

**CRDA Regional and Economic Development Committee  
Microsoft Teams Meeting**

**Wednesday, March 12, 2025  
3:00 pm**

**Agenda**

- I. Introductions
- II. Approval of Minutes from October 10, 2024 Meeting\*
- III. New Projects
  - a. Real Art Ways\*
- IV. Project Updates
  - a. East Hartford
  - b. Bushnell South
- V. 2025 Meeting Schedule
- VI. Next Meeting: April 10, 2025
- VII. Adjournment

**Microsoft Teams**

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**Regional and Economic Development Committee  
Conference Call  
Draft Meeting Minutes  
October 10, 2024  
3:00 PM**

**Members Present via Microsoft Teams:** Board Chair David Robinson, Mayor Connor Martin, Pam Sucato and Matt Pugliese

**Staff Present via Microsoft Teams:** Mike Freimuth, Tony Lazzaro, Derek Peterson and Kim Hart

**Guests Present via Microsoft Teams:** Logan Singerman (SINA)

Mayor Martin called the meeting to order at 3:01 p.m. and the minutes of the May 9, 2024 meeting were approved on a voice vote.

**I. New Projects**

**Washington Street Development Study**

Mr. Freimuth introduced Mr. Singerman and reminded Committee members of SINA's Washington Street Development presentation at the September Board meeting. CRDA has been asked to contribute toward the cost of a planning study along with Liberty Bank, LAZ and Webster Bank.

Ms. Hart noted that redevelopment of Washington Street has been discussed for many years and recent activity in the area has prompted SINA to undertake a study at this time. The area will see significant investment over the next few years, including the \$280 million expansion of the CT Children's Medical Center and construction of a 900-space garage for patients, hospital staff and visitors. Mr. Singerman noted that the City has identified this area as a "transformative project" under its most recent Conservation and Development Plan. The Bushnell South development is also contributing to momentum in the neighborhood.

Ms. Hart walked the Committee through some photos and renderings related to the CCMC project, the adjoining ped bridge and garage, as well as plans for new housing in the area. In response to a question from Mr. Robinson, Mr. Freimuth indicated that CRDA's assistance with the study would be provided as a grant and the Authority would not seek to recoup the funds.

The following resolution was read and approved on a voice vote:

*The Regional and Economic Development Committee recommends to the CRDA Board that the Executive Director be 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.*

## **II. Project Updates**

- a. **East Hartford** – Mayor Martin provided Committee members with brief updates on a number of East Hartford projects, including the second phase of demolition at Silver Lane Plaza, Concourse Park (former Showcase Cinemas site), Port Eastside (formerly Founders Plaza) and housing construction at the McCartin School site. Mr. Freimuth also noted that funding for Konover’s Commerce Center project along the Connecticut River was approved at the October 4<sup>th</sup> Housing and Neighborhood Committee meeting. He confirmed that the resolution will be put before the Board at its monthly meeting next week.
- b. **Pulaski Circle** – Ms. Sucato reported that DOT will be undertaking a comprehensive traffic and pedestrian safety improvement project at Pulaski Circle. She noted that the project is in an early stage and improvements are not likely to be started until 2029. DOT will be reaching out to interested parties for input. Ms. Sucato asked if Committee members knew of individuals wishing to weigh in on the current traffic and pedestrian situation at the Circle, they should pass those names on to her.

Mr. Robinson posed a question as to whether the lengthy time frame for the Pulaski Circle improvements will hold up development at Bushnell South. Mr. Freimuth noted that it will be problematic for the 17 Wells Street project, which sits on Pulaski Circle behind 525 Main Street. It may also impact the 15 Lewis Street project, which includes the former Vitos’s Restaurant just along Bushnell Park from Pulaski Circle.

- c. **Bushnell South** – Mr. Freimuth gave a brief update on the Bushnell South project. He noted that funding for the 65 Elm/100 Capitol projects was also approved at the October 4<sup>th</sup> Housing and Neighborhood Committee meeting and that the resolution would be put before the full Board next week. Mr. Freimuth indicated that staff had made substantial progress on an agreement with MDC that would allow the individual Bushnell South development sites to forgo construction of elaborate water retention systems in exchange for a contribution that would allow MDC to separate and upgrade its stormwater system in the area.

Mr. Freimuth reported that the Walker parking plan contract approved at the last Board meeting was being drafted. He noted that CRDA was expecting a revised design and new construction cost estimates for Parcel 4 from The Michaels Organization sometime next week.

