PAD MEETING MINUTES February 15, 2023

PRESENT: Hon. Gerald M. Antunes, BoA; Hon. Anna Festa, BoA, Steve Fontana, Economic Development; Nate Hougrand, City Plan; Evan Trachten, LCI; Clay Williams,

Business Development

Absent: Maurine Villani, Tax Office **Guests:** John Ward, Dean Mack

Public: Abdul-Razak Mohammed Zachariah

Meeting called to order at 3:08 P.M. Roll Call of Committee members taken

A motion to approve the PAD minutes from January 18, 2023 was made by Clay Williams seconded Alder Antunes, roll call was taken, minutes approved unanimously.

New Business

0 Albia Street MBP (067 0953 00200)

Evan told the committee the City is proposing to sell this sliver lot to the New Haven Port Authority at \$2.00 per square foot. The lot is about 3400 square feet. The parcel will be used for laydown purposes. Alders Antunes asked for the definition of laydown. Evan said goods are unloaded from ships and temporally stored until the items ae picked up and moved. Steve Fontana said laydown uses include temporary storage, construction staging, and truck storage. Alder Antunes asked if the parcel would be taxable, Evan said he believed it would be taxable. Evan noted the lot currently has illegal dumping on site (tires). Evan noted there is a lot of illegal dumping of tires across the City lately. The site is adjacent to the "Colony Hardware Site" and the parcel was not offered to them because it's vacant. The Port Authority owns the adjacent land. The Port Authority will be fencing their site. Alder Festa asked if it would be neat and organized. Evan said the site would be fenced and orderly.

A motion was made by Clay Williams, seconded by Steve Fontana, roll call was taken, approved unanimously.

144 Columbus Avenue

Evan told the committee this is a sliver lot sale to Jose Pillco who is an owner occupant. The buyer pays \$0.25 per square foot as an owner occupant, \$1,042.50 is the purchase price. The land will be used for yard area. The sliver lot is a corner lot so it's not possible to develop a house at this location. The property is essentially a buffer strip. The City has done some maintenance, but the owner has also cared for this lot over the years. Alder Antunes said its quite large at 4900 feet. Evan noted the setback for front yard are 17 feet which shrinks the lot, so residential development is not possible. Nate noted the rear yard requirement for develop is 25' and the side yards are 8', so its not a good site for development. Alder Antunes asked a few questions: Can the buyer build a garage? Evan said yes. Nate confirmed a garage was possible. Can the buyer add a curb-cut, Nate said it would require approval from Transportation Traffic and Parking. Will the buyer be required to fix the sidewalk? Evan said no because that is very costly. Alder Festa asked if the owner will be responsible for snow removal? Evan said yes, be believes the owner has been maintaining this area. Steve noted the Google street-view shows the property boarded. Evan said

the property suffered a fire a few months ago and will be rehabilitated in the spring when the insurance is settled.

A motion was made by Steve Fontana, seconded by Alder Antunes, roll call was taken, approved unanimously.

71 County Street

Evan told the committee the City is proposing to sell this building lot to Beulah Land Development Corp for \$2,000. They will develop a two-family owner-occupied structure. There is will a 10-year minimum occupancy period and the rental unit will be deed restricted at 80% or below for a minimum period of 20-years. Non- profits pay \$1000 per units per the PAD guidelines. The lot is a conforming parcel so it's easy to develop. This site was previously approved for the Elks Lodge, but they purchased a different site. The Alder supports the sale, there is an email in the file. The City will retain 75 County Street which is an adjacent lot. Alder Antunes asked when the construction will begin, Evan said he believes it will begin this summer. No zoning relief will be required. Alder Festa asked if this will be taxable, Evan said yes, although they may be eligible for a reduced assessment because of the deed restricted affordable unit. Alder Festa asked about the size of the apartments, how many bedrooms? Evan said the property is typically 2 or 3 bedrooms on the first floor, and 3 or 4 bedrooms on the second and third floors.

A motion was made by Alder Antunes, seconded by Alder Festa, roll call was taken, approved unanimously

262 Dixwell Avenue

Evan told the committee we are proposing to sell this two-family property to Beulah Land Development Corp at market value which is \$245,000. The buyer will maintain the property as an affordable rental at 50%-80% AMI for a minimum affordability period of 20-years. The affordability term could be longer based on the funding the applicant may utilize to rehabilitate the structure. The structure is currently occupied. The tenants will be relocated when the property is renovated. The plan is to offer an apartment at 340 Dixwell which is under construction. Alder Festa asked about the timeframe. Evan said this is part of simultaneous acquisition disposition. In the future 340 Dixwell will be completed but Evan isn't sure on the completion date. Evan believes the City would acquire this property in March 2023. Evan noted the other properties from the Ocean Management Portfolio (265 Dixwell Avenue (Monterey), and 269 Dixwell Avenue) will be retained by the City. Alder Festa asked if the properties would be taxable. They properties will be taxable, but they would be eligible for a discount because of the reduced rent. Nate wanted to confirm this is a two-family property, Evan said yes, there are no plans to increase the density

A motion was made by Alder Antunes, seconded by Clay Williams, roll call was taken, approved unanimously

263 Dixwell Avenue

Evan told the committee we are proposing to sell this 2-family property to Beulah Land Development Corp at market value which is \$250,000. The buyer will maintain the property as an affordable rental at 50%-80% AMI for a minimum affordability period of 20-years. The affordability term could be longer based on the funding the applicant may utilize to rehabilitate the structure. The structure is currently occupied. The tenants will be relocated when the property is renovated.

