
 - Quarterly Financial Statements/Update
- 3:05pm – 3:15pm • Mayor Reports
 - Hartford Mayor Arunan Arulampalam
 - East Hartford Mayor Connor Martin
- 3:15pm – 3:25pm • Housing & Neighborhood Committee
 - Project Updates
- 3:25pm – 3:35pm • Regional & Economic Development Projects Committee (RED)
 - Project Updates
 - 89 Arch – Lease Amendment & PILOT Agreement *
- 3:35pm – 3:45pm • Venue Committee
 - XL Center
 - Ticketing RFP
 - Pratt & Whitney Stadium at Rentschler Field
 - CT Convention Center
- 3:45pm – 4:00pm • Executive Director
 - Construction Report
 - Search Committee
 - MDC/CRDA
 - MRDA MOU *
- 4:15pm – 4:30pm • Executive Session
 - Personnel
 - Audit RFP *
- 4:30pm • Adjourn

** Vote Item*

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Draft
Minutes
October 17, 2024

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

Thursday, October 17, 2024

3:00pm – virtual meeting with in-person 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; Matthew Pugliese; Pam Sucato; Andrew Diaz-Matos; Olusegun Ajayi; Mayor Connor Martin; Seila Mosquera-Bruno; David Jorgensen; Bob Patricelli; Mayor Arunan Arulampalam

Board Members Absent: Joanne Berger-Sweeney

CRDA Staff Present: Michael Freimuth; Joseph Geremia; Anthony Lazzaro; Robert Houlihan; Jennifer Gaffey; Terry Mitchell Smith; Kim Hart; Mark O’Connell; Derek Peterson

Guests: David Rosenfeld, Co-Founder/Partner, GoodWorks Entertainment; Tyler Grill, CEO/Co-Founder, GoodWorks Entertainment

Minutes

The minutes from September 19, 2024, were moved by Matthew Pugliese, seconded by Andrew Diaz-Matos and approved.

GoodWorks Entertainment Presentation

David Rosenfeld, Co-Founder/Partner, GoodWorks Entertainment along with Tyler Grill, CEO/Co-Founder, GoodWorks Entertainment gave a presentation to the Board regarding Infinity Hall on Front Street. Mr. Rosenfeld gave a brief history on their business. He gave an update on Hartford’s New Music Festival, Capitol Groove and Hartford Live, A free Music Series and spoke about the challenges and support that is needed to continue to grow and thrive on Front Street. Mr. Rosenfeld is asking for CRDA to partner with them to secure a three-year agreement with CRDA at \$50,000 and a corporate match of the same per year.

Board Members asked questions of Mr. Rosenfeld and discussed how they will need to bring this up at the Venue Committee to see if this request might be workable.

Th Board Meeting schedule for the remainder of 2024 and 2025 was provided to the Board for review.

CRDA Board Meeting dates 2024-2025

To: Board of Directors- Capital Region Development Authority (CRDA)

From: Michael Freimuth

Date: October 15, 2024

Subject: CRDA Board Meeting dates 2024-2025

The CRDA Board Meeting dates are listed below:

CRDA Board meetings will always be virtual, however in-person once a fiscal quarter.

Month/Year

Meeting Day/Dates

October 2024	Thursday, October 17, 2024, 3:00pm
November 2024	Thursday, November 21, 2024, 3:00pm
December 2024	No Meeting
<u>January 2025</u>	Thursday, January 16, 2025, <u>6:00pm, in-person</u>
February 2025	Thursday, February 20, 2025, 3:00pm
March 2025	Thursday, March 20, 2025, 3:00pm
April 2025	Thursday, April 17, 2025, 3:00pm
May 2025	Thursday, May 15, 2025, 3:00pm
<u>June 2025</u>	Thursday, June 19, 2025, <u>6:00pm, in-person</u>
July 2025	<i>Thursday, July 17, 2025 (call of Chair)</i>
August 2025	No Meeting
September 2025	Thursday, September 18, 2025, 3:00pm
October 2025	Thursday, October 16, 2025, 3:00pm
<u>November 2025</u>	Thursday, November 20, 2025, <u>6:00pm, in-person</u>
December 2025	No Meeting

Finance Report

CRDA CFO Joseph Geremia reported on the following October 2024 Financials:

Fiscal Year 2025 Operating Statistics

CT Regional Market - Aug. 2024

- Stats: Occupancy: 82% with 12 tenants
- Activity: Farmers' Market: 2024 season opened on April 6
Approx. 20,050 YTD seasonal attendance
- Aug. financials: Operating revenue \$13,800 favorable to budget due to seasonal parking agreements
Operating expenses \$6,000 favorable to budget due to savings in maintenance deferred to spring
Net income of \$13,400 favorable to budget by \$19,800
Total year projection of \$122,400 net income even with budget

CRDA Parking Facilities – Aug./Sept. 2024

- Stats (Sept.): Utilization of 77% is favorable to budget by 5%
- Aug. financials: \$101,600 favorable to budget due to increase in monthly parkers
Expenses \$204,300 favorable compared to budget due to favorable utility expense and timing of insurance invoices offset slightly with increased repairs & maintenance
Net income of \$12,500 favorable to budget by \$305,900
Total year projection of \$358,800 net income even with budget

Church Street Garage – Aug./Sept. 2024

- Stats (Sept.): Utilization of 36% is favorable to budget by 14%
- Aug. financials: Revenues \$73,000 favorable to budget due to increase in monthly residential parkers and corporate validations
Expenses \$50,200 favorable compared to budget due to favorable utility expense and timing of security and IT invoices offset slightly with increased repairs & maintenance
Net loss of \$88,700 favorable to budget by \$123,200
Total year projection of \$77,000 net income even with budget

Bushnell South Garage – Aug. 2024

Stats: Averaging 160 state vehicles per day-42% utilization
Tuesday through Thursday average of 200 state vehicles per day
Aug. financials: \$1,800 favorable to budget due to event revenues
Expenses \$19,500 favorable compared to budget due to favorable utility expense and timing of IT and misc. services invoices
Net loss of \$94,500 favorable to budget by \$21,300
Total year projection of break-even with CRDA appropriation even with budget
Bushnell Theatre event parking cooperation – operations personnel coordination

CT Convention Center – Aug. 2024

Event Update: Hosted 8 events this fiscal year with YTD attendance over 70,000
Scheduled for 136 events this fiscal year vs. budget of 135 events
Aug. financials: Revenues \$66,800 unfavorable to budget due to event cancellation
Expenses \$25,800 favorable to budget due to savings in event personnel and vacant positions
Net operations unfavorable to budget by \$41,000
Total year projection even with budget with CRDA appropriation

XL Center – Aug. 2024

Event Update: No hosted events
Scheduled for 112 events this fiscal year
Aug. financials: No event revenues
Other Income \$1,500 favorable compared to budget
Operating expenses \$25,600 favorable compared to budget due to savings in personnel offset slightly with increased insurance expense
Hockey operations \$31,800 favorable compared to budget due to savings in sales personnel
Net operations favorable to budget by \$58,900, excluding sports lounge net operations
Total year projection of \$3,300 net income even with budget with CRDA appropriation, exclusive of estimated sports lounge net operations loss
Sports lounge weekend activity outperforming minimal weekday activity
Launched a new menu and operations hours in September
Sports betting CT Lottery YTD net revenue of \$6,300 through Aug. 2024
Sports lounge net operations loss of \$32,400 through Aug. 2024 \$2,000 favorable compared to budget.

P&W Stadium at Rentschler Field – Aug. 2024

Event Update: 11 parking lot and catered events held
Aug. financials: Event revenue \$7,600 unfavorable compared to budget
Operating expenses \$11,000 favorable compared to budget due to event savings in personnel
Other Income \$12,700 favorable to budget due to increased cell tower revenue
Net operations favorable to budget by \$16,100
Total year projection of \$8,100 net income even with budget with CRDA appropriation

Mayor Reports

Hartford

Mayor Arunan Arulampalam reported on various City projects that are under construction including Albany Woodland; 614 Albany; 270 Albany Ave.; Bristol & Main; Arrowhead; DONO Parcel B; Data Center; 525 Main Street; 275 Pearl Street; UConn Dorms.

East Hartford

Mayor Connor Martin reported on various Town projects that are under construction including Main Street; Bissell Street; Concourse Park; Silver Lane Plaza; McCarten School; Founders Plaza; Commerce Park; Riverfront Recapture, Army Corp of Engineers was reached and connected with Riverfront Recapture – Both Port Authority Grant & Recreational Trails Grants were obtained.

Housing & Neighborhood Committee

Derek Peterson, CRDA Senior Underwriter, gave an overview of CRDA Housing projects that are in various stages of development including two projects brought forth by the Housing & Neighborhood Committee for support by the Board.

Project: Elm & Capitol

Address: 65 Elm St., and 100 Capitol Ave., Hartford, CT

Developer: Spinnaker

Background: 65 Elm Street and 100 Capitol Avenue (The “Project” or “Development”) are part of a larger redevelopment known as the Bushnell South Neighborhood Development (“Bushnell South”). The area includes public and private land for development, controlled by the Goody/Clancy masterplan. The long-term goal of the plan is to transform 20-acres of empty blocks and surface parking to a new, mixed-use neighborhood focusing on pedestrian friendly access to multifamily residential, arts, entertainment, and public spaces. The addition of 65 Elm Street and 100 Capitol Avenue will create continuity from Main Street to Bushnell Theatre and the State Capitol.