Mr. Freimuth also noted that the media has reported that CREC was looking at Parcel 4 as a possible location for its Academy of the Arts high school. He confirmed that CRDA was considering the impact the school would have on the overall project. In response to a question from Mr. Robinson, he indicated in addition to CRDA Board approval, the CREC Board would need to sign off on the move. Funding for construction of the school will also require State legislative approval, as well as State Bond Commission authorization.

The next meeting of the Regional & Economic Development Committee is scheduled for November 7, 2024.

There being no further business, the meeting was adjourned at 3:47 p.m.

DRAFT

**Regional & Economic Development Committee**  
**Project: Real Art Ways - 56 Arbor St.**  
**Address: 56 Arbor Street, Hartford, CT**  
**Sponsor: Real Art Ways (with BBE Construction)**

**Meeting Date: March 12, 2025**

Background: Real Art Ways is a nationally known arts and cultural organization, founded in Hartford in 1975, and has been in Hartford's Parkville neighborhood since 1989. The organization engages local and regional communities, and connects people through visual and performing arts, education, cinema, and social programs. Now in its 50th year, Real Art Ways is known for its consistent support of artists, innovation, and creative content across the Parkville neighborhood and Greater Hartford. It has built a level of support from the State of Connecticut, the City of Hartford, and a membership base of nearly 3,000 strong, including support from individuals and corporations like Travelers, The Hartford, Bank of America and others.

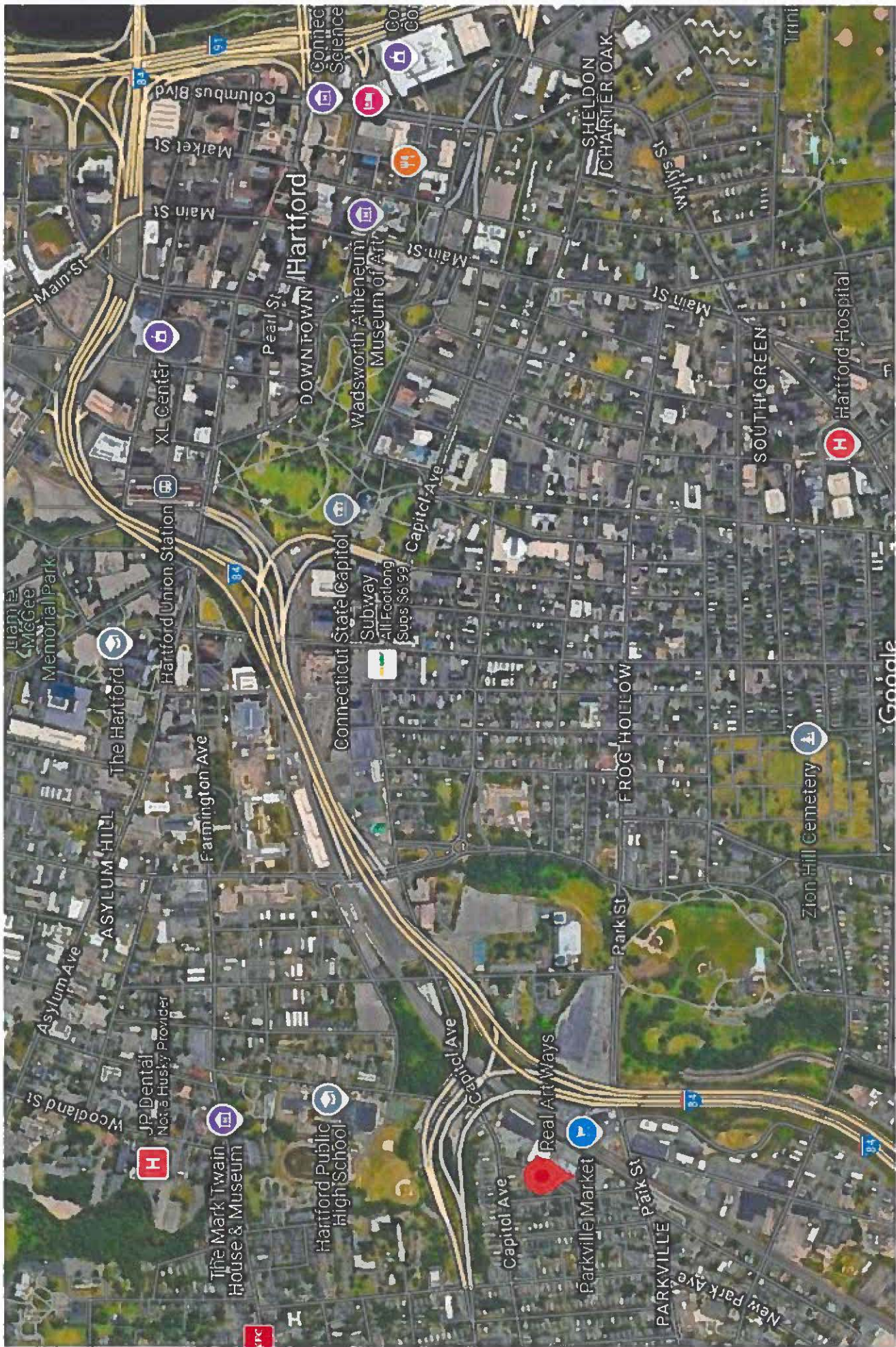
In December 2021, Real Art Ways purchased 56 Arbor Street (The "Property"), which positioned the organization to expand operations and programming. The Property has an existing income stream of approximately \$800,000 annually, which is expected to grow by over 15% once all improvements are complete. The team has been preparing for a building expansion since the acquisition, while making significant strides in capital raising efforts and assembling a development team. With construction drawings 90% complete, Real Art Ways is seeking a \$4.5 million loan from CRDA to bridge public and private funding sources and facilitate a \$24 million transformation including a renovation (to 56 Arbor St.) and new development (Real Art Ways Expansion). The Property renovation will include a new roof, elevator, and 14,000 sq. ft. gut renovation of Real Art Ways existing space, which will add two new theaters, an update to their current theater, and improve their current art galleries. The 8,000 sq. ft. Real Art Ways Expansion will create a new café, dedicated live arts space, an additional theater, as well as a box office, concessions and new bathrooms. Exterior work including repaving the parking lot with new circulation and improved landscaping will create a more welcoming entrance and sense of arrival at the Property.

