

ORDER OF THE NEW HAVEN BOARD OF ALDERMEN AMENDING A MATTER PREVIOUSLY ADOPTED ON September 6, 2006 APPROVING THE LAND DISPOSITION AGREEMENT GUIDELINES BY CREATING A NEW TYPE OF DISPOSITION AND AMENDING BY SUBSTITUTION SECTION III: PRICING GUIDELINES.

WHEREAS: the New Haven Board of Aldermen approved an amended version of the Land Disposition Agreement Guidelines on September 6, 2006; and

WHEREAS: The City of New Haven engages in the development of residential property to create home ownership opportunities through new construction activities as well as through the rehabilitation of existing properties; and

WHEREAS; Given that time is of the essence, these properties for sale through a licensed realtor shall be brought directly before the Board of Aldermen for approval. This type of sale shall require a signed contract between the City of New Haven and a proposed buyer stating that the sale is subject to Board of Aldermen approval prior to conveyance; and

WHEREAS; the City owns and maintains sliver lots throughout the city; and

WHEREAS; the City would like to encourage abutting property owners to take title to the sliver lots.

NOW THEREFORE BE IT ORDERED BY THE NEW HAVEN BOARD OF ALDERMEN that the Land Disposition Guidelines as passed by the Board of Aldermen on September 6, 2006 be and are hereby amended as follows:

#### LAND DISPOSITION GUIDELINES

##### DEFINITIONS:

Sliver Lot: Any lot that does not meet the minimum required lot area (pursuant to the Zoning Ordinance) for new residential construction, or is otherwise determined to be unsuitable for new development as determined by the Zoning Enforcement Officer after considering site features (including but not limited to topography, flood zone, soils, wetlands and watercourses).

CDBG: Community Development Block Grant. ("CDBG") Pursuant to Title 1 of the Housing and Community Development Act of 1975 and 24 CFR Part 570, the City of New Have receives an annual grant from the US Department of Housing and Urban Development. Based on federal criteria, certain areas of the City are designated eligible areas to receive CDBG funds.

PAD: Property Acquisition and Disposition Committee. ("PAD"). PAD is established pursuant to land disposition guidelines approved by the Board of Aldermen on December 1, 1997, as amended from time to time. There shall be nine (9) members of PAD, composed as follows: Development Administrator, or designee; Deputy Director of the Office of Economic Development, or designee; Livable City Initiative Director, or designee; City Plan Department Director, or designee; Controller, or designee; Chief Administrative Officer, or designee; three (3) members of the Board of Aldermen, as designated by the Board of Aldermen.

LCI: The Livable City Initiative (“LCI”). For LCI powers and duties, see Code of Ordinances, Article IV. The LCI Property Division shall be responsible for day –to day administration and activities covered under these guidelines.

## SECTION I: PURPOSE

These amended land disposition guidelines clarify and supercede the land disposition process for properties owned by the City of New Haven (City) and update the pricing guidelines established by the Board of Aldermen in the original order of December 1, 1997.

## SECTION II: TYPES OF DISPOSITIONS

The disposition of City-owned property occurs in a manner consistent with City policy as approved by the Board of Aldermen. This means that any proposed disposition be reviewed for financial viability, for consistency with City plans and polices, and for consistency with the City's Plan of Conservation and Development.

City-owned property may be disposed in one of four (4) methods: (a) by Development Competition; (b) by Programmatic Disposition; (c) by Negotiated Sale; or (d) by a General Disposition method. LCI shall have the authority to select which type of disposition process shall be utilized.

In the majority of cases where the City is prepared to dispose of a property, a Request for Proposal (RFP) will be issued or program guidelines will be publicly distributed, contingent upon the disposition method selected by the LCI Property Division, to obtain proposals that best meet the City’s interests.

Regardless of method, a Land Disposition Agreement (LDA) containing terms and conditions of the dispositions shall be prepared, executed and recorded on the land records. The LDA shall include appropriate covenants to ensure compliance with City policy and the purchaser’s stated intentions. Appropriate reversionary covenants shall be included in the LDA.

### A. Development Competition Dispositions

1. Certain properties are of significant public and/or neighborhood interest and, therefore, may warrant a competitive disposition process.

2. LCI shall issue a Request for Proposal (RFP). The RFP shall include a property description, a description of the City’s redevelopment intentions and standards (in accordance with established City policy as more fully described in subsections C.5 and D.2, and the process for selection of a proposal and all other standard due diligence materials/required submissions.

3. LCI shall review all responses for completeness. Complete applications shall be forwarded to a Select Committee for review.

4. The Development Administrator shall appoint the Select Committee, which may include interested residents, members of the Board of Aldermen, and city officials. The Development Administrator, or designee, shall chair the Select Committee.

