## CITY COUNCIL AGENDA

**March 10, 2025** **City Council Chambers**

**Pledge of Allegiance** **3rd Floor City Hall**

**Roll Call – Council Clerk**

**6:45 p.m. PUBLIC HEARING -Public Lands Committee**-Communication C, from the February 24, 2025 agenda, from Stephen Fontana, Director of Economic Development, regarding approval of the purchase and sale agreement with Ideal Group LLC for the sale of city owned property located at 561 Main Street (Stiles School).

**7:00 p.m. PUBLIC SESSION**

***Public Comment Procedures**

- **There will be a five (5) minutes per person Public speaking allowed until such time as the Chair is satisfied that ample opportunity for all wishing to address the Council has been provided or until continuance of the session would compromise the responsible conduct of the Regular Council Meeting.**
- **There is a one-time speaking rule.**
- **Please wait to be recognized, approach the podium, and give your name and address.**
- **Please address the Council with your concern.**
- **Speakers, meeting attendees, and members are expected to observe proper decorum at all times.**
- **The use of profane, abusive, or disparaging language directed at the members of the City Council, City Officials, City employee, or members of the general public will not be tolerated.**

**7:05 p.m. REGULAR COUNCIL MEETING**

**I. APPROVAL OF MINUTES:**

Approval of minutes of regular Meeting from February 24, 2025.



**II. COMMUNICATIONS:**

**Communication A:** from the Tax Collector regarding overpayments of refunds for March 2025.

**III. COMMITTEE MEETINGS:**

**FINANCE COMMITTEE, Councilwoman Ackbarali, Chairwoman**- Committee members; Councilman Vargo, Councilman Laucks, Councilwoman Tucker and Councilman Johnstone

**FINANCE UPDATES**

1. Presentation from Joseph Centofanti, PKF O'Connor Davies regarding Federal Single Audit and State Single Audit of the City of West Haven, Ct for the Year Ended June 30, 2024, FY 23 Annual Financial Statement for the Year Ended June 30, 2024 and Corrective Action Plan.
2. Finance updates from Michael Gormany, Finance Director.
3. MARB Meeting updates.
4. Neil Cavallaro-Discussion on West Haven Board of Education regarding FY25-26 budget.

**PUBLIC LANDS COMMITTEE, Councilman Donovan, Chairman** -Committee members: Councilman Laucks, Councilwoman Callahan, Councilman Vargo and Councilman Johnstone

**Communication C,** from the February 24, 2025 agenda, from Stephen Fontana, Director of Economic Development, regarding approval of the purchase and sale agreement with Ideal Group LLC for the sale of city owned property located at 561 Main Street (Stiles School).

## IV: UNFINISHED BUSINESS

## V. COMMITTEE REPORTS

**Clerk to read Communication A into record. Tax Refunds.**

**PUBLIC LANDS COMMITTEE, Councilman Donovan, Chairman** -Committee members: Councilman Laucks, Councilwoman Callahan, Councilman Vargo and Councilman Johnstone

**Communication C,** from the February 2024 agenda, from Stephen Fontana, Director of Economic Development, regarding approval of the purchase and sale agreement with Ideal Group LLC for the sale of city owned property located at 561 Main Street (Stiles School).

## VI. COUNCIL LIAISON REPORTS

## VII. NEW BUSINESS

## VIII. ADJOURNMENT

| | | |
|---|---|---|
| **Nicholas Pascale**<br>**Chairman of the Council** | **Stacy Riccio**<br>**Clerk of the Council** | **Carlotta M. Serrini**<br>**City Council Administrator** |

**Minutes of the February 24, 2025 Regular Meeting of the West Haven City Council in the Council Chambers 3rd floor, West Haven City Hall**

The Regular Meeting of the West Haven City Council was held on Monday, February 24, 2025 at 7:00p.m. in the City Council Chambers 3rd floor. Acting Chairman Vargo called the meeting to order at 7:00 p.m.

**Pledge of Allegiance**

**Roll Call**: Council Members Present: Edward McMillian, Gary Donovan, Christopher Vargo, Jr., Dawn Callahan, Kathleen Mueller, Brian Laucks, Katherine Tucker, Ruby Melton, Meli Garthwait and Steven Johnstone. Absent: Nicholas Pascale, Anne Heffernan and Sarah Ackbarali. Also present: Mayor Dorinda Borer and Deputy Corporation Counsel Mike Ajello.

