

*Stacy Gruning* CTC  
TOWN CLERK

EAST HAVEN TOWN COUNCIL  
PUBLIC HEARING MINUTES  
TUESDAY, DECEMBER 4, 2018

In accordance with Chapter III, Section 6 of the East Haven Town Charter, the East Haven Town Council Hearing Committee held a public hearing meeting Tuesday, December 4, 2018, at 7:00PM at the East Haven Senior Center, 91 Taylor Avenue, East Haven, CT 06512.

Chairman Ken McKay calls the meeting to order at 7:00PM.

**Item #1**

Roll Call for Hearing Committee-13 present-2 absent (Badamo and Butler III).  
A quorum is present.

Chairman McKay recognizes Mayor Joseph Maturo Jr.

- Mayor Maturo addresses the Council members and residents and states that because the Council's deliberations about the old high school tonight will shape the fabric of our community for generations to come, he thought it critical to appear before them to remind them of the history of the property, his feelings of almost 18 years of dealing with this issue and to impress upon them the need to bring finality to the process of redeveloping and restoring the property, and to ask for their unanimous support of the proposal. Generations of our Town's residents, including many of them on this very Town Council, have graced the halls of our iconic old high school. For so many, it's classrooms and halls bore witness to some of the fondest parts of our young lives - including first loves, warm friendships, graduation and for those mischievous ones in attendance tonight, memorable stints in detention. Twenty-one years ago, when the Town launched its new flagship high school on Wheelbarrow Lane, it simultaneously shackled the doors on 200 Tyler Street without a clear re-use plan in place. Since that time, four administrations and eleven Town Councils have kicked this political football back and forth without getting it over the goal line. Over that time, and despite good faith attempts to put the building back into productive use, the building has languished and fallen into disrepair. Its halls and classrooms are routinely vandalized, its key components are rapidly failing, and it operates at a net loss to the Town including expenses and lost tax revenue of over \$260,000

dollars per year. But all of that can and should change tonight. Immediately following the 2015 election, he tasked a Blue Ribbon Commission which was made up of residence from across our town and from both sides of the political isle, to solicit community input and identify the highest, best, and most cost efficient uses for the property. Many great recommendations came out of those public meetings. The theme from the committee was, age-restricted housing, and to keep the back half of this school in the towns possession for community use, meaning the gym, pool, and auditorium. Acting on the recommendations of that commission and his ad hoc land disposition committee he engaged the Town with Boston-based "Winn Development" to redevelop the property for those mixed community uses. Two and a half years later, hundreds of hours of work later, following several competitive applications for over \$20.8 million dollars in State and Federal financing, Winn and the Town have a redevelopment plan in place that will transform our iconic old high school into a flagship, age-restricted housing center and a recreational, civic, and artistic hub for our community. The tax benefits and operational savings generated from the proposal are both clear and substantial, substantial enough to finance millions of dollars in improvements to the rear of the building with zero effect on the mill rate. The quality of life benefits of the project are clear and substantial, this proposal will transform our center of Town, improve property values, and provide a safe, nurturing, and permanent home to a number of civic and community groups. Tonight he is asking the Council to place trust in our Town's team of experts - our economic development guru Sal Brancati and our Town Attorney Joseph Zullo, and Winn Development. Tonight, he is asking them to remove their "political hats" and give their bipartisan, unanimous support to a proposal that we all know in our hearts is in the very best interests of this community. Tonight, they have the opportunity to fix twenty-one years of political and bureaucratic gridlock. With their bipartisan support, we can restore our iconic old high school so that our children and future generations can share in its memories and good will. On behalf his entire administration, he thanks them for their careful deliberation tonight and for what he hopes will mark the beginning of an exciting new chapter for our iconic old high school.

- Sal Brancati-Director of Administration & Management addresses the Council and public to explain what the project is not as there have been several comments that were made that he thinks clarification is necessary for. This project is not a shelter it is not transit housing it is not temporary housing. It is permanent residential housing; it is home for people that qualify to take residency here. You must pass qualifications to be a resident of this facility. It is a public/private partnership between Winn Development and the Town of East Haven. During the blue ribbon commission meetings that the Mayor alluded to, comments were made with regard to using this as a community center. He thinks

we have accomplished this goal in our public private partnership with Winn by keeping the pool, gym, auditorium, historical society, teen center, etc. all available for community use. There were also comments made regarding Columbus House and their involvement in this project. He would like to make it clear that Columbus House is not a leasing agent for Winn Development, they will not be soliciting or bringing residents to this property; Winn does their own leasing and own screening and background checks. Columbus House plays a role if needed; there are support services, which can be health services, rides to the doctors, transportation, employment, etc. if someone so seeks it but it must be a resident of the facility to qualify to use those services. But they are not there to bring tenants to the building for occupancy.

## **Item #2**

To conduct Public Hearing #1 regarding "An Ordinance Conveying the property located at 200 Tyler Street to 200 Tyler, LLC, or its Designee."

### **AUTHORIZING ORDINANCE OF THE East Haven Town Council**

#### **An Ordinance Conveying the property located at 200 Tyler Street to 200 Tyler, LLC, or its Designee**

**WHEREAS**, the Town of East Haven is the present owner of real property located at 200 Tyler Street, East Haven, Connecticut and identified by the following map, block, and lot number: "180/2313/001" (hereafter, "the Property").

**AND WHEREAS**, by memorandum dated January 20, 2014, the Town's Ad-Hoc "Land Disposition Committee" issued an opinion finding that the highest and best use for the property, given the responses to the aforementioned RFQ/RFP, would be to sell the property to WinnDevelopment Company Limited Partnership or an affiliate (hereafter, "Winn") for development as mixed income, affordable senior rental housing, with the twin goals of preserving the historic nature of the building and renovating, modernizing, and retaining the gymnasium and pool facilities as two separate projects located at the Property for use by the Town's residents;

**AND WHEREAS**, by memorandum dated February 11, 2016, the ad hoc Blue Ribbon Commission issued a recommendation to Mayor Joseph Maturo, Jr. to dispose of and/or redevelop the Property as a mixed-use project and identifying a number of development objectives;

**AND WHEREAS**, on March 22, 2016, the East Haven Planning and Zoning Commission issued a favorable 8-24 Referral to the Town Council for a general "mixed use" disposition plan for the Property.

