

**DEPARTMENT OF DEVELOPMENT SERVICES – PLANNING DIVISION** *REPORT:* 8-24 Review of Municipal Improvements for the transfer of 13 cityowned properties to the Hartford Land Bank and approval of a Term Sheet for consideration on March 8, 2022

## STAFF REPORT

To:	Planning & Zoning Commission
PREPARED BY:	Evelyne St-Louis, Senior Planner ( <u>evelyne.st-louis@hartford.gov</u> )

PROJECT: Transfer of Thirteen City-Owned Properties to the Hartford Land Bank, Inc. and Adoption of a Term Sheet between the City of Hartford the Hartford Land Bank

STREET ADDRESS	PARCEL ID	ZONE	HISTORIC DISTRICT
49 Annawan Street	250-579-175	N-5-3	Shultas Place-Annawan Street State Historic District
53 Benton Street	251-676-151	NX-2	Shultas Place-Annawan Street State Historic District
68 Bonner Street	184-520-094	NX-2	None
647 Broadview Terrace	165-599-087	N-3-1	None
176 Clark Street	240-119-093	NX-2	Capen Clark National Historic District
25H Edgewood Street	199-204-025	NX-1	Homestead Avenue State Historic District
437 Garden Street	220-221-078	NX-2	None
597 Garden Street	218-159-135	NX-2	None
602 Garden Street	218-160-184	NX-2	None
36 Green Street	221-235-184	NX-1	Clay Hill National Historic District
138 Irving Street	220-222-021	NX-1	None
287 Sargeant Street	177-252-026	N-2-2	Sigourney Square National Historic District
71 Winchester Street	217-154-029	NX-1	None

ENERGOV ID: COMM-2022-0577

ZONE: See above

 TYPE:
 Review of Municipal Improvements Per Connecticut General Statutes

 Section 8-24
 Section 8-24

- APPLICANT: City of Hartford Court of Common Council
- **OWNER:** City of Hartford

## **BACKGROUND INFORMATION**

The application is for an 8-24 Review of Municipal Improvements. The referral notice, dated February 14, 2022, is a communication from Mayor Bronin to the Court of Common Council (the Council) regarding a proposed resolution that would authorize the transfer of thirteen city-owned properties to the Hartford Land Bank, Inc. (HLB). These parcels are vacant lots or vacant homes that were acquired by the City through tax deed sales or foreclosure due to blight liens. The Mayor's proposed resolution would also approve a Term Sheet to be used as the basis for a Memorandum of Understanding (MOU) that would apply to this transfer and future land transfers between the City and the HLB.

For context, on June 22, 2021 the Planning & Zoning Commission reviewed an 8-24 application for the transfer of eleven city-owned parcels to the HLB, including several parcels included in this current application (see Attachment 1). The PZC approved the resolution with the following conditions:

- (1) Each property shall be redeveloped in accordance with the Zoning Regulations and the Historic Preservation Commission ordinance;
- (2) The Hartford Land Bank shall establish clear guidelines for its "Lot Next Door Program" and work with the Planning & Zoning and Historic Preservation Commissions to address potential zoning conflicts in order to ease the process for future buyers; or, if no such buyer materializes, returning the properties to productive use through the development of housing.

Following this approval, however, the Council did not ultimately approve the transfer due to the lack of a standard MOU that could be applied to all property transfers and due to the elimination of the specific program that was being considered, the "Lot Next Door Program" was eliminated.

## **KEY APPLICATION TIMELINES**

- Referral Date: Monday February 14, 2022.
- Date Received: Thursday February 24, 2022.
- Scheduled to be heard by the Planning and Zoning Commission: Tuesday, March 8, 2022.
- Council Public Hearing Date: Tuesday February 22, 2022.
- Council Meeting Date: Monday March 14, 2022.

#### LEGAL STANDARD

Standard for Application Type:

The Commission advises the city council and city agencies about municipal improvements in accordance with 8-24 of the general statutes and section 1.3.10 of the Zoning Regulations. The Commission must primarily consider whether the municipal improvement will be completed in a manner consistent with the comprehensive plan of development.