**A moment of silence was held in observance of the passing of Douglas Kidd, employee of the City of West Haven Assessor's Office.**



**<u>7:02p.m. to 7:17 p.m. Public Session</u>**

**See City's website for remarks.**

**Acting Chairman Vargo called the Regular Meeting to order at 7:17 p.m.**

## I. APPROVAL OF MINUTES:

Councilman Laucks made a **MOTION to APPROVE** the Regular Meeting minutes from the February 10, 2025, meeting, which was **SECONDED** by Councilman McMillian. Councilwoman Melton abstained. All in favor. **MOTION passed UNANIMOUSLY.**

## II. COMMUNICATIONS:

**Communication A:** from the Tax Collector regarding Overpayment of refunds for February 2025.

**Communication B**: from Cathy Conniff, Assistant Planner, requesting authorization under section 57.3 of the Zoning Regulations allowing the Planning and Zoning Commission to review and act on application made by the owner of the 509 Campbell Avenue to replace the exterior lighting to be constructed in a public right-of-way.

**Communication C:** from Stephen Fontana, Director of Economic Development, regarding approval of the purchase and sale agreement with Ideal Group LLC for the sale of city owned property located at 561 Main Street (Stiles School).

## III. COMMITTEE MEETINGS:

**Public Lands Committee called to order at 7:19 p.m.**

<u>**PUBLIC LANDS COMMITTEE, Councilman Donovan, Chairman** -Committee members: Councilman Laucks, Councilwoman Callahan, Councilman Vargo and Councilman Johnstone</u>

**Communication B**:

Councilman Callahan presented a **MOTION** to recommend the approval to the entire Council regarding **Communication B** from Cathy Conniff, Assistant Planner, requesting authorization under section 57.3 of the Zoning Regulations allowing the Planning and Zoning Commission to review and act on application made by the owner of the 509 Campbell Avenue to replace the exterior lighting to be constructed in a public right-of-way which was **SECONDED** by Councilman Johnstone. All in favor. **MOTION passed UNANIMOUSLY viva voce.**

**Communication C:** from Stephen Fontana, Director of Economic Development, regarding approval of the purchase and sale agreement with Ideal Group LLC for the sale of city owned property located at 561 Main Street (Stiles School). -**A Public Hearing to be set for March 10, 2025 at 6:45 p.m.**

Councilman Laucks presented a **MOTION** to recommend the acceptance of the letter from the Planning and Zoning Commission to the entire Council regarding **Communication C,** from the January 27, 2025 agenda, from Mayor Dorinda Borer's request to refer the proposal from Ideal Group, LLC ("Ideal"), for the redevelopment of Stiles School, to the West Haven Planning and Zoning Commission which was **SECONDED** by Councilman Johnstone. All in favor. **MOTION passed UNANIMOUSLY viva voce.**

**Public Lands Committee closed at 7:39 p.m.**

**IV: UNFINISHED BUSINESS:**

None.

**V. COMMITTEE REPORTS-7:39 p.m.**

**Clerk to read Communication A into record**

**PUBLIC LANDS COMMITTEE, Councilman Donovan, Chairman** -Committee members: Councilman Laucks, Councilwoman Callahan, Councilman Vargo and Councilman Johnstone

**Communication B**: from Cathy Conniff, Assistant Planner, requesting authorization under section 57.3 of the Zoning Regulations allowing the Planning and Zoning Commission to review and act on application made by the owner of the 509 Campbell Avenue to replace the exterior lighting to be constructed in a public right-of-way. Councilwoman Donovan made a **MOTION to APPROVE** which was **SECONDED** by Councilman Johnstone. All in favor. **MOTION passed UNANIMOUSLY.**

**WHEREAS**: Altschuler Building, LLC, owner of the real estate known as 509 Campbell Avenue, West Haven, has successfully applied for and received ARPA funding to improve the façade of this commercial property in downtown West Haven; and

**WHEREAS:** Altschuler Building, LLC has submitted a plan to the West Haven Planning and Zoning Commission requesting approval of outdoor lighting that will extend from the building and over-hang in the airspace above the City sidewalk abutting its property, and

**WHEREAS**: Altschuler Building, LLC has sufficiently shown by its plan that such lighting apparatus will be placed at a height that will not impede pedestrian traffic or otherwise affect normal use of the City sidewalk; and

**WHEREAS**: Article 4, Section 57.3 of the West Haven Zoning Regulations provides: No application shall be reviewed by the Commission or Commissioner of Planning and Development that requests any projection or construction into the public right-of-way, street or sidewalk . . . without prior approval of such project or construction by the City Council of the City of West Haven.

