DRAFT

MINUTES OF THE NEW HAVEN PARKING AUTHORITY BOARD MEETING

TUESDAY, MAY 26, 2020 AT 5:30 PM

LOCATION: WEB BASED MEETING VIA ZOOM

Date Time: May 26, 2020 05:30 PM Eastern Time (US and Canada)
Topic: New Haven Parking Authority Board of Directors
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Description: The Board of Commissioners of the New Haven Parking Authority invites you to join the May 2020 board meeting.
For more information please visit: https://parknewhaven.com/board-documents/
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Or Skype for Business (Lync):
https://newhavenct.zoom.us/skype/95697177500
Members Present: Mr. Forrester, Ms. Curran, Mr. Hausladen, Mr. Orefice, Mr. Stewart

Members Absent: Mr. Rivera

Staff Present: Mr. Parry, Mr. Seholm, Mr. Staniewicz

Counsel Present: Attorney Rini, General Counsel and Attorney Merin, Deputy General Counsel for the Authority

Guests: -Mr. Piscitelli, Economic Development Administrator, City Of New Haven

- Mr. Winstanley, Partner, WE 101 College Street LLC
Attorney Kone representing WE 101 College Street LLC

-Mr. Sugarman, Sr. Associate, Project Manager, Desman Associates

-Mr. Davis, Director, Town Green Special Services District
Mr. Griswold, Deputy Director, Town Green Special Services District
Ms. Vignola, Events and Communications Coordinator, Town Green Special Services District

-Mr. Lu, Operator, Kiki Air

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ITEM I. PUBLIC COMMENTS

Commissioner Hausladen welcomed all and said he would moderate the meeting that is being published on Facebook. He opened the meeting at 5:37 PM and asked the Chairman, Norman Forrester, to announce Item I. on the Agenda, Public Comment.

Chairman Forrester said no requests to speak were received.

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ITEM II. APPROVAL OF THE MINUTES

Chairman Forrester asked if there were any exceptions to the Minutes of the April 27, 2020 Board meeting. Commissioner Orefice moved to approve the Minutes, Commissioner Hausladen seconded the Motion and the Minutes were unanimously approved.
ITEM III. PRESENTATION OF DEVELOPMENT AND LAND DISPOSITION AGREEMENT FOR 101 COLLEGE STREET

ITEM IV. MOTION A

Guests:  Mr. Carter Winstanley, Partner, WE 101 College Street, LLC  
Attorney Carolyn Kone  
Mr. Michael Piscitelli, Economic Development Administrator, City of New Haven

Mr. Piscitelli expressed his appreciation for being part of this development project that was introduced at the previous meeting and the opportunity to discuss it further. He said the parties involved are: City Economic Development, WE 101 College Street, LLC and the New Haven Parking Authority.

Mr. Winstanley thanked the Authority for being given the opportunity to present the project and thanked all involved due to the required demand on their time and resources that were provided. He said he is a developer and has been an owner of real estate in New Haven for over twenty-one years. Properties include 300 George Street, 101 College Street and most of his property houses the science industry.

Mr. Winstanley discussed the partnership with NHPA and the importance of it. The 101 College Street project is the next phase in the Downtown Crossing and is a public/private partnership between the City, WE 101 College Street, LLC and the New Haven Parking Authority and demonstrates that a public and private partnership does work well.

He made the following points:

- The project involves one-half million square feet of life science, lab, building space for second generation lab tenants that are already started up and want to stay in New Haven. It assures space for industry collaboration that will allow larger companies to come in partnership with smaller companies, and will provide space for universities where they can collaborate with industry.

- He said the design of the building is one-half million square feet, ten stories high with lab mechanicals that run through it.

- Access drives that serve both 100 College Street, and the Air Rights Garage and Yale-New Haven Hospital loading docks, will need to remain open during construction. Part of the challenge is to be able to build over the access drives. Upon completion we will have a system that will provide the ability to separate out commuter traffic and truck traffic that services the building.

- The Architect is Elkus/Manfredi out of Boston, and we are working closely with Fuss and O’Neil from a civil and traffic standpoint. This is the same team that worked on 100 College Street. The knowledge that is already pulled together from this team will benefit the complexities of this site.