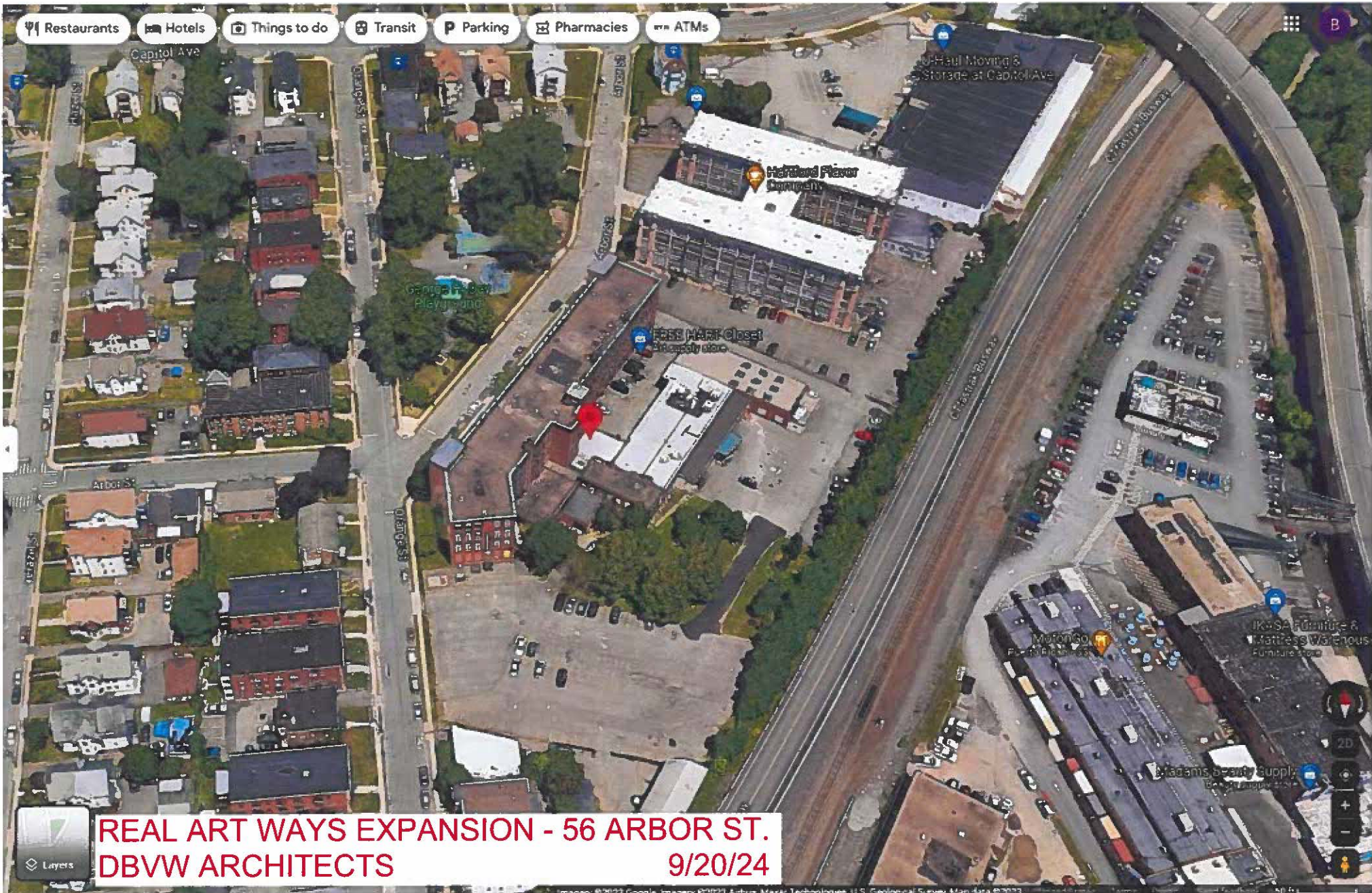
The renovation and expansion at 56 Arbor Street will support Real Art Ways hiring 15 new, full-time jobs and 24 new part-time jobs, in addition to current staffing of 8 full-time employees and 16 part-time employees. All full-time staff members receive health benefits, vacation days, holiday pay, and an option to participate in a retirement plan. Real Art Ways hires 3-5 Hartford High School students as apprentices each year and is looking to expand the program to 10-15 students. It is their goal to grow the program with small businesses, non-profits and artists that lease space at the Property, which could significantly increase student engagement and participation in the program. In speaking with the project's construction managers, Real Art Ways also anticipates the creation of over 200 jobs during construction.

