

**Capital Region Development Authority**  
**100 Columbus Boulevard**  
**Suite 500**  
**Hartford, CT 06103**  
**Thursday, November 19, 2015**  
**6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Andy Bessette; Joanne Berger-Sweeney; Commissioner Evonne Klein; Mayor Marcia Leclerc; Michael Matteo; Scott Jackson (phone); David Jorgensen; Commissioner Jim Redeker; Commissioner Catherine Smith (6:39 arrival)

**Absent:** Mayor Pedro Segarra

**Vacancies:** The Board has 3 vacancies due to the vacancies created by the departure of Floyd Green and Thomas Deller.

**CRDA Staff Present:** Michael Freimuth; Joseph Geremia; Kim Hart; Anthony Lazzaro; Jennifer Gaffey; Robert Saint; Terryl Mitchell Smith

**Guests:** Jennifer Tran (CRDA Intern);

**Call to Order & Minutes**

The Board Meeting was called to order at 6:05pm.

The minutes from the October 15, 2015 Board Meeting were moved by Evonne Klein, seconded by David Jorgensen and unanimously approved.

**Mayor's Report**

East Hartford Mayor Marcia Leclerc reported of the following:

- The Library opened to great success and will serve the residents of the Town of East Hartford. Mayor Leclerc thanked Governor Malloy for helping to fund the project.
- More solar projects are being planned in the town.
- Discussions continue regarding a casino and an outlet retail center in town.

**Housing Committee**

Michael Freimuth reported on the following:

- Five projects are currently in active lease-up, with two more scheduled by year end.
- The Front Street Apts. have nine units leased meeting the first month's target.
- Construction projects are moving along (Capewell and Hartford Office Supply).
- CRDA has requested a technical amendment from the next Bond Commission to reallocate funds for the Radisson deal, which is ready to go. The funds that would be used are \$2.1M from the Capewell project and \$4.5M from the 3 Constitution project as well as unused funds totaling \$125,000 from the Lewis Street project.
- CRDA received full repayment of \$2,184,135.72 from its bridge loan to the Sonesta project.

## Venue Committee

Andy Bessette reported on the following regarding the various Venue items

### *XL*

- The short term lease, covering the next three years, has been signed by UCONN and Global and is now awaiting the office of the Attorney General's approval.
- CRDA and UCONN are working on a long term Letter of Intent (LOI) regarding the XL Center.
- CRDA continues to review the SCI Architects estimate for the XL Center of \$230M, which does not include soft costs or the additional space needed. The additional space is owned by Northland and has been identified. An appraiser is currently working on assessing the value of the space in anticipation of a meeting with Northland. Plans have been shared with Northland and a meeting has been scheduled.
- CRDA anticipates approaching the General Assembly in early 2016 to request funds to acquire the Northland space and for development of the construction design documents.
- MASL has severed all ties with premier sports to bring indoor soccer to the XL Center, this on the heels of the problems with Dillon Stadium.
- UCONN hockey game attendance is down 1,100 people per game from last year. (average attendance is 3,400 this year vs. 4,500 last year).

### *Rentschler Field*

- Venue Committee members met with officials from the Minor League Football and discussed the possibility of bringing a team to the stadium next Spring (2016). The league seems very interested and they are currently reviewing the costs to play in the building.

### *CTCC*

- Improvement to the Convention Center motor lobby will begin in approximately 6-8 weeks. A permanent box office with a new reception area and a new link to the hotel have been designed. The planned renovations will coincide with the improvements that are being made to the Marriott.
- New carpets are being installed throughout the Convention Center.

## Finance

Joseph Geremia reported the following Financial update for November 2015.

Also reviewed were:

- Balance sheets {September 30, 2015 and June, 2015}
- Statements of Revenues, Expenses and Changes in Net Position {September 30, 2015 and September 30, 2014}

### Fiscal Year 2016 Financial Statements for the Quarter Ending 9/30/2015

#### Balance Sheet

- Current restricted cash decrease reflects use of bond funds for Residential housing initiatives off-set with a decreased liability in accrued expenses
- Current unrestricted cash decrease reflects timing differences between funding and expenses at the CTCC and the XL Center

#### Statement of Revenues, Expenses and Changes in Net Position

- Combined facilities income and expenses
- Development costs reflects TFC support
- Interest expense decrease reflects start of fiscal year without swap interest payments

### Fiscal Year 2016 Operating Statistics

#### *CT Convention Center – September/October 2015*

- October stats: 61 event days held YTD with YTD attendance at 65,800
- Qtr. 1 financials: Total revenue even with budget with food & beverage revenue favorable by 34% compared to budget; Net Income \$43,000 unfavorable to budget
- After first fiscal quarter of activity, total year projection even with budget

#### *CRDA Parking Facilities – September/October 2015*

- October stats: Utilization favorable to budget at 64%
  - Monthly rate customers even with prior year at 10,000 YTD
  - Transient customers even with prior year at 119,300 YTD
- Qtr. 1 financials: Monthly rate customer revenue and event revenue even with budget
  - Transient revenue favorable by 14% compared to budget
  - Net Income \$160,000 favorable to budget
  - After first fiscal quarter of activity, total year projection approx. \$100,000 favorable to budget

#### *Rentschler Field - September/October 2015*

- October stats: 51 event days held YTD with YTD attendance at 126,800, Includes 5 of 6 UCONN football games
- Qtr. 1 financials: Event revenue unfavorable by 8% with expenses favorable by 6% compared to budget
  - Net Income \$62,000 unfavorable to budget
  - After first fiscal quarter of activity, total year projection approx. \$143,000 unfavorable to budget

