REQUEST FOR ADDITIONAL APPROPRIATION

Instructions: Complete all information in Parts A and B. Have Director/ Department Head sign and date on appropriate lines in Part C. Forward original to OPM Director, 10th Floor. OPM Director will forward to the Boards. Submit to OPM by the 20th of the month in order to be included on the next Board of Finance and Representatives meeting agendas.

Part A - Account	Information				
			Grant Year		FY23
Project #	S33		•	Administration/Grai	<u>nts</u>
Revenue #	243S0003322000			State Assistance	
Expend. #	244XXXX3601	A	ccount Title	CT Communities C	hallenge - ScrapWorks
Source:	Department of Ed	conomic and Cor	mmunity Dev	velopment	
	Req	uest Amount <u>\$</u>	2,528,879	_	
Previous Year's E	Expenditure				
Department Request				-	
Approved by Mayor				-	
Approved by Fina	nce Board	_		_	
Approved by Board of Reps.				-	
Revised Budget				-	
Balance in Account				-	
Projected Exp. &	Enc.	_		_	
The City of Sta Development (properties on F Beer Hall, coffe project will also future prospect	DECD) for \$2,528,8 Pacific Street to crea ee shop, social cowo o create "affordable i	a grant from the 79 to work with o te a year-round orking space, pilo retail" opportunit ch as furniture, f	CT Departnour partner, peer garden ot brewery a les by buildintures, equi	i and food truck lot, a nd tasting room, and	retrofit underutilized an authentic German d event space. The structure required for
Part C - Approval	9	TAX IMPACT	0.000	Mills	
Tait O - Appioval	<u> </u>				
Anita Carpenter		Aug 24, 2022		Lee Berta	Aug 24, 2022
Anita Carpenter, Grants Officer			Lee Berta, Asst OPM Director		

Aug 24, 2022

Sandra Dennies, Director of Administration

Caroline Simmons (Aug 26, 2022 13:16 EDT)

Caroline Simmons, Mayor

Aug 26, 2022



April 6, 2022

Caroline Simmons Mayor City of Stamford Stamford Government Center 888 Washington Blvd. Stamford, CT 06901

Sub: Connecticut Communities Challenge Grant Round 1 Application – City of Stamford (The Scrap Works Initiative Project; 553, 571, 575, 583 and 670 Pacific St.)

Hon. Mayor Simmons:

Congratulations! The Department of Economic and Community Development is pleased to award the **City of Stamford** (City) a grant in the amount of \$2,528,879 in response to your application for funding under the Connecticut Communities Challenge Grant Round 1 Application for the **Scrap Works Initiative Project**.

The grant will be used by the City in partnership with Scrap Works LLC to retrofit underutilized properties on Pacific Street to create a year-round beer garden and food truck lot, an authentic German Beer Hall, coffee shop, social coworking space, pilot brewery and tasting room, and event space. The project will also create "affordable retail" opportunities by building the baseline infrastructure required for future prospective retail tenants such as furniture, fixtures, equipment investments, rent credits, art etc.

This award represents Governor Lamont's continuing commitment to support Connecticut's municipalities in their efforts to improve the livability, vibrancy, convenience and appeal of communities throughout the state.

As a next step, DECD will work with your staff to develop a Financial Assistance Proposal ("Proposal"). This Proposal will outline the key terms of the grant funding as well as any conditions that the City will need to meet in order to access this funding. We expect to deliver a draft document in April/May. Once the signed Proposal is delivered, you will then have fifteen (15) days to accept the terms and conditions, and return the signed document to the project manager's attention. If you do not return the signed acceptance within the allotted time, this offer of assistance may be withdrawn.

Upon receipt of the executed Proposal, DECD will initiate the contracting process and have counsel appointed to draft the Assistance Agreement and other closing documents. The final execution of the Assistance Agreement (DECD Contract) typically takes 6-8 weeks.

The Assistance Agreement will not be executed until the full capital stack and the private leverage value of the redevelopment portion of the proposed project, as presented in the Application, can be confirmed to be committed (e.g., bank term sheets, offer letter from funding agency etc.). The total redevelopment project budget and sources of financing, presented in the Application, are as below:



FUNDING SOURCES	AMOUNT	
CT Communities Challenge Grant	\$2,528,879	Grant
State Innovation Places Grant	\$105,880	Cash
Developer Contribution – Hogg Holdings	\$3,592,900	Cash
Developer Contribution – Twenty Lake Holdings	\$2,181,312	Cash
Developer Contribution – Half Full Brewery	\$712,154	Cash
Bank Financing	\$426,104	Debt
TOTAL REDEVELOPMENT PROJECT	\$9,547,229	

DECD understands that there are many factors to project costing, financing and budgeting and will allow a variance within 10% of these numbers as long as the eligible applicant grant match that is provided is not less than 50% of the grant award. Any exceptions or flexibilities to this requirement will be at the discretion of the Commissioner.

DECD will be requiring you and/or your development partner to provide a non-recourse mortgage lien (value of land) or limited personal/corporate guaranty (value of grant) so that the Applicant/State can recoup the expenses in case the proposed redevelopment project cannot be completed. DECD will accept a subordinated position behind other funding sources. The mortgage or the limited personal/corporate guaranty will remain in place until satisfactory completion of the Redevelopment Project as described in the Project Application.

DECD will also hold a negative pledge and a restrictive use covenant. In addition, DECD will be willing to structure the Assistance Agreement (DECD Contract) to enable a pass-through of the grant to the private partner entity(ies), as long as all participating partners are willing to accept DECD's collateral terms.

Our staff will continue to be available to you and your staff throughout the duration of the project. A DECD Project Manager will be assigned to your project shortly and will be contacting you with directions for the next steps in the process. If you have any questions regarding this award, please contact Binu Chandy at 860-500-2454 (binu.chandy@ct.gov) or Sheila Hummel at 860-500.2405 (sheila.hummel@ct.gov).

Sincerely,

Alexandra Daum Deputy Commissioner

Cc: Binu Chandy, Deputy Director, Office of Brownfield Remediation and Development Sheila Hummel, Director, Small Business & Community Development Unit