- He explained the challenges and used a photo of the site for further explanation. He met with the City, NHPA, and the design team and was able to effectively design a building that has two front doors, one on College Street and
one on the east side on Temple Street with no garage and the parking shifted off site. The building will be walkable from many locations in the City including the train station, and the majority of residential properties. He will try to knit most of these uses together to design the most functional building. He welcomed any questions.

Questions/Discussion

Commissioner Stewart asked if 1) now that the business paradigm has changed somewhat where office space will not be as important as prior to the pandemic with an increase of those working from home, has this been considered in regard to interior design and 2) have they taken into consideration the Alexion building that became obsolete in two years due to a change in business plan. Have these factors been considered in the design in space for mechanical, electrical, etc. for this site.

Mr. Winstanley said it was an incredibly informed question and they have been struggling with this.

Mr. Winstanley said in regard to the Alexion building, they have moved out of half of their space – the office portion not the labs. The 101 College buildings are fundamentally life-science based. Alexion still occupies the labs and is growing, and now has the need for additional lab space. From an office standpoint it is true more people will be working from home; however, lab work cannot be done from home. The 101 site will be all lab space with ten floors of life science space.

He said there are two forms of real estate that are doing well despite the pandemic environment.

1. Warehouse and distribution space - i.e., growth of Amazon and Walmart shift to on-line business, and
2. Demand for life science and biotech.

These tenants will be tackling advances and research in virus antibiotics, cancer research and big public health issues that are pressing and there will be an increased demand for this type of space.

Commissioner Stewart asked how much of the building is committed at this point. Mr. Winstanley said he has commitments for 60% of the building, not contracts.

Commissioner Stewart asked what the average size of tenant space is. Mr. Winstanley said it is different for each entity. There are a number of tenants in the 60% that do not include the incubators. There are three larger tenants that would take up 25,000 to 150,000 square feet; however, not all details have been finalized as yet.

Commissioner Stewart asked if the financing is in place. Mr. Winstanley said fortunately yes. The State will likely play a role in a portion of the incubator. He said the financing is largely attributed to several long-term partners, one public REIT and one largely public fund or discretionary fund.

Commissioner Stewart asked how comfortable is the partnership is with moving forward. Mr. Winstanley said all partners have placed confidence in moving forward.

Chairman Forrester asked what universities are involved, or is it collaboration. Mr. Winstanley said he has talked with several universities which hope to have collaborative space within the incubator; however, the university he spoke about was Yale which has been a great catalyst in making the project come together and has a great footprint in the building. They have been a flexible partner in the past and have a medical and science environment.

Commissioner Stewart asked, as he is a resident of New Haven and construction manager in New Haven, what is Mr. Winstanley’s social commitment to utilizing local and minority businesses. Mr. Winstanley said this is an incredibly complicated topic, and part of the decision to move forward is to meet the challenge of job losses and
economic challenges of the pandemic. This project has the ability to bring close to 1,000 construction workers online as soon as August of 2020.

Commissioner Stewart asked what Mr. Winstanley’s personal social commitment is on this project.

Mr. Winstanley said his commitment is 25% MBE and 25% local and will work extremely hard to source local construction talent to work on this. He made the same commitment on the 100 College Street project and achieved it. ($7.5 million worth of construction that went to local minority contractors).

Commissioner Stewart said $7.5 million on a $100 million construction project is not a lot spread across the board. Mr. Winstanley conferred with Mr. Piscitelli who said $7.5 million of wages that were returned is the amount of money transferred to New Haven residents that worked on the job.

Mr. Winstanley said he has a personal commitment and had a hard time finding enough contractors to work on the project. His commitment was to personally help source this and was able to achieve the numbers by:

- Extending credit so they could get supplies;
- Changed policies in terms of payment – contractors were paid every other week so they did not have to float payroll;
- Provided guidance with licenses;
- Provided guidance on insurance requirements;
- Reached out to sub-contractors to be certain they were ready to come to work on site and will continue these practices for this project.

Commissioner Stewart commended Mr. Winstanley on his efforts and asked if he could he take it one step further with contractor mentoring. Mr. Winstanley said he is personally involved with all meetings to assure things are done right. Commissioner Stewart agreed, and said he appreciates his efforts.

