

**Capital Region Development Authority  
Board Meeting  
State Office  
450 Columbus Blvd.  
Plaza North, Meeting Room G  
Hartford, CT 06103  
Thursday, September 15, 2016  
6:00 pm**

**Board Members Present:** Chairwoman Suzanne Hopgood; Andy Bessette; Mayor Luke Bronin; Joanne Berger-Sweeney; Sean Fitzpatrick; David Jorgensen; Mayor Marcia Leclerc; Michael Matteo (via phone); Catherine Smith

**Absent:** Ben Barnes; Evonne Klein; Jim Redeker

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

**Guests:** Annette Sanderson, Executive Director, Hartford Housing Authority, John McClutchy, JHM Group; Kurt Harrison, Nutmeg Planners LLC; Eileen Buckheit Director of Development for Town of East Hartford; Richard Gentile, Corporation Counsel Town of East Hartford

**Call to Order & Minutes**

The Board Meeting was called to order at 6:08pm.

Chairwoman announced the following:

- Congratulations to Joseph Geremia who was nominee for HBJ CFO of the year.

The minutes from the June 16, 2016 Board Meeting were moved by Sean Fitzpatrick, seconded by Catherine Smith and unanimously approved.

**Face the State**

Andy Bessette, Chief Administration Officer of the Travelers was interviewed by Dennis House on Face the State regarding the 2016 Traveler's Championship. The video was played for the Board.

**Mayors Reports**

Mayor Marcia Leclerc reported the following:

- Recipient of a brownfield Grant
- Recipient of Study from CROCG for the Transportation corridor of Silver lane  
East Hartford seeks to develop the scopes of work for a full build out scenario, the brownfield Grant as well as the transportation component have synergy between them.
- Recipient of Urban Act Grant from State of Connecticut, this Grant will be used for the Horizon outlet shops at Rentschler Field. Eileen Buckheit, Development Director of East Hartford and Richard Gentile, Corporation Counsel for the Town of East Hartford presented how they would like to utilize the skills of CRDA to help East Hartford move this project forward. Ms. Buckheit further explained the project as approved is 425,000 sq ft. of retail space with Horizon of Chicago.

The following motion concerning the administration of the urban act grant funds on behalf of the Town of East Hartford was moved by Andy Bessette and seconded by Dave Jorgensen.

- **Urban Act Grant to the Town of East Hartford:** \$12 Million (the “Funds”)
- **Project Description:** The construction of public infrastructure improvements for the redevelopment of the Silver Lane and Rentschler Field Corridor located in the town of East Hartford, Connecticut (the “Project”)
- **CRDA Scope of Work:** To provide grant administrative services for the Project

*“The CRDA Board of Directors hereby authorizes the Executive Director to negotiate and enter into any and all necessary agreements with the Town of East Hartford and the Department of Economic and Community Development relating to the administration of Funds for the Project, as presented.”*

Sean Fitzpatrick reported on the following items for Mayor Luke Bronin:

- The City of Hartford has reached an agreement in principal with the surety on the Stadium project with Arch Insurance. This agreement provides a commitment to finishing the stadium in time for the 2017 baseball season, also future outlays by the City will be limited to the project funds, less some expenses retained as a result of the termination of Centerplan.
- The City of Hartford spoke with the Eastern League and President of Arch to reassure them that everything is on track. Construction should resume early October.
- Hartford Redevelopment is going to be issuing RFQ’s both for the City owned parcels on Albany Ave. and Woodland Street. This was a mixed-use project anchored by Rite-Aid Pharmacy previously assigned to Centerplan however Rite-Aid determined they did not desire to proceed with the project and Centerplan withdrew. In an effort to get a very broad group of proposals, these projects will go through an RFQ process.
- 525 Main Street will also go through an RFQ process. Although UCONN does not have an interest in purchasing the building, they have shown interest in renting floors of the building. UConn will be kept involved in the conversations with regard to any developer that is interested in purchasing the building.
- On Friday, September 16, the City of Hartford is presenting to sixteen federal agencies, the development goals for the Promise Zone in the north end. They will be advocating for additional legislation to add benefits for investors in the Promise Zone and also looking to bring more grants into the city to help bring the Promise Zone to the next level.
- Reconstruction of Park Street is nearing completion. Working with local merchants and other stakeholders to integrate pedestrian mall concepts, parklets etc.
- iQuilt has raised approximately \$200,000 in four months to be able to have skating at Bushnell Park for Winterfest again this year.