**THEREFORE, BE IT RESOLVED**: That the City Council of the City of West Haven, in accordance with Article 4, Section 57.3 of the West Haven Zoning Regulations, hereby authorizes the Planning and Zoning Commission and the Commissioner of Planning and Development to review and act on the plan as presented by Altschuler Building, LLC to install outdoor lighting that will extend from the building and over-hang in the airspace above the City sidewalk abutting its property at 509 Campbell Avenue, West Haven.

**Communication C:** from Stephen Fontana, Director of Economic Development, regarding approval of the purchase and sale agreement with Ideal Group LLC for the sale of city owned property located at 561 Main Street (Stiles School). **A Public Hearing to be set for March 10, 2025 at 6:45 p.m.**

**Communication C**, from the January 27, 2025 agenda, from Mayor Dorinda Borer regarding a request to refer the proposal from Ideal Group, LLC ("Ideal") for the redevelopment of Stiles School to the West Haven Planning and Zoning Commission. Councilwoman Donovan made a **MOTION to APPROVE** which was which was **SECONDED** by Councilman Laucks. All in favor. **MOTION passed UNANIMOUSLY.**

## VI. COUNCIL LIAISON REPORTS

Councilwoman Callahan received email asking the City of West Haven to open a compost site on one Saturday per month. She also thanked Public Works for helping with loose manhole covers and potholes in district 6.

**See remarks on City's website.**

## VII. NEW BUSINESS

Councilwoman Garthwait reported that the final day of voting for the K9 officers to win a grant is February 28th. The website can be found on her City Council page. The clean-up for Marginal Drive is scheduled for Saturday. Councilman Vargo recognized that Sheila Carmon, Director of Health and John Carrano, Commissioner of Human Resources as both very responsive and helpful to resident's concerns. Councilwoman Tucker announced the West Haven's Celebration of Black History Month and award ceremony will be held on February 26th in the Harriet North room. Councilman McMillian and Mayor Borer Congratulated Councilwoman Tucker on her achievements with the West Haven Black Coalition. Other award recipients were Levi Jordan, Sr. and Carroll E. Brown. Councilman Johnstone observed the 1-year anniversary of his heart attack. He said that diet matters and encouraged everyone to take care of themselves and that everyone should get a physical exam in honor of Heart Month. He also inquired about the timetable for the Savin Rock Conference Center property. The mayor said it would be about 15 months. Mayor Borer is anticipating progress at the upcoming MARB meeting, re-iterating that the City has almost met the criteria to exit MARB oversight and she announced that a Health Fair for City Employees is scheduled for February 27th from 10-2.

Mayor Borer revisited a comment from the earlier Public Speaking about the tragic domestic violence murder of a woman and child. She stated that silence during the comments does not mean that we are not saddened by the horrific crime and that she checked with the Police Department in real time and learned there were no prior calls to that residence no one was aware of the situation to be able to intervene beforehand.

**See remarks on City's website.**

## VIII. ADJOURNMENT

Councilwoman Johnstone made a **MOTION to ADJOURN** which was **SECONDED** by Councilwoman Callahan. All in favor. **MOTION passed UNANIMOUSLY.**

**The City Council meeting was ADJOURNED at 8:01 p.m.**

| | | |
|---|---|---|
| **Nicholas Pascale** | **Stacy Riccio** | **Carlotta M. Serrini** |
| **Chairman of the Council** | **Clerk of the Council** | **City Council Administrator** |

****These minutes are subject to City Council approval.**

COMMUNICATION A

# Department of Revenue Collection

City of West Haven
355 Main Street
West Haven, Connecticut 06516

**Dorinda Borer**
*Mayor*

**Eric Murillo**
*Tax Collector*

To: Nicholas Pascale
Chairman, City Council

From: Eric Murillo
Tax Collector

Rachel A-Massih
Tax Manager

Re: Overpayment of Taxes – Tax Refunds

Attached is a list(s) of refunds, for March 2025, which require council approval. Any additional information can be supplied upon request.

Thank you.

