

Mystic Education Center Redevelopment Project History, Timeline, and Process

I. Property History:

Formally known as the Mystic Oral School, the property originally housed the Whipple School for the Deaf which moved from Ledyard to this location in 1872. In 1921, the State of Connecticut assumed ownership and supervision of the school, but discontinued its usage in 1980 as education policy shifted towards the placement of hearing-impaired children in local and regional programs. The property consists of 77+ acres.

Over the recent decades, the State used the facility for a wide range of activities including partnerships with the Groton Parks and Recreation Department, Special Olympics, a dance program, a computer business, a day care center, and firefighter training programs. In 2011, the property was classified by the State as surplus property. The state notified the Town of Groton of this closure. The closing of the campus saved an estimated \$400,000 per year in state operating costs.

The property remained in vacant condition since 2011 and state resources have been unable to address property maintenance needs. In addition to property degradation, there has been an increased level of vandalism. The property became an attractive nuisance. The state did use some funding to partially remediate environmental contamination inside the buildings as well as to remove some existing buildings on site.

The Town of Groton has discussed the property redevelopment needs for years. The property does not generate local property taxes for Groton and the maintenance and environmental costs were excessive for the state. In early 2017, the State of Connecticut and the Town of Groton entered into a grant agreement involving the state providing \$50,000 to Groton for redevelopment assistance. This grant addressed costs related to marketing, RFP development, staff costs, and regulatory amendments. Staff began marketing the property shortly thereafter.

II. Mystic Education Center Planning Analysis:

Groton hired Camoin to complete a 2016 Community Wide Market Analysis that focused on the need for redevelopment and amenities to support residents and workers. It contains significant demographic, economic, and real estate data specific to market and consumer demands.

General community findings include demand for mixed use, restaurants, hotels, higher quality retail, multi-family residential, and more. The Market Analysis determined that 80% of Groton's workforce commutes daily and that Groton was not capturing the income stream generated by its employment base.

In addition, staff hired Camoin and VHB to complete a feasibility analysis for the redevelopment of the Mystic Education Center property. This was completed by January 4, 2016.

Redevelopment options from that analysis are found below which were also included in the future RFP for the property.

- **Housing for an aging population:** There will be a demand for new senior housing in the future and the site offers an ideal place in a quiet residential area for such use. The campus layout lends itself to the continuing care retirement community model, which offers different types of facilities on the same site, depending on the needs of a resident so that seniors can age in place. The buildings could be utilized for different levels of care (i.e., independent living, assisted living, and nursing home). There is potential to have a limited amount of medical office on site given the market and needs of senior housing.
- **High-end residential conversion:** Residential conversion may be a feasible alternative. The unique amenities that would be featured are in demand including open floor plans, high ceilings, on-site recreation, and reused buildings with character. Residents would have quick commuting access to I-95 and would be close to the amenities and entertainment in Mystic. Groton has already attracted a concentration of high-end rent payers in Mystic, which indicates market potential as a conversion would require higher rent levels to be financially feasible.
- **Hospitality/Recreation:** Close proximity to Mystic means that there is a large tourism base from which to draw. Despite the competitive market, a lodging and hospitality reuse would differentiate itself from existing offers because of the potential for unique on-site amenities such as high-quality food grown on-site. The recreational offerings on site would support a hospitality business by enabling sports tournaments and camps to be hosted. The market for youth sports tournaments is supported by the proximity to Mystic's tourism attractions.
- **Institutional:** With a history of past institutional use the site lends itself to institutional uses. The potential for institutional use is subject to the needs of individual institutional organizations. The Town and State should not turn away proposals for institutional uses; however, this represents an "ideal" yet unlikely scenario. Even with a significant marketing and recruitment effort, this scenario is highly unlikely.

- **Mix of uses:** It is likely that no single use would occupy the site given the significant size of the campus. The most likely development scenario is a mix of complementary uses such as:
 - Market rate and senior housing with recreation and medical office;
 - Hospitality and recreation; or
 - Institutional use with a residential or lodging component (e.g., a boarding school)
- **Municipal:** The site could be purchased by the Town and developed for municipal uses such as town recreation and/or other town program/operations.

