

Robert J. Park

2020 JAN 15 P 1:39

TOWN COUNCIL MAJORITY OFFICE
TOWN CLERK
EAST HARTFORD
REAL ESTATE ACQUISITION AND DISPOSITION COMMITTEE

JANUARY 15, 2020

PRESENT Angie Parkinson, Temporary Chair; Councillors Awet Tsegai and John Morrison

ALSO
PRESENT Marcia A. Leclerc, Mayor
Rich Gentile, Assistant Corporation Counsel
Eileen Buckheit, Development Director
Mark Charette, Solidus, Inc.
Brian Flemming, Solidus, Inc.
Tom York, Broker, Goman & York
Rich Kehoe, Town Council Chair

CALL TO ORDER

Temporary Chair Parkinson called the meeting to order at 5:19 p.m.

NOMINATION OF OFFICERS

Chair

MOTION By Awet Tsegai
seconded by John Morrison
to **appoint Angie Parkinson as Chair**
of the Real Estate Acquisition & Disposition Committee.
Motion carried 3/0.

Secretary

MOTION By Angie Parkinson
seconded by John Morrison
to **appoint Awet Tsegai as Secretary**
of the Real Estate Acquisition & Disposition Committee.
Motion carried 3/0.

ADOPTION OF RULES GOVERNING MEETINGS

MOTION By Awet Tsegai
seconded by John Morrison
to **adopt Robert's Rules of Order** as the rules that shall govern
parliamentary procedure at all subcommittee meetings, with the exception
that (1) the Chair shall not be required to restate the motion of any

Council member unless requested by another Councillor, or when in the discretion of the Chair, such restatement is necessary to avoid any confusion as to the motion; and (2) where such rules are in conflict with the provisions of the State Statutes, the Town Charter, or Town Ordinances.

Motion carried 3/0.

ESTABLISHMENT OF MEETING DATES

MOTION By Awet Tsegai
 seconded by John Morrison
 to **hold** meetings at the **call** of the Chair.
 Motion carried 3/0.

STORAGE OF RECORDS

MOTION By Awet Tsegai
 seconded by John Morrison
 to **store** records in the Town Council office.
 Motion carried 3/0.

APPROVAL OF MINUTES

October 23, 2019 Meeting

MOTION By John Morrison
 seconded by Awet Tsegai
 to **approve** the minutes of the October 23, 2019 meeting.
 Motion carried 3/0.

OPPORTUNITY FOR RESIDENTS TO SPEAK

None

NEW BUSINESS

Sale of 1450 Main Street to Solidus, Inc. or an Affiliate

Eileen Buckheit, Development Director, began a discussion on the background of this property. The building at 1450 Main Street housed the Second North School. Since 1999, it has been leased to a catering business known as "Tastebuds". The current owner of Tastebuds chose not to renew his lease which expired June 2019. The Town made some necessary repairs on the building, which included the roof, cupola, some wiring and exterior wood trim. An invitation to bid on the sale of 1450 Main Street was published

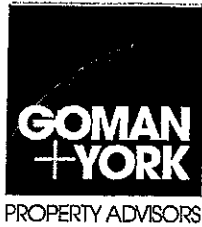
twice. The first bid – July 1st through August 27, 2019 – received no responses. The second bid – December 13, 2019 through January 2, 2020 – garnered one response. That bidder was Solidus, Inc. Mr. Charette, the CEO of Solidus, explained that they are a design/build company who will occupy the building – once purchased and renovated – with his office staff of approximately 25 people.

MOTION By Awet Tsegai
seconded by John Morrison
that this committee, having reviewed Town of East Hartford Bid # 20-13 with respect to the sale of 1450 Main Street (the "Property"), and the bid response of Solidus, Inc., the only bidder with respect to Bid #20-13, and having reviewed an appraisal of the Property dated October 26, 2017, and prepared by Wellspeak, Dugas & Kane, L.L.C., recommend that the Town Council hold a Public Hearing as required under Connecticut General Statutes section 7-163e, and vote to transfer the Property by Quit Claim Deed to Solidus, Inc., or an affiliate wholly owned by Solidus, Inc. and/or its principals and/or officers, for the sum of \$352,000 pursuant to the terms of Solidus, Inc.'s January 2, 2020 "Response to Town of East Hartford Bid #20-13/1450 Main Street, East Hartford, CT," a copy of which is attached hereto.
Motion carried 3/0.

ADJOURNMENT

MOTION By Awet Tsegai
seconded by John Morrison
to **adjourn** (5:39 p.m.)
Motion carried 3/0.

cc: Town Council
Marcia Leclerc, Mayor
Rich Gentile, Assistant Corporation Counsel
Eileen Buckheit, Development Director



January 2, 2020

Michelle A. Enman
Purchasing Agent
Town of East Hartford
740 Main Street
East Hartford, CT 06032

RE: Response to Town of East Hartford BID #20-13 / 1450 Main Street, East Hartford, CT

Dear Ms. Enman:

We are pleased to respond on behalf of our client Solidus Inc. ("Purchaser") to the Town of East Hartford for the purchase of the property located at 1450 Main Street, East Hartford, CT. Goman+York Property Advisors has been authorized to issue this letter of intent and is pleased to assist in the process.

The following sets forth the basic terms and conditions upon which the Purchaser is willing to negotiate a final purchase and sale agreement (PSA).

