

Testimony Presented to the Commerce Committee

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Capital City Economic Development Authority ('CCEDA')

Testimony related to S.B. No. 22

An Act Concerning the Capital Region Development Authority

Senator LeBeau, Representative Berger and Members of the Commerce Committee,

My name is Jim Abromaitis and I am the Executive Director of the Capital City Economic Development Authority.

Thank you for allowing me to appear before you this morning. I wanted to bring the committee up to date on the activities at CCEDA in order for you to have as much information as you might need as you debate the S.B. 22.

Let me start by giving you some background on CCEDA which came into existence back in 1998. The mission certainly was and continues to be to implement the pillars projects with the cooperation of numerous state agencies most notably OPM's Adriaen's Landing/Rentschler Field project office.

While much has been accomplished there certainly is more that can be done. I do not believe it would be a stretch to say that the work CCEDA has done has transformed the City. As a matter of fact, on occasion, I have mentioned that the CCEDA model should be in essence franchised to other large communities in order to implement large scale development.

Let me give you some facts on what CCEDA has produced to date:

- Capital Community College's move to downtown in 2002 had seen its enrollment grow by 60%. In fact, the class of 2011 and its 547 graduates was the largest graduating class in the school's history.
- Downtown housing at Trumbull on the Park, Temple Street and Hartford 21 has reached what could be considered full occupancy at 96% and student housing at Temple Street at 90%.
- CCEDA has to date funded 483 units of housing through its Appraisal Gap program with the City. This program was put in place to help develop home ownership opportunities throughout the many neighborhoods of Hartford.

- CCEDA has built and maintains 3,708 parking spaces in four garages within Adriaen's Landing. These garages were financed with a combination of revenue bonds, debt and federal funds.
- The highly successful Jobs Funnel initiative was developed to assist in the training and placement of Hartford residents who may not have had opportunities for jobs in the construction and hospitality industry. The results speak for themselves.

To date over 2,200 individuals have been placed in construction and non-construction jobs.

Currently there are over 680 employees in Adriaen's Landing with a projection of an additional 320 with a fully built out Front Street. Nearly 30% are Hartford residents with over 50% of the workforce being minority.

- While not directly involved in the development of the Connecticut Riverfront, CCEDA has helped to fund and coordinate the work that ties the river back to the city. The riverfront through the efforts of Riverfront Recapture has become a vital piece of the resurgence of Hartford.
- Finally, to the component of CCEDA that may interest you the most.... Adriaen's Landing. I am happy to update you on what I consider major accomplishments in the face of the worst of economic conditions.
 - The Convention Center has enjoyed its most successful year ever this past year with over 333,570 visitors. This represents a 50% increase with this year's numbers tracking at the same pace. Bringing the entire sales effort under one roof has been a very positive change reflected in these results.
 - The Science Center continues to bring young people to the City to experience science in the exciting way always envisioned by the Science Center Management and Science Center Board. In fact 800,000 have visited the facility since it opened in 2009, with a projection that the center will see its one millionth visitor by year end.
 - The 409 room Hartford Marriott Hotel has shown significant growth since opening in 2005, selling 581,277 room nights that housed 1,220,682 overnight guests.
 - CCEDA is also responsible for supplying steam and chilled water to the Convention Center, Science Center and Marriott Hotel. Our Central Utility Plant (CUP) is the life blood of the district and we pride ourselves in making sure each venue has what it needs to operate efficiently yet comfortably.
 - This past year we completed and opened the highly visible Mayor Mike Peters Bridge which connects the Convention Center Plaza with the Science Center Plaza creating an easy walk to the Riverfront and even to East Hartford.

- The Front Street Entertainment District construction was completed in 2010. While leasing retail and entertainment space in Hartford is a challenging endeavor, I am proud to say that construction on Spotlight Theater is starting with the issuance of building permits.

Work including the design of the music venue is underway with construction to start later this year.

These two venues will occupy half of the approximately 60,000 square feet of the entertainment portion of the project and with it has come increased interest from a number of both national and local prospects. The vision and commitment of the H.B. Nitkin Group of Greenwich warrants mention as Helen Nitkin has kept her late husband Brad's dream more than alive.

In fact the Nitkin Group is currently putting financing together with a goal of breaking ground for a 115 unit market rate apartment building with over 27,000 sq. ft. of additional retail space. This will leave approximately three acres available at Front Street for future phases.

I will close and certainly answer any questions the committee might have but before I do, let me briefly give my thoughts on the newly proposed authority. I was pleased to hear that the stadium could be part of the responsibilities of the new authority. CCEDA had in fact recommended such a combination last year. As far as the XL Center, I would think there may be two reasons to consider including it under the new authority. As you know CDA (Connecticut Development Authority) has the responsibility for that venue. I would think that the proposed merger of CDA and CII (Connecticut Innovations Inc.) will allow for a unified quasi agency to focus on state investment in job creating opportunities taking advantage of the many financing tools available to both authorities without the challenge of the XL Center, which falls outside of their core mission. The second reason is the upcoming expiration of CDA's lease agreement with the City of Hartford in 2013. With that date comes the question of what to do with, and to, that aging facility.

Bringing the center under an authority which has had success in building, maintaining and managing event venues certainly would make sense.

I would also like to mention the work of the volunteer CCEDA Board of Directors, a great mix of people with professional skills and commitment that offer terrific guidance to a talented staff who understands and handles the demands of a complex enterprise. Again, I thank you for the opportunity to appear before you.