III. Project Overview:

The Town of Groton, along with the State of Connecticut solicited proposals from qualified and experienced development teams that best serve the economic and community development interests of the Town and State. The site, located at 240 Oral School Road (property ID 261906386767 E) and 0 Oral School Road (property ID 261906297210 E), is owned by the State of Connecticut. Acreage for 240 Oral School Road is 77.39 acres with only 40 acres of the parcel's highland as developable. The lower 37 acres of the same parcel is intended for passive recreation and conservation use. Acreage for 0 Oral School Road is 7.89 acres. In total, this includes over 80 acres of land.

This primary objective of both the town and state was the planned and timely development of this State property in a way that maximizes financial and community benefits. This property is unique given its relatively large size and location overlooking the Mystic River. The Town and State both desire for the property to realize its highest and best use and to be added to Groton's tax base.

IV. Timeline and Process:

- The Mystic Oral School use occupied this property from 1892 – 1980 (approximate).
- A number of different uses occupied the property from 1980 – 2011 including the last use being a computer business with over 100 employees.
- The State designated the property as surplus in 2011 and notified the Town of Groton as such. The property became vacant at this point.
- The State hired Loureiro Associates to complete a Phase 1 Site Assessment Report in June, 2013 and a Phase 3 Subsurface Investigation Report in May, 2014. These reports provide an in-depth assessment of the environmental condition of the site and recommendations for site clean-up. The environmental analyses led to the state

conducting some limited environmental remediation including demolition and partial interior cleanup.

- The Town of Groton contracted the completion of a Community Wide Market Analysis in 2015.
- The Town of Groton also contracted the completion of a Feasibility Analysis for the Redevelopment of the Mystic Education Center in 2016. This addressed potential feasible reuse options for the former Mystic Education Center property.
- Town Council received the Market Analysis and MEC Feasibility Analysis including presentations in 2016. The same information was provided to the RTM.
- The State of CT approached the Town of Groton in 2016 inquiring about a partnership to help market the Mystic Education Center for redevelopment.
- July 12, 2016 - Town Council Committee of the Whole – authorization to apply for and receive state of Connecticut \$50,000 Brownfield grant for marketing, public outreach and rezoning property. There was a presentation on the Market Analysis the same evening.
- July 26, 2016 - Town Council Committee of the Whole – Town Council authorization for brownfields grant based upon specific required State of Connecticut language for said grant.
- August 2, 2016 - Town Council approval for authorization of \$50,000 brownfields grant
- In early 2017, the State of Connecticut and the Town of Groton entered into a grant agreement involving the state providing \$50,000 to Groton for redevelopment assistance. This grant addressed costs related to marketing, RFP development, staff costs, and regulatory amendments.
- In 2017 and 2018, the Mystic Education Center property was heavily marketed and promoted attracting several interested developers as a redevelopment project. There were over 20 property showings.
- On June 22, 2017 - A community wide public outreach meeting was held at the Town Hall Annex to gain input from attendees regarding the property's redevelopment. There were over 50 meeting participants.

The Town of Groton, working with the State of Connecticut prepared a Request for Proposals (RFP) for the property. This was not a "bid" based upon financial offering and relied upon stated evaluation criteria to assess each proposal. The RFP was modeled after a previous Town of Groton RFP for another Town excess property. The RFP addressed project overview, municipal process, site history, zoning and market analysis, community background, investment opportunity, location, access and roadways, topography, buildings, utilities, environmental assessment and remediation, resources, development guidelines, project incentives, evaluation criteria, submittal requirements, submittal deadline and

review schedule, reserved rights/disclaimers, and attachments (Property Cards and Maps, CT DEEP Property Survey (37 acres), Property Re – Use Map, Non-Collusion Affidavit, Anti-Kickback Acknowledgment, Proposal Transmittal Sheet, and Listing of Officers Sheet). The RFP did not prescribe a specific use for the property nor did the RFP require the reuse of the buildings on the property.