Commissioner Stewart asked Mr. Winstanley what he is looking for from the Parking Authority. Commissioner Hausladen shared the Motions regarding the DLDA Agreement, and Attorney Merin said he will answer any questions on the Parking Agreement.

Chairman Forrester asked Mr. Winstanley he is looking for from the Parking Authority in regard to the parking agreement.

Mr. Winstanley said from the standpoint of the parking agreement, he would like to confirm a solid partnership with NHPA which has been a great partner, and he will rely on them to provide much of the parking with a commitment of twenty years plus options to extend.

Commissioner Stewart wanted to confirm the number of spaces they are looking for. Mr. Winstanley said they are looking for between 400 to 550 monthly permits that are dependent on the size of the building. At this time he thinks it will be on the larger end of the spectrum (550) to accommodate tenants that will be coming into the building.

Commissioner Stewart asked if the spaces will be at market rate. Mr. Hausladen said yes. It is a twenty-year parking agreement with three twenty-year extensions and solidifies an eighty-year partnership very similar to the agreement the Authority has with Temple Street Associates (TSA II) for the Temple Medical Garage.
Commissioner Stewart asked if an escalation clause would be included on the rates. Commissioner Hausladen said yes, market rate would be reflected.

Commissioner Stewart asked who provides maintenance. Commissioner Hausladen said as a parking permit holder they will not be responsible for maintenance, the Authority will be accountable for all maintenance and operations.

Commissioner Stewart asked if there is a bond or insurance policy that will back up the eighty-year lease. Commissioner Hausladen passed the question to Attorney Merin.

Attorney Merin said if the enterprise fails, there are termination clauses for both the developer and the Parking Authority. The developer will pay liquidated damages depending on when they terminate. If the Parking Authority is not receiving payment for those permits there is also protection.

Commissioner Orefice asked what is the anticipated start date for parking in the lease. Commissioner Hausladen said they hope for a certificate of occupancy in 2023.

Commissioner Orefice said with the potential for an eighty-year lease, what is the life span of the garage.

Attorney Merin said it is not a lease it is a parking agreement, and he deferred to Mr. Hausladen and Mr. Staniewicz to answer in regard to the life span of the garages. Mr. Staniewicz said the Authority is committed to maintaining the garages and each year condition surveys are completed for all the Authority’s facilities along with continual repair programs that are done. The lifetime can be expanded as much as economically feasible. Mr. Hausladen said each of the components of the garages have various life spans.

Chairman Forrester asked for clarification between a parking agreement and a lease agreement and what would happen if the tenant goes out. Attorney Merin and Attorney Rini provided an explanation.

Commissioner Stewart asked if there was any language in the agreement that allows assignment of permits to a third party. Attorney Rini said permits cannot be assigned to a third party that is not involved with the complex.

Attorney Merin said there were no changes to the parking agreement that was discussed in detail at the last meeting.

Attorney Rini said there were two minor changes to the DLDA that he explained that were agreed to so they can start their approval process.

Attorney Rini also wanted to mention a standing provision that no member of any Board can be involved in the construction of the project.

Commissioner Orefice asked how much tax revenue is estimated to be brought into the City of New Haven from the project. Mr. Winstanley said this project would be of a similar magnitude as the other two buildings (300 George Street and 100 College Street) and based on that, he estimates it to be several million dollars a year in real estate tax revenue for the City. This building will remain taxable for the life of the development agreement.

Chairman Forrester asked about the two items that changed in the DLDA and will those changes require an amendment to the Motion. Attorney Rini said no amendment is needed as the DLDA that is posted on the web site is the final version that includes the changes.

Attorney Merin said the parking agreement was discussed briefly at this meeting and at length at the last meeting; however, he would be happy to review it and he was asked to proceed with a review.

He made the following points:
NHPA is committing to 101 College Street 400 to 550 parking permits for the development of the 101 College Street site. The number of permits depends on the size of the building.

At no point will the number be fewer than 400 or more than 550 permits that will be divided between Temple Medical and Temple Street Garages, with the first 250 at Temple Medical and the balance at Temple Street.