West Haven Tax Office
RAM/TL

Telephone (203) 937-3525 · Facsimile (203) 937-3706

# CITY OF WEST HAVEN
# TAX COLLECTOR'S REFUND REPORT

**ACCOUNT: OVERPAYMENTS** **MONTH OF: MAR 2025**

| LIST # | NAME | CITY | FIRST | WS | ALL | TOTALS |
|---|---|---|---|---|---|---|
| 2023-03-62058 | FOSTER, RICHARD C | $ 154.16 | $ 15.70 | | | $ 169.86 |
| 2023-03-74877 | OLEARY, RYAN J | $ 76.05 | | $ 7.74 | | $ 83.79 |
| 2023-01-4931 | VITOLO, JERRY | $ 250.00 | | | | $ 250.00 |
| 2023-03-80063 | SABO, NICOLE H | $ 432.38 | | | | $ 432.38 |
| 2023-03-77762 | QURESHI, MUHAMMAD A | $ 23.08 | $ 2.35 | | | $ 25.43 |
| 2020-01-22357 | BLACKWELL, GEORGE | $ 9.34 | | | | $ 9.34 |
| 2021-01-22357 | BLACKWELL, GEORGE | $ 204.00 | | | $ 69.66 | $ 273.66 |
| 2022-01-22357 | BLACKWELL, GEORGE | $ 208.86 | | | $ 69.66 | $ 278.52 |
| 2023-01-22357 | BLACKWELL, GEORGE | $ 219.42 | | | $ 67.92 | $ 287.34 |
| 2021-03-64907 | HIRALDO-PARRA, LISANDRO | $ 49.71 | | | | $ 49.71 |
| 2023-03-50325 | ADAMO, SUSAN C | $ 55.91 | | | | $ 55.91 |
| 2023-03-75585 | CASSEL PALMER, MICHELE | $ 25.00 | | | | $ 25.00 |
| 2023-03-74913 | OLIVER, JEREMY S | $ 19.93 | | | | $ 19.93 |
| 2023-03-68574 | KUCHKO, PHILIP N | $ 172.54 | | | | $ 172.54 |
| 2023-01-00048 | HEEREMA, RACHEL | $ 244.00 | | | | $ 244.00 |
| 2023-01-6474 | FAUGNO, LOUIS | $ 244.00 | | | | $ 244.00 |
| 2023-01-15668 | KIRSTEN, GENE | $ 37.16 | | | | $ 37.16 |
| 2023-02-2023120 | GONZALEZ, CHRISTINE | $ 435.34 | | | | $ 435.34 |
| 2023-03-58662 | DEBRADY, DEANNE | $ 30.18 | | | | $ 30.18 |
| 2023-03-55391 | CARDONA, DAYSI | $ 55.39 | | $ 5.64 | | $ 61.03 |
| 2023-03-65071 | HENRRIQUEZ, PAOLA | $ 436.39 | $ 22.63 | | | $ 459.02 |
| 2023-03-67919 | KEEFE, DIANE | $ 244.44 | | | | $ 244.44 |
| 2023-02-10133 | YORK AUTO CLINIC | $ 23.95 | | | | $ 23.95 |
| 2023-03-81091 | SEIDAHMED, MOHAMED S | $ 86.65 | | $ 8.83 | | $ 95.48 |
| 2023-03-78142 | RASILE, FRANK R | $ 150.29 | | | | $ 150.29 |
| 2023-03-78144 | RASILE, FRANK R | $ 262.60 | | | | $ 262.60 |
| 2023-04-81645 | DEMIR, MEHMET A | $ 48.79 | | | | $ 48.79 |
| 2023-03-80737 | SARTILLO-ZARATE, TERESA | $ 362.44 | | | $ 36.91 | $ 399.35 |
| 2023-03-82292 | SPADOLA, MATTHEW J | $ 63.93 | $ 6.52 | | | $ 70.45 |
| 2022-02-4163 | GALLICCHIO, GERALD | $ 675.10 | | | | $ 675.10 |
| 2023-03-74057 | NGOH, NELSON N | $ 12.99 | $ 1.32 | | | $ 14.31 |
| 2023-03-74057 | NGOH, NELSON N | $ 0.58 | $ 0.06 | | | $ 0.64 |
| 2023-06-2388 | CAVALLARO, JAMES C | $ 244.00 | | | | $ 244.00 |
| 2023-03-74232 | NISSAN INFINITI | $ 445.08 | $ 45.32 | | | $ 490.40 |
| 2023-03-65697 | HONDA LEASE | $ 754.10 | | $ 76.79 | | $ 830.89 |
| 2023-03-69501 | LIBERO, JACK | $ 90.89 | | | | $ 90.89 |
| 2023-03-63580 | GOODMAN, BARBARA B | $ 146.89 | | | | $ 146.89 |
| 2023-03-66362 | HYUNDAI CAPITAL | $ 432.51 | $ 44.04 | | | $ 476.55 |
| 2023-04-83018 | HYUNDAI CAPITAL | $ 133.95 | | $ 13.64 | | $ 147.59 |
| 2022-03-75079 | ORANGE LUMBER & MILL | $ 307.51 | | | | $ 307.51 |
| 2023-03-63193 | GIOVANELLI, JEAN M | $ 167.66 | | | | $ 167.66 |
| | | | | | | $ - |
| | | | | | | $ - |
| | | | | | | $ - |
| | | | | | | $ - |
| | | | | | | $ - |
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| | | | | | | $ - |
| | | | | | | $ - |
| | | | | | | $ - |
| | | | | | | $ - |
| | | | | | | $ - |
| | | $ 8,037.19 | $ 137.94 | $ 112.64 | $ 244.15 | |