Spinnaker Real Estate Partners (“Spinnaker,” or “Borrower”) is a national multifamily developer that has experience in Bushnell South at 55 Elm Street, on the same block as the Project and currently under construction. CRDA helped finance 55 Elm, with a \$7 million permanent loan, and a \$6.5 million bridge loan for State Historic Tax Credits. Spinnaker expects to monetize the tax credits by year-end. The Borrower has requested that funds coming back from tax credits be applied to the 65 Elm and 100 Capitol Avenue Project, consistent with the Board’s approval of the 55 Elm Street project in March 2021. While both properties, or “phases,” make up the Project, CRDA is considering 65 Elm and 100 Capitol separately. Spinnaker will start construction on 65 Elm, and only if the full \$6.5 million tax credit is monetized will CRDA participate in the second phase, applying the returned proceeds to the construction of 100 Capitol Avenue.

The Project: The Development includes two new apartment buildings in Bushnell South consisting of 239 units, with 20% below market rate units (50%-120% AMI). 65 Elm will contain 127 apartment units and 3,250 sq. ft. of retail, while 100 Capitol will contain 112 apartment units and 5,250 sq. ft. of retail. The retail is expected to complement the long-term goals of Bushnell South, and may include restaurant tenants, studios, galleries and shops, consistent with the plan. The unit mix will consist of spacious studios, one- and two-bedroom apartments, and amenities such as a pool, beer garden, courtyard, a linear green and a sunken garden that will all be shared. Access to both properties will be to the north along Elm Street, with additional parking access to the east via Hudson Street. To the south, street parking will be allowed for tenants along 100 Capitol.

An estimated 466 parking spaces will support the Project and 55 Elm Club, providing a total of 1.2 parking spaces per unit.

Proposal: Staff recommends making a loan of up to \$8,000,000 to Spinnaker for the development of 127 apartment units at 65 Elm Street in Bushnell South. Only if \$6.5 million in tax credits from 55 Elm Street are monetized, will an additional \$1,500,000 in loan proceeds become available for the development of 112 apartment units at 100 Capitol Avenue. This will result in a total loan allocation of \$8 million to each property, or \$67,000 per unit (and a total of \$9.5 million requested from Bond Commission). Each proposed loan will have a term of 10-years and earn interest at 3%, with an interest only period for the first 36 months. Principal and interest payments will be made for the remaining 84 months, or until the loan pays off. Interest payments will be calculated using a 360-month amortization schedule and the loan is pre-payable at any time without penalty.

The following motion was moved by Bob Patricelli, seconded by David Jorgensen and approved.

1) The Executive Director is authorized to make a construction-to-permanent loan to Spinnaker Real Estate Partners, LLC (or such single purpose entity as approved by CRDA) in the amount of \$8 million, to be used for the construction of approximately 137 units of housing (20% income restricted units) at 65 Elm Street. The loan will carry a 10-year term at 3% interest-only for years 1-3 and amortizing principal and interest on a 30-year/360-month basis beginning in year four. The loan will be subject to State of Connecticut Bond Commission approval, all financing sources being secured, and such fiduciary terms as deemed necessary by the Executive Director and CRDA counsel. 2) Further, the Executive Director is authorized to make a construction-to-permanent loan to Spinnaker Real Estate Partners, LLC (or such single purpose entity as approved by CRDA) in the amount of up to \$8 million, to be used for the construction of approximately 112 units of housing (20% income restricted units) at 100 Capitol Avenue. The loan will carry a 10-year term at 3% interest for years 1-3 and amortizing principal and interest on a 30-year/360-month basis beginning in year four. The loan will be subject to the successful monetization of approximately \$6.5 million in tax credits related to 55 Elm Street, resulting in a reduction of the 55 Elm St. loans with the repayment of such funds into the CRDA Housing Revolving Capital Fund, the subsequent application of this \$6.5 million to the loan, and requesting approximately \$1.5 million from State of Connecticut Bond Commission. This loan will also be subject to State of Connecticut Bond Commission approval, and other such fiduciary requirements deemed necessary and appropriate by the Executive Director and CRDA counsel.

***Project: Commerce Center Apartments
Address: Riverview Square, East Hartford, CT
Developer: The Simon Konover Company***

Background: Commerce Center Apartments (The “Project”) is a proposed multi-family development located in East Hartford, consisting of 150 new apartment units along the Connecticut River with walkability to downtown Hartford. The property is over 35-acres in size, and has been owned and managed by Eastford Associates, an affiliate of Simon Konover Co. (“Konover”), for over 40-years. Konover originally envisioned the site as an office development, but with changing workforce dynamics and the supply-demand imbalance for apartments in Greater Hartford, the highest and best use shifted towards housing. Konover has approached the Town of East Hartford and CRDA to provide up to \$6.5 million in second-position financing and has finalized an 8-year graduated tax abatement with the town, which will help make the Project economically feasible. Like other CRDA projects in East Hartford, the funds are specific to East Hartford and will be made available through a Memorandum of Understanding (“MOU”).

The Project: The proposed Project contemplates developing the vacant site into 150 multifamily units. Early plans show five, three-story buildings surrounding both covered and uncovered surface parking, with two

points of ingress/egress along East River Drive. The unit mix will consist of 19 studios, 38 one-bedroom, 75 two-bedroom and 18 three-bedroom units. Community amenities include a clubhouse which will house a management office, fitness center, dedicated work-from-home spaces, a community room and café area. Outdoor amenities adjacent to the clubhouse include a pool, lounge area and grilling stations. The site is located between the American Eagle Financial Credit Union and Two Rivers Magnet School, and benefits from easy highway access to Route 2, Route 15, I-84 as well as direct connectivity to trails along the Connecticut River. Walking north along the river provides access to Great River Park, Founders Plaza (also a priority for redevelopment by the town), the pedestrian friendly Founders Bridge, and downtown Hartford. South of the Project is riverside greenspace and trails leading to Goodwin University's recently built and growing Riverside Campus.

Proposal: Staff recommend making a loan of up to \$6,500,000 to Konover for the development of 150 apartment units in East Hartford. The proposed loans will carry a term of 10 years and earn interest at 3.00%, with an interest only period for the first 36 months. Principal and interest payments will be made for the remaining 84 months, or until the loan pays off. Interest payments will be calculated using a 360-month amortization schedule and the loan is pre-payable at any time without penalty.

Board members inquired about the program and if it is a condition of the bonding? Mr. Freimuth responded stating that it is a specific allocation by the legislature for East Hartford through CRDA and any funds that come back will go back into this fund.

The following motion was moved by David Jorgensen seconded by Andrew Diaz Matos and approved.

The Executive Director is authorized to make a construction-to-permanent loan of up to \$6.5 million to Simon Konover (or such single-purpose entity acceptable to CRDA) for the purposes of developing 150 apartment units (\$43,333/unit) in East Hartford, CT. The loan will carry a 10-year term at 3% interest-only for years 1-3 and amortizing principal and interest on a 30-year/360-month basis beginning in year four. The loan is subject to State of Connecticut Bond Commission approval, all financing sources being secured, a new or amended Memorandum of Understanding ("MOU") executed with the Town of East Hartford, and such fiduciary terms as deemed necessary by the Executive Director and CRDA counsel.

Mr. Freimuth added that the \$6.5 Million comes out of the East Hartford projects account, that is specifically dedicated to the Town of East Hartford.

Mr. Peterson also reported on the following projects:

275 Windsor; 30 Laurel Street; 31-45 Pratt; 18-30 Trinity Street; 847 Asylum Street

Mr. Freimuth noted that 18 Temple refinance approved by Housing and Neighborhood Committee, was subsequently modified to be within CRDA Loan Agreements and no longer needed Board approval.

Regional & Economic Development Projects Committee (RED)

Mayor Martin reported that his mayor report touched on the RED projects.

Pulaski Circle update: Pam Succato, CTDOT reported that in mid-September the CTDOT was developing conceptual plans for the improvements of Pulaski Circle. The project is intended to provide safety improvements to achieve reduced vehicle speeds, easier traffic controls and safe access for pedestrian/bicycle use. Currently this is in the project development phase/ proof of concept phase. Over the next two months CTDOT will be primarily focusing on traffic patterns and modeling with the goal of narrowing down

alternatives that will eventually lead to a conceptual plan that can be brought to the public in the Summer of 2025.

Mr. Freimuth gave an overview of the planning study for the Southside Institutions Neighborhood Alliance (SINA) Washington Street Development Plan. Below is the summary and the motion:

Project: Washington Street Development Plan

Background: The Southside Institutions Neighborhood Alliance (“SINA”) is a partnership between Connecticut Children’s Medical Center, Hartford Hospital and Trinity College. Since 1978, the Alliance has collaborated with community stakeholders to foster economic vitality and improve the health and quality of life of the people who live, work, visit, study and play in the neighborhoods of South Central Hartford.

