
Adriaen's Landing & Rentschler Field

Annual Report

February 2010

Prepared by
Office of Policy and Management

With the assistance of:
Capital City Economic Development Authority
Waterford Development, LLC
Connecticut Science Center
H.B. Nitkin Group
Northland AEG, LLC
The Whiting-Turner Contracting Company
Nutmeg Planners, LLC
Environmental Partners, LLC

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SECTION I.

ADRIAEN'S LANDING

Adriaen's Landing – Executive Summary

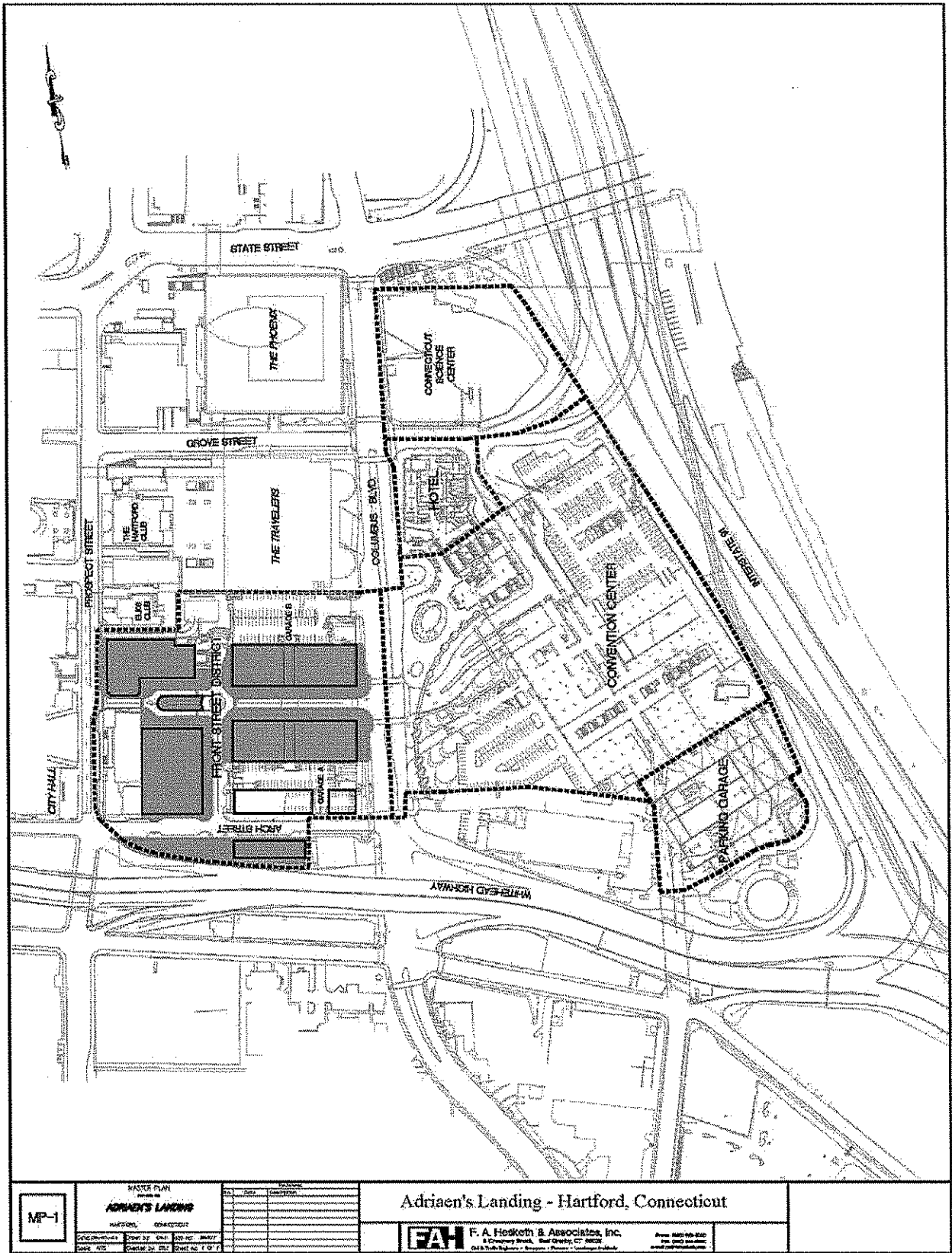
The development of Adriaen's Landing has proceeded in accordance with the Master Plan approved by the Legislature in May 2000 with the passage of Public Act 00-140. The Project Team, consisting of representatives from the Office of Policy and Management (OPM), the Capital City Economic Development Authority (CCEDA) and Waterford Development LLC, has overseen the completion of the Connecticut Convention Center and its adjacent hotel, as well as the Connecticut Science Center, and is now focused on construction of the Grove Street pedestrian overpass and the Front Street entertainment/residential/retail district.

Construction of the Convention Center and its related garages was substantially completed in May 2005 and the Office of the State Building Inspector issued a final Certificate of Occupancy in May 2008.

The convention center hotel, operating as a 409-room full-service Marriott, received its Certificate of Occupancy in May 2006.

Construction of the Connecticut Science Center and its related garage was substantially completed and a temporary Certificate of Occupancy was issued in June 2009. A final Certificate of Occupancy is expected after completion of the Grove Street pedestrian overpass, which will connect the Science Center to the Convention Center and also serve as an area of emergency refuge for the Science Center. Construction of the overpass is expected to be completed in summer 2010.

OPM, CCEDA and the H.B. Nitkin Group executed an amended and restated development agreement for the Front Street District in June 2008. The initial phase of the project has been revised to focus on retail development only, due to existing market conditions. Construction of 70,000 gross square feet of retail space commenced in November 2008, with an anticipated completion of summer 2010.



MP-1	MASTER PLAN ADRIAEN'S LANDING HARTFORD, CONNECTICUT	<table border="1"> <thead> <tr> <th>NO.</th> <th>DATE</th> <th>REVISION</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	NO.	DATE	REVISION										Adriaen's Landing - Hartford, Connecticut
	NO.	DATE	REVISION												
<small> 2002-2010 2002-2010 </small>	<small> 2002-2010 2002-2010 </small>	FAH F. A. Hedkeith & Associates, Inc. <small> 100 Chapel Street, Hartford, CT 06102 Cell: 860-526-1234 Fax: 860-526-1235 </small>	<small> Project: 0002-0001-0001 Date: 02/20/10 Drawn: J. [Name] </small>												

1. Adriaen's Landing – Project Financial Information

1.1 Project Budget

The current estimated "cost on completion budget" for the public sector components of Adriaen's Landing appears in Appendix A, providing comparisons to the Master Plan Budget presented to the Legislature in March 2000.

Pursuant to CGS 32-669(b)(8) and (9), this chapter includes all state, federal, and private sources of funding for the public components of Adriaen's Landing, including general obligation bonds and General Fund appropriations and project reimbursements, rebates and/or credits.

The current sources of revenue and reimbursements, totaling \$522,149,116 for the Project are:

Adriaen's Landing Bond Authorization	\$ 73,800,000
Convention Center Bond Authorization	\$ 190,000,000
Adriaen's Landing Appropriation	\$ 100,000,000
CCEDA Revenue Bonds & Loans (2003 Authorization)	\$ 91,918,171
CCEDA Revenue Bonds (2004 Authorization)	\$ 22,055,771
Hartford Times Lease Appropriation	\$ 13,642,836
Utility Rebates and Reimbursements	\$ 5,118,932
CCEDA/CSC Riverfront Infrastructure	\$ 450,000
Rental Income from Acquisitions	\$ 1,404,840
Capital Properties Development Fee	\$ 2,500,000
Federal Highway Administration	\$ 17,188,566
CCEDA Parking Pillar	\$ 4,070,000

The bond authorizations, the initial appropriation and CCEDA revenue bonds and loans (estimated at \$74.2 million in 2000) were identified in the initial master plan budget presented to the Legislature in March 2000. The revenue amount associated with CCEDA parking bonds and loans is a net value, reflecting the gross proceeds less the administrative costs of issuance. State Bond Commission approval for up to \$100 million in revenue bonds and short term loans was granted on December 19, 2003, and an additional authorization up to \$22.5 million was granted on December 13, 2004. The Commission in both instances authorized the Secretary of OPM and the State Treasurer to enter into a contract for financial assistance with CCEDA, supporting the credit worthiness of the bonds. All bond and loan closings have been completed.

Special Act 01-1 (June Special Session) appropriated funding for the purchase of the former Hartford Times Building (lease option) and the relocation of the Hartford city offices to Constitution Plaza. Public Act 02-5 expanded the definition of convention center facilities to include a central utility plant (CUP), which is financed by revenue bonds. Ancillary sources of revenue, as noted above, include utility rebates, a utility contribution from the Metropolitan District Commission, infrastructure payment from CCEDA for the Connecticut Science Center, rental income and development fees.

Additionally, the Project has received Federal Highway Administration (FHWA) grants in the amounts of \$8.9 million and \$1.3 million, which are being used to offset expenses for construction of the second Front Street garage and for site improvements and public access, respectively. An additional \$6.6 million from FHWA is being used for the construction of the Grove Street pedestrian overpass, which will provide overhead access between the Convention Center, Marriott Hotel, Science Center and Riverfront Recapture deck. The Capital Region Council of Governments has provided an additional \$390,600 in federal funds for the pedestrian overpass.

The March 2000 budget has been re-sorted to align with the current organization of the Project budget. As noted earlier budget information for closed out projects has been condensed. The presentation of expenses is organized into five sections within a master budget, corresponding to an appropriate categorization of scopes of work. This breakdown is:

1. Roadwork and streetscape;
2. Utility, Convention Center & Related Garage;
3. Entertainment/Retail District Public Work;
4. Phase 2 Projects – CSC Garage, Grove St. Connector, CUP Expansion; and
5. Public sector owner costs.

The current “cost-to-complete” estimate of \$522,149,116 represents either the most recent estimate for the work, or the committed cost of the work. Work associated with the utility relocation, the convention center and its related garages has been completed. Cost estimates for the Front St. component represent the actual contract costs for the completed parking garage, infrastructure improvements, and environmental costs to date, with an estimate for future construction and environmental expenses.

All project expenses greater than \$100 undergo a prepayment audit conducted by the Office of the State Comptroller. Additionally, all construction expenses are subject to a prepayment review by KPMG, the independent project auditor.

1.2 CCEDA Revenue Bonds / Indebtedness

In December 2003, the State Bond Commission authorized CCEDA's issuance of up to \$100 million in revenue bonds and short-term loans for the Adriaen's Landing Project, as well as a State pledge of contract assistance to secure the bonds. Pursuant to CGS 32-608, OPM, CCEDA and the State Treasurer entered into a Contract for Financial Assistance in July 2004. In December 2004, the State Bond Commission authorized an additional \$22.5 million in revenue bonds for the Project, again utilizing contract assistance. Currently, \$110 million in bonds have been issued by CCEDA and an additional \$12.5 million in loans have been drawn upon. CCEDA does not anticipate issuing any additional bonds.

The revenue bond indenture is structured to reflect the fact that state contract assistance is intended to be credit support (in the nature of a guarantee) rather than a direct subsidy of interest on the bonds. It does this by requiring parking and energy fee revenues to be deposited promptly with a trustee. These revenues are applied monthly, first to pay budgeted operating expenses of the parking facilities and energy plant and second, towards the next principal and interest payable on the bonds. The remaining revenues are then available to build reserves, to repay any unreimbursed contract assistance and for other purposes of CCEDA. On each principal and interest payment date, the Treasurer deposits with the trustee an amount equal to the debt service payable on that date. The trustee in turn deposits so much of the payment as is necessary to pay debt service payable on that date, and pays any balance back to the Treasurer. If all is operating according to plan, the monthly application of CCEDA revenues will already have provided the necessary amount of debt service, and all of the Treasurer's payment will be reimbursed. In addition, the indenture obligates CCEDA to set fees and charges such that revenues available for debt service are at least 120% of debt service, thereby providing a cushion.

CCEDA has received approval from OPM and the Treasurer to cap debt service payments in the existing state assistance contract at \$9.0 million.

1.3 Tax Exemptions /Credits

CGS 12-412(1)(C) exempts from state sales and use taxes those services and tangible personal property used in connection with site preparation and construction of public improvements (i.e., the convention center infrastructure and parking facilities) at Adriaen's Landing. This exemption was extended to the Connecticut Science Center construction during the 2006 legislative session. CGS 12-498(a) (15) exempts from conveyance tax deeds of property on Adriaen's Landing site, acquired for purposes of the overall project.

The Connecticut Development Authority has included the convention center hotel in its Sales & Use Tax Relief Program. Under this program, construction, furniture, fixtures and equipment and certain other purchases are exempt from sales and use taxes up to a limit of \$2.0 million. The Front Street District, developed by H. B. Nitkin, will also receive up to a \$1.0 million exemption.

Additionally, the convention center project is exempted from all municipal taxes and assessments, pursuant to CGS 32-610. That statute also exempts principal and interest of any bonds and notes issued by CCEDA, as well as the transfer and sale of such bonds and notes from all state taxes, with the exception of estate or succession taxes. The interest on such bonds and notes shall be included in the computation of any excise or franchise tax.

Except where expressly prohibited, CGS 32-666a allows the City of Hartford, upon approval of its legislative body, to negotiate and fix tax assessments on certain retail, commercial and residential buildings at Adriaen's Landing for up to fifteen years. Waterford Hotel Group has negotiated such an agreement with the City with respect to the convention center hotel.

According to the State of Connecticut's Department of Revenue Services Special Notice SN2007 (8), admissions charges for events held at the Connecticut Convention Center are exempt from the Admissions Tax.

1.4 Payments in Lieu of Taxes (PILOT)

Pursuant to CGS 12-19a, those portions of the Adriaen's Landing site owned by OPM are exempt from municipal property taxes and an annual PILOT payment is made to the City of Hartford. The PILOT for FY 2010 is \$3,569,100.

In addition, CGS 32-610 deems the convention center and the related parking facilities at Adriaen's Landing, which will be owned by CCEDA, to be state-owned real property for purposes of the PILOT program.

1.5 Convention Center and Science Center Operating Subsidies

An operating budget for the convention center is discussed in Chapter 3.

1.6 Private Investment Made or Committed for Commercial Development within the Capital City Economic Development District

The following list depicts the private investments pledged or committed to a number of projects within the capital city economic development district. While efforts were made to acquire the requested information including discussions with the City of Hartford, it is likely that additional private investment occurred in the district during this period.

Private Investment within the Capital City Economic Development District (Source: CCEDA 2008-2009 Annual Report)

Adriaen's Landing	\$242.35 million
Hartford 21 (Civic Center)	\$112 million
Coltsville/Colt Gateway	\$100 million
Trumbull Center	\$32 million
18 Temple Street	\$18 million
SNET Building Conversion	\$15 million
3 Constitution Plaza (proposed by AI Engineering)	\$42 million
Bond Hotel	\$10 million
Travelers Renovation	\$20 million
950 Main/960 Main	\$20 million
American Airlines Building	\$7.5 million
Capewell Factory	\$13.2 million
Hilton Hotel	\$31 million
Holiday Inn Express	\$3 million
Residence Inn	\$13.5 million
Wadsworth Atheneum	\$63 million
55 on the Park	\$6 million
20 Church Street	\$20 million
Goodwin Hotel	\$46 million
Homewood Suites	\$7 million
Metropolitan Condos	\$4 million
Various restaurants and night clubs in the CCEDA district	\$5 million
Visual Technologies	\$3 million
Hollander (construction underway)	\$8.8 million
95-101 Pearl (proposed)	Withdrawn
Virtus Investment Partners (Phoenix Companies Spin-off)	\$5 million
Northeast Utilities	\$10 million
United Health Group	\$35 million
Total	\$892.35 million

1.7 CCEDA Financial Information

CCEDA's Audited Financial Statements for the years June 30, 2008 and June 30, 2009 may be found in Appendix B.

2. Adriaen's Landing – Project Timeline

The current Project Component Milestone Schedule can be found as Appendix C.

3. Convention Center & Related Parking Facilities

3.1 Description

The Connecticut Convention Center (CTCC) is the central public component of the Adriaen's Landing Project. The 540,000 square foot facility includes a 140,000 square foot Exhibition Hall, a 40,000 square foot ballroom and 25,000 square feet of meeting space in 16 rooms. A 10-story glass enclosed atrium opens onto over 50,000 square feet of exterior plaza space and a public esplanade overlooking the Connecticut River. A two-story garage below the convention center, along with an eight-story freestanding garage and adjacent surface lot provide more than 2300 parking spaces for visitors and exhibitors.

The 460 space parking facility located beneath the Connecticut Science Center opened in June, 2009 and is owned by CCEDA and operated by LAZ Parking. Development of the Science Center and parking garage was approximately a \$180 million project, including \$40 million in private gifts and pledges, and \$4.7 million in federal grants with the balance provided by the State.

3.2 Status & Projected Completion Date

In 2001, the Atlanta firm of *Thompson, Ventulett, Stainback & Associates (TVS)* was selected by CCEDA to design the convention center and related parking facilities. Final construction documents were issued in the summer of 2002.

Work on the site began in early 2001 under a construction management agreement with Hunt/Gilbane, A Joint Venture. A Temporary Certificate of Occupancy was issued by the Office of the State Building Inspector on May 31, 2005 with a final Certificate of Occupancy issued on May 6, 2008. The convention center opened to rave reviews on June 2, 2005 with its inaugural event, the Connecticut XPO 2005 For Business.

In reviewing FY2009, the CTCC hosted 157 events, including 21 conventions and tradeshow, 10 consumer shows and 126 meetings, banquets and other events, generating over \$2,245,428 in rental revenue as compared to \$2,286,004 in FY2008, and 228,660 in attendance compared to 252,508 the previous year. The aforementioned events also generated \$3,345,474 in food and beverage revenue and \$1,299,570 in ancillary revenue, which led to the facility meeting its funding goals. Given the current economic climate, CTCC management still remains optimistic in terms of meeting its budgeted goals for FY2009.

Throughout the current fiscal year (FY2010), the CTCC management team remains focused on providing an exemplary level of service to its guests. Convention Center management also intends to focus on a new sales and marketing strategy, specifically targeting city-wide events which will generate revenue for the building, hotels and supporting businesses such as restaurants and attractions. The Convention Center will continue to enhance its efforts toward a green facility by extending its recycling program to the public spaces, and by closely managing energy use by staff and clients.

During the current fiscal year (2010), CCEDA will continue to focus its efforts on the building's operations, particularly the central utility plant (CUP) and district parking facilities. The goal is to ensure the CTCC, CUP, and parking is operating as efficiently as possible while still providing a first class level of service. There is significant effort underway to reduce the utility costs associated with operations. In addition to operations, CCEDA will continue to oversee the sales and marketing efforts to make certain that the convention center provides the greatest economic return to the City of Hartford, the State and the overall tourism effort.

3.3 Current Budget vs. March, 2000 Legislative Deliverable

A comparison of the current convention center construction budget and the budget included in the March, 2000 Legislative Deliverable appears in Appendix A.

3.4 Changes & Rationale

3.4.1 Design Changes

The only significant change to the building was the addition of more administrative offices, an expansion which was planned in the original design. The offices were completed in late 2007 and accommodate CCEDA staff, and provide temporary office space for project staff through project completion. The final certificate of occupancy for the facility was issued on May 6, 2008

3.4.2 Central Utility Plant

During construction of the CTCC, several unsuccessful attempts to procure energy services from a third party were made. After substantial due diligence, however, the Project Team concluded that the development of an on-site Central Utility Plant (CUP) to provide steam and chilled water for the convention center, hotel and the science center represented the most efficient and cost effective means of delivering energy services for the project. In May 2002, the General Assembly authorized CCEDA to develop the CUP as a component of the convention center. The plant became fully operational in the spring of 2005.

In 2005, CCEDA completed construction of the CUP to service the Connecticut Convention Center and the adjacent Marriott Hotel. The CUP's construction was financed with approximately \$12.2 million in revenue bonds. Subsequently, CCEDA executed an Energy Service Agreement with the Hotel to cover its portion of all expenses related to the CUP. In 2007, construction began to connect the CUP to the Connecticut Science Center (CSC). The expansion will be financed with approximately \$2.5 million in CCEDA revenue bonds. The Energy Services Agreement was amended effective November 3, 2008 to include the Connecticut Science Center.

3.5 Operating Budget

CCEDA continues to carefully examine expenses and supervise the revenue inflows of the CTCC. Utility cost reduction is a major initiative and progress has been made via operational changes. The 2009/2010 Operating Budget for the Connecticut Convention Center follows:

REVENUES	
FY 2010 – Budget	
Building Rental	\$1,963,206
Event Services (Net)	627,642
Food & Beverages (Net)	641,354
Other	48,604
Total Revenues	\$3,280,806
EXPENSES	
FY 2010 – Budget	
<u>Operating Expenses</u>	
Salaries/Wages	\$2,302,242
Taxes & Benefits	705,210
Contract Services	0
Operations & Supplies	99,576
Security	27,180
Admin/General	45,688
Finance	44,865
Sales/Marketing	218,583
<u>Total Operating Expenses</u>	\$3,443,344
<u>Fixed Charges</u>	
Facility Maintenance	\$ 595,401
Utilities	1,081,580
CUP Utilities	1,141,529
Insurance	101,007
Management Fee	192,030
Incentive Fee	—
Other	30,128
<u>Total Fixed Charges</u>	\$ 3,141,675
Net Operating Income	\$(3,304,213)
Property Insurance Reserve	0
Reserve for Replacement	—
Debt Service	885,067
Accrued Maintenance	60,720
Net Operating Cash Flow	\$(4,250,000)

FACILITY IMPROVEMENTS

CCEDA has been the recipient of \$215,511 of direct reimbursements from the CT Energy-Efficiency Fund during FYE 2009 for the implementation of various energy-saving measures. CCEDA will save an estimated 17,557,532 kWh* or approximately \$2,522,490* over the life of the measures (currently estimated to be fifteen years). This is the equivalent to:

- o 9,016,354 Pounds of coal not burned*; or
- o 1,143,808 Gallons of oil not burned*; or
- o 2090 Homes provided with electricity for one year*

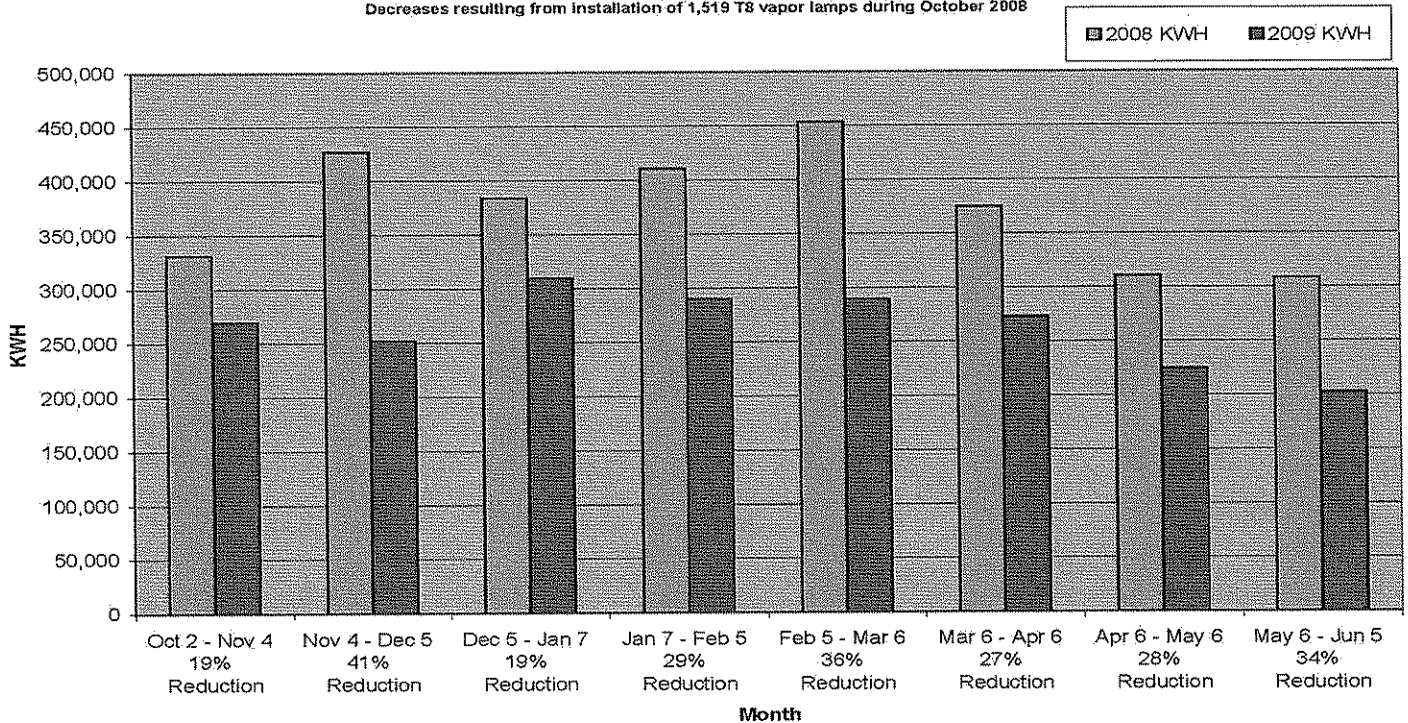
By reducing greenhouse gas emissions and other harmful environmental pollutants, these projects will also help reduce air pollution and improve air quality in Connecticut and the Northeast region. The environmental benefits from these projects are:

- o 34,704 Pounds of Sulfur Oxides emissions avoided*;
- o 9,338 Pounds of Nitrogen Oxides emissions avoided*;
- o 19,294,999 Pounds of Carbon Dioxide emissions avoided*

**Information provided by Northeast Utilities*

CCEDA utilized CL&P's Energy Opportunities program and received 50% of the installed cost of the high efficiency system. The chart below shows the reduction year over year in electricity usage per month, saving a total of 889,000 kWh since installation.