Descriptions: The fee simple interest in the 1450 Main Street, East Hartford, CT, a commercial building comprise of 6,430 sq.ft. plus a finished basement comprised of 2,388 sq. totaling 8,818 sq.ft. situated on 1.22-acres. ("Property").

Seller: Town of East Hartford

Purchaser: Solidus, Inc or its assignee

Purchase Price: **Three Hundred Fifty-Two Thousand Dollars (\$352,000).**
As is customary, Seller pays real estate conveyance taxes (if any), transfer fees (if any) special assessments (if any), and similar costs related to the purchase and sale; all to be more specifically listed in the PSA.

Deposit: Upon execution of the Purchase and Sale Agreement (PSA), Purchaser shall deposit Ten Thousand Dollars (\$10,000) with a mutually acceptable escrow agent. The deposit shall be fully applied to the purchase price or refunded due to any unacceptable Due Diligence or Contingency items.

Due Diligence Period: Upon full execution of the PSA shall have the earlier of the date of notice of waiving the Due Diligence contingency or a period of up to thirty (30) days to complete its Due Diligence of the Properties which may include, but not be limited to a review of all leases, contracts, operating statements, property inspections, renovations plans, warranties, title, environmental

GOMAN+YORK PROPERTY ADVISORS, LLC

Thomas D. York, SIOR, Principal T 860-528-0569 C 860-416-2239 tyork@goman+york.com
111 Founders Plaza, Suite 101, East Hartford, CT 06108
www.goman+york.com



Response to Bid #20-13 re: 1450 Main Street, East Hartford, CT
January 2, 2020

reports and any other elements affecting the property that Purchaser wishes to review.

Within five (5) days from the execution of the Letter of Intent, Seller shall deliver to Purchaser any reports, appraisals, operating statements, leases, surveys, environmental reports, etc. in its possession and available to Seller related to the Property upon the execution of the Purchase and Sale Agreement. Purchaser and Purchaser's agents and contractors shall have reasonable access to the Premises to conduct its property inspections, to conduct environmental analysis, including testing, and to review renovation plans during the due diligence period.

Approval of any of the aforementioned Due Diligence items shall be at Purchaser's sole discretion. If Purchaser deems any Due Diligence item to be unacceptable in its sole discretion, it may cancel the Purchase and Sale contract and Purchaser's deposit shall be refunded promptly.

Title:

The condition of the title to the Properties must be acceptable to Purchaser in all respects in its sole discretion. If the Purchaser is unsatisfied with the status of title of the Properties, in its sole discretion, the Purchaser may cancel the Purchase and Sale contract and Purchaser's deposit shall be refunded promptly. Seller shall convey fee simple title to Purchaser at the closing by warranty deed. Purchaser's title review shall be conducted during the Due Diligence period.

Closing:

Closing shall occur within fifteen (15) days after the Due Diligence Period.

Risk of Loss:

Risk of loss regarding the Property shall remain with the Seller until closing.

Counterparts:

This document may be executed and delivered in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and of which shall constitute one and the same instrument. A facsimile or portable document format (PDF) of a signature shall have the same legal effect as an originally drawn signature.

Brokerage:

In the event a transaction is completed, Goman+York shall be paid a sales commission by the Purchaser pursuant to a separate agreement.

Documentation:

Promptly following the execution of this LOI by Seller, Purchaser will submit a PSA for Seller's review, including incorporating the terms, conditions, provisions set forth herein, Seller and Purchaser will utilize their best efforts to enter into the PSA in accordance with the terms of this LOI within fifteen (15) days after Purchaser's receipt of the initial draft.

GOMAN+YORK PROPERTY ADVISORS, LLC

Thomas D. York, SIOR, Principal T 860-528-0569 C 860-416-2239 tyork@gomanwork.com
111 Founders Plaza, Suite 101, East Hartford, CT 06108
www.gomanwork.com




Response to Bid #20-13 re: 1450 Main Street, East Hartford, CT
January 2, 2020

The offer is an outline of major sales provisions only and is neither a binding legal agreement nor should it be construed as a legal offer to purchase. Neither Purchaser nor Seller shall have any obligation resulting from this proposal, nor shall any obligation or liability be incurred by either party until and unless a purchase and sale agreement is executed by both parties. All terms not addressed in this proposal are subject to the final terms and conditions of a mutually agreeable purchase and sale agreement. In the event a purchase and sale agreement cannot be agreed upon and executed by the parties, or the transaction is not approved by the parties hereto, regardless of the reason, then neither party will have any liability hereunder, notwithstanding that either or both parties may expend substantial efforts and sums in anticipation of entering into a purchase and sale agreement. **This offer shall remain effective for a period of fourteen days from the date of the Bid Opening.**

If the foregoing is agreeable, please acknowledge by signing and returning a copy of this letter to my attention.

Please call me at 860-614-8445 if you have any questions. We look forward to working with you on a successful transaction.

Sincerely,


Jonathan Cohn
Senior VP

Agreed and Accepted: Purchaser

BY: _____

NAME: _____

TITLE: _____

Agreed and Accepted: Seller

BY: _____

NAME: _____

TITLE: _____

GOMAN+YORK PROPERTY ADVISORS, LLC

Thomas D. York, SIOE Principal T 860-528-0563 : C-860-416-2239 tyork@gomanyork.com

111 Founders Plaza, Suite 101, East Hartford, CT 06108

www.gomanyork.com