



Town of Glastonbury

2155 MAIN STREET • P.O. BOX 6523 • GLASTONBURY, CT 06033-6523 • (860) 652-7500
FAX (860) 652-7505

Jonathan K. Luiz
Town Manager

ITEM #5(E)
07-11-2023 Meeting

July 11, 2023

The Glastonbury Town Council
2155 Main Street
Glastonbury, CT 06033

Re: Memorandum of Understanding with the Housing Authority of the Town of Glastonbury – 50-55 Nye Road

Dear Council Members:

The attached Memorandum of Understanding (MOU) between the Town of Glastonbury (Town) and the Glastonbury Housing Authority (GHA) sets forth the business terms between the two entities associated with the purchase of the 50-55 Nye Road Property. Key topics include:

- GHA's financial contribution towards the purchase of the property (\$500,000);
- Anticipated conveyance of Town-owned land at 277 Western Boulevard (former Gateway Corporate Park) to the GHA;
- Necessary lot line modification; and
- Acknowledgement by both parties that the transactions contemplated by the MOU are being consummated for the purpose of allowing the GHA to develop the project property for residential purposes as affordable housing and the Town's participation in these transactions is in reliance on that purpose.

The conveyance of Town-owned land at 277 Western Boulevard, a portion of Assessor's Parcel W0003, totaling 4.16± acres, should be approved by the Town Council before authorization is given to the Town Manager to execute the MOU.

The following motion is offered for Council consideration:

"BE IT RESOLVED, that the Glastonbury Town Council hereby schedules a public hearing for 8:00 p.m. on Tuesday, July 25, 2023 in the Council Chambers of Town Hall, 2155 Main Street, Glastonbury and/or through Zoom Video Conferencing, to consider the proposed sale of the Town-owned land at 277 Western Boulevard, a portion of Assessor's Parcel W0003, totaling 4.16± acres, as described in a report by the Town Manager dated July 11, 2023."

Sincerely,


Jonathan Luiz
Glastonbury Town Manager

JL/sal
Attachments

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this “MOU”) is by and between **THE HOUSING AUTHORITY OF THE TOWN OF GLASTONBURY**, a public body politic organized and existing pursuant to Chapter 128 of the Connecticut General Statutes, having and an address at 25 Risley Road, Glastonbury, Connecticut (the “GHA”), and **THE TOWN OF GLASTONBURY**, a municipal corporation and body politic having an address at 2155 Main Street, Glastonbury, Connecticut 06033 (the “Town”).

RECITALS

- A. The Town and GHA wish to collaborate in the development of an affordable housing project on Nye Road in Glastonbury, Connecticut (“the Project”).
- B. The Project will be developed on land consisting of (a) a portion of the parcel known as 50-55 Nye Road (which portion is referred to here as “55 Nye”) and (b) a portion of the parcel known as 277 Western Boulevard (which portion is referred to here as “Western Portion of 277 Western” and, together with 55 Nye, is referred to as “Project Property”). 55 Nye is shown as “Area B on the Boundary Line Modification Plan attached as Exhibit A. The Western Portion of 277 Western is shown as “Area C” on such plan.
- C. The parcel known as 50-55 Nye Road is owned by Nye Road Partners, LLC (“Nye Road Partners”).
- D. The Town, GHA and Nye Road Partners are parties to a purchase and sale agreement (“as amended, the PSA”) pursuant to which (a) Nye Road Partners will convey 55 Nye to GHA and (b) Nye Road Partners will convey 50 Nye to the Town. The total consideration to be paid to Nye Road Partners pursuant to the PSA is \$3,150,000.00. The closing is to occur on or before August 8, 2023.
- E. 50 Nye and 55 Nye each contain an office building, each currently occupied by tenants under leases. The Town intends to continue the existing office use of 50 Nye in the near term.
- F. The Town and GHA have agreed that by its acceptance of a ground lease and assignment of leases from GHA, the Town will assume possession of 55 Nye until June 30, 2024, at which time it will deliver possession to GHA free of tenants. This will permit the Town to use 55 Nye for parking for 50 Nye tenants while it constructs new parking facilities on 50 Nye.

AGREEMENTS

In furtherance of the foregoing, the Town and GHA agree as follows:

1. *GHA contribution to PSA consideration.* GHA shall contribute \$500,000 without any adjustments, towards the purchase price due under the PSA, the balance shall be paid by the Town.

