



CITY OF NORWALK
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RECEIVED
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CITY OF NORWALK
PLANNING & ZONING

May 26, 2022

Norwalk Planning and Zoning Commission
Norwalk City Hall

RE: NEW SOUTH NORWALK SCHOOL – PROPERTY ACQUISITION

Dear Commissioners:

I, on behalf of the Land Use and Building Management Committee of Common Council, am requesting the Norwalk Planning and Zoning Commission for the review of the proposed acquisition of property located at 1 Meadow Street Extension for the proposed new South Norwalk (SoNo) neighborhood school in accordance with Connecticut General Statutes – Section 8-24.

The Board of Education and the City have been involved in a lengthy effort to provide a new school building for the existing Columbus Magnet School, and to construct a new second school in the South Norwalk community. Through an evolution of ideas, a new concept was developed during the summer of 2021 which incorporated a significant number of the educational, community and financial objectives. This plan consists of the following elements:

- Move Columbus Magnet School from its existing location at 46 Concord Street to the newly constructed “lower” school building on the Ponus Campus.
- Close out two existing capital projects:
 - Project #C0607, New Columbus at Ely, with an unspent project balance of \$41,605,985
 - Project #C0618, Norwalk Global Academy, with unspent project balance of \$34,392,500
- Authorize a Special Appropriation in the amount of \$72 million to acquire a new parcel of land in South Norwalk and to construct a new 682 student South Norwalk Pre-K to 5 neighborhood school on such parcel.

The Board of Education formally approved and authorized this plan on November 16, 2021. Closing out the two existing capital projects would total approximately \$76 million. On January 25, 2022 Common Council approved a special capital appropriation in the amount of \$72 million for the new South Norwalk Elementary School. At this meeting Common Council also approved myself as the City’s Building and Facilities Manager and Attorney Darin Callahan, Assistant Corporation Counsel, to negotiate a purchase price of a potential property.

In addition, a Special Capital Appropriation in the amount of \$4M was requested as a result of the expected purchase price of the property as well as construction cost escalation. This was approved

by the Board of Estimate and Taxation at a special meeting on May 10, 2022. With this approval the total project budget for the new South Norwalk Elementary School is \$76 million.

The City will be submitting a state grant application to the Office of School Construction Grants & Review for reimbursement on this project. The deadline for this grant application is June 30, 2022 in order to be placed on the priority list for this year. As part of the application, the City must engage in a contract to purchase the property before deadline.

The City has been actively negotiating the purchase of 1 Meadow Street Extension with the current Owner. As part of this effort the property has been appraised by two independent appraisers. The City has also completed a Phase I and Phase II environmental review of the property. At this time, the current Owner and the City have agreed in principle to a Purchase Agreement. A copy of the Purchase Agreement is available upon request. The general terms of the Purchase Agreement are set forth in the Term Sheet attached hereto as Exhibit 1.

ACTION REQUESTED:

Review and recommend on the proposed acquisition of 1 Meadow Street Ext, Norwalk, Connecticut, identified in the Tax Assessor Records as Map, Block and Lot Number 2-75-71-0 from The Hatch and Bailey Company for the development of a new South Norwalk neighborhood school.

Thank you for your consideration of this matters.

Sincerely,



Alan Lo
Buildings and Facilities Manager

Exhibit 1

TERM SHEET
1 Meadow Street Ext.

I. Purchase and Sale Agreement.

- a. Property Acquired: 1 Meadow Street Ext., Norwalk, CT
- b. Purchase Price: \$14MM payable at Closing
- c. Title: Marketable, Fee Simple Title free and clear of all encumbrance. We will be obtaining title insurance through Stewart Title. Standard title contingencies included in P&S.
- d. Closing Adjustments: Standard, - Real Estate Taxes, Utilities
- e. Closing Contingencies: Title Defects only. Environmental Due Diligence is already completed.
- f. Closing: ASAP but in no event later than 09/30/22
- g. Seller Representations: Standard Commercial Representations
- h. Seller Closing Requirements: Appropriate Corporate Resolution and supporting organizational documents; Warranty Deed; FIRPTA Affidavit; Title Insurance Affidavit; Agreed upon Use and Occupancy Agreement (discussed below); Standard Settlement Statement; Assignment of Courville Lease; Release of Uniform Relocation Assistance Act Claims
- i. Other Provisions: Default and Remedies for Default; Standard Miscellaneous Contract Clause

j. Use and Occupancy Agreement.

- i. Premises: 1 Meadow Street Ext., Norwalk, CT
- ii. Term: 9 Months from Closing
- iii. Purpose: To allow seller to wind down their business
- iv. Payments: \$11,111.11 per month
- v. Security Deposit: \$500,000.00
- vi. Permitted Use: Winding down lumber year business
- vii. Maintenance, Repairs: Hatch & Bailey's responsibility
- viii. Alterations: Upon consent of the City
- ix. Utilities: Hatch & Bailey's responsibility
- x. Indemnification: Included in favor of City
- xi. Inspection: City has right to enter premises during term
- xii. Insurance: Required of Hatch & Bailey
- xiii. Default: Included, Standard
- xiv. Remedies: Right to re-enter plus all remedies at law
- xv. Environmental: Addressed in detail to protect City