

**SUPPLEMENTAL AGENDA**  
**MEETING OF THE COURT OF COMMON COUNCIL**  
**November 9, 2020**

**REPORTS**

**8. OPERATIONS, MANAGEMENT, BUDGET, AND GOVERNMENT ACCOUNTABILITY COMMITTEE**, with accompanying resolution authorizing the City of Hartford to enter into a 15-year tax abatement agreement with Overlook Village Associates III, LLC for rental housing units to be developed at 421 Granby Street, Hartford, CT 06112.

**9. OPERATIONS, MANAGEMENT, BUDGET, AND GOVERNMENT ACCOUNTABILITY COMMITTEE**, with accompanying resolution transferring \$55,981 from Sundry: Non-Operating Department Expenditures in Fiscal Year 2021 to the Court of Common Council Office.

**Attest**

**Noel F. McGregor, Jr**  
**Town & City Clerk**

# Court of Common Council



CITY OF HARTFORD  
550 MAIN STREET  
HARTFORD, CONNECTICUT 06103

Maly D. Rosado, Council President  
Thomas J. Clarke II, Majority Leader  
Wildaliz Bermúdez, Councilwoman  
John Q. Gale, Councilman

Nick Lebron, Councilman  
Joshua Michtom, Councilman  
Marilyn E. Rossetti, Councilwoman  
James Sánchez, Councilman  
Shirley Surgeon, Councilwoman

Noel F. McGregor, Jr, Town and City Clerk

## REPORT

November 9, 2020

Dear Members of the Court of Common Council,

The Operations, Management, Budget, and Government Accountability committee held a special meeting on November 04, 2020 at 6:30 pm via WebEx. The committee meeting was held to discuss the following referred item, as reflected on the committee agenda.

Item #3

**COMMUNICATION FROM MAYOR BRONIN**, with accompanying resolution authorizing the City of Hartford to enter into a 15-year tax abatement agreement with Overlook Village Associates III, LLC for rental housing units to be developed at 421 Granby Street, Hartford, CT 06112. (Item #3 on 09.28.2020 AGENDA)

The following were present: OMBGA Committee Co-Chair Council President Maly D. Rosado, Councilman John Gale, Councilwoman Wildaliz Bermudez, David Grant, Todd McClutchy, Tone Nelson from Development Services, and additional support staff.

The OMBGA Committee meeting was called to order at 6:30 pm.

**Discussion:** Todd McClutchy from JHM Group reviewed a prepared presentation with the committee which provided an overview of the project including design, phases, and completion details. Tone stated that the abatement would be granted to supplement the cost of the affordable housing units. Phase One and Phase Two were already approved by Council, this would be Phase Three. He stated the property was met with great reception by the community. John commended the developer as well as everyone else at DDS for not only seeing the project through but also for establishing a community benefits agreement that really puts Hartford residents first.

A motion was made by Councilman John Gale to send the item back to Council with a favorable recommendation seconded by Councilwoman Wildaliz Bermudez. No further discussions were held.

**OMBGA Committee Vote Taken (2-0, 2 Absent, 1 Recused Pass)**

Committee Co-Chair Council President Maly D. Rosado: Recused  
Committee Co-Chair Majority Leader Thomas J. Clarke II: Absent  
Councilwoman Shirley Surgeon: Absent  
Councilman John Gale: Yes  
Councilwoman Wildaliz Bermudez: Yes

Respectfully Submitted,



Council President, Maly D. Rosado  
~~Co-Chair of Operations, Management, Budget, and Government Accountability~~

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Majority Leader, Thomas J. Clarke II  
Co-Chair of Operations, Management, Budget, and Government Accountability



**Luke A. Bronin**  
**Mayor**

September 28, 2020

Honorable Maly D. Rosado, Council President, and  
Members of the Court of Common Council  
City of Hartford  
550 Main Street Hartford, CT 06103

**RE: Willow Creek Phase III Tax Abatement**

Dear Council President Rosado,

Attached for your consideration is a resolution authorizing the City of Hartford to enter into a 15-year tax abatement agreement with Overlook Village Associates III, LLC for rental housing units to be developed at 421 Granby Street, Hartford, CT 06112.

Overlook Village Associates III, LLC (OVAVIII) has entered into a Ground Lease for no fewer than 65-years with the Housing Authority of the City of Hartford (HACH) for redevelopment of a 6-acre parcel of the 61.5-acre site at formally known as Chester A. Bowels Park housing complex, renamed Willow Creek. Upon completion, Willow Creek Apartments Phase III will consist of 30 rental apartments, 24 affordable units and 6 market rate units providing a unit mix of 1, 2, and 3 bedroom units. Phase III will also benefit from the Community Center developed as part of Phase I. The total development budget is \$16,765,010.00 with a construction budget of \$12,007,600.00. Construction will commence in 2021 and be completed in 2022.

