

PAD SPECIAL MEETING MINUTES
April 25, 2024

PRESENT: Hon. Anna Festa, BoA; Hon. Kampton Singh, BoA; Steve Fontana, Economic Development; Donnell Hilton, City Plan; Evan Trachten, LCI; Clay Williams, Business Development

Absent: Tamara Kirby, Tax Office

Meeting called to order at 3:01 P.M.

Roll Call of Members

The PAD minutes from March 20, 2024 were reviewed. A motion was made by Steve Fontana to approve the minutes, seconded by Alder Festa, approved unanimously.

New Business

35-39 Arch Street

Evan told the committee the City is proposing to sell this vacant lot to Habitat for Humanity of Greater New Haven, Inc. for \$75,000. The property was advertised as part of an RFP and Habitat for Humanity was selected to develop the site. Habitat is essentially proposing to develop 2, two-family structures at this site. Habitat for Humanity described their development as constructing a single-family with an attached accessory dwelling unit (ADU). Evan told the committee that under the Building Code the applicant is constructing a two-family residential property. Evan also noted that currently, the Zoning Ordinance only allows as-of-right ADU's to be created in the existing envelope of an existing owner-occupied structure, so for the purpose of our discussion we should be reviewing this as the development of two, two-family residential properties. Evan also told the committee that LCI sets a minimum owner occupancy period of 10-years, but Habitat imposes a 30-year term. The rental unit will also be deed restricted for a 20-year minimum term and Habitat for Humanity is proposing to set the AMI between 60-70%. Evan noted that when non-profits develop two-family houses the AMI is typically set at 80%. Evan also noted that the lot is over 13,000 square feet so there is ample room to develop two structures containing four units. Evan also told the committee that he discussed this proposal with Alder Rodriguez who was supportive of the concept. Evan said Alder Rodriguez thought this development was more desirable than a project with high density given that Arch Street has many 2-family owner occupied structures. The lot is adjacent to the Arch Street greenspace. Owner occupied structures and affordable rental units are needed in the community.

Evan said there isn't a rendering or final site plan, but as additional information is submitted it will be added to the file prior to submission to the Board of Alders. Alder Festa said she agreed that developing two, two-family houses was a better proposal than developing a higher density apartment building. Alder Festa wanted to confirm the owner occupancy and affordable rental requirements. Evan confirmed LCI sets a minimum owner occupant period of 10-years, but Habitat imposes a 30-year term. The rental unit will also be deed restricted for a 20-year minimum term and Habitat for Humanity is proposing to set the AMI between 60-70%. Evan reiterated that the applicant is essentially developing two-family homes. Evan believes this is the first time Habitat for Humanity is developing a two-family house and he believe it's needed, and a good idea. Alder Singh said he supports this proposal and wants to support Alder

Rodriguez. Donnell Hilton said the parcel is a good-sized lot and he's happy they are building multiple units on the lot

A motion was made by Clay Williams to approve the item, seconded by Alder Festa, roll call was taken, approved unanimously.

177 Edgewood Avenue

Evan told the committee the City is proposing to sell this vacant lot as part of the RFP. LCI thought we might receive a proposal for housing development for this lot because of its proximity to downtown, but we didn't. LCI only received one proposal for this property. Neighborhood Housing Services (NHS) offered \$5,000 to purchase this property to use for parking. NHS owns two adjacent rental properties at 171 Edgewood Avenue and 173 Edgewood Avenue. The properties don't have off-street parking. Evan noted that LCI previously offered this property to NHS and the Community Builders who owns the other adjacent property. NHS didn't want to purchase the property when this was discussed several years ago. Evan said the Community Builders has had ample opportunity to acquire this lot and has failed to submit an application to acquire this lot, which is why LCI advertised this site as part of the RFP. Evan noted that the City is receiving double the value that a non-profit would pay for this sliver lot.