Permits will be issued at the market rate including tax.

There are three additional twenty-year options at the choice of the developer.

Ninety days prior to the commencement date, the developer will let us know the number of permits he is requesting.

During the first seven years of the Agreement, the developer can change the number of permits with ninety-days’ notice.

In the eighth year if the developer reduces the number of spaces desired, that number becomes the new cap.

The agreement provides for a dispute resolution procedure.

The Authority has the right to suspend permits and terminate the agreement in the event of non-payment.

If permit holder is not able to park in either garage, we can put them in the Crown Street Garage. If that happens a number of times during the course of the year, then the developer can reduce temporarily or permanently the number of permits it has.

There is a provision regarding construction in the garages. If one garage is under construction and would not be able to accommodate parkers, the Authority will have the ability to put them in the Crown Street Garage.

Both parties have the ability to terminate the agreement at any time with stipulations.

Chairman Forrester asked if there was any further discussion. Hearing none, he called for a vote on Motion A.


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<tr>
<th>Commissioner</th>
<th>Vote</th>
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<tr>
<td>Chairman Forrester</td>
<td>yes</td>
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<tr>
<td>Commissioner Hausladen</td>
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<td>Commissioner Stewart</td>
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<tr>
<td>Vice Chairman Orefice</td>
<td>yes</td>
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<tr>
<td>Commissioner Curran</td>
<td>yes</td>
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The Motion unanimously passed.

The Chairman thanked Mr. Winstanley and Attorney Kone for joining the meeting.
IV. MOTION B

Chairman Forrester said with this Motion the Authority is requesting approval to enter into a License Agreement with Town Green Special Services District (TGSSD) for their non-exclusive use of the ground area within the silo ramp structure of the Crown Street Garage as a dog park.

Mr. Win Davis, Executive Director, TGSSD, Mr. Matthew Griswold, Deputy Director, and Ms. Francesca Vignola, Events and Communications Coordinator, joined the meeting and provided further explanation.

Mr. Griswold provided some background on TGSSD, who they are and what they do. He said Temple Plaza is one of six public spaces that include the Crown Street Garage helix that is managed by a team of twenty-four TGSSD Ambassadors. The dog park will be an addition to their management program.

He said the City has a serious lack of places where people can take their dogs, and this space is currently underutilized. The Crown Street Garage helix is an optimal area that could be utilized for this purpose. He described what could be done to repurpose the area.

They will provide the following:
- Waste removal and cleanliness,
- Monitoring and filling in pea stone,
- Stocking pet waste bags,
- Regular power washing of benches, waste bins and other services and amenities.

Ms. Vignola said this will not interfere with public enjoyment of the space.

Commissioner Stewart asked how many dogs the park will accommodate. Mr. Griswold said the space is 4,500 square feet and estimates around twenty small dogs or twelve large dogs. He feels there will be twelve dogs there on average and most of the people living downtown have small dogs. Illustrations of what the dog park will look like were shown along with example of other urban dog parks.

Commissioner Stewart asked if there would be daily clean-up/maintenance. Mr. Griswold said signs with rules and regulations will be posted, and the park will be maintained daily. TGSSD has a seven day a week management plan starting with an early morning sweep through and multiple sweeps throughout the day making sure benches are clean and resolution of any issues that are found.

Commissioner Stewart asked how they would be mitigating dog waste. Mr. Griswold said the turf will be sanitized and an all-natural chemical enzyme will be sprayed on the lower open area and upper lawn of the dog park two times a week. If that does not work the routine will be increased.

Chairman Forrester asked about the hours of operation, and Mr. Griswold said it would be dusk to dawn.

Chairman Forrester asked how rules would be enforced, and it was agreed this would be a challenge.

Commissioner Stewart and Ms. Vignola felt most dog owners will pick up after their dogs and will tell those that don’t to do so; basically they police each other. Ms. Vignola said; however, a protocol would need to be developed.

Commissioner Orefice asked about liability. Mr. Griswold said Town Green will fund, insure and manage the area.
Commissioner Curran asked about snow removal. Mr. Griswold said he spoke to Mr. Zdru, Director of Maintenance at NHPA, and Town Green will have the ability to lock and close the park when snow has to be dumped off the ramps. He has worked this out with Mr. Zdru.