The redevelopment of the Washington Street corridor, extending from the State Capitol to New Britain Avenue, is central to SINA’s mission and is identified as a transformative project in the City’s Plan of Conservation and Development. Over the next few years, this area will see significant investment, including a \$326 million expansion of Connecticut Children’s. Looking to build on such momentum, SINA will convene a planning committee and undertake a development planning study that will look at the following components:

- Innovation - Creation of a med-tech corridor,
- Healthier neighborhood - Quality rental housing - particularly for medical staff working in the area - as well as a grocery store, day care and fitness facilities,
- Neighborhood Prosperity - Commercial development, including neighborhood amenities (i.e., restaurants, dry cleaners, laundromat) and medical-related businesses,
- Enhanced Safety and Environment - Reimagined streetscapes that address traffic and pedestrian flows, new lighting and signage,
- Community Trust – Ways to strengthen neighborhood partnerships, and
- Investment – Identify priority projects and potential funding sources.

CRDA has been asked to participate in the planning committee and to contribute toward the cost of the planning study. It should be noted that the redevelopment of the Washington Street corridor ties seamlessly into our work on the Bushnell South project, which sits at the northeast corner of the corridor.

SINA Development Planning Budget:

Liberty Bank	\$15,000
LAZ Foundation	\$ 7,500
Webster Bank	\$ 5,000
<u>CRDA Grant</u>	<u>\$25,000</u>
Total	\$52,500

The following motion was moved by Connor Martin seconded by Andy Bessette and approved.

“The Executive Director is authorized to grant up to \$25,000 to the Southside Institutions Neighborhood Alliance for the purpose of hiring a consultant to undertake a development planning study for the Washington Street Corridor in Hartford. Such funding shall be subject to 1) all other required funds being secured and 2) such fiduciary terms and conditions as deemed necessary and appropriate by the Executive Director and CRDA counsel.”

Venue Committee

Andy Bessette reported on the various venues and events for the October 2024 Board Meeting.

XL Center

Over 12,000 fans attended a sold-out Sabrina Carpenter concert at the XL Center on October 2nd. The event was an enormous success for the facility with actual revenues nearly double OVG's preliminary estimates.

The Wolf Pack will play their first home game of the 2024-25 season tomorrow evening against the Springfield Thunderbirds. UConn hockey played its first XL game of the season on October 12th, defeating Holy Cross in front of about 1,800 fans. The UConn Women's basketball team will play their first XL game of the season on November 7th, with the men playing their first game on November 9th.

Other upcoming events include a Chris Tomlin concert on October 23rd. Nitro Circus - featuring BMX, freestyle motorcross and scooter stunts and competition - will be in the building on November 22nd.

Bob Houlihan, CRDA's Director of Design and Building Services, gave an update on the XL construction. Mr. Houlihan suggested a tour of the construction in the near future. Chair Robinson suggested once there are a few milestones, taking the Board through the project on a particular day is a good idea.

Pratt & Whitney Stadium

UConn football is now undefeated at home, playing four games at the Stadium to date. Attendance is steadily increasing, with an average of nearly 15,000 fans per game. The next game is scheduled for October 19th against Wake Forest.

OVG has announced that the Stadium will once again host the "Magic of Lights" drive through holiday light show. The event will run from November 22nd through January 4th.

Connecticut Convention Center

Upcoming events include the Aerospace Components Manufacturers' job fair and trade show, as well as the 45th Annual Home Show and the Greater Hartford Arts Council gala.

The building will once again host "Glow", an indoor holiday light festival that will run from November 29th through December 29th.

Repair work has begun on the waterproofing and pavers of the Convention Center's riverfront esplanade. The project is estimated to take about three months to complete (weather-permitting) and will utilize \$2 million approved by the Bond Commission in June. Repair of the buildings outside elevators has been delayed by issues with securing parts, but work is set to begin shortly.

Executive Director

Mr. Freimuth shared a Construction Project update that is found in the package. He mentioned that the Mayor reported on 525 Main Street & 275 Pearl Street, the two projects were financed through the City's revolving loan fund and have both run into supply chain issues primarily switch gear, which is affecting the schedules.

The Steeple Restoration of Liberty Christian on Vine Street is almost complete as the scaffolding will be coming down soon.

UConn Dorm – working through legal documents

Grocery Store – the City of Hartford has another request for a grocery store for the North End. These funds have been held for some time so hopefully something will happen with this request.

Parkville – BID District analysis and recommendations are underway.

Bushnell South. – there are a variety of moving pieces including the two new projects with Spinnaker and significant progress in discussions with MDC on coming up with an alternate method to manage flood issues in the neighborhood and it ties into what Pam Sucato reported on. It envisions the construction of a new storm drainage system in the immediate area of Elm and Buckingham, intersecting at Hudson and traveling to the circle. This will be helpful in that retention systems will not have to be built out for the project.

The Parking Study is still getting through the contract stage.

The Michael's Organization (TMO) sent a budget, spreadsheet and project proforma.

Urban Land Institute – Mr. Freimuth called the Boards attention to an article in the package regarding “The Future of American Downtowns”.

Search Committee – Chairman Robinson reported that he created a temporary subcommittee of the Board to handle the Search process. Staff have reached out to outside search firms with the intent of bringing someone on board to help with the process and the Search Committee will keep the full Board apprised as it moves through the process of a new Executive Director.

Board members had questions regarding the Draft job specs and Chairman Robinson suggested that would be worked on as part of the Search Committee process.

Legislative Session – This session will set a bi-annual budget. The Venue Committee will need to lend guidance on the transition at XL to OVG. The Executive Committee will need to lend guidance on the budget with OPM, as COVID funds will no longer be part of the budget.

Chairman Robinson asked when the budget must be given to OPM. Mr. Geremia responded stating that he has already been working with draft budgets going back and forth with OPM before session begins. CRDA needs to document how CRDA has done over the past years and what to do with the XL Center budget, do we include full subsidy in the first year of the bi-annual budget or both years based on the construction budget and progress?

The Board adjourned at 4:37pm. The next meeting will be virtual on November 21, 2024, 3:00pm

Finance Report

Quarterly Financial Statements/Update

CAPITAL REGION DEVELOPMENT AUTHORITY

Balance Sheets

September 30, 2024 and June 30, 2024

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
Current Assets:		
Unrestricted Cash and Cash Equivalents	\$ 29,667,260	\$ 29,007,054
Restricted Cash and Cash Equivalents	38,314,229	38,853,949
Accounts Receivable, Net	1,765,701	3,713,544
Lease Receivable	1,793,215	1,793,215
Loans Receivable: Housing-Current, Net	374,961	291,662
Due from State of Connecticut	-	-
Other Current Assets	989,972	581,031
Total Current Assets	<u>\$ 72,905,338</u>	<u>\$ 74,240,455</u>
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	\$ 4,891,964	\$ 5,437,070
Lease Receivable-Noncurrent	13,717,553	13,717,553
Loans Receivable-Housing, Net	162,145,994	157,337,729
Capital Assets Not Being Depreciated:		
Construction in Progress	96,606	693,581
Capital Assets Being Depreciated:		
General Operations, Net	33,171	33,370
Adriaen's Landing, Net	181,445,152	183,650,135
XL Center, Net	58,861,654	60,403,311
Church Street Garage, Net	21,078,709	21,476,553
Bushnell South Garage, Net	15,880,013	15,988,040
Intangible Assets Being Amortized:		
Right-To-Use Parking System Arrangements, Net	970,380	970,380
Total Noncurrent Assets	<u>459,121,196</u>	<u>459,707,722</u>
Total Assets	<u>\$ 532,026,534</u>	<u>\$ 533,948,177</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Deferred Amount for Pension	\$ 1,991,665	\$ 1,991,665
Deferred Amount for OPEB	1,973,468	1,973,468
Total Deferred Outflows of Resources	<u>\$ 3,965,133</u>	<u>\$ 3,965,133</u>
<u>LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION</u>		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 49,695,593	\$ 50,255,912
Accrued Interest Payable	633,803	100,225
Current Portion of Bonds Payable	4,475,000	4,475,000
Current Portion of Loan Payable	858,811	858,811
Parking System Arrangements	646,920	646,920
Total Current Liabilities	<u>\$ 56,310,127</u>	<u>\$ 56,336,868</u>
Noncurrent Liabilities:		
Due to State of Connecticut-Contract Assistance	\$ 70,256,074	\$ 70,256,074
Bonds Payable, Net	51,207,466	51,236,376
Loan Payable	2,137,066	2,347,768
Parking System Arrangements	323,460	323,460
Net Pension Liability	4,725,396	4,725,396
Net OPEB Liability	6,434,272	6,434,272
Total Noncurrent Liabilities	<u>135,083,734</u>	<u>135,323,346</u>
Total Liabilities	<u>\$ 191,393,861</u>	<u>\$ 191,660,214</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Leases	\$ 15,076,468	\$ 15,076,468
Deferred Amount for Pension	1,505,858	1,505,858
Deferred Amount for OPEB	2,696,305	2,696,305
Total Deferred Inflows of Resources	<u>\$ 19,278,631</u>	<u>\$ 19,278,631</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 148,460,888	\$ 153,070,961
Restricted for:		
Housing Loans	159,080,887	157,629,391
Central Utility Plant	1,016,339	1,204,081
Other	4,885,643	5,090,811
Unrestricted	11,875,418	9,979,221
Total Net Position	<u>325,319,175</u>	<u>326,974,465</u>
Total Liabilities, Deferred Inflow of Resources, and Net Position	<u>\$ 535,991,667</u>	<u>\$ 537,913,310</u>