CT Convention Center Garage Electricity Analysis 2008 vs 2009
Decreases resulting from installation of 1,519 T8 vapor lamps during October 2008



➤ **AN ANALYSIS OF THE AUTHORITY'S SUCCESS IN ACHIEVING PURPOSES STATED IN SECTION 32-602**

As stated in C.G.S. Section 32-602, the purpose of CCEDA shall be: to stimulate new investment in Connecticut; attract and service conventions and events of similar nature; to encourage diversification of the state economy; to strengthen Hartford's role as the region's major business and industry employment center and the state's seat of government; and, to encourage residential housing development in downtown Hartford. With respect to the convention center, the purpose of CCEDA is to construct, operate, maintain and effectively market the project. The overall goal is to enable Hartford to become a major, regional family-oriented center for arts, culture, education, sports and entertainment. The result of these efforts is to create new jobs, increase benefits to the state's hospitality industry, broaden the base of Connecticut's overall tourism effort and stimulate substantial surrounding economic development and corresponding increased tax revenues to the state.

While the mission of CCEDA includes the oversight of the original Capital City Project, the true test of the effectiveness of the state's investment is the degree to which Hartford regains its vibrancy and attracts private investment. Ultimately these state investments will pay returns that can be quantified.

Central Utility Plant – Operations is part of our mission as stated above. This includes supplying steam and chilled water to the Convention Center and other venues at Adriaen's Landing, from the Central Utility Plant (CUP), located in the Convention Center. A portion of the proceeds from the Parking and Energy Fee Revenue Bonds Series D were used to complete the expansion to meet the heating and cooling needs of the recently opened Connecticut Science Center. The energy services agreement was amended to allow for each party to share in the capital cost, operation and maintenance of the CUP.

Sports Commission – Public Act 08-089 established the Connecticut Sports Advisory Board. The Act specifies certain organizations including CCEDA as members. The Executive Director of CCEDA was elected Chairman of the Board. The Board's purpose is to advise the Executive Director of the Connecticut Commission on Culture and Tourism on methods to coordinate and to utilize state resources and facilities to promote, attract and market sports and sporting events in an effort to create tourism. The Board also advises on how best to disseminate information concerning in-state professional and amateur sports and sporting events.

The Board has met several times and has established communication links amongst the various sports groups and venues, recommended a method of economic impact evaluation of events and sponsored a panel discussion on the "Value of Sports as an Economic Development Tool".

Other recommendations have been discussed including the establishment of a permanent state sports organization to support sports and sporting events through funding, coordination and communication much like what is done in other parts of the country.

THE ECONOMIC AND FISCAL IMPACTS OF ADRIAEN'S LANDING

In July, 2008 the Department of Economic and Community Development (DECD) conducted an economic and fiscal impact study of the Adriaen's Landing Project. DECD obtained actual construction and sales data for the existing Adriaen's Landing components, and estimated future sales based on assumptions consistent with each facility's own projections.

The study shows that the Adriaen's Landing Project benefits the economy of Connecticut by annually producing \$14,612,635 in new state revenue, that is, the sustainable increase in the variety of taxes and fees generated by the construction and operation of the Adriaen's Landing developments over the study period. Additionally, the city of Hartford receives \$29,341,071 in new annual tax revenue arising from additions to its Grand List. The results reflect the overall positive contribution of Adriaen's Landing to the region's (City of Hartford and Hartford County) and the state's economy.

CONNECTICUT CONVENTION CENTER (CTCC)

The 540,000-square-foot Connecticut Convention Center is the largest, full-service convention facility between New York and Boston and is the anchor of Adriaen's Landing. Adriaen's Landing is a \$775 million economic development project that is steadily rising on a 33-acre parcel of previously underutilized land along Hartford's riverfront. The project also includes the new Hartford Marriott Downtown, Front Street, a retail and entertainment district, downtown residential units, additional parking and the Connecticut Science Center, which opened June 2009. The Convention Center offers 140,000 square feet of exhibit space; a 40,000 square foot ballroom; 25,000 square feet of meeting space; and 2,339 attached parking spaces. The convention center is connected to the \$91 million, privately-developed Hartford Marriott Downtown, offering 409 guest rooms.

Having completed the fourth year of operation, the CTCC has maintained its mission to attract top quality events to Connecticut. During FYE 2009, the CTCC hosted a number of new national and regional conventions/tradeshows. The largest of which were the American Institute for Astronautics and Aeronautics – Joint Propulsion Conference, the American Philatelic Society - STAMPSHOW and the American Association for State Highway Transportation Officials Convention. Overall for FYE 2009, the CTCC hosted 154 events and total attendance for the year was approximately 230,000 visitors.

The benchmarks for success continue to be met and have grown to include rebooking successful events due to exceeding client expectations not only in service and quality of the facility, but the overall satisfaction of our destination. We continue to host a variety of events that generate revenue for the Convention Center, parking revenue for the attached garage and room nights for the local hotels. These events are comprised of black-tie affairs that showcase our talented food and beverage team, high-energy cheerleading competitions that draw thousands of attendees and even nationally televised TV programs such as the Antiques Roadshow that aired several shows in May 2009 that were filmed here at the Convention Center in August, 2008.

As we work towards our future, we remain focused on booking national, regional and statewide events at the Convention Center and in turn, generating significant economic benefits to the City of Hartford and the State of Connecticut through maximized usage and revenues for the Connecticut Convention Center and other Hartford-based attractions.

Since its opening, 30-35% of the CTCC employees have consistently been composed of local residents.

DOWNTOWN HIGHER EDUCATION CENTER-CAPITAL COMMUNITY COLLEGE

Capital Community College (CCC), the only public undergraduate institution in the City of Hartford, continues to thrive in its state-of-the-art campus, the former G. Fox & Company Department Store. The convenient location, a historic downtown landmark on major bus routes, is accessible for area students, which is reflected in the College's growing enrollments. Since moving downtown in the fall of 2002, Capital's enrollment has increased 17.2 percent with its highest credit enrollment ever in the spring of 2009 at 4,074.

Capital's campus in the heart of the commercial and cultural district has fostered partnerships with key businesses in the city, including major insurance and financial services companies. The College has also firmly established itself as the state's leader in workforce development, training scores of incumbent employees and displaced job seekers. Capital hosts Connecticut's sole Insurance & Financial Services Center for Educational Excellence, Allied Health Training Institute, Green Building Program and much more. CCC also develops and implements flexible, customized programs for businesses on a demand-driven basis.

Capital students, in increasing numbers, are also linked to career-track employment through internships and cooperative ties to employers, and the College has the largest nursing and certified nurse aide programs in the Greater Hartford region. Noncredit programs attract up to 4,000 individuals each year seeking professional development and career advancement.

The College fulfills its educational mission by delivering 60 degree and certificate programs and offering workforce-training programs in collaboration with community-based organizations, secondary schools, adult education programs, government agencies, business and industry. Associate degree studies include accounting, business management, communication media, computer and information systems, architectural engineering technology, natural sciences, liberal arts, early childhood education, criminal justice, social services and insurance and financial services.

In 2010, the campus will expand with a \$5.5 million state construction bond authorization. The enhanced facility will address enrollment growth and provide classrooms, lecture halls and related academic space for new programs of study that have been added to the curriculum in recent years.

XL CENTER AND COLISEUM COMPLEX

Northland Investment Corporation was chosen as the preferred developer of the XL Center and Coliseum Complex. The project was completed in September, 2006.

The site includes the Hartford 21, 262 luxury apartments in a 36 story residential tower located on the corner of Asylum and Trumbull Streets and 56,000 square feet of retail and restaurant space. The YMCA occupies 37,999 square feet with a health facility. Parking for the project is supported by 816 spaces over a 106,000 square foot area. The Northland Group and its partner, A.E.G., manage the XL Center (formerly known as the Hartford Civic Center).



RIVERFRONT INFRASTRUCTURE

CCEDA continues to work with Riverfront Recapture, Inc. in the effort to restore public access to the riverfront. To date, CCEDA has partnered with RRI on four Capital City Projects:

Completed:

1) The Columbus Boulevard Bridge – a pedestrian bridge that connects the Mortensen Riverfront Plaza with the Phoenix Plaza, allowing direct access to and from the rest of downtown. This bridge was completed and opened in May 2001.

2) Riverwalk Downtown – a landscaped pedestrian pathway between the Founders and Bulkeley Bridges. The construction of Riverwalk Downtown is completed and officially opened to the public on May 29, 2003.

Ongoing:

3) State Street Landing Dock Improvements – is an ongoing project increasing the dock power available for excursion boat service from single phase, 100 amps to three phase 200 amps and may include a directory and signage system guiding visitors to the excursion boats. A transfer of surplus CCEDA funds from the Columbus Boulevard Bridge project was authorized by the State Bond Commission and a financial assistance agreement between the State and Riverfront Recapture is expected to be executed this July.

4) Riverwalk South and the Riverfront/Colt Gateway – with the successful opening of Riverwalk North in June 2007, Riverfront Recapture is now focused on completing the last section of the park from its original master plan. Riverwalk South is a 3800 linear foot walkway connecting Riverfront Plaza in downtown Hartford to Charter Oak Landing and includes a new Riverfront Gateway that will lead under an elevated section of I-91 to the park system across from the Colt Factory. This ambitious project also includes a new 335 foot section of concrete flood wall with a 40 foot wide operating gate structure to allow direct, on-grade, riverfront access for pedestrians, service, and emergency vehicles. Now in design development, discussions are underway with abutting property owners to acquire the necessary rights for developing the new gateway. Environmental testing is proceeding into Phase 2. Riverfront Recapture has submitted

applications for Federal funding for the \$27 million project that would supplement a proposed CCEDA grant.

The Columbus Boulevard Bridge and Riverfront Downtown projects are enjoying tremendous success, with the Riverfront parks attracting 750,000 visitors in 2008. These two projects, along with the recent completion of Riverwalk North, enable city residents, convention visitors, and local workers to walk from downtown Hartford into Riverside Park, home of the privately-funded Greater Hartford Jaycees Community Boathouse. The completed walkway restored a public access not available since construction of the flood dikes in the early 1940's cut off access from one side of the Bulkeley Bridge to the other.

Without the State Street Landing Dock Improvement project, Hartford would probably not be the home port of the excursion boat service that currently offers two distinct river cruise experiences; "The Hartford Belle" and Lady Katharine Cruise's "Mystique". With the State's commitment to improving the facility, Riverfront Recapture was able to sign multiple year agreements with two cruise operators to guarantee the continuation of on-water public access through riverboat cruises. The mere presence of two separately owned riverboat operations underscores the recent successes and revitalization efforts of Hartford and further enhances Hartford's position as a waterfront convention city.

Non-CCEDA Funded Projects:

CCEDA continues to work with Riverfront Recapture on the design and permitting of Riverwalk South and the Riverfront Gateway, a \$27 million project, with the intent of beginning construction in the spring of 2011.

The CCEDA investment in Riverfront park improvements continues to generate support from other funding sources to further enhance the Riverfront.

- **Riverwalk North and Riverside Park Improvements** –This project restored pedestrian access from downtown Hartford to Riverside Park, a feature of the original park that was built in the 1890's. Site improvements around the boathouse create room for large tents that make it possible to host private parties for groups as large as 1,500 people. Several conventions have taken advantage of this option for large off-site functions. Completed in June 2007.
- **Riverside Park Boat Ramp Embayment** – A new boat launch area makes it safer for boaters to get in and out of the water, without fighting strong currents. A larger turnaround area makes it possible to accommodate more boaters safely. Completed in June 2007.
- **Lincoln Financial Sculpture Walk at Riverfront** – A \$500,000 grant from Lincoln Financial to the Greater Hartford Arts Council has created a permanent installation of 15 pieces of sculpture that showcase the life and legacy of Abraham Lincoln. Dedicated in June 2008.
- **Bulkeley Bridge Lighting** – Riverfront Recapture worked with the Connecticut Department of Transportation to install a temporary LED lighting system to illuminate the Bulkeley Bridge's arches and architectural details in 2008. The planned lighting was part of a month-long celebration of the structure's 100th anniversary in October. The project used energy efficient, programmable LED floodlight fixtures that have the capability of producing almost every color of the rainbow. With the success of the temporary lighting and many positive comments from the community, Riverfront Recapture and the DOT are making plans to convert the temporary lighting system into a permanent Riverfront enhancement.

CONNECTICUT SCIENCE CENTER

CCEDA has been working with the Connecticut Science Center to develop a state-of-the-art educational destination located at the north-eastern boundary of the Adriaen's Landing Project, adjacent to the existing Riverfront Plaza. The 154,000 square foot Science Center sits on top of a 460 space parking facility, which is owned by CCEDA and operated by LAZ Parking.

After five years of planning and fundraising, and three and one-half years of construction, the Connecticut Science Center opened to the public on June 12, 2009. The Center features over

150 interactive exhibits in 40,000 square feet of gallery space, a 3D digital theater, café, gift shop and plaza. Planning is also underway for a pedestrian walkway connecting the Science Center to the Connecticut Convention Center at the plaza level. This walkway is expected to be completed in late 2010.

The facility is a green building which is expected to be LEED certified at the Gold level by the US Green Building Council later in 2009. To achieve this, the Science Center has been built with recycled materials and energy efficiency measures, and is in the process of installing a 200 kW fuel cell to supply most of its electrical needs. Steam and chilled water is provided by the Central Utility Plant.

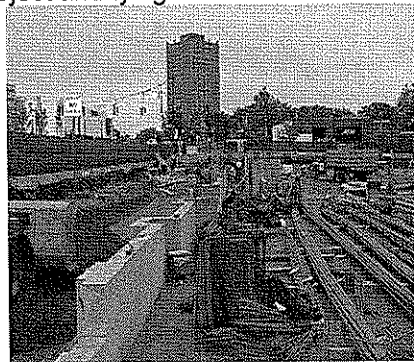
Development of the Science Center and parking garage was approximately a \$180 million project, including \$40 million in private gifts and pledges, and \$4.7 million in federal grants with the balance provided by the State.

FRONT STREET DISTRICT -PHASE I

The Front Street District component of the Adriaen's Landing Project is expected to include market-rate rental housing, restaurants and retail shops, to be built in multiple phases. These new venues will not only be designed to attract conventioners, hotel guests and Science Center patrons from other parts of Adriaen's Landing, but also as a destination for area residents and visitors to the region.

The State has prepared the Front Street site, including environmental remediation, installation of required utilities, construction of a parking garage and two new roadways: Constitution Way and Front Street. The existing Front Street North Garage and Front Street South Garage currently under construction will serve surrounding businesses with long-term leasing as well as district visitors, residents and patrons of the Wadsworth Athenaeum and the Elks Club with hourly rates. The HB Nitkin Group is developing the balance of the site. Construction of Phase I of the Front Street District began on November 1, 2008 and completion is scheduled for June 2010. The two buildings comprising Phase I will contain approximately 70,000 gross square feet of commercial uses, predominately restaurant and entertainment venues. Phase II of the project will contain additional commercial uses as well as the residential component of the project, incorporating the façade of the historic Hartford Times Building.

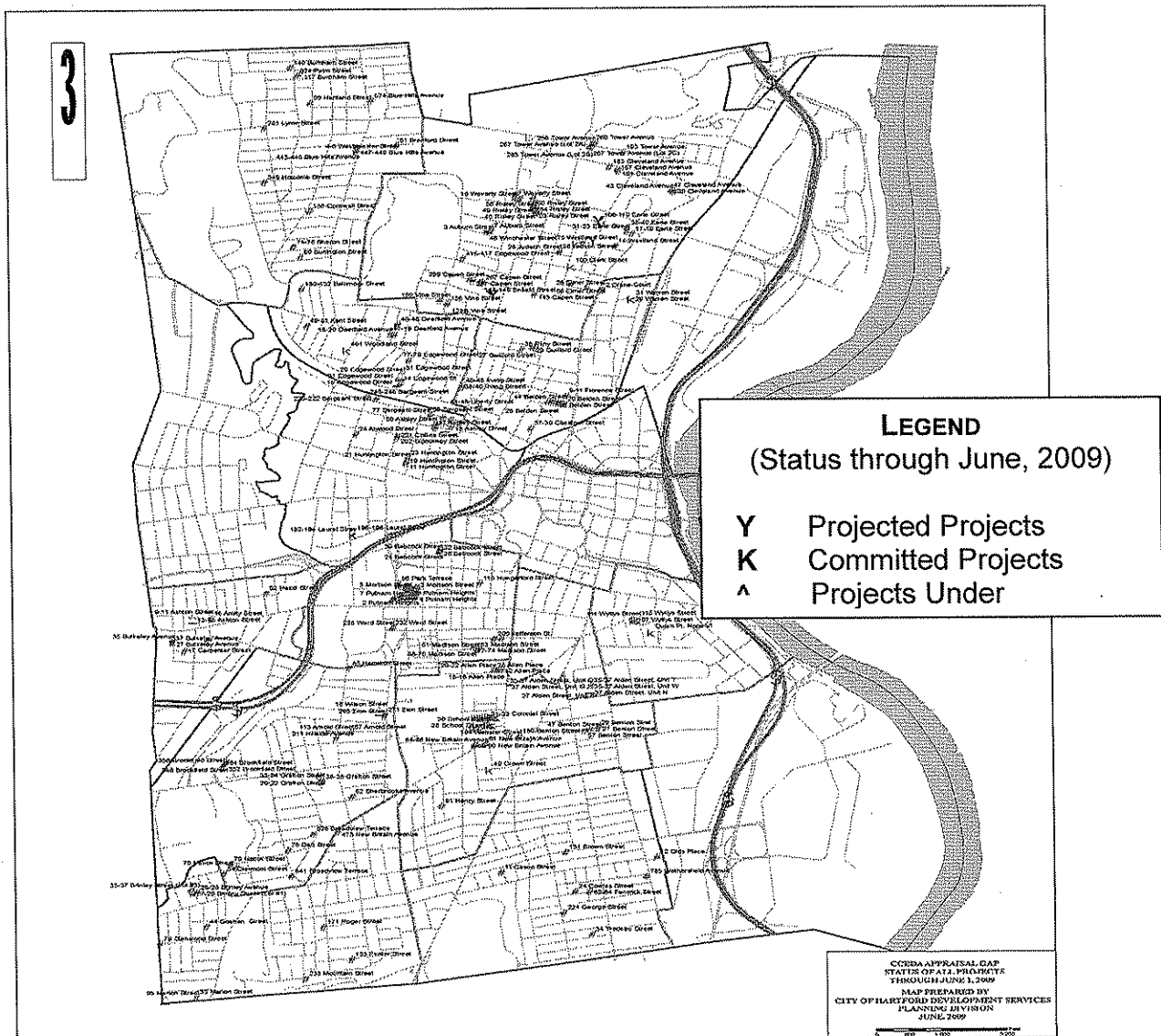
H.B. Nitkin Group's Phase II development will commence following the completion of Phase I and include the remainder of the overall site, unifying the use of the blocks of the development into a cohesive project and tying the area to downtown.



CITYWIDE HOUSING (Appraisal Gap)

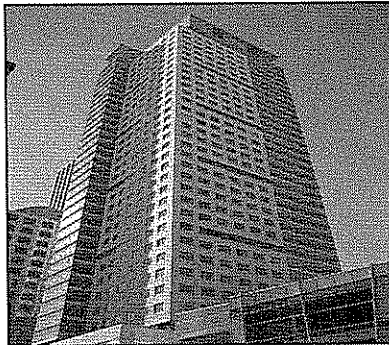
Housing continues to be a challenge in the City of Hartford. Developing the proper mix of affordable rental and ownership opportunities has been a focus of CCEDA and the City. Through CCEDA and the City of Hartford's Appraisal Gap Program, funding to help bridge the affordability gap has flowed from CCEDA to the City for ownership projects throughout the City. The Appraisal Gap Program results are reflected in the following table with the map illustrating the distribution of projects throughout the city:

STATUS (as of 6/30/09)	UNITS	CCEDA AMOUNT
Completed	315	\$9,495,666
Under Construction	24	\$574,000
Committed	96	\$2,400,000
Projected	50	\$1,019,330
Total	485	\$13,488,996



DOWNTOWN HOUSING

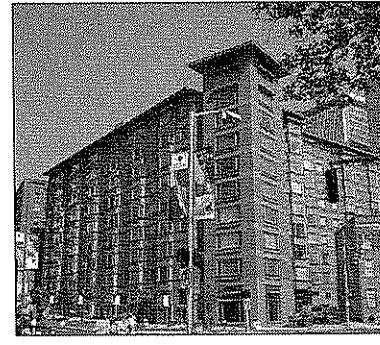
Construction on the Hartford 21, Main & Temple Street and Trumbull on the Park is completed.



Hartford 21 Apartments



Main & Temple Apartments



Trumbull on the Park

CCEDA also played a major role in the development of these downtown apartments with complementary components. This housing is intended to get “people on the street”, which should be a catalyst for further development. CCEDA has been instrumental in the creation of 440 housing units with 200 more in design, against a goal of 1,000 units as detailed below:

PROJECT NAME: (as of 6/1/09)	HOUSING		RETAIL/OTHER COMMERCIAL	
	<u>Available</u> <u>%Leased</u>	<u>Leased</u>	<u>Available</u> <u>Leased</u>	
Hartford 21	262 units 87.2%	228	161,475 sq. ft. 25%	
Main & Temple (Sage Allen)	78 units 98%	77	12,000 sq. ft 100%	
Trumbull on the Park	100 units 98%	98	9,200 sq. ft. 85%	
Front Street (Phase II)	200 units N/A	In Design	40,000 sq. ft. Design	In Design

PARKING

Parking is an issue for most cities and Hartford is no exception. The State of Connecticut has provided funding for a great deal of additional parking to help accommodate the current and future demand. CCEDA has been involved in the construction of parking as shown below:

SITE	SPACES
Morgan Street	2300
Main & Temple Street	343
Trumbull on the Park	600
Hartford 21	884
CT Convention Center	2339
CT Science Center	468
Front Street North	657
Total	7591

Additional parking units will be built as part of the Front Street District Project.

