

Regional and Economic Development Committee
Virtual Conference Call
Approved Meeting Minutes
November 13, 2025
3:00 PM

Members Present via Microsoft Teams: Mayor Connor Martin, Pam Sucato and Matt Pugliese

Staff Present via Microsoft Teams: Dave Steuber, Mike Freimuth, Derek Peterson, Sean Harrison and Kim Hart

Guests Present via Microsoft Teams: Rishi Patel (DVR), Chris Reilly (Lexington Partners), Kevin Hoagland (Lexington Partners) and Harrison Newman (Lexington Partners)

Mayor Martin called the meeting to order at 3:02 p.m. and the minutes of the October 9, 2025 meeting were approved on a voice vote.

I. New Projects

The Capitol Hotel - 440 Asylum St., Hartford, CT

Mr. Peterson walked Committee members through the proposed project: The Capitol Hotel is a 9-story, 96-room, Class-B limited-service independent hotel that was built in 1961. It was recently purchased by DVR Ventures, which owns and manages hospitality, residential, and mixed-use properties, primarily focused on East Coast markets. Lexington Partners serves as an equity partner, providing local development expertise and helping navigate compliance with city and state regulatory requirements. Since the acquisition in August, DVR and Lexington have been working on a capital improvement plan, with the guidance of IHG Hotels, to make property specifications compatible with Holiday Inn Express & Suites branding.

The Hotel currently consists of a mix of king, queen and double-bed configurations occupying floors four through nine, while the second and third floors house operational and guest amenities including a breakfast lounge, conference rooms, a business center and fitness studio. The ground floor includes the main lobby, reception, and office space, with access to 48 parking spaces below grade and 57 surface parking spaces.

The proposed project will spend nearly \$68,000 per room and increase the room count from 96 to 105. Sixteen of the existing rooms will be converted into suites, and all rooms will get a complete interior refresh with new bathrooms, furniture, flooring, doors, ceilings and artwork to meet Holiday Inn Express & Suites brand requirements. The breakfast room, fitness center, business center and meeting rooms will all likewise be upgraded to meet the same standard.

The Hartford Central Business District (“CBD”) currently includes only six hotel properties with approximately 1,100 guest rooms. Prior to the pandemic, there were eight properties with over 1,800 rooms, but with the partial conversion of the Hilton and conversion of Homewood Suites and the Red Lion Hotel to residential, the market lost nearly 700 rooms. For the Connecticut Convention Center (“CTCC”) and PeoplesBank Arena to remain competitive, the CBD must regain these lost rooms to bring the most in-demand events to Hartford. Mr. Peterson noted that as it relates to events at the CTCC, CRDA will require the rebranded IHG hotel to provide room blocks that can be advertised as available for CTCC shows.

CRDA staff are recommending a loan of up to \$4 million (\$38,100 per room) to DVR/Lexington for the project. The proposed loan will have a term of 10 years at 3% interest, with an interest-only period of 12 months. Principal and interest payments will be made from years two through ten, with interest payments calculated using a 360-month amortization schedule and the loan is pre-payable at any time without penalty.

Committee members raised no questions about the project. Mr. Reilly commented on Lexington’s partnership with DVR, praising their extensive hotel experience. He noted that the additional hotel rooms were sorely needed in Hartford and that the site was well-positioned to serve the new courthouse. Mr. Patel cited Lexington’s experience in the area as critical to their partnership and said they hoped to deliver a “quality product as soon as possible.” He also cited DVR’s hotel project in Springfield as an example of their success in the area.

The following resolution was adopted on a voice vote:

Resolution: The Executive Director is authorized to provide financing to DVR/Lexington (or such single purpose entity as approved by CRDA) to renovate and expand The Capitol Hotel at 440 Asylum Street, Hartford, CT. The project will consist of renovations to the 96 existing hotel rooms and the buildout of 9 additional rooms. CRDA will lend up to \$4 million at 3% interest, with an interest-only period of 12 months. The term of the loan will be 10 years and interest will be paid using a 360-month amortization schedule. Approval is subject to: 1) All financing being secured; 2) a franchise agreement between borrower and IHG or related hotel entity; 3) A room-block agreement between CT Convention Center and Hotel operator, 4) Approval of the State Bond Commission; and 5) Such fiduciary terms as deemed necessary and appropriate by the Executive Director and CRDA counsel.

II. Existing Projects

Mayor Martin updated Committee members on the following East Hartford projects:

- a. Concourse Park - Bids have been received for site infrastructure improvements.
- b. Port Eastside - Demo work on the former Bank of America building is scheduled to start November 18th and continue through February.

Mr. Peterson next provided updates on the following:

- a. Arena District Retail – The Hartford Chamber is spearheading this effort, which will build on momentum generated from the PeoplesBank Arena refurbishment. Program guidelines are currently being drafted and a Finance Committee will be established to review projects.
- b. Real Art Ways – Closing on the project is expected to occur in mid-December. Bids for the work are due next week and pricing is expected the following week.

The next meeting of the Regional & Economic Development Committee is scheduled for
December 11, 2025.

There being no further business, the meeting was adjourned at 3:23 p.m.