Mr. Griswold described the steps of how it would be constructed, using pea stone gravel, drains, etc. They have a quote for fencing. They will have a double gate, water, waste bags, seating, lighting, dog park amenities, etc.

Commissioner Stewart asked where the runoff fluid will drain. Mr. Griswold said the landscaper did a test on the soil to see how it drains, and within 40 minutes, 12 inches of water drained. With the slope of the soil and rock it will drain into a 60 foot basin so there will be no stagnant standing water in the helix.

Mr. Griswold said it is a pop-up dog park that can be dismantled quickly if it becomes necessary.

Commissioner Hausladen thanked TGSSD for joining and appreciates their support.

Chairman Forrester asked if there was any further discussion. Hearing none, he called for a vote on Motion B.

**MOVED THAT THE CHAIRMAN, OR IN HIS ABSENCE THE VICE CHAIRMAN, BE AND HEREBY IS AUTHORIZED ON BEHALF OF THE NEW HAVEN PARKING AUTHORITY TO ENTER INTO A LICENSE AGREEMENT WITH TOWN GREEN SPECIAL SERVICES DISTRICT FOR THEIR NON-EXCLUSIVE USE OF THE GROUND AREA WITHIN THE SILO RAMP STRUCTURE OF THE CROWN STREET GARAGE AS A DOG PARK.**

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<td>Commissioner Hausladen</td>
<td>Yes</td>
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<td>Commissioner Stewart</td>
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The Motion unanimously passed.

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**V. EXECUTIVE DIRECTOR’S REPORT**

**PRESENTATION OF ANNUAL CONDITION SURVEYS FOR 2020 (prepared by Desman Associates)**

Commissioner Hausladen welcomed Mr. Kenneth Sugarman, Sr. Associate and Project Manager from Desman Associates, the on-call engineering firm for the Authority, who presented an overview of the Annual Condition Appraisals for Park New Haven Facilities FY 2020.

He said the Parking Authority has been proactive in having their facilities inspected annually to assure they are in good condition and safe for patrons. He said the facilities are all different, of various ages, and have unique needs. The full, detailed, Desman report is posted on the Authority’s web site. He then provided a brief description for each facility and welcomed questions.
<table>
<thead>
<tr>
<th>Facility</th>
<th>Condition</th>
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<tbody>
<tr>
<td>Air Rights Garage</td>
<td>Good condition. In the process of finalizing waterproofing and concrete repairs, repairs to stair towers and lighting improvements that were planned for 2020 and delayed due to restraints posed by the pandemic. There is quite a bit to be done going forward.</td>
</tr>
<tr>
<td>Under Air Rights Garage</td>
<td>Good condition. The bulk of the work relates to some drainage issues that we will continue to monitor.</td>
</tr>
<tr>
<td>Crown Street Garage</td>
<td>This is a unique structure with a significant project ready to go for bid and will start soon pending funding.</td>
</tr>
<tr>
<td>Temple Medical Garage</td>
<td>Good condition. Concrete project ready to go out to bid as well as lighting improvements and elevator modernization.</td>
</tr>
<tr>
<td>Temple Street Garage</td>
<td>Facility is very unique structurally, architecturally and more heavily utilized. Quite a bit of work is being planned for 2020 including concrete repairs and waterproofing and lighting improvements. In the five-year projection there will be some big costs for elevator upgrades and improvements.</td>
</tr>
<tr>
<td>Union Station Garage</td>
<td>Concrete repairs and waterproofing will be going out for bid soon.</td>
</tr>
<tr>
<td>Union Station Building</td>
<td>Building is very unique architecturally and has historical significance. Various systems, including mechanical and electrical are being looked at.</td>
</tr>
<tr>
<td>270 State Street Garage</td>
<td>Concrete, waterproofing, and drainage repairs and improvements are planned for 2020.</td>
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</tbody>
</table>

He reviewed a pie chart that showed each facility’s share of a total five-year cost projection. It provided a snapshot of how funding is distributed and had an approximate total cost of $50.2M.