New Legislation

September Special Session Public Act 09-07 AN ACT IMPLEMENTING THE PROVISIONS OF THE BUDGET CONCERNING GENERAL GOVERNMENT AND MAKING CHANGES TO VARIOUS PROGRAMS.

The act requires CCEDA's executive director to be an Office of Policy and Management (OPM) staff member and designates such executive director as (1) CCEDA's chief administrative officer and (2) project comptroller for the Adriaen's Landing project. The act allows OPM to provide a range of services to CCEDA through a memorandum of understanding (MOU) between the secretary and the authority. Under the MOU, OPM must provide all administrative support and services including support staff, needed to run CCEDA beginning on or after July 1, 2010. The MOU must also allow CCEDA employees hired by OPM to carry over their years of service with CCEDA to the state employee retirement system.

The act requires that for purposes of state insurance or self-insurance, the convention center facilities shall be deemed to be state-owned property and the state insurance and risk management board shall be authorized to determine, purchase or otherwise arrange for such insurance or self-insurance with respect to the convention center facilities, as otherwise provided in section 41-20 with respect to other state-owned property.

The act further requires the CCEDA board of directors to file a quarterly report with OFA concerning the money it received or held during the quarter. The report must, at a minimum, account for all the agency's revenue and expenditures. Although CCEDA is required to begin filing the reports with the quarter beginning July 1, 2009, the act does not specify when the reports are due. The annual reports must include information about CCEDA's bond issues, projects, financial assistance over \$ 5,000 to individuals, balance sheet, affirmative action policies and efforts, and planned activities for the year.

4. Connecticut Science Center

4.1 Description

The Connecticut Science Center (CSC/the Center) is a 501(c)3 non-profit corporation charged with the design, development and operations of a science education destination at Adriaen's Landing. The project is led by a 40-member Board of Trustees which has been actively engaged in overseeing the opening and operations of the project. The facility was constructed under the auspices of the Office of Policy and Management, which administers the Urban Act funds approved for the project by the State Bond Commission in December 2003. The project was also financed by other construction funds designated by the CSC, including an additional bond authorization of \$15.2 million and \$41 million in financial support raised from private and other sources.

The Center's mission is to inspire lifelong learning through interactive and innovative experiences that enable visitors to explore our changing world through science. The organization's vision is to create and operate an engaging and sustainable science center that serves families and schools and has a significant impact on student and adult learning in Connecticut. The Center will attract an estimated 350,000 visitors per year, and serve more than 50,000 students in schools and other locations through an ambitious outbound program across the state.

4.2 Project Status

The Connecticut Science Center was completed in the spring of 2009, and opened to the public on June 12, 2009. Only the landscaping of the Plaza remains to be completed. The connector from the Science Center to the Connecticut Convention Center is also underway, but this is outside the scope of the Science Center project.

To recap prior activity;

- Construction was officially launched on October 21, 2005. Significant construction and planning activities occurred through 2006, 2007, 2008 and early 2009.
- Design and fabrication of the Center's 150 interactive exhibits began in 2005 and concluded in 2009.
- Fundraising for the Center's Founding Campaign commenced in 2004, and concluded in January 2009 with \$41 million raised to match the investments by the State of Connecticut and CCEDA.
- Program development began in 2005, with the implementation of the *Institute for Inquiry*, a statewide teacher professional development initiative. This program has now served in excess of 800 teachers.

From June 12 through December 31, 2009, the Center served over 200,000 visitors from every city and town in the state of Connecticut, and many from beyond our state's borders. Also since opening, the Center has:

- Developed and implemented an array of programs, including field trips, school outreach, overnight camp-ins, a summer camp, and gallery based programming.
- Hosted evening events and lectures which have brought thousands of visitors of all ages for special science programming.
- Partnered with several Connecticut institutions including Mystic Aquarium and Wadsworth Atheneum to bring specialized programming opportunities to our visitors, and to help promote the diverse cultural offerings of our state.

Fundraising has transitioned to an annual operating campaign phase, following the conclusion of

the Founding Campaign. Over \$800,000 was contributed in 2009 from corporations, private foundations, individuals and other organizations.

4.3 Current Budget v. March 2000 Legislative Deliverable

Increasing costs of construction since the project began in 2003 have been consistent with overall market trends, driven by a combination of state, regional and national demand for labor and materials. The current estimated cost of construction, including the CCEDA garage is approximately \$136.5 million.

As stated in the March 2000 Legislative Deliverable, the Center plans to utilize \$15 million in CCEDA Riverfront Infrastructure funds. At this time the Center has met its matching support requirement for the full \$15 million.

Exhibit 1 Connecticut Science Center Summary of Sources	
Private Funds Pledged (12/31/2008)	\$ 35,685,000
CCEDA Matching Funds	\$ 15,000,000
CT Urban Act Funds (Approved 12/19/03)	\$ 92,300,000
CT Dept of Education *	\$ 15,975,000
Federal Transportation Funds	\$ 670,000
Private Land Donation (Phoenix)	\$ 4,850,000
CCEDA Garage Funding	\$ 16,371,541
Total of all Sources	\$180,851,541

* Includes \$15,200,000 for construction and \$775,000 in pre-opening funding

Exhibit 2 Connecticut Science Center Summary of Uses	
Pre-opening Expenses	\$ 12,947,740
Science Center Construction	\$120,130,000
Exhibits & Equipment	\$ 17,527,260
Post Opening	\$ 9,025,000
Leasehold (Land Lease Value)	\$ 4,850,000
CCEDA Garage Construction	\$ 16,371,541
Total of all Uses	\$180,851,541

5. Convention Center Hotel

5.1 Description

The Marriott Hartford Downtown Hotel, the convention center hotel, has been open under the Marriott flag since August 25, 2005. The hotel is located just north of the Connecticut Convention Center on the corner of Columbus Boulevard and Grove Street. The opening marked the completion of Phase 1 consisting of 409 keys, a full service restaurant, lounge, 13,000 square feet of meeting space and a rooftop indoor pool and spa. The total cost was \$91 million. The Master Plan contemplates a Phase II which would add approximately 291 keys and 20,000 square feet of additional meeting space.

6. Front Street District **(Previously referred to as Entertainment/Retail/Residential District)**

6.1 Description

The Front Street District component of the Adriaen's Landing Project is expected to include restaurants, retail shops and market-rate rental housing, built in multiple phases. These new venues will not only be designed to attract conventioners, hotel guests and Science Center patrons from other parts of Adriaen's Landing, but also as a destination for area residents and visitors to the region.

The State has prepared the Front Street site, including environmental remediation, installation of required utilities and construction of a parking garage and two new roadways: a north/south road, Front Street and an east/west road, Constitution Way. The parking garages, one existing and one under construction, will be used by visitors to Adriaen's Landing, as well as long-term lease holders, including residents, Travelers and Phoenix employees, and patrons of the Wadsworth Atheneum and the Elks Club.

Garage B, located adjacent to the Travelers building on Columbus Boulevard, was completed in the fall of 2005 and includes 657 spaces, most of which are reserved for long-term lease holders. Garage A, located on the corner of Columbus Boulevard and Arch Street, is under construction and is currently planned to include approximately 300 transient parking spaces. Construction of this garage is integrated into the Front Street District development schedule with an anticipated completion date of May 2010.

The HB Nitkin Group is developing the balance of the site. Construction of Phase 1 of the Front Street District began on October 31, 2008 and completion is scheduled for May 2010. The two buildings comprising Phase 1, designed by Robert A.M. Stern Architects, will contain approximately 65,000 gross square feet of commercial uses, predominately restaurant and entertainment venues. Phase 2 of the project will contain additional commercial uses as well as the residential component of the project.

6.2 Status & Projected Completion Date

CCEDA, the State and The HB Nitkin Group entered into a development agreement for the Front Street District project in February 2007 and later twice amended that agreement on September 28, 2007 and June 19, 2008.

The State began utility and road work for the district, as well as construction of Garage B, in October 2004 which the State substantially completed in the fall of 2005. The State commenced remediation of the development site in October, 2006 to advance its environmental obligations and to characterize further underground conditions. In the fall of 2007, the State completed the bulk of the environmental remediation work in accordance with the requirements of the developer's site work plans and provided a construction-ready site for the developer's start of construction.

The parties entered into a site lease for the Phase 1 parcels on November 3, 2008 whereby The HB Nitkin Group took control of the site in order to begin its construction activities through its construction manager, The Whiting-Turner Contracting Company.

As mentioned previously, both the developer and State, through Whiting-Turner, began site work for the commercial buildings and Garage A, respectively, on October 31, 2008. Presently,

Whiting-Turner has awarded all of the bid packages for the commercial building and Garage A. The commercial building are fully erected, framed and sheathed with work on the façade and curtainwall/storefront progressing. Site improvements, including roadways, sidewalks and plantings, will begin in March 2010.

It is anticipated that The H.B. Nitkin Group's Phase 2 development will commence following the completion of Phase 1 and include the remaining two "blocks" on the overall site, thereby unifying the use of the four blocks of the development into a cohesive project. The former Hartford Times Building will also be incorporated into the Phase 2 plans as the Wadsworth Atheneum has abandoned its plans for the structure. The HB Nitkin Group has developed conceptual plans for Phase 2 and is currently pursuing financing for the project through the U.S. Department of Housing and Urban Development.

6.3 Current Budget v. March, 2000 Legislative Deliverable

The budget for the state-funded elements of the district has been adversely impacted by delays in this component of the overall project. However, \$8.9 million in funding has been approved by the Federal Highway Administration (FHWA) as a contribution towards the garage costs, and CCEDA will contribute additional funding from its parking pillar to offset the higher costs associated with schedule delays and cost escalation. Construction of this garage will be conducted in accordance with federal regulations governed by FHWA.

The state financial assistance package to The H.B. Nitkin Group is expected to be \$13,650,000. Use of these funds will be subject to certain security, claw-back and minority business incentive requirements. The HB Nitkin Group will also benefit from a sales and use tax abatement provided by the Connecticut Development Authority and property tax relief pursuant to the Adriaen's Landing legislation.

The HB Nitkin Group will also take advantage of funding from the U.S. Department of Housing and Urban Development made available through the City of Hartford. These funding incentives include a \$5,000,000 Section 108 HUD loan for the development of the commercial buildings and a \$2,000,000 Brownfields Economic Development Initiative (BEDI) grant.

7. Adriaen's Landing - Site Development

7.1 Environmental Remediation

As reported in prior years, remediation was completed for the convention center and hotel sites in 2005. A post-remedial monitoring program is under development to satisfy Department of Environmental Protection (DEP) requirements, and Environmental Land Use Restrictions will be placed on all properties upon completion of the project.

Remaining remediation of the Connecticut Science Center site was largely completed in 2008 with the removal of small amounts of contaminated soil and construction of paved features that eliminate access to contaminated soil that remains in place at depth. Some small areas of paving were completed in 2009.

In October 2006, the State carried out partial remediation on a portion of the Front Street site in order to manage contaminated material more efficiently and minimize coordination requirements with the developer's construction. Subsurface remains of two manufactured gas holders contaminated with coal tar residues from former Hartford Gas Company operations were exposed and removed. The holders also constituted significant obstructions to new construction at Front Street. This work was completed early in 2007.

In the fall of 2007, with some design information now available from H.B. Nitkin, the State resumed work to carry out remediation consistent with the developer's plans. Small areas of residual manufactured gas waste were excavated, with subsequent grading and sorting of remaining soils to match the elevations required to facilitate Front Street construction. The grading operation was curtailed in late December by winter weather conditions.

Adjacent to Columbus Boulevard, residual coal tar contamination of soil was identified in late 2007. The accessible contaminated soils were excavated and removed in 2008. Unreachable soil was treated by innovative chemical oxidation methods. In-place oxidation was used to reduce both tar mass and regulated organic chemical contaminant amounts. The results of this treatment effort for soil present below Columbus Boulevard sidewalks and utilities are being provided to DEP to document remediation compliance in that location.

The grading and sorting operation also resumed in 2008, with efforts made to reuse as much soil as possible at depth under the "cap" to be provided by the retail and garage buildings. Unfortunately, construction suitability of the material was limited, leading to higher than expected disposal costs. The Front Street remediation budget contained sufficient funds to cover these costs.

During 2009, combined brownfields remediation and construction activities took place on the Front Street site. Approximately 32,000 tons of contaminated soil were excavated, tested, characterized, transported, and disposed during combined retail and garage building foundation site work. Contaminated and polluted soil was disposed at out of state landfills.

Small amounts of soil remain to be removed and disposed at Front Street in conjunction with utility tie-ins. All remedial work for the current Front Street project will be complete early in 2010.

7.2 Road and Bridge Improvements

The Project has worked closely with the Connecticut Department of Transportation (DOT) on road and bridge improvements designed to improve the flow of traffic through Adriaen's Landing and to make the area more visually appealing and pedestrian-friendly. Prior Annual Reports detail the

improvements, including the redesign and reconstruction of Columbus Boulevard, which have largely been completed.

In 2009 the existing traffic signal on Grove Street opposite the vehicle entrance to the Hotel and Convention Center garage was relocated and modified to accommodate Science Center garage and delivery traffic. A bus drop-off area was also completed at the Columbus Boulevard entrance to the Science Center. In 2010 permanent improvements to Front Street and Constitution Way will be completed in conjunction with the balance of the Front Street development, and related minor changes will be made to the Columbus Boulevard median and turn lanes.

7.3 Parking

Upon completion, Adriaen's Landing will include approximately 4,000 parking spaces spread throughout five garages and one surface lot. CCEDA will own and operate each of these sites under one coordinated management plan. LAZ Parking Ltd. was selected through a competitive process to manage the garages on CCEDA's behalf, pursuant to the terms of a management agreement signed by the parties in November 2002.

Convention Center and Hotel: The convention center site provides 2,339 parking spaces located on two levels of structured parking below the convention center building, on eight levels in a free standing pre-cast concrete garage south of the convention center and on a surface lot west of the convention center building in the future Phase II expansion area. In addition to meeting the needs of the convention center and hotel, the convention center garages also house 950 Travelers parkers and 150 Phoenix parkers.

Not included in the 2,339 total are approximately 45 surface lot spaces reserved for employees of The Energy Network's steam plant.

Science Center: The Science Center development includes a tri-level, 467-space garage located beneath the Science Center. In addition to serving the parking needs of that facility, this garage is serves 250 Phoenix employees pursuant to a parking lease agreement between CCEDA and Phoenix.

Front Street District: The Front Street District will include two garages constructed by the State for use by visitors to Adriaen's Landing, as well as long-term lease holders, including Front Street residents, employees of Travelers, Northeast Utilities and other nearby firms and patrons of the Wadsworth Athenaeum and Elks Club. Construction of Garage A (located on the corner of Columbus Boulevard and Arch Street) began concurrently with development of the Front Street District in November 2008 and will be completed in mid-2010. Garage A will provide 255 spaces.

Garage B (located adjacent to the Travelers building on Columbus Boulevard) was completed in the fall of 2005 and includes 657 spaces, most of which are reserved for long-term lease holders.

7.4 Grove Street Connector

A key component of the Adriaen's Landing Project now under construction is an exterior pedestrian overpass spanning Grove Street, linking the convention center and hotel with the Science Center, Riverfront Plaza and the Connecticut River. This connector will also enhance pedestrian access to the adjacent Constitution Plaza and, in turn, other sites in Downtown Hartford. Construction began in October 2009 and will be completed in July 2010.

8. Adriaen's Landing - Project Issues

This chapter identifies issues which may or have created an impact on either the Adriaen's Landing Project's budget or timeline.

8.1 Project Budget

The Project Team has continued to address challenges which impact the project budget. Although the estimated cost of completion of the public sector components represents a slight increase over last year's forecast, this increase has been funded by additional grants from the Federal Highway Administration (FHWA) and the Capital Region Council of Governments.

The public and private sector component budgets for the Front Street District have been dramatically impacted by cost increases resulting from delays in the private development. While the budget has been consistent with its level of available funding for public infrastructure, the buying power has been reduced by construction escalation, including materials, higher insurance costs, higher general conditions costs for construction and a higher cost for financial, environmental and management oversight of the component.

As noted in last year's report, cost escalation and market conditions led to a decision by the Front Street developer, agreed to by OPM and CCEDA, to defer the residential component of the district until the second phase of the development.

9. Adriaen's Landing - Project Compliance

Section 32-656(i) of the CT General Statutes required OPM and CCEDA to jointly select an independent construction compliance officer to monitor the Adriaen's Landing Project's compliance with certain Affirmative Action and Equal Employment Opportunities (AA/EEO) statutes. This compliance officer serves a key role in promoting and monitoring the participation of state-certified small and minority-owned businesses (S/MBE's)¹ as well as the participation of local residents and minorities.

Between 2001 and 2005, the Regional Alliance of Small Contractors (RASC) and Gertrude Mero served as compliance officers for the Project, monitoring utility relocation and site improvement work, as well as construction of the Convention Center and related garages, the Marriot Hotel and Garage B (Front Street).

A Procedures Manual governing how AA/EEO procedures would be implemented on behalf of the State was approved by the Project Team in September 2001 and again as an update in December 2005. Soon after, the compliance officers began meeting with construction manager and other contractors to inform them of AA/EEO reporting requirements.

In October 2005, Nutmeg Planners LLC was selected to provide contract compliance services during construction of the Connecticut Science Center and the Front Street District.

A key element of the compliance officers' work is outreach. The Project's outreach program involves keeping the community of local contractors, businesses, community boards and elected officials apprised of contracting opportunities, as well as Project initiatives and objectives to achieve S/MBE and other hiring goals. One of the most critical outreach activities is advance notice to the business community concerning Project contracting opportunities. The Project's outreach network alerts the business community via the following:

- Bulletins issued through a network of community agencies and boards;
- Newspaper and magazine "advertisements for bids" for contracting opportunities;
- Forums and meetings with small and minority-owned firms;
- Meetings with community boards, civic associations and chambers of commerce;
- Quarterly "look ahead" contract notification from the contract compliance program manager; and
- Public relations activities highlighting MBE and individual minority participation and opportunities.

Forums and outreach meetings are designed to provide feedback and uncover obstacles to S/MBE participation in the Project and help to formulate new and improved methods of achieving Project hiring goals.

¹ Under the Department of Administrative Services' set-aside program, a small business (SBE) is any company doing business and having its headquarters in Connecticut for at least one year, with gross revenues of less than \$10 million in the last fiscal year. A minority-owned business (MBE) is any company at least 51% owned and operated by a person(s) who is a member of one of the following minority groups: Black Americans, Hispanic Americans, Asian Americans, Native Americans, persons having origins in the Iberian Peninsula, persons with disabilities and women.

9.1 Small and Minority Business Participation

As noted above, the compliance officers were retained to monitor and show the "picture of involvement" relative to the utilization of S/MBE and the local/minority labor force. The requirements established by the Project Team, as included in the Project contracting documents, are modeled after the requirements stipulated in CGS Section 4a-60g. As such, the SBE participation goal for Adriaen's Landing and Rentschler Field is 25% of total contract values, of which 25% (or 6.25% of total contract values) must be MBE participation². The compliance officer is responsible for calculating the percentage requirements for each construction bid package and communicating those requirements to all contractors through bid documents and S/MBE presentation meetings.

The percentage requirement for each bid package is dependent on the contract opportunity potential for subcontracting and the availability of S/MBE contractors in a particular trade. In certain cases, the Department of Administrative Services (DAS) may waive goals or exempt certain specialized trades due to the lack of availability of certified S/MBE contractors.

The Project Team is pleased to report that small and minority business participation at Adriaen's Landing has exceeded the goals set forth at the start of the Project. The Adriaen's Landing S/MBE figures for the completed components of the project (Convention Center, Convention Center garages, Marriott Hotel and Garage B) are as follows:

Total Contract Awards	=	\$322,106,898.00	
Total SBE Awards	=	\$100,112,753.00	(31.08%)
Total MBE Awards	=	\$75,490,135.00	(23.44%)

Based on information received by Nutmeg Planners, LLC as of December 31, 2009, S/MBE figures for the Connecticut Science Center are as follows:

Total Contract Awards ³	=	\$91,542,405.47	
Total SBE Awards	=	\$28,959,830.12	(31.64%)
Total MBE Awards	=	\$16,907,412.12	(18.47%)

In addition to the aforementioned, information also received by Nutmeg Planners, LLC as of December 31, 2009 reflects the following S/MBE activity for the private developer's portion of the Front Street district at Adriaen's Landing:

Total Contract Awards	=	\$12,600,905.00	
Total SBE Awards	=	\$3,279,038.00	(26.02%)
Total MBE Awards	=	\$2,134,438.00	(16.94%)

Appendix D contains a Project Award Summary by component, as well as detail of awards for the previous fiscal year.

² It should be noted that Public Act 08-185 requires the Front Street private developer to make a good faith effort to achieve a 10% MBE participation goal, rather than the 6.25% required under CGS 4a-60g.

³ The total contract award figure reflects those contracts received by the compliance officer as of December 31, 2009. Due to certain administrative processes that must be performed, there is a slight lag between the date the contract is awarded by the construction manager and the date the contract is entered into the Compliance Data Tracking System.

9.2.1 Federal Disadvantaged Business Requirements

As noted in Section 6, the State is utilizing \$8.9 million in federal transportation funding to complete the second garage at Front Street. The presence of such funds triggers certain federal disadvantaged business enterprise (DBE) hiring requirements which supersede State S/MBE requirements.

Based on information received by Nutmeg Planners, LLC as of December 31, 2009, DBE figures for the State's portion of the Front Street district are as follows:

Total Contract Awards	=	\$6,743,579.00	
Total DBE Awards	=	\$631,315.00	(9.36%)

9.3 Local/Minority Work Force Participation

Pursuant to CGS 32-656, the Adriaen's Landing Project is required to utilize "available and qualified" residents of the City of Hartford, as well as "available and qualified" members of minority groups, for construction work. Although the statute does not state specific requirements for such participation, an agreement signed with local trade unions commits the Adriaen's Landing Project to a goal of 30% local work force participation, while the State Commission on Human Rights and Opportunities (CHRO) labor force participation goals recommend minority participation goals of 15% for minority males and 6.9% for women.

To assist the Project in meeting its local work force participation goals, the construction manager and subcontractors are committed to hiring qualified City of Hartford residents trained through the Hartford Construction Jobs Initiative program. This program, also known as the "Jobs Funnel", is a public/private effort to identify and recruit Hartford residents who have an interest in construction career opportunities with the Adriaen's Landing Project, as well as with other Hartford development projects. The program conducts extensive outreach within Hartford neighborhoods and identifies candidates who are then screened for skills, ability and career preferences, then funneled into jobs, apprenticeships, training or remedial work as appropriate. The Adriaen's Landing Project's utilization of Jobs Funnel graduates is dependent upon the success of the program in making qualified applicants available to the construction manager and its subcontractors when job openings need to be filled in order not to delay the work.

The local work force and minority worker goals outlined above are for construction jobs at all levels of construction activity. Minority and female worker participation is calculated by taking the number of person-hours of employment and training completed by such workers and dividing it by the total person-hours of employment and training of all workers used by any contractor or subcontractor. Person-hours of employment are a more precise barometer of actual work performed by residents and members of minority groups as it is based on certified payrolls and the number of hours a person works as opposed to simply tabulating aggregate bodies.