See accompanying Notes to Financial Statements

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CAPITAL REGION DEVELOPMENT AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position

For the quarter ended September 30, 2024 and 2023

	<u>2025</u>	<u>2024</u>
Operating Revenues:		
Grants - State of Connecticut/Other:		
Operational	\$ 361,256	\$ 324,986
Development District, Subsidy and other	2,350,000	2,350,000
American Rescue Plan Act funds	-	-
Combined Facilities:		
Convention Center	2,520,562	2,415,879
Parking	1,739,016	1,642,056
Central Utility Plant	363,126	427,801
XL Center	551,712	766,372
Church Street Garage	309,479	226,783
Bushnell South Garage	17,223	7,730
CT Regional Market	303,936	294,811
Front Street District	-	-
Other Income (CRDA)	243,625	15,000
Total Operating Revenues	\$ 8,759,935	\$ 8,471,418
Operating Expenses:		
Authority Operations:		
Personnel	\$ 406,247	\$ 301,382
General and administrative	87,047	68,964
American Rescue Plan Act expenses	-	-
Pension expense and OPEB Expense	259,497	262,847
Combined Facilities:		
Convention Center	4,033,192	3,706,064
Parking	1,707,081	1,697,614
Central Utility Plant	301,640	316,662
XL Center	2,894,465	2,252,444
Church Street Garage	385,581	381,052
Bushnell South Garage	134,749	134,641
CT Regional Market	221,866	163,912
Front Street District	16,922	388
Bond Administration	42,136	73,037
Other State Facilities	300,000	300,000
Depreciation and Amortization	4,783,150	4,293,643
Total Operating Expenses	\$ 15,573,573	\$ 13,952,650
Loss From Operations	\$ (6,813,638)	\$ (5,481,232)
Nonoperating Revenue (Expense):		
Interest Income	\$ 993,671	\$ 766,879
Interest Expense	(543,872)	(628,649)
Total Nonoperating Revenue, Net	\$ 449,799	\$ 138,230
Loss Before Capital Contributions and Transfer	\$ (6,363,839)	\$ (5,343,002)
Capital Contributions	\$ 79,484	\$ (95,044)
Transfer - State of Connecticut Housing Loan Program	\$ 4,629,065	\$ 9,792,461
Change In Net Position	\$ (1,655,290)	\$ 4,354,415
Net Position, Beginning of Year, as restated	\$ 326,974,465	\$ 306,046,502
Net Position, End of Year	\$ 325,319,175	\$ 310,400,917

See accompanying Notes to Financial Statements

Financial Update – November 2024

Fiscal Year 2025 Financial Statements for the Three Months Ending 9/30/2024

Balance Sheet

- Accounts Receivable increase reflects increased venue event activity
- Non-current housing loan asset increase reflects housing construction drawdowns from 55 Elm St. and Fuller Brush renovation.

Statement of Revenues, Expenses and Changes in Net Position

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

Fiscal Year 2025 Operating Statistics

CT Regional Market - Sept. 2024

Stats: Occupancy: 82% with 12 tenants

Activity: Farmers' Market: 2024 season - April through November

Approx. 21,000 YTD seasonal attendance

Sept. financials: Operating revenue \$31,300 favorable to budget due to seasonal parking agreements

Operating expenses \$11,300 favorable to budget due to savings in maintenance deferred to spring

Net income of \$82,100 favorable to budget by \$42,600

Total year projection of \$122,400 net income even with budget

CRDA Parking Facilities – Sept./Oct. 2024

Stats (Oct.): Utilization of 80% is favorable to budget by 7%

Sept. financials: Revenues \$71,100 favorable to budget due to increase in monthly parkers

Expenses \$154,700 favorable compared to budget due to favorable utility expense and timing of insurance invoices offset slightly with increased repairs & maintenance

Net income of \$35,300 favorable to budget by \$225,800

Total year projection of \$358,800 net income even with budget

Church Street Garage – Sept./Oct. 2024

Stats (Oct.): Utilization of 33% is favorable to budget by 10%

Sept. financials: Revenues \$112,700 favorable to budget due to increase in monthly residential parkers and corporate validations

Expenses \$56,900 favorable compared to budget due to favorable utility expense and timing of security and IT invoices offset slightly with increased repairs & maintenance

Net loss of \$64,100 favorable to budget by \$169,600

Total year projection of \$77,000 net income even with budget

Financial Update – November 2024 (cont.)

Bushnell South Garage – Sept. 2024

Stats: Averaging 180 state vehicles per day-47% utilization

Tuesday through Thursday average of 225 state vehicles per day

Sept. financials: Revenues \$9,400 favorable to budget due to event revenues

Expenses \$20,700 favorable compared to budget due to favorable utility expense and timing of IT and misc. services invoices

Net loss of \$115,200 favorable to budget by \$30,100

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

Bushnell Theatre event parking cooperation – operations personnel coordination

CT Convention Center – Sept. 2024

Event Update: Hosted 17 events this fiscal year with YTD attendance over 82,000

Scheduled for 123 events this fiscal year vs. budget of 135 events

Sept. financials: Revenues \$11,200 favorable to budget due to increased concession revenue and event cancellation

Expenses \$100,600 favorable to budget due to savings in event personnel and vacant positions

Net operations favorable to budget by \$111,800

Total year projection even with budget with CRDA appropriation

XL Center – Sept. 2024

Event Update: 3 events this fiscal year with YTD approximate attendance of 8,500

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

Concerts holds during Q3 in FY2025

Sept. financials: Event revenue \$365,200 unfavorable to budget due to cancelled concert (\$215,800) and underperforming misc. family events (\$149,400)

Other Income \$37,700 unfavorable compared to budget due to timing of sponsorship partners and ticket charge fees

Operating expenses \$60,500 favorable compared to budget due to savings in personnel offset slightly with increased insurance expense and credit card fees

Hockey operations \$56,900 favorable compared to budget due to savings in sales personnel

Net operations unfavorable to budget by \$285,500, excluding sports lounge net operations

Total year projection of \$3,300 net income even with budget with CRDA appropriation, exclusive of estimated sports lounge net operations loss

Sports lounge weekend activity outperforming minimal weekday activity

Launched a new menu and operations hours in September

Sports betting CT Lottery YTD net revenue of \$44,900 through Oct. 2024

Sports lounge net operations loss of \$192,700 through Oct. 2024 is \$3,300 unfavorable compared to budget.

P&W Stadium at Rentschler Field – Sept. 2024

Event Update: 3 UConn football games with 13 parking lot and catered events held

Sept. financials: Event revenue \$119,000 unfavorable compared to budget with \$131,700 attributed to an unfavorable UConn football season offset slightly by \$12,700 favorable parking lot and catered events compared to budget

Operating expenses \$12,700 favorable compared to budget due to event savings in personnel

Other Income \$11,000 favorable to budget due to increased cell tower revenue

Net operations unfavorable to budget by \$95,300

Total year projection of \$8,100 net income even with budget with CRDA appropriation

