

LCI Board Minutes
August 22, 2018

PRESENT: Timothy Yolen, Mary Wadley, Hon. Delphine Clyburn, Seth Poole, Kenneth Cousar, Evan Trachten, Frank D'Amore, Jr.

Absent: Ngola Santos, Patricia Brett, Serena Neal-Sanjurjo, Hon. Dolores Colón

Meeting called to order at 6:00 P.M.

Review of LCI Board meeting minutes from April 25, 2018. A motion to approve was made Delphine Clyburn, Seconded by Tim Yolen, Approved unanimously

New Business

310-312 Dixwell Avenue & 777 Orchard Street

Evan told the Board that the City proposes to acquire this commercial site for site control. The City is planning to redevelop Dixwell Avenue and wishes to obtain this former dry cleaners site. The City is proposing to pay \$150,000 for the entire site. The City has environmental clean up funds to use if needed. The City plans a mixed-use redevelopment for Dixwell Avenue. The structure will be demolished, and the site will be redeveloped. No developer has been selected for the redevelopment project as of yet.

Tim Yolen made a motion to approve the item, seconded by Delphine Clyburn, Approved unanimously

59 Elliott Street

Evan told the Board that the City is proposing to sell this two family property as a negotiated sale to Gemma Lumpkin for \$10,000 to be used as a rental property. This property has been in LCI's portfolio for some time with no interest from non-profit's or others. The property is vacant and dragging down the block. The applicant is a Board of Education employee and has disclosed this fact in her application. The applicant is a New Haven resident. The property requires renovations and may have environmental issues. The City acquired this property through foreclosure and was acquired via strict foreclosure. The LDA will require the applicant to renovate this property in 18 months. Board members questioned the price of \$10,000, which Evan told the Board was her offer as a negotiated sale. Board members questioned if the property had been advertised to the public, Evan told them it had not. Tim said it was crazy to sell this property for \$10,000, we need to advertise this property and do better. The Vision Appraisal value is \$110,000 and the court appraised it for \$60,000. Tim asked how the applicant became aware of the property if it was not advertised? Evan explained that members of the public come to LCI and inquire at our office. LCI is permitted to do negotiated sales, advertisements, and RFP's. Board members examined the photo showing a driveway, small yard, and structure. Seth Poole talked about a home that was sold at 279 Davenport Avenue for \$25,000 and that was a single family property. Board members want to visit the property. Board members would like to see an owner occupant in tis property. **A motion was made by Tim Yolen to table the item, seconded by Seth Poole, tabled unanimously**

342 Grand Avenue

LCI is proposing to sell this single family property as a negotiated sale for \$2,000 to the Fair Haven Community Health Clinic, Inc.. The applicant would like 36 months to complete the rehabilitation of this property. The applicant needs to conduct an environmental and structural assessment. The building was condemned and is full of trash and debris. LCI acquired this property through foreclosure. The Clinic serves the community so LCI see a large public benefit. The cost to renovate this property will be \$200,000 to \$300,000. This property was not advertised to the public. Frank D'Amore, Jr. told the Board that LCI worked with the Court to acquire this property so Fair Haven Health could acquire this property to create a community benefit. Frank told the Board that the Clinic will be making a large investment in this property.

Board members questioned the low purchase price of \$2,000. Tim Yolen asked how their investment helps us? Evan explained that there is a large public benefit through their work in health care. The Clinic has a proven track record serving the community. The low sales price can be seen as a subsidy from the City to make this project viable. The applicant is a non-profit and serves many people in this area. The applicant discussed the possibility of bringing in a Quest Lab to the site. Board members asked if the building would be taxable and if Quest Labs would be taxable, the lab would be taxable but the structure may qualify for an exemption or a pro-rating. Board members asked if LCI had an appraisal, Frank D'Amore said we have the value from the court upstairs in the office (Frank left the meeting to get the value and the Board moved onto the next item).

