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#### TOWN COUNCIL MAJORITY OFFICE

TOWN CLERK

# REAL ESTATE ACQUISITION AND DISPOSITION COMMITTEE HARTFORD

JULY 16, 2019

PRESENT

Linda Russo, Chair, Councillors Ram Aberasturia and Caroline Torres

ALSO

Marcia Leclerc, Mayor

**PRESENT** 

Rich Gentile, Assistant Corporation Counsel Christopher Pliszka, Finance Director, EHHA

Gregg Burton, Attorney for EHHA

Helen Muniz, Carabetta

East Hartford Housing Authority Commission Members:

James Kate, Chair

Hazelann Cook and Prescille Yamamoto (arrived 6:10pm)

#### CALL TO ORDER

Chair Russo called the meeting to order at 6:02 p.m.

#### APPROVAL OF MINUTES

#### June 20, 2019 Meeting

MOTION

By Caroline Torres

seconded by Ram Aberasturia

to approve the minutes of the June 20, 2019 meeting.

Motion carried 3/0.

#### OPPORTUNITY FOR RESIDENTS TO SPEAK

None

#### **NEW BUSINESS**

#### 78 North Meadow Lane

Rich Gentile, Assistant Corporation Counsel, reported that the Administration believes this property does not add any value to the town. Therefore, the Mayor has no interest in

pursuing the acquisition of this parcel. The property is currently listed under the Estate of Lois H. Petersen, in c/o of Russell Petersen and Elaine Campbell, co-executors.

The Committee directed Attorney Gentile to communicate with the co-executors of 78 North Meadow Lane that the town is not interested in acquiring this parcel of land.

No further action needed at this time.

#### OLD BUSINESS

#### Columbus Street Extension - Veterans Terrace

Chair Russo, with Attorney Gentile, reviewed the latest offer from the East Hartford Housing Authority (EHHA) with the Committee. Attorney Gregg Burton also commented on the clarity of the offer in the July 5<sup>th</sup> letter (attached).

Mayor Leclerc voiced the following concerns on this issue: (1) the Town Council that will be elected this November will consist of 5 new members and, therefore, decisions made now will be binding on future Councillors; (2) believes that the property at 546 Burnside Avenue is significantly important to the town's development plans; and (3) the town cannot adhere to the 30-day Offer Notice as set forth in the July 5<sup>th</sup> letter.

#### Discontinue Columbus Circle Extension

#### MOTION

By Ram Aberasturia

seconded by Caroline Torres

that this Committee recommend that, subject to receipt of Connecticut General Statute Section 8-24 approval from the Planning and Zoning Commission, the East Hartford Town Council discontinue the road known as Columbus Circle Extension, as shown on the attached map, in accordance with the provisions of Connecticut General Statutes Section13a-49 including, but not limited to, providing appropriate mail notice to abutters, and placing required signage on Columbus Circle Extension, not less than thirty days prior to the date of the meeting during which discontinuance will be voted upon.

Motion carried 3/0.

### Approval of Conveyance of Columbus Circle Extension to the EHHA

MOTION

By Ram Aberasturia

seconded by Caroline Torres

that this Committee (1) not seek bids with respect to the transfer of Columbus Circle Extension a.k.a. Columbus Street Extension (the "Property"); (2) negotiate directly with the Housing Authority of the Town of East Hartford which is interested in acquiring the Property; (3) recommend that the Town Council waive the appraisal requirement set forth in Town Ordinances 10-19 (c); and (4) recommend that the Town Council transfer

the Property by Quit Claim Deed to EHHA for \$5,000 and a right of first refusal on 546 Burnside Avenue, East Hartford, Connecticut as set forth in the attached July 5, 2019 letter, subject to Connecticut General Statute 8-24 review and a Connecticut General Statute Section 7-163e public hearing.

Motion carried 3/0.

#### **ADJOURNMENT**

MOTION

By Ram Aberasturia seconded by Caroline Torres to **adjourn** (6:18 p.m.) Motion carried 3/0.

CC:

Town Council
Marcia Leclerc, Mayor
Rich Gentile, Assistant Corporation Counsel
Gregg Burton, Attorney, EHHA
Christopher Pliszka, Finance Director, EHHA
Helen Muniz, Carabetta Enterprises
James Kate, Chair, East Hartford Housing Authority
Hazelann Cook, East Hartford Housing Authority

## **East Hartford Housing Authority**

546 Burnside Ave, East Hartford, CT 06108



Main Office 860-290-8301 Maintenance\24 Hour Emergency

860-290-8300

TDD 1-800-545-1833 ext 216

Finance Dept Fax 860-290-8308

Leasing Dept Fax 860-289-1688

www.ehhousing.org

July 5, 2019

Via hand delivery

Real Estate Acquisition & Disposition Committee Town of East Hartford Town Council 740 Main Street - 2nd Floor East Hartford, CT 06108 Attention: Linda Russo, Chair