Evan told the committee that he contacted Alder Douglass who was generally supportive of the sale of this land. Alder Douglass said he would conduct his due diligence and follow up with LCI staff if he had any concerns about this proposal. Evan noted that Community Builders rents a portion of their abutting building to the operator of a daycare and sometimes parents park on this parcel. Evan thought NHS would allow this to continue as well as making improvements to the lot. Alder Singh asked if Habitat was contacted about this lot? Evan said that Habitat submitted bids on several RFP items and didn't bid on this site. Alder Festa asked how long LCI engaged Community Builders about the Sliver lot? Evan said that LCI spent several years engaging Community Builders and they never followed up about the silver lot. Evan said there is no reason for LCI to keep this lot and spend additional funds to maintain it, fence the site, and to continue cleaning up illegal dumping. The highest and best use is for parking. The land will be taxable in the future. Evan thinks there will be a community benefit from this sale because NHS will improve the site and better serve the community.

A motion was made by Alder Festa to approve the disposition, seconded by Alder Singh, roll call was taken, approved unanimously.

227 English Street

Evan told the committee this lot was also advertised as part of the RFP. Neighborhood Housing Services (NHS) offered \$10,500 and proposes to develop a two-family owner-occupied structure with an 80% AMI affordable rental unit. LCI imposes a 10-year minimum occupancy period and a 20-year affordability period on the rental unit. The lot is a flag lot and has ample room to develop a two-family structure. LCI previously offered this site to Habitat for Humanity because they developed a property on Ferry Street, but they weren't interested in this site. NHS was the only bidder for this site. This is a great opportunity to create an owner occupant, gain an affordable rental unit, and expand the tax base.

Alder Festa asked why we didn't sell this as a sliver lot and allow the neighbors to expand their yard. Evan said LCI looked into a sliver lot sale. Evan said we prefer to create an owner occupant, gain an affordable rental unit, and expand the tax base, to achieve the highest and best

use for the land. If building development wasn't possible, a sliver lot sale would be appropriate. Alder Festa asked if LCI notified the neighbors about the sale of this lot. Evan said LCI didn't contact the neighbors. NHS will do some outreach prior to developing the site. LCI has been in contact with the neighbors over the years because we took control of this parcel, fenced-off the lot along English Street, and have been maintaining it, the neighbors know it's a City owned parcel. Alder Festa asked if Zoning approval would be needed. Evan wasn't sure but noted further review by City Plan, Building, and Traffic and Parking will occur prior to a building permit. Evan believe that NHS's funding will require an owner occupant for at least 20-years, the City requires a 10-year minimum occupancy period and a 20-year affordability period at 80% AMI. NHS has basically a 100% project completion rate, so we are confident in the applicant's abilities.

A motion was made by Clay Williams to approve the disposition, seconded by Alder Festa, roll call was taken, approved unanimously.

596-598 George Street

Evan told the committee this is a non-profit sale to the National Veterans Counsel for Legal Redress, Inc. There are two existing brick structures that the City acquired from Yale New Haven Hospital (YNH). LCI was planning to rehabilitate the properties but is focusing on other projects on Starr Street and Grand Avenue. LCI has done some preliminary site work to stabilize these properties, but they require extensive structural work and full rehabilitaton. The applicant is proposing to rehabilitate these structures and maintain them as affordable rental units at 80% AMI. The applicant will also develop a community room and office at this location. LCI originally planned to rehabilitate these properties and sell them to owner occupants, but the site lacked off-street parking to support multi-family use. There is a letter of support in the file from Board of Alders President Walker-Myers as this site is located in her Ward. The purchase price is \$6,000 which is non-profit pricing (6 units @ \$1000 per unit). The property will be deed restricted for a minimum 20-year affordable term. The non-profit is a local entity lead by the Monk family. They are seeking additional funding for this project.

Clay asked about the status of this applicant's project on Davenport Avenue? Evan said he believes it wasn't approved at the Zoning Board and is being redesigned. Donnell said they are in the process of redesigning so that it doesn't require zoning relief. Clay asked if we are confident the applicant has the finances to do this project? Clay doesn't want to set them up for failure. There was discussion about requiring proof of funding prior to closing as a condition of approval. Evan told the Committee that the City took these properties with conditions from YNH and YNH approves of the proposed use as an affordable rental project done by the National Veterans Counsel for Legal Redress.

