

Justin Elicker Mayor

City of New Haven

Office of the Economic Development Administrator 165 Church Street New Haven, Connecticut 06510



Michael Piscitelli
Economic Development
Administrator

March 16, 2023

The Honorable Tyisha Walker-Myers President, New Haven Board of Alders City of New Haven 165 Church Street New Haven, CT 06510

Re: ORDER OF THE BOARD OF ALDERS OF THE CITY OF NEW HAVEN APPROVING A DEVELOPMENT AND LAND DISPOSITION AGREEMENT WITH RESPECT TO THOSE PROPERTIES KNOWN AS 69 GRAND AVENUE, 19 CLINTON AVENUE AND AN UNNUMBERED PARCEL ON PERKINS STREET, NEW HAVEN, CONNECTICUT, FORMERLY KNOWN AS HORACE H. STRONG SCHOOL

Dear Honorable President Walker-Myers:

Enclosed for the Board of Alders' ("BOA") consideration is an Order requesting approval of the enclosed Development and Land Disposition Agreement ("DLDA") for the former Strong School location at 69 Grand Avenue in Fair Haven.

As you are aware, the Strong School has not operated at this location since 2010 and has remained vacant (except for periodic use as storage by New Haven Public Schools) since that time. During this time, multiple attempts by the City of New Haven (the "City") to solicit qualified developers of the site with proposals that provide the highest and best use as well as significant community benefit have been unsuccessful.

In Summer 2022, a two-year community engagement process on the future of the Strong School involving hundreds of Fair Haven residents and including a joint City and community-led feasibility study of the building culminated in the release of a Request for Proposals ("RFP") that balanced community aspirations and concerns about artistic and cultural inclusion as well as affordable housing with historic preservation of the building and financial viability of any future project. A final public meeting attended by over 75 residents was held in September 2022 to hear the proposals directly from the RFP respondents.

Following the recommendation of a Selection Committee composed of the affected Alder, community members and representatives from the City's planning, economic development and housing divisions, Pennrose was selected as the preferred developer for the Strong School. Their proposal includes an adaptive renovation of the historic school building that will provide no less than 50 affordable housing units as well as community arts and culture space including live/work spaces for local artists. An LGBTQ+-friendly environment is another key aspect of the project vision.

The estimated total cost of the project is \$25 million with a projected completion date of 2025. The developer is proposing that all ~50 residential units -- which includes a mix of studio, one bedroom, and two-bedroom apartments -- will be affordable units for households between 30% to 80% of the area median income ("AMI"). The vast majority of units (over 40) are projected to be deeply affordable housing for households between 30% and 60% of the AMI.

Furthermore, Pennrose is ranked among the top 25 affordable housing developers nationally and has unique expertise in historic school restoration. Pennrose recently redeveloped the historic Mary D. Stone School in Auburn, MA into mixed-income senior housing and was awarded the 2022 Affordable Housing Finance Magazine Reader's Choice Award for the conversion. Pennrose is also completing redevelopment of the historic William Barton Rogers Middle School in Boston, MA, which will be New England's first LGBTQ-friendly senior affordable housing development. They have completed similar projects in many Connecticut cities and towns including Hartford, Torrington, and Meriden.

In addition to Pennrose, the development team includes: The Cloud Company, a 100% minority-owned, CT-based real-estate development firm; WRT Planning and Design; and historic consultant PAL Inc. Following construction, the property will be managed by the Pennrose Management Company which will help ensure the buildings are kept in a state of good repair.

The City and Pennrose anticipate a three-year planning and construction timeline while continuing to work closely with community partners as the project moves forward. Pennrose will also have to go through the City's regular land use approval process which will allow multiple opportunities for further input before the project becomes a reality. Quarterly status updates will also be provided to the community by the City and the developer via the regular meetings of the Fair Haven Community Management Team

The Strong School is a truly special building and site and the City is excited to begin this redevelopment and renovation project with Pennrose to deliver more affordable housing to the Fair Haven community. The project's added focus on creating community arts spaces will also help highlight the artistic contributions of residents and the cultural vibrancy that truly defines Fair Haven and the City as a whole. Furthermore, engaging Fair Haven residents in a robust public process helps ensure this is a high-quality project responsive to the community's values, needs and concerns.

Thank you for your timely consideration of this matter, please do not hesitate to contact me with further questions or concerns

Sincerely,

Carlos Eyzaguirre

Deputy Economic Development Administrator

CC:

Barbara Montalvo, Legislative Liaison to Board of Alders

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