* 12-145 Waiver of Interest

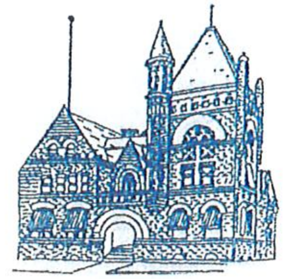
DIRECTOR OF FINANCE ______________________ TOTAL $ 8,531.92

COMMUNICATION C, from the Feb 24, 2025 Agenda


# City of West Haven

Department of Economic Development
355 Main Street
West Haven, Connecticut 06516

Dorinda Borer
*Mayor*

City Hall
1896-1968

February 18, 2025

Mr. Nicholas Pascale
Chairman, West Haven City Council
355 Main Street
West Haven, CT 06516

Re: Stiles School Redevelopment

Dear Chairman Pascale:

I wish to reference Communication "C" of the City Council's agenda from its January 27, 2025 regular meeting. Therein, Mayor Dorinda Borer requested that a redevelopment plan for Stiles School submitted by Ideal Group, LLC be referred to the Planning & Zoning Commission for its consideration under General Statutes Section 8-24.

As I understand it, the Planning & Zoning Commission has reported back favorably on that plan.

Therefore, attached for the City Council's consideration is an agreement for the sale of Stiles School to Ideal Group, LLC, along with a summary of its main points.

I respectfully request that you kindly schedule this matter for a public hearing for the sale of City property.

Thank you.

Sincerely,

Stephen Fontana
Director of Economic Development

Att.

Cc: Mayor Dorinda Borer
Paul J. Dorsi, Corporation Counsel

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this "Agreement") is made as of the _____ day of March 2025, by and between **THE CITY OF WEST HAVEN**, with a mailing address of 355 Main Street, West Haven, CT 06516 ("Seller"), and **IDEAL GROUP, LLC**, with a mailing address of 287 Greenwich Avenue, Stamford, CT 06902 ("Purchaser").

### RECITALS:

**A.** Seller is the fee simple owner of that certain real and personal property known as the Edgar C. Stiles School (the "Stiles School") located at **561 Main Street, West Haven, Connecticut.** The property description is attached hereto as Schedule A.

**B** Subject to the terms, provisions, and conditions of this Agreement, Purchaser is willing to acquire, and Seller is willing to sell, the Property (as hereinafter defined).

**NOW, THEREFORE,** in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

### 1. Agreement to Purchase and Sell.

Seller hereby agrees to sell to Purchaser, and Purchaser hereby agrees to acquire from Seller, subject to the terms, provisions, and conditions of this Agreement, the land, together with (i) all buildings and other improvements situated thereon and commonly known as 561 Main Street, West Haven, CT, and (ii) all easements and other estates and rights of Seller pertaining to such land and buildings (the above being hereinafter collectively referred to as the "Property").

### 2. Purchase Price; Deposits.

Purchaser agrees to pay a purchase price of **Four Hundred Twenty-Three Thousand Dollars and No Cents ($423,000.00)** (the "Purchase Price") for the Property. The Purchase Price, plus or minus pro-rations, credits, and adjustments, shall be payable as follows: (i) an initial deposit of Forty Two Thousand Three Hundred Dollars and No Cents ($42,300.00) shall be deposited by Purchaser in escrow with The City of West Haven Corporation Counsel's Office (the "Escrow Agent") upon the full execution and delivery of this Agreement, (ii) an additional deposit of Forty Two Thousand Three Hundred Dollars and No Cents ($42,300.00) shall be deposited with Escrow Agent within fifteen (15) days from the full execution and delivery of this Agreement (collectively, the "Deposit"), and (iii) the balance of the Purchase Price shall be payable at the Closing. Except as otherwise provided herein, the Deposit shall be credited to Purchaser at the Closing.