Alder Festa asked if the applicant has done any projects in the City. Evan didn't know if they have other projects in New Haven or in other towns because he doesn't manage the non-profit. Evan is aware of the project on Davenport Avenue. Alder Festa asked how much time they have to complete the project and if the property isn't rehabilitated, what happens? Evan said the applicant has 18 months to complete the project, if they fail to complete the project the City has a process to take the property back. The City must go through a reversion process to take it back, which takes time, it's not immediate, it's basically a lawsuit. Clay said we should consider permitting 24 months to complete this project. There was a discussion about safeguards and appropriate guardrails. Evan said he's hearing that the committee wants to require proof of funding prior to closing and to give a little extra time to complete the rehabilitation because this is a larger project. Evan noted the applicant has been in the property and has a cost estimate for this project. Steve noted that "reverter deeds" have issues. Evan said we have required similar conditions on several proposals, and is consistent with our pervious approvals for projects like this. Alder Festa asked if the building can be left sitting or does LCI need to take further action to preserve the structure? Evan said LCI has already stabilized the property.

A motion was made by Clay Williams to approve the disposition subject to proof of funds prior to closing and to permit 24 months to complete the project, seconded by Alder Singh, roll call was taken, approved unanimously.

136 Hemingway Street

Evan told the committee this property was previously approved for sale but the deal never closed because the prior applicant couldn't get a PILOT from LISHTA. LCI offered this lot for sale as part of the recent RFP and we have a proposal from Douglas Allen Investment Group, LLC to develop 15-20 rental units at a sale price of \$75,000. At least 20% of the rental units will be deed restricted at 80% AMI per City policy. The developer plans to construct 2 bedroom, and 3 bedroom units. Clay mentioned the previous proposal was for 40 units at this site. Evan said he feels this is an appropriate use because the property is near Bella Vista and there was a previous approval for greater density. The applicant recently developed a couple multi-family properties and has a pending zoning proposal to develop 4 units at 83 Downing Street. The development wants to make an investment in New Haven and is a competent applicant.

Evan noted the parcel has some wetlands. There is a survey map in the file. If the applicant utilizes the Inclusionary Zoning regulations the affordability could change. Evan said this was the only bid for the site. Evan said the number of units could change but the concept is for 15-20 units. Clay noted the previous sale was for \$40,000 so the City is receiving almost double the purchase price. Evan thinks this is a good proposal and fits within the neighborhood. Alder Festa asked about the wetlands area. Evan said regulations will dictate the location of the structure and it's feasible to develop this site.

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

211 Rosette Street

Evan told the committee this lot was offered as part of the RFP and Habitat for Humanity is being selected to develop this property, they offered \$35,000 for this site. Habitat for Humanity is proposing to develop a single-family house. Evan discussed this sale with Alder Rodriguez and said she would support the development of a two-family property at this site, just like the Arch Street proposal. This lot was used as a garden but was taken over by unhoused individuals. The City would like to see housing development on this parcel. Habitat for Humanity built several houses on Rosette Street several years ago. If they develop a two-family it would have an affordable rental unit with a minimum 20-year term. Alder Festa asked if Habitat for Humanity wants to develop a two-family? Evan said he discussed this with the Director of Construction, and he is looking into it. They will have the option to develop a single family or a two-family. Alder Singh said he knows this lot very well from his volunteer work, and he supports the Alder Rodriguez, and the concept of doing a two-family structure, it's an appropriate location.

A motion was made by Steve Fontana to approve the disposition and allow the applicant to develop a single-family or a two-family property, seconded by Clay Williams, roll call was taken, approved unanimously.

Open Discussion / Old Business

None

A motion to adjourn was made by Clay Williams, seconded by Steve Fontana, all were in favor, meeting adjourned 3:58P.M.