

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
THE STATE OF CONNECTICUT
DEPARTMENT OF ADMINISTRATIVE SERVICES
AND
THE CAPITAL REGION DEVELOPMENT AUTHORITY**

This **MEMORANDUM OF UNDERSTANDING** is entered into as of December 20, 2023 by and between the Department of Administrative Services (“DAS”) and the Capital Region Development Authority (“CRDA”) a quasi-public agency of the State of Connecticut:

WHEREAS, DAS is the owner of that certain structured garage facility located at 155 Morgan Street, Hartford, CT (the “Garage”);

WHEREAS, CRDA has been formed pursuant to Chapter 588x of the Connecticut General Statutes for the purpose, amongst other things, to manage facilities through contractual agreements;

WHEREAS, DAS finds it desirable that CRDA manage, or cause to have managed, the Garage for the account of and on behalf of DAS;

WHEREAS, subsections (b) and (d) of section 32-602 of the Connecticut General Statutes enumerates CRDA’s powers including the power “to contract and be contracted with”;

WHEREAS, DAS and CRDA wish to more fully set forth their relationship as provided in this MOU;

WHEREAS, reference is made to that certain parking management agreement dated July 1, 2021 by and between Pro Park, Inc. (“Pro Park” or “Manager”) and the Capital Region Development Authority relating to the Management of Parking Facilities at Adriaen’s Landing (the “Parking Management Agreement”). Capitalized terms used herein and not defined shall have the meaning ascribed to them in the Parking Management Agreement;

WHEREAS, pursuant to the Parking Management Agreement, Manager provides parking management services for multiple CRDA-owned parking facilities, as well as the Garage;

NOW, THEREFORE, in consideration of the foregoing and mutual representations, warranties, agreements, covenants, and guaranties set forth herein, DAS and CRDA agree as follows:

1. **Engagement**. DAS hereby engages CRDA to provide parking management services for the Garage during the Management Term as outlined herein and upon the terms and conditions set forth in the Parking Management Agreement, which is incorporated by reference hereto. Any

future parking management agreement concerning the Garage shall only be effective with the written approval of DAS.

2. Management Term. The Management Term of this MOU shall commence on January 1, 2024 and shall end at midnight on the December 31, 2028, unless earlier terminated pursuant to the provisions of this MOU (the "Management Term"). Notwithstanding anything to the contrary in this MOU, the Management Term of this MOU shall be terminable by DAS, without penalty or cause, upon sixty (60) days' notice of the respective fiscal year ending June 30th.

3. Management Fee. Effective January 1, 2023, as total compensation to CRDA and Manager for providing the services herein specified during the Management Term, DAS shall pay CRDA a fixed annual fee of thirty thousand dollars (\$30,000). Such annual fixed fee is referred to herein as the "Management Fee". The Management Fee shall be payable in equal monthly installments due on or before the last day of each month. DAS may pay this sum directly or direct CRDA to use net operating profits to substitute for this fee.

4. Owner's Objective. CRDA acknowledges that DAS's objectives with respect to the management of the Garage is (i) to provide for the coordinated, integrated, efficient and cost-effective use and operation of the Garage in connection with public and private activities around the Garage; (ii) to maximize Net Parking Revenues; (iii) to provide a convenient, affordable, safe, secure and pleasant parking experience for State employees and visitors to the Garage; (iv) to promote the Garage and attract other daily and monthly parking patrons, particularly during off-peak periods; (v) to provide courteous, neat and professional parking services; (vi) to maintain clean, well-lit and inviting parking and pedestrian areas; and (vii) to operate the Garages with the highest financial integrity and provide a clear, comprehensive system of financial reporting.

5. Scope of Services. During the Management Term, CRDA, through the Manager, shall promote, staff, administer, operate, maintain and manage the Garage in accordance with the terms of engagement and standard of performance set forth in the Parking Management Agreement.

6. Annual Budget. In accordance with Section 2.01(b) of the Parking Management Agreement, CRDA and Manager shall, no later than sixty (60) days prior to the beginning of each Contract Year of the Management Term, submit to DAS an annual budget for the coming Contract Year showing all projected Operating Revenues and Operating Expenses related to the Garage.