In addition to the Purchase Price, Purchaser or its successor in interest agrees that, if Purchaser wishes to expand The Project, as referred to in paragraph 4, of converting the Stiles School into thirty (30) residential units beyond the original thirty (30) residential units, Purchaser agrees to pay Seller as additional compensation the sum of Fourteen Thousand One Hundred Dollars and No Cents ($14,100.00), plus an additional three percent (3%) per year beyond 2025, for each additional unit approved for The Project. The term of this clause will be for fifty (50) years and will be noted in the Warranty Deed.

3. **Closing Date.**

The transaction shall be closed (the "Closing") on or about **May 30, 2025, or sooner by agreement of the parties.**

4. **"As–Is" Condition / Permits and Approvals.**

**The property is being sold "AS IS."** The Parties agree that, except for Seller's representations and warranties set forth in this Agreement, Seller is selling the property in "As Is" condition. Purchaser acknowledges and agrees that it accepts the property "As Is" without any warranties, representations, or guarantees, either expressed or implied, of any kind, nature, or type whatsoever from or on behalf of Seller. Any inspection of the Premises by Purchaser will be for Purchaser's information only, and for no other purpose.

Within ten (10) days of the date hereof, Seller shall deliver to Purchaser copies of any existing site plans, surveys, or environmental reports pertaining to the Premises and any other reports currently in Seller's possession and control (the "Seller's Documents").

Purchaser hereby agrees to hold Seller harmless and indemnified against any loss, cost, liability, or expense arising in connection with Purchaser's inspection of the Premises under this paragraph, and agrees to repair any damage to the Premises caused in connection therewith.

As condition precedent to this Agreement, Purchaser shall obtain all necessary Planning and Zoning approvals to convert the existing Stiles School into a thirty (30)-unit residential development ("The Project"). Purchaser shall have ninety (90) days from the signing of this Agreement to obtain all necessary permits and approvals. Purchaser shall use all commercially reasonable efforts to obtain said permits and approvals as soon as possible after executing this Agreement.

5. **Title.**

**(a)** Purchaser shall, at Purchaser's expense, obtain a title commitment (the "Commitment") for an Owner's Title Insurance Policy issued by a title insurance company satisfactory to Purchaser in the amount of the Purchase Price, covering title to the Property. Purchaser shall provide written notice to Seller prior to the expiration of the Due Diligence Period of any matters shown by the Commitment which are not satisfactory to Purchaser, which notice must specify the reason such matter(s) are not satisfactory and the curative steps necessary to remove the basis for Purchaser's disapproval. The parties shall then have ten (10) days after the date of such notice to make such arrangements or take such steps as they shall mutually agree to satisfy Purchaser's objection(s). If the parties fail to agree on the necessary steps, Purchaser shall have a right to terminate this Agreement during the ten (10) day period following the expiration of the aforesaid ten (10) day period. If Purchaser exercises such right, Escrow Agent shall thereupon promptly return the Deposit to Purchaser.

**(b)** Notwithstanding anything to the contrary herein, if the Commitment shall disclose interests, encumbrances, or liens of definite or ascertainable amounts which may be removed by the payment of money, Seller shall clear such item(s) (i) prior to the Closing Date, by using its own funds, or (ii) on the Closing Date, by using the Purchase Price payable to Seller by Purchaser.

**6. <u>Fire or Other Casualty</u>.** If, prior to the Closing Date, all or any portion of the Property shall be destroyed or damaged by fire or other casualty, Seller shall give to Purchaser written notice thereof. Purchaser shall have the option to terminate this Agreement within thirty (30) days after receiving notice from Seller of such fire or other casualty, in which event the Escrow Agent shall promptly return the Deposit to Purchaser. In the event that Purchaser has not elected to terminate this Agreement as aforesaid, then Purchaser shall be deemed to have elected to proceed with the Closing without any reduction or adjustment to the Purchase Price. In such case, Seller shall assign to Purchaser, at the Closing the proceeds of any insurance policy(ies) payable to Seller by reason of such fire or other casualty. Seller shall maintain throughout the term of this Agreement casualty insurance with respect to the buildings and the contents thereof in an amount not less than one hundred percent (100%) of the full replacement cost of such buildings and contents.

**7. <u>Brokerage Commissions</u>.** Each party represents and warrants to the other that it has not dealt with any entity or person who would be entitled to a brokerage commission, finder's fee, or other similar compensation in connection with this Agreement. Each party agrees to indemnify, defend, protect, and hold forever harmless the other from and against any and all loss, liability, cost, damage and reasonable expense which the other may incur by reason of a breach of this representation and warranty. The terms of this section shall survive the Closing.