Housing & Neighborhood Committee

CRDA Housing Approval

Project	# Units	TDC	TDC/Unit	CRDA Amt.	CRDA \$/Unit	Mkt/Aff Split	Structure	CRDA Bd. Approval	Bond Commission	Closed	Target Occupancy	Leased ¹
777 Main	285	\$84.5M	\$296K	\$17.7M	\$62K	80/20	\$7.5M equity \$10.2M 2nd mortgage	1/30/2013 3/21/2013	3/13/2013	3/28/2014	Renting	98%
201 Ann/Grand	26	\$4.45M	\$202K	\$3.8M/\$750K	\$28.8K	100	Note Paid Off	4/25/2013	6/21/2013	10/29/2013	Renting	86%
179 Allyn	63	\$14.89M	\$233K	\$6.5M	\$103K	80/20	\$3.25M equity, \$3.25M 2nd Loan Refi 2022	3/21/2013 3/24/2022	6/21/2013	11/15/2013	Renting	84%
Sonesta/Spectra	190	\$23.9M	\$123K	\$2.05M	\$10.6K	85/15	Note Paid Off	6/4/2013	6/21/2013	12/5/2013	Renting	97%
Capewell	72	\$26.1M	\$359K	\$5.0M	\$69.4K	80/20	construction financing/converted to mortgage note	1/15/2014 2/16/2023	2/28/2014 11/16/2014	6/30/2015	Renting	96%
390 Capitol	112	\$35.3M	\$290K	\$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	\$306K	\$300K	\$50K	100	construction/perm loan 1-3% 30 yr.	6/19/2014	7/25/2014	4/8/2015	Renting	100%
38-42 Elm	6	\$1.24M	\$206K	\$349,350*	\$61.5K	100	loan 3% 30 yr.	6/19/2014 2/18/2016	7/25/2014	2/25/2015	Renting	66%
1279-83 Main	10	\$1.35M	\$135K	\$297K	\$29.7K	100	loan 3% 25 yr.	5/21/2015 6/16/2016 11/30/2017 11/19/2020	7/28/2015	9/9/2016 9/20/2019 12/12/2020	Renting	100%
370 Asylum	60	\$20.3M	\$338K	\$4M	\$66K	70/30	loan <3%, 20 yr.	6/18/2015 2/18/2016	3/24/2016	9/29/2017	Renting	95%
Millenium	96	\$19.5M	* 2	\$6.5M	\$67.7K	100	Former Radisson, foreclosure 2/2021	10/15/2015	12/11/2015	3/31/2016	Renting	88%
81 Arch	53	\$23M	\$380K	\$5.6M	\$103.7K	100	Mezz 2% 10 yr.	10/20/2016 3/16/2017	11/15/2016	11/7/2017	Renting	100%
101 Pearl	157	\$28.4M	\$184K	\$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	\$6.06M	\$59.47K	100	construction/perm loan 3% 30 yr.	12/8/2016	5/12/2017	11/8/2017	Renting	96%
88 (103-21) Allyn	66	\$21.1M	\$319K	\$6.6M ⁶	\$103K	80/20	construction/perm loan 3% 5 yr.	12/8/2016 8/8/2018	2/1/2017 6/26/2019	10/31/2018	Renting	86%
Colt North	48	\$13.6M	\$283K	\$2.88M	\$60K	100	construction/perm loan 3% 20 yr.	5/18/2017	11/29/2017	7/2/2018	Renting	100%
28 High	28	\$5.5M	\$196.4K	\$1.9M	\$67.8K	80/20	loan 3% 30 yr., refi 8/21	2/2/2018	2/16/2018	8/29/2018	Renting	100%
100 Trumbull	8	\$750K	\$93.7K	\$480K	\$60K	100	loan 3% 20 yr.	9/21/2017	2/16/2018	4/12/2018	Renting	97%
246-250 Lawrence	12	\$1.5M	\$125K	\$521K	\$43.4K	100	Historic bridge loan - Paid off perm loan 3% 20 yr. (291K)	10/18/2018	12/11/2018	1/4/2019	Renting	100%
Colt "U"	28	\$7M	\$269K	\$1.5M	\$53.5K	100	loan 3% 20 yr.	1/10/2019	12/18/2019	11/30/2020	Renting	100%
Pratt I - 99 Pratt	129	\$29.8M	\$231K	\$12M	\$93K	100	\$3M&\$9M 1% 5yr.30yr.	10/17/2019 9/17/2020	12/18/2019	4/16/2021	Renting	100%

Pratt 2 - 18 Temple	47	\$34.9M	\$210K	\$2M	\$42.5K	90/10	New Units 47 / Total units 166 / 16 Aff. Units / 2.75% 30 yr. loan	9/17/2020	4/16/2021	10/15/2021	Renting	97%
Park/Main	126	\$26.8	\$212K	\$8.4M	\$66.7K	80/20	20 yr. 3% Park 39/Main 87	9/20/2018	9/20/2018	6/25/2020	Renting	98%
DoNo "C"	270	\$56.2M	\$208K	\$11.8M	\$43.7K	90/10	3% 30 yr. 15 yr. term	9/20/2018	9/20/2018	9/30/2020	Renting	95%
55 Elm	164	\$63.3M	\$385K	\$13.5M	\$81.3K \$42.1K	80/20	2% 30 yr. Perm. \$7M 2% bridge \$6.5M 15 yr. term	3/18/2021	4/16/2021	12/15/2022	2024	
DoNo "B"	237	\$63.3M	\$231K	\$13.6M	\$57.3K	90/10	3%, 30 yr.	12/6/2023	12/21/2021	6/15/2024	2025/6	
Revel (Hilton)	147	\$17.9M	\$121K	\$5.9M	\$40K	80/20	3%, 30 yr.	12/3/2021	12/15/2021	8/29/2022	Renting	80%
DoNo Arrowhead Block	45	\$18.3M	\$395K	\$4.1M	\$88.4K	80/20	2%, 30 yr., \$3.8M +\$300K	12/6/2023 10/20/2022	10/6/2023	6/14/2024	2025	
Colt "L" "East"	45	\$6.7M	\$148.8K	\$1.5M	\$33.3K	100	3%, 20 yr.	11/17/2022	12/8/2022	8/15/2023	Renting	93%
18-20 & 30 Trinity	104	\$45.35M	\$417K	\$6.5M	\$60.1K	80/20	\$6.5M \$1.5% 5 yrs./30 yr. loan	5/18/2023	10/6/2023			
31.45 Pratt	38	\$7M	\$189K	\$1.11M	\$30K	100	3%, 30 yr.	9/21/2023	12/14/2023			
15 Lewis St.	78	\$26.7M	\$342K	\$7M	\$89K	90/10	\$5M 3% 30 yr. - \$2M Cashflow Note	9/21/2023	10/6/2023			
30 Laurel	47	\$9.8M	\$208K	\$3.52M	\$75K	100	2%, 30 yr.	3/21/2024	6/7/2024			
65 Elm	127	\$36M	283K	\$8M	\$63K	80/20	3% 10 yr.	10/17/2024				
100 Capital	112	\$33.1M	\$295K	\$8M	\$71K	80/20	3% 10 yr. w/\$6.5M from 55 Elm	10/17/2024				
Summary	3142⁵	\$829.1M	\$260K	\$191M	\$62.5K median \$60K avg.	87/13	2547 market /358 affordable					

11/18/2024

- ¹ deposits and leases
- ² \$75K/unit est. residential + 188 hotel rooms
- ³ notes repaid
- ⁴ \$16K from Housing Cap. Fund
- ⁵ 3578 including recap and neighborhood deals
- ⁶ \$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	\$56K	Mkt	Note has been paid off.	12/8/2016		6/13/2018		
241 Asylum	4	\$1.99M	\$150K	\$200K	\$50K	Mkt	construction note 5 yr., Capital Funds	03/22/2018	N/A	01/28/2021	Renting	100%
115-117							\$200,000 Hist. Bridge Loan	12/8/2016	N/A	5/7/2018	Renting	100%
Sigourney	4	\$1.16M	\$290K	\$200K	\$50K	Aff	Heritage Homes - Affordable	5/24/2018	6/1/2018	8/13/2019	Owned	115&117 Sold
86-88 Hawthorn	2	\$830K	\$418K	\$50K	\$25K	Aff	Heritage Homes (NINA) Aff.	5/24/2018	6/1/2018	8/13/2019	Owned	86 & 82 Sold
80-82 Hawthorn	2	\$818K	\$409K	\$200K	\$100K	Mkt	Heritage (NINA) Market	3/18/2021	6/1/2018	7/27/2021	Owned	80 & 82 Sold
213 Lawrence	3	\$900K	\$300K	\$410K	\$126K	Mkt	1st Mortgage 3% 25 Yr.	11/17/2022	N/A	5/5/2023		
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	\$25.4M	\$250K	\$1M	\$12K	Aff	City Funds 2% Loan co-term with CHFA	10/20/2022	N/A	6/21/2024	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 Heritage \$200K Grant	2/16/2023	6/1/2018	5/25/2023	2024	
Summary	416²											

9/12/2024

¹ Paydown of note from sale

² 221 Hartford 111 Regional, 84 rehab

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CRDA Neighborhood Projects

Project	Description	TDC	CRDA Amount	CRDA Funds	Structure	Committee Approval	CRDA Board	Bond Commission Approval	Status
Bowles Park	Demolition of 410-unit housing project & construction of 91 new rental and owned units on Granby Street (Blue Hills neighborhood)	\$40m	\$5,000,000	FY16 Neighborhood (Promise Zone)	\$5m grant for demolition	9/9/2016	9/15/2016	9/30/2016	CRDA completed
Brackett Knoll	Construction of 14 two-family owner-occupied homes on Naugatuck Street	\$3.7m	\$1,555,000	FY16 Neighborhood (Promise Zone)	\$20,860 used for MDC connection charges for housing lots. Balance used to construct required road; Board approved additional \$154k for road on 6/20/19	11/10/2016	12/8/2016	2/1/2017	Road completed
Swift Factory	Renovation of historic factory into "Community Food and Job Creation Hub" serving the Northeast, Upper Albany and Clay Arsenal neighborhoods	\$32.7m	\$4,300,000	FY16 Neighborhood (Promise Zone)	\$4.3m loan - minimum debt service calculated using an initial 1% APR and be paid monthly upon stabilization. CRDA to receive 70% of net available cash after payment of first lien debt service & other required distributions. Payment shall continue over a 20-year term until CRDA has received all of its capital with 3% IRR. Funds contingent upon execution of tenant leases (a) for no less than 50% of leasable project space or (b) no less than 50% of projected rental revenue.	3/10/2017	3/16/2017	5/12/2017	CO issued.
Albany Ave/ Main Street	High Speed internet cabling connection to North End Business	TBD	\$525,000	FY16 Neighborhood (Promise Zone)	Funds used to match Federal Promise Zone Funding and compliment Albany Ave. Streetscape project	6/15/2017	6/15/2017	11/29/2017	Completed
Dillon Stadium	Management and renovation of Stadium, including replacement of field, replacement or refurbishment of bleachers, upgraded seating, lighting & sound system, upgrades to concessions, restroom and locker facilities, building code and ADA upgrades and new site entrance. Additional upgrades to be made at neighboring Colt Park.	\$10m	\$10,000,000	FY17 Neighborhood	CRDA to oversee renovations and hold construction contracts. Work at Dillon to be done in conjunction with Hartford Sports Group (HSG) and their architect. Scope of Colt Park renovation to be developed in conjunction with City of Hartford.	1/12/2018	2/8/2018	2/16/2018	Completed
Charter Oak Health Center	Renovation of vacant building into specialty health clinic	\$1.9 m	\$450,000	FY 16 General	Grant for exterior work, historic restoration & site work	NA	6/21/2018	9/20/2018	Completed
Quirk Middle School / PAL	Renovation of former middle school	\$7.5m	\$7,500,000	\$3.9 = FY16 General \$3.6 = FY16 Neigh (PZ)	Includes \$500,000 for implementation of Neighborhood Security Fellows training program			7/25/2018	Completed
Heritage Home	Assistance via NINA to increase home ownership in Asylum Hill area.	TBA	\$2,500,000	FY17 Neighborhood	Loans and grants \$1.6M remaining	5/11/2018 2/3/2023	5/24/2018	6/1/2018	multiple properties see Housing Varied Funding Report
Fuller Brush	Conversion of 2 buildings to res. 153 units	\$42.6M	\$2,000,000 \$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	completed
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 Private Financing

