

**Somers Ad Hoc Strategic Mill Committee Meeting Minutes**  
**December 10, 2018**  
**Selectmen's Conference Room**

Call to Order: The meeting was called to order by Chariman Brad Pellissier at 6:02PM

Members Present: Bradley Pellissier, Chairman; Tim Potrikus, Vice Chair, Joe Iadarolla, Tim Kenney, Erik Ness, Ralph Williams

Invited guests: from the Town of Somers; C.G. "Bud" Knorr, First Selectman; Jeff Bord, Town Engineer; and Mike Marinnacio, CFO; Courtney Hendrickson, representing CERC; and from KCG Development and associated groups; Peter Wood, Collaborative Development Consultants, and from Paul Bailey Architects, Susan O'Dell, Senior Architect, and Paul Bailey.

KCG Presentation: Mr. Bailey presented an overview of their planned development for the site of the former Somersville Mill. A four-story wood framed/brick faced structure with 62 space front parking is proposed. A plan is for 20,000 ft commercial (restaurant/café); gym; and perhaps medical offices on the first floor. Upper 3 floors house 66 (24) single and (42) two-bedroom apartments. A residential parking area of 96 spaces is proposed off of Quality Avenue. Access to a riverwalk is provided from all aspects of the structure and parking areas.

Mr. Bord reported that there would be no habitable areas of the proposed structure that will lie within the 100 year flood plain. The north wall of the Scantic River may be elevated to accommodate development.

The plan is to develop only the North Side of the Scantic basin, leaving the South Side as public access and flood plain.

Mr. Wood reported that the developer would most likely bring in a local property manager to facilitate building management post construction.

Mr. Wood expressed that both public and private financing will be required; the funding sources are largely driving the ratio of bedrooms in the development mix. Long term housing tax credits are allocated by every state, the equity of the sale of those credits comprise a large percentage of the financing value. Tax credits stay with the real estate and are generally long term. The long lead item will be the State public funding availability.

20% of the apartments are to be offered at Market Rate, balance of rentals will be a mix of households in moderate to middle income families at 60% of Market Rate. HUD has a small-town mix in Tolland County that may play a role in pricing below-market rate apartments. A pro-rata distribution per HUD would allocate distribution of single and double bedroom apartments.

Mr. Wood stated that there is very low risk that once financing is closed the complex wouldn't be completed; there is a defined timeline to complete the

project, and the developer has a vested interest in completing it on time; approximately 14-16 months construction window and additional 4-6 months to full occupancy of residential units. Financing typically takes place in October; an example timeline would suggest that property disposition would need to be completed by end of April 2019 to provide for time for an October 2019 application with an award in May of the following year.

Mr. Landolina asked about needs from the town and whether the developer would consider a long term ground lease agreement. The developer is open to working with both lease and purchase options including fee-simple purchase. There is no requirement for the town to be a guarantor on financing, nor would the town be expected to provide any of the funding. The town could offer either an abatement for less than market rate housing, or PILOT vs full property tax. Conveyance of the property at less than market rate would assist the developer in financing the project. A TIF could be considered if it would help ease funding through the community.

Design plans are to develop to Passive House design standards, meaning a very tight energy envelope. The preference may go more toward electric /heat pump heat over gas.

A Master Development Agreement with the Town of Somers would need to be negotiated before a financing package could be assembled.

Mr. Bord reported that he would find out from Milone and Macbroom about a revision to the flood plain based upon the property plans since the structures have been cleared. He will forward his findings to the Committee.

Mr. Williams made a motion; after hearing the presentation it is the opinion of the committee forward a notice to the town that the plans as presented seem consistent with the Vision Statement for the property, and that the committee makes a recommendation that the town pursue this as an options for development of the property. 2nd by Mr. Kenney. A discussion followed regarding the key function of financing & that it appears this group can bring the financing to bear. While timing is of the essence, neither the Committee nor the Town should feel obligated to the developers' timeline. Motion passed, unanimous.

New Business: No New Business.

Minutes: Members tabled the motion to approve minutes. Mr. Pellissier requested a redistribution of the Minutes from 9/10; 11/19; and distribution of 12/10 minutes prior to the next meeting.

Motion to Adjourn: Motion by Mr. Iadarolla, second by Mr. Williams at 7:51PM.