**8. <u>Seller's Closing Deliveries</u>.** On the Closing Date, Seller shall deliver to Purchaser the following documents and instruments with respect to the Property, duly executed by Seller, acknowledged where appropriate and otherwise in form and content reasonably satisfactory to Purchaser's counsel:

**(a)** a Warranty Deed for the Property (the "Deed");

**(b)** an affidavit of title, certified by Seller, and such documents and instruments in respect of Seller's authority to sell the Property, in the form customarily required by title insurance companies in the State of Connecticut.

**(c)** a nonforeign affidavit sufficient for the purposes of establishing and documenting the nonforeign affidavit exemption described in Section 1445 of the Internal Revenue Code (the "FIRPTA Affidavit").

**(d)** completed conveyance tax returns for the Property in the form required by the applicable governmental authority, and checks for payment of said taxes.

(e) such additional instruments, agreements and other documents as may be necessary or convenient in order to effectuate the provisions of this Agreement.

**9. Default.**

**(a)** If Purchaser shall default under this Agreement, the Deposit shall be retained by Seller as liquidated damages, and both parties shall be relieved of and released from any further liability hereunder.

**(b)** If Seller shall default under this Agreement, Purchaser may exercise any and all rights and remedies available to Purchaser at law or in equity, including, without limitation, the right to enforce specific performance by Seller of the terms of this Agreement.

**10. Prorations, Closing Costs, and Adjustments.**

**(a)** The following items shall be apportioned between Seller and Purchaser as of midnight of the day preceding the Closing Date:

**(i)** such items as are customarily adjusted in connection with commercial real estate transactions of this type.

**(b)** Seller shall pay the conveyance taxes applicable to the transfer of the Property. Purchaser shall pay all recording fees.

**(d)** All prorations, adjustments, and credits made and determined as provided herein shall be final as of the Closing Date; provided, however, that if subsequent to the Closing Date an error or omission in the determination or computation of any of such prorations, adjustments, or credits shall be discovered, immediately upon discovery thereof the appropriate adjustments required to correct such error or omission shall be made. Except as expressly provided herein, the purpose and intent as to the provisions of prorations and apportionments set forth herein is that Seller shall bear all expenses of ownership and operation of the Property accruing through midnight at the end of the day preceding the Closing Date, and Purchaser shall bear all such expenses accruing thereafter. Any items not specifically listed herein but shall be adjusted as aforesaid at Closing. This provision shall survive the Closing.

**11. Notices.**

Any notice regarding this Agreement shall be in writing and be served upon the party to which it is directed at the following addresses:

If to Seller:

Attorney Michael J. Ajello
Office of the Corporation Counsel
355 Main Street, 3rd Floor
West Haven, CT 06516

If to Purchaser:

...

Escrow Agent: Attorney Michael J. Ajello
Office of the Corporation Counsel
355 Main Street, 3rd Floor
West Haven, CT 06516

Any notice may be served personally or be sent by certified mail, return receipt requested or by Airborne, UPS, Federal Express, or similar overnight express service. If sent by certified mail, a notice shall be deemed to have been given the next day following the date deposited with the United States Postal Service, postage prepaid. If sent by overnight express service, a notice shall be deemed to have been given one (1) business day after pickup by such overnight service. The address at which notice is to be given to either party may be changed by giving notice to the other party as provided above.

**12. Miscellaneous.**

**(a) Entire Agreement**. The Recitals set forth at the beginning of this Agreement and the Exhibits attached hereto are incorporated in and made a part of this Agreement by this reference. This Agreement is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by Seller and Purchaser.

**(b) Applicable Law**. This Agreement shall be construed and enforced in accordance with the laws of the State of Connecticut.

**(c) Assignability**. Purchaser shall have the right, on or before the Closing Date, to transfer or assign its rights and obligations under this Agreement to its designee, without the consent of Seller. Purchaser shall provide to Seller a copy of the executed instrument of assignment effectuating any such assignment, together with the name and address of the assignee. Any permitted assignee shall be deemed to have assumed, agreed to and be bound by all of Purchaser's obligations and liabilities under this Agreement. Upon any such assignment, the Purchaser named in and which signed this Agreement shall thereafter be released and relieved from any obligation or liability under this Agreement.

**(d) Successors Bound**. This Agreement shall be binding upon and inure to the benefit of Purchaser and Seller and their respective heirs, executors, administrators, personal representatives, successors, and assigns.

**(e) Attorneys' Fees**. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

**(f)** **<u>Survival</u>**. The provisions of this Agreement expressly stating that they survive the Closing shall survive the Closing and shall not merge with the deed to be delivered at the Closing.

