

State of Connecticut

SENATE

STATE CAPITOL
300 CAPITOL AVENUE
HARTFORD, CT 06106-1591
SENATE REPUBLICAN OFFICES

May 23, 2018

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Commr. James P. Redeker, Director
Commr. Catherine Smith, Director
Joanne Berger-Sweeney, Director
Board of Directors
Capital Region Development Authority
100 Columbus Boulevard
Suite 500
Hartford, CT 06103

Dear Board Members:

We are writing regarding recent press reports which indicate the Capital Region Development Authority is seeking approval from the CRDA Board to use eminent domain to take over private property in the vicinity of the XL Center. The property includes the XL Center's atrium and adjoining office and retail space (also known as the "Trumbull Block"). This space is currently owned by Northland Investment Corp.

As you are aware, eminent domain is a powerful tool and needs to be used sparingly. We would like to know why eminent domain, a seemingly drastic approach, is being considered as an option in this situation. We would ask for an explanation from CRDA of the steps they have gone through regarding purchasing this property. We also are requesting copies of all appraisals that have been sent to Northland from CRDC.

In addition, we have concerns about how obtaining this property fits in to the \$40 million renovation improvements approved by the legislature. The \$40 million approved in 2017 is intended for renovations and improvements with the stipulation that CRDA seek bidders to purchase the XL Center. An RFP has been issued, and bids are due back in late June. It was explained to us by the Hartford delegation and through an agent of CRDA that the \$40 million was for inside renovation work to

“spruce up” the center and perform some minimal renovations required to ensure the renewal of four contracts to do business in the XL Center. It has been reported that obtaining the specified property is part of a \$250 million plan for renovations to the XL Center requested by CRDA which has not received state approval. As you are aware, this year the legislature in a bipartisan effort rejected requests for additional state bonding for the XL Center beyond the new funds of \$40 million approved last year. If obtaining the Northland Investment Corp. property is part of a larger \$250 million unapproved renovation vision, and is not part of a plan to best utilize the \$40 million in approved funds, we have further concerns about this course of action. We ask that CRDA provide further information about the purpose of obtaining this property and how it corresponds to the funding approved by the legislature.

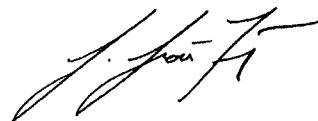
Based upon the information reported in the press thus far, it would appear that seeking eminent domain to acquire the “Trumbull Block” may be an unnecessarily extreme measure if it is being done as part of a vision plan that is not funded and while there is a pending RFP for sale. We look forward to obtaining more information from the CRDA to better understand this situation. At this time, we also strongly urge the CRDA Board to reconsider the drastic approach of eminent domain.

Thank you for your time and consideration.

Sincerely,



Michael A. McLachlan
State Senator – 24th District



L. Scott Frantz
State Senator 36th District



Len Fasano
Senate Republican President Pro Tempore - 34th District



Paul Formica
State Senator – 20th District



Joe Markley
State Senator – 16th District

cc: Michael Freimuth, CRDA Executive Director