Commissioner Stewart asked about the projected costs for 2021 versus the amount of money in the budget. Mr. Sugarman said there are projects in the queue for 2021. The current pandemic has caused challenges with the budget; as a result we have purposely kept costs low.

Commissioner Stewart asked how the estimates compare to actual costs. Mr. Sugarman said Desman uses their parking experience, base budgets and real numbers from similar projects. Commissioner Stewart asked if estimates come within five to ten percent of actual costs. Mr. Sugarman said they try their best and consider inflation factors. He said doing these inspections annually helps, and he works closely with Mr. Staniewicz on contingencies to get the numbers as close to what is practical.

Chairman Forrester said each garage has renewal and replacement costs. He asked if it would hurt us if some repairs had to be deferred. Mr. Sugarman said typically we focus on safety issues such as concrete repairs, waterproofing and drainage. It is a tough time to answer if any projects can be postponed a year or two due to budget restraints.
resulting from the pandemic. We will focus on the several projects that are funded and ready to go and then wait to see what happens with the budget.

Commissioner Hausladen thanked Mr. Sugarman, the Desman team and Mr. Staniewicz and said he is pleased to continue to work with them.

**PRESENTATION FROM KIKI AIR – PROPOSAL FOR DRONE SERVICE**

Commissioner Hausladen introduced Jason Lu, operator of Kiki Air Drone Delivery who presented his proposal.

Mr. Lu said he is a 2020 graduate of Yale University School of Economics. Over the past year he created the drone delivery project as a solution to the challenges presented by COVID 19 with contactless delivery.

Major points that were discussed included the following:

- The drones are small, quiet, contactless robots that can always be seen by the pilots, and all operatives are certified on use of the equipment.
- Due to economics of delivery by car, a drone has the ability to run ten to fifteen deliveries per hour versus three to four using a car, providing a lower delivery charge to the restaurant.
- They have done 300 successful deliveries to Yale University.
- They would like to rent two to three parking spaces on top of the Crown Street Garage and are willing to pay a premium rate for them.

**Questions/Discussion:**

Commissioner Stewart asked how many customers are using the service. Mr. Lu said for a trial we will have 1,000 active users. The parking garage height will provide a better range and provide full potential for technology.

Commissioner Stewart asked Mr. Lu to walk him through the process and he described it to be as follows:

- the user downloads the app, or calls the number;
- car is on top of garage with specific inventory and will be notified of order;
- loader will sanitize and load; and
- pilot will release drone for delivery.

Commissioner Curran asked where do they get their product, and do they have a warehouse. Mr. Lu said from local distributors and restaurants. They order right when needed and will have a van for storage.

Chairman Forrester asked if the maximum altitude they can fly is 400 feet and Mr. Lu said yes.

Commissioner Stewart asked what the range was and Mr. Lu said one mile.

Commissioner Stewart asked if this would be their first attempt at this venture. Mr. Lu said he has created other start-ups in the past but this is the first drone venture.

Commissioner Orefice asked if the Commissioners are voting on this or is it just for discussion. Commissioner Hausladen said the item is for presentation and discussion tonight with the hope possibly to create a pilot program that would provide a lower delivery fee for restaurants to pay. It will be presented for vote at a future meeting.

Commissioner Stewart asked Commissioner Curran, as she is a restaurant owner, what she thought of the project. Commissioner Curran thought it was an interesting proposition.
Chairman Forrester asked if there is any potential liability for the Parking Authority. Attorney Rini said he understands they are requesting to use this facility because the height of the Crown Street Garage provides for the line of sight that is needed. The Authority would not pick up any liability for allowing them to operate from the garage.

Chairman Forrester asked Mr. Lu if there would be a problem to put this on the June agenda for vote. Mr. Lu said late summer would be better operationally for them as most of his associates working on the service as pilots are students and will then be back on campus. Chairman Forrester said this would be an agenda item for July or August since the pilots are currently away. Commissioner Hausladen said this gives us time to prepare license agreements, check on liability, etc.

Commissioner Hausladen thanked Mr. Lu for his presentation.

**Executive Director’s Report (continued)**

Commissioner Hausladen said he has been spending a lot of time on the Authority’s budget and filing of the DLDA and parking agreement.

