

**TOWN OF AVON
SPECIAL TOWN MEETING MINUTES
JUNE 4, 2018**

- I. **TOWN COUNCIL CHAIRPERSON:** Heather Maguire
A Special Town Meeting was called to order at 7:37 p.m. in the Community Room at the Avon Senior Center by Chairperson Maguire. Members present: Mrs. Maguire and Messrs: Stokesbury, Pena, Speich, and Bernetich. Also in attendance: Brandon Robertson, Town Manager and Grace Tiezzi, Assistant to the Town Manager. Mrs. Maguire led the Pledge of Allegiance.
- II. **CITIZENS:**
Mr. Stokesbury nominated Mark Zacchio to be the Moderator. The nomination was seconded by Mr. Pena.
- III. **MODERATOR:** Mark Zacchio
Mr. Zacchio outlined the procedure for the meeting. He stated that because the monetary amount involved in the purchase falls under the level to trigger a typical referendum, we will go to a vote tonight – yea or nay – and decide whether or not this proposal goes forward. Before I ask for a vote, we will proceed in accordance with the Town Charter as follows: I will ask the Acting Town Clerk, Nick Hogan, to read the Call of the Meeting. Directly after that, our Town Chair, Heather Maguire, will read the resolution and move its adoption. He said he would then call for a second. As soon as we get one, he would ask Town Manager, Brandon Robertson, to go through the presentation of the proposed purchase. Once that takes place, I will open the discussion to the floor for comment and I would ask everyone to hold your comments until that time. As at all Town meetings, I will ask that each of you come to the podium, use the microphone, and state your name and address for the record. After everyone has had an opportunity to speak, I will ask for a vote by raising your hand and holding it high while one of our Registrar of Voters and her assistant tally the votes. Once the votes are tallied, she will hand me the slip and I'll announce the outcome of the voting process and then having no further business for tonight, I'll then ask for a motion to adjourn which will conclude our meeting. So with that, I will ask Acting Town Clerk, Nick Hogan, to read the Call of the Meeting.
- IV. **ASSISTANT TOWN CLERK:** Nick Hogan
Mr. Hogan read the Notice of Special Town Meeting.

**TOWN OF AVON
NOTICE OF SPECIAL TOWN MEETING
JUNE 4, 2018**

A special town meeting of the electors and citizens qualified to vote in town meetings of the Town of Avon, Connecticut, will be held at the Avon Senior Center, 635 West Avon Road in the Town of Avon, Connecticut, on Monday, June 4, 2018 at 7:30 p.m. for the following purposes:

1. To consider and act upon a resolution,

(a) to approve the acquisition by the Town of: (i) an approximately 38 acre parcel of land known as 828 West Avon Road in the Town of Avon, now or formerly owned by William J. Severni, and all improvements and appurtenances thereto, and (ii) a utility easement over certain property known as 8310 Gillette Way, in the Town of Farmington, Connecticut, now or formerly owned by William J. Severni, abutting said 828 West Avon Road property. As approved by the Avon Town Council at meeting held April 5, 2018, an approximately 22 acre portion of said 828 West Avon Road property to be acquired by the Town shall be leased by the Town to Lenore L. Severni and William J. Severni to be used by and occupied by the lessees solely for purposes of agriculture and farming. The Town has agreed that it will continue the current use (farming/haying) of the portion of the 828 West Avon Road property not being leased to the Severnis for so long as the Severnis are leasing such approximately 22 acre portion of the property;

(b) to appropriate \$1,600,000 for the payment in part of the costs related to the aforesaid acquisitions. The appropriation may be spent for acquisition costs, including legal and other consultant fees, and other expenses related to the project or its financing. The anticipated aggregate cost of the acquisitions is \$2,070,000, the \$470,000 balance of such cost not funded from this appropriation contemplated to be funded from an appropriation for the project to be included in the Town's fiscal year 2018/19 capital budget;

(c) to authorize the issue of bonds or notes of the Town in an amount not to exceed \$1,600,000 to finance the appropriation for the project; to authorize the issue temporary notes of the Town in an amount not to exceed \$1,600,000 in anticipation of such bonds or notes; and to authorize the Town Manager and the Treasurer of the Town to determine the amounts, dates, interest rates, maturities, redemption provisions, form and other details of the bonds or notes; and to perform all other acts which are necessary or appropriate to issue the bonds or notes; to take such action to allow temporary advances of available funds which the Town reasonably expects will be reimbursed from the proceeds of borrowings; to authorize the Town Manager and the Treasurer to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes and temporary notes authorized by the resolution if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years; and to authorize the Town Manager and the Treasurer to make representations and enter into written agreements for the benefit of holders of the bonds or notes and temporary notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds or notes and temporary notes;

(d) to authorize the Board of Finance to approve transfers from the Town's unappropriated General Fund resources for the purpose of temporary cash flow needs prior to the sale of the bonds or notes and temporary notes, provided the transfers do not exceed eighty percent (80%) of such unappropriated balance and provided that all such transfers are repaid before the end of the fiscal year; and

(e) to authorize the Town Manager, the Treasurer, and other proper officers and officials of the Town to take any other action and execute any documents which are necessary or desirable to enable the Town to complete said project and to issue bonds or notes and temporary notes to finance the aforesaid appropriation.