- On December 15, 2017 the Request for Proposals (RFP) was issued after approval by the State of CT.
- February 15, 2018 was the deadline for proposal submissions and four submittals were received.
- Throughout 2018, the designated Town/State Committee conducted their reviews and interviews. State officials advised the Committee that this was a confidential process involving the review of state property and that state law prohibited the discussion or distribution of respective materials outside of this process. The proposals and interviews were evaluated based upon their responsiveness to the RFP and the scoring criteria as stated within the RFP as follows:
 - **Project Approach:** (Compliance with the RFP submission requirements, clear and comprehensive submittal, rational, detailed, and thorough approach to implementation, degree to which project complies with local plans);
 - **Team Qualifications and Experience:** (Demonstrated experience in completing similar project, strength of the team including project lead, engineering, architectural design, construction, financing, etc., references for key completed projects);
 - **Project Viability and Ability to Execute Project in a Timely Manner:** (Demonstrated project marketability, demonstrated evidence supporting project financing, reasonable timeframe to initiate and complete project, demonstrated on-time completion of past projects, and reasonable demands or requests from the Town/State); and
 - **Benefit to Town and State:** (Financial offering and benefit to the Town and State, taxes to the Town and State upon full build-out, quantitative and qualitative benefits to the town and state, building design and efficient use of property, other community benefits (public use, amenities, other)).
- On March 27, 2018 - Review Committee - Initial meeting to discuss the proposals. The proposal from Globe, Inc. did not receive further consideration by the Committee.
- On April 23, 2018 - Review Committee - First interviews with Stackstone, Groton Housing Authority, and Respler Homes.
- On May 11, 2018 - Review Committee - Met to discuss the first interview results and next steps.

- On June 15, 2018 - Review Committee - Second interviews with Stackstone, Groton Housing Authority, and Respler Homes.
- On August 2, 2018 - Review Committee - Met to discuss the second interview results and next steps. Committee decided to not advance Stackstone and also desired further clarification from both Groton Housing Authority and Respler Homes. Written questions were crafted for and distributed to the two short-listed developers.
- On September 14, 2018 - Review Committee - Conducted third interviews with Groton Housing Authority and Respler Homes to review and discuss their provided written responses. Individual final scoring was completed by Review Committee members shortly thereafter.
- November 13, 2018 – Town Council Committee of the Whole – Great Blue survey presentation on town-wide recreation needs
- In 2018, after numerous meetings and interviews, a recommended preferred developer (Respler Homes) was unanimously selected by the Committee.
- The State of CT accepted the received recommendation from their staff serving on the Committee.
- The Review Committee’s recommendation was also forwarded to the Town Council in 2018.
- November 27, 2018 - Town Council Committee of the Whole – executive session update to Town Council on Mystic Education Center RFP Process
- January 15, 2019 - Town Council Committee of the Whole – update Town Council on Mystic Education Center RFP Process – executive session preferred developer update to Town Council

Respler Homes was provided “preferred developer” status in 2018 after completion of a thorough RFP and vetting process by state and local participants. The vetting process included a criteria-based evaluation of the received proposals, scoring, interviews, written questions and responses, submittal of affidavits, review of finances, consideration of references, and general background research. The State of Connecticut completed their due diligence for Respler Homes as a part of the Purchase and Sales (P&S) Agreement approval process. The State also completed a process with Respler to execute a separate lease agreement for the property. The Town of Groton Town Council and Respler Homes have approved and signed a “Development Agreement” outlining the framework for property redevelopment. The “Development Agreement” approval was an important first implementation step, but other significant reviews and approvals will be needed throughout for any redevelopment at the Mystic Education Center property. Next steps include regulatory zoning changes and land use approvals prior to the project moving forward.

- May 28, 2019 - Town Council Committee of the Whole – update Town Council on Mystic Education Center - executive session
- October 8, 2019 – Town Council Committee of the Whole – Discussion of feasibility study of Pratt Building and Capital Reserve appropriation
- November 6, 2019 - Town Council – Approval of funds for feasibility study of Pratt Building and Capital Reserve appropriation
- On November 7, 2019 - Public meeting held at the Town Hall Annex to unveil the project and developer. There were over 50 attendees.
- November 7, 2019 - RTM Finance Committee - Approval of funds for feasibility study of Pratt Building and Capital Reserve appropriation
- November 12, 2019 – Planning and Zoning Commission – Discussion of institutional Re-use – preliminary zoning regulations
- November 13, 2019 – RTM - Approval of funds for feasibility study of Pratt Building and Capital Reserve appropriation
- November 13, 2019 - State of CT – Purchase & Sales agreement approved for future sale of Property to Respler (State and Respler)
- November 26, 2019 - Town Council Committee of the Whole – update Town Council on Mystic Education Center executive session

In 2020, numerous project components were discussed and were advanced including the State of CT Purchase and Sales Agreement (PSA), State of CT Property Lease Agreement, Groton’s Local Development Agreement, Pratt Building Redevelopment Study, and a Short-Term Tax Abatement Agreement.