## <u>STANDARD SPECIFIC TO THE USE</u> Connecticut General Statutes Section 8-24;

## Zoning Regulations Section 1.3.10: Review of Municipal Improvements

C. Review Criteria:

- In reviewing proposals for municipal improvements, the commission shall focus primarily on whether the municipal improvement will be completed in a manner consistent with the comprehensive plan of development.
- (2) The Commission shall not base its decision solely on financial matters (including but not limited to the cost to the city of the municipal improvement).

## Plan of Conservation & Development (POCD)

Grow400: A more prosperous economy

- ➢ Grow the grand list
- Incentivize rehabs of historic homes
- ➢ Infill, infill, infill

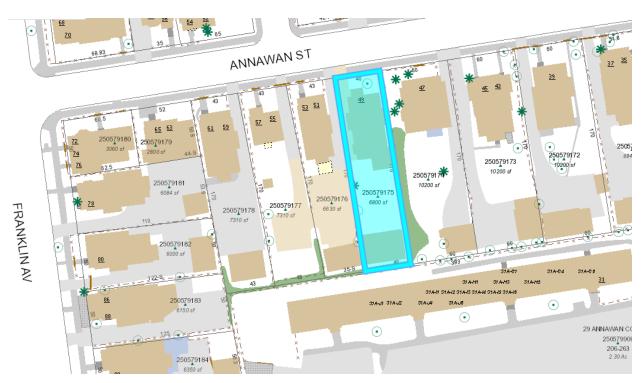
Live400: A more equitable community

- > Transform 500 properties with the land bank
- ▶ Build 5,000 new housing units
- Repair and maintain aging housing stock
- ➢ Increase homeownership by 50%

## FINDING OF FACTS

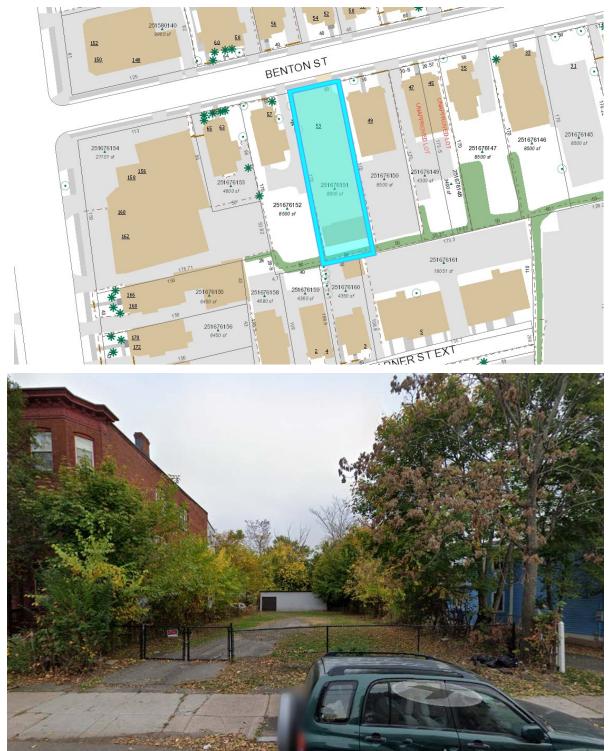
The thirteen parcels to be transferred to the HLB are listed below, with imagery from the City's GIS map, Google Street View, as well as information on each parcel's zoning district, historic district, and planning district. The proposed Term Sheet that would serve as the basis for the MOU between the City and the HLB is included as part of Attachment 2.