Due to budget challenges resulting from the significant loss of transient revenue as a result of COVID, he is working on preparing some possible alternate scenarios for funding the PILOT to the City. A call will be scheduled with the Commissioners, Mr. Hausladen and Mr. Seholm for further discussion.

Additionally, he has been coordinating with Mr. Seholm and Mr. Parry on a back-to-work protocol. Mr. Seholm has been able to self-certify with DECD guidelines and the City protocol that Commissioner Hausladen used for Transportation, Traffic and Parking to ensure the safety of employees.

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**VI. SENIOR STAFF REPORTS**

**CHIEF OPERATING OFFICER’S REPORT**

Mr. Parry presented an overview of activity in Operations for the month of April.

**Occupancy Report**

He said there is no encouraging news with occupancy levels. The only garage showing some positive activity is Air Rights Garage due to the hospital being fully functional. All other garages and lots have very low occupancy numbers. He hopes with the reopening of the State on May 20, we will see a ramping up of numbers next month.
Security Report

He said four break-ins were reported – one in the Temple Street Garage, one in Crown Street Garage and two at the State/Wall lot. We have notified New Haven Police Department, and it appears break-ins are occurring across New Haven.

Maintenance Report

He said even with the reduction in staff due to COVID, we continue to hold our schedules and level of maintenance at all facilities, and particularly at Union Station Building.

Community Support

We are in a holding pattern with providing parking for various activities/events for our partners. Events have been suspended in the City due to restraints of COVID-19.

Back-to-Work Protocol

He said we continue to work on developing and putting return protocols in place to run operations.

Chairman Forrester asked if anyone on staff was affected with COVID, and Mr. Parry said not to his knowledge.

CHIEF FINANCIAL OFFICER’S REPORT

Mr. Seholm presented highlights of the financial report for April and discussed the latest 2021 Budget.

He focused on monthly results and said looking at the revenue you can see detail that supports what is transpiring. Basically results are similar to last month and are being driven by the significant decrease in transient revenue.

He said draft #2 of the budget covers the challenges that are being presented as a result of COVID and where we are in the budget process with cash generation. The budget will be presented for approval next month.

He made the following points:

- Revenue maintains our facilities after paying employees, pays the PILOT to the City and pays bonds.

- For Air Rights Garage, there is a higher retention rate for transients due to staff and attraction. The fiscal 2021 budget for Air Rights Garage at this point will be able to support the PILOT that is payable to the City and Hospital as a requirement of the operating agreement, and support a reduced capital program.

- Union Station Transportation Center is not faring well due to a significant transient decline. Low assumptions for return were used for the budget as we have no supporting history that would assume the return to rail travel.

- Estimates by quarter are best guesses based on the opening of economy.

- State Street Garage is not dependent on transients as it caters mainly to residents and can support its operations.

- Granite Square is a management contract.
For the Unrestricted Facilities, this year’s projected cash from operations is able to meet the PILOT and capital reserve needs. In fiscal 2021 a dramatic reduction in transients will be seen. We have been fortunate that our large partners have been retained and are covered by contract.

The budget situation for the Restricted Facilities (Union Station) given the unknown returns in transients is unknown. We don’t know what the numbers will be with remote workers and return of transients.

**Budget Assumptions:**

- Mr. Seholm said for the Unrestricted Facilities, transient parkers won’t come to New Haven if their offices and businesses are closed, and they are working from home.

- Options to cover the PILOT for the City were discussed including an increase to rates at Crown, Temple and Temple Medical Garages to meet the PILOT. Residential lots will not be included. Using a rate increase as an option to cover the PILOT due to impact of COVID could cause parkers to go elsewhere and is not a recommendation, however, a point to use in discussions with the City. We don’t have leverage with our parkers to increase rates due to competition in the market.

**Capital Needs:**

- Mr. Seholm said there are needs as noted in the Desman Condition Surveys; however, only a portion will be moved forward. This includes the elevators for the State Street Garage to ensure safety and the start of design engineering for the elevator projects at Air Rights Garage. The idea of only starting elevator projects in this year is due to our uncertainty of cash flow and inability to fund.