- January 14, 2020 - Town Council Committee of the Whole – update Town Council on Mystic Education Center executive session
- January 21, 2020 – State of Connecticut approved lease of property to Respler Homes. Respler assumes management of the property. Town of Groton Police Department begins responding to vandalism and break-ins at the property.
- January 28, 2020 - Town Council Committee of the Whole – Discussion of Local Development Agreement in open committee session. Update in public session on project overview. Development agreement draft shared in town council packet for public review.
- February 4, 2020 – Town Council – Approval of Local Development Agreement.
- February 11, 2020 – Signed development agreement by Town of Groton and Respler Homes detailing project steps and requirements for project framework.

The proposal from Respler Homes required changes to the Zoning Regulations, a Tax Increment Financing District and a Credit Enhancement Agreement once the TIF District was approved, a

short-term tax agreement in case the State of Connecticut no longer paid the PILOT for the property, and a development agreement between the Town and the Developer.

TIF process

A Tax Increment Financing District and Credit Enhancement Agreement was requested for this project by the developer as initially proposed. TIF needs numerous approval steps from local boards, commissions, the Town Council and the Representative Town Meeting. None of these steps have moved forward as the Town has not received a formal request from the developer specifying detailed TIF needs.

Planning and Zoning Commission Process. MEC zoning was discussed by the former Planning Commission and Zoning Commission respectively. It was determined by the Zoning Commission that any changes to the institutional re-use zoning for the MEC property would be handled by the Planning and Zoning Commission. Zoning text amendment to adopt a new zoning district - see PZC meeting dates below.

- March 10, 2020 – Planning and Zoning Commission – Historical Institutional Re-use Floating zone – Regulations workshop
- March 24, 2020 – Planning and Zoning Commission – Historical Institutional Re-use Floating Zone – workshop
- April 2020 – Recreation Analysis - Greenplay held focus group and stakeholder meetings. Participants in these meetings included, Council and RTM members, Parks & Recreation Commission members, BOE representatives, local businesses and youth and adult sporting groups.
- April 2020 – Greenplay held a public meeting to present the findings from the focus groups and stakeholder meeting.
- May 2020 - Recreational Needs Assessment Survey was mailed to 3,784 randomly selected residents. 400 surveys were completed and returned. Based on survey response rates, survey is + - 95% accurate.
- June 2020 – Open invitation to take the Recreation Needs Assessment Survey shared through various media channels. Over 300 people completed the on-line survey
- October 13, 2020 - Town Council Committee of the Whole – discussion of short-term tax agreement
- November 4, 2020 – Town Council – approval of short-term tax agreement
- November 10, 2020 - Town Council Committee of the Whole – update on MEC project – open session
- November 17, 2020 - – Planning and Zoning Commission – Mystic Education Center Zoning Text amendment – preapplication workshop

- December 10, 2020 – Planning and Zoning Commission – MEC site walk – open to the public
- December 29, 2020 – Planning and Zoning Commission – MEC Presentation of Draft Master Plan for the purposes of context only for the Zoning amendment
- January 5, 2021 – Town Council – Presentation by Greenplay regarding Pratt building and town-wide recreation needs
- January 13, 2021 – RTM - Economic Development update including MEC and Pratt building
- January 21, 2021 – Planning and Zoning Commission – MEC zoning workshop
- January 26, 2021 – Town Council Committee of the Whole – Greenplay presentation
- February 2, 2021 – Town Council – resolution approving funds for Great Blue survey regarding recreation needs in Groton
- February 9, 2021 – Planning and Zoning Commission – MEC development issues discussion
- February 11, 2021 – Planning and Zoning Commission – MEC zoning workshop
- February 2021 – GreatBlue conducted a second survey specifically on the preferred use of the auditorium space in the Pratt building on the MEC property
- April 9, 2021 - Second amendment to Purchase and Sales agreement - State of CT P&S agreement approved for future sale of Property to Respler (State and Respler)
- June 8, 2021 - Town Council Committee of the Whole – Redevelopment process and overview of MEC timeline
- June 14, 2021 - Planning and Zoning Commission – MEC zoning workshop – PZC direction to town staff to not submit zone change application for MEC floating zone
- September 7, 2021 – Town Council – Executive session with Town Attorney regarding development and communication for MEC