**13. <u>Duties and Responsibilities of Escrow Agent</u>**

**(a)** Seller and Purchaser acknowledge and agree that Escrow Agent (i) shall not be responsible for any of the agreements referred to herein but shall be obligated only for the performance of such duties as are specifically set forth herein; (ii) shall not be obligated to take any legal or other action hereunder which might in its judgment involve any expense or liability unless it shall have been furnished with acceptable indemnification; and (iii) may rely on and shall be protected in acting or refraining from acting upon any written notice, instruction, instrument, statement, request or document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper person, and shall have no responsibility for determining the accuracy thereof. Neither Escrow Agent nor any of its directors, officers, partners, or employees shall be liable to anyone for any action taken or omitted to be taken by it except in the case of gross negligence or willful misconduct.

**(b)** Escrow Agent hereby agrees and covenants that following the Inspection Period Expiration Date, Escrow Agent shall not without the prior written consent of both Seller and Purchaser disburse the Deposit to any person or entity other than at and in conjunction with the Closing.

**(c)** Purchaser acknowledges that Escrow Agent is also acting as legal counsel to Seller in connection with the transactions contemplated by this Agreement.

**(d)** Seller and Purchaser agree that if any dispute arises with respect to the delivery, ownership, right of possession, or disposition of the Deposit, Escrow Agent upon receipt of written notice of such dispute or claim, is authorized and directed to retain in its possession without liability to anyone, all or any of said Fund until such dispute shall have been settled either by the mutual agreement of the parties involved or by a final order, decree or judgment of a Court in the United States of America, the time for perfection of an appeal of such order, decree or judgment having expired. Escrow Agent may, but shall be under no duty whatsoever to, institute or defend any legal proceedings which relate to the Deposit.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement as of the day and year first above written.

**SELLER**:

**CITY OF WEST HAVEN**

**By:** ______________________________
**Print Name:** Dorinda Borer
**Its:** Mayor

**PURCHASER:**

**IDEAL GROUP, LLC**

______________________________
**By:**
**Print Name:** Florjan Shehaj
**Its:** Member

**ESCROW AGENT:**

______________________________
**Print Name:**

# STILES SCHOOL PURCHASE AND SALE SUMMARY

- For many years, the City has faced challenges in redeveloping the former Edgar C. Stiles School (located at 575 Main Street a/k/a 561 Main Street):
    - Since the building has asbestos contamination that requires removal, the City considered its options for the site and secured estimates:
        - It would cost $1 million to remediate it.
        - It would cost roughly $2.2 million to remediate and demolish it.
        - It would cost approximately $3 million, plus carrying costs depending on the usage of the property, to remediate, renovate, and retain it.
    - The property has gone out to bid several times in recent years, with no viable candidates for purchase.
    - In 2021, the City finally chose a developer for a proposal to construct a hydroponics facility onsite, but it failed to secure financing and turned it back to the City.
    - In early 2024, the City put it out for a Request for Qualifications, and the first attempt did not yield acceptable bidders.
    - The second attempt to bid yielded 3 interested developers. Two of those developers wanted to knock the existing building down and create more than 150 units onsite.

- Following a further Request for Proposals and competitive evaluation this past summer, the City chose Ideal Group, LLC ("Ideal Group") to redevelop it because:
    - Ideal Group has a reputation for transforming beautiful and historic older buildings, and, rather than demolish the building, it proposed to preserve and repurpose it.
    - It proposed to renovate the Stiles School into thirty (30) studio, 1-bedroom, and 2-bedroom units (the "Project").

- The City proposes to enter into a Purchase and Sale Agreement ("PSA") with Ideal Group for Stiles School that provides for the following terms:
    - Purchase Price - $423,000.00
    - Deposit – $84,600.00, paid in two (2) installments:
        - $42,300.00 due on signing the PSA
        - $42,300.00 due within fifteen (15) days of signing the PSA

- If Ideal Group wishes to build more units, it will have to pay the City $14,100.00, plus three percent (3%) per year beyond 2025, per unit in additional compensation. The term of this clause will be fifty (50) years and be noted in the Warranty Deed.
- Ideal Group will have ninety (90) days from the signing of the PSA to obtain all permits and approvals for the Project.
- Closing Date will be May 30, 2025, or sooner by agreement of the parties.

- In addition, the City's new ordinance on sewer connection fees will yield $3,500 per unit, for an additional $100K.
- This property will transition from a non-revenue-producing carrying cost facility to a revenue-producing facility.