## Finance

CRDA CFO Joseph Geremia introduced Jennifer Hawkins, CPA, Partner with outside auditing firm Mahoney Sabol and Company for the purpose of giving the report on CRDA's Financial Statements, Special Purpose Financial Statements, and gave the Report on Compliance and Internal Control.

Ms. Hawkins gave an overview of the audit function indicating that auditing the authority as a whole on a consolidated basis includes the Convention Center, parking facilities and the XL Center. In addition to that, when auditing the individual entities that comprise the consolidated statement, they also issue a standalone statement for the Convention Center, parking facilities and XL. Michael VanDeventer of Mahoney Sabol audited the stadium at Rentschler Field however this entity is not consolidated within CRDA.

### Report on CRDA's Financial Statements and each of the Special Purpose Financial Statements.

Mahoney Sabol's audit has been performed in accordance with (AICPA) American Institute of Certified Public Accountants, and also has to follow Government Auditing Standards issued by the U.S. Government Accountability office. The auditors issued a "clean" opinion. There are no issues to report. The auditors have found that CRDA's financial statements are free from material misstatement. No difficulties were encountered during the audit.

The only area that one might consider sensitive would be note 10, related to disclosures of management agreements. With regard to corrected and uncorrected misstatements, we did have a few pass adjustments that were identified and they were discussed with management both at the entity level and at the CRDA level. Because these pass adjustments did not result in being material to our Financial Statement we were able to keep them as pass adjustments.

### Report on Compliance and on Internal Control over Financial Reporting.

Mahoney Sabol reviews the Authority's Compliance and internal controls but does not provide an opinion. No instances of material noncompliance identified, no material weaknesses in internal control identified. Ms. Hawkins offered to speak with the Board in Executive Session I they desired, but had no further information to provide. The Board agreed Executive Session was not needed but would reach out to Ms. Hawkins in the future if something arose.

### State Auditors of Public Accounts

Mr. Geremia presented The State Auditors of Public Accounts audit for the years of FY2013-2014 which received a clean opinion. Mr. Geremia offered his appreciation for all the work that Assistant Controller, Dorine Channing, a dedicated member of my staff, has done for this audit and all of the audits.

### Annual Report

Michael Freimuth offered some highlights relating to the FY2015-2016 CRDA Annual Report:

- Although it was a tough year for the CT Convention Center, it produced more taxes to the State than it received in State subsidy funds.
- CRDA acquired more land for Rentschler Field and it is being incorporated into the profile of the property.
- XL Center – it was a difficult year however it outperformed the forecasted budget.
- CT Science Center, over 300,000 visitors.
- Rentschler- CRDA ended the year positive in large part because of non-UCONN event revenue that was generated by Spectra totaling over \$600,000.
- Two properties that are tracked and reported within CRDA's Annual Report that were built under the original CCEDA Six Pillars, Hartford 21 and Trumbull on the Park, are over 96% occupied.
- Tennis Center had a 10% increase in attendance over last year.

Mr Geremia informed the Board that the Annual Report along with the audited financials for FY16 with the final opinion letter from Mahoney Sabol will be released and filed appropriately by September 30 following approval from the Board.

The following motion was moved by Dave Jorgensen, seconded by Marcia Leclerc and unanimously approved.

*“The CRDA Board of Directors hereby approves the CRDA Annual Report/Audit for FY-2015-2016, as presented.”*

### **Fiscal Year 2017 Operating Statistics**

#### CT Convention Center – July/August 2016

August stats: 28 event days held YTD with YTD attendance at 46,700

July financials: Total revenue favorable by 23% with expenses even compared to budget

#### CRDA Parking Facilities – July/August 2016

August stats: Utilization favorable to budget at 76%

Monthly rate customers even with prior year at 5,100 YTD

Transient customers even with prior year at 60,000 YTD

July financials: Transient revenue and monthly rate customer revenue even with budget

#### XL Center - July/August 2016

August stats: 6 event days held YTD with YTD attendance at 16,300

July financials: Event revenue and expenses even compared to budget

2013 Transitional expense loan with Spectra paid off in July

#### Church Street Garage - July/August 2016

August stats: Utilization of 87% favorable to budget of 72%

Monthly rate customers favorable to budget by 500 at 2,700 YTD

Transient customers favorable to budget by 200 at 2,900 YTD

July financials: Transient revenue and monthly rate customer revenue even with budget