Address: 49 Annawan Street Parcel ID: 250-579-175 Zoning District: N-5-3 Historic District: Shultas Place-Annawan State Historic District Planning District: South





Address: 53 Benton Street Parcel ID: 251-676-151 Zoning District: NX-2 Historic District: Shultas Place-Annawan State Historic District Planning District: South



Address: 68 Bonner Street Parcel ID: 184-520-094 Zoning District: NX-2 Historic District: None Planning District: South



Address: 647 Broadview Terrace Parcel ID: 165-599-087 Zoning District: N-3-1 Historic District: None Planning District: South



8-24 Review: Transfer of City-Owned Properties to Hartford Land Bank

Address: 176 Clark Street Parcel ID: 240-119-093 Zoning District: NX-2 Historic District: Capen Clark National Historic District Planning District: North



Address: 25H Edgewood Street Parcel ID: 199-204-025 Zoning District: NX-1 Historic District: Homestead Avenue State Historic District Planning District: North



Note: Property not visible from Google Streetview – image shows approximate parcel location.

Address: 437 Garden Street Parcel ID: 220-221-078 Zoning District: NX-2 Historic District: None Planning District: North



Address: 597 Garden Street Parcel ID: 218-159-135 Zoning District: NX-2 Historic District: None Planning District: North



Address: 602 Garden Street Parcel ID: 218-160-184 Zoning District: NX-2 Historic District: None Planning District: North



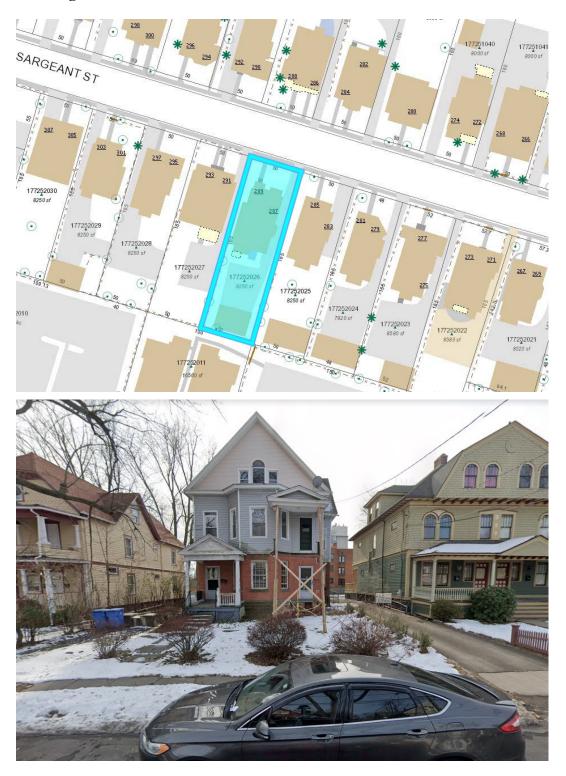
Address: 36 Green Street Parcel ID: 221-235-184 Zoning District: NX-1 Historic District: Clay Hill National Historic District Planning District: North



Address: 138 Irving Street Parcel ID: 220-222-021 Zoning District: NX-1 Historic District: None Planning District: North



Address: 287 Sargeant Street Parcel ID: 177-252-026 Zoning District: N-2-2 Historic District: Sigourney Square National Historic District Planning District: West



Address: 71 Winchester Street Parcel ID: 217-154-029 Zoning district: NX-1 Historic district: None Planning District: North



## COMMENTS RECEIVED (DEPARTMENTS, AGENCIES, NRZS, PUBLIC)

As of the time of writing, staff had not received any comments on this application.

#### ANALYSIS

In 2017, the Council approved the establishment of the HLB as a tool to prevent blight and to better repurpose abandoned properties by replacing antiquated systems of tax foreclosure and property disposition. In June 2021, there was an effort to transfer eleven city-owned properties to the HLB (see Attachment 1). The transfer ultimately did not move forward due to the lack of a MOU agreement between the City and the HLB, and because the specific HLB program that was being considered at the time (the Lot Next Door Program) was eliminated.

On February 14, 2022, Mayor Bronin submitted a proposed resolution to the Court of Common Council that would authorize the transfer of thirteen city-owned properties to the HLB, including several parcels that were included in the previous proposal. All thirteen parcels are vacant lots or homes that were acquired by the City through tax deed sales or foreclosure. The purpose of the land transfer is to allow the HLB to resell properties to private owners for redevelopment. The Mayor's proposed resolution also includes a draft Term Sheet to be used as the basis for the MOU between the City and the HLB for future property transactions.