**AND WHEREAS**, on September 29, 2016, the East Haven Town Council passed a resolution authorizing Mayor Joseph Maturo, Jr. to sign a "Development and Property Disposition Agreement" between Winn and the Town of East Haven regarding the property to facilitate Winn's application for State and Federal financial resources to finance its development of the Property.

**AND WHEREAS**, Winn has successfully secured all necessary State and Federal financing sources to facilitate the development of the Property;

**AND WHEREAS**, the Town and Winn wish to consummate the purchase and sale of the property and undertake the joint development and rehabilitation of the Property;

**NOW, THEREFORE, BE IT ORDAINED** by the Town Council of the Town of East Haven that the conveyance of 200 Tyler Street, East Haven, Connecticut to 200 Tyler LLC, , is hereby approved for the sales price of \$1,740,000.00, subject to a sales price credit of \$1,240,000.00 representing:

- (a) the Town's "municipal contribution" to the project in satisfaction of State LIHTC application guidelines;
- (b) an appropriate sales price credit given that Winn is not purchasing the entire property, the Town and Winn will occupy roughly equal portions of the building post-development.
- (c) An effective sales prices as represented in the project budget is \$500,000.

**BE IT FURTHER ORDAINED** that the Town, acting by and through its Mayor or his designee, is authorized to execute amendments to the operative land disposition agreement between the Town and Winn memorializing said sale to ensure consistency with this ordinance and to enter into any agreements, including the condominium documents necessary to create the condominium, and execute any and all related deeds, easements (including construction easements) and documents in order to effectuate the contemplated conveyance and development of the Property.

**BE IT FURTHER ORDAINED** that Town Council hereby approves, and authorizes Mayor Joseph Maturo, Jr., or his designee, to execute a "Declaration of '200 Tyler Street Condominium,'" and accompanying "By-laws" in substantially the form as presented to this council along with any other documents necessary to give effect thereto and to have same recorded as part of the conveyance contemplated herein.

This Ordinance shall be effective in accordance with the provisions of the East Haven Town Charter.

Submitted by: Danelle Feeley, Council Clerk  
 Approved by: Joseph Maturo, Jr., Mayor  
 Received by: Stacy Gravino, Town Clerk

Date: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Date: \_\_\_\_\_

Adam Stein, David Ginsberg and Matt Robayna from Winn Development are in attendance and present a power point presentation of their proposal. **(Full document filed in the record and online)**

- Mr. Brancati presents the slides regarding the rear section of the building which is going to be the community section of the project. The rear lot will be the entrance of the pool, gym, and auditorium off of Ure Street. It is the Town's intent to renovate the pool 100% and bring it up to a new standard as when it was first built. He references photos of the plans and mentions there are new lockers, concession stands and bleachers. They will also move the recreation department there with additional meeting rooms and offices for the staff. In the front section of the auditorium they will construct new council chambers. For the gymnasium they will be doing flooring, lighting, bleachers, concession areas, etc. and it will be a state of the art facility. The auditorium is also a great opportunity for the arts commission and possibly play or movie use for residents that live there and other residents in Town. It can be looked into in the future for renting it out as a revenue generator for the Town. On the 2<sup>nd</sup> floor to the left of the gym and auditorium they will be bringing the historical society back with space for display and storage and on the right side they will bring the teen center back to where it was originally housed. The pool, gym, historical society, teen center, etc. this is clearly a community center for the Town as we heard clearly from the residents after the public hearings that a community center was wanted here. He says parking is more than adequate for the uses here; they will still maintain the parking on the right hand side and parking behind the pool remains the same.

Public comment:

- Michele DeLucia-325 Mansfield Grove Road- Mrs. DeLucia indicates that she is there tonight to represent the Board of Education. She says the proposal from this evening looks very impressive especially the community center portion. Time will tell if this come to fruition. The facility in the meantime is unsafe and not up to par and she knows there is a lot of concern especially with Biddy Basketball parents. She added an agenda item for next Tuesday proposing that the school district remit Sal Tinari Biddy Basketball program the use of their buildings as needed, she believes the school district can absorb the cost of the facility use in the operating budget without a severe impact. But this offer would be contingent upon the Town agreeing to cover all costs associated with security and custodial services. She says their budget is not what they would like, it never will be and they will always want more but with the necessary financial assistance from the Town, they can provide the children and their families a safe environment affective immediately. They have Ferrara open for whenever it is needed, Tuttle is available for use except for Tuesday and Thursdays, Momauguin is open for use, Overbrook will be made open for use and JMMS is open on Saturdays and

Sundays. Again, they would absorb the facility costs such as heating, lighting, etc. except for custodial and security.