OVAVIII has committed to set aside 15% of the total construction project cost for certified Minority and Women Business Enterprises, assures that no less than 15% of total project work hours by trade will be worked by minority and/or women trade workers and assures that no less than 30% of total project work hours will be worked by Hartford residents.

Because the lease between the HACH and OVAVIII is more than 50 year in length, the improvements are taxable. Annual property taxes on all units are estimated at \$67,860.00 or \$2,262.00 per unit. The six (6) market rate units are excluded from the abatement and will be subject to full taxes. The developer has agreed to the following tax payment schedule for the 24 affordable units:

Year 1-15 an annual tax payment of \$21,600.00 (\$900.00/affordable unit)

Starting in year two (2) the unabated taxes shall be subject to a 2% increase per unit/per year, with the 2% increase being effective July 1<sup>st</sup> of each year. All increase in the unabated taxes shall be permanent and cumulative.

**550 Main Street**  
**Hartford, Connecticut 06103**  
**Telephone (860) 757-9500**  
**Facsimile (860) 722-6606**

This has not generated tax revenue for the City for many years as a result of the Cooperation Agreement between the City of Hartford and the HACH. The new development and the abatement represents a chance for the City to grow the Grand List while providing the project with the financial stability and predictability it needs to operate the affordable housing units.

The abatement also ensures that the developer can meet the debt services coverage ratio requirements of the Low Income Housing Tax Credit Program, which the developer is utilizing to keep the rents affordable. Under the Low Income Housing Tax Credit Program, the affordable units will be restricted to households earning 25%, 50% and 80% of the Area Median Income. The Tax Abatement Committee approved the terms of the abatement at their meeting on September 8, 2020.

The Department of Development Services is happy to answer any questions that you may have. Thank you for your consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Luke A. Bronin', with a stylized flourish at the end.

Luke A. Bronin  
Mayor

**INTRODUCED BY:**  
Luke A. Bronin, Mayor

**COURT OF COMMON COUNCIL**  
City of Hartford, September 28, 2020

**WHEREAS**, Willow Creek Phase III, is a proposed 6-acre development which will include a total of 30 units consisting of 24 affordable residential units and 6 market rated residential units on a parcel located at 421 Granby Street (the "Property") owned by the Housing Authority of the City of Hartford (HACH) and proposed by Overlook Village Associates III, LLC. Overlook Village Associates III, LLC will lease land from the HACH for a term of 65 years, Construction to commence in the year 2020.

**WHEREAS**, Overlook Village Associates III, LLC has submitted an application for a new tax abatement which documents the need for tax relief and the Tax Abatement Committee has recommended such an agreement, now, therefore, be it

**RESOLVED**, That the Mayor is hereby authorized to enter into a Tax Abatement Agreement with Overlook Village Associates III, LLC for the Property, subject to the following conditions:

1. The term of the Agreement shall not exceed Fifteen (15) years from the date on which the first temporary certificate of occupancy (TCO) or permanent certificate of occupancy (CO) whichever is earlier issued on the property.
2. Developer will pay prorated real estate tax on any improvements that receives TCO or CO for the fiscal year such is issued during the construction phase.
3. Developer will pay taxes according to the following for the 24 affordable units:
  - Year 1-15 Nine Hundred Dollars (\$900.00) per unit, per year for a total of \$21,600.00 per year.

After the first (1<sup>st</sup>) year, the unabated taxes shall be subject to a 2% increase per unit per year with the increases being effective July 1<sup>st</sup> of each year. All increases will become permanent and cumulative.

4. During the term of the abatement, all 24 units are to remain affordable as prescribed by the Low Income Housing Tax Credit Program. In the absence of a Deed or Mortgage Instrument defining affordability, the City of Hartford will determine affordability utilizing an established, transparent methodology.
5. Owner shall comply with all applicable laws, regulations, ordinances and codes of the United States, the State of Connecticut and the City of Hartford in the operation and management of the Premises.
6. Notwithstanding anything to the contrary in this Agreement, City agrees that this Agreement shall automatically transfer and inure to the benefit of any party succeeding to the interest of the Owner under this Agreement as a result of foreclosure of a mortgage encumbering, the Property of transfer in lieu of foreclosure or realizing a pledged or security interest of the equity interest in such Owner (including, without limitation, replacement of the managing member of such Owner), and if such transferee is a bank or other financial institution, such rights shall automatically transfer and inure to the benefit of any party immediately succeeding to the interest of such bank or financial institution.
7. Upon any future sale of refinance during the term of the abatement, payment shall be made to the City of 10% of the net sales proceeds, or equity recapture, not to exceed the total of abated taxes.
8. During construction, Developer will comply with Article XII, Section 2-680 of the Hartford Municipal Code, Hartford Affirmative Action Plan/Equal Employment Opportunity which requires developer to set

aside 15% of the total construction project cost for certified Minority & Women Business Enterprises, assure no less than 15% of total project work hours by trade will be worked by minority and or women trade workers, no less than 30% of total project work hours to be worked by Hartford residents.

