

**MANSFIELD DOWNTOWN PARTNERSHIP
FINANCE AND ADMINISTRATION COMMITTEE
MEETING
PARTNERSHIP OFFICE
23 Royce Circle**

THURSDAY, AUGUST 28, 2014

3:00 PM

MINUTES

Present: Chair: Tom Callahan, Fran Archambault, Phil Barry, Harry Birkenruth, Mona Friedland, Mark Hammond, Matt Hart, Dave Pepin, and Paul Shapiro

Staff: Cynthia van Zelm, John Zaccaro

1. Call to Order

Tom Callahan called the meeting to order at 3:02 pm.

2. Approval of Minutes from July 24, 2014

Paul Shapiro made a motion to approve the minutes of July 24, 2014. Harry Birkenruth seconded the motion. The motion was approved.

3. Estoppel Agreements for Phase 1C (8 Royce Circle)

John Zaccaro, Partnership attorney, reiterated that since Storrs Center Alliance (SCA) is selling property to which the Partnership/SCA Development Agreement applies, the purchaser is given assurances that the Development Agreement is still in effect. The estoppels provide these assurances. The Partnership's Right of First Refusal in the Development Agreement does not apply to the sale of the property in question (Phase 1C).

Fran Archambault made a motion to recommend that the Partnership Board of Directors approve the Partnership Estoppel Agreement for Phase 1C as described in Schedule A. Phil Barry seconded the motion. The motion was approved.

Mark Hammond arrived.

4. Continued Review of Partnership Long-Term Budget

Mr. Callahan recapped the discussion held with the Committee thus far on the Partnership's transition and direction moving forward. He said the Three Year Strategic Plan (2012-2015) laid out the attributes that the Partnership would need at least over these three years. He said a set of downtown management functions was identified by Partnership staff and the Committee. How are these functions implemented? Who is involved in the implementation? If need to buy more capacity where does that come from? Does it include other players besides the Town/UConn and the business community?

As was suggested at the last Committee meeting, Mr. Hart and Ms. van Zelm reviewed the issue of any legal complications with adding the developer and/or equity/property owners to the Board of Directors, with Mr. Zaccaro and with one of the Town's attorneys. The conclusion was that it was not in the best interest of the Partnership to include the master developer in the Partnership organization at this time due to its continuing role in development of Storrs Center. Several potential conflicts of interest could occur because of the Partnership's continued role in reviewing zoning permit applications and the continued obligations of the master developer under its Development Agreement with the Town.

However, Mr. Callahan recommended that the Partnership Board of Directors review the idea of bringing the property/equity owners into a discussion about their involvement in the Partnership organization. This could include EdR, Hart Realty Advisers, Price Chopper, and others down the road.

Matt Hart said he is supportive of this continued discussion with the Board about the composition of the Board of Directors. He said the goal is to maintain the public infrastructure and find the right mix of businesses for the downtown. Storrs downtown should be a premier destination. Bringing on board a team that supports the Partnership's vision and can potentially provide additional revenue would be very helpful. He reiterated that it would not be appropriate to bring master developer Storrs Center Alliance into that mix since they still have responsibility for the construction of Storrs Center. John Zaccaro agreed that there were potential conflicts of interest with bringing the master developer into the Partnership organization. He thought if the property owners were involved, any conflict could be done on a case by case basis as it is currently.

Harry Birkenruth wanted to clarify the Partnership's role going forward before any discussion with the composition of the Board is concluded. Mr. Hart said he sees the Partnership's role as managing the downtown including marketing, publicity, maintaining the public infrastructure, etc., similar to other traditional downtown organizations. Mr. Birkenruth expressed interest in a subsidiary council to the Partnership Board that would include major tenants, the master developer, property owners. David Pepin agreed.

In order to accommodate Howard Kaufman's update on Storrs Center, the Committee deferred discussion on the Partnership transition until after the update.

5. Update on Storrs Center

Howard Kaufman, Managing Member for master developer Storrs Center Alliance, updated the Committee on Storrs Center and its other projects.

Mr. Kaufman said three of the four closings with the Connecticut Pension Fund on Storrs Center commercial property have been completed. The fourth closing will occur after CVS opens in late September. He said that Hart Realty Advisers, representing the Connecticut Pension Fund, and its commercial leasing agent The Wilder Companies, are very involved in Storrs Center.

He said that Centerplan is the general contractor on Phase 2 along Wilbur Cross Way and Storrs Road/Royce Circle. No commercial leases have been signed for this phase yet but there is interest, especially for office space.