- Town Attorney Joseph Zullo says with regard to the transition and with regard to Bidby Basketball it is everyone's intent that they have a home throughout the entire process and that all the activities in that building will continue in some fashion somewhere else. It's great to know they have a partner in the Board of Education, they will be asking tonight that some of the monies from the purchase price be earmarked for initial development costs including engineering and architecture but also to cover some of those transitional costs. So not only do we have a partner in the Board of Education but also we have monies to back it up.
- Bill Richardson-136 Bennett Road- Mr. Richardson says he is in favor of this project; he had the opportunity to vote for this twice, once as a referral from the planning and zoning commission and once as a town council member in 2016. He initially wanted a community center and he voted for it in the non-binding vote that was taken many years ago. It became obvious that it would be expensive for the Town to burden itself financially for a community center, which could cost \$20 million dollars or more. He thinks the proposal tonight shows a tax income stream for the town as well as components of the community center such as the pool, basketball courts, auditorium and much needed council chambers. The concern he has is the same he had two years ago which was parking, with 70 units some 1 bedroom some 2 bedrooms, he doesn't think 86 spaces is enough. It's better than the 72 spaces in a previous proposal two years ago but many apartments have two bedrooms so with 35 having two bedrooms, that could be 70 cars plus 35 units with 1 bedroom is another 35 cars, so you would need at least 105 cars plus approximately 25 visitor spaces leaving his estimate at 130 spaces needed. He would like to see the proposal move forward but also add some additional spaces and come closer to 125-130 spaces.
- Mr. Brancati explains that zoning has approved this based on zoning regulations for 55+ facilities, which requires 1 space per unit, which would be 70 spaces. So they took visitors into consideration and they put 86 spaces. He understands the comments but they aren't required to add any more spaces and they didn't want to give up any more of the property than they need to. The demolition of the 73-wing accommodated the necessary parking to meet zoning regulations. Some people may raise the question on the deed restriction for 55+ and the reality is that this was approved under a special exception and this would never change. If they were to drop the 55+ component after 30 years and wanted it open to any age group at all, they could not do that and comply with zoning. Our regulations are 2.5 spaces per unit so they would need close to 200 spaces to meet zoning regulations, which would be impossible to accommodate on that site.
- Mary Varunes-123 French Ave- Ms. Varunes states that she has lived in East Haven for 35 years raised two daughters here and she lives behind the old high school. She explains that they have a big rat problem in their neighborhood and

on Thompson Ave. She called the health department and someone came over and said they would fumigate again and they never saw him again and the problem is still there. It's still a problem in the school where the kids are playing basketball; it's great that the board of education is going to step up and help. She is concerned because her back yard butts up against the school with the rats. She has never seen a rat in 35 years until recently and nothing is being done about it. Her main concern is the parking; there aren't that many spaces over there. There's one way in off Ure Ave and one way in from Tyler Street and only one car can get through. She asks what they are planning to do with the houses there; are they planning to take their properties for more parking? They will need a lot of parking not just for residents but also for other things going on there. She also asks what will happen to her property value. She also asks if they will contain all of the dust during construction. She also wants them to be transparent so the neighbors know what is going on, some people didn't know about the project.

- Mr. Brancati mentions that the 73-wing on the left side is going to be gone and used for parking.
- Attorney Zullo says all plans for this development are that it be contained within the property lines of the building; there are zero intentions to take any property from any private citizens in order to make this project work. As far as property values go, we are talking about a \$30million dollar investment in the center of Town and allowing the Town to spend LOCIP funds and other state funds to improve sidewalks, streetscape, etc. as part of the application to DOH. Because of that, we see it as something that is going to improve property values because they are currently looking at an eyesore and will be looking at a flagship facility that is going to be on the state historic register and national historic register. He says all precautions will be taken with regard to proper dust control measures, all construction will be done in compliance with vpa standards. Everything they do they will ensure is safe for everyone around them. In the past they have done this and can look into doing it again which is a good neighborhood program, he is sure Winn Development can set up a website or email list for updates.
- Fred Parlato-146 Tyler Street- Mr. Parlato says as Chairman of the Council he approved this proposal. He represents almost a million dollars in real estate in his family; they own five houses within walking distance of this project one of the properties abuts it. He has watched the property deteriorate in the 40 years he lived on Tyler Street and the 79 years in East Haven. He doesn't see anyone else coming in to do anything different; they had one proposal aside from this from Meridian LLC that nobody voted for. East Haven has to do something with the building; it is a financial drain. We need a community center; a building that services the elderly and the young and this fits the bill. He asks all of them to put their political opinions aside and do what is best for the Town of East Haven and

the taxpayers; vote for this project because it is a good deal and the only one on the table. We need to do it and need to do it now.

- Marsha Davis-79 Tyler Street-Ms. Davis says she has lived here 25 years. Her biggest concern is with affordable housing. They said this can't be changed for 30 years and then at that point it becomes a parking space issue. She doesn't want to lose money when she goes to sell her house in 10 years. Her other concern is cars in the area, cars race down Tyler Street and they are getting even more residents. Will they address the traffic on Tyler such as adding stop signs? When they demolish it will they retain the rat problem if there are rats in the building? She says she was impressed with the project, she heard rumors about affordable housing, if it won't be that then she has a better outlook on the project.
- Mr. Brancati says there are remediation steps taken prior to demolition that would address any rat infestation if there were any. A demolition contractor will take necessary precautions and steps to address any rodent infestation before demolition starts either to capture, kill, or whatever is necessary.
- Adam Stein says they would treat pests the same as they would treat any nuisances whether it was environmental or a pest. You go in early on during the demolition phase and put together a pest control program just as they would do when testing for asbestos. They will test, remediate and test after to make sure they aren't allowing the rodents to leave and come back.
- Ann Penington-18 Joshuas Trail-Mrs. Penington says she doesn't think the parking issue has been addressed; there will be different occasions going on. Her daughter lives on Taylor Avenue and the traffic flow now from church is uncontrollable, cars fly down the street and go through traffic signs. We are basing everything on the needs of the elderly, we can't even rent the pavilion down at the beach and now they are saying we are going to have a community center, pool, gym, etc. but what is really going to happen? How is this all going to be done? What happens after Winn's 30 years are up, they are saying no affordable housing but there are 19 units.
- Attorney Zullo says he personally sat in on a number of zoning meetings which have examined all of the traffic concerns and they were all found to be adequate with regard to transportation and the ability to handle current and increased traffic load. He doesn't know if a traffic study was specifically done, but he does know planning and zoning has signed off on all items with regard to the parking situation and they are the parking experts. As far as affordability goes, he wants to address it and put an end to it. In East Haven, right now, there are 4,602 households, so almost 10,000 who are income eligible to live at this facility. This facility is not targeting a small section of people it is going to be an asset to almost 10,000 people in this Town. The 80% unit for 1 person is an average salary of \$58,000 per year.



