



Dannel P. Malloy
Governor

STATE OF CONNECTICUT
DEPARTMENT OF HOUSING



Evonne M. Klein
Commissioner

October 16, 2017

Mr. Bruce Parsons
Chairman
Brooklyn Housing Authority
31 Tiffany Street, Suite A
Brooklyn, CT 06234

RE: Disposition of Tiffany Place, 019-AH-3

Dear Chairman Parsons:

Please find attached for your reference a Findings of Fact and Determination relative to the disposition of Project #019-AH-3 ("Tiffany Place Apartments").

In accordance with this Findings of Fact and Determination, attached for your action is a fully executed Release of Assistance Agreement for Tiffany Place Apartments, which should be recorded on the Land Records of the Town of Brooklyn at your earliest convenience. Please remit a copy of the recorded Release to my attention.

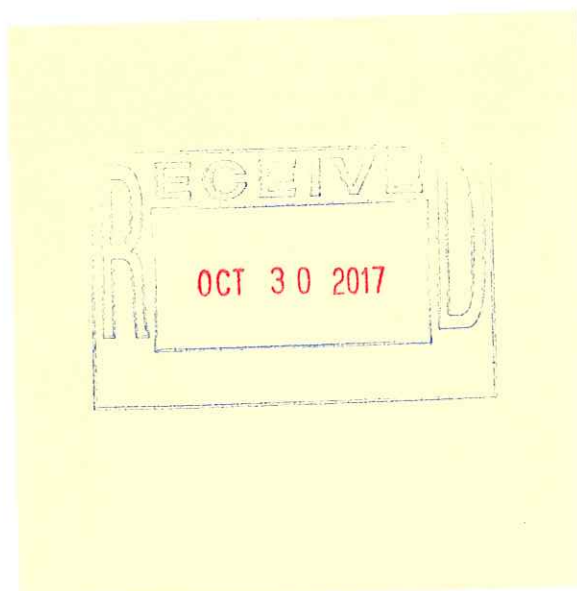
Should you have any questions or concerns with regard to the Findings of Fact and Determination, or the Release of Assistance Agreement, please do not hesitate to contact Michael Santoro at 860-270-8171, or by email at Michael.santoro@ct.gov.

Sincerely,

Evonne M. Klein
Commissioner

Attachments

CC: Kathy Carter, Brooklyn Housing Authority
Lynn Koroser-Crane, CHFA



RELEASE OF ASSISTANCE AGREEMENT

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME, GREETING:

KNOW ALL MEN BY THESE PRESENTS, that the **STATE OF CONNECTICUT**, acting herein by its Department of Housing (hereinafter, the "State"), having a mailing address of 505 Hudson Street, Hartford, Connecticut, 06106, does hereby release and discharge that certain real property known as Tiffany Place Apartments, Brooklyn, CT, commonly known as 5 Front Street and 29 Tiffany Street, being the same property conveyed to the Brooklyn Housing Authority (the "Authority") in instruments recorded in Vol. 85 p. 738 and Vol. 83 p. 738 of the Brooklyn, CT Land Records, which property is owned by the Authority from the operation of that certain Assistance Agreement concerning Project Number 019-AH-3 entered into on April 3, 1989, which document may or may not have been recorded on the municipal land records, the Authority having satisfied the terms and conditions for the issuance of this release set forth in that certain Decision by the State concerning Tiffany Place Apartments entitled "Decision In the Matter of: A proposed sale of Tiffany Place, Brooklyn, Connecticut – 27 affordable rental housing units", a copy of which is on file with the State. With this release, Tiffany Place Apartments shall no longer be subject to the requirements of the State's Affordable Housing Program, Connecticut General Statutes § 8-119bb through § 8-119jj and its accompanying regulations.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand this 23rd day of October, 2017.

Signed and Delivered
in the Presence of:

State of Connecticut
Department of Housing

Bernadette Tallarita
print name: BERNADETTE TALLARITA
Karin Motta
KARIN MOTTA
print name:

By:

Evonne M. Klein
Evonne M. Klein
Its Commissioner

STATE OF CONNECTICUT

ss. Hartford

COUNTY OF HARTFORD

The foregoing instrument was acknowledged before me this 23rd day of October, 2017 by Evonne M. Klein who acknowledged herself to be the Commissioner of the State of Connecticut Department of Housing, and that she, being authorized to do so, executed the foregoing instrument for the purposes therein contained as her free act and deed and the free act and deed of the State of Connecticut, Department of Housing.