#### Rentschler Field - July/August 2016

August stats: 27 event days held YTD with YTD attendance at 22,400

July financials: Event revenue and expenses even compared to budget

#### CTOpen – 2016 Tournament

Preliminary update within Venue Report

Residential Housing Initiatives – Total Contracted Loans: \$49.4M

Current Contracted Loans: \$43.5M

Current Disbursed: \$36.2M

### **Housing Report**

Sean Fitzpatrick reported on the Housing Committee meeting that occurred on September 8, 2016.

289 *Asylum* – Jose Ramirez, interested in renovating 289 Asylum Building, his initial plan was to turn it into an eight unit condominium, Also discussed was an idea for Mr. Ramirez to have a “plan B” that included a rental strategy.

*Other projects* – As we turn to the next phase of the downtown focus we've been approached by a couple of projects and we are trying to figure out how they fit into our long term strategies.

- the Lewtan project
- there is interest in potentially finishing out the Front Street project with a mixed use building, using the parcel that is next to Arch Street that is currently a parking lot.
- some discussion about the adjoining buildings 101 and 111 Pearl Street.

Mike Freimuth reviewed the Pipeline Report.

- Capewell - scheduled to come online in the Spring of 2017.
- Hartford Office Supply - scheduled to come online in the Spring of 2017.
- 1279 Main - work has just begun.
- 370 Asylum – working towards a closing.
- Radisson under construction.

### **Venue Committee**

Andy Bessette presented the Venue Committee update however he asked Mr. Geremia for the Tennis Center report.

#### *Tennis Center*

Mr. Geremia reiterated that The Connecticut Open presented by United Technologies is a WTA event that leverages the excitement of world-class women's tennis to benefit the community and maximize support for women's, youth and military causes in Connecticut.

A final reconciliation of the event is expected soon, however, it was noted that attendance remained steady. Sponsorship totals are down, however, the number of sponsors represents an increase over 2015.

#### *Highlights include:*

ShopRite Partners in Caring Food Drive supporting the Connecticut Food Bank

- Connecticut Food Bank is the largest centralized source of emergency food in Connecticut
- \$8,175 in donations collected throughout tournament, enough to provide 16,350 meals

Smilow Cancer Hospital at Yale New Haven Health Closer to Free Player Challenge

- Players, local celebrities and fans ride (and sign bike) to raise funds for breast cancer research. The more miles logged, the more money raised. Signed bike auctioned off post-tournament.
- Nearly \$25,000 fundraised to date including the Player Challenge and CTO staff participation in Closer to Free Ride.

Autism Awareness Day

- Featured a series of adaptive tennis and free clinics as well as sponsor booths promoting autism-related services.
- NEW FOR 2016. Sensory friendly space (air conditioned hospitality space overlooking stadium court) was programmed for guests with special needs.

### Military Appreciation Day

- A longtime Connecticut Open tradition that honors active military and veterans during tournament week with free tickets and other programs
- United Technologies hosted the Military Outpost and provided hospitality for all active -and retired military.
- The Hillhouse JROTC Color Guard & Drill team performed prior to the start of the singles final.

### Television coverage

- The 2016 tournament had 34 hours of coverage on ESPN2 and ESPN3. Next year all singles matches and nearly all doubles matches will be televised.

### Expanded Use

- The CT Tennis Center hosted the first CSEC Tennis Tournament on September 10 and 11, participation exceeded everyone's expectations with 260 State employees participating.

### Attendance

- This year's tournament was the 4<sup>th</sup> best attended women's only WTA event in the world (out of a total of 41). Almost a 50% increase in the number of sponsors and a 50% increase in CT -based sponsors over the last two years

### *XL Center*

Capital Improvements – A construction manager is being selected to oversee the elevator and security upgrades at the Church Street Garage and XL Center, as well as the ice slab replacement at XL. Testing is being done this week to determine whether any asbestos exists and contingency plans are being discussed.

Event Update – Ice making will begin next week and hockey season for both UConn and the Wolfpack will start in early October. Upcoming events include a Maroon 5 concert (Sept. 19<sup>th</sup>), Blake Shelton concert (Sept. 30<sup>th</sup>) and this weekend's Mission of Mercy Dental Clinic.