- David Ginsberg explains that there are different income tiers from 80% down to 25% AMI. On an 80% AMI unit, 1 bedroom, the maximum income is \$58,000 per year and a 2 bedroom is \$69,000 per year. Residents have to be able to pay 30% of their income towards rent. So you can make below the maximum as long as you can afford the rent. There are also 60%, 50% and 20% units, they all range down from the maximum.
- Mrs. Penington says so they are going to have a \$1,800 per month unit next to a \$400 per month unit or will they be separate? She says that the parking situation still needs to be addressed.
- David Ginseberg says yes, they will range from \$500-\$1,300 per month for the same apartment.
- Mr. Brancati says there is no parking on the streets; the 86 spaces are within the boundaries of the property. There is probably in excess of 100 spaces in the area in the rear for those purposes. They followed zoning regulations they didn't make up the number of spaces.
- Attorney Zullo says he knows Councilwoman Hennessey wants to make the point that there was a time this was a school with buses coming to and from it and thousands of children and parents.
- Councilwoman Linda Hennessey says there were over 2,000 students in the school at that time and people were parked on the streets there was never an issue with parking, speeding, busses, etc. She says here family is there all summer, her father in law is 92 and still lives there and there are no traffic issues. She mentioned church; church is an hour long so traffic is not a concern. There are plenty of spaces as shown on the diagram and there is plenty of regulation in and out.
- Joanne Acabbo—127 French Ave-Ms. Acabbo says she lives next door to where Mary Varunes lives and they have trapped at least 7 rats, she has rats that come through the kitchen which is one of her primary concerns. Her back yard goes into the pool; something has to be done with the rats. The kids are another issue; the police have been wonderful with responding they picked up a whole slew of them last week. She asks if there is going to be a driveway next to the pool when you come in, will it remain there? And what does wellness center mean?
- Chairman McKay says yes the driveway will remain there.
- David Ginsberg explains that the wellness center is just a gathering space for things such as folks providing flu shots.
- Sal Brancati says he has personally been in the school following calls they received regarding rats and they brought Alex Cinotti from East Shore Health in numerous times to find out if it was a nesting facility. Alex told them where there is food, water and shelter that is where you will find rats. They move in different areas in Town, there was an issue on Union/Hudson that lasted about 9 months and they have dispersed. East Shore Health has done everything they can do in

conjunction with the Town to try and remediate the problem. They did not find any evidence of rodents coming from the high school. If a trash bag is out they will rip it open. He hopes in due time, when measures are taken prior to demolition, most of the rodents will be caught, taken away and the problem will be gone.

- Adam Stein adds that he can send a pest remediation plan now, prior to demolition so they can look at it now and share the drafted plan with the Town.
- Richard Poulton-32 Cliff street- Mr. Poulton says nice presentation; same one back in October 2016 but they are missing the elephant in the room. He asks if they have the 2016 presentation and if they can pull up page 34. It's regarding catholic charities taking over some of the units they call rentals. He asks what they can define as catholic charities?
- David Ginsberg states that catholic charities have no involvement in this project.
- Mr. Poulton says why is it in the proposal? Why wasn't it mentioned in prior hearings? How do they explain the CHAFA approval back in April of this year where it specifies that 12 or 14 of the 15 units will be used for the chronically homeless? It is in the application approval, so explain that to the Council.
- David Ginsberg says 14 units are 25% AMI which are the lowest income tiered population. It is expected again that all residents pay rent, it may be the most affordable rent level between \$400-\$500 per month for those who make less than 25% of the median income. Those are handicap accessible units so they are designated in preference for individuals who have high housing vulnerability index scores. For example, folks that are improperly housed who have handicap needs but are located in housing facilities that are not handicap accessible. They are ADA handicap accessible. All residents will have to meet the tenant selection criteria, background checks, credit scores, confirmation of ability to pay rent. They will be selected through their hired leasing agent. He adds that there are no roles for catholic charities in this project.
- Bob Limoncelli-Mansfield Grove Road-Mr. Limoncelli says he attended the high school and graduated from there along with others who went on to become professionals, doctors, craftsmen, etc. so the school has history with many people but it sits there now as an embarrassment. He has been a resident his entire life and he was fortunate to be appointed to the Mayor's blue ribbon commission to look at the proposals that were made to the Town to try and understand the current cost to maintain it which is now \$270,000. They listened to zoning, building department, police and fire department and the mayor's office and 5 of them on the commission had an understanding of these things and they listened to about 75-80 people at three public hearings. They heard what their recommendations were and selfish needs at times and he listened to how they planned to fund the projects they wanted; there was no revenue coming in on any of them. It would probably cost \$25-50 million dollars to renovate part of the school. As Chairman of Economic Development he is happy to have this project

in Town, they get routine updates from Mr. Brancati on this. He implores them to accept the project for what it is and what it will do for this Town, not for what some selfish people are concerned about and not for the politics. Please do what is best for East Haven. Make that section of town and the community a better place to live in.