CRDA has been active in the Parkville neighborhood, having provided \$7.5 million in subordinate financing across two properties; a \$3.5 million loan at Parkville Market, and \$4 million loan from the City of Hartford (through the Revolving Loan Fund) for pre-development and first phase site-work at 237 Hamilton Street. Additionally, CRDA is in negotiations to provide Spectra Construction with \$3.5 million in construction financing to convert the former United Way office building at 30 Laurel Street into 47 apartments, easily walkable to the Parkville Market (0.4 miles).

Proposal: Staff recommend making a loan of up to \$4.5 million to Real Art Ways for improvements and renovations at 56 Arbor St., and the development of approximately 8,000 sq. ft. of theater and gallery space. The proposed loan will have a term of 5 years with a one-year extension option. The interest rate on the fixed-rate loan will be 3%, with an interest-only period of 24 months. When bridged funds become available, they will be used to pay down CRDA's loan. Principal and interest payments will be made from years 3 to 5, or if the loan is extended, through year 6. Interest payments will be calculated using a 360-month amortization schedule and the loan is pre-payable at any time without penalty.

Resolution: *The Executive Director is authorized to provide bridge financing to Real Art Ways (or such single purpose entity as approved by CRDA) to improve and expand 56 Arbor Street, Hartford, CT. The project will consist of renovations to the existing building and a new expansion of approximately 8,000 sq. ft. CRDA will lend up to \$4.5 million at 3% interest, with an interest-only period of 24 months; as bridged funding sources become available or monetized, CRDA's loan will be paid down accordingly. The term of the loan will be 5-years with a 1-year extension option. Interest will be paid using a 360-month amortization schedule and approval is subject to: 1) All financing being secured; 2) Approval of the State Bond Commission; and 3) Such fiduciary terms as deemed necessary and appropriate by the Executive Director and CRDA counsel.*





**REAL ART WAYS EXPANSION - 56 ARBOR ST.**  
**DBVW ARCHITECTS** **9/20/24**







**REAL ART WAYS** RENOVATION AND EXPANSION  
 56 ARBOR STREET HARTFORD, CT

First Floor Plan  
 09/29/24



**DBVW**  
 ARCHITECTS

## Sources and Uses

### Real Art Ways

#### Sources of Funds

DECD/CIF	\$	13,100,000
HUD (CRDA Bridged)	\$	906,000
State HTC Equity (CRDA Bridged)	\$	1,611,000
Capital Campaign (Portion Bridged by CRDA)	\$	6,181,000
Capital Campaign to be Raised	\$	319,000
Senior Loan	\$	1,800,000
<b>Total Sources of Funds</b>	<b>\$</b>	<b>23,917,000</b>