Re: Town of East Hartford Discontinuance and Conveyance of Columbus Circle Extension, East Hartford, to the Housing Authority of the Town of East Hartford

Dear Chair Russo and Members of the Committee:

Thank you for the opportunity our team had at the Committee's June 20, 2019 meeting to further discuss the Town of East Hartford's ("Town") discontinuance and subsequent conveyance of Columbus Circle Extension a/k/a Columbus Street Extension ("Road") to the Housing Authority of the Town of East Hartford ("EHHA"). As you know, the discontinuance and subsequent conveyance of the Road is a critical requirement needed to facilitate the next phases of the Veterans Terrace development. Further, and as we have discussed at both the Committee's June 20, 2019 and May 15, 2019 meetings, the deadline for applying for tax credits for the next phase of Veterans Terrace is expected to be November 1, 2019, and EHHA must have site control of the Road by that time in order to satisfy application criteria. In order to meet that deadline, and with timing now critical, the Road discontinuance and conveyance process must begin immediately.

At the Committee's June 20, 2019 meeting, the Committee and our team discussed EHHA's prior offers to the Committee dated June 5, 2019 and May 15, 2019. Following those discussions, EHHA hereby submits for review and consideration by the Committee and Town Council a final proposal. In exchange for the Town's discontinuance and subsequent conveyance of the Road to EHHA in order to facilitate the Veterans Terrace redevelopment, EHHA will:

- 1.) Grant the Town a right of first refusal ("ROFR") on EHHA's property at 546 Burnside Avenue ("Burnside Property") on the following terms:
  - a. For a period of five (5) years commencing on the date the Road is conveyed to EHHA ("ROFR Period"), EHHA will not transfer, sell, assign, give, or otherwise dispose of the Burnside Property to any third-party (a "Third-Party Transaction") without first offering the Burnside Property for a period of thirty (30) days to the Town as provided below.
  - b. If, during the ROFR Period, EHHA receives a bona fide written offer for a Third-Party Transaction that EHHA desires to accept ("Third-Party Offer"), EHHA will, within five (5) business days following EHHA's determination to accept the Third-Party Offer, notify the Town in writing of such Third-Party Offer ("Offer Notice"), including a copy of the Third-

JAMES KATE CHAIRMAN PRESCILLE YAMAMOTO VICE CHAIRMAN JOHN CARELLA TREASURER HAZELANN COOK COMMISSIONER KATHLEEN STEPHENS COMMISSIONER DEBRA BOUCHARD ENECUTIVE DIRECTOR RALPH J. ALEXANDER LEGAL COUNSEL

EQUAL HOUSING OPPORTUNITY



EQUAL OPPORTUNITY EMPLOYER

Party Offer. The Town will then have the right to purchase the Burnside Property on the same financial and other terms and conditions of set forth in such Third-Party Offer ("Material Terms"); provided, however, that the Town shall not be entitled to a financing contingency, regardless if one is provided or contemplated in the Third Party Offer or as part of the Material Terms. Subject to the foregoing limitation, the Offer Notice will constitute an offer made by EHHA to enter into an agreement with the Town on the same Material Terms of such Third-Party Offer ("ROFR Offer").

- c. Within thirty (30) days from receipt of the Offer Notice ("Exercise Period"), the Town may accept the ROFR Offer by written notice to EHHA ("Exercise Notice"). The Town's failure to deliver the Exercise Notice to EHHA by the expiration of the Exercise Period will be deemed a rejection of the ROFR Offer, and EHHA may consummate the Third-Party Transaction.
- d. If the Town delivers a timely Exercise Notice, the Town and EHHA will execute a binding contract for the purchase of the Burnside Property consistent with the ROFR Offer within ten (10) days.
- e. The ROFR will: (i) not be assignable to any other person, and (ii) be subject to compliance with any legal requirements imposed by the United States Department of Housing and Urban Development and/or the State of Connecticut Department of Housing with respect to the disposition of EHHA real property; and
- 2.) Pay the Town \$5,000 as consideration for the Road, which would be paid upon completion of the discontinuance and conveyance of the Road to EHHA, such payment and amount being consistent with the Town's past practice of requiring grantees of Town property to pay nominal consideration for such properties.

With the tax credit application deadline fast approaching, we appreciate your prompt attention to this revised and final offer.

Should you have any questions concerning this revised offer or the Veterans Terrace project, our team will be happy to answer them at your upcoming July meeting.

Very truly yours,

Debra Bouchard Executive Director

Debra Bouchard

cc: EHHA Board of Commissioners Gregg T. Burton, Esq.