- Pamela Harding-283 Tyler Street-Ms. Harding asks about the income distribution of the residents, it's 55 and older but is the distribution of the units set for 30 years or can it change?
- David Ginsberg says it is set within the deed restriction.
- Ms. Harding says so the number of units at 80% AMI can't change?
- David Ginsberg says that is correct the only thing that may change is the median income levels can go up.
- Ms. Harding says so the dollar amount can change but not the number of units in that category to which David Ginsberg says that is correct. She has a concern about the traffic impact because right now enforcement is not anywhere close to enforcing the 25mph speed limit; the kids on bicycles are doing acrobatics. The problem is more traffic on that road than what exists right now, she knows it used to be a high school but this will be 24/7 all day long. There is also a bad drainage problem at the corner of Bradley and Tyler, she lives down by Brockett and it backs up with water flowing past her house. Not everyone has curbs in place for safety and she hopes the drainage issues will be addressed. She also asks if the background checks eliminate the possibility of sex offenders moving in.
- Attorney Zullo says that one of the main criteria in the tenant selection program is that it does not allow tenants in which any member of the household is subject to a sex offender lifetime restriction. With regard to traffic, again, they have already satisfied all of the requirements of planning and zoning. Further to address this concern, they will work with Winn and go to the Police Commission to see what they can do to deploy more enforcement in that area especially when the project opens to keep the quality of life in the neighborhood.
- Jim Galligan-Nafis & Young- he explains that the drainage issue on Bradley Street is quite a bit away from this project. There are some drainage improvements being done with the project with regard to Tyler Street in the front and Ure Street in the back. But the drainage from this project does not go down as far as Bradley. That is a separate issue and this project will not create any drainage issues going down to Bradley.
- Dorothy Owens-287 Tyler street-Mrs. Owens says that she went to the high school and cars were parked on French, Taylor and Ure, so she is not too concerned about the parking but she is concerned about the additional traffic. Where she is, is almost across from Brockett Place and it gets narrow so she is concerned about people coming in from Gerrish down Tyler as well as going from

the high school down towards Gerrish. She asks about the wellness center, is this how Columbus House is going to become involved, if they do?

- Adam Stein says the wellness center is something they have come up with as an amenity for the community; it has nothing to do with any service provider. They do it for visiting practitioners to come in and do some flu shots, screenings, etc.
- Mrs. Owens says when they originally spoke this evening talking about the possibility of Columbus House getting involved, how did that happen?
- Adam Stein says Columbus House is not tied to the wellness center. Columbus House is a service provider they have worked with in the past to provide supportive services to residents but that is all that their affiliation is with this deal. They are not leasing any of the spaces or anything like that.
- Jeff Lendroth-320 Tyler Street-Mr. Lendroth says lets go back a few years and remember this is not what we voted for in a legal referendum. Fast-forward to now, he would like to know why they are getting the property so cheap. There are houses right down the street selling for \$300,000, how do we explain selling it for \$500,000? He's happy that the board of education is stepping up, but he is concerned that will be the town's way of saying we are not going to build you a gym we will use the schools. The schools she mentioned have no gyms. Tuttle and Overbrook do not have gyms.
- Attorney Zullo says they have invested both time and money in planning out the public/private partnership. At this point there is absolutely no indication that the Town would not follow through on its promises to rehabilitate the pool, gym, auditorium or any other portions it indicated it would. There have already been conversations with Bidy Basketball and they want to be involved collaboratively in that process so they are excited about that. As far as the sales price calculation goes, at the beginning of the project it was narrowly envisioned where it wasn't envisioned as this broad private/public partnership. They thought about keeping the pool and gym and that was about it so in the beginning the purchase price admittedly was a bit higher. As they moved on in the processes, they said they would keep the pool, gym, extra flex space, utilize the 2<sup>nd</sup> floor, etc. and in light of that they felt a purchase price reduction was appropriate and helpful with regard to Winn's application to the DOH and CHAFA in order to get the tax credits that are necessary to finance this transaction. As part of their municipal contribution to the project, they proposed reducing the purchase price, which gives a perspective purchase price of \$500,000, which also allocates part of what they would be giving us as a municipal contribution. In the long term, the revenue is tremendous so you may be giving up a little in the short term but then realizing \$8.2 million dollars worth of effective tax revenue over 30 years which equates to about \$100,000 per year. It is substantial revenue for the Town.
- Mr. Lendroth says when this whole venture started they were supposed to give the property for free and the pool and gymnasium were supposed to be remodeled by them at no cost to the Town. Also, keep in mind there are 42

affordable units when you figure in the ADA and the 19 others and it is a sliding scale and that is Messina Drive. If they want to pass this, this is what West Haven does, that's what we are turning this Town into.

- Carmine Capasso-245 Tyler Street-Mr. Capasso says he lived across from the high school for several years, he was there when the high school was there and there was a ton of traffic with the kids in school and it didn't bother them. They never thought about parking or traffic. He is currently in favor of the project. He spoke positively about Winn's background and the projects they have redone and renovated. He had the opportunity to do some maintenance work on the properties so he knows the people that live in there, he knows how the properties are maintained and kept up with; there are 3-4 people on staff painting, taking care. When it comes to a developer he thinks they hit it on the nail, they are one of the best you can find and there aren't people coming in wanting to take over this place it has been sitting there for 20 years. He doesn't think they will get a better proposal than this, they have the opportunity to accept state funds to remodel this place and it is very difficult to get the funds and they likely won't be able to get them again if they pass on this. As a property owner across the street, he is in favor he thinks it will bring people down to the center of town and kids need a place to play. Places like Fairfield and Westport have places like this, we don't and if we put the money into it and renovate the pool and gym it will be a first class facility and people will want to come to this Town.
- Linda Hargraves-521 Thompson Ave- Ms. Hargraves says the Town's portion of this building is right in line with what she had in mind for the building. Her question is how will they pay for it?
- Attorney Zullo says over the lifetime of the project it equates to roughly \$8.2 million dollars in tax revenue, motor vehicle revenue and direct cost saving to the Town. The Town can utilize those savings to do millions of dollars in renovations to the back of the building. The State of CT recently allowed Towns to change their bonding structures to allow Towns to go out 30 years for bonding rather than 25. It's an option and if they did do it the payments would be cheaper. All or at least a substantial majority depending on how ornate they got with the back of the building could be completed with no impact on taxes.
- Ms. Hargraves asks what the timeline is for the construction of the Town's portion.
- Attorney Zullo says initial utility separation, fire, electric, etc. have to be done which is why they are asking for a portion of the funds from the purchase price be allocated immediately by the Town Council so they could immediately begin the architectural and engineering work to get it done. It is the Town's intention that the redevelopment of the back coincides with the redevelopment of the front.
- Ms. Hargraves says in the ordinance at the end it says be it further ordained that the Town, acting by and through its Mayor or his designee, is authorized to

execute amendments to the operative land disposition agreement between the Town and Winn. She doesn't think one person should be making those kinds of decisions without some kind of public hearing.