7. Capital Improvement Budgets. As part of the budget process pursuant to Section 4.02 of Parking Management Agreement, CRDA and the Manager shall also submit to DAS a budget for the projected Capital Expenditures for each Contract Year covered by an Annual Budget, as well as a projection of Capital Expenditures for the next three (3) years related to the Garage.

8. Meetings. During the Management Term, CRDA and senior supervisors of Manager shall be available as needed to meet and coordinate with DAS and/or its agents regarding management of the Garage including, but not limited to, budgets, parking rates, hours of operation, parking

designs, space layouts, signs, traffic flows, overflow parking, security, parking equipment systems, staffing, and coordination with the operations of the parking facility located onsite at 450 Columbus Boulevard, Hartford, Connecticut.

9. DAS Rights. DAS, shall have, at all times, ultimate authority in all matters involving the promotion, administration, operation, maintenance and security of the Garage and other matters covered by this Revised MOU and the Parking Management Agreement.

10. Records. CRDA and Manager shall keep separate, full and accurate accounting records and maintain a system of bookkeeping adequate for the operations of the Garage in accordance with the approved Accounting System. CRDA shall give DAS access to such books and records maintained at the Garage during reasonable business hours and upon reasonable advance notice.

11. Operating Account. CRDA, through the Manager, shall establish and maintain at the Depository a separate account in its name (the "Morgan Street Operating Account"), which account shall be the only account used by Manager to pay Operating Expenses related to the Garage and shall be used for no other purpose. Manager shall pay in a timely manner all Operating Expenses related to the Garage from the Morgan Street Operating Account in accordance with the Parking Management Agreement. All monies remaining in the Morgan Street Operating Account at the end of the Management Term after payment of Operating Expenses related to the Garage shall belong to and be paid over to the Morgan Street Revenue Account.

12. Revenue Account. CRDA shall, on behalf and for the account of DAS, establish and maintain with the Depository an account in the name (the "Morgan Street Revenue Account") of and subject to the exclusive control of CRDA for purposes of receiving Operating Revenues related to the Garage. All Operating Revenues related to the Garage, in the form received, shall be immediately deposited in the Morgan Street Revenue Account.

13. Operating Deficit. CRDA shall provide written notice of the occurrence of any operating deficit to DAS. Within thirty (30) days of receipt of such notice and upon confirmation of the amount of the operating deficit, DAS shall make a deposit in an amount equal to such operating deficit into the Morgan Street Operating Account. Alternatively, to making a deposit, DAS may direct CRDA, in writing, to transfer funds equal to the deficit from the Morgan Street Revenue Account to the Morgan Street Operating Account.

14. Insurance. CRDA shall cause the Manager to secure and keep in force at all times thereafter during the term of this Revised MOU bonds and insurance policies with coverage limits not less than those set forth in the Parking Management Agreement.

15. Ownership. The ownership of the Garage as well as the Parking Systems and Equipment and all other tangible personal property purchased by or from DAS funds, including buildings and real estate, parking maintenance and office equipment and facilities, furniture, displays, fixtures, vehicles and similar tangible property associated with the Garage shall remain with DAS.

16. Assignment. Neither this MOU nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party hereto; provided, however, DAS's rights under this MOU may be transferred or assigned to any other or successor public entity. Any assignment prohibited hereunder shall be void.

17. No Third Party Beneficiaries. This MOU is for the exclusive benefit of the parties hereto and no rights of third party beneficiaries are created hereby.

18. Amendment. This MOU may be modified or amended only by written instrument signed by the duly authorized officers of the parties hereto.

19. Counterparts. This MOU may be executed in any number of counterparts, and each counterpart shall constitute an original instrument, but all such separate counterparts shall constitute one and the same agreement.

[signature page to immediately follow]

IN WITNESS WHEREOF, the parties executed this MOU as of the date set forth below

Dated: December 20, 2023

**CAPITAL REGION
DEVELOPMENT AUTHORITY**

By: _____



Michael W. Freimuth
Executive Director

DEPARTMENT OF ADMINISTRATIVE SERVICES

By: _____



Michelle Gilman
Commissioner