### *XL Center - September/October 2015*

- October stats: 20 event days held YTD with YTD attendance at 65,600
- Qtr. 1 financials: Event revenue unfavorable by 44% compared to budget due to F&B expenses
  - F&B 1<sup>st</sup> Qtr. fixed expenses to be off-set by 2<sup>nd</sup> and 3<sup>rd</sup> Qtr. event sales volume
  - Expenses (other than F&B) even compared to budget
  - Net Income \$37,000 unfavorable to budget
  - After first fiscal quarter of activity, total year projection even with budget

### *Church Street Garage*

- Linking activity with Hartford Wolfpack and XL Center incentives & advertising
  - Monthly rate customers at 5,900 YTD, unfavorable to budget by 350 per month
  - Transient customers at 52,500 YTD
- Qtr. 1 financials: Monthly rate customer revenue and transient revenue even with budget
  - Event revenue unfavorable by \$73,000 compared to budget due to budget event seasonality, After first fiscal quarter of activity, total year projection even with budget

### Fiscal Year 2016 Budget

State budget effects:

- Hiring Freeze
- Spending restrictions – contractual services
- 5% reduction option - \$393,218

Residential Housing Initiatives – \$60M, Disbursed \$35.3M

### Neighborhood Committee

Michael Freimuth reported on the following regarding the Neighborhood Committee:

The Neighborhood Committee has been created and tasked with screening new “citywide” requests for projects. This Sub-Committee of the CRDA Board will assess and prioritize projects that will be referred to CRDA by the City. The funds for these projects will come from the new allocation from the legislature. The Committee will begin to meet in the First Quarter of 2016.

Projects that may be taken up by the Neighborhood Committee include:

- Neighborhood based retail strips along Albany Avenue, perhaps small business lending.
- Major investments at Bowles Park housing projects.
- Plaza Mayor, combined retail/residential, to be tied in with Hartford Hospital at the intersection of Park and Main. Forty units plus commercial space is being considered.
- Major gateway along Washington Street, incorporating Trinity, Hartford Hospital and the Learning Corridor.

- The conversion of 85 Sigourney Street into student housing.
- Harford College for Women, Asylum and Elizabeth, proposed subdividing large homes into individual lots, tearing down some of the mid-century homes and build student housing.
- Renovating the Swift Factory, which is in the Promise Zone.
- Possibly work with the Department of Agriculture to find new space for a new regional market.

### **Executive Directors Report**

Michael Freimuth gave an update on the following projects:

777 Main Street - final TCO expected. One outstanding issue regarding damage to glass that will likely be resolved between contractors. Retail currently has a coffee shop, barber shop, yoga studio and a small store. There are ongoing discussions with a large store, and with two restaurants.

Front Street Lofts – TCO has been issued and its first units are occupied.

Elm Street – 85% complete, 2-3 weeks until completion

Lewis Street – 80% complete.

Capewell – 25% complete. Targeted for 2016 occupancy.

Capital Avenue – Environmental remediation is ongoing. Exterior masonry work underway. Targeted for late 2016 occupancy.

UCONN Downtown Campus – Aggressive construction schedule for Fall 2017.

XL Center –\$35M program is essentially complete. Some of the tasks are currently on hold due to not receiving the last of the Bond Commission funds.

Church Street Garage – quite a bit of structural deficiency – one stairwell is currently closed and being replaced. Repairs underway.

450 Columbus Boulevard – occupancy is scheduled for next year – some state offices will begin to migrate into building.

55 Farmington – Chiller & boiler work ongoing.

Morgan Street – will be transferred to DAS in 2017.

Newington – changes within the new Town placed the project on hold.

Bushnell – CRDA has had multiple meetings with the Bushnell to position the real estate being freed up by the State for redevelopment. It was suggested that they connect with the National Development Council to help structure the project and determine the market. The Bushnell will keep CRDA apprised as they move forward.

### **Wadsworth Atheneum Parking Rate**

The Wadsworth Atheneum approached CRDA regarding offering discounted parking for museum guests for either the Front Street North and/or South Garage. After a meeting to discuss the proposed discounted rate, CRDA offered a \$3.00 promotional rate for thirteen months due to ongoing construction in the Front Street area.

The proposed promotional parking rate terms and conditions for the Wadsworth Atheneum Museum of Art are as follows:

### Wadsworth Atheneum

- The Wadsworth shall advertise and promote the Front Street North Garage and Front Street South Garage for museum guests.
- Visitors and guests of the Wadsworth shall be charged a promotional daily rate of **Three Dollars (\$3)**.
- Duration – The promotional rate shall be for the period beginning on or about December 1, 2015 and ending December 31, 2016.

### Connecticut Convention Center

- During the promotional period, Wadsworth shall offer a discounted daily admission fee of **Five Dollars (\$5)** per person for guests and visitors to the Connecticut Convention Center.

The following motion was moved by Andy Bessette, seconded by Catherine Smith and unanimously approved

*“The CRDA Board of Directors hereby approves the proposed promotional rate for the Wadsworth Atheneum on the terms and conditions presented above.”*

Marketing Report – The Marketing Report was distributed which included Property value Stats that are meant to help track CRDA’s impact.

### Executive Session

The following motion was moved by Evonne Klein, seconded by Andy Bessette and approved.

*“The CRDA Board of Directors hereby moves to go into Executive Session.”*

The CRDA Board Meeting adjourned at 7:30pm.

*“The minutes of the November 19, 2015 CRDA Board Meeting were moved by Andy Bessette seconded by Cheryl Malerba and unanimously approved by Board Members at the January 14, 2016 CRDA Board Meeting.”*