In accordance with Section 8-24 of the General Statutes and Section 1.3.10 of the Zoning Regulations, the PZC must assess whether this transfer is in line with the POCD and make recommendation back to Council who will then act on the request. The Clerk's office anticipates that the recommendation made by the PZC will be communicated back to the Council on Monday March 14, 2022.

Staff find that the proposed land transfer is overall well-aligned with the POCD. The Live400 chapter of the POCD explicitly identifies the goal of "transforming 500 properties with the land bank", explaining that "using a recently-created nonprofit land bank to revive vacant, blighted properties for new occupancy will improve property values and quality of life within neighborhoods." Other goals in the Live400 chapter include building 5,000 new housing units citywide, repairing and maintaining aging housing stock, and increase homeownership by 50%. The Grow400 chapter includes the goals of growing the grand list, incentivizing the rehab of historic homes, and encouraging infill development on vacant or underutilized lot to raise property values, reduce blight, and create more cohesive neighborhoods.

The proposed Term Sheet, which details the desired terms and conditions for future property acquisitions, redevelopment and dispositions between the City and the HLB, is also consistent with the goals of the POCD listed above. A few relevant excerpts of the Term Sheet are included below – refer to Attachment 2 for the full document.

- The City will work towards the goal of providing 30 properties annually depending on availability which will include a balanced mix of properties with structures and vacant lots.
- HLB will prepare properties acquired from the city for the expressed purpose of disposing property to private parties for redevelopment in order to eliminate blight and spur neighbor revitalization. HLB will work towards the goal of disposing of properties within 1 year of transfer from the City.

• The HLB will deliver quarterly reports to DDS which summarize the status of properties transferred from the City and demonstrate performance measures as outlined in the Disposition Process.

It is worth noting that one of the parcels, 25H Edgewood Street, may be difficult to reuse or develop. It is a landlocked parcel without any street frontage, located behind existing homes on Edgewood Street and Cabot Street. Once it is under HLB's ownership, the HLB may opt to sell the property to an adjacent private property owner, or if there is no interest, the HLB could attempt to purchase an adjacent lot to help facilitate a larger project.

## **STAFF RECOMMENDATION**

Staff recommends approval of this 8-24 Review application. A draft resolution follows.

## ATTACHMENTS

- 1. Comparison of properties included in prior land transfer application (June 2021) and this current land transfer application
- 2. Mayor Bronin Proposed Resolution to the Court of Common Council, dated February 14, 2022, including the proposed Term Sheet.

#### **REVIEWED AND EDITED BY,**

Aimee Chambers, Director



# CITY OF HARTFORD PLANNING & ZONING COMMISSION RESOLUTION 8-24 REVIEW OF MUNICIPAL IMPROVEMENTS

# TRANSFER OF THIRTEEN (13) CITY-OWNED PROPERTIES TO THE HARTFORD LAND BANK, INC. AND ADOPTION OF A TERM SHEET BETWEEN THE CITY OF HARTFORD THE HARTFORD LAND BANK

# Whereas,The City of Hartford Planning & Zoning Commission reviewed the referral from the<br/>Court of Common Council regarding the transfer of thirteen (13) city-owned parcels,<br/>listed below, to the Hartford Land Bank, Inc. for private redevelopment and reuse, as well<br/>as the proposed Term Sheet to be used as the basis for a Memorandum of Understanding<br/>between the City of Hartford and the Hartford Land Bank:

- 49 Annawan Street (parcel ID: 250-579-175; zoning district: N-5-3)
- 53 Benton Street (parcel ID: 251-676-151; zoning district: NX-2)
- 68 Bonner Street (parcel ID: 184-520-094; zoning district: NX-2)
- 647 Broadview Terrace (parcel ID: 165-599-087; zoning district: N-3-1)
- 176 Clark Street (parcel ID: 240-119-093; zoning district: NX-2)
- 25H Edgewood Street (parcel ID: 199-204-025; zoning district: NX-1)
- 437 Garden Street (parcel ID: 220-221-078; zoning district: NX-2)
- 597 Garden Street (parcel ID: 218-159-135; zoning district: NX-2)
- 602 Garden Street (parcel ID: 218-160-184; zoning district: NX-2)
- 36 Green Street (parcel ID: 221-235-184; zoning district: NX-1)
- 138 Irving Street (parcel ID: 220-222-021; zoning district: NX-1)
- 287 Sargeant Street (parcel ID: 177-252-026; zoning district: N-2-2)
- 71 Winchester Street (parcel ID: 217-154-029; zoning district: NX-1); and
- Whereas, The referral was received from the Court of Common Council on February 14, 2022; and
- Whereas, The role of the Planning & Zoning Commission in an 8-24 review is primarily to determine whether the municipal improvement will be completed in a manner consistent with the Plan of Conservation and Development (POCD); and
- Whereas, The proposed transfer and the Term Sheet would help further several goals stated in the Plan of Conservation & Development, including: transforming 500 properties with the land bank (Live400); building 5,000 new housing units citywide (Live400); repairing and maintaining aging housing stock (Live400); increasing homeownership by 50% (Live400); growing the grand list (Grow400); incentivizing the rehab of historic homes

	(Grow400); and encouraging infill development on vacant or underutilized parcels (Grow400); and
Whereas,	The proposed Term Sheet states that the Hartford Land Bank, Inc. agrees to comply with all City zoning and building regulations as they apply to rehabilitation, renovation, development, subdivision and adjoining of properties; and
	Now therefore Be It
Resolved,	The City of Hartford Planning & Zoning Commission hereby recommends approval of the transfer of the thirteen (13) city-owned properties to the Hartford Land Bank, Inc. and adoption of the proposed Term Sheet, per referral from the Court of Common Council dated February 14, 2022.
	Be It Further,

**Resolved,** This  $8^{th}$  day of March, 2022.

Attachment 1. Comparison of properties included in prior land transfer application (June 2021) and this current land transfer application

ADDRESS	COMPARSION OF PRIOR ROUND VS. THIS APPLICATION
49 Annawan Street	Included in prior application and in this application
53 Benton Street	Included in prior application and in this application
68 Bonner Street	Included in prior application and in this application
647 Broadview Terrace	New addition to this application
176 Clark Street	Included in prior application and in this application
25H Edgewood Street	Included in prior application and in this application
437 Garden Street	Included in prior application and in this application
597 Garden Street	New addition to this application
602 Garden Street	Included in prior application and in this application
36 Green Street	Included in prior application and in this application
138 Irving Street	Included in prior application and in this application
287 Sargeant Street	New addition to this application
71 Winchester Street	New addition to this application
415 Garden Street	Included in prior application but removed from this application
60 East Street	Included in prior application but removed from this application

Attachment 2. Proposed Resolution from Mayor Bronin to the Court of Common Council, including the Proposed Term Sheet, dated February 14, 2022.



February 14, 2022

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

## RE: Second Pilot Transfer of Various City Owned Properties to the Hartford Land Bank

Dear Council President Rosado:

Attached for your consideration is a resolution which would authorize a second round of pilot City-owned property transfers to the Hartford Land Bank, Inc. (HLB) for private redevelopment and reuse. These thirteen parcels include vacant lots and homes that have been acquired by the City through tax deed sales or foreclosure due to blight liens.

In 2017 the Court of Common Council approved establishment of the Hartford Land Bank as a tool to combat and prevent blight and to better repurpose abandoned properties by replacing antiquated systems of tax foreclosure and property disposition.

This resolution also includes the approval of a Term Sheet which will be the basis for a Memorandum of Understanding (MOU) between the City and the HLB for future property acquisition, redevelopment and disposition. This transaction will be subject to an 8-24 Plan review and recommendation by the Planning and Zoning Commission (P&Z).