### *Pratt & Whitney Stadium at Rentschler Field*

New Parking Lots – A temporary parking arrangement has been worked out with UTC to allow the Stadium to use additional acreage at Rentschler Field for the Virginia and Syracuse games. These are expected to be the best-attended games of the season.

Budget Update – The Stadium ended FY16 in the black, due in large part to over \$600k in non-UConn event revenue related to Club and parking lot events.

Game-Day Changes – UConn's new AD has requested a number of changes to game-day operations in order to enhance the fan experience, including (1) additional parking lot signage, (2) new amenities for season ticket holders, (3) reductions in hot dog and bottled water prices and (4) deferral of the scheduled \$15 to \$20 parking rate increase. The Stadium has agreed to implement all but a few of the requested changes, however, the concessions and parking items could significantly impact the Stadium's budget. UConn has been reminded that, per their lease agreement, they are responsible for any final budget shortfall up to \$250k.

**The following motion was moved by Andy Besette, seconded by Catherine Smith and unanimously approved.**

*“The CRDA Board of Directors approves deferral of the parking rate increase included in the FY17 budget for Pratt & Whitney Stadium at Rentschler Field as previously approved by the CRDA Board at its May 19, 2016 meeting.”*

Capital Improvements – CRDA has requested an additional \$300k from the State Bond Commission to cover paving and concrete repairs to prevent further water damage to the concourse and field wall.

New UConn Ticketing Program – In an effort to boost attendance for all its sports programs, UConn has contracted with Aspire to implement a new ticket sales initiative. The University’s lack of a dedicated team and concerted effort to boost attendance has been a serious concern of CRDA’s for a number of years.

### *Convention Center*

Update - Despite an off year in terms of events, the Convention Center has performed ahead of budget projections. The building is expected to do well in the current year, with a significant number of events booked. Work on the new box offices and video board should be completed shortly. Additional issues related to water infiltration on the outside concourses will need to be addressed.

### **Neighborhood Committee**

Mayor Luke Bronin gave a brief overview of the following memo that has been created as the selection process and criteria for reviewing and selecting Neighborhood Committee development projects.

### ***Memorandum***

Date: August 9, 2016

To: CRDA Neighborhood Committee

From: Don Chapman, Director,  
Community and Small Business Development Division

Re: CRDA Neighborhoods Committee - Project Selection Process and Criteria

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On July 14, 2016 Mayor Luke Bronin convened a meeting to discuss the process in which the CRDA Neighborhood Committee would nominate, review and select neighborhood development projects. The following outlines criteria, structure and procedure for the selection and approval process.

#### **Structure**

Two pools of money, assembled to leverage other development funds:

- a. Promise Zone (ex: Terry Square, Albany Ave.)
- b. Overall Neighborhood Development (ex: Parkville, South Green, Farmington Ave.)

#### **Project Criteria**

- a. **Catalytic Potential:** Is the proposed project highly likely to spark investment in surrounding or adjacent properties, spark new development or construction, or help to stabilize a neighborhood currently in

decline or at risk of decline? Is the proposed project a “Gateway Project”? Does the project spark development at a strategic location?

- b. **Financial Leverage Potential:** Will the investment in the proposed project leverage other financial resources including but not limited to federal or state grant funding, tax credits, private investment, philanthropic or corporate donation? A ratio of 2 or 3 to 1 should be the minimum leverage considered. The proposed project should have direct or indirect impact on the City’s Grand List.
- c. **Long Contemplated Project:** Is the proposed project one that has been identified, contemplated and desired by the City and/or neighborhood for several years but suffered from a lack of available funding?
- d. **City and Community Benefits:** what will the proposed project generate to the City or overall community including, but not limited to, tax generation, job creation, property value increases, creation of needed housing units, maintenance costs savings.
- e. **Efficacy of Plan Potential:** What is the proposal’s realistic probability of success?

**Project Types**

- a. Economic Development Project
- b. Housing
- c. Infrastructure

**Each proposed development project will be:**

- 1.)vetted and evaluated on the above criteria by the Department of Development Services, and
- 2.)reviewed and nominated by the Department of Development Services to the CRDA Neighborhood Review Committee
- 3.)reviewed and approved by the CRDA Neighborhood Review Committee and the CRDA Board of Directors, and
- 4.)submitted to State Bond Commission by CRDA for final review and funding.