The plan is to offer an apartment at 340 Dixwell which is under construction. Alder Festa asked about the timeframe. Evan said this is an identical proposal to our last item. This property is also an occupied structure.

A motion was made by Clay Williams, seconded by Alder Antunes, roll call was taken, approved unanimously

572 Winthrop Avenue

Evan said the City is proposing to sell this property as a non-profit sale to Beulah Land Development for \$1,000 because the property is a single family. This property was a "cat house" that LCI acquired via an Anti-blight foreclosure in 2020. LCI was planning to sell this about a year ago but the previous Alder didn't support the sale because he wanted LCI to sell the property to one of the adjacent property owners. The property is blighted and needs immediate attention. There is a hole in the roof but it's salvageable. The lot is narrow and deep. There was a family of racoons living in the property, the City resolved that issue. Evan urged support for this sale. The property will be subject to a 10-year owner occupancy requirement. Nate noted if the property was demolished, the buyer would require Board of Zoning approval to rebuild. Alder Festa asked about why it would need zoning approval if demolished. Nate explained the regulations within the Zoning code. Alder Festa noted this parcel is about the same size as the sliver lot sale at 144 Columbus Avenue. Evan said the Columbus Avenue parcel was a corner lot and that makes a huge difference for development, this parcel is mid-block.

Alder Festa asked why didn't the previous Alder want to sell this property to Beulah? Evan said the previous Alder wanted to sell the property to the adjacent property owners because they had to deal with this property for many years. The LCI Director wanted it to be sold to one of our non-profit partners due to the limited inventory of City owned properties. The current Alder support this sale, there is also a letter of support from the management team. The property will be taxable. The developer will have 6 months to begin construction and 18 months total to complete the project. The buyer will be eligible for an assessment deferral which keeps the current assessment on the property and then phase-in the improvements. Alder Antunes asked why LCI didn't sell this to the neighbors? Evan said LCI feeds properties to local non-profits, also the adjacent owners already were homeowners, and lastly, non-profit sales create new homeowners. Our Director didn't support the sale to the neighbors because of our development goals. Alder Antunes and Alder Festa noted the City should have given the neighbors the opportunity to purchase the property. Evan said historically, LCI would sell City owned properties to local non-profits and surplus the remaining properties and sell them to the public. LCI has extremely limited inventory. Alder Festa asked about the future sale price, would the non-profit make a profit on the sale of the property? Evan said no, the property is sold below market value and the buyer must be income qualified.

A motion was made by Steve Fontana, seconded by Clay Williams, roll call was taken, approved (5-1 Alder Antunes voted no).

PAD Guidelines

Evan discussed the status of the PAD Guidelines. Evan said the Development Administrator asked LCI to add one sentence to the Guidelines about the Land Bank. Evan also noted that he sent an email from Cliff in the assessor's office about non-profit sales being taxable. Corporation Counsel is looking into the Urban Homestead Act and will follow up on this topic at our next meeting. Evan would like to leave this item tabled; he is not in a rush to push the guideline through. Alder Festa

asked about tax abatement. Evan noted sliver lot tax abatement are different from property abatements.

Land Bank

Economic Development Officer Dean Mack made a presentation about the New Haven Land Bank. Currently Dean is doing outreach. The Land Bank proposal will be submitted to the Board of Alders in March as an ordinance proposal. There is \$5 million in ARPA funding allocated for the Land Bank. Dean said a land bank will allow the City to move more quickly on acquisitions, currently our process is lengthy. Dean gave an overview of the steps taken to arrive at this proposal. Dean told the committee about the Hartford Land Bank. Waterbury also has a land bank. The New Haven landscape is different so our land bank will be different. Our land bank will focus on selling to local minority contractors. Dean described the proposed Board of the Land Bank as containing 7 members: 4 City staff as ex-oficio plus 3 members of the public including an Alder appointed by the president of the Board of Alders. Dean reviewed the proposed budget, only 10% of which would go to staff salaries.

Dean gave a timeline, and he hopes the land bank is approved by July 2023. Alder Antunes asked about the Board of Directors structure. Dean said 4 City staff: the Mayor, City Plan Director, LCI Director, Economic Development Administrator would be ex-oficio member, plus 3 others, one of whom would be an Alder, plus two members of the community. Alder Antunes asked, why only one Alder? Dean said this was discussed at Leadership, but he wasn't part of the conversation. Alder Antunes thought more Alder representation was needed. Dean noted there will be a lot of opportunities for feedback. Alder Festa asked a question, how does the land bank take ownership of the properties? John Ward said the goal is for the land bank to acquire properties quickly in the open market. The City will not be the buyer, the land bank is the buyer. The land bank will allow for strategic acquisitions to support development, sales to non-profits, and will be an extension of LCI / Economic Development. Evan said it will allow the City via the land bank to go to foreclosure sales, currently we do not have that ability. Evan said having that ability is essential for development. Dean noted the land bank will likely acquire properties and transfer them back to LCI. Alder Festa asked about how many foreclosure auctions occur in New Haven? Evan said there are a lot of auctions each Saturday, but he doesn't have the exact number. Evan said the local real estate market is moved by investors. The City is a passive bystander. In the future we will be able to participate as a buyer via the land bank.

Evan opened the floor for new discussion items, there were none.

A motion to adjourn was made by Clay Williams, seconded by Steve Fontana, all were in favor.

Meeting Adjourned 4:28 P.M.