- Attorney Zullo says the only amendments that are intended to be authorized by that are amendments necessary to make the agreement consistent with what was presented tonight. For example, that agreement provides for a larger purchase price so that would be amended to reflect what is being presented tonight. All other aspects of the development agreement will remain in full force and effect and if there are any substantial changes and that agreement is not enforced as presented to the Council, it would need to come back for approval from the Council.
- Donna Richo-67 Charnes Drive-Mrs. Richo says the purchase price of \$1.74million and a credit of a million, what are the credits? And what is the other \$240,000?
- Attorney Zullo says they would be closing credits and clarifies that the credits are \$1,240,000 and sales price of \$500,000.
- Mrs. Richo asks how much the State financing is.
- David Ginsberg says cumulative state financing, not including historic credits, is approximately \$20.8 million dollars.
- Mrs. Richo asks him to explain what historic tax credits because she doesn't think most people know what it is.
- David Ginsberg explains that federal historic tax credits are for when you get a project listed on the national historic register that gets part 1 and part 2 approval from the state historic preservation office and national parks service, the work you do is certified through what is called part 3 to meet the secretary of the interior standards for historic active reuse meaning you did work that was in line with their standards. If you do the work you are eligible for 20% credit that generates equity to the project. The equity investor, which for them is Bank of America, purchases the credits and gives equity to the project. The 20% credit goes to Bank of America for funding the project.
- Mrs. Richo says there will be 70 affordable housing units in one form or another?
- David Ginsberg says no, 20 units are unrestricted market rate and then moderate rates down through affordable housing units.
- Mrs. Richo asks what the liabilities are to the Town for the property.
- Attorney Zullo says the Town is going to be forming a commercial condominium structure which Winn will retain its unit and the Town will retain its unit within the common element. The land is a limited common element. The Town will be

responsibility for liability on its portion and Winn will be responsible for its portion. It will be recorded in the land record.

- Mrs. Richo says they came up with a \$22million dollar cost for 90 units, so that's \$314,000 per unit. It doesn't make sense from a purely business stand point so her guess is that there is a lot of back door or making money on property management end of it because Winn will do the property management. We are giving them the property, they will develop the front half but wont take care of the utilities we will have to do that just to get things going. She feels we should get a little more out of them.
- Attorney Zullo says Winn is taking care of utility separation, the Town will take care of its responsibilities as far as utilities as they affect the rear portion.
- Mrs. Richo says so we are going to fund the back end with \$20 million dollars of bonding?
- Mr. Brancati says they aren't looking at having \$20 million in debt.
- David Ginsberg says he thinks there is some confusion between the cost of funding Winn's project and the cost of funding the Town's project. He doesn't want to speak for the Town with regard to bonding for the back portion but there is flexibility for the Town with regard to funding based on revenues and savings from the project to pay for the renovations of the back end. The competitive funding they went out and applied for and received is in the form of grants, loans, etc. so there is no back door dealing it's transparent and also including the historic tax credits because the federal government recognizes doing these historical restoration projects costs more.
- Mrs. Richo says but we are going to have to go out and bond now. Her one problem with the design is they should pull out the auditorium completely and they would end up with more parking for the units and for the cost of rehabbing the auditorium and they can put it in the back.

Council comment:

- Councilwoman Judy Sittnick says she doesn't have any questions she is extremely impressed and she lives on Chidsey Ave. She is thrilled that something will be done with the high school and she commends them on the project.
- Councilman Robert Parente says it has been 21 years of tossing this political football around, he thinks it is a great plan and the Town deserves for this entire plan to come to fruition. It is great for the kids, seniors and it will be a shining star

in the center of our Town. This building has a lot of memories for a lot of people and will continue to do so. He spends a lot of time in this school and it blew him away that the lockers are going to be restored and it will look like 1936 in so many ways. They need to get together in a bipartisan manner and say please lets move forward as quickly as possible and put an end to being held hostage by 200 Tyler Street for 21 years.

- Councilman Joseph Santino says he has a few concerns and questions such as water pressure in the neighborhood, how will this affect that and what about the sewage coming out, can the sewer lines handle the sewage. And there are drainage issues. Lastly, the rat issue whether it is voted on tonight or accepted or not he expects that problem to be taken care of immediately. People should not have to live like this so either the Town or Health Department has to fix this issue.
- Jim Galligan-Nafis and Young-says that they did do a utility survey as part of the planning and zoning commission process and there is adequate gas available, adequate water available and adequate sewer space available. They are not high water and sewer users, the drainage is being addressed through a drainage system that runs through the back and onto Ure Ave. There is a drainage system being added on Ure Ave to alleviate the drainage problem in the back area. As far as the rats, from his engineering experience, is hey have a protocol before you start the demo you go in and remove the rat problem before starting demolition through various extermination methods so they aren't chased out to neighboring properties.
- Councilman Joseph Santino says that part is months away, he wants the current rat situation handled effective immediately; the problem shouldn't exist even if the building stays vacant.
- Councilman Nicholas Palladino says with regard to the traffic, people mentioned 24/7 traffic. He is 62 years old and this is considered being out late for him, 55 and above people are not out until 2am so you won't see that kind of traffic. With regard to the parking he thinks they have adequate parking there he doesn't think a lot of people will have multiple cars especially when you get to the 70-80 year old people so if they have one car it will be one for two people. As Councilman Parente says they have been kicking this around, he has been on the Council 6 years and it's time to do something with it and this seems as good of a project as any. He doesn't see anyone coming in and offering \$20 million dollars to take it off our hands.
- Councilman Joseph Deko says for the record he did not attend this school he



attended the new one. He thanks everyone for their hard work on the project such as Sal Brancati and Winn Development and also everyone who showed up tonight. His main concern is the funding for the town's portion. He's not really clear on how they will be paying for it; he knows they will be bonding for it but is there a number as far as what it will cost to complete our end of the project. He thinks once it is done it will be a beautiful project and it is what we need.