2. *Conveyance of Western Portion of 277 Western.* Contemporaneously with the conveyances of 50 Nye and 55 Nye from Nye Road Partners to the Town and GHA respectively, the Town shall convey to GHA the Western Portion of 277 Western by quit claim deed, without representation or warranty. (Such quit claim deed shall also include the land shown on the Boundary Line Modification Plan attached as Exhibit A as “ownership of this parcel is in dispute”).

3. *Lot Line Modification.* The Town and GHA shall take such steps as may be necessary or appropriate, contemporaneously with conveyances described above, to cause parcel lines to be modified as shown as the Boundary Line Modification Plan attached as Exhibit A.

4. *Ground lease.* Contemporaneously with GHA’s acquisition of the Project Property, GHA and the Town will enter into a Ground Lease substantially in form as attached as Exhibit B, by which the Town will ground lease the Project Property from GHA until June 30, 2024 and shall surrender the Project Property to GHA on July 1, 2024 free of tenants.

5. *Intended Development of Project Property by GHA.* The Town and GHA acknowledge that the transactions contemplated by this MOU are being consummated for the purpose of allowing the GHA to develop the Project Property for residential purposes as affordable housing and the Town’s participation in these transactions is in reliance on that purpose.

6. *Execution in Counterparts.* This MOU may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

7. *Modification.* This MOU may be modified only by a written agreement signed by all the parties hereto.

8. *Entire Agreement.* This is the entire agreement of the parties concerning the subject matter hereof, and in executing this MOU no party has relied upon any statements, representations or agreements, whether oral or in writing, relating to the subject matter hereof, except as is expressly set forth herein.

9. *Governing Law.* This MOU shall be deemed to be made under the laws of the State of Connecticut and for all purposes shall be governed by and construed in accordance with the law thereof.

10. *Parties Bound.* This MOU shall be binding upon, and shall inure to the benefit of, the parties and their respective successors and assigns.

[the next page is the signature page]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Town and GHA have executed this Memorandum of Understanding:

**THE HOUSING AUTHORITY OF THE TOWN
OF GLASTONBURY**

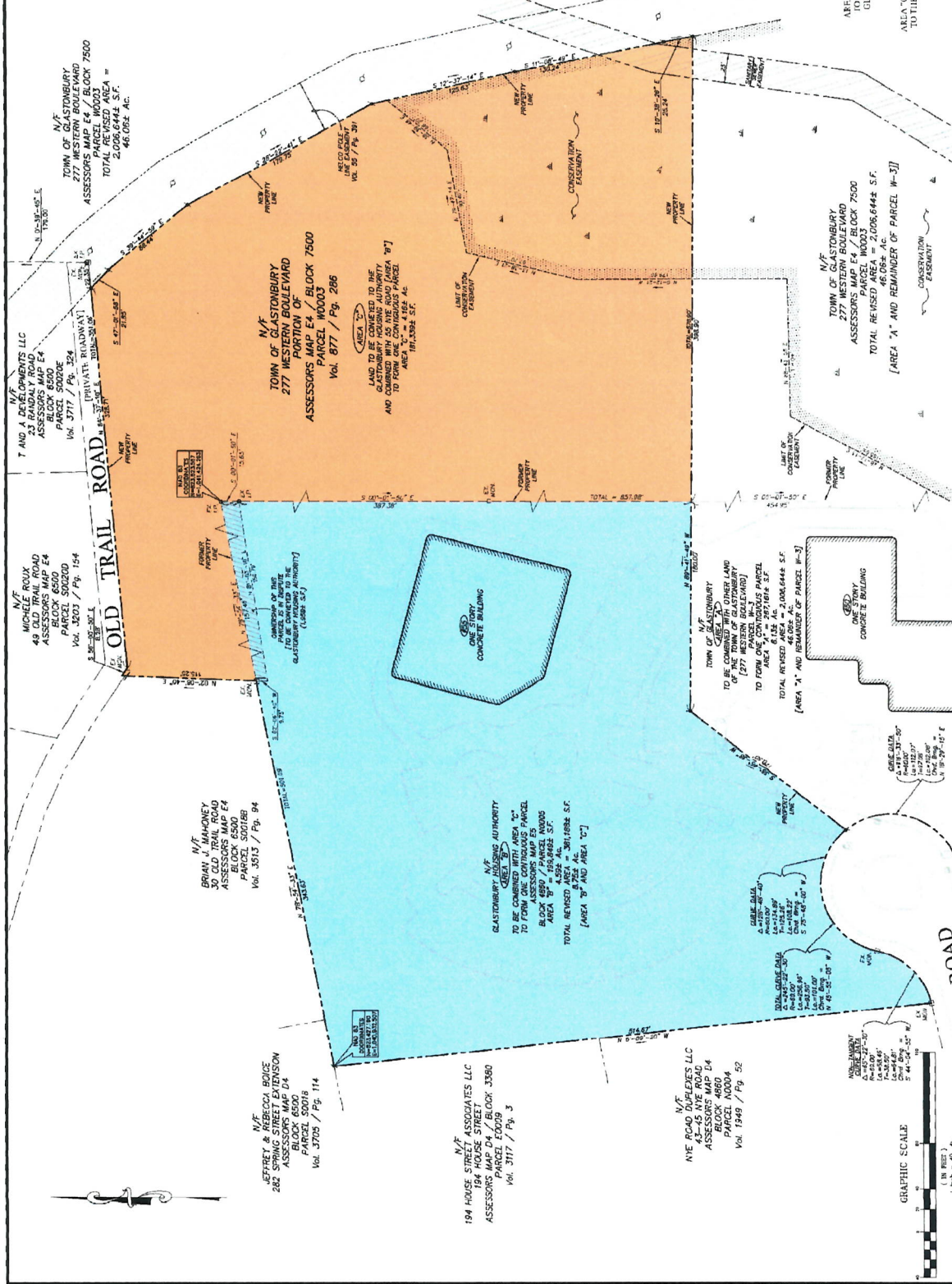
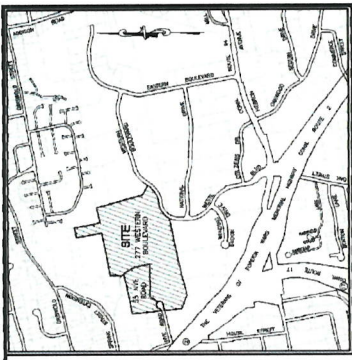
By: _____
Name: Neil J. Griffin, Jr.
Title: Executive Director

THE TOWN OF GLASTONBURY

By: _____
Name: Jonathan K. Luiz
Title: Town Manager

EXHIBIT A

BOUNDARY LINE MODIFICATION PLAN



GENERAL NOTES:

THE SHOWN AREAS ARE BASED UPON THE RECORD MAPS AND RECORD DEEDS ON FILE AT THE REGISTER OF DEEDS OFFICE IN THE STATE OF CONNECTICUT. THE SHOWN AREAS ARE BASED UPON THE RECORD MAPS AND RECORD DEEDS ON FILE AT THE REGISTER OF DEEDS OFFICE IN THE STATE OF CONNECTICUT. THE SHOWN AREAS ARE BASED UPON THE RECORD MAPS AND RECORD DEEDS ON FILE AT THE REGISTER OF DEEDS OFFICE IN THE STATE OF CONNECTICUT.

MAP REFERENCES:

CONSERVATION EASEMENT MAP NO. 1000, TOWN OF GLASTONBURY, CONNECTICUT, DATED 11/11/2003.

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BOUNDARY LINE MODIFICATION PLAN
 PREPARED FOR:
 THE TOWN OF GLASTONBURY AND
 THE TOWN OF GLASTONBURY
 HOUSING AUTHORITY
 50-55 NYE ROAD
 GLASTONBURY, CONNECTICUT

NO.	REVISIONS	DATE

SCALE	AS SHOWN	DATE
DRAWN BY:	D.A.S.	02/2022
CHECKED BY:	D.A.S.	02/2022
APPROVED BY:	D.A.S.	02/2022
DATE		

DATE: 02/2022
 DRAWN BY: D.A.S.
 CHECKED BY: D.A.S.
 APPROVED BY: D.A.S.

MADE IN ACCORDANCE WITH THE RECORD MAPS AND RECORD DEEDS ON FILE AT THE REGISTER OF DEEDS OFFICE IN THE STATE OF CONNECTICUT.

DATE: 02/2022
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 CHECKED BY: D.A.S.
 APPROVED BY: D.A.S.

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EXHIBIT B

GROUND LEASE