As reported last year, labor figures (based on person-hours) for the completed components of the project (Convention Center, Convention Center garages, Marriott Hotel and Garage B) indicate that the Project exceeded its goal for minority male participation, but had not attained its local work force and female participation goals:

Total Labor Force Hours	=	2,797,787.4	
Hartford Residents	=	422,613.9	(15.1%)
Total Minority Hours (male)	=	708,413.1	(25.3%)
Total Female Hours	=	58,592.2	(2.09%)

As of December 31, 2009, labor figures (based on person-hours) for the Connecticut Science Center indicate that the Project also exceeded its goal for minority male participation, but has not yet attained its local work force and female participation goals:

Total Labor Force Hours	=	698,320.19	
Hartford Residents	=	128,727.75	(18.43%)
Total Minority Hours (male)	=	188,124.91	(26.94%)
Total Female Hours	=	26,604.5	(3.52%)

As of December 31, 2009, labor figures (based on person-hours) for the private developer's portion indicate that the Project also exceeded its goal for minority male participation, but has not yet attained its local work force participation goal:

Total Labor Force Hours	=	56,791.84	
Hartford Residents	=	9,554.52	(16.8%)
Total Minority Hours (male)	=	15,702.88	(27.6%)
Total Female Hours	=	6,671.94	(11.75%)

A number of factors may account for the inability to meet the female worker and local workforce participation goals. The Project's 6.9% female participation goal, like the 15% minority worker goal, is set by the CHRO based on occupational statistics from the 1970 and 1990 censuses. CHRO has acknowledged, however, that female hiring goals are currently beyond the capacity of the labor force for female trade workers, particularly given the typically low participation of women in construction work. In addition, because the Adriaen's Landing is governed by a Project Labor Agreement, its workers must be drawn from participating local trade unions. Hence, a trade union's ability to provide the desired local or minority percentage of workers is dependent on their local trade membership.

9.4 8A-CT Program

Consistent with CGS Section 32-602, CCEDA adopted procedures which required that contractors and subcontractors engaged in the Convention Center and Marriott Hotel Projects take affirmative action to (1) provide equal opportunity for employment and (2) make reasonable efforts to hire or cause to be hired members of minorities for construction jobs at all levels of construction.

The Project Team continues to work with the Project's construction manager, program managers and members of the Hartford community with respect to such procedures. Using the Federal 8(a) Business Development program as a model, \$10 million worth of Project work to Hartford-based minority contractors under a new 8A -CT program was targeted. An additional \$3 million was dedicated on the Connecticut Science Center portion of Adriaen's Landing. This dedicated work

is to spread out over the duration of the Adriaen's Landing Project. The Project Team has developed a percentage based allocation which will ensure that local contractors are afforded opportunities at all levels of construction and on all Project components.

As of December 31, 2009, more than \$17.9 million worth of Project work has gone to Hartford-based minority contractors under the 8A-CT program, exceeding the project target. The Project Team is proud to report that the 8A-CT program has been extended to include the Front Street District effectively including local contractors on all phases of the overall Adriaen's Landing Projects.

SECTION II.

RENTSCHLER FIELD

Rentschler Field – Executive Summary

The Rentschler Field Stadium was substantially completed in July 2003, and a final Certificate of Occupancy was issued by the Office of the State Building Inspector in October of that year. The Stadium recently completed its seventh season of operation.

As noted in last year's annual report, United Technologies Corporation (UTC) and its preferred developer, The Matos Group (TMG), have begun development of the balance of the Rentschler Field site. A Cabela's destination retail store, occupying 185,000 square feet opened to the public in October 2007. The Cabela's store is the first phase of a broader mixed use development planned for the site.

To accommodate the future development and to facilitate stadium operations, the State and UTC agreed it would be mutually beneficial to transition from the existing long term parking license to a permanent parking solution. In December 2007, UTC offered the State an additional land donation of 65 usable acres for the State to develop as a permanent parking plan, with supporting infrastructure. In November 2009, a formal donation agreement was executed.

Public Act 07-7, June Special Session, provided a funding source of \$10 million to design and develop the site for this purpose and State Bond Commission approval was granted in May 2008. Clearing of the site is expected to begin in February 2010, with construction of the improvements to begin in May 2010. The new permanent lots are expected to be available for use during the 2011 UConn football season. The construction is being executed in accordance with the existing Rentschler Field enabling legislation.

10. Rentschler Field – Project Description

The Stadium at Rentschler Field is an oval open-air facility occupying approximately 8.5 acres of the State-owned, 140-acre parcel at Rentschler Field in East Hartford. The total Stadium capacity is 40,642, consisting of 38,110 permanent seats with an additional 2,532 standing room capacity in the scoreboard plaza. (The chart at the end of this chapter identifies the seating options.) The Stadium has been designed with expansion capability to 50,000 seats.

The Stadium has been designed to meet or exceed NCAA Division 1-A requirements for football, and can also accommodate other turf events such as soccer, rugby and lacrosse. The Stadium serves as the home of the UConn Husky football program, and hosts other athletic, cultural, entertainment and civic events as well. An indoor club room capable of seating 400 people in a banquet setting is available for year round catering activities, group meetings and other functions.

The Stadium bowl surrounds the natural grass playing surface which is 26 feet below grade level. The lower bowl completely surrounds the Stadium, while the upper bowl is open on the northwest side. A wide concourse area, which separates the upper and lower bowls, is surrounded on its perimeter by concession stands and restroom facilities.

The southwest side of the Stadium is framed by “the tower”, a dramatic four-story structure which houses the club seating and clubroom area, 38 suites, press facilities and media/broadcast rooms. Additional facilities, administrative areas, locker rooms, etc, are located in the below-grade service level on the southeast side of the facility.

The Stadium site currently has four access points, two from the north side off Silver Lane, and two from the west side off Main Street. Parking for approximately 4,000 cars is provided adjacent to the Stadium, with an additional 6,500 parking spaces available elsewhere on the site.

Northland AEG currently provides management, booking, marketing and sponsorship services at the Stadium. OPM has exercised an “early termination without cause” provision in their contract, notifying Northland AEG that contract will expire on June 30, 2010. In November 2009, OPM issued a Request for Proposals for Stadium management, booking, marketing and sponsorship services and the agency is currently engaged in contract negotiations with the selected firms.

Stadium at Rentschler Field – Capacity

Outdoor Seats	Total
Benches	31,718
Seat Backs	3,940
Accessible seating, including companion	726
Indoor seats	Total
Club level:	
Indoor club seats	654
Accessible seating, including companion	16
Suites (8)	132
Standing room only	160
Suite level:	
Suites (22)	382
Press level:	
Press area	250
Suites (8)	132
Note: Each suite contains one removable chair to accommodate accessible seating, and two chairs that are ADA accessible.	
Total Seating	38,110
Plaza Area	2,532
Total Stadium Capacity	40,642

11. Rentschler Field – Final Construction Budget

	March 3, 2000	December 31, 2009
<i>Revenue and Reimbursements</i>		
Authorized Bond Funds	\$ 91,200,000.00	\$ 91,200,000.00
Insurance Claim		145,404.00
Greenway Funding		100,000.00
Donations and Reimbursements		325,607.00
Public Safety Funds		556,629.00
	\$ 91,200,000.00	\$ 92,327,640.00
 <i>Expenses</i>		
Construction	\$ 73,317,448.00	\$ 77,372,792.00
Permit/Regulatory	201,001.00	395,755.00
Design Contingency	4,891,448.00	-
Architectural/Engineering Fee	6,720,848.00	6,822,600.00
Program Management	2,240,283.00	167,296.00
Furniture, Fixtures & Equipment (FFE)	746,761.00	1,040,574.00
Legal	746,761.00	573,728.00
Owner Contingency	746,761.00	0.00
Accounting/Feasibility	-	513,542.00
Acquisitions	-	36,451.00
Other Architects/Engineers/Design	-	2,001,826.00
Contract Compliance	-	115,312.00
Cost Estimating	-	64,800.00
Environmental	1,150,000.00	600,557.00
Facility Planning	-	449,851.00
Owner-Controller Insurance Program (OCIP)	-	1,772,814.00
Owner Construction	-	409,742.00
	\$ 90,761,311.00	\$ 92,327,640.00
Grand Total	\$ 90,761,311.00	\$ 92,327,640.00

12. Rentschler Field – Project Issues

The overall development of Rentschler Field will require careful transition planning to facilitate both stadium operations and the private development which began with the opening of Cabela's in the fall of 2007.

As noted above, stadium parking has been provided on state-owned property and on acreage provided by UTC, under a long term parking license agreement. The State, UTC and The Matos Group have agreed on a permanent parking plan, which targets August 2011 as a date for implementation. In December 2007, UTC offered the State an additional land donation of 65 usable acres for the State to develop as a permanent parking plan, with supporting infrastructure. In November 2009, a formal donation agreement was executed and construction is set to begin in May 2010.

During the transition period, the respective parties, and affected stakeholders will continue to meet regularly to review site requirements and minimize disruption to all concerned. There will be no reduction in parking for stadium operations, and OPM and the development team will implement shared-use parking arrangements wherever feasible to optimize land use.

13. Rentschler Field – Operating Budget

An operating budget summary for the next fiscal year of Stadium operations follows this page and assumes no appropriation from the State. This budget assumes ten events, including six UConn football games. The Stadium operator is precluded from hosting events at the Stadium which do not project net revenue without prior approval from OPM. Consequently, it is expected that additional events will increase net revenue for the facility.

The management contract with Northland/AEG will end on June 30, 2010. This preliminary budget prepared by Northland/AEG does not include management fees, booking fees or sponsorship revenue as these terms need to be negotiated with the new management company. The preliminary net revenue forecast for this year is \$332,771. Revenues are based on those events currently under contract or historically held annually. Expenses are based on last year's actuals plus a 3% estimated increase.

The stadium forecast reflects increasing utility costs and increased event costs for parking and traffic management resulting from the development. Utility costs at the stadium have increased from \$344,927 in FY2004 to a projected \$967,000 in FY2010. The increased event expenses are transitional, and should be mitigated by the creation of a permanent parking solution in 2011. OPM will assume responsibility for improvements to the permanent parking plan, and has continued due diligence efforts in this regard.

The operating budget does not include passive revenue to the Stadium from cellular license agreements, which is deposited directly into the Stadium Enterprise Fund established pursuant to CGS 32-657. The current balance in that account from passive revenue and reimbursements is \$94,416.

There is no plan to receive any funding from East Hartford. The town was reimbursed \$196,711 for the direct costs of police, fire and emergency medical technicians provided at the stadium this year. FY10 Payments in lieu of taxes (PILOT) is \$735,800. Additionally, non-profit volunteer groups received \$129,096 for services provided at concession stands; \$35,688 of that went to East Hartford non-profit groups

Pursuant to CGS 32-657, OPM annually submits a more detailed copy of the Rentschler Field budget to the Office of the State Comptroller, as well as to the Legislature's Appropriations and Finance Committees.

FY 2011 Preliminary Operating Budget

OPERATING REVENUE (10 Events)	FY 2011 Estimate
Flat Rent (net)	\$1,069,000
Ticket Surcharge (\$3/ticket)(net)	\$595,000
Concessions/Catering and Parking (net)*	\$1,327,356
Miscellaneous (suite revenue, advertising) (net)	<u>\$80,602</u>
	\$3,071,958
OPERATING EXPENDITURES (10 Events)	
Salaries & Wages	\$325,476
Utilities	\$967,090
Contractual Service / Repairs & Maintenance	\$466,920
Materials & Supplies	\$83,465
Administrative and General	\$153,737
Management Fee	unknown
Event Day Costs (Includes event staff, building security, stagehands, subcontractors, police, fire, medical, custodial, trash removal)	<u>\$742,500</u>
TOTAL EXPENSES	\$ 2,739,187
NET INCOME	\$332,771

*This number includes both parking revenue and revenue from outdoor seat concessions, indoor club concessions and all forms of catering.

Appendix A

Adriaen's Landing Financial/Budget Information

ADRIAEN'S LANDING APPROPRIATIONS
Sources & Uses

Budget Date

31-Dec-09

	Sources	Current Estimated Uses	Variance
PUBLIC SECTOR			
Sources			
Adriaen's Landing Bonding Authorization	73,800,000		
Convention Center Bond Authorization	190,000,000		
Adriaen's Landing Appropriation	100,000,000		
CCEDA Revenue Bonds and Loans (2003 Authorization)	91,918,171		
CCEDA Revenue Bonds and Loans (2004 Request)	22,055,771		
Hartford Times Building Appropriation	13,642,836		
Utility Rebates and Reimbursements	4,000,000		
CCEDA/CSC Riverfront Infrastructure	450,000		
Temporary Rent from Acquisitions	1,404,840		
CCEDA Parking Pillar	4,070,000		
Federal Highway Funds For Connector			
FHWA Sect 112 Funds	3,960,000		
FHWA HPP Funds	1,782,538		
Columbus Blvd Reimbursement	887,228		
CROG Funding for Snow Melt System - STPH Fund	390,600		
Federal Highway Funds For Front Street Garage			
Federal HW for Garage FHWA Sect 117 Funds	8,855,000		
Federal Highway Funds For Front Street Redevelopment			
Federal HW for Front & Constitution FHWA Sect 129 Funds	1,313,200		
CL&P Energy Credit - Base	217,060		
CL&P Energy Credit - CUP	229,460		
CNG Energy Credit - CUP	240,000		
Additional Utility Rebates (added 5/23/07)	166,450		
CP Project Administration Fee	2,500,000		
Hotel/State Cost Allocation	72,204		
CSC Reimbursement	193,758		
Uses			
Roadwork & Streetscape			
East Side Construction		276,843,330	
West Side Construction		51,160,068	
CTCSE Garage		16,371,541	
Grove Street Pedestrian Connector Bridge		8,336,314	
CUP Expansion		2,689,345	
Owner Soft Costs		166,748,518	
Totals	522,149,115	522,149,115	0

Adriaen's Landing
Estimated Cost On Completion Detail

Budget Date

31-Dec-09

	3/3/2000 Master Plan Estimated Completion Cost	Current 12/31/09 Estimated & Committed Completion Cost
ROADWORK & STREETScape GRAND TOTAL	14,197,364	-
UTILITY, CONVENTION CENTER & RELATED GARAGE TOTAL	241,317,575	276,843,330
ENTERTAINMENT/RETAIL DISTRICT - PUBLIC WORK		
Demolition - Hartford Times Building	2,118,947	1,453,923
North Garage and Front Street Road and Utility Infrastructure	38,964,996	29,429,346
South Garage Trade Cost & Owner Soft Cost	7,644,619	15,927,850
Site Improvements	-	1,771,543
Oversight & Inspection	-	-
Environmental Cost	-	4,701,679
Other Soft Costs & Reimbursements	-	875,725
ENTERTAINMENT/RETAIL DISTRICT - PUBLIC WORK TOTAL	48,728,562	54,160,068
PHASE 2 PROJECTS		
Science Center Garage	20,985,618	16,371,541
Grove Street Pedestrian Connector Bridge	-	8,336,314
CUP Expansion	-	2,689,345
PHASE 2 PROJECTS - GRAND TOTAL	20,985,618	27,397,200
PUBLIC SECTOR TOTAL CONSTRUCTION COSTS	325,229,119	358,400,598
PUBLIC SECTOR OWNER COSTS		
Environmental Oversight	1,377,210	6,927,247
Architectural/Engineering Design	19,998,748	26,110,260
Entertainment/Retail Garage & Road Design	2,099,582	-
Attraction Preliminary Design	1,137,075	127,621
Accounting Feasibility	-	1,485,169
Contract Compliance	-	2,065,247
Cost Estimating	-	682,763
Facility Planning	-	-
Regulatory & Utility Fees	-	866,623
Operational Fit-Out	-	2,592,680
Rodent Management	-	529,017
Demolition Design & Abatement	-	702,961
Program Management	16,934,762	33,133,939
Legal Fees	3,279,501	4,309,699
Owner's Soft Cost Contingency Subtotal	2,388,673	154,097
TOTAL OWNER SOFT COSTS	47,215,551	79,687,323
<i>Items included in Exhibit 3-1 of 3/3/00 Volume 2 not included in detail estimates</i>		
Stadium Total	-	-
Land Acquisition Subtotal	51,383,115	65,537,248
Pre-Development Planning - Adriaen's Environmental Impact Evaluation (EIE) Subtotal	8,598,384	7,005,837
Insurance - OCIP Program Subtotal	-	11,518,110
Reconciliation Adjustment (Difference Between Exhibit 3-1 and Detailed Estimates)	(26,170)	-
TOTAL FROM EXHIBIT 3-1	59,955,329	84,061,195
PUBLIC SECTOR TOTAL OWNER COSTS	107,170,881	163,748,518
PUBLIC SECTOR TOTAL OWNER COSTS	432,400,000	522,149,115

Appendix B

Capital City Economic Development Authority

Audited Financial Statements
FY 2008 and 2009

**CAPITAL CITY ECONOMIC
DEVELOPMENT AUTHORITY**

**FINANCIAL STATEMENTS
AS OF JUNE 30, 2009
AND 2008**

**TOGETHER WITH
INDEPENDENT AUDITORS' REPORT**



CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Capital City Economic Development Authority
Hartford, Connecticut

We have audited the accompanying financial statements of the Capital City Economic Development Authority (the "Authority"), a component unit of the State of Connecticut, as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Authority as of and for the year ended June 30, 2008, before the restatements described in Note 15, were audited by other auditors whose report, dated September 26, 2008, expressed an opinion that the financial statements were presented fairly in conformity with accounting principles generally accepted in the United States of America.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Capital City Economic Development Authority as of June 30, 2009, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We also audited the adjustments described in Note 15 which were applied to restate the June 30, 2008 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2009 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying Management's Discussion and Analysis as listed in the table of contents is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

CCR LLP

Glastonbury, Connecticut
September 25, 2009

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

JUNE 30, 2009 AND 2008

Management's Discussion and Analysis ("MD&A") of the financial performance and activities of the Capital City Economic Development Authority (the "Authority") is intended to provide an introduction to the financial statements of the Authority for the fiscal years ended June 30, 2009 and June 30, 2008. Following the MD&A are the basic financial statements of the Authority together with the notes thereto, which are essential to a full understanding of the data contained in the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority is a quasi-public agency established in 1998 by the Connecticut General Assembly to direct state-supported development projects in Hartford, Connecticut. The Authority is funded by appropriations from the State of Connecticut (the "State") and its financial statements are included as a component unit in the State's Comprehensive Annual Financial Report

The Authority's financial statements use proprietary fund reporting and report its financial position and changes in financial position in three financial statements: (1) the Balance Sheet, (2) the Statement of Revenues, Expenses and Changes in Net Assets, and (3) the Statement of Cash Flow.

The Balance Sheet presents the financial position of the Authority at the end of the fiscal year and includes all assets and liabilities. Net Assets represent the difference between total assets and total liabilities. Over time, increases or decreases in the Authority's net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Assets presents information showing how the Authority's net assets changed during the year.

2009 FINANCIAL HIGHLIGHTS

- Total assets exceeded total liabilities by \$186,753,271 at June 30, 2009. Net assets totaling \$4,524,892 are unrestricted while net assets totaling \$18,842,502 are restricted for capital projects. The Authority's net assets invested in capital assets, net of related debt, totaled \$163,385,877, which is approximately 1% less than the previous year. Although significant investments were made in capital assets, including construction in progress, these investments were more than offset by increased bond-related liabilities for the issuance of Series D bonds (the fourth and final series) in December 2008, and contract assistance from the State for debt repayment.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Continued)

JUNE 30, 2009 AND 2008

2009 FINANCIAL HIGHLIGHTS (Continued)

- The loss from operations for the year ended June 30, 2009 was \$5,271,172, which is \$599,990 higher than the loss in the prior year. Operating revenues decreased by an average of 5% while operating expenses decreased an average of 2%.
- Net assets of the Authority increased by \$5,715,142 for the year ended June 30, 2009. This was a 3% increase from the prior year, and the result of both restricted and unrestricted cash exceeding investments made in capital assets.
- The Convention Center's 2009 net operating loss decreased by \$230,185 from (\$3,016,313) in fiscal year 2008 to (\$2,786,128) in fiscal year 2009. This was due to reduced event service and food and beverage income, offset by lower operating and fixed costs.
- Parking net income decreased by \$98,718 from \$2,138,785 in fiscal year 2008 to \$2,040,067 in fiscal year 2009. This was due to an overall 2% decrease in revenues as a result of a lower volume of transient and hotel guest parkers, offset by a 1% reduction in expenses.

2008 FINANCIAL HIGHLIGHTS

- Total assets exceeded total liabilities by \$181,038,129 at June 30, 2008. Net assets totaling \$3,781,543 are unrestricted while net assets totaling \$11,426,361 are restricted for capital projects. The Authority's net assets invested in capital assets, net of related debt, totaled \$165,830,225, which is 8% less than the previous year primarily due to depreciation.
- The loss from operations for the year ended June 30, 2008 was \$4,671,182, which is \$9,277 less than the prior year. Operating revenues increased by an average of 7% while operating expenses increased an average of 6%.
- Net assets of the Authority decreased by \$7,153,426 during the year ended June 30, 2008. This was a 4% decrease from the prior year, mostly attributable to a decrease in capital assets due to depreciation expense.
- The Convention Center's 2008 net operating loss decreased by \$52,422 from (\$3,068,735) in fiscal year 2007 to (\$3,016,313) in fiscal year 2008. This was primarily due to increases in rental income and event services income that were nearly offset by increases in operating expenses (such as personnel costs) and fixed charges (such as utilities).
- Parking net income increased by \$417,037 from \$1,721,748 in fiscal year 2007 to \$2,138,785 in fiscal year 2008. This was due to an 8% increase in revenues as a result of an increased volume of parkers, and a 1% increase in expenses.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Continued)

JUNE 30, 2009 AND 2008

The following table summarizes the condensed Balance Sheets as of June 30, 2009, 2008 and 2007.

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>Increase/(decrease)</u>	
				<u>2009 v 2008</u>	<u>2008 v 2007</u>
ASSETS:					
Current assets	\$ 5,977,564	\$ 5,758,347	\$ 4,608,803	\$ 219,217	\$ 1,149,544
Noncurrent assets:					
Restricted cash and cash equivalents	18,842,502	11,426,361	5,509,972	7,416,141	5,916,389
Bond issuance costs, net	1,713,266	1,355,040	1,422,387	358,226	(67,347)
Capital assets, net	288,523,518	266,649,715	267,261,929	21,873,803	(612,214)
Total assets	<u>\$315,056,850</u>	<u>\$285,189,463</u>	<u>\$278,803,091</u>	<u>\$ 29,867,387</u>	<u>\$ 6,386,372</u>
LIABILITIES:					
Current liabilities	\$ 4,512,968	\$ 4,258,297	\$ 3,493,165	\$ 254,671	\$ 765,132
Non-current liabilities	123,790,611	99,893,037	87,118,371	23,897,574	12,774,666
Total liabilities	<u>128,303,579</u>	<u>104,151,334</u>	<u>90,611,536</u>	<u>24,152,245</u>	<u>13,539,798</u>
NET ASSETS:					
Invested in capital assets, net of related debt	163,385,877	165,830,225	179,917,330	(2,444,348)	(14,087,105)
Restricted for capital projects	18,842,502	11,426,361	5,509,972	7,416,141	5,916,389
Unrestricted	4,524,892	3,781,543	2,764,253	743,349	1,017,290
Total net assets	<u>186,753,271</u>	<u>181,038,129</u>	<u>188,191,555</u>	<u>5,715,142</u>	<u>(7,153,426)</u>
Total liabilities and net assets	<u>\$315,056,850</u>	<u>\$285,189,463</u>	<u>\$278,803,091</u>	<u>\$ 29,867,387</u>	<u>\$ 6,386,372</u>

2009 BALANCE SHEET ANALYSIS

- Total assets as of June 30, 2009 increased by \$29,867,387 or 11% compared to 2008. This is primarily attributable to the ownership and operation of the Connecticut Science Center Garage being transferred to the Authority in May 2009.
- Current assets, principally cash and cash equivalents, increased by \$219,217 as a result of the Authority having established cash flow funds for parking and energy expenses, offset by the return of an earlier appropriation to fund a feasibility study for a Hartford Arena back to the State.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Continued)

JUNE 30, 2009 AND 2008

2009 BALANCE SHEET-ANALYSIS (Continued)

- Non-current assets increased by \$29,648,170 as a result of the addition of the Connecticut Science Center Garage, unspent proceeds from the issuance of Series D bonds, and increased construction in progress.
- Total liabilities increased by \$24,152,245 as of June 30, 2009. This increase was primarily due to the issuance of Series D bonds, as well as an increase in the obligation to the State for contract assistance.