#### Uses of Funds

Acquisition	\$	4,025,000
Construction (Hard Costs)	\$	16,684,000
Soft Costs (Legal, etc)	\$	1,829,000
Financing Costs	\$	1,379,000
<b>Total Uses of Funds</b>	<b>\$</b>	<b>23,917,000</b>

**Proforma  
Real Art Ways**

	<u>As-Is 2025</u>	<u>Stabilized (2028)</u>
<b>Gross Potential Income</b>		
Commercial	\$ 800,000	\$ 935,034
Rental Income	\$ 160,200	\$ 1,298,800
Contributions	\$ 455,000	\$ 525,000
Fundraising and Grants	\$ 586,500	\$ 752,000
Miscellaneous Income	\$ 18,300	\$ 10,000
<b>Gross Potential Income</b>	<b>\$ 2,020,000</b>	<b>\$ 3,520,834</b>
Bad Debt	\$ 7,500	\$ 1,941
<b>Total</b>	<b>\$ 7,500</b>	<b>\$ 1,941</b>
<b>Effective Gross Income</b>	<b>\$ 2,012,500</b>	<b>\$ 3,518,893</b>
<b>Expenses</b>		
Real Estate Taxes	195,000	\$ 147,000
Salaries and Benefits	869,560	\$ 1,354,978
Insurance	102,800	\$ 119,625
Utilities	215,800	\$ 291,681
Repairs & Maintenance	60,500	\$ 134,309
General & Administrative	54,230	\$ 185,052
Professional Fees	51,500	\$ 67,732
Rent (Equipment, etc.)	95,268	\$ 228,531
Landscaping	20,000	\$ 29,764
Program Expenses	231,892	\$ 650,000
Miscellaneous Expense	6,600	\$ 17,713
<b>Total Expenses:</b>	<b>\$ 1,903,150</b>	<b>\$ 3,226,387</b>
Expense Ratio:		92%
<b>Net Operating Income (NOI)</b>	<b>\$ 109,350</b>	<b>\$ 292,506</b>
1st Mortgage	52,000	\$ 149,237
2nd Mortgage	-	\$ 100,768
<b>Total 1st &amp; 2nd Mortgage</b>	<b>\$ 52,000</b>	<b>\$ 250,004</b>
<b>Net income after debt service</b>	<b>\$ 57,350</b>	<b>\$ 42,502</b>
<b>DSCR</b>	<b>2.10 x</b>	<b>1.17 x</b>
Loan Balances		<b>Expected 12/31/2026</b>
Construction Loan (LISC)		\$ 1,800,000
CRDA		\$ 4,500,000
<b>Total Loan Balances</b>		<b>\$ 6,300,000</b>

DATE: March 12, 2025  
TO: Regional and Economic Development Committee Members  
FROM: Michael W. Freimuth  
RE: Proposed Meeting Dates Through December 2025

The RED Committee will meet the **second Thursday of each month at 3:00 p.m.** unless otherwise indicated:

- April 10<sup>th</sup>
- May 8<sup>th</sup>
- June 12<sup>th</sup>
- July 10<sup>th</sup> (Call of the Chair)
- August 14<sup>th</sup>
- September 11<sup>th</sup>
- October 9<sup>th</sup>
- November 13<sup>th</sup>
- December 11<sup>th</sup>

**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	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 & Operating
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 & Roof repair	\$1,000,000	Loan	1/7/2022	3/24/2022	n/a	Elevator construction completed Roof repair underway
235-7 Hamilton Part 1	Construction & Environmental loan	\$4,000,000	City Funds loan	1/7/2022	6/16/2022	n/a	Work Underway
Albany/Woodland	New construction, mixed use project	\$5,500,000	Loan / Equity with \$12.8M City Revolving Loan Fund	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

2/18/2025

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 <sup>1</sup>	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 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	\$500,000	Grant-in-aid			6/1/2018	Discussions continue with Town, developer planning consultants and CRDA  Demo of BOA building in planning
	Demolition of buildings on or adjacent to to Founders Plaza site	\$6,500,000	Grant-in-aid		5/18/2023	6/30/2023	
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	5/9/2024	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. Abatement and demo of other two buildings underway Town in discussions with potential developer.
Commerce Park	150 units housing \$47M TDC	\$6,500,000	Loan 3% 10 Yr.	10/4/2024	10/17/2024	12/20/2024	State Bond Commission Approval / Loan Docs Underway

1/13/2025

<sup>1</sup> Transferred to CRDA from other State Agencies