Frank D'Amore returned with the appraised value which was \$119,000. Evan told the Board that this was a great opportunity and there is truly a public benefit associated with this sale. Evan asked the Board to modify the price to an amount that would allow this sale to move forward given they did not like the proposed price of \$2,000. Alder Clyburn asked how the clinic was funding their rehabilitation? Evan told the Board they would be applying for public health funding and seeking other sources of funds. Alder Clyburn told the Board that she was torn about what to do, she express support for the need for this project to go forward. Kenneth Cousar also said he was torn about what to do. Mary Wadley questioned why they need 36 months for the LDA. Evan explained that the structural and environmental assessment will take a year and then they need two years for construction. Evan told the Board the Clinic has a Facilities Division to maintain the property and there is also the Grand Avenue Special Services District. Evan summarized the Board Member's comments, we are hearing a lot of support for the work the Clinic does but members are concerned with the low purchase price. Evan encouraged the Board to modify the price to an acceptable value because this is a unique opportunity. Evan told the Board the Clinic offered \$2,000 which he felt was very low but LCI wanted to bring the proposal to the Board. Alder Clyburn told the Board about a project done by her Church that required time to get done. Seth Poole told the Board he supports the work of the Clinic but the Board must not be irresponsible and give property away below fair market value for a beautiful brick building, there may be historical funds to help the Clinic fix the building. Evan told the Board the justification for the \$2,000 purchase price is the public benefit; to get a public benefit for the next 50 to 100 years the City subsidizes the project upfront with a low purchase price in order to get the public benefit which pays itself forward for years to come. Seth proposed the Clinic pays 10% of the

court appraised value (\$11,900). Tim does not want to make the price so high that it is difficult for the applicant. Tim summarized the issues: maximize the return for the City when we sell property but help non-profits that do good for our residents. Tim asked the board to reconsider the price if the amended price is a hardship for the applicant (at a future meeting). Evan told the Board that the Board of Alder also has the power to amend the price.

Seth Poole made a motion to approve the item at \$11,900 (10% of Court Appraised value) and allow 36 months for LDA completion, seconded by Delphine Clyburn, Approved (4 yes votes - Tim Yolen abstained from the vote)

56 Henry Street

Evan explained that this is a negotiated sale at \$3.00 per square foot for a sliver lot. The applicants do not want to take title with Sliver Lot LDA restrictions, so they are proposing to acquire this land at about \$8,500 per applicant. The applicants will not be eligible for a tax abatement and phase-in because this is not a sliver lot sale. Each portion of land is 18' by 160' deep. One of the applicants is a principle member of Mandy Management (442 Orange Street, LLC). This land has been City owned since 1966 per the Assessor's field card. Evan told the Board we are just trying to get this back on the tax rolls. Tim asked, we are actually getting \$17,000 for this land, which Evan told the board is correct.

Tim Yolen made a motion to approve the item, seconded by Mary Wadley, Approved unanimously

552 Howard Avenue

Evan explained that LCI has recently sold the applicant another piece of land on Putman street to add to the former Hill Central Cooperative now owned by Hill Central, LLC , The JGM, LLC, and JGE, LLC. The property is now privately owned and they are developing additional units. They are proposing to acquire a strip of land at \$1.50 per sq./ft as a non-owner-occupant in a CD eligible area. The City has owned this land since 1976. This land will be used to create additional lot area for the development site. The strip is a buffer strip measuring at 10' by 200'.

Tim Yolen made a motion to approve the item, seconded by Mary Wadley, Approved unanimously

13-17 White Street

Evan explained that is proposing to sell Habitat for Humanity this land to create an owner occupied single family property at this site. Habitat pays \$1000 for the lot per the Disposition Guidelines . Habitat has built several houses in the Hill and across the City. Homebuyers get a 0% interest mortgage and buy the house below market value. Habitat recently completed homes on Rock Creek Road. Habitat has a 100% completion rate in the City of New Haven.

Tim Yolen made a motion to approve the item, seconded by Mary Wadley, Approved unanimously

551 Winchester Avenue & 108 Starr Street

Evan explained that this is a sliver lot sale of surplus land to Winstarr, LLC who is a non-owner-occupant so they pay \$1.50 per sq./ft. (\$9519 purchase price) .LCI owns the adjacent land on Winchester Avenue and will develop the land in the future. The land survey is complete and this is excess land so it may be sold. LCI Board approved an easement over this land several years ago but it never closed and went into effect. This sale will create more yard area and off-street parking. This will create a nice buffer space when the new homes are built on Winchester Avenue in the future. This sale will have sliver lot covenants in the LDA. The tenants will benefit from the off-street parking

**Tim Yolen made a motion to approve the item, seconded by Mary Wadley,
Approved unanimously**

OLD BUSINESS

261-265 Starr Street – Remains Tabled

281 Newhall Street- Remains Tabled

53 Shelton Avenue- Remains Tabled

Tim told the Board members this may be his last meeting due to his term expiring. He thanked the Board for their work and hopes they will continue their work of protecting the City and helping it develop. Board members thanked Tim for his non-biased leadership, dedication, and commitment to the City of New Haven.

Adjourned @ 7:25 PM.