9. In the case of default, the City of Hartford shall retain the right to cancel the Agreement and its remedy may include the payment of abated taxes.

**RESOLVED**, That the Mayor is authorized to execute any and all manner of other documents and to take such other actions as he and the Corporation Counsel may deem appropriate and in the best interest of the City in order to effectuate the above transition, and be it further;

**RESOLVED**, That no person or entity shall be entitled to rely on or otherwise claim any benefit by reason of this resolution should the Mayor fail to execute the aforementioned agreement of other documents, or to take any of the aforesaid actions, and be it further;

**RESOLVED**, That all approvals and authorizations provided hereby are contingent upon and only shall be effective on and by means of the parties executing such documents. And taking such actions, all of which shall be in the form and substance, acceptable to the Mayor and Corporation Counsel.

# Court of Common Council



CITY OF HARTFORD  
550 MAIN STREET  
HARTFORD, CONNECTICUT 06103

Maly D. Rosado, Council President  
Thomas J. Clarke II, Majority Leader  
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Noel F. McGregor, Jr, Town and City Clerk

## REPORT

November 9, 2020

Dear Members of the Court of Common Council,

The Operations, Management, Budget, and Government Accountability committee held a special meeting on November 04, 2020 at 6:30 pm via WebEx. The committee meeting was held to discuss the following referred item, as reflected on the committee agenda.

Item #2

**COMMUNICATION FROM MAYOR BRONIN**, with accompanying resolution transferring \$55,981 from Sundry: Non-Operating Department Expenditures in Fiscal Year 2021 to the Court of Common Council Office. **(Item #1 on 09.28.2020 AGENDA)**

The following were present: OMBGA Committee Co-Chair Council President Maly D. Rosado, Councilman John Gale, Councilwoman Wildaliz Bermudez, David Grant, Michael Lupkas, Todd McClutchy, Jeff Hallin, and additional support staff.

The OMBGA Committee meeting was called to order at 6:30 pm.

**Discussion:** Michael Lupkas indicated that Council is allocated \$50,000 per member for an executive assistant, however, in the adopted budget we were not given the full amount. Council President indicated that the current amount in the resolution of \$55,981 would be increased, per the administration, to approximately \$100,000 in order to make up the difference.

A motion was made by Councilman John Gale to amend the dollar amount being transferred to an even \$100,000 and sent back to Council with a favorable recommendation seconded by Councilwoman Wildaliz Bermudez. No further discussions were held.

**OMBGA Committee Vote Taken (3-0, 2 Absent, 0 Recused Pass)**

Committee Co-Chair Council President Maly D. Rosado: Yes  
Committee Co-Chair Majority Leader Thomas J. Clarke II: Absent  
Councilwoman Shirley Surgeon: Absent  
Councilman John Gale: Yes  
Councilwoman Wildaliz Bermudez: Yes

Respectfully Submitted,



Council President, Maly D. Rosado  
Co-Chair of Operations, Management, Budget, and Government Accountability

Majority Leader, Thomas J. Clarke II  
Co-Chair of Operations, Management, Budget, and Government Accountability



**Luke A. Bronin**  
**Mayor**

September 28, 2020

Honorable Maly D. Rosado, Council President, and  
Members of the Court of Common Council  
City of Hartford  
550 Main Street  
Hartford, CT 06103

**RE: FY2021 Council Part-Time Staffing**

Dear Council President Rosado,

At the Council's request, attached for your consideration is a resolution transferring \$55,981 from Sundry: Non-Operating Department Expenditures in Fiscal Year 2021 to the Court of Common Council Office. These funds will be used for staffing.

This request is in accordance with the Municipal Code, Chapter 2, Article II, Sec. 2-46 which states "Each council member may appoint an executive assistant who shall serve at the pleasure of, and whose duties shall be prescribed by, the council member making said appointment."

The Office of Management, Budget, and Grants is happy to answer any questions that you may have.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Luke A. Bronin", is written over a horizontal line.

Luke A. Bronin  
Mayor

**550 Main Street**  
**Hartford, Connecticut 06103**  
**Telephone (860) 757-9500**  
**Facsimile (860) 722-6606**

**INTRODUCED BY:**  
Luke A. Bronin, Mayor

**COURT OF COMMON COUNCIL**  
City of Hartford, September 28, 2020

**WHEREAS,** The Municipal Code, Chapter 2, Article II, Sec. 2-46 states “Each council member may appoint an executive assistant who shall serve at the pleasure of, and whose duties shall be prescribed by, the council member making said appointment,” and

**WHEREAS,** The FY2021 Adopted Budget funds seven Executive Assistants and Council will manage an additional \$55,981 for staffing, now, therefore, be it

**RESOLVED,** That the Mayor is hereby authorized to transfer total FY2021 funding of \$55,981 from the Sundry: Non-Operating Department to the Court of Common Council.