Dated at Avon, Connecticut, this 6th day of April, 2018.

Heather Maguire, Chairperson, Avon Town Council

V. MODERATOR: Mark Zacchio

A. Mr. Zacchio then called on Chairperson Maguire to read the resolution and move its adoption. Chairperson Maguire read the Resolution of the Special Town Meeting.

**RESOLUTION OF THE SPECIAL TOWN MEETING
APPROVING THE ACQUISITION OF THE 828 WEST AVON ROAD
PROPERTY AND A UTILITY EASEMENT OVER 8310 GILLETTE WAY
PROPERTY, APPROPRIATING \$1,600,000 FOR THE PAYMENT IN PART
OF COSTS RELATED TO THE ACQUISITIONS, AND AUTHORIZING THE
ISSUANCE OF BONDS AND NOTES TO FINANCE THE APPROPRIATION
RESOLVED,**

(a) That the Town of Avon hereby approves the acquisition by the Town of: (i) an approximately 38 acre parcel of land known as 828 West Avon Road in the Town of Avon, now or formerly owned by William J. Severni, and all improvements and appurtenances thereto, and (ii) a utility easement over certain property known as 8310 Gillette Way, in the Town of Farmington, Connecticut, now or formerly owned by William J. Severni, abutting said 828 West Avon Road property. As approved by the Avon Town Council at meeting held April 5, 2018, an approximately 22 acre portion of said 828 West Avon Road property to be acquired by the Town shall be leased by the Town to Lenore L. Severni and William J. Severni to be used by and occupied by the lessees solely for purposes of agriculture and farming. The Town has agreed that it will continue the current use (farming/haying) of the portion of the 828 West Avon Road property not being leased to the Severnis for so long as the Severnis are leasing such approximately 22 acre portion of the property.

(b) That the Town of Avon appropriate ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000) for the payment in part of the costs related to the aforesaid acquisitions. The appropriation may be spent for acquisition costs, including legal and other consultant fees, and other expenses related to the project or its financing. The anticipated aggregate cost of the acquisitions is \$2,070,000, the \$470,000 balance of such cost not funded from this appropriation contemplated to be funded from an appropriation for the project to be included in the Town's fiscal year 2018-19 capital budget.

(c) That the Town issue bonds or notes and temporary notes in an amount not to exceed ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000) to finance the appropriation for the project. The bonds or notes shall be issued pursuant to Section 7-369 of the General Statutes of Connecticut, Revision of 1958, as amended, and any other enabling acts. The bonds or notes shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town.

(d) That the Town issue and renew temporary notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds or notes and temporary notes for the project. The amount of the notes outstanding at any time shall not exceed ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000). The notes shall be issued pursuant to Section 7-378 of the General Statutes of

Connecticut, Revision of 1958, as amended. The notes shall be general obligations of the Town and shall be secured by the irrevocable pledge of the full faith and credit of the Town. The Town shall comply with the provisions of Section 7-378a of the General Statutes with respect to any notes that do not mature within the time permitted by said Section 7-378.

(e) That the Town Manager and the Treasurer of the Town shall sign any bonds or notes and temporary notes by their manual or facsimile signatures. The law firm of Day Pitney LLP is designated as bond counsel to approve the legality of the bonds or notes and temporary notes. The Treasurer shall keep a record of the bonds or notes and temporary notes. The Town Manager and the Treasurer are authorized to determine the amounts, dates, interest rates, maturities, redemption provisions, form and other details of the bonds or notes and temporary notes; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the bonds or notes; to provide for the keeping of a record of the bonds or notes and temporary notes; to designate a financial advisor to the Town in connection with the sale of the bonds or notes and temporary notes; to sell the bonds or notes and temporary notes at public or private sale; to deliver the bonds or notes and temporary notes; and to perform all other acts which are necessary or appropriate to issue the bonds or notes and temporary notes.

(f) That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that (except to the extent reimbursed from grants) the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized above for the project. The Town Manager and the Treasurer are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes and temporary notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(g) That the Town Manager and the Treasurer are authorized to make representations and enter into written agreements for the benefit of holders of the bonds or notes and temporary notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds or notes and temporary notes.

(h) That the Board of Finance may approve transfers from the Town's unappropriated General Fund Resources for the purpose of temporary cash flow needs prior to the sale of the bonds or notes and temporary notes, provided the transfers do not exceed eighty percent (80%) of such unappropriated balance and provided that all such transfers are repaid before the end of the fiscal year.

(i) That the Town Manager, the Treasurer, and other proper officers and officials of the Town are authorized to take any other action and execute any documents which are necessary or desirable to enable the Town to complete said project and to issue bonds or notes to defray the aforesaid appropriation.

- C. Chairperson Maguire and Mr. Robertson then made a presentation (which is attached and made part of these minutes) regarding the proposed purchase with the technical details about how this moves forward. Mr. Zacchio then reminded everyone present to check in with the Registrar of Voters to confirm they are qualified to vote.

Chairperson Maguire asked if Town Council members had any comments before she began her presentation.

Mr. Stokesbury stated that he was in favor of the motion. The \$470,000 that was referenced in the meeting call was approved as part of the annual budget passed last month and the proposal is consistent with the long standing and well-planned