5. The Select Committee shall recommend up to three (3) proposals, with a summary of the recommendations.

6. The Select Committee shall evaluate proposals based on a combination of factors, including but not limited to the qualifications and track record of the buyer, the likelihood that the completed project will contribute to the long-term benefit of the community, the likelihood the buyer will be able to complete the project in a timely fashion, any requested financial assistance from the City and the financial benefit to the City both in terms of price offered and future tax revenues and any/all other information which as articulated in the RFP.

7. The Development Administrator, acting through LCI shall communicate the selected proposal to the City Plan Commission for advisory review and then to the Board of Aldermen for action on the disposition.

8. A favorable action of the Board of Aldermen authorizes the Mayor, acting on behalf of the City, to execute documents and convey the property to the buyer.

#### B. Programmatic

1. Programmatic dispositions refer to properties acquired by the City through a Board of Aldermen-approved Redevelopment Plan and/or Municipal Development Plan (MDP).

2. The disposition of these properties shall be in a manner consistent with an approved plan as enabled under state statute (examples include Redevelopment Plan, Municipal Development Plan, Neighborhood Revitalization Zone Plan), under the local purview of either the New Haven Redevelopment Agency the New Haven Development Commission .

3. LCI and/or the Development Administrator shall administer these dispositions in a manner consistent with the approved plan.

4. Upon referral from the City Plan Commission, a favorable action of the Board of Aldermen authorizes the Mayor, acting on behalf of the City, to execute documents and convey the property.

#### C. Negotiated Sale

1. Certain properties, including, but not limited to, those acquired through tax foreclosure, mortgage foreclosure or surplus city property, are appropriate for disposition through a negotiated sale.

2. A negotiated sale refers to those dispositions in which the purchaser proposes to meet one or more city policy objectives as identified in Section C.5.

3. LCI shall determine which properties are available for disposition.

4. LCI shall seek and entertain offers to purchase available properties.

5. In determining compliance with City Policy, LCI shall, in all instances review the following:

I. LCI Objectives.

☐ Removal of blight and blighting influences.

☐ Provision of homeownership opportunities.

☐ Provision of affordable housing.

☐ Reduction of density to levels at or below current zoning standards.

☐ Generation of tax revenue.

II. Comprehensive Plan of Development. The City Plan Commission's plan of development is organized around three (3) directives. A proposed land use map is included in the plan.

III. Empowerment Zone Neighborhood Plans. Consult the neighborhood plans prepared for certain EZ neighborhoods.

IV Consolidated Plan of Housing and Community Development. Consult the then current 5-year annual plan and the annual strategic plan.

V New Haven Strategic Plan. Consult the Office of Management and Budget's strategic plan.

VI. Municipal Development Plans, Redevelopment Plans, Neighborhood Revitalization Plans Consult aldermanic-approved plans when in effect for the subject area.

6. LCI shall review these plans and seek consistency with one or more of the applicable planning objectives. The LCI Property Division shall include a brief statement relating the proposed disposition to City policy as expressed in one or more of these documents as part of the PAD review package.

7. When LCI finds that a proposed negotiated sale appears to be in the best interest of the City, the LCI Property Division shall negotiate price and terms within a reasonable time frame in which the property is formally or informally optioned to a potential purchaser.

8. The option period shall be of reasonable duration – six (6) months on average. The recommended purchaser shall be given a reasonable amount of time to option the property and complete a development proposal and to assemble financing.

9. Once the LCI Property Division is satisfied with the proposed terms, the proposal shall be forwarded in the following sequence for further vetting: 1. PAD (approval required); 2. City Plan Commission (advisory review); and 3. LCI Board of Directors (approval required).

10. An approved proposal shall then be forwarded to the Board of Aldermen for action on the disposition.

11. A favorable action of the Board of Aldermen authorizes the Mayor, acting on behalf of the City, to execute documents and convey the property to the buyer.

12. Unless extended by LCI, the purchaser shall have a maximum of 60 days (following aldermanic approval ) to close without penalty.

#### D. General

1. Certain properties, not made available through a negotiated sale and / or development competition, shall be made available to the public in general in a manner consistent with City policy.

2. In determining compliance with City policy, the LCI shall in all instances review the following:

##### I LCI Objectives.

- ☐ Removal of blight and blighting influences.
- ☐ Provision of homeownership opportunities.
- ☐ Provision of affordable housing.
- ☐ Reduction of density to levels at or below current zoning standards.
- ☐ Generation of tax revenue.

II Comprehensive Plan of Development. The City Plan Commission's plan of development is organized around three (3) directives. A proposed land use map is included in the plan.

III Empowerment Zone Neighborhood Plans. Neighborhood plans are prepared for certain EZ neighborhoods.

IV Consolidated Plan of Housing and Community Development. Consult the then current 5-year annual plan and the annual strategic plan.

V New Haven Strategic Plan. Consult the Office of Management and Budget's strategic plan.

VI. Municipal Development Plans, Redevelopment Plans, Neighborhood Revitalization Plans Consult aldermanic-approved plans when in effect for the subject area.