2008 BALANCE SHEET ANALYSIS

- Total assets as of June 30, 2008 increased by \$6,386,372 or 2% compared to 2007. This is primarily attributable to additional capital expenditures associated with Convention Center facilities.
- Current assets, principally cash and cash equivalents, increased by \$1,149,544, primarily as a result of the Authority establishing cash flow funds for parking and energy expenses and the receipt of an appropriation to complete a feasibility study for a Hartford Arena.
- Non-current assets increased by \$5,236,828, primarily as a result of unspent proceeds from the Travelers Loan.
- Total liabilities increased by \$13,539,798 as of June 30, 2008. This increase was primarily due to the execution of a loan payable to the Travelers Indemnity Company and an increase in the obligation to the State for contract assistance.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Continued)

JUNE 30, 2009 AND 2008

The following table summarizes the changes in net assets for the fiscal years ended June 30, 2009, 2008, and 2007.

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Operating revenues:			
Grants-State of Connecticut			
Operational	\$ 1,027,987	\$ 1,050,000	\$ 1,000,000
Convention Center Project	6,497,013	6,850,000	6,900,000
On-behalf payments	126,153	120,670	86,595
Adriaen's Landing Facilities	14,689,176	15,473,921	14,030,471
Other operating revenue	-	100,000	20,000
Total operating revenues	<u>22,340,329</u>	<u>23,594,591</u>	<u>22,037,066</u>
Operating expenses:			
Personnel and General	999,892	934,971	878,242
On-behalf pension	126,153	120,670	86,595
Adriaen's Landing Facilities	18,247,629	19,061,320	17,622,577
Depreciation Expense	8,237,827	8,148,812	8,130,111
Total operating expenses	<u>27,611,501</u>	<u>28,265,773</u>	<u>26,717,525</u>
Loss from operations	(5,271,172)	(4,671,182)	(4,680,459)
Non-operating revenue (expense):			
Interest Income	299,646	352,139	551,152
Interest Expense	(4,702,143)	(3,614,123)	(3,532,926)
Non-operating revenue (expense), net	<u>(4,402,497)</u>	<u>(3,261,984)</u>	<u>(2,981,774)</u>
Change in net assets before capital transfer	(9,673,669)	(7,933,166)	(7,662,233)
Capital Contributions - State of CT	<u>15,388,811</u>	<u>779,740</u>	<u>9,287,804</u>
Change in net assets	5,715,142	(7,153,426)	1,625,571
Net assets, beginning of year	<u>181,038,129</u>	<u>188,191,555</u>	<u>186,565,984</u>
Net assets, end of year	<u>\$ 186,753,271</u>	<u>\$ 181,038,129</u>	<u>\$ 188,191,555</u>

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) *(Continued)*

JUNE 30, 2009 AND 2008

2009 OPERATING ACTIVITY HIGHLIGHTS

- Operational grant revenue, primarily derived from an appropriation from the State of Connecticut in the amount of \$7,525,000, provides funding for the operations of the Authority (\$1,027,987), and the Convention Center Project, including the operations of the Convention Center, District Maintenance, and marketing costs (\$6,497,013). There were no other operating revenues in the fiscal year.
- Revenues from Adriaen's Landing Facilities operations decreased by \$784,745 or 5% from the prior year. Expenses from the operation of these facilities decreased \$813,691 or 4% from the prior year.

2008 OPERATING ACTIVITY HIGHLIGHTS

- Operational grant revenue, primarily derived from an appropriation from the State of Connecticut in the amount of \$7,900,000, provides funding for the operations of the Authority (\$1,050,000) and the Convention Center Project, including the operations of the Convention Center, District Maintenance and marketing costs (\$6,850,000). Other operating revenues of \$100,000 relate to a State appropriation for additional marketing funds for the Convention Center Project.
- Revenues from Adriaen's Landing Facilities operations increased by \$1,443,450 or 10% over the prior year. Expenses from the operation of these facilities increased by \$1,438,743 or 8% from the prior year.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Continued)

JUNE 30, 2009 AND 2008

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Authority's investment in capital assets as of June 30, 2009 and 2008 totaled \$288,523,518 and \$266,649,715, respectively (net of accumulated depreciation). This investment in capital assets includes general operating equipment, building and improvements, building equipment and furnishings, and construction in progress. The investment in capital assets at June 30, 2009 increased by \$21,873,803, primarily due to the addition of the Connecticut Science Center Garage, while the investment in capital assets at June 30, 2008 decreased by \$612,214, primarily due to depreciation expense.

Major capital asset events during the current and immediate prior two fiscal years included the completion of the Connecticut Science Center Garage and building improvements to the Connecticut Convention Center.

Capital Assets, Net of Accumulated Depreciation

As of June 30, 2009, 2008 and 2007

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Construction in progress	\$ 3,330,293	\$ 294,951	\$ -
General operating equipment	163,361	177,450	12,940
Buildings and improvements, equipment and furnishings	285,029,864	266,177,314	267,248,989
Total	<u>\$ 288,523,518</u>	<u>\$ 266,649,715</u>	<u>\$ 267,261,929</u>

Additional information on the Authority's capital assets can be found in Note 5 beginning on page 23 of this report.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) *(Continued)*

JUNE 30, 2009 AND 2008

Long Term Debt

Bonds Payable

The Authority issued \$110 million of Parking and Energy Fee Revenue Bonds to pay a portion of the costs of construction of the Convention Center Project. The bonds are payable solely from the parking and energy revenues from facilities associated with the Convention Center. The Authority and the State, acting by and through the Secretary of the Office of Policy and Management and the State Treasurer, entered into a Contract for Financial Assistance, pursuant to which the State is obligated to pay to the Trustee on each principal and interest payment date an amount equal to debt service on the 2004 Series A, the 2004 Series B Bonds, the 2005 Series C Bonds, and the 2008 Series D Bonds. The obligation of the State to make such payments does not require further appropriation and constitutes full faith and credit obligation of the State. The Contract currently provides that the maximum amount payable pursuant to the Contract is limited to \$9.0 million in any calendar year. The Authority has agreed with the State in the Contract and covenanted in the Indenture to enter into no obligation which would cause this limit to be exceeded. For the fiscal year ended 2009 and 2008, the Authority had to utilize the contract assistance in the amount of \$4,735,594 and \$2,359,819 respectively.

At the end of the current fiscal year, the Authority had total bond debt outstanding of \$105,115,000. The Authority's total bonded debt increased \$20,850,000 due to the issuance of the fourth and final series of bonds, Series D, in December 2008 (principal amount of \$22,500,000) offset somewhat by scheduled debt repayments. During fiscal year 2008, total bonded debt decreased by \$1,470,000, as a result of scheduled debt repayments. As of June 30, 2009, the Authority was authorized to issue bonds and other obligations up to \$122,500,000.

The Authority's revenue bonds are rated A, A2 and A+ by Standard & Poor's Corporation, Moody's Investor Service, and Fitch Ratings, respectively.

Additional information on the Authority's bonded debt can be found in Note 8 beginning on page 26 of this report.

Loan Payable

At the end of the current fiscal year, the Authority had a loan payable to The Travelers Indemnity Company of \$12,050,902. The loan payable decreased by \$417,879 at June 30, 2009 and by \$31,218 at June 30, 2008 from principal repayments made during the two fiscal years

Additional information on the Authority's loan payable can be found in Note 8 on page 31 of this report.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Continued)

JUNE 30, 2009 AND 2008

The following table is a three year comparison of bonded and other long term debt:

Long Term Debt

As of June 30, 2009, 2008 and 2007

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Due to State of Connecticut -			
contract assistance	\$ 9,792,874	\$ 5,057,280	\$ 2,697,461
Bonds payable	104,788,141	84,403,506	85,735,000
Loan payable	12,050,902	12,468,781	-
Total	<u>\$ 126,631,917</u>	<u>\$ 101,929,567</u>	<u>\$ 88,432,461</u>

CURRENTLY KNOWN FACTS

ENTERTAINMENT/RETAIL/RESIDENTIAL DEVELOPMENT PROJECT

The Front Street project consists of two phases. The first phase will include 60,000 – 70,000 square feet of entertainment and retail with its associated parking garage. The second phase will utilize the Hartford Times Building and is proposed to include approximately 200 residential units and approximately 40,000 square feet of additional retail and entertainment space with appropriate parking.

The retail and entertainment components of the Front Street development are considered to be of material assistance in booking events for the Connecticut Convention Center. This development will also be an important link between Adriaen's Landing and Downtown Hartford. The Authority has executed an amended development agreement with the Greenwich-based H.B. Nitkin Group as the developer of the site. Remediation and infrastructure improvements as well as the building design have been completed for the development project. Construction of the first phase started in November 2008 and should be completed in the spring of 2010 depending on tenant fit out requirements.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Continued)

JUNE 30, 2009 AND 2008

TRAVELERS LOAN

During the year ended June 30, 2005, the Authority entered into a Construction and Term Loan agreement with The Travelers Indemnity Company (Travelers) to provide up to \$12.5 million in funding for a parking garage located adjacent to the Travelers office building known as the Front Street North Garage. No advancements had been made under this agreement because the Authority had constructed the garage using other funds. During the year ended June 30, 2008, the Authority entered into an Amended and Restated Term Loan Agreement with Travelers and the full \$12.5 million was advanced. Repayment of this loan is secured by a first call on parking revenues payable by Travelers to the Authority under its parking agreement.

CONNECTICUT SCIENCE CENTER GARAGE

The Connecticut Science Center garage is located directly under the building and is now owned and operated by the Authority. It has been designed to contain 468 parking spaces. The garage opened concurrently with the Connecticut Science Center in May 2009. The Authority was authorized by the State Bond Commission to issue an additional \$22.5 million of its Parking and Energy Fee Revenue Bonds for the permanent financing of this garage. These bonds were issued during the fiscal year ended 2009. The Authority's currently outstanding revenue bonds are backed by a state contract assistance agreement that was amended to include these additional bonds. The amended agreement increased the limit of assistance up to \$9 million (from \$6.75 million) in any calendar year with this Bond Commission authorization.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide Connecticut citizens and taxpayers with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the appropriations that it receives. If you have questions about this report or need additional financial information, contact the Capital City Economic Development Authority at 100 Columbus Boulevard Suite 500, Hartford, CT 06103-2819 or visit our website www.cceda.net.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Balance Sheets

June 30, 2009 and 2008

<u>ASSETS</u>	<u>2009</u>	<u>2008</u> <i>(As restated, Note 15)</i>
Current assets:		
Cash and cash equivalents	\$ 4,303,783	\$ 4,538,274
Due from manager	1,194,377	555,611
Accounts receivable, net	264,584	320,248
Inventory	65,828	99,911
Prepaid expenses	148,992	244,303
	<u>5,977,564</u>	<u>5,758,347</u>
Total current assets		
Non-current assets:		
Restricted cash and cash equivalents	18,842,502	11,426,361
Capital assets not being depreciated:		
Construction in progress	3,330,293	294,951
Capital assets being depreciated:		
General Operations, net	163,361	177,450
Adriaen's Landing, net	285,029,864	266,177,314
Bond issuance costs, net	1,713,266	1,355,040
	<u>309,079,286</u>	<u>279,431,116</u>
Total non-current assets		
Total assets	<u>\$ 315,056,850</u>	<u>\$ 285,189,463</u>
 <u>LIABILITIES AND NET ASSETS</u> 		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,452,672	\$ 1,976,804
Accrued interest payable	218,990	244,963
Current portion of bonds payable	2,435,000	1,650,000
Current portion of loan payable	406,306	386,530
	<u>4,512,968</u>	<u>4,258,297</u>
Total current liabilities		
Non-current liabilities:		
Due to State of Connecticut - contract assistance	9,792,874	5,057,280
Bonds payable	102,353,141	82,753,506
Loan payable	11,644,596	12,082,251
	<u>123,790,611</u>	<u>99,893,037</u>
Total non-current liabilities		
Total liabilities	<u>128,303,579</u>	<u>104,151,334</u>
Net assets:		
Invested in capital assets, net of related debt	163,385,877	165,830,225
Restricted for capital projects	18,842,502	11,426,361
Unrestricted	4,524,892	3,781,543
	<u>186,753,271</u>	<u>181,038,129</u>
Total net assets		
Total net assets and liabilities	<u>\$ 315,056,850</u>	<u>\$ 285,189,463</u>

The accompanying notes are an integral part of these financial statements.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Statements of Revenues, Expenses and Changes in Net Assets

For the Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u> <i>(As restated, Note 15)</i>
Operating revenues:		
Grants - State of Connecticut:		
Operational	\$ 1,027,987	\$ 1,050,000
Convention center project	6,497,013	6,850,000
On-behalf payments	126,153	120,670
Adriaen's Landing:		
Convention Center	8,099,509	8,891,782
Parking	5,152,602	5,267,959
Central utility plant	1,437,065	1,314,180
Other operating revenue	-	100,000
	<hr/>	<hr/>
Total operating revenues	22,340,329	23,594,591
Operating expenses:		
Authority operations:		
Personnel	630,766	603,355
General and administrative	369,126	331,616
On-behalf pension	126,153	120,670
Adriaen's Landing:		
Convention Center	10,885,637	11,908,095
Parking	3,112,535	3,129,174
Front Street	111,592	139,883
Central utility plant	1,084,161	973,367
Marketing costs	2,216,457	2,400,000
Special marketing program	-	100,000
Bond administration	328,733	148,935
Development costs	508,514	261,866
Depreciation and amortization	8,237,827	8,148,812
	<hr/>	<hr/>
Total operating expenses	27,611,501	28,265,773
Loss from operations	(5,271,172)	(4,671,182)
Non-operating revenues/(expenses):		
Interest income	299,646	352,139
Interest expense	(4,702,143)	(3,614,123)
	<hr/>	<hr/>
Total non-operating revenues/(expenses)	(4,402,497)	(3,261,984)
Loss before capital transfer in - State of Connecticut	(9,673,669)	(7,933,166)
Capital transfer in - State of Connecticut	15,388,811	779,740
	<hr/>	<hr/>
Change in net assets	5,715,142	(7,153,426)
Net assets, beginning of year	181,038,129	188,191,555
	<hr/>	<hr/>
Net assets, end of year	\$ 186,753,271	\$ 181,038,129

The accompanying notes are an integral part of these financial statements.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Statements of Cash Flow

For the years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u> <i>(As restated, Note 15,</i>
Cash flows from operating activities:		
Receipts from:		
Grants	\$ 7,525,000	\$ 8,000,000
Customers	14,535,847	15,721,597
Payments to:		
Employees	(628,701)	(580,318)
Contractors	(508,514)	(261,866)
Suppliers	<u>(18,296,051)</u>	<u>(19,181,452)</u>
Net cash provided by operating activities	<u>2,627,581</u>	<u>3,697,961</u>
Cash flows from investing activities:		
Interest income on cash and cash equivalents	299,646	352,139
Increase in due from manager	(638,766)	(415,551)
Purchases of capital assets	<u>(14,647,799)</u>	<u>(6,689,511)</u>
Net cash used in investing activities	(14,986,919)	(6,752,923)
Cash flows from capital and related financing activities:		
Proceeds from issuance of bonds payable	22,042,287	-
Advances from State of Connecticut - contract assistance	4,735,594	2,359,819
Proceeds from issuance of loan payable	-	12,500,000
Principal paid on loan	(417,879)	(31,219)
Payment of bond issuance costs	(430,943)	-
Interest paid on loan payable	(679,441)	(103,213)
Principal paid on bonds	(1,650,000)	(1,470,000)
Interest paid on bonds payable	<u>(4,058,630)</u>	<u>(3,461,966)</u>
Net cash provided by financing activities	<u>19,540,988</u>	<u>9,793,421</u>
Net increase in cash and cash equivalents	7,181,650	6,738,459
Cash and cash equivalents, beginning of year	<u>15,964,635</u>	<u>9,226,176</u>
Cash and cash equivalents, end of year	<u>\$ 23,146,285</u>	<u>\$ 15,964,635</u>
Cash and cash equivalents, end of year:		
Cash and cash equivalents	\$ 4,303,783	\$ 4,538,274
Restricted cash and cash equivalents	<u>18,842,502</u>	<u>11,426,361</u>
	<u>\$ 23,146,285</u>	<u>\$ 15,964,635</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Loss from operations	\$ (5,271,172)	\$ (4,671,182)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	8,237,827	8,148,812
(Increase)/decrease in operating assets:		
Accounts receivable	55,664	38,869
Inventory	34,083	(10,090)
Prepaid expenses	95,311	(130,261)
Increase/(decrease) in operating liabilities:		
Accounts payable and accrued expenses	<u>(524,132)</u>	<u>321,813</u>
Net cash provided by operating activities	<u>\$ 2,627,581</u>	<u>\$ 3,697,961</u>
Non-cash operating activity:		
On-behalf pension payments	\$ 126,153	\$ 120,670
Non-cash capital and related financing activities:		
Capital transfer in - State of Connecticut	15,388,811	779,740
Discount on bond payable	457,713	-

The accompanying notes are an integral part of these financial statements.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements

June 30, 2009 and 2008

Note 1 – Organization

Capital City Economic Development Authority (the “Authority” or “CCEDA”) was established in 1998 under Title 32, Chapter 600 of the General Statutes of the State of Connecticut (the “Act”), as amended, and was created as a body politic and instrumentality of the State of Connecticut (the “State”). For purposes of financial reporting, the Authority is a component unit of the State of Connecticut and the Authority’s financial statements are included in the State’s Comprehensive Annual Financial Report. The powers of the Authority are vested in its seven member Board of Directors appointed by the leadership of the General Assembly and the Governor of the State of Connecticut, one of which is recommended by the Mayor of Hartford.

The purpose of the Authority is to stimulate new investment in Connecticut, attract and service large conventions, tradeshow, exhibitions, conferences and local consumer shows, exhibitions and events, to encourage the diversification of the State economy, to strengthen Hartford’s role as the region’s major business and industry employment center and seat of government, to encourage residential housing development in downtown Hartford and, with respect to the Convention Center project, to construct, operate, maintain and market said project in order to enable Hartford and its immediate environment to become a major regional family-oriented arts, culture, education, sports and entertainment center that will create new jobs, add to the benefits of the hospitality industry, broaden the base of the tourism effort and stimulate substantial surrounding economic development and corresponding increased tax revenues to the State.

The Authority is to coordinate the use of all state and municipal planning and financial resources that are or can be made available for any Capital City Project, as defined in the Act, including any resources available from any quasi-public agency. While the Authority is charged with the oversight of the development of six capital city projects, as defined in C.G.S. 32-600, the Authority’s obligation is limited to recommending that applications for funding be approved by the agency of cognizance. The Authority has entered into Memorandums of Understanding with appropriate fiduciary agents to manage these projects.

“Capital City Project” means any or all of the following: (a) convention center project; (b) downtown higher education center; (c) the renovation and rejuvenation of the civic center and coliseum complex; (d) the development of the infrastructure and improvements to the riverfront; (e) the creation of up to one thousand downtown housing units through rehabilitation and new construction and the demolition or redevelopment of vacant buildings; and (f) the addition to downtown parking capacity.

Specific conditions are imposed by the Act, including submission of reports to the Legislature and their acceptance of ongoing progress, in order for certain Capital City Projects to continue to proceed.

During fiscal year 2009, Public Act 09-234, which is an act that concerns changes to economic development statutes and infrastructure enhancements at the U.S. Naval Submarine base in New London Connecticut, was enacted. The Act extends CCEDA’s ability to authorize the issuance of bonds of the State; the proceeds of which shall be used to complete the remaining projects as envisioned by the Master Plan. During fiscal year 2008, Public Act 08-185, which is an act involving the establishment of private development districts within Adriaen’s Landing, was enacted. The act allows CCEDA and the secretary of the State of Connecticut Office of Policy and Management (“OPM”) to jointly designate land on the Adriaen’s Landing site in Hartford as a “private development district.” The act gives CCEDA the authority to negotiate an agreement with a private developer or an owner or lessee of any building or improvement in the district for payments in lieu of real property taxes (PILOT) to CCEDA.

Capital City Economic Development Authority is authorized to issue bonds, notes and other obligations. Bonds, notes or other obligations of the Authority shall not be deemed to constitute a debt of the State or any other political subdivision thereof other than the Authority. As of June 30, 2009, \$122,500,000 of bonds, notes or other obligations has been issued by the Authority. This includes a \$12.5 million term loan agreement with the Travelers Indemnity Company (*See Note 8*).

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 2 – Significant Accounting Policies:

Measurement Focus, Basis of Accounting and Financial Statement Presentation – The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Authority is considered to be a proprietary fund type. Proprietary funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services on a continuing basis are financed or recovered primarily through user charges.

The Authority's financial statements are prepared using an economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from the operations of the Convention Center Project. The principal operating revenues of the Authority are State of Connecticut grants, revenues generated from the Connecticut Convention Center and revenues generated from the Connecticut Convention Center's parking facilities. Operating expenses include salaries and benefits, utilities, marketing and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

The Authority follows Paragraph No. 6 of GASB Statement No. 20 which states that proprietary funds should follow all GASB pronouncements as well as Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) and the Committee on Accounting Procedure (ARB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

Net Assets – The net assets of the Authority are presented in the following three categories:

- Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds and loans that are attributable to the acquisition, construction, or improvement of those assets and further reduced by amounts due to the State of Connecticut for contract assistance payments.
- Restricted net assets consists of net assets whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net assets represent those which do not meet the definition of the two preceding categories.

Cash and Cash Equivalents – For purposes of the statements of cash flows, the Authority considers all highly liquid investments (including the State of Connecticut Short-Term Investment Fund) with an original maturity of three months or less to be cash equivalents.

Restricted Assets – Unexpended proceeds from the sale of revenue bonds and cash reserves whose use is specified or limited by bond resolution, enabling legislation, laws or third parties are classified as restricted assets in the accompanying balance sheets.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 2 – Significant Accounting Policies (Continued)

Bond Issuance Costs and Original Issue Premium or Discount – Bond issuance costs are deferred and amortized over the life of the related bonds using the straight line method and are reported as deferred charges. Bond premiums and discounts are deferred and amortized over the life of the related bonds using the effective interest method. Revenue bonds payable are reported net of the original issue bond premium or discount, as appropriate, and deferred amounts on refundings, as applicable. At June 30, 2009 and 2008, bond issuance costs are as follows:

	<u>2009</u>	<u>2008</u>
Bond issuance costs	\$ 2,023,800	\$ 1,592,857
Less: accumulated amortization	<u>(310,534)</u>	<u>(237,817)</u>
	<u>\$ 1,713,266</u>	<u>\$ 1,355,040</u>

Capital assets – Capital assets, which include general operating equipment, buildings and improvements, building equipment and furnishings, and construction in progress are defined by the Authority as assets with an initial individual cost of more than \$2,500 and an estimated useful life exceeding one year. Such assets are recorded at historical cost.

The costs of normal maintenance and repairs that do not add to the value of a capital asset or materially extend capital asset lives are not capitalized.

Capital assets of the Authority are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
General operating equipment	3 – 10
Buildings and improvements	39
Building equipment and furnishings	3 – 10

Inventory – Inventory is stated at the lower of cost (first-in, first-out method) or market. Inventory consists of various food and beverage items used in the operation of the Convention Center.

Accounts Receivable – Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. This estimate is based on history and current information regarding the credit worthiness of the debtors. The Authority does not require collateral or other forms of security from its customers. As of June 30, 2009 and 2008, the allowance for bad debts totaled \$ -0- and \$3,025 respectively.

Approximately 64% and 56% of accounts receivable is due from two customers at June 30, 2009 and 2008, respectively.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 2 – Significant Accounting Policies (*Continued*)

Revenue recognition

Grants and capital contributions – Operational grant revenue, primarily derived from an appropriation from the State of Connecticut provides funding for the operations of the Authority, and the Convention Center Project, including the operations of the Convention Center, district maintenance, and marketing costs, and is recorded when the appropriation is made by the legislature. Contributions of capital assets by the State are reported as capital contributions at the same net book value as previously reported by the State as of the date of the transfer.