Bernadette Tallarita
Commissioner of the Superior Court/
Notary Public
My Commission Expires: _____

Bernadette Tallarita
Notary Public

My Commission Expires 03/31/2021

Second Decision
Housing Authority of the Town of Brooklyn
Tiffany Place Apartments - 019-AH-3
Release and Sale of Property

Findings of Fact:

1. On or about January 28, 2010, the Department of Economic and Community Development (“**DECD**”) issued a Decision In the Matter of: A proposed sale of Tiffany Place, Brooklyn, Connecticut – 27 affordable rental housing units (the “**Decision**”).
2. The Department of Housing (“**DOH**”) is the successor-in-interest to DECD pursuant to CGS § 8-37r for housing matters.
3. The facts and circumstances detailed in the Decision, a copy of which is attached hereto, are incorporated as part of this Findings of Fact by reference.
4. Since the date of the Decision, the Housing Authority of the Town of Brooklyn (the “**Housing Authority**”) has undertaken the following steps:
 - a. provided appropriate and necessary notices in accordance with Chapter 135 of the Connecticut General Statutes;
 - b. successfully relocated the remaining residents who occupied the Tiffany Place Apartments (the “**Property**”) at the issuance of the Decision;
 - c. engaged and/or consulted with one or more experienced development consultants to assist it in the proposed redevelopment of the Property; and
 - d. expended more than \$381,000 in maintenance, pre-development, and other costs associated with the Recommended Action detailed in the Decision.
5. As of the date of this Second Decision, the Housing Authority has been unsuccessful in obtaining the necessary financing to effectuate redevelopment of the Property.
6. As of the date of this Second Decision, the Housing Authority has exhausted all funding resources available to assist it in the maintenance of the Property.
7. The Housing Authority has consulted with staff from both DOH and the Connecticut Housing Finance Authority (“**CHFA**”) to determine the appropriate next steps on multiple occasions over the last seven (7) years.
8. The Housing Authority and DOH have both jointly and independently consulted with representatives of the Town of Brooklyn with regard to redevelopment options for the Property. To date, no redevelopment options have been identified.
9. DOH and CHFA have reviewed the actions of the Housing Authority to date, as well as the current conditions and opportunities related to the redevelopment of the Property.
10. The Housing Authority, in accordance with discussions involving DOH and CHFA, has initiated the process for the potential sale of the Property.
11. The Housing Authority issued a Request for Proposals (the “**RFP**”) to solicit interest in the purchase of the Property and its redevelopment as affordable housing pursuant to this recommended action.
12. The RFP contemplates the redevelopment of the Property as affordable housing.

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13. The Housing Authority received two (2) proposals to purchase the Property, and is requesting DOH release the Housing Authority and the Property from the restrictions of the State's Affordable Housing Program in order to allow the Housing Authority to sell the Property without the current affordability restriction.
14. The Property was originally financed through an Assistance Agreement between the State of Connecticut, acting by the Commissioner of Housing, and the Housing Authority, dated April 3, 1989, which restricts the Property pursuant to the State's Affordable Housing Program (the "**Assistance Agreement**").
15. The Property was part of the Memorandum of Understanding ("**MOU**") between DECD and CHFA in 2003, pursuant to which, CHFA provides administrative oversight of the Property.
16. Notwithstanding the transfer of oversight of the Property to CHFA, the DOH Commissioner retains final approval or disapproval of activities that fall under CGS §§ 8-119hh, 8-64a and the Assistance Agreement.

Second Decision
Housing Authority of the Town of Brooklyn
Tiffany Place Apartments - 019-AH-3
Release and Sale of Property

REQUEST FOR DISPOSITION UNDER CGS § 8-119hh & THE ASSISTANCE AGREEMENT:

The Findings of Fact are attached hereto and made a part of this request and Second Decision.

The Housing Authority requests that the Commissioner determine that the sale of the Property is in the best interests of the State and the Housing Authority.

The disposition of the Property is governed by § 8-119hh of the Connecticut General Statutes which reads in part: "Upon the determination by the Commissioner of Housing of the termination of the acute shortage of dwelling accommodations for low income persons in the locality or upon the determination by the Commissioner of Housing and the authority, municipal developer, nonprofit corporation or partnership ... that *it is to the best interest of the state and such authority*, municipal developer, nonprofit corporation or partnership, such project *or any part thereof may*, subject to the provisions of any contract or agreement of the authority, municipal developer, nonprofit corporation or housing partnership with respect thereto, *be disposed of by the authority*, municipal developer, nonprofit corporation or partnership upon terms and conditions approved by the commissioner." (Emphasis added).

