## **Eno Farms Subcommittee Meeting**

Special Meeting: Monday, June 11, 2012 at 3:00 p.m.

in the Main Meeting Room of Simsbury Town Hall.

## **MINUTES**

The meeting was called to order at 3:07 p.m. by Lisa Heavner, Town of Simsbury (ToS) selectman and co-chair of the Eno Farms Subcommittee. Also present were Sean Askham, ToS selectman and co-chair of the Eno Farms Subcommittee; Tom Cooke, ToS Director of Administrative Services; Robert DeCrescenzo, ToS legal counsel; Sean Kimball, ToS Human Resources / Risk Manager, as well as several Eno Farms and Simsbury residents.

The Pledge of Allegiance was recited.

While copies of the minutes from the last Eno Farms Subcommittee meeting were available at this meeting, they could not be approved because an "Approval of Minutes item" was not listed on the agenda.

I. Explanation of procedures to be used during the workshop

Ms. Heavner explained that this meeting will be a workshop. Its purpose is to elicit information, suggestions and concerns from residents and interested parties regarding the assignment of the Eno Farms Ground Lease. There will be an open period at the beginning for comments. Afterwards, there will be an opportunity for questions and further comments. During the second part of the workshop, all speakers must adhere to Roberts Rules of Order.

## II. Workshop period

The main concerns and questions brought before the Eno Farms Subcommittee by Eno Farms

residents and Simsbury residents during this workshop included:

A. Abiding by the terms and wishes of Amos Eno's will to house low incomes individuals and families

on the property. Mr. Robert Callashmin, Simsbury resident, noted that the town of Simsbury owns

the Eno Farms land, and as such, should abide by Amos Eno's will. If the town does not follow the

instructions in the will, he believes that the houses should be taken off of the property, and that the

land should be given back to the descendants of Amos Eno. In order to comply with Mr. Eno's wish

for the land to be "used by the poor," Mr. Callashmin also suggested that the town consider allocating

a number of units as housing for disabled veterans. Mr. Greg Lapins, Eno Farms resident, noted that

Mr. Eno's will does not force the town to provide low income housing, and suggested that going

forward, the terms for "low income" be clarified in the Eno Farms Ground Lease. Ms. Joan Coe.

26 Woodland Drive, is also concerned that the terms of Mr. Eno's will have not been considered by

current nor previous owners. She suggested that the town review quarterly budget statements from the

owners of Eno Farms.

B. Allowing the residents of Eno Farms to have some sense of control, pride, and ownership of their

properties. Residents wanted the subcommittee to understand that there is a human side

to this issue. They love where they live, they are friendly with their neighbors, and they cherish the

special sense of community found at Eno Farms. Most want to continue living there, but they want to

have landlords who will actively help them maintain their properties, who will not raise their rents

every year; and who will not make it overly burdensome for long-term residents to stay in their

homes (by requiring them to fill out duplicate and triplicate paperwork to re-certify for income

limits). They felt that this was demoralizing and humiliating. Residents were tired of being victims

of absentee landlords. They wanted maintenance issues to be resolved quickly and professionally.

They also wanted the town to provide some protection and security against lease terminations,

evictions and further injustices. They questioned:

- 1. What would happen if there was no bidder for the property?
- This is not an issue. Mr. Cooke notified the assembly that there was a bid. He passed out copies of a formal letter from the Connecticut Housing Finance Authority (CHFA),
  —the current owner of Eno Farms—asking the town for consent to assign the ground lease to Mr. Jonathan D. Rutenberg of Equity Management Corp. The town now has 25 days to submit their consent.
- 2. Whether the town could purchase the Eno Farms Ground Lease at this point, and whether

the town Housing Authority could oversee and maintain the property?

• Mr. DeCrescenzo stated that the Eno Farms property is valued at about \$2.3 to \$2.5 million.

The town would have to raise money to buy the property since no grants are available. Not only would there be acquisition costs, lawyer's fees, and staffing/management costs, but the town would also run into a deficit if units remained vacant. In that case, an appropriation would have to be made in the town budget to pay the bill through bonding. This would cause the town to incur further costs. In addition, residents would question why the town would buy the property when there was a bid from a qualified buyer.

- Mr. DeCrescenzo noted that he has met 2 to 3 times with the town Housing Authority to discuss Eno Farms. They could have submitted a bid, but they never did.
- Ms. Coe noted that she spoke to the Housing Authority about a month ago about Eno Farms. She learned that since the board is in transition, the timing is not right, and 50 units are too many for the HA to manage well.
- 3. Whether it was possible that Eno Farms could be successfully run as a CO-OP?
- 4. Whether long-term Eno Farms residents, who are in good standing, could be "grandfathered"
- in," and allowed to stay—even if their income now exceeds the limit that first allowed them

to reside there?

- Mr. DeCrescenzo stated that it would be beneficial to Eno Farms to have a stable group
- of long-term residents, but care needs to be taken so that there is a balance between complying with Mr. Eno's will as well as adhering to the rules of the ground lease.
- Mr. Askham echoed Mr. DeCrescenzo's call for balance when he noted that for every exception made, some other needy family is being kept out.
- 5. What protection will the Eno Farms residents get from the buyer? Will the town defend the

residents or take the buyer to court if he does not live up to the lease?

• Mr. DeCrescenzo said that the town would have the right to seek legal remedies

if the buyer violates the terms of the ground lease, such as making the rents unaffordable. He would recommend taking these preliminary steps before going

to court.

III. Discussion of potential next steps

Ms. Heavner and Mr. Askham thanked the town residents for their suggestions. They agreed to meet again as a Subcommittee, with Mr. DeCrescenzo, to discuss negotiating strategies for the assignment agreement to reflect the concerns brought forth during this workshop. They will do this by:

A. Compiling a list of what the Board of Selectman (BoS) should seek in any owner of the

Eno Farms property.

B. Thoroughly researching Mr. Jonathan D. Rutenberg of Equity Management Corp., as well

as the past and current properties that he has managed. This will include asking for a pro-forma

budget; questioning the methodology he will use to determine rental fees, and requesting a needs

assessment report to see how he will maintain the property. This "due diligence" is required to

determine whether he will be a trustworthy and creditworthy property owner, in addition to a

good property manager.

C. Presenting their findings at a BoS meeting for consent.

Mr. DeCrescenzo reminded residents that the BoS cannot make amendments to the Eno Farms Ground Lease without first getting consent from the lessee in addition to citizen approval. He noted that the time to negotiate with the buyer is now. The buyer must accept all the conditions listed in the ground lease to purchase the property.

## IV. Adjournment

Mr. Askham made a motion to adjourn the meeting, Ms. Heavner seconded the motion. All were in favor. The motion passed. The meeting was adjourned at 5:40 p.m.

Respectfully submitted,

Lorrie McElligott Commission Clerk