Convention Center – Convention Center revenues are generated principally from on-site facilities managed by a third party. The Convention Center recognizes revenue, including conference rental income and food and beverage income, from events daily as services are provided.

Parking – Parking revenues are generated principally from on-site facilities managed by a third party. Hourly parking fees are payable prior to exiting the parking garages, and the revenue is recognized at the time of receipt. Both individuals and private businesses may enter into monthly contracts, and related monthly fees are billed to the customer on the 15th of the month prior to the month to which the fees relate. Revenue on monthly contracts is recognized in the month the parking garages are used by the customer.

Central Utility Plant – The Authority recognizes revenue from billings to the Connecticut Convention Center, the adjacent Marriott Hotel and the adjacent Connecticut Science Center for each entities' share of the use and maintenance of the Central Utility Plant upon invoicing. Revenues associated with billings made to the Convention Center have been eliminated in the accompanying statements of revenue, expenses and changes in net assets for the years ended June 30, 2009 and 2008.

Use of Estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the balance sheet, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could vary from the estimates that were used.

Reclassifications – Certain reclassifications have been made to the 2008 financial statements to conform to the current year presentation. There was no effect on net assets.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 3 – Funding

Since its inception, the Authority has received a line item appropriation for annual operating funding from the State of Connecticut. The Authority's appropriation for the 2008-2009 fiscal year decreased to \$1,027,987 from \$1,050,000 in 2007-2008. Any unused funds are carried forward to be utilized in subsequent years.

In addition to annual operational funding, the Authority receives additional appropriations for Capital City Projects through state agencies (the Department of Economic and Community Development and the Office of Policy and Management), in accordance with the enabling legislation. During the fiscal years ended June 30, 2009 and 2008, the Authority was appropriated \$6,497,013 and \$6,850,000, respectively, to be expended for the Convention Center Project. The Convention Center Project also received \$100,000 in special marketing program funds during the fiscal year ended 2008.

During the 2007-2008 fiscal year, House Bill number 8006 (§ 68) AN ACT CONCERNING MINOR AND TECHNICAL CHANGES TO CERTAIN SPECIAL SESSION AND REGULAR SESSION PUBLIC ACTS, was enacted. This bill appropriated to CCEDA the sum of \$250,000 for a Hartford Arena feasibility study. This amount was held in deferred revenue for the 2007-2008 fiscal year. On December 1, 2008, the Authority returned these funds with the accumulated interest in the amount of \$255,006 back to the State as part of the State deficit mitigation plan.

The overall development plan for the Adriaen's Landing Project contemplates total budgeted capital expenditures of \$518,289,338, exclusive of the Connecticut Science Center (formerly known as the Connecticut Center for Science and Exploration), contingency reserves and capitalized interest. The principal funding sources consist of \$263,800,000 of general obligation bonds of the State, general fund appropriations of \$113,642,835 and \$112,648,488 in net proceeds from revenue bonds of the Authority and loans. The Authority and OPM have entered into a memorandum of understanding pursuant to which the Office of Policy and Management acts as the Authority's agent for entering into certain contracts. OPM manages the Adriaen's Landing project budget and the various funds needed to honor these contracts.

The Convention Center Project was turned over by the State to the Authority to operate in June 2005 at the time it commenced operations. A portion of the revenues of the Authority, consisting of parking revenues and energy charges for the central utility plant, which services the Connecticut Convention Center, the adjacent hotel, and the Connecticut Science Center are pledged for the payment of the Authority's Parking and Energy Fee Revenue Bonds (*See Note 8*). Other revenues of the Authority from operation of the Connecticut Convention Center, and its other resources, are available to fund the expenses of operating the Connecticut Convention Center.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 4 – Cash Deposits and Investments

Cash and cash equivalents:

Cash and cash equivalents consist of the following as of June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Unrestricted:		
Cash deposits	\$ 3,099,333	\$ 3,344,665
Cash equivalents:		
Short Term Investment Fund	<u>1,204,450</u>	<u>1,193,609</u>
	<u>4,303,783</u>	<u>4,538,274</u>
Restricted:		
Cash equivalents:		
Short Term Investment Fund	<u>18,842,502</u>	<u>11,426,361</u>
	<u>\$ 23,146,285</u>	<u>\$ 15,964,635</u>

Cash deposits – custodial credit risk:

Custodial credit risk is the risk that, in the event of a bank failure, the Authority will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

As of June 30, 2009 and 2008, the Authority's bank balance of cash deposits totaled \$3,396,645 and \$3,863,771. Of those balances, the following represents the amounts exposed to custodial credit risk:

	<u>2009</u>	<u>2008</u>
Uninsured but collateralized with securities held in the Authority's name *	\$ 2,184,922	\$ 2,490,117
Uninsured but collateralized with securities held by the pledging bank's trust department or agent but not in the Authority's name	961,723	1,273,654
Total	<u>\$ 3,146,645</u>	<u>\$ 3,763,771</u>

* A pledge agreement was executed between CCEDA and one of its banks, which requires that CCEDA's deposit accounts in that financial institution be secured by granting to CCEDA a perfected security interest. Therefore, CCEDA's deposits in this particular institution are collateralized by a pledge of securities that enjoy the full faith and credit of the United States Government.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 4 – Cash Deposits and Investments (*Continued*)

Cash deposits – custodial credit risk (Continued)

All of the Authority's deposits were in qualified public institutions as defined by Connecticut General Statutes, which state that any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

Investments in the Short-Term Investment Fund ("STIF") as of June 30, 2009 and 2008 are included in cash and cash equivalents in the accompanying balance sheets. For purposes of disclosure under GASB Statement No. 40, such amounts are considered investments and are included in the investment disclosures that follow.

Investments

Interest rate risk

As of June 30, 2009 and 2008, the Authority's investments consisted of \$20,046,952 and \$12,619,970, respectively, in the Short Term Investment Fund ("STIF"). STIF is an investment pool of short-term money market instruments that may include adjustable-rate federal agency and foreign government securities whose interest rates vary directly with short-term money market indices and are generally reset daily, monthly, quarterly, and semi-annually. The adjustable-rate securities have similar exposures to credit and legal risks as fixed-rate securities from the same issuers. The fair value of the position in the pool is the same as the value of the pool shares. With respect to interest rate risk, the Authority's investment policy follows Connecticut General Statutes.

As of June 30, 2009 and 2008, STIF had a weighted average maturity of less than 60 days, and as such the investment in STIF is considered to have a maturity of less than one year as of June 30, 2009 and 2008.

Credit risk

Connecticut General Statutes permit the Authority to invest any funds not needed for immediate use or disbursement in obligations issued or guaranteed by the United States of America or the State of Connecticut, including the Short Term Investment Fund, and the Tax-Exempt Proceeds Fund, and in other obligations which are legal investments for savings banks in this State and in time deposits or certificates of deposit or other similar banking arrangements secured in such manner as the Authority determines. With respect to credit risk, the Authority's investment policy follows Connecticut General Statutes.

As of June 30, 2009 and 2008, the Short Term Investment Fund had a AAA rating from Standard & Poor's.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 4 – Cash Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk

For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority does not invest in securities that are held by counterparties and as such, no custodial credit risk disclosures are required.

Concentrations of credit risk

With respect to concentrations of credit risk, the Authority's investment policy follows Connecticut General Statutes. As of June 30, 2009 and 2008, the Authority was 100% invested in STIF, which is rated in the highest rating category by Standard & Poor's and provides daily liquidity.

Note 5 – Capital Assets:

In accordance with an agreement executed with the State of Connecticut, the land and air rights on which the Connecticut Convention Center, parking garages and other related structures are built upon are leased to the Authority for \$1 per year for a period of 99 years. As part of this agreement, ownership of these structures transfers to the Authority upon substantial completion.

A summary of capital assets as of June 30, 2009 is as follows:

	2009			
	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Construction in progress	\$ 294,951	\$ 3,035,342	\$ -	\$ 3,330,293
Capital assets being depreciated:				
General operations:				
General operating equipment	\$ 236,998	\$ 14,580	\$ (474)	\$ 251,104
Less: accumulated depreciation	59,548	28,195	-	87,743
General operations, net	\$ 177,450	\$ (13,615)	\$ (474)	\$ 163,361
Adriaen's Landing:				
Buildings and improvements	\$ 285,272,754	\$ 26,518,608	\$ -	\$ 311,791,362
Equipment and furnishings	5,160,530	474,095	(5,541)	5,629,084
Total Adriaen's Landing	290,433,284	26,992,703	(5,541)	317,420,446
Less: accumulated depreciation	24,255,970	8,134,612	-	32,390,582
Adriaen's Landing, net	\$ 266,177,314	\$ 18,858,091	\$ (5,541)	\$ 285,029,864

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 5 – Capital Assets (Continued)

Capital asset additions include Authority expenditures and capital contributions from the State of Connecticut of \$15,388,811. The recently completed garage within the Connecticut Science Center was transferred to the Authority during the year and represents a significant portion of the total additions.

A summary of capital assets as of June 30, 2008 is as follows:

	2008			
	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 294,951	\$ -	\$ 294,951
Capital assets being depreciated:				
General operations:				
General operating equipment	\$ 94,831	\$ 182,634	\$ (40,467)	\$ 236,998
Less: accumulated depreciation	81,891	18,124	(40,467)	59,548
General operations, net	\$ 12,940	\$ 164,510	\$ -	\$ 177,450
Adriaen's Landing:				
Buildings and improvements	\$ 278,458,644	\$ 6,814,110	\$ -	\$ 285,272,754
Equipment and furnishings	4,982,974	177,556	-	5,160,530
Total Adriaen's Landing	283,441,618	6,991,666	-	290,433,284
Less: accumulated depreciation	16,192,629	8,063,341	-	24,255,970
Adriaen's Landing, net	\$ 267,248,989	\$ (1,071,675)	\$ -	\$ 266,177,314

Capital asset additions include Authority expenditures and capital contributions from the State of Connecticut of \$779,740. In September of 2007, the Authority's office was relocated into the Connecticut Convention Center from formerly leased space. Leasehold improvements at the previous leased office space had been fully amortized and were removed from financial records at June 30, 2008.

Note 6 – Contingent Assets

During the year ended June 30, 2003, the Authority recommended that the State Bond Commission authorize the State to issue \$6,000,000 of bonds in conjunction with a residential apartment unit development in downtown Hartford known as Trumbull on the Park, LLC (TOTP). Bonds were issued and a Memorandum of Understanding (MOU) dated February 27, 2003 was entered into between the Authority and the Connecticut Housing Finance Authority (CHFA) whereby \$6,000,000 of funding known as CCEDA Housing Funds were used by CHFA to acquire the Class B Membership Interest in TOTP. The TOTP Class B Membership Interest provides for certain distributions from cash flow or capital proceeds, if any, available after prior payment of operating expenses, first mortgage indebtedness and certain agreed priority returns to other investors, including CHFA. The MOU provides that CHFA will have management control of TOTP, but requires the Authority's written consent for certain major actions. The MOU also provides that if at any time the Authority is granted the legal authority to hold the Class B Membership Interest in its own name, that CHFA will transfer the Class B Membership Interest to the Authority. At this time there are no Class B Distributions from TOTP and none are forecasted in the near future. This project has completed the construction phase. Lease-up is complete and the property is 94% occupied.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 6 – Contingent Assets (*Continued*)

During the year ended June 30, 2004, the Authority recommended that the State Bond Commission authorize the State to issue \$30,500,000 of bonds in conjunction with a housing, retail and parking project to be located on the L-shaped, 4-acre parcel of land adjoining the Veterans' Memorial Coliseum in downtown Hartford known as Hartford 21. Bonds were issued and a Memorandum of Understanding dated June 30, 2004 was entered into between the Authority and the Connecticut Development Authority (CDA) whereby \$13,000,000 of funding known as CCEDA Housing Funds and \$2,500,000 of funding known as CCEDA Parking Funds were used by CDA to acquire a Class C2 membership interest in Northland Two Pillars, LLC, ("NTP"); and \$15,000,000 of funding known as CCEDA Civic Center Funds will be used for a Class D Equity interest in NTP. The NTP Class C and D Membership Interests provide for certain distributions from cash flow or capital proceeds, if any, subject to any restrictions in the construction loan agreement, and certain agreed priority returns to other investors, including CDA. The MOU also provides that if at any time the Authority is granted the legal authority to hold these membership interests in its own name, that CDA will transfer these interests to the Authority. If CCEDA is not legally authorized to receive and use the distributions, CDA and CCEDA shall jointly identify one or more projects or programs supporting the Hartford Civic Center, housing or parking in downtown Hartford, and CDA shall use or apply the distributions in support of those projects. At this time there has not been any Class C or Class D Distributions from NTP. This project has completed the construction phase. Lease-up continues as residential occupancy has achieved 71.4%.

During the year ended June 30, 2005, the Authority recommended that the State Bond Commission authorize the State to issue \$4,680,000 of bonds in conjunction with a mixed use apartment, retail, student/corporate housing and parking project in downtown Hartford known as Temple Street. Bonds were issued and a Memorandum of Understanding dated May 18, 2005 was entered into between the Authority and the Connecticut Housing Finance Authority, whereby \$4,000,000 of funding known as CCEDA Housing Funds and \$680,000 of funding known as CCEDA Parking Funds has been advanced by CHFA in the form of a construction to permanent second mortgage loan from CHFA to 18 Temple Street LLC (Temple). The loan bears interest at a rate of 0.0% during construction and thereafter at .10%, for a term of 40 years, with interest payable currently and principal payable in full at stated maturity or upon earlier acceleration of the payment of principal, subject and subordinate to a first mortgage in favor of CHFA in a principal amount of \$43,448,000. On December 8, 2006, the CCEDA board approved a resolution that \$750,000 of additional CCEDA parking funds be authorized by CGS Section 32-616(b)5. On May 3, 2007, the second mortgage loan was amended to increase the amount of the CCEDA Parking Funds to \$1,430,000 in order to increase the number of affordable parking spaces in the Temple Street parking garage from 40 to 80. The MOU provides that any interest payments made by Temple and collected by CHFA under the Second Mortgage are to be held by CHFA and remitted to CCEDA at intervals agreed to by the parties. As for principal payments, CHFA will advise CCEDA of CHFA's receipt of any second mortgage principal payments known as "distributions." If CCEDA is legally authorized to receive and use such distributions, then CHFA will pay over to CCEDA these distributions. If CCEDA is not legally authorized to receive and use the distributions, then CHFA and CCEDA shall jointly identify one or more projects or programs supporting or benefiting housing in downtown Hartford, and CHFA shall use or apply the distributions in support of those projects. At this time there is neither interest nor distributions from Temple under the Second Mortgage. This project reached substantial completion on May 24, 2007. The lease-up is complete and the apartment component of Temple Street, known as the Lofts, is 96% occupied.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 7 – Advances from State of Connecticut

The Authority's obligations are not debt of the State of Connecticut, and the State is not liable thereon. The Act provides that the State, acting by and through the Secretary of the Office of Policy and Management and the State Treasurer, and with the approval of the State Bond Commission, may enter into a contract with the Authority providing that the State shall pay contract assistance to the Authority pursuant to the provisions of Section 32-608. Such contract assistance is to be reimbursed by the Authority from parking and energy fee revenues, and is limited to an amount equal to the annual debt service on the outstanding amount of bonds to be issued pursuant to Section 32-607 to finance the costs of the Convention Center project, as defined in subdivision (3) of Section 32-600. The Authority and the State have entered into a Contract for Financial Assistance (the "Contract"), pursuant to which the State is obligated to pay an amount equal to debt service on the Authority's outstanding Bonds. Such amounts, and the Authority's rights under the Contract, have been pledged by the Authority to secure payment for bonds covered by the Contract. The Contract currently provides that the maximum amount payable pursuant to the Contract is limited to \$9.0 million in any calendar year. The Authority has agreed with the State in the Contract and covenanted in the Indenture to enter into no obligation which would cause this limit to be exceeded.

For the fiscal years ended 2009 and 2008 respectively, amounts available from parking and energy fee revenues to reimburse the State for contract assistance payments were \$4,735,594 and \$2,359,819 less than the amount required to fully reimburse the State. It is anticipated that for the fiscal year 2010, a shortfall of approximately \$5 million will occur. The Authority remains obligated to repay these amounts that currently total \$9,792,874, without interest, from parking and energy fee revenues as and if amounts are available.

Note 8 – Long Term Debt

Bonds Payable

The Act authorizes the Authority to issue its own bonds, bond anticipation notes and other obligations in such principal amounts as, in the opinion of the Authority will be necessary to provide sufficient funds for carrying out its purposes. As of June 30, 2009 the Authority was authorized to issue bonds and other obligations up to \$122,500,000, and as of that date has issued four series of its Parking and Energy Fee Revenue Bonds in the original aggregate principal amount of \$110,000,000. The fourth and final series of bonds, Series D, was issued in December of 2008 in the principal amount of \$22,500,000. Proceeds from the bonds provide financing for the construction of the Adriaen's Landing Project.

The revenue bonds are secured by a pledge of parking and energy fee revenues (except for parking revenues from the Travelers parking agreement which are pledged for the Travelers loan), as well as certain other funds on deposit with the trustee, and are due in various installments through 2034. These revenues are available first to pay expenses of the parking facilities and the central utility plant, then for deposits towards debt service, for deposits to an operating expense reserve and a surplus fund, reimbursement to the State for any payments under the Contract not already reimbursed, any reserve established for renewal and replacement and thereafter are available for use by the Authority, including the funding of the Connecticut Convention Center. In each year following completion of the Adriaen's Landing project, the Authority is required to establish fees and charges such that the pledged revenues, after payment of operating expenses, are equal to 1.20 times debt service. At this time, the Adriaen's Landing project is not considered completed. So long as payments required to be made pursuant to the Contract for Financial Assistance are being made, a failure to meet this requirement is not an event of default with respect to any series of bonds secured by such Contract for Financial Assistance.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 8 – Long Term Debt (Continued)

Bonds Payable (Continued)

Changes in bonds payable (in 000's) were as follows for the year ended June 30, 2009:

Issue	Balance, July 1, 2008	Increases	Decreases	Balance, June 30, 2009
2004 Series A, fixed rate bonds \$15,030,000 due from June 2006 to June 2016 (interest rates ranging from 2.5% - 5.0%)	\$ 12,025	\$ -	\$ 1,265	\$ 10,760
2004 Series B, variable rate bonds \$57,470,000 due from June 2017 to June 2034	57,470	-	-	57,470
2005 Series C, fixed rate bonds \$15,000,000 due from June 2008 to June 2029 (interest rate 5.0%)	14,770	-	385	14,385
2008 Series D fixed rate bonds \$22,500,000 due from June 2010 to June 2034 (interest rates ranging from 3.5% - 7.0%)	-	22,500	-	22,500
Subtotal	<u>84,265</u>	<u>22,500</u>	<u>1,650</u>	<u>105,115</u>
Bond premium, 2004 Series A	138	-	17	121
Bond discount, 2009 Series D	-	(458)	(10)	(448)
Bonds payable	<u>\$ 84,403</u>	<u>\$ 22,042</u>	<u>\$ 1,657</u>	<u>\$ 104,788</u>

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 8 – Long Term Debt (Continued)

Bonds Payable (Continued)

Changes in bonds payable (in 000's) were as follows for the year ended June 30, 2008:

Issue	Balance, July 1, 2007	Increases	Decreases	Balance, June 30, 2008
2004 Series A, fixed rate bonds \$15,030,000 due from June 2006 to June 2016 (interest rates ranging from 2.5% - 5.0%)	\$ 13,265	\$ -	\$ 1,240	\$ 12,025
2004 Series B, variable rate bonds \$57,470,000 due from June 2017 to June 2034	57,470	-	-	57,470
2005 Series C, fixed rate bonds \$15,000,000 due from June 2008 to June 2029 (interest rate 5.0%)	15,000	-	230	14,770
Subtotal	85,735	-	1,470	84,265
Bond premium, 2004 Series A	155	-	17	138
Bonds payable	\$ 85,890	\$ -	\$ 1,487	\$ 84,403

The following tables provide a summary of debt service requirements and net swap payments for the next five years and in five-year increments thereafter (in 000's). The interest calculations are based on variable rates in effect on June 30, 2009, and may not be indicative of the actual interest expenses that will be incurred. As rates vary, variable rate bond interest payments will vary.

Year ending June 30:	Fixed Rate Bonds (unswapped)		Variable Rate Bonds (swapped)			Total
	Principal	Interest	Principal	Interest	Swaps, net	
2010	\$ 2,435	\$ 2,303	\$ -	\$ 201	\$ 2,007	\$ 2,208
2011	2,525	2,215	-	201	2,007	2,208
2012	2,620	2,119	-	201	2,007	2,208
2013	2,730	2,010	-	201	2,007	2,208
2014	2,835	1,903	-	201	2,007	2,208
2015-2019	10,050	7,760	6,120	984	9,829	16,933
2020-2024	7,870	5,815	12,150	817	8,150	21,117
2025-2029	9,765	3,596	15,100	584	5,830	21,514
2030-2034	6,815	1,226	24,100	260	2,587	26,947
	\$ 47,645	\$ 28,947	\$ 57,470	\$ 3,650	\$ 36,431	\$ 97,551

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 8 – Long Term Debt (*Continued*)

Bonds Payable (*Continued*)

Year ending June 30:	Total debt service	
	Principal	Interest
2010	\$ 2,435	\$ 2,504
2011	2,525	2,416
2012	2,620	2,320
2013	2,730	2,211
2014	2,835	2,104
2015-2019	16,170	8,744
2020-2024	20,020	6,632
2025-2029	24,865	4,180
2030-2034	30,915	1,486
	<u>\$ 105,115</u>	<u>\$ 32,597</u>

Interest Rate Swap

The Authority has entered into an agreement to moderate the effects of bond interest rate fluctuations through the use of contracts commonly known as interest rate swap agreements. The Authority has entered into a fully amortizing interest rate swap agreement, pursuant to which the Authority owes a fixed payment to the counterparty of the swaps. In return, the counterparty owes the Authority a payment based on the London Interbank Offered Rate ("LIBOR") that is comparable to the rates required by the Authority's bonds. Only the net difference in payments is actually exchanged with the counterparties. The Authority will continue to pay interest to the bondholders at the variable rates provided by the bonds. However, during the term of the swap agreement, and because of the net payment under the swap agreement, the Authority effectively pays a fixed rate on the debt. The Authority will be exposed to variable rates if the counterparties to the swap default or if the swaps are terminated. Termination of the swap agreements may also result in the Authority making or receiving termination payments. The notional amount of the swap will not be exchanged; it is only the basis on which payments are calculated. The Authority may terminate the swap at its option in 2014.

Objective of the Interest Rate Swap

The Authority entered into the swap to establish synthetic fixed rates for a like amount of variable rate bond obligations. The Authority's interest rate swap transaction is structured such that the Authority pays a fixed interest rate while receiving variable interest rates from the counterparty, which are comparable to the rates required by the variable rate bonds. These synthetic fixed rates were lower than those available to the Authority for fixed rate obligations of comparable maturity.

Terms, fair value and credit risk

The notional amount of the swap matches the principal amount of the Series B bonds. The Authority's swap agreement contains scheduled reductions to the outstanding notional amounts that are expected to follow scheduled or anticipated reductions in bonds payable. The Authority did not pay or receive any cash when the swap transaction was initiated.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 8 – Long Term Debt (*Continued*)

Interest Rate Swap (*Continued*)

The terms, fair values, and credit ratings of the outstanding swap related to the 2004 Series B bonds as of June 30, 2009 were as follows:

Notional Amount	Original Effective Date	Fixed Rate Paid	Variable Rate Received	Fair Value	Swap Termination Date	Counterparty Credit Rating
\$ 57,470,000	7/21/2004	3.96%	62% of LIBOR + 0.27%	\$(3,649,036)	6/15/2034	A/A2/A+

Fair Value

The valuation of the swap changes with movements in interest rate levels; generally, as interest rates lower, the fair value of the swap becomes lower. The Authority's swap portfolio had an aggregate negative fair value of (\$3,649,036) as of June 30, 2009. The fair value was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

Credit Risk

Because the Authority's swap portfolio had a negative fair value, it was not exposed to credit risk for termination payments, which means in the event of termination, no counterparty would be obligated to make payments to the Authority. However, should interest rates change and the fair value of the swap become positive, the Authority will be exposed to credit risk in the amount of the swap's fair value.