The disposition of the Property is also governed by Section 15 of the Assistance Agreement which mirrors the language of CGS § 8-119hh. It reads, in part: "The Developer will not sell or dispose of the Project or any part thereof unless the Commissioner has determined that the acute shortage of dwelling accommodations for low income families in the Municipality shall have terminated or the Commissioner and the Developer have determined that a sale or disposal thereof *is to the best interest of the State and the Developer*, and then only upon terms and conditions approved by the Commissioner." (Emphasis added).

At this time, the Housing Authority has proposed a sale of the Property. As such, DOH is obligated to use the standards set forth in CGS § 8-119hh and Section 15 of the Assistance Agreement in its consideration of the Housing Authority's request. Therefore, the question is whether the proposed sale of the Property is in the best interest of the State and the Housing Authority.

Best Interest of the State and the Housing Authority:

Although the sale of the Property will result in the loss of twenty-seven (27) State-restricted affordable housing units, all units have remained empty for more than seven (7) years. One of the buildings containing fifteen (15) units was condemned over ten (10) years ago and has been unoccupied since the condemnation. The Property continues to deteriorate, is unsafe, and the Housing Authority no longer has the resources to either maintain the property or to continue efforts toward effective redevelopment. All residents have long since been successfully relocated in accordance with the provisions of Chapter 135 of the Connecticut General Statutes. Neither DOH nor CHFA have funds available for the maintenance or redevelopment of the Property at this time. The Housing Authority actively pursued redevelopment, but was unsuccessful.

Therefore, DOH, along with CHFA, have determined that a sale of the Property and the release of the Assistance Agreement is in the best interests of the State and the Housing Authority.

Second Decision
Housing Authority of the Town of Brooklyn
Tiffany Place Apartments - 019-AH-3
Release and Sale of Property

Recommended Condition for Approval:

The Housing Authority shall:

- Provide DOH with proof of recording of the following document on the municipal land records: "Release of Assistance Agreement".

Based on the condition of approval itemized above, the contemplated sale of the Property and the release of the Assistance Agreement is determined to be in the best interest of the State and the Housing Authority.

Therefore, I, Evonne M. Klein, the Commissioner of the Department of Housing, guided by the provisions of CGS § 8-119hh, do hereby determine that the sale of the Property and the release of the Assistance Agreement for the Property is in the best interests of the State and the Housing Authority.


With this approval and the completion of the aforementioned condition, the Property known as Tiffany Place Apartments will no longer be governed by CGS Chapter 128, Part X.

Should any of the facts or circumstances related to this matter change, the Housing Authority must consult with DOH to determine if the changes will alter this Second Decision.

Approved:



Evonne M. Klein
Commissioner



Date

Second Decision
Housing Authority of the Town of Brooklyn
Tiffany Place Apartments - 019-AH-3
Release and Sale of Property

DETERMINATION OF APPLICABILITY OF CGS § 8-64a:

The Findings of Fact are attached hereto and made a part of this Second Decision.

CGS § 8-64a reads in part "...No housing authority which receives or has received any state financial assistance may *sell, lease, transfer or destroy, or contract to sell, lease, transfer or destroy*, any housing project or portion thereof in any case where such project or portion thereof *would no longer be available* for the purpose of low or moderate income rental housing as a result of such sale, lease, transfer or destruction, except the Commissioner of Housing may grant written approval for the sale, lease, transfer or destruction of a housing project if the commissioner finds, after a public hearing. . . [that certain criteria relating to the proposed transaction are satisfied]." *[Emphasis added]*.

As noted in the Decision, a hearing satisfying the requirements of CGS § 8-64a with respect to the intended action of the Housing Authority concerning the Property, including its potential sale, was held. Consistent with the Recommended Action portion of the Decision, the Housing Authority actively sought redevelopment partners through a public process on multiple occasions and was ultimately not successful in redeveloping the Property. The Housing Authority has been in regular contact with both DOH and CHFA to inform them of the results of efforts to redevelop the Property over the past 7 to 10 years. Given the length of time since the issuance of the Decision, the increasing capital needs of the Property, the condemnation of one of the buildings, and the lack of a partner interested in redeveloping the Property with the Housing Authority, it is the opinion of DOH that the Housing Authority has substantially complied with the Recommended Action of the Decision. In doing so, no action is occurring which would require an additional public hearing pursuant to CGS § 8-64a.

Therefore, I, Evonne M. Klein, Commissioner of Housing, in accordance with the provisions of CGS § 8-64a, do hereby determine that based on the Findings of Facts above, that a second public hearing is not required at this time.

Should any of the facts or circumstances related to the proposed sale of the Property change, the Housing Authority MUST consult with DOH to ascertain if the changes will alter this Second Decision.

Approved:



Evonne M. Klein
Commissioner

Dated: 10/23/17