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**Regional
&
Economic Development
Projects
Committee**

**LEASE AMENDMENT
AND
PILOT AGREEMENT
(89 ARCH STREET)**

Background:

- On October 16, 2023, the Capital Region Development Authority acquired the property located at 89 Arch Street, Hartford CT within the Adriaen’s Landing site (the “Premises”);
- The existing tenant has made significant investments to improve and renovate the Premises;
- In accordance with Connecticut General Statutes § 32-600(9), the Authority and the Office of Policy & Management wish to designate jointly such property as being in need of inducement for private development and operation within the Private Development District;
- Such designation authorizes CRDA to negotiate a payment in lieu of real property taxes agreement (PILOT) with the Tenant;
- Additionally, CRDA and the tenant wish to amend the existing Lease as set forth below:

Proposed Lease & PILOT Terms:

- Lease Term: Three (3) Years with two (2) additional three-year options.
Basic Rent: \$3,000 per month with annual increase indexed to CPI
Additional Rent: \$1,500/month until full recovery of past due Basic Operating Expenses.
PILOT Payment: **Year 1** – 0% of Tax Payment Value
 Year 2 – 10% of Tax Payment Value
 Year 3 – 20% of Tax Payment Value
 Years 4-9* - 30% of Tax Payment Value
 * Option Years

MOTION

The CRDA Board of Directors hereby authorizes the Executive Director to execute such Lease Amendment and PILOT Agreement, as presented.

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	Site work underway
Carbone's Restaurant	Restaurant relocation to Front Street	\$1,700,000	\$1.4m CRDA loan \$300k City MOU Loan	11/9/2023	12/6/2023	12/14/2023	Loan closing in process

10/7/2024

CRDA/East Hartford

Project	Description	CRDA Amount	Structure	Committee Approval	CRDA Board Approval	Bond Commission Approval	Status
Former Showcase Cinema Site "Concourse Park"	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	Completed	
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		6/1/2018 6/30/2023	Discussions continue with Town, developer planning consultants and CRDA Demo of BOA building 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 to be issued soon	
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	5/18/2023 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	12/21/2021 5/26/2022	First of three buildings has been demolished. RFP for abatement and demo of other two buildings issued this week. Town in discussions with potential developer.	
Commerce Park	150 units housing	\$6,500,000	Loan 3% 10 Yr.	10/4/2024	10/17/2024	Pending State Bond Commission	

11/18/2024

¹ Transferred to CRDA from other State Agencies

Executive Director

Construction Update

11/21/2024

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule	Red Flag
CRDA Housing Projects									
525 Main Street	42	28,570	6,031,090	80,788	96%	No	HVAC Contractor is completing rough in and testing of piping. P.E & FP are completing finishes. Ceilings are in and painting has begun. Kitchen, baths and appliance install is at 85% completion. Inspections have passed floors 1 - 4. Two (2) Model units are completed on Floor 3.	Project Schedule shows a completion date of 12/31/2024. Developer entered into a management agreement with Simon Konover Co. Rentals are schedule to begin January 2025.	N/A
275 Pearl Street	35	31,358	6,900,766	-	94%	Yes	HVAC Contractor is completing rough in and testing of piping. P.E & FP are completing finishes. Ceilings are in and painting has begun. Kitchen, baths and appliance install is at 75% completion. Inspections have passed floors 1 - 3. Basement is drywalled.	Project Schedule shows a completion date of 12/31/2024. Developer entered into a management agreement with Simon Konover Co. Rentals are schedule to begin January 2025.	N/A
55 Elm	164		39,524,125	590,050	85%	Yes	Press (Annex) Building is at 100% complete. Annex units are in the process of being leased. Water leaks have occurred in Annex which is slowing work in Main Building due to manpower staffing. Main Building Finishes have started on Floors 5 & 6. Rough work continues on all other areas. Permanent power is now in place.	Main Building - 122 Units are scheduled to be turned over for lease end of December 2024 & Basement & 1st Floor Amenities - February 2025.	N/A
847 Asylum NINA	three family home	8,540	1,155,000		100%	No	The two residential apartments are substantially complete	Complete	N/A
Bedford Gardens	85	72,462	10,622,000	-	0%	No	85 Units in ten (10) buildings are being renovated as existing tenants remain in place.	TBD	N/A
Arrowhead	44	31,230	12,789,140	619,664	17%	Yes	Flatiron demolition is completed, rough framing is ongoing. Arrowhead is in process of demo. Co-op Building to be scheduled.	Estimated completion date is September 2025. Co-op Building is pending schedule of tenant relocations.	N/A
31/45 Pratt Street	37		5,071,404	-	0%	No	Conversion of office/commercial space into studio and one-bedroom units.	Schedule pending loan closing.	N/A
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.	N/A

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Construction Update

11/21/2024

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule	Red Flag
CRDA Neighborhood Projects Riverfront Land Development (Hartford/Windsor side)			1,000,000 (* full CRDA Loan)	-	83%	Yes	Park Master Plan was completed and shared with the community. The project is in the permitting phase. Riverfront Recapture and DEEP continue to negotiate a 25 year lease. DEEP received comments from State Attorney General, OPM and Bureau of Land Management in August. RRI awaiting direction from DEEP. Next step are secure funding for design and permitting of the master plan, commercial development zoning change, and continued investigation of utility resources.	This project continues to work its way through the regulatory process.	permits
Fuller Brush- 3580 Main Street	153		26,210,764	1,631,004	40%	Yes	Demolition has been completed. Trades have mobilized. Vertical Metal Framing Has been completed in Building #2, Building #1 is framed at 75% . All HVAC Equipment is stored and secured onsite. Roofing on both buildings at 98%. MEPPF have begun rough in Buildings 1 & 2 to approx. 60%	Completion estimated for August 2025	N/A
237 Hamilton Phase 2 - Conversion & Adaptive Reuse	235		8,500,000 (* full CRDA Loan)		0%	No	Currently completing Environmental clean up. Project budget has been revised and more units have been added.	Project is awaiting closing. Projected start date pending City approvals.	N/A
Albany & Woodland		30,404	26,210,764	1,631,004	44%	yes	Footings & Foundation are complete, site work ongoing. Steel is released for 12/2024 install.	Project Schedule indicates completion 10/2025.	N/A
Regional & Economic Development Projects									
East Hartford Great River Park Improvement			1,324,010 (* full CRDA loan)		27%	Yes	The CT Port Authority approved the RRI / Town application for the Small Harbor Improvement Project Program grant and awarded \$1,548,000.00 for the proposed marine improvements. Contractor was engaged to do the tree removal for the new fishing pier and the work was completed in early November. GEI is working on construction documents to bid the project in February with a goal of starting construction in the spring 2025.	Goal of starting construction in the spring of 2025	permits
McCartin School Demo.		25,380	TBD		0%	No	Demo and Abatement bid docs complete. RFP was issued 11/18/24. Bids due 12/17	Abatement Work is scheduled to start Q1 2025 and completion is anticipated in Q2 of 2025.	N/A
Founders Plaza							RFP for Demo Design & Hazardous Building Materials Survey to be rebid, bids due 11/21	TBD	N/A
Silver Lane Plaza Demo- Phase 2							Abatement & Demo contract is currently being awarded	Work to commence December 2024, duration anticipated to be approximately 4 months.	N/A