**The following motion was moved by Mayor Luke Bronin, seconded by Dave Jorgensen and unanimously approved.**

*“The CRDA Board of Directors approves the criteria outlined in the August 9, 2016 memo from the City of Hartford to be utilized by the Neighborhood Committee in determining the use of CRDA funding for neighborhood projects.”*

Chester A. Bowles Park Demolition

The project was presented by John McClutchy, JHM Group, Annette Sanderson, Executive Director, Hartford Housing Authority and Kurt Harrison, Nutmeg Planners LLC.

Chester A. Bowles Park is a 59.3acre parcel in the Blue Hills neighborhood of Hartford, CT and is comprised of 410 residential units contained in 59 buildings. It has reached the end of its useful life and is functionality obsolete as it is one of the oldest public housing complexes in the City, having been built in 1949 and 1950. The property will undergo complete abatement and demolition in order to provide new safe quality mixed-use and mixed-income opportunities existing and new residents. Transit options, community facilities, job centers, public facilities and recreational amenities will have a profound positive impact on the greater neighborhood by reintegrating this development with the surrounding neighborhood fabric.

Team Overlook is working in collaboration with the Housing Authority of the City of Hartford with support from the City and State of CT to remediate and demolish the obsolete Chester A. Bowles in order to provide new safe quality mixed-use and mixed-income opportunities for existing residents and in a manner that will bring increased value to the Blue Hills neighborhood and City as a whole.

**The following motion, as amended by Mayor Luke Bronin, was moved by Andy Bessette, seconded by Dave Jorgensen and unanimously approved. with the following amendment from Mayor Luke Bronin to be added at the end of the motions “and pending an agreement between the housing Authority, the City of Hartford, the developer concerning local labor hiring requirements.”**

*“The CRDA Board of Directors approves the awarding of a grant to Hartford Housing Authority and/or Overlook Village Associates, developer of the Willow Creek project (formerly known as the Bowles Park project) in an amount up to \$5,000,000, as determined by the Executive Director, pending an agreement to settle an outstanding CHFA mortgage on the existing housing development and pending an agreement between the Housing Authority, the City of Hartford and the developer concerning local labor hiring requirements”.*

### **Executive Director Report**

XL Center – \$4.75M has been approved through the State Bond Commission to continue work at XL to secure bids, designs and construction team.

Rentschler Field – working to secure additional funds through the Bond Commission to fix some water problems at Rentschler Field.

Bushnell Development – met with the team throughout the summer. Working to do a market analysis, prepare an RFI and secure some sort of site control mechanism with the Department of Administrative Services.

South Green Development – a meeting is planned with NRZ representatives next week, in hopes to bring it forth to the Hartford Redevelopment Agency in October to go forward to put together a new amendment to the development area around South Green.

Front Street Phase IV – Housing Committee has reviewed and is having conversations with HB Nitkin Group to complete what is known as Front Street Phase IV which would utilize the parking lots along Arch Street.

Other projects – Working in three local towns:

- E. Hartford, which was discussed earlier.
- Newington, property has been cleared, wrapping up final EPA approved clean-up program; working with town to issue an RFP to develop Cedar Street site.
- Wethersfield, we have been approached to look at a property off of the Silas Deane Highway, for a mixed-use project.

### **Construction Updates**

- UCONN Campus one-third complete, looking to extend work hours, goal to be completed by next fall.
- 450 Columbus Boulevard – continue fit-out
- XL Center – Security Upgrades are underway; improvements have begun on the overpass between XL and Church Street Garage.
- Church Street Garage – painting project complete; overhead crack repairs found in the concrete beams are in progress of being repaired.

**The following motion was moved by Sean Fitzpatrick seconded by David Jorgensen and approved.**

*“The CRDA Board of Directors hereby moves into Executive Session to discuss legal and contract issues.”*

Executive Session adjourned with no action and the CRDA Board adjourned at 8:04pm.

***“The minutes of the September 15, 2016 CRDA Board Meeting were moved by Sean Fitzpatrick seconded by David Jorgensen and unanimously approved by Board Members at the October 20, 2016 CRDA Board Meeting.”***