I respectfully recommend adoption of the proposed resolution. The Department of Development Services will be pleased to answer any questions you may have.

Respectfully submitted,

Luke A. Bronin Mayor

550 Main Street Hartford, Connecticut 06103 Telephone (860) 757-9500 Facsimile (860) 722-6606 **WHEREAS**, The City has a portfolio of City-owned properties that have been acquired via several methods including tax deed sales and foreclosure due to blight liens; and

**WHEREAS**, The City of Hartford now wishes to transfer certain individual parcels to the Hartford Land Bank, Inc., for the purposes of blight remediation and returning the properties to productive use consistent with neighborhood and community priorities and objectives; and

**WHEREAS,** The properties included in this resolution are a combination of vacant lots and residential structures which are intended to be redeveloped, reconstructed or reutilized through the Hartford Land Bank: and

**WHEREAS,** The City and Hartford Land Bank wish to enter into a Memorandum of Understanding for future property acquisitions, redevelopment and dispositions as described and expressed in the Term Sheet document attached to this Resolution, now, therefore, be it

**RESOLVED**, That the Court of Common Council hereby approves the transfer of the following parcels:

- 1. 49 Annawan Street
- 2. 53 Benton Street
- 3. 68 Bonner Street
- 4. 647 Broadview Terrace
- 5. 176 Clark Street
- 6. 25 H Edgewood Street
- 7. 437 Garden Street
- 8. 597 Garden Street
- 9. 602 Garden Street
- 10. 36 Green Street
- 11. 138 Irving Street
- 12. 287 Sargeant Street
- 13. 71 Winchester Street, and be it further

**RESOLVED**, That the Mayor is authorized to enter into a purchase and sale agreement with the Hartford Land Bank, Inc. or its successors or assigns for the purposes set forth above; and be it further

**RESOLVED**, That the Purchase Agreement shall (i) contain such other provisions regarding the conveyance as the Mayor and the Corporation Counsel deem necessary to protect the interests of the City and (ii) contain such provisions as are customary in real estate conveyances in Hartford County; and be it further

**RESOLVED,** That the Mayor is authorized to execute a Memorandum of Understanding with the Hartford Land Bank, Inc., the terms of which are described and expressed in the Term Sheet document attached to this Resolution; and be it further

**RESOLVED**, That the Mayor is authorized to execute any and all manner of other documents and to take such other actions as they and the Corporation Counsel may deem appropriate and in the best interests of the City in order to effectuate the above transaction; 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 or 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 form and substance, acceptable to the Mayor and Corporation Counsel.

# CITY OF HARTFORD & HARTFORD LAND BANK MOU KEY TERMS & CONDITIONS - TERM SHEET

## **DELEGATION OF DUTIES**

	City of Hartford (City)	Hartford Land Bank (HLB)
Acquisitions	<ul> <li>The City will acquire blighted, abandon and, or tax delinquent properties and prepare them for transfer to the HLB.</li> <li>The City will provide an "Eligible Properties List" to the HLB as properties become available.</li> <li>The City will work towards the goal of providing 30 properties annually depending on availability which will include a balanced mix of properties with structures and vacant lots.</li> </ul>	<ul> <li>HLB may acquire properties from the City or by any other legal means in order to meet the HLB mission of acquiring vacant and blighted properties for redevelopment within the City of Hartford.</li> <li>HLB will review and approve the transfer of proposed eligible properties offered by the City in accordance with its policies and procedures.</li> </ul>
Dispositions	The City will work with the HLB to dispose of City owned properties for the expressed purpose of blight remediation and neighborhood revitalization.	<ul> <li>HLB will prepare properties acquired from the city for the expressed purpose of disposing property to private parties for redevelopment in order to eliminate blight and spur neighbor revitalization.</li> <li>HLB will work towards the goal of disposing of properties within 1 year of transfer from the City.</li> </ul>
Stabilization Plan	The City will review Stabilization Plans submitted by HLB and will provide comments and directions as necessary.	Prior to taking ownership from the City, HLB will produce and submit a property Stabilization Plan to the City which details how the property will be secured, cleaned, protected from further blight and vandalism, and maintained until such time that the property can be disposed.
Disposition Process	The City will transfer property to the HLB free and clear of all liens held by the City.	Day 1 - HLB acquires properties from the City. Day 2-60 - HLB stabilizes property, markets, negotiates sale, and signs