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Construction Update

11/21/2024

Project Summary	Units	GSF	Hard Construction Costs	CO	% Comp	Funding	Status	Schedule	Red Flag
Venues 2023 XL Renovation Project			91,208,352		8%	Yes	There are currently approximately 80 construction workers on site. Operations and Construction personnel are meeting as required to coordinate. UCONN Locker Room, Rack Room, Multi-Purpose Room, selective demolition, Event Level Club all underway. Construction is ramping up and will continue through the event season.	Substantial Completion is projected for late Summer of 2026. Operations and Construction have agreed to event day shutdowns that were not contemplated in the original project schedule. Accordingly some areas will be delivered later than previously scheduled, however the overall schedule end date at this point, has not changed. Future shutdowns if required will trigger more schedule adjustments.	N/A
Rentschler Field						\$5M	Architect / Engineering RFP award in December 2024. CM RFP scheduled for Q1 2025.	Tower Roof replacement scheduled for Summer 2025.	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.		N/A
Church Street Garage						\$5M	Blue Light System work awarded, completion 12/15/2024. Level 4 & Stair 1 painting is completed. Concrete deck repair contractor has mobilized and work is underway.	Completion of selected areas will be early 2025.	N/A
Convention Center Plaza						\$2M	Bond Commission approved funding to repair water damage to the riverfront esplanade at the Connecticut Convention Center & misc. repairs	Work is currently underway, completion TBD.	N/A
Convention Center Garage						\$1.6M	Bond Commission approved funding for elevator repairs	Materials Ordered, work to be scheduled when parts are received by KONE Elevator Co.	N/A

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**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN THE
CONNECTICUT MUNICIPAL REDEVELOPMENT AUTHORITY
AND
THE CAPITAL REGION DEVELOPMENT AUTHORITY**

This Memorandum of Understanding (the “MOU”) is entered into by and between the Connecticut Municipal Redevelopment Authority (“MRDA”), acting by its Executive Director (the “MRDA Executive Director”), and the Capital Region Development Authority (“CRDA”), acting by its Executive Director (“CRDA Executive Director”), both duly authorized, for the purpose of providing certain administrative and support services to fulfill their respective statutory purposes as further detailed herein.

WHEREAS, Connecticut General Statutes (CGS) § 8-169jj(d) provides that MRDA and CRDA may enter into a memorandum of understanding pursuant to which CRDA may provide certain administrative and support services to MRDA;

WHEREAS, CGS § 8-169jj(b) provides that the MRDA Executive Director has the power to contract and be contracted with and may enter into such contractual arrangements as may be necessary for the discharge of his duties;

WHEREAS, CGS § 32-602(b)(2), (c)(4) and (d)(4) provide, in pertinent part, that CRDA has the power to contract and be contracted with; and

WHEREAS, MRDA and CRDA both desire to define the terms and conditions upon which such administrative and support services will be provided.

NOW THEREFORE, the Authority and MRDA agree to the following terms:

1. CRDA’s Chief Financial Officer (“CRDA CFO”) on behalf of MRDA may act as security liaison within CORE-CT for MRDA, complete the processing of transactions within CORE, and process bi-weekly payroll within CORE-CT;
2. MRDA agrees to authorize CRDA CFO to access and process such transactions in CORE-CT for Human Resource and Financial services;
3. MRDA shall provide written authorization via E-mail including by two (2) separate MRDA employees, officers, or Board members approving any and all requested transactions.
4. The MOU period will be November 1, 2024 to March 31, 2025.
5. CRDA shall provide such services in a commercially reasonable manner reflecting the priority of existing CRDA workloads for a lump sum fee of Ten Thousand Dollars (\$10,000); and
6. This MOU may be executed in one or more counterparts, and a facsimile, or a scanned signature shall be deemed an original for all purposes.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be executed by their duly authorized representatives, the day and year first below written.

David Kooris
Executive Director
Municipal Region Development Authority

Date: _____

Michael Freimuth
Executive Director
Capital Region Development Authority

Date: _____

Resolution

“The CRDA Board of Directors hereby approves the MOU between the Connecticut Municipal Redevelopment Authority (MRDA) and the Capital Region Development Authority (CRDA) as presented.”

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	Land Acquisition Loan	N	\$3M	\$3M	5 yr. Loan 3%	9/21/2023 5/22/2024	10/6/2023	Closed 11/14/2024
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 Whylys	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	2/28/2014 11/16/2014
East Hartford		Horizon Mall	\$	\$12M		rescinded	4/25/2013	6/21/2013
Parkville Market 2	8		\$4M	\$3.5 M		reprogramming	6/21/2018	7/12/2016 6/1/2018
690-714 Albany	8		\$3.8M	\$2.5 M	AFF	alt financing	6/16/2022	N/A
200 Constitution	101		\$18.7M	\$2.5 M	90/10	rescinded	6/21/2018	7/25/2018
MLK	155		\$62M	\$4.8 M	55/45	rescinded	11/17/2022	7/29/2022
100 Trumbull	8		\$750K	\$480K	100	cancel	9/21/2017	4/12/2018
690-714 Albany	8		\$2.49M	\$800K	25/75	expired	5/18/2023	N/A
241 Asylum	4 Units		\$237K	\$237K	100	rescinded	5/22/2024	N/A

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	\$12.8M	Grant	3/16/2023	In Construction
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

11/18/2024

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Miscellaneous



Mohegan Sun's on-site retail sportsbook opened in 2021, and features a 140-foot video wall and 39 betting kiosks. The Uncasville-based casino has a sports betting partnership with FanDuel.

COURTESY, MOHEGAN SUN

Game On

Despite some hiccups, CT has reaped the financial benefits of legalized sports betting

By David Krocovsky
davidk@hartfordbusiness.com

Nearly \$5 billion. That's approximately how much money has been wagered in Connecticut since retail sports betting became legal here on Sept. 30, 2021, followed by online sports gambling about two weeks later. In the three years since, the state has had its share of wins and losses. The losses have included unexpectedly having to change the vendor operating its retail and online sports-betting operations; the abrupt closing of a retail betting venue; and the rough first year for its sportsbook at the XL Center in downtown Hartford.

As for the wins, well, like anything surrounding gambling, it's all about the money. And the financial numbers suggest the state has done quite well to this point.

Since its inception, wagering on sports has produced nearly \$383 million in revenue for operators, and more than \$52.7 million in payments to the state General Fund, according to the Department of Consumer Protection.

The General Fund payments are more than 2.5 times the \$19.3 million that was projected by the Office of Fiscal Analysis for the first year of the program.

By comparison, though, payments to the state budget from online

PLACE YOUR BETS

Besides the casinos, Connecticut has 10 retail venues for sports betting:

- **Bobby V's Restaurant and Sports Bar** in Stamford and Windsor Locks
- **Fanatics Sportsbook** at the XL Center in Hartford
- **Shea's Pizzeria and Sports Bar** in Manchester
- **Sports Haven** in New Haven
- **Total Mortgage Arena** in Bridgeport
- **Winners** off-track betting in Hartford, Milford, New Britain and Waterbury

Source: Connecticut Lottery Corp.

casino gaming — which also became legal in Sept. 2021 — have totaled nearly \$160 million, so there is still room for growth.

Officials with the Connecticut Lottery Corp., Capital Region Development Authority (CRDA) and Mohegan Sun casino all said they believe the state's sports betting results have been good, and they expect them to continue to improve with time.



Andrew Walter

Walter, director of sports betting for the Connecticut Lottery Corp.

Calling an audible

Walter said there are still consumers in the state who aren't aware they can now legally bet on sporting events.

"Like any new product, there continues to be new customers realizing that this is available to them," Walter said.

Under state law, 13.75% of net profits from sports betting are paid into the General Fund by all the approved vendors, which now include Fanatics Sportsbook, DraftKings Sportsbook and FanDuel Sportsbook.

"If you look at the monthly payments, it has been good for the state," Walter said.

He admits, though, it could have been even better if not for losing the state's original bookmaker, Chicago-based Rush Street Interactive. The company announced in March 2023 that it decided to exit the market because it wasn't profitable enough.

"Switching the operators was a significant disruption last year," Walter said. "So, with any new

business, it's easy to look back and say we should have done a better job in picking the operator. But looking at the bids we received, it was a fine decision. It just didn't work out."

It took until December 2023 for the state to name a replacement. Following a request for proposals, it selected New York-based Fanatics Betting and Gaming, which signed an eight-year contract.

The time between announcing Rush Street's decision to exit and the hiring of Fanatics affected marketing efforts, among other things, Walter said.

"Essentially, we restarted at the end of last year," he said. "We've seen very good growth with Fanatics. Not only is the market increasing, but from a lottery/Fanatics standpoint, we're expanding because of their online presence."

He conceded, however, that competition is fierce.

"The industry has learned that it is very hard to compete with DraftKings and FanDuel, whether there are three or 25 operators in the state," he said. "Those two companies have the lion share of total sales in every single state they operate in."

Learning curve

While online and mobile gambling continue to grow, the state's effort to grow its retail sports betting operations has been a mixed bag.

For example, the state lottery announced in September 2022 that Arooga's Grill House and Sports Bar in Shelton would become a retail gambling location. After Rush Street's exit, the restaurant and bar became a Fanatics Sportsbook location in December 2023.

Just two months later, however, Arooga's abruptly closed.

Similarly, Fanatics Sportsbook restaurant and bar at the XL Center opened in September 2023 and strug-

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gled to find its footing in year one.