- Without finding for a ready mechanism to support PILOT to the City, we need to be very conservative on the $24 million capital projects that have already been approved for prior years. There will be further discussion with Desman and Engineering on the timing.

He said again this was an informational discussion in regard to the redirection on the fiscal 2021 PILOT and discussions with the City. It does not preclude any mid-year revision to the budget should parking revenue resume.

**Questions/Discussion:**

Mr. Forrester said he agrees with Mr. Seholm and questions whether our current parkers would continue with an over 30% increase.

Commissioner Orefice asked what would happen if we are not able to pay the PILOT to the City. Mr. Seholm said all PILOTs are voluntary with the exception of the $3 million that is split between the City and Yale-New Haven Hospital that is a distribution and requirement of the Air Rights Garage Operating Agreement. The Unrestricted PILOT to the City is voluntary by vote of the Board; there is no contractual obligation associated with it.

Mr. Seholm said he wanted to get draft budget considerations out to the Commissioners for consideration before discussion with the City. He will go through the detailed budget with each of the Commissioners before it is voted on next month.

Commissioner Stewart asked if there was any type of funding available to us from the Federal or State government that would help to mitigate our losses. Mr. Seholm said at this point we are excluded from Federal because we are a government owned entity. He has been keeping track of all our costs as a result of COVID in the event a supplemental program becomes available that we are eligible for.
Commissioner Stewart asked about State funding. Mr. Seholm said we are founded by Special Acts - a State unit owned by the City so we do not qualify. FEMA is our best option.

Commissioner Hausladen spoke briefly about the Cares Act that has passed.

Chairman Forrester said in terms of our PILOT agreement with the City, if we can’t uphold our part how will this affect us, our relationship with the City, going forward. Attorney Rini said the City puts what we agreed to in their budget. If we are not able to pay it, the City goes into a loss. The City’s draft budget will come out in a week or two so our discussions with them need to be started as soon as possible. Commissioner Hausladen said he has already started this conversation with the City. We may have to come back for adjustments to the budget mid-year.

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**CHIEF ENGINEER’S REPORT**

Mr. Staniewicz said he will provide a status on the capital projects that were not already discussed.

There are two new large projects in active design: 1) 270 State Street Garage concrete repairs and waterproofing and 2) Temple Street Garage – construction modifications related to the Downtown Crossing Phase III when the exit on MLK gets closed.

**Air Rights Garage:** For Air Rights Garage, work continues on new rooftop awnings, HVAC system repairs and stair repairs. Other work in regard to waterproofing is dependent on the weather with adverse temperature and rain conditions.

Tenants are also doing work in the commercial space at this facility which the Authority is monitoring.

The City in conjunction with the Downtown Crossing Phase III project is doing drainage work which will impact the Air Rights Garage entrance ramp.

**Union Station Garage:** Some work remains on the boiler/chiller project.

**Union Station Building:** A power shut down at the building took place in May and went well. This was necessary to allow for installation of a surge protection system for the main electrical service and emergency generator.

Chairman Forrester asked if there were any projects that are currently being delayed that can be delayed further, possibly to the next budget cycle. Mr. Staniewicz said we are trying to get the existing projects that are funded out to bid as soon as practical. To revise the scope of work or stop any of the projects that are already in progress will add to the cost.

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**VII. AND VIII. NEW BUSINESS AND OLD BUSINESS**

Mr. Hausladen asked for any new or old business items and none were raised.
IX. EXECUTIVE SESSION

Chairman Forrester moved to go into Executive Session, Commissioner Hausladen seconded the Motion, and Chairman Forrester, and Commissioners Hausladen, Orefice, Curran, Stewart and Attorneys Rini and Merin went into Executive Session at 8:41 PM to discuss a personnel matter.

Chairman Forrester moved to go out of Executive Session, Commissioner Hausladen seconded the Motion, and Chairman Forrester, and Commissioners Hausladen, Orefice, Curran, Stewart and Attorneys Rini and Merin came out of Executive Session at 9:01 PM. No votes were taken.

X. ADJOURNMENT

Commissioner Hausladen moved to adjourn the meeting, Commissioner Orefice seconded the Motion, and the meeting was adjourned at 9:06 PM.