		<ul> <li>contract. HLB solicits Expressions of Interest from Community Partners.</li> <li>Day 61-120 - HLB initiates closing process.</li> <li>Day 121-485 – New owners to develop property and prepare for sale.</li> <li>Day 486-540 – Occupancy of permitted use.</li> </ul>
Community Partners / Expression of Interest		The HLB will encourage its Community Partners to submit an Expression of Interest for the opportunity to rehabilitate or construct new housing units on eligible properties acquired under this program and within each partner's geographical development area. The purpose is to help strengthen local community development organizations while working to revitalize more properties and prepare them for homeownership.
Community Benefits		HLB agrees to work towards the goals of utilizing 50% of Hartford- based minority contractors and preparing 25% of properties for homeownership. Progress regarding Community Benefit goals will be included in both quarterly and annual reports to The City.
Reporting	The City will require HLB to submit Quarterly and Annual reports due by the 15th day of January, April, July and October of each year.	The HLB will deliver quarterly reports to DDS which summarize the status of properties transferred from the City and demonstrate performance measures as outlined in the Disposition Process.

		HLB will also deliver an annual report at the end of the calendar year to the City's Court of Common Council which summarizes the status of properties transferred from the City and where they stand within the Disposition process.
Program Costs	The City shall be responsible for any costs associated with acquisition of blighted, abandoned and, or tax delinquent properties acquired prior to transfer to the HLB and shall not pass those costs on to the HLB except where mutually agreed upon in a disposition agreement between the City and HLB.	The HLB shall be responsible for any cost incurred after properties are transferred from the City to the HLB.
Policies &		The HLB agrees to adhere to the
Procedures		Procurement Policy of the Hartford Land Bank Inc. as adopted by its Board of Directors on May 14, 2019 as it is hereby amended, restated and/or supplemented from time to time. The HLB also agrees to adhere to the Acquisition & Disposition Policies of the Hartford Land Bank, Inc. adopted by its Board of Directors on February 17, 2020 as it is hereby amended, restated and/or supplemented from time to time.
Purchaser of		Purchasers of HLB held properties
HLB Property		must be in good standing with the City and current on all taxes within the City of Hartford to be verify with the City Tax Collector's office.
Local Regulations		The HLB agrees to comply with all City zoning and building regulations as they apply to rehabilitation, renovation, development, subdivision and adjoining of properties.

Transferability	The HLB will have the ability to
	transfer properties to the City in the
	event that disposition or reuse is not
	feasible.

# **STANDARD TERMS**

Land Bank	The City and HLB agree to work towards the creation of a Hartford Land
Authority	Bank Authority pursuant to Public Act No. 19-175 within 1 year of the
	execution of this MOU. The determination of future MOU's and other such
	agreements between the City and HLB will be based on the creation and
	adoption of a bonified Land Bank Authority.
Default	This MOU will be considered in Default if the stated Goals and Objectives
	in Section 1 are not met to the satisfaction of the City within one year of its
	execution. If the City determines the MOU to be in default no further
	properties will be transferred to the HLB.
Dissolution /	In the event of a dissolution or a bankruptcy filing of the HLB, all unsold
Bankruptcy	properties at the conclusion of dissolution or bankruptcy will revert back to
	the City.
Active	Within the City's Active Redevelopment Plans, the HLB agrees to
Redevelopment	rehabilitate, renovate and develop eligible properties in accordance with
Plans	such plans.
Termination	Either party may terminate the provisions of the MOU in its entirety at any
	time, and without any liability to the other party, by providing the other
	party with ten (10) days' prior written notice of such termination.
MOU Term	MOU will be for a 2-year term and may be extended upon agreement by
	both parties.