Basis Risk

Basis risk is the risk that there may be a difference between the floating rate component of the swap, which is based on LIBOR, and the rate on the Authority's variable rate bonds, which is based on rates specified in the bond issue. The swap exposes the Authority to basis risk should the relationship between LIBOR and the variable rate on the bonds converge, changing the synthetic rate on the bonds. If a change occurs that results in the rates moving to convergence, the expected cost savings may not be realized.

Termination Risk

The counterparty to the Authority's interest rate swap agreement has default termination rights that may require settlement payments by the Authority to the counterparty based on the fair value of the swap at the date of termination. As of June 30, 2009, no termination events had occurred.

Rollover Risk

The Authority's interest rate swap agreement has limited rollover risk because the swap agreement contains scheduled reductions to outstanding notional amounts, which are expected to follow scheduled and anticipated reductions in the associated bonds payable. Because the swap terminates when the associated debt is fully paid, the Authority is only exposed to rollover risk if an early termination occurs.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (Continued)

June 30, 2009 and 2008

Note 8 – Long Term Debt (Continued):

Loan Payable

During the year ended June 30, 2005, the Authority entered into a Construction and Term Loan agreement with the Travelers Indemnity Company (“Travelers”) to provide up to \$12.5 million in funding for a parking garage. No advances were made under this agreement because the Authority had constructed the garage using other funds. During the year ended June 30, 2008, the Authority entered into an Amended and Restated Term Loan Agreement with Travelers, at which time the entire \$12.5 million was advanced. This loan is secured by a first call on parking revenues generated by the separate parking contract the Authority has with Travelers and bears interest at a rate of 5.0% per annum.

Changes in the loan payable (in 000's) were as follows for the year ended June 30, 2009:

	Balance, July 1, 2008	Increases	Decreases	Balance, June 30, 2009
Traveler’s Loan Payable	\$ <u>12,469</u>	\$ <u>-</u>	\$ <u>418</u>	\$ <u>12,051</u>

Changes in the loan payable (in 000's) were as follows for the year ended June 30, 2008:

	Balance, July 1, 2007	Increases	Decreases	Balance, June 30, 2008
Traveler’s Loan Payable	\$ <u>-</u>	\$ <u>12,500</u>	\$ <u>31</u>	\$ <u>12,469</u>

The following table provides a summary of debt service requirements on the loan payable for the next five years and in five-year increments thereafter (in 000's).

Year ending June 30:	Principal	Interest
2010	\$ 406	\$ 593
2011	427	573
2012	449	551
2013	472	528
2014	496	504
2015-2019	2,888	2,110
2020-2024	3,706	1,292
2025-2029	3,207	303
	\$ 12,051	\$ 6,454

Note 9 – Pension Plans

Defined Benefit Pension Plan

Employees of the Authority participate in the Connecticut State Employees' Retirement System (“SERS”), which is administered by the State Employees' Retirement Commission. The annual required contribution is contributed directly by the State on behalf of the Authority, and therefore, the Authority is not required to and does not make contributions on its own, and does not record a liability for pension costs. Actuarial valuations are performed on the SERS as a whole and do not provide separate information for employees of the Authority. Information about the funding status and progress, annual required contributions and trend information can be found in the State of Connecticut's Comprehensive Annual Financial Report.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 9 – Pension Plans (*Continued*)

Defined Benefit Pension Plan (*Continued*)

Plan Description - SERS is a single-employer defined benefit public employee retirement system ("PERS") established in 1939 and governed by sections 5-152 to 5-192 of the Connecticut General Statutes. Employees are covered under one of three tiers: Tier I requires an employee contribution of either 2%, 4% or 5% of salary, depending on the plan; Tier II is a non-contributory plan for all members except those designated as hazardous duty; Tier II hazardous duty members contribute 4% of salary. Tier IIA requires an employee contribution of 2% of salary for non-hazardous duty members and 5% for designated hazardous duty members. Members who joined the retirement system on or before July 1, 1984 are generally enrolled in Tier I. Members who joined the retirement system on or after July 2, 1984 are enrolled in Tier II. Employees first hired on or after July 1, 1997 are members of Tier IIA. Employees rehired on or after July 1, 1997 are also members of Tier IIA unless the application of SERS service bridging provisions mandates their return to membership in either Tier I or Tier II.

Benefit Provisions: Tier I members may retire with a normal benefit at age 65 with at least 10 years of credited service, at age 55 with at least 25 years of credited service, or at age 70 with at least 5 years of credited service. Normal retirement benefits for Tier I, Plan B members who have not reached their full retirement age under the Social Security Act or received a Social Security disability award are calculated based on a formula equal to 2% times their credited service times the average of their three highest years' earnings; upon their attainment of full retirement age under the Social Security Act or receipt of a Social Security disability award, if earlier, normal benefits for Tier I, Plan B members are calculated based on a formula equal to 1% times their years of credited service times \$4,800 plus 2% times their credited service times the average of their three highest years' earnings greater than \$4,800. Tier I, Plan C members' normal retirement benefits are calculated based on a formula equal to 2% times their credited service times the average of their three highest years' earnings. Tier I members may retire at age 55 with a reduced benefit with at least 10 years of actual State service but less than 25 years of credited service or at age 60 with 10 years but less than 25 years of a combination of certain types of credited service; the reduced benefit is calculated using the same formula but with a reduced percentage determined using the member's age and years of service.

Tier II and Tier IIA members may retire with a normal benefit at age 62 with at least 5 years of actual state service or at least 10 years of vesting service; Tier II and Tier IIA members may also retire with a normal benefit at age 60 with 25 years of service. Normal retirement benefits for Tier II and Tier IIA members are calculated based upon a formula equal to 1 and 1/3 % times the average of their three highest years' earnings plus 1/2 of 1 % of the average of their three highest years' earnings in excess of the salary breakpoint for the year in which they are retiring times their credited service up to a maximum of 35 years plus 1 and 5/8% times the average of their three highest years' earnings times their credited service over 35 years. Tier II and Tier IIA members may retire with a reduced benefit at age 55 with at least 10 years of vesting service; the reduced benefit is calculated using the same formula reduced by 1/4 of 1% for each month the member retires prior to attaining age 60 with at least 25 years of vesting service or age 62 with at least 10 but less than 25 years vesting service. Tier I members are vested if they have at least 10 years of service and have been continuously employed with the State for the last 5 years, without a severance of a year or more. Tier II and Tier IIA members are vested if they have at least 5 years of actual State service or 10 years of vesting service. Tier I, Tier II and Tier IIA hazardous duty members may retire at any age with at least 20 years of hazardous duty service and receive benefits calculated based on a formula equal to 50% of the average of their three highest years' earnings plus 2% times any service over 20 years times the average of their three highest years' earnings. Most Tier I, Plan B hazardous duty members' benefits are reduced upon attainment of full retirement age under the Social Security Act or receipt of a Social Security disability award, if earlier, based on two different formulas with consideration of service rendered prior to July 1, 1988 only. All three Tiers provide for death and disability benefits provided certain conditions are met.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 9 – Pension Plans (*Continued*)

Defined Benefit Pension Plan (*Continued*)

Contributions: Contributions made by the State on behalf of the Authority are determined by applying the annually determined State mandated percentage to eligible salaries and wages. The State calculated percentage for the years ended June 30, 2009 and 2008 was approximately 20%. Payroll for employees of the Authority for the years ended June 30, 2009 and 2008 was \$630,766 and \$603,355 respectively. In accordance with GASB No. 24, the Authority has recorded on behalf payments of \$126,153 and \$120,670 made by the State of Connecticut into the plan as grant revenue and Authority operations expense in the accompanying statements of revenue, expenses and changes in net assets for the years ended June 30, 2009 and 2008, respectively.

Defined Contribution Pension Plan

During fiscal year 2008, the Authority adopted the State of Connecticut's defined contribution 457 (b) Plan, which allows its employees to participate in the State of Connecticut's deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The Authority holds no fiduciary responsibility for the plan. Such authority rests with the State Comptroller's office.

Note 10 – Commitments and Contingencies

Lease agreements

The Authority has been charged with the construction and operation of the Connecticut Convention Center facilities, which includes the related parking garages and a central heating and cooling plant. On May 31, 2005, the Connecticut Convention Center reached substantial completion. In accordance with the Airspace Lease between the State of Connecticut and the Authority dated as of September 16, 2003, the Authority took possession of the Connecticut Convention Center. The term of the lease is for 99 years and one day, required a lease payment of \$1 per year, and provides that the Authority own and operate the Connecticut Convention Center and the related garages and associated improvements. The Connecticut Convention Center facilities are a component of Adriaen's Landing in downtown Hartford.

On June 12, 2009, the Authority and the State of Connecticut entered into a lease for the State Attraction Parcel with the Connecticut Science Center Inc. The term of the lease is for 95 years, terminates on August 31, 2104 and required a lease payment of \$1 per year. On November 3, 2008, the Authority and the State of Connecticut entered into a site lease for Tract 1 with the HBN Front Street District, Inc. The term of the lease is for 96 years and the required lease payment is \$1 per year.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 10 – Commitments and Contingencies (*Continued*)

Management and other agreements

As part of the development, operation, and marketing of the Connecticut Convention Center, the Authority has entered into the following agreements with third parties:

- Facilities management agreement for the Connecticut Convention Center - The management agreement's initial term is for a period of three years after the opening of the Convention Center with options to extend for two additional years. The second of two one year renewal options has been exercised, extending the management agreement until June of 2010. Fees paid for fiscal years ended June 30, 2009 and 2008 totaled \$187,001 and \$226,606, respectively.
- Catering and concessions agreement for the Connecticut Convention Center - The management agreement is for a period of three years with options to extend for two additional years and the second of two one year renewal options has been exercised, extending the management agreement until June of 2010. Catering and concession fees paid for fiscal years ended June 30, 2009 and 2008 totaled \$112,228 and \$113,163, respectively.
- Parking management agreement for all CCEDA owned parking at Adriaen's Landing - The management agreement's initial term is for a period of three years, with options to extend for two additional years. The first of two one-year renewal options has been exercised, extending the agreement term through June 2009. Fees paid for management of the Parking Facilities totaled \$81,765 and \$80,160 for fiscal years ended June 30, 2009 and 2008, respectively. A new three year management agreement became effective on July 1, 2009. The new management agreement bears similar terms and provisions of the agreement in effect as of June 30, 2009.
- Operations and maintenance agreement – The agreement commenced on April 1, 2008 and terminates on March 31, 2010. Fees paid for the base contract, management overhead and staffing costs totaled \$574,179 and \$544,260 for fiscal years ended June 30, 2009 and 2008, respectively. In addition, the Authority has entered into an energy services agreement for the purpose of sharing costs with the adjacent Marriott Hartford Downtown hotel not owned by the Authority. During the fiscal year ended 2009, the energy services agreement was amended to include the sharing of costs with the Connecticut Science Center as it is using heating and cooling services generated from the central utility plant.
- Marketing contract - For the fiscal year ending 2010, the Authority has contracted with the Greater Hartford Convention and Visitors Bureau as the designated marketing agent in the amount of \$1.2 million dollars down from \$2.4 million in 2009.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 11 – Development Costs

During the years ended June 30, 2009 and 2008, the Authority was obligated to fund the payment of certain development-related costs associated with projects that, when completed, will not be designated assets of the Authority. Such funding is made from bond and Travelers' loan proceeds, and includes land remediation costs, legal services, and project management fees related to the development of Adriaen's Landing. Such costs totaled \$508,514 and \$261,866 for the years ended June 30, 2009 and 2008, respectively, and are reported as development costs in the accompanying statements of revenues, expenses and changes in net assets.

Note 12 – Risk Management

The Authority is subject to normal risks associated with its operations including property damage, personal injury, and employee dishonesty. All risks are managed through the purchase of commercial insurance. There have been no losses and no decreases in insurance coverage over the last three years.

Note 13 – Segment Information

The Authority has issued various revenue bonds to provide financing for the construction of the Convention Center Project (*See Note 8*). The revenue bonds are secured by a pledge of parking and energy fee revenues (except for parking revenues from the Travelers parking agreement which are pledged for the Travelers loan), as well as certain other funds on deposit with the trustee. Financial segment information as required by the Authority's continuing disclosure requirements is presented below for the years ended June 30, 2009 and 2008, respectively.

Condensed Statements of Revenues, Expenses and Changes in Net Assets				
	2009		2008	
Pledged revenues:				
Parking:				
Bond pledge	\$	4,050,720	\$	5,133,528
Traveler's loan pledge		1,101,882		134,431
Total Parking		<u>5,152,602</u>		<u>5,267,959</u>
Energy		3,494,193		3,556,865
Other		4,409		17,764
Total pledged revenues		<u>8,651,204</u>		<u>8,842,588</u>
Operating expenses:				
Parking		3,112,535		3,129,174
Energy		2,269,195		2,319,415
Other		328,733		148,635
Total operating expenses		<u>5,710,463</u>		<u>5,597,224</u>
Net revenue over expenses		2,940,741		3,245,364
Available for the Traveler's loan repayment		1,101,882		134,431
Available for debt service	\$	<u>1,838,859</u>	\$	<u>3,110,933</u>

The above table has been prepared using the accrual basis of accounting and is not intended to reflect actual cash flow position.

CAPITAL CITY ECONOMIC DEVELOPMENT AUTHORITY

Notes to Financial Statements (*Continued*)

June 30, 2009 and 2008

Note 14 – Litigation:

On or about November 1 2004, Capital Properties Associates, L.P. brought an action against the State of Connecticut, Office of Policy and Management and the Authority in Connecticut Superior Court for breach of contract, breach of the implied covenant of good faith dealing and violation of the Connecticut Unfair Trade Practices Act. It is the State's and Authority's position that Capital Properties relinquished or forfeited its development rights and that Capital Properties' conduct constituted a material breach of and default under the amended Development Agreement. Based on Capital Properties' conduct and its failure to act, the State and the Authority terminated its rights under the amended Development Agreement.

Thereafter, on September 1, 2005, the State of Connecticut, Office of Policy and Management and the Authority countersued Capital Properties in Connecticut Superior Court. By its complaint, the State and the Authority assert claims of anticipatory breach of contract/repudiation, breach of contract, breach of the implied covenant of good faith and fair dealing, conversion, violation of the Connecticut Unfair Trade Practices Act and respondeat superior/general partner liability. Both suits relate to the failed construction on the residential, retail and entertainment district located at Adriaen's Landing in Hartford, Connecticut by Capital Properties.

Management believes that the resolution of all matters will not materially affect the Authority's financial position or results of operations.

Note 15 – Restatements

The balance sheet as of June 30, 2008 has been restated to correct an overstatement of both accounts receivable and accounts payable of \$189,559 and to report the balance of \$555,611 in cash deposits not held in the Authority's name as due from manager as of that date. In addition, the statement of revenues, expenses and changes in net assets for the year ended June 30, 2008 has been restated to record on-behalf pension payments of \$120,670. There was no net effect on the change in net assets for the year ended June 30, 2008 resulting from these restatements.

Restatements have also been made to the financial information presented in the accompanying Management's Discussion and Analysis as of and for the years ended June 30, 2008 and 2007, to reflect the above mentioned restatements.

Note 16 – Recent Accounting Pronouncements:

In June 2008, the Governmental Accounting Standards Board ("GASB") issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. GASB Statement No. 53 addresses the recognition, measurement and disclosure of derivative instruments, including interest rate swaps, entered into by state and local governments. GASB Statement No. 53 is effective for financial statements for periods beginning after June 15, 2009. The Authority is currently evaluating the effects this statement will have on its financial statements.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

To the Board of Directors of the
Capital City Economic Development Authority
Hartford, Connecticut

We have audited the financial statements of the Capital City Economic Development Authority (the "Authority"), a component unit of the State of Connecticut, as of and for the year ended June 30, 2009, and have issued our report thereon dated September 25, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Authority's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Authority in a separate letter dated September 25, 2009.

This report is intended solely for the information and use of the Board of Directors and management of the Authority and the State of Connecticut and is not intended to be and should not be used by anyone other than these specified parties.

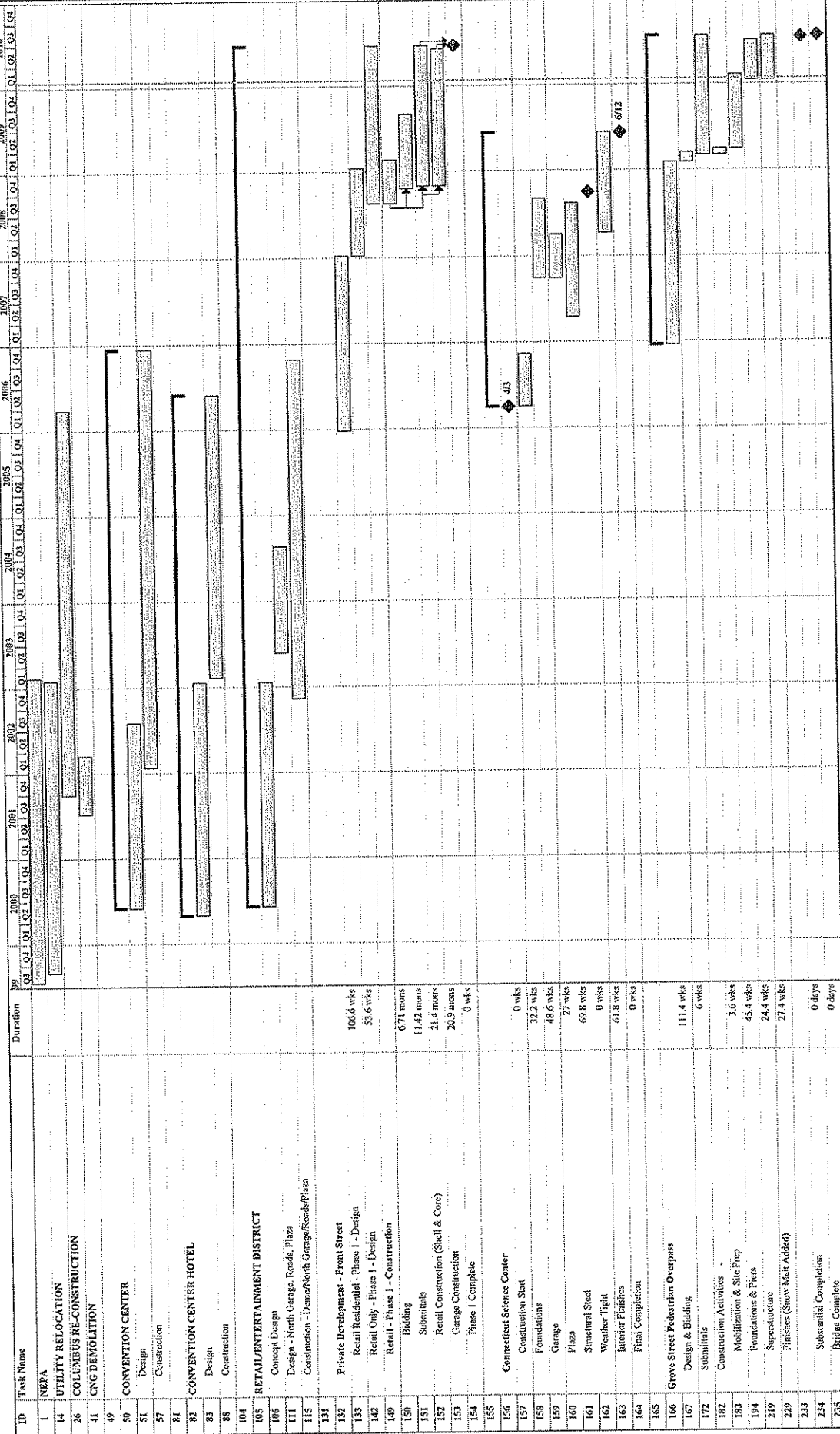
CCR LLP

Glastonbury, Connecticut
September 25, 2009

Appendix C

Project Timeline

ADRIAN'S LANDING PROJECT COMPONENT MILESTONE SCHEDULE



Appendix D

Contract Compliance / Affirmative Action

Exhibit 1

Adriaen's Landing -- PROJECT AWARD SUMMARY

<u>Project Name</u>	<u>Project Award</u>	<u>SBE Award</u>	<u>MBE Award</u>	<u>8A - CT Award</u>
Adriaen's Landing -- Convention Center	\$189,678,552.00	\$65,309,738.00 34.43%	\$50,857,068.00 26.35%	\$10,620,716.00 5.6%
Adriaen's Landing -- Demolition/Utility Relocation	\$18,614,953	\$6,404,533 34.41%	\$6,321,145 33.96%	\$918,766 4.94%
Adriaen's Landing - Architectural/Engineering Consultants	\$47,520,713.00	\$13,730,292.00 28.89%	\$7,091,188 14.92%	\$0 0.00%
General Conditions	\$1,162,360	\$114,667 9.87%	\$88,654 7.63%	\$0 0.00%
E/R/R District (Front Street Demo)	\$1,007,728	\$1,007,728 100%	\$1,007,728 100%	\$818,076 81.18%
Marriott Hotel	\$47,485,216	\$10,152,949.00 21.38%	\$7,067,631 14.88%	\$0 0.00%
Site Improvements	\$4,155,976.00	\$180,000 4.33%	\$180,000 4.33%	\$0 0.00%
Garage "B"	\$12,481,400.00	\$3,212,846.00 25.74%	\$2,876,721.00 23.05%	\$0 0.00%
CT Science Center	\$91,542,405.47	\$28,959,830.12 31.64%	\$16,909,417.12 18.47%	\$4,904,681.00 5.73%
AL/CSC/FT ST Consultants	\$35,945,871.30	\$45,806,144.94 16.15%	\$3,651,980.94 10.16%	\$0 0.00%
CCEDA Office Fit Out	\$547,291.00	164,023.00 29.97%	120,618.00 22.04%	\$0 0.00%
Front Street -- Private (ERRST)	\$12,600,905.00	\$3,279,038.00.00 26.02%	\$2,134,438.00 16.94%	\$657,110.00 5.21%
Front Street -- State (ERRFED)	\$6,743,579.00	\$631,315.00	\$576,315.00	\$0

		9.36%	8.55%	0.00%
Totals	\$469,486,949.77	\$138,953,104.06 29.6%	\$98,882,904.06 21.06%	\$17,919,349.00 3.82%

OPM/CCEDA

Vendor List by Contract

Vendor Name	SBE Status	MBE Status	Project Name	Contract Number	Specialties	Contract Name	Contract Award	Contract Status
Ernest Peterson, Inc.	Yes	No	AL Consultants	AL 04	Supplier	Snow Guards	\$26,794.00	Active
Pelli Clark Pelli Architects	No	No	AL Consultants	AL 32	Architectural	CSC Design	\$9,085,800.00	Active
FA Hesketh & Associates	Yes	No	AL Consultants	AL 29	Engineering	FA Hesketh	\$433,582.00	Active
GM2 Associates	Yes	Yes	AL Consultants	AL 51	Engineering	Grp Inspec/Giv	\$1,518,297.00	Active
GZA Geoenvironmental	No	No	AL Consultants	AL 53	Environmental	RAP Resp	\$12,000.00	Active
Haley & Aldrich, Inc.	No	No	AL Consultants	AL 24	Environmental	Rem Action Plan	\$12,000.00	Active
			AL Consultants	AL 26	Engineering	RAP Rev CSC	\$9,500.00	Active
			AL Consultants	AL 25/3874	Engineering	Geotech Ser CSC	\$155,749.00	Active
KPMG, LLP	No	No	AL Consultants	AL 59	Auditing	Audit Services	\$2,301,238.00	Active