- Attorney Zullo says to date all they have gotten are rough order of magnitude estimates but those are relatively accurate and include about 10% contingencies with them. We just don't know the extent of the finishes and how far it will go but at the end of the day he is confident the rear of the building will be consistent with the town's responsible fiscal policies. We are right now at an A+ bond rating, which was just reconfirmed by standard and poor's so we can borrow at some of the most competitive rates in history. They can also now bond for 30 years but no decision will be made on bonding with the Council's approval or without the recommendation of the Finance Director; Paul Rizza and the Mayor have given us 18 balanced budgets he won't steer us wrong. The approximate cost can be as little as \$7 million dollars or as much as \$12 million dollars depending on how much we do.
- Mr. Brancati says they also believe the revenue from the project and the cost savings will be adequate to cover the costs of the renovations.
- Councilman Joseph Carfora says his phone has been blowing up for the last couple weeks about Columbus House and low-income housing. What kind of a guarantee do they have in writing for the people that vote us in to satisfy them? He knows Winn will be the landlord so when they interview people to come in, he thinks the people in Town want a guarantee they will follow the guidelines. What if in 12-15 years Winn decides to sell the property, are there any loop holes in a new acquisition with a new owner that can switch this around and make it like Messina Drive, we don't want that here.
- Adam Stein says he doesn't know what type of guarantee can be provided to them tonight in writing. They can talk about their track record and their properties. Winn is a real estate development company and they are long-term owners of these properties; on average Winn has owned properties for excess of 30 years. They want the property to be successful they want the highest rent possible, the best residents possible and the best management practices in place and to look, perform and function as best as it can. There is no incentive for them otherwise, that is their primary business; they are multi-family residential housing developers. He doesn't understand the concerns about them not wanting it to

succeed. With regard to affordability and restrictions; they have investors in the project and guarantees they have to provide to them such as meeting debt service requirements and certain standards of operations. If they don't achieve the rents they are showing them tonight they would have to come out of pocket and support the debt services because there is a mortgage on the property and the investors require returns. So they are incentivized to get the highest rents, collect them, pay their debt service and pay back their investors. That is the guarantee, they are on the hook to make sure the credits are delivered and the commercial loans are serviced.

- Attorney Zullo adds in as far as a guarantee on the Town's side, he mentioned Messina Drive and he believes he is referring to the drop off of the age restriction. There is an age restriction in this, which runs with the financing for 30 years. But there are two key components absent from Messina Drive that are present here. There is a special exception for this project to exist at the high school; it is for age-restricted housing. If something else other than age restricted housing wants to go here, it needs to return to zoning or go to the zoning board of appeals for a variance to get another use. Control over what happens with this building will rest with the planning and zoning commission and zoning board of appeals which is as good of a guarantee as you can get because those people are residents of the Town of East Haven. It is not only in writing, it is recorded on the land record. It's not something Winn has to agree to in writing, it is a special exception recorded on the land records in East Haven. Also, this is the first and only public/private partnership in East Haven where we have a 24/7 significant presence as far as personnel, staff, community members present there at all times so everyone has an incentive for this property to succeed. Biddy Basketball wants it to succeed, the Arts Commission, the people who use the pool; everyone wants it to succeed.
- Councilman Carfora says so his original question was if there is anything in writing.
- Attorney Zullo says for the portion he was able to explain, yes. There is the deed restriction in writing, which is part of this contract.
- Councilman Carfora says his phone is blowing up about the magic number, Section 8. He has nothing against Section 8 but he is relaying it from his constituents in Town.
- Attorney Zullo says he respects that and the guarantee he gave him is the guarantee he can give him, which is the age restriction.
- Councilman Louis Pacelli thanks everyone for coming and says it was a great

presentation. The rat problem should be addressed whether they do anything tonight with the project or not. He says Winn mentioned managing all of the rentals and how they get rented, what happens if the top tier units for \$1,300 don't get rented. Is there anything to protect us, is there anything to prevent them from lowering that so they can get some money to pay back their investments. Would there be a loophole in this instance where they could go to Section 8.

- Adam Stein says they have hurdles they have to get over with regard to their investors with regard to those rents so there is no incentive for them to lower the price. There have been cases where they have offered concessions at slow times of the year but if they couldn't rent them out they would have bigger issues such as having to come out of pocket for the rents. In a 70-unit project they are not concerned about not being able to rent them.
- Councilman Pacelli asks Attorney Zullo about the maintenance to the Town part where he said they would have staff there; will that provide more jobs for East Haven residents or will Winn control that?
- Attorney Zullo says as far as staff what he was getting at was the proposed movement of the recreation department so the current staff would be on hand to monitor and especially with regard to access to the building. They discussed the possibly of key cards to get in and out of the building for safety purposes. As far as new jobs, it is a larger building you may have to bring someone extra on to help maintain it. He can't imagine it would be a major impact on the Town but he would imagine the cost to maintain it as a new structure will be a pale comparison to the cost right now because it is costing us a fortune just to keep it from shutting down.
- Councilwoman Judy Esposito says she graduated from the high school and has lived here her whole life. She doesn't want to move out, she will be one of their first applicants.
- Councilman Steve Tracey asks if the police and fire department are capable of handling the addition of elderly and handicap residents here. It's not just going to generate a few calls.
- Mr. Brancati says they have referred the plans to the Fire Department and the Marshal is reviewing it all now and did not see a major impact during the planning and zoning sessions. Both police and fire did not see a major impact with 70 units; less than 1% of calls would be derived from the 70 units. They didn't think it would be overwhelming by any stretch.
- Councilman Tracey says in his opinion if he is paying \$1,800 for a rent and the person next to him is paying \$400, there is going to be a problem there.

