

## M E M O R A N D U M

TO: John Burt, Town Manager

FROM: Jonathan J. Reiner, Director of Planning and Development  
Paige R. Bronk, Economic and Community Development Manager

DATE: January 21, 2020

SUBJECT: Mystic Education Center (MEC) Redevelopment – Respler Homes  
Development Agreement and Project Overview

---

### ISSUE

The Town of Groton’s Office of Planning and Development Services (OPDS) continue to work with the State of Connecticut and Respler Homes to initiate the redevelopment of state-owned property at the Mystic Education Center (former Mystic Oral School). Respler Homes was provided “preferred developer” status for this project after completion of a thorough RFP and vetting process by state and local participants. The State of Connecticut and Respler Homes have signed a Purchase and Sales (P&S) Agreement and are currently finalizing a lease agreement for the property. The Town of Groton and Respler Homes have been drafting a “Development Agreement” outlining the framework for property redevelopment. The “Development Agreement” approval is an important first implementation step, but other significant reviews and approvals will be needed throughout 2020. OPDS staff, a representative from the town attorney’s office, and representatives from Respler Homes will be present at the Town Council Committee of the Whole meeting on January 28, 2020. This “Development Agreement” requires approval from the Town of Groton to enable the project to advance.

### BACKGROUND

The Mystic Education Center redevelopment project has been idle for decades. The property sits on approximately 77 acres of state-owned land with significant building assets. The property originally housed the Whipple School for the Deaf. In 1921, the State of Connecticut assumed control of the school, but discontinued its usage in 1980. Government agency and private uses were ongoing until approximately 2011.

As a result of proactive efforts in 2017 by Groton and the state, momentum has finally been achieved. The redevelopment project is slated to advance, but several different actions are required throughout 2020 in order for this complex project to succeed. OPDS staff is providing an overview of required “Major Action Steps” for project implementation and construction. Below are the Mystic Education Center redevelopment project’s “Projected Timeframe” and “Major Action Steps.” The timeframe is relative given the number of steps that will be required. Several of these steps can and will proceed simultaneously. The listed sequence is not necessarily in exact order. Primary responsible entities are associated with each action step. This information is provided to illustrate project complexity.

#### Projected Timeframe (relative):

- 2020 (Planning, Design, Engineering, Regulatory and Legal Approvals)
- 2021 (“Shovel in the Ground” for Phase I of the development project)

#### Major Action Steps:

- State of CT Sale/Lease of Property to Respler (State and Respler)

- Public Outreach (Respler and Coursey & Co.)
- Development Agreement Approval (Town and Respler)
- Pratt Building Reuse Planning and Engineering (Town and Greenplay)
- Pratt Building Lease Agreement (Town and Respler)
- Zoning Amendment (Town and Horsley Witten)
- Land Use and Zoning Approvals (Town, Respler, and Fuss & O'Neill Engineering)
- Subdivision of Parcel (Respler, State, Town, Fuss & O'Neill Engineering)
- Land Assembly (Respler and Private Property Owners)
- Tax Increment Financing (TIF) Master Plan (Town, Respler and Camoin)
- TIF Credit Enhancement Agreement (Town, Camoin and Respler)
- Project Design and Engineering (Respler and Fuss & O'Neill Engineering)
- Roadway Improvement Designs and Permitting (Respler, Fuss & O'Neill Engineering, State of CT)
- Federal Historic Preservation Tax Credits (Respler)
- Trail System Plan Development (Respler and Fuss & O'Neill Engineering)
- Environmental Remediation of Property (Respler and Fuss & O'Neill Engineering)

“Development Agreement” (Project Framework):

In order for this redevelopment project to proceed, the Town and Respler Homes need to enter into a development agreement. The development agreement formalizes our partnership.

Approval of the development agreement is merely one step of several stated previously to be completed in 2020. The development agreement outlines the process and formalizes the project's cooperative partnership between the developer and town. The development agreement does not guarantee any land use, lease or any other approvals. It establishes a framework for moving the project forward. The general items addressed in the development agreement (attached) are as follows:

- Formally addresses the cooperative partnership between Town and Respler for MEC project
- Project “definitions”
- Project Description (mixed use, 700-850 multi-family units, Oral School building as 100,000 square foot multi-use commercial space, Pratt Building rehabilitation, retail, recreational, parking, trails, roads, energy efficient)
- Identifies Respler as the project's “Exclusive Developer”
- Addresses “Development Plan” details and requirements including sequence and phasing of the redevelopment project
- Governmental approvals required and responsible entities
- Short term tax agreement as a result of the state's leasing of the property during approval phase
- Commitment of Respler to make property improvements consistent with plans
- Commitment of Respler to make improvements to the Pratt Building as agreed by Town
- Commitment of Town to enter into future lease of Pratt Building
- Commitment of Respler to make on-site and off-site infrastructure improvements including roadways and utilities
- Project preliminary timeline by phase
- Tax Increment Financing (TIF) use

- Commitment towards cooperation between Town and Respler
- Restrictions on transfer and assignment
- Dispute resolution – good faith/negotiation/mediation
- Defaults and remedies
- Signatures
- Attachments: Description of property, resolution from Town Council authoring entry into Development Agreement, Proposed Property Subdivisions, and Project Phases

Respler Homes submitted a proposal in 2018 for the Mystic Education Center Redevelopment Project as part of a public procurement process (RFP 18-25), advertised by the Town of Groton on December 15, 2017. This proposal included the redevelopment of the land and existing vacant school building and Pratt Building (former recreation building) currently owned by the State of Connecticut. Interviews were conducted with interested developers and Respler Homes was ultimately selected for the project and given preferred developer status. Respler Homes best addressed the RFP's stated criteria including project approach, team qualification and experiences, project viability and ability to execute the project in a timely manner, and benefit to town.

The Respler Homes proposal was released to the general public through a formal outreach ceremony on November 7, 2019. Over 100 people attended to hear directly from OPDS staff and Respler Homes. The project is best described as a mixed-use redevelopment effort that is proposed to include between 700 – 850 multi-family units, over 100,000 square feet of commercial space including coffee house/internet café, organic market, renovated office space, co-working spaces, high technology R&D space, daycare center, and restaurant. Additionally, the project will rehabilitate the existing 40,000 square foot Pratt Building for public recreation use. The project plans on making all necessary infrastructure improvements including, but not limited to, roadways, utilities, and parking structure. Since late 2019, Respler Homes has continued to hold public outreach meetings with individuals, groups, and professional organizations.

The Town of Groton has demonstrated support for this proposal, but desires to formalize approval through this development agreement and to advance discussions for the redevelopment. The development agreement does not guarantee approvals of the items listed in the agreement, but instead set forth a framework for cooperation and sets expectations. It is intended as an expression of each party's mutual desire to further advance the transaction and future definitive agreements between them leading to the development of the property and the eventual purchase of the property from the State of Connecticut.