Phoenix Environmental Laboratories, Inc.	No	No	AL Consultants	AL 40	Environmental Lab Services	\$89,000.00	Active
Thinc Design	No	No	AL Consultants	AL 36	Development Exh Design	\$4,242,500.00	Active
United International Corp.	Yes	Yes	AL Consultants	AL 37	Material Testing Materials Test	\$963,403.94	Active
Braman Chemical Enterprises, Inc	No	No	AL Consultants	AL 58	Pest Management Pest Control	\$210,256.00	Active
Pinto & Associates	No	No	AL Consultants	AL 41	Pest Management Rodent Control	\$200,295.00	Active
Wiggin & Dana LLP	No	No	AL Consultants	AL 50	Legal CTCSE Legal	\$125,000.00	Active
Steven Winter Associates	Yes	No	AL Consultants	AL 32	Architectural CSC Design	\$203,500.00	Active
Hanscomb	No	No	AL Consultants	AL 27	Cost Estimating Cost Estimating	\$627,762.06	Active
Nutmeg Planners, LLC	No	No	AL Consultants	AL 30	Contract Compliance Compliance	\$225,820.00	Closed
People, Places & Design Research	No	No	AL Consultants	AL 33	Survey/Layout CSC Exhibit Des	\$113,800.00	Active

HBN Front St, LLC	No	No	AL Consultants	AL 28	Development	ERR Development	\$4,568,233.50	Active
Weidlinger Associates	No	No	AL Consultants	AL 39	Engineering	CSC Peer Rev	\$190,000.00	Active
Acoustics, Inc.	No	No	AL Consultants	AL 01	Signage	Signage	\$33,322.00	Active
Shooshanian Engineering Inc	No	No	AL Consultants	AL 34	Engineering	Comm Services	\$152,990.00	Active
Siemens Building Technologies	No	No	AL Consultants	AL 10	HVAC	H2O System Mtr	\$22,978.00	Active
White Oak Associates	No	No	AL Consultants	AL 42	Architectural	CSC RM Book Architectural Des	\$30,200.00	Active
Desman Associates	No	No	AL Consultants	AL 43	Architectural	Museum Plan	\$50,000.00	Active
Environmental Partners, LLC	Yes	Yes	AL Consultants	AL 21	Environmental	Env Oversight	\$396,500.00	Active
Frankson Fence Company	No	No	AL Consultants	AL 05	Fencing	Fencing	\$15,904.00	Active
Walker Parking Consultants	No	No	AL Consultants	AL 38	Parking Consultants	Park Consul	\$15,000.00	Active
The Concrete Supplement Company	Yes	No	AL Consultants	AL 02	Flooring	Floor Covering	\$16,000.00	Active

Simione Macca & Larrow, LLP	AL Consultants	AL 35	Auditing	Auditing	\$25,500.00	Active
Mafoo Electrical Contractors	AL Consultants	AL 09	Electrical	CC Electrical	\$564,067.00	Active
Van Horst General Contractors	AL Consultants	AL 11	Unknown	Grge Office Fit	\$138,708.11	Active
Harrington Engineering, Inc	AL Consultants	AL 07	HVAC	Fan Unit Instal	\$99,815.25	Active
Harry Grodsky & Co., Inc.	AL Consultants	AL 06	HVAC	Steam Meter PPV	\$55,783.00	Active
Lauretano Sign Group	AL Consultants	AL 08	Signage	Grge Signs/Grfx	\$338,857.12	Active
BVH Integrated Services, Inc	AL Consultants	AL 13	Engineering	Util Pipe Dsign	\$77,500.00	Active
CT Tank Removal	AL Consultants	AL 17	Site Demo	FRNT Slab Rem	\$1,303,200.00	Active
	AL Consultants	AL 57	Environment al	FRNT Soil Des	\$57,750.00	Active
	AL Consultants	AL 56	Environment al	FRNT Remed	\$185,000.00	Active
Nutmeg Planners, LLC (1)	AL Consultants	AL 31	Contract Compliance	Compliance	\$773,780.00	Active

James P. Purcell Associates, Inc	Yes	No	AL Consultants	AL 52	Engineering	GST Init Des	\$884,721.00	Active
Titan Roofing, Inc	No	No	AL Consultants	AL 48	Roofing	Emer Roof Rep	\$180,486.11	Closed
Joseph Merritt & Co	No	No	AL Consultants	AL 54	Supplier	Printing CSC	\$75,000.00	Active
Milone & MacBroom Inc	No	No	AL Consultants	AL 61	Engineering	Site Services	\$0.00	Active
BSC Group	No	No	AL Consultants	AL 44	Engineering	Frnt St Ste/Cvl	\$43,500.00	Active
Dyco Industries	No	No	AL Consultants	AL 45	Steel	CUP Catwalks	\$34,050.00	Active
Faithful & Gould	No	No	AL Consultants	AL 46	Cost Estimating	Cst Estimating	\$116,317.00	Active
Verutek Technologies	No	No	AL Consultants	AL 49	Environmental	Frnt St Soil Tre	\$178,750.00	Active
The Technology Group	No	No	AL Consultants	AL 47	Computers	Comp Consult	\$10,025.06	Closed
Louriero Engineering	No	No	AL Consultants	AL 60	Engineering	Con Serv Grv Co	\$4,949,397.00	Active

OPM/CCEDA

Vendor Bid By Contract

Vendor Name	SBE Status	MBE Status	Project Name	Contract Number	Specialties	Contract Name	Contract Award	Contract Status
Lupachino/Salvatore, Inc	No	No	CCEDA Office FO	001	Construction Management	CCEDA Fitout	\$547,291.00	Active
Hanna Electric, Inc	Yes	Yes	CCEDA Office FO	001	Electrical	CCEDA Fitout	\$79,790.00	Active
Barall & Konover Floors, Inc	Yes	Yes	CCEDA Office FO	001	Flooring	CCEDA Fitout	\$33,328.00	Active
N.T. Oliva, Inc	Yes	No	CCEDA Office FO	001	Accoustical	CCEDA Fitout	\$24,905.00	Active
CMC Painting, Inc	Yes	Yes	CCEDA Office FO	001	Painting	CCEDA Fitout	\$7,500.00	Active
Allstate Fire Sprinkler, Inc	Yes	No	CCEDA Office FO	001	Fire Protection	CCEDA Fitout	\$18,500.00	Active

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Vendor List by Contract

Vendor Name	SBE Status	MBE Status	Project Name	Contract Number	Specialties	Contract Name	Contract Award	Contract Status
Earth Technologies, Inc.	No	No	CTCSE	Unit 02A	Site Demo	Site Demo	\$4,088,803.00	Active
J. Devoe Trucking	Yes	Yes	CTCSE	Unit 02A	Trucking/Hauling	Site Demo	\$511,956.00	Active
V.I.P. Supply, Inc.	Yes	No	CTCSE	Unit 02A	Supplier	Site Demo	\$29,025.00	Active
John Paul Garcia & Associates., P.C.	Yes	Yes	CTCSE	Unit 02C	Survey/Layout	Struc Piling	\$56,886.93	Active
City Electrical	Yes	Yes	CTCSE	Unit 02A	Survey/Layout	Site Demo	\$11,793.00	Active
			CTCSE	Unit 16H	Electrical	Site Electrical	\$91,843.00	Closed
			CTCSE	Unit 02A	Electrical	Site Demo	\$9,834.00	Active
Eagle Fence & Guardrail, Inc.	Yes	No	CTCSE	Unit 02B	Fencing	Site Fencing	\$44,209.00	Active
JFC Steel Construction, LLC	Yes	Yes	CTCSE	Unit 03A	Steel	Pile Cap/SOG	\$788,386.00	Active
			CTCSE	Unit 03B	Steel	CIP Garage	\$2,156,788.00	Active

RJB Contracting, Inc.	No	CTCSE	Unit 03A	Concrete	Pile Cap/SOG	\$2,617,482.00	Active
	No	CTCSE	Unit 03B	Concrete	CIP Garage	\$2,274,970.00	Active
Smith Automatic Sprinkler	No	CTCSE	Unit 15E	Fire Protection	Bldg Fire Prot	\$886,045.00	Active
		CTCSE	Unit 15B	Fire Protection	Grge Fire Prot	\$551,085.00	Active
Shetucket Industrial Supply	Yes	CTCSE	Unit 15G	Supplier	Bldg Plumbing	\$200,000.00	Active
	Yes	CTCSE	Unit 15E	Supplier	Bldg Fire Prot	\$89,000.00	Active
Shetucket Industrial Supply		CTCSE	Unit 15D	Plumbing	Garage Plumbing	\$150,000.00	Active
		CTCSE	Unit 15A	Plumbing	Under Mech	\$105,000.00	Active
		CTCSE	Unit 15B	Supplier	Grge Fire Prot	\$105,000.00	Active
Ernest Peterson, Inc.	Yes	CTCSE	Unit 07B	Waterproofing	Grge Waterproof	\$240,199.00	Active
		CTCSE	Unit 07C	Roofing	Roof/Waterproof	\$1,745,459.00	Active
		CTCSE	Unit 07A	Waterproofing	Foun/Pile Cap W	\$42,944.00	Active

The Bill Fisher Enterprise, Inc.	Yes	Yes	CTCSE	Unit 05B	Supplier	Misc Metals	\$23,210.00	Active
	No	No	CTCSE	Unit 15A1-CUP	Mechanical	Mech Work CUP	\$811,886.00	Active
Tucker Mechanical			CTCSE	Unit 15G	Plumbing	Bldg Plumbing	\$3,643,667.00	Active
			CTCSE	Unit 15C	HVAC	Grge HVAC	\$130,222.00	Active
			CTCSE	Unit 15A	Plumbing	Under Mech	\$349,248.00	Active
			CTCSE	Unit 15D	Plumbing	Garage Plumbing	\$718,333.00	Active
ATR Electrical Contractor	Yes	Yes	CTCSE	Unit 16B	Electrical	Garage Electric	\$1,031,251.00	Active
			CTCSE	Unit 16A1-CUP	Electrical	Electrical CUP	\$62,981.00	Active
Ducci Electrical Contractors	No	No	CTCSE	Unit 16C	Electrical	Grge Sec/Telcom	\$137,491.00	Active
			CTCSE	Unit 16J	Electrical	Traff Signal PI	\$126,899.00	Active
			CTCSE	Unit 16E	Electrical	Bldg Tel/Sec	\$1,589,391.00	Active
The Beacon Light & Supply Co.	Yes	Yes	CTCSE	Unit 16D	Electrical	Building Elect	\$6,750,120.00	Active
			CTCSE	Unit 16C	Supplier	Grge Sec/Telcom	\$15,000.00	Active

Maybury Material Handling	No	No	CTCSE	Unit 11A	Supplier	Load Dock Equip	\$73,506.00	Active
Civittillo Masonry	Yes	No	CTCSE	Unit 04A	Masonry	Grge Piza/Mason	\$2,395,459.00	Active
ADF Industries, Inc	Yes	Yes	CTCSE	Unit 02C	Supplier	Struc Piling	\$87,307.54	Active
The Hartford Lumber Co.	Yes	Yes	CTCSE	Unit 03B	Supplier	CIP Garage	\$182,982.00	Active
RDR Corporation	Yes	Yes	CTCSE	Unit 16A	Electrical	Undergrnd Elect	\$325,206.00	Closed
Urban Contractors, LLC	Yes	Yes	CTCSE	Unit 09C	Flooring	Ceramic Tile	\$290,420.00	Active
Jo-Ryu Security, LLC	Yes	Yes	CTCSE	Unit 01K	Security	Site Security	\$429,403.00	Active
Kerr Electric	Yes	Yes	CTCSE	Unit 16C	Electrical	Grge Sec/Telecom	\$15,399.00	Active
			CTCSE	Unit 16J	Electrical	Traff Signal PI	\$29,125.00	Active
			CTCSE	Unit 16D	Electrical	Building Elect	\$1,419,337.00	Active
Kerr Electric	Yes	Yes	CTCSE	Unit 16E	Electrical	Bldg Tel/Sec	\$392,815.00	Active
Barber Firestop Systems, LLC	Yes	No	CTCSE	Unit 15G	Firestopping	Bldg Plumbing	\$42,000.00	Active
			CTCSE	Unit 15D	Firestopping	Garage Plumbing	\$4,500.00	Active

New Haven Scaffolding, Inc	Yes	Yes	CTCSE	Unit 05A	Scaffolding	Struct Steel	\$260,000.00	Active
Dynamic Metals International, LLC	Yes	Yes	CTCSE	Unit 05A	Supplier	Struct Steel	\$1,567,842.00	Active
Cives Steel Company	No	No	CTCSE	Unit 05A	Steel	Struct Steel	\$14,085,885.00	Active
L.K. Sheetmetal, LLC (Barber Firestop System SUB)	Yes	Yes	CTCSE	Unit 15C	Installation	Grge HVAC	\$77,300.00	Active
Williams Welding	Yes	Yes	CTCSE	Unit 15F	Unknown	Mech/HVAC	\$3,545,549.00	Active
Harry Grodsky & Co., Inc.	No	No	CTCSE	Unit 15F	HVAC	Mech/HVAC	\$8,426,491.00	Active
Permasteelisa Cladding Technologies	No	No	CTCSE	Unit 08A	Carpentry	Curtainwall	\$9,526,332.00	Active
McDowell Building & Foundations, Inc.	Yes	No	CTCSE	Unit 03C	Concrete	Concrete Decks	\$924,750.00	Active
Berlin Steel Construction Co.	No	No	CTCSE	Unit 05B	Misc Metal	Misc Metals	\$3,879,769.00	Active

M.R.S. Enterprises, Inc	Yes	No	CTCSE	Unit 07E	Met Wall Panels	Met Wall Panels	\$3,368,869.00	Active
Island Lath & Plaster, Inc	No	No	CTCSE	Unit 07F	Fire Protection	Spray fire/Intu	\$1,107,336.00	Active
Conn Acoustics, Inc	No	No	CTCSE	Unit 09A	Accountical	Drywall/various	\$8,593,558.00	Active
StateLine Doors, LLC	Yes	No	CTCSE	Unit 11E	Overhead Doors	Overhead Doors	\$74,152.00	Active
RCIMS Controls	Yes	Yes	CTCSE	Unit 16G	HVAC	Auto Temp Contr	\$694,904.00	Active
James E Brennan Co, Inc	Yes	No	CTCSE	Unit 15J	HVAC	Test/Balancing	\$86,380.00	Active
Ralph Camputarro & Son Excavating, Inc	No	No	CTCSE	Unit 02A1-CUP	Site Work	Sitework CUP	\$1,066,981.00	Active
Glen Terrace Landscaping	Yes	Yes	CTCSE	Unit 02A1-CUP	Landscaping	Sitework CUP	\$14,950.00	Active
Manchester Recycling & Materials, LLC	Yes	No	CTCSE	Unit 02A1-CUP	Masonry	Sitework CUP	\$2,500.00	Active
OnSite Services Inc.	Yes	Yes	CTCSE	Unit 02A1-CUP	Signage	Sitework CUP	\$12,343.88	Active

American Masons & Building Supply Co	Yes	No	CTCSE	Unit 09A	Supplier	Drywall/various	\$725,000.00	Active
Wesconn Co., Inc	Yes	Yes	CTCSE	Unit 09A	Firestopping	Drywall/various	\$77,000.00	Active
Robert Barnoski & Associates, Inc	Yes	Yes	CTCSE	Unit 09A	Supplier	Drywall/various	\$25,000.00	Active
R&F Piping and Mechanical, LLC	Yes	Yes	CTCSE	Unit 15G	Mechanical	Big Plumbing	\$402,524.00	Active
WDJ Construction, Inc	Yes	No	CTCSE	Unit 06A	Millwork	Millwork	\$489,956.00	Active
Curtainwalls & Windows, Inc	No	No	CTCSE	Unit 08C	Glazing	Int Glazing	\$1,544,292.00	Active
Mackenzie Painting Co	Yes	Yes	CTCSE	Unit 09B	Painting	Painting	\$529,721.00	Active
Mackenzie Painting Co	Yes	Yes	CTCSE	Unit 07F	Painting	Spray fire/Intu	\$12,000.00	Active
Acorn Glass	Yes	No	CTCSE	Unit 08A	Installation	Curtainwall	\$235,978.00	Active
Superior Mechanical Systems	Yes	No	CTCSE	Unit 10B	Louvers	Louvers	\$404,249.00	Active
Old World Plaster	Yes	No	CTCSE	Unit 09A	Painting	Drywall/various	\$357,000.00	Active

Kone, Inc	No	No	CTCSE	Unit 14B	Unknown	Escalator	\$0.00	Active
Dapsco Products & Systems, Inc	No	No	CTCSE	Unit 10D	Flooring	Raised Access F	\$137,963.00	Active
Lab Furniture Installation & Sales	No	No	CTCSE	Unit 12B	Carpentry	Casework	\$38,746.00	Active
Highland Seating, Inc.	No	No	CTCSE	Unit 12A	Seating	Theatre Seating	\$46,281.00	Active
Bowline Construction	No	No	CTCSE	Unit 01L	Material Hoisting	Material Hoisti	\$239,118.00	Active
Arch Graphics, Inc	No	No	CTCSE	Unit 10A	Signage	Signage	\$313,305.00	Active
Otis Elevator Company	No	No	CTCSE	Unit 14A-1 (5899614	Unknown	Elevator	\$0.00	Active
Control Systems, Inc	Yes	No	CTCSE	Unit 14A	Unknown	Elevator	\$0.00	Active
The Professional Floor Covering Co	Yes	No	CTCSE	Unit 11D	Supplier	Park Grg Equip	\$189,854.00	Active
Fine Line Builders, LLC	Yes	Yes	CTCSE	Unit 10C	Carpentry	Toilet Partito	\$169,948.00	Active
CRF Inc Comp Raised Floors	Yes	No	CTCSE	Unit 10D	Flooring	Raised Access F	\$83,000.00	Active
A. Laugeni & Son, Inc	Yes	Yes	CTCSE	Unit 09A	Scaffolding	Drywall/various	\$300,000.00	Active

Brand Scaffold Rental & Erection, Inc	No	No	CTCSE	Unit 01M	Carpentry	Science Center	\$754,066.00	Active
Mt View Landscapes and Lawncare, Inc	No	No	CTCSE	Unit 02E	Landscaping	Landscaping	\$1,800,841.00	Active
NCI-CT	Yes	Yes	CTCSE	Unit 02G	Site Work	Final Site Work	\$632,263.00	Active
Steeltech Building Products, Inc	No	No	CTCSE	Unit 11B	Steel Lockers	Lockers	\$31,644.00	Active
Warehouse Store Fixture	No	No	CTCSE	Unit 11C	Supplier	Food Serv Equip	\$227,105.00	Active

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Vendor List by Contract

Vendor Name	SBE Status	MBE Status	Project Name	Contract Number	Specialties	Contract Name	Contract Award	Contract Status
Earth Technologies, Inc.	No	No	ERRFED	ET11 - Fed	Site Demo	Site Demo	\$1,008,154.00	Active
J. Devoe Trucking	Yes	Yes	ERRFED	ET11 - Fed	Trucking/Hauling	Site Demo	\$241,015.00	Active
John Paul Garcia & Associates, P.C.	Yes	Yes	ERRFED	ET11 - Fed	Survey/Layout	Site Demo	\$7,600.00	Active
JFC Steel Construction, LLC	Yes	Yes	ERRFED	BP #03B	Concrete	CIP Concrete	\$168,000.00	Active
Ernest Peterson, Inc.	Yes	No	ERRFED	BP #07B	Roofing	Roofing	\$55,000.00	Active
Tucker Mechanical	No	No	ERRFED	BP #22B	Mechanical	Pimb/HVAC/FP	\$408,600.00	Active
ATR Electrical Contractor	Yes	Yes	ERRFED	BP #22B	Electrical	Pimb/HVAC/FP	\$1,700.00	Active
Otis Elevator Company	No	No	ERRFED	BP #14A	Engineering	Elevators	\$149,000.00	Active
Capco Steel	No	No	ERRFED	BP #05B	Steel	Misc. Metals	\$363,000.00	Active
CT Mason Contractors, Inc	Yes	Yes	ERRFED	BP #04B	Masonry	Masonry	\$158,000.00	Active

A-1 Glass Company, Inc	No	No	ERRFED	BP #08A	Glazing	Grge Storefront	\$72,325.00	Active
Tri-Star Building Corp	No	No	ERRFED	BP #03B	Concrete	CIP Concrete	\$830,600.00	Active
Overhead Door Company of Norwich, Inc	No	No	ERRFED	BP #08B	Overhead Doors	Overhead Doors	\$69,500.00	Active
Ferguson Electric Company, Inc	No	No	ERRFED	BP #26B	Electrical	Electrical	\$479,000.00	Active
McKinney Drilling Company	No	No	ERRFED	BP #03C	Caissons	Garage Caissons	\$800,000.00	Active
Blakeslee Prestress Inc	No	No	ERRFED	BP #03A	Concrete	Grge Precast	\$2,350,400.00	Active

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Vendor List by Contract

Vendor Name	SBE Status	MBE Status	Project Name	Contract Number	Specialties	Contract Name	Contract Award	Contract Status
Earth Technologies, Inc.	No	No	ERRST	ETI2 - State	Site Demo	Site Demo	\$1,645,581.00	Active
J. Devoe Trucking	Yes	Yes	ERRST	ETI2 - State	Trucking/Hauling	Site Demo	\$393,235.00	Active
V.I.P. Supply, Inc.	Yes	No	ERRST	ETI2 - State	Supplier	Site Demo	\$10,700.00	Active
John Paul Garcia & Associates, P.C.	Yes	Yes	ERRST	ETI2 - State	Survey/Layout	Site Demo	\$12,400.00	Active
JFC Steel Construction, LLC	Yes	Yes	ERRST	BP #03D	Concrete	CIP Concrete	\$420,000.00	Active
Ernest Peterson, Inc.	Yes	No	ERRST	BP #07A	Roofing	Roofing	\$675,000.00	Active
Tucker Mechanical	No	No	ERRST	BP #22A	Mechanical	Ret FP,PI,Mech	\$1,168,000.00	Active
ATR Electrical Contractor	Yes	Yes	ERRST	BP #28A	Electrical	Retail Fire Ala	\$60,800.00	Active
Jo-Ryu Security, LLC	Yes	Yes	ERRST	BP #01K	Security	ERR Security	\$25,000.00	Active
Kerr Electric	Yes	Yes	ERRST	BP #26A	Electrical	Electrical	\$151,693.00	Active

WDJ Construction, Inc	Yes	No	ERRST	BP #09A	Installation	SH/FR/EIFS	\$400,000.00	Active
J.L. Marshall & Son's, Inc.	No	No	ERRST	BP #03D	Concrete	CIP Concrete	\$1,630,000.00	Active
Capco Steel	No	No	ERRST	BP #05A	Steel	Struc Steel	\$1,412,000.00	Active
CT Mason Contractors, Inc	Yes	Yes	ERRST	BP #04A	Masonry	Masonry	\$770,000.00	Active
Reynolds Welding & Fabrication, LLC	Yes	Yes	ERRST	BP #05C	Misc Metal	Metal Fab	\$115,107.00	Active
J&G Glass Company, Inc	No	No	ERRST	BP #08C	Glazing	Glazing	\$1,525,614.00	Active
Paul Dinto Electric	No	No	ERRST	BP #26A	Electrical	Electrical	\$987,600.00	Active
Hayward Baker (G. Donaldson)	No	No	ERRST	BP #31B	Aggregate Piers	Aggregate Piers	\$0.00	Active
Roweski Painting	Yes	Yes	ERRST	BP #09B	Painting	Retail Painting	\$36,203.00	Active
New Haven Partitions, Inc	No	No	ERRST	BP #09A	Unknown	SH/FR/EIFS	\$2,550,000.00	Active
Windows, Etc.	Yes	Yes	ERRST	BP #08C	Supplier	Glazing	\$150,000.00	Active

Thermal
Fireproofing &
Acoustics
Comp

Yes No ERRST BP #09A Accoustical SH/FR/EIFS \$58,900.00 Active