According to **CRDA Executive Director Michael Freimuth**, the venue ended the fiscal year with a loss around \$500,000.

Freimuth cited the change in vendors from Rush Street to Fanatics as having a detrimental effect.

"There was a change in vendor around December, so we're not yet at a full-year with the new operator," he said. "It's hard to compare what the annual beast is going to be. We're still trying to learn our way through this."

Freimuth said the venue, located on the Ann Uccello Street side of the XL Center, has gone through operational changes, "both on the food and beverage side and the operating hours," to better meet the fluctuating demand.

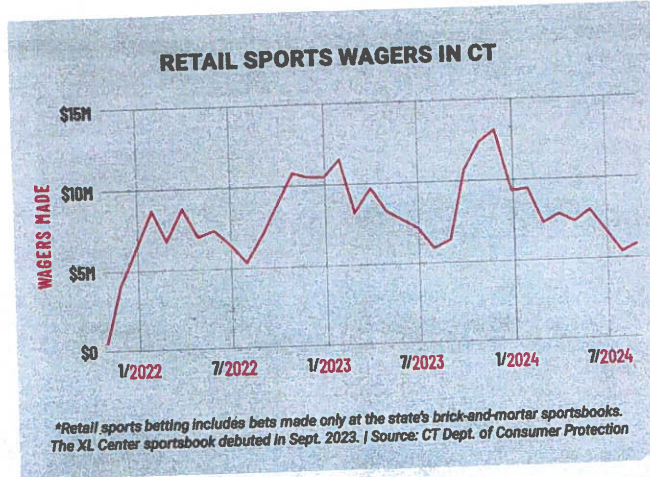
"The sportsbook does very well during events," he said. "When we have an event, you can't get into the building sideways. But during the day, it's very slow."

Still, he said, gaming revenue was up in September from a year earlier, "so that's positive."

For September 2024, Walter said, the XL Center sportsbook had "unofficial and unaudited sales of roughly \$460,000."

As is typical for many sportsbook venues, the NFL season, "March Madness" NCAA basketball tournament and NBA playoffs in May and June boost gambling.

"But the day-to-day, 365-day volume of people isn't high enough to help (the venue) break even,"



Freimuth said.

Among the operational changes that have been made to address that, the venue reduced staff, adjusted its menu, and shortened its hours during the summer. It is now back to an 11 a.m. to 10 p.m. schedule, though it will stay open later depending "on when games end," Freimuth said.

"Just getting through the year to understand year-to-year comparables allows us to make smarter decisions going forward," he said.

Walter said the lottery hopes to establish more retail sports betting sites, and has "one project we have signed an agreement on" that is not in an arena, though he declined to

disclose the location.

"We anticipate it being open before the end of this calendar year," he said.

Both Norwalk and Danbury, the state's sixth- and seventh-largest cities by population, are possible locations for future venues, as is the state's northeastern "Quiet Corner," he said.

A 'win-win'

The possibility of more state-operated sportsbook locations does not concern **Jeff Hamilton, president and general manager of the Mohegan Sun** casino and resort in Uncasville.

Approving sports wagering in Connecticut required the state to



Jeff Hamilton

adjust its gambling compact with the Native American tribes that operate Mohegan Sun and Foxwoods. The result meant both casinos could also

offer sports betting.

"It's definitely been beneficial," Hamilton said. "It's added, really, another aspect to our business. It's a great amenity to have. It really drives special events and drives additional people to the property."

For the third quarter of 2024, ended June 30, Mohegan announced the highest quarterly net revenues in its history of \$504 million, up 21.4% from a year earlier. It attributed the results in part to its digital gaming.

The casino has partnered with FanDuel from the start, offering a sportsbook on-site that Hamilton says is the best in the state.

"We really feel strongly that if you want a great place to watch and bet on sports, then Mohegan Sun is the premier place in the state," he said, noting that it features a 140-foot video wall and 39 betting kiosks.

Hamilton added that the casino also sees room for growth.

"I think there's definitely opportunities to do more events, more things that drive people to the property," he said. "I think, obviously, there's going to be new sports bettors and people that are coming here for the first time. So, there's always opportunity for growth." ◀



PHOTO: MICHAEL PUFFER

Metropolitan District Executive Director Scott W. Jellison stands in front of the mixed-use apartment development at 55 Elm St., which is part of the Bushnell South area.

Development Pipeline

Here's how stormwater drainage is impacting a major Hartford development plan

By Michael Puffer
mpuffer@hartfordbusiness.com

Hartford officials believe the installation of a roughly mile-long pipe through an area south of Bushnell Park will accelerate the transformation of 20 acres of underused buildings and parking lots into a vibrant mixed-use neighborhood.

For more than a year, staff at the Capital Region Development Authority and Metropolitan District (MDC) have been negotiating an agreement that would require the CRDA to help pay for the installation of a large stormwater drainage pipe, which would accept water flowing from parking lots and off buildings planned for the "Bushnell South" development area.

That water would then be funneled into the Park River — which runs through an underground, box-shaped tunnel that passes through Bushnell Park — before flowing into the Connecticut River.

Concerned about the increasing frequency of severe storms, **Hartford Mayor Arunan Arulampalam** said he's pushing for greater flood-control measures throughout the city.

In the Bushnell South area, for example, he wants one major

pipe installed to alleviate existing flooding and relieve developers from having to install stormwater retention basins that eat up otherwise developable land.

"We are trying to figure out if we could get one major connection instead of building a bunch of retaining pools for each building," Arulampalam said. "This is part of what is slowing down development in the short term."

Hartford, like many older cities in the Northeast, has a sewer system with pipes that carry both sanitary sewage — from toilets, kitchen sinks and shower drains — and stormwater. All this gets sent downstream to sewage treatment plants.

That's usually not a problem. But large rainstorms, which have increased in frequency in recent years, create sudden spikes in flow that can overwhelm sewage treatment plants, spilling millions of gallons of stormwater mixed with raw sewage into the Connecticut River.

Under state and city regulations, builders in Hartford need to create on their properties drainage basins capable of holding, then slowly feeding out, stormwater runoff equivalent to the impact of a 100-year storm, said **MDC Executive Director Scott W. Jellison**. For larger apart-

ment buildings, that costs hundreds-of-thousands of dollars to install, he said.

Jellison said he envisions a mile-long pipe of about 24 to 36 inches in diameter that could cost around \$4 million.

"Stormwater is really driving development," Jellison said during a recent visit to the Bushnell South area. "Properties like this can flood quickly."

What's on tap

The Bushnell South area, long eyed for redevelopment, has attracted several developers that want to build large mixed-use apartment projects. CRDA is providing low-interest loans to spur the activity.

Norwalk-based Spinnaker Real Estate Partners is nearing completion of a \$66 million project transforming two former state office buildings at 55 Elm St. into 164 apartments. The company is working to assemble nearly \$70 million for two additional apartment buildings — totaling 239 units — on properties wrapping around 55 Elm St.

Early this year, Spinnaker also paid \$3.25 million for a 2.2-acre parking lot in the Bushnell South area for future development.

Philadelphia-based Pennrose LLC and The Cloud Co., of Hartford, are partnered in a \$45.35 million plan to convert two former state office buildings at 18-20 and 30 Trinity St., into apartment buildings that will host 104 units. CRDA, last year, approved a \$6.5 million loan for the effort.

The developers are expected to close on financing and buy those properties from the state by the end of this year, according to **CRDA Executive Director Michael Freimuth**. Construction is expected to begin immediately thereafter.

One block over, the New Jersey-based Michaels Organization was selected by CRDA as the preferred developer of a 2.8-acre parking lot at 165 Capitol Ave. However, the firm is currently working on a revised development plan, since its original proposal for a \$129.6 million, mixed-use multifamily project with 360 apartments didn't pencil out.

Obtainable goal

If the sewer pipe project moves forward, the CRDA would be expected to carry some of the cost for the MDC-led effort. Freimuth said his agency is basing its contribution on the savings developers will realize by not having to build individual stormwater retention systems on their properties. Altogether, that would save developers "millions," while also preserving additional land for development, Freimuth said.

"Essentially, the infrastructure improvement is a subsidy to all projects in the area, not unlike roads or utilities for subdivisions or redevelopment areas," Freimuth said.

Freimuth said he anticipates a stormwater pipe investment would produce an equivalent reduction in loan size for CRDA-backed projects in the Bushnell South development area. Loans will be smaller and may come with adjusted terms, like higher interest rates, he said.

City and state regulations don't allow the regional sewer and public water company to pay for stormwater systems just to aid specific developments. But developers and other partners can contribute to a system that benefits a broader area.

Jellison said the Bushnell South pipe could also be used to collect stormwater from the area around Hartford Hospital.

It's an arrangement the MDC has used repeatedly, Jellison noted, including in a recent agreement for new stormwater drainage around the planned 322-unit apartment development at the former UConn campus in West Hartford.

"The goal is the developer pays for their share of the improvement to the MDC (stormwater) sewer system," Jellison said. "The MDC will get a new pipe. We make it bigger to serve the other areas surrounding the development. So, there's a benefit to us. There's a benefit to the developer. There's no cost to our customers, and it's a win, win for everybody." ◀

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