- Councilwoman Linda Hennessey says it was a wonderful presentation and to the public there were quite a few negative comments. She thinks they need to get by those small things and see the big picture. That building, as Mr. Limoncelli said, is a beautiful building and it would be a shame for it to be demolished so she thinks they need to do everything in their power to keep it and restore it. She was also born and raised here and went to school there. People talk about traffic; we can manage it. Everyone is concerned about low income; they showed us a graph with the percentages. Her father is a resident of Messina Drive and has been there 9 years and at that point it was still elderly housing so they did see the transition after the 30 years were up and they did slowly bring in people under 55. There is a police presence, there are some issues there but some of the issues are with the elderly; they are criminals, they have drug addictions, she has seen it all there so don't blame it on all of the young people and they are bringing up Section 8 because they can't afford housing. Mr. Lendroth who left should be happy the Town is going to still be responsible for giving the youth in this town a better place to be. Instead of being negative let's get together and make it better for the upcoming youth and maybe bring people into this Town; our enrollment is way down we used to have 2,000 in one building now its maybe just shy of 2,800 in the whole school system.
- Councilman Richard Anania says he had a lot of questions coming in, he thought it was a very good presentation and many of his questions were answered. He was concerned about this turning into another Messina Drive but he believes the age restrictions and guidelines set forward for this he thinks it will be okay. We have to have some confidence in the leadership of the Town and the developer that is here and give it a shot.
- Councilwoman Loria Jaffe says it was an excellent presentation and she agrees with Linda and she looks at the whole picture. The issue with the rats is a Town issue; it has nothing to do with this project. The rats need to be addressed with the Town directly and not with these gentlemen and this project. They already addressed the facts of how they will handle the demolition and it will be handled. She says if they want an immediate solution; take it directly to the Town and East Shore Health.
- Councilman Carfora says after listening to Councilman Pacelli and Councilman Tracey, someone renting an apartment for \$400 per month being next to someone renting it for \$1,300 a month brings him back to the guarantee. We also know they are setting up an LLC called 200 Tyler LLC, he has been in business 37 years and knows how LLCs work and they protect you. So if they have vacant

apartments and can't rent them out because someone sees one person paying one amount and they're being told to pay more and they get anxious to fill the units up what will happen to protect our Town from them walking away from it free and clear because Winn's name is not on the project. What guarantee do we have that this won't happen? They are coming here with a great program and he is all for something happening with the school, he has a basketball history and loves Biddy Basketball but he wants a guarantee for his constituents. Being an LLC, Winn can walk away from the project just like that.

- Adam Stein says he respects his concerns but they set up an LLC in order to operate that is how they set up all of their properties. It is a Winn project, even though it is an LLC, Winn Development provides the resources, it's their name on the door. They would never get another project funded with a state agency if they walked away from a deal, they would never do another deal with Bank of America which is large corporate bank and they would never do another deal period if they walked away. There is risk in everything in every business and they would never want to do that so they mitigate the risk and do age restricted projects they do marketing studies they have corporate sponsors they have financing agencies for underwriting and projections; it is an open book and they are transparent because these are state funding agencies and they are not going to give valuable resources to a deal they think will fail.
- Attorney Zullo says all of the obligations spelled out under the development agreement that the Council approved is binding on heirs, successor and assigns. Even if Winn by some odd coincidence did not find itself in this project and an assignee did, it would be subject to the very same obligations this Council has approved and that are recorded on the land records.
- Councilwoman Esposito says she thinks there is a need for elderly housing in East Haven, Woodview won't even take new applications so they will have no trouble renting these.
- Chairman McKay says as bad as people say Messina Drive is, you can't get in there right now either. He says he has been on the Council for 22 years and he always tries to do the right thing for the people in the town, his mother is 94 and still lives in East Haven. This is going to help us offset some of our property tax remediation in this town. People come here because the mill rate is low, and they like what the administration and Council do. We keep the taxes down in town, provide as many services as we can and we haven't had any other company come before us to propose a beautiful project. It costs us \$160,000 a year plus not even mentioning the boilers like the other day when public works was in 3 ft.

of water because of the boilers; the infrastructure is falling down around us. We have to do something with this building, we can't let it fall down and we can't afford to knock it down it will cost us \$80 million dollars, how many mills would we have to increase and how much would we have to bond.

**Item #3**

Adjournment of Public Hearing #1.

Chairman Ken McKay makes a motion.

Councilwoman Loria Jaffe seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

**Item #4**

Hearing Committee report to the full Town Council and recommendation of action on Public Hearing #1.

Councilman Nicholas Palladino makes a motion.

Councilman Robert Parente seconds the motion.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

**Item #5**

Adjournment of Hearing Committee.

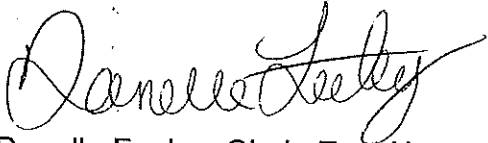
Councilman Louis Pacelli makes a motion.

Councilman Joseph Deko seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Meeting is adjourned at 9:39PM.

Respectfully Submitted,



Danelle Feeley, Clerk, East Haven Legislative Town Council