3. LCI shall review these plans and seek consistency with one or more of the applicable planning objectives. LCI shall include a brief statement relating the proposed disposition to City policy as expressed in one or more of these documents as part of the PAD review package.

4. LCI shall maintain a portfolio of available properties. The portfolio of available properties (including address and assessor's code number) shall be available on a quarterly basis for public inspection in the office of the LCI Property Division.

5. LCI shall regularly advertise properties in the portfolio of available properties and use various promotional methods to generate interest.
6. However, in the event a property is advertised, all proposals received within the first sixty (60) days of listing shall be considered together. After 60 days, LCI shall review the proposals as submitted and select a recommended purchaser.
7. The recommended purchaser shall be given up to 30 days to complete a development proposal and to assemble financing.
8. The proposal shall be forwarded in following sequence for further consideration: 1. PAD (approval required); 2. City Plan Commission (advisory review); and 3. LCI Board of Directors (approval required).
9. An approved proposal shall then be forwarded to the Board of Aldermen for action on the disposition.
10. A favorable action of the Board of Aldermen authorizes the Mayor, acting on behalf of the City, to execute documents and convey the property to the buyer.
11. Unless extended by LCI, the purchaser shall have a maximum of 60 days (following aldermanic approval ) to close without penalty.

E. City of New Haven Development ( New Construction & Rehabilitation)

The City of New Haven engages in the development of residential property to create home ownership opportunities through new construction activities as well as through the rehabilitation of existing properties. Given that time is of the essence, these properties for sale through a licensed realtor shall be brought directly before the Board of Aldermen for approval. This type of sale shall require a signed contract between the City of New Haven and a prospective buyer stating that the sale is subject to Board of Aldermen approval.

Note on Selection Criteria: In selecting a recommended purchaser, LCI and all reviewing bodies shall evaluate proposals based on a combination of factors, including but not limited to, the qualifications and track record of the buyer, the likelihood that the completed project will contribute to the long-term benefit of the community, the likelihood the buyer will be able to complete the project in a timely fashion, the financial benefit to the City both in terms of price offered and future tax revenues and its consistency with established City policy as outlined in subsections C.5 and D.2.

Note on Sliver Parcels: It is City policy to offer a sliver parcel to adjoining property owners and give each adjacent property owner one-half, if both parties are interested, and submit appropriate plans for site improvements. In the event that only one of the adjoining property owners is interested in purchasing a sliver parcel, the entire parcel will be offered to the interested property owner. Although the provision of residential off-street parking for the adjoining property owners is a priority, the City will consider other uses. The proposed use of a sliver parcel must be included in the proposal and any zoning relief must be granted prior to and as a condition of final conveyance.

Note on Sales Price: Certain sliver parcels and single buildable parcels in CD-eligible areas shall be disposed at pre-determined prices, as defined in Section III herein.

Note on Sales to Religious Organizations: Notwithstanding any provision of these guidelines, the City shall not sell any City-owned property to a religious organization or an entity affiliated with and/or subsidiary to a religious organization for use wholly or partially for religious purposes at a sales price that is less than fair market value.

Any religious organization or an entity affiliated with and/or subsidiary to a religious organization desiring to purchase City-owned property for use for religious purposes shall provide a certified appraisal to the City regarding fair market value of the subject property.

In the event that the City sells property to any religious organization for use for secular purposes and the sales price is less than fair market value, the LDA shall provide that the property shall be used exclusively for secular purposes.

### SECTION III: Pricing Guidelines

1. Sliver Parcels. This section shall be suspended from March 1, 2009 through August 1, 2010. During this period sliver lots will be disposed of for one dollar (\$ 1.00) to all applicants. Applicants will be responsible for the cost of recording all closing documents on the New Haven Land Records. After August 1, 2010 the pricing below shall apply again.

In the event that more than one of the categories below applies to a Sliver Parcel, the applicable category consisting of the highest price shall determine pricing.

Pricing Guidelines for Sliver Parcels:

- 25 Cents per square foot for adjacent residential owner occupants in CD-eligible areas.
- One dollar fifty Cents per square foot for adjacent residential property not occupied by owner in CD-eligible areas.
- One dollar per square foot for homeowners and non-profits in other neighborhoods.
- Two dollars per square foot for adjacent residential property not occupied by an owner.
- Two dollars per square foot for commercial uses.

2. Single Buildable Housing Lots. Buildable lots, which are not owned jointly with adjacent property, shall be made available for new residential construction. Although the provision of housing for homeownership is the priority, the City will consider other uses as appropriate. The proposed use of a Single Buildable Housing Lot must be included in the proposal to purchase the property, and any required zoning relief must be granted prior to disposition or included as a covenant in the LDA. The effectiveness and applicability of the pricing guidelines set forth in this Section III may be reviewed and updated by the City every five (5) years to provide a discount to purchasers that approximates the discount recognized when the guidelines were adopted in 1997.

Pricing Guidelines for Single Buildable Housing Lots:

- Market value or.
- \$1,000 per unit for deed restricted affordable housing