Mr. Kaufman said leases have been signed with The Hair Cuttery and Wingstop in the 5,000 square foot building at the intersection of Storrs Road and Charles Smith Way. The third space is still open.

Fran Archambault asked about how much food can be supported in the downtown. Mr. Kaufman said there will need to be an evaluation if there is a tipping point for food establishments. He said the demand right now is for restaurants and office/service space as opposed to retail. Mr. Kaufman said that some businesses have exclusivity clauses.

Mr. Kaufman said that Educational Playcare is moving but slowly. He said that Storrs Center Alliance owns the land and has a long term lease with Educational Playcare.

Mr. Callahan asked if there was dialogue with The Wilder Companies on the tenanting of Wilbur Cross Way even though this property is still owned by Storrs Center Alliance. Mr. Kaufman said Storrs Center Alliance will respect the leases that have exclusivity clauses and can discuss with The Wilder Companies their feedback on the tenanting of Wilbur Cross Way.

Mr. Kaufman said the plans for the Main Street Homes, the for-sale housing in Storrs Center, are being revised in preparation of finalizing the plans. One of the comments from potential residents at a recent meeting indicated that they would like to see a model of the homes. Leyland's architect is creating realistic computer models. The architectural team is also completing a sun shade study as potential residents wanted to know how the sun will affect their home.

In response to comments from focus groups of potential residents, Mr. Kaufman said that some of the condo layouts were changed to include a more open floor layout.

The plans are out to bid to obtain realistic costs to build. They hope to get the pricing in September. Mr. Kaufman is working with their attorney to prepare the legal documents for the Main Street Homes. He said Leyland is also talking to several banks about financing.

Mr. Kaufman said the plan is to get all information out to the potential buyers in October so that contracts can be signed shortly after that time.

Mr. Barry asked how many people have showed interest in the housing. Mr. Kaufman said the number of people who have put down refundable deposits is in the mid-40s. He said there has been some re-engineering done of the site which may allow for a few more townhouse units.

Mona Friedland asked how many contracts would need to be signed for Leyland to move ahead. Mr. Kaufman replied that half would be desirable but it partly depends on which priced condos or townhouses are selling. Mr. Kaufman said there have been one or two people who have asked for their deposits back in response to a question from Mark Hammond.

Mr. Kaufman said the Peter Millman and Rich Marouski with Weichert Realtors have been brought in to sell the units.

Mr. Hart left the meeting.

Mr. Birkenruth asked about the marketing process and whether the Alumni Association was utilized to get the word out. Ms. van Zelm said that the Alumni Association was able to include an update on Storrs Center this past spring in its monthly e-mail. They cannot include information about how to purchase a home in Storrs Center.

Mr. Kaufman said that LeylandAlliance is an applicant for the stadium project in Hartford along with Centerplan who is working in Storrs Center. Centerplan has the lead on this proposal. He said the scope is similar to Storrs Center in terms of mixed-use.

Mr. Pepin left the meeting.

Mr. Kaufman said that sales in its Warwick Grove, NY project have picked up and there are only 18 more houses to sell out of 215.

With respect to their project Hammond's Ferry in South Carolina, there is a Single A baseball team that wants to move into North Augusta in the project

area. A suit was filed by a neighbor against the city to prevent approval of the stadium but the adjacent property owner lost the suit. Mr. Kaufman said they are waiting to see if it will be appealed.

6. Continued Review of Partnership Long-Term Budget (*continued*)

Mr. Callahan suggested that he report to the Board at its next meeting that the Finance Committee had developed skills necessary to manage the downtown based on some of the work done in the 2012-2015 Strategic Plan. A sub-group of the Board and/or Committee would discuss the Partnership structure, and come back with recommendations to the full Finance Committee. If there are vacancies on the Board in the spring, and the Board thought it was prudent, it could consider property owners to fill those vacancies.

There will also need to be continuing discussion on the Partnership's role, if any, in Four Corners, and other potential development areas.

Mr. Callahan suggested that there needs to be a review of the Partnership's committee structure, once the Board structure is determined.

Mr. Archambault noted that the financing of the Partnership needs to be part of the discussion as well.

The Committee agreed with the set of required skills to manage the downtown, as presented. The Committee will continue to flesh out the structure of the Board.

Mr. Archambault said it will also be important to talk to the Mansfield Economic Development Commission to make sure that there is no overlap with the Partnership's goals.

7. Adjourn

The Committee agreed to skip next month's meeting because of Rosh Hashanah.

Mr. Archambault made a motion to adjourn. Mr. Shapiro seconded the motion. The motion was approved and the meeting adjourned at 5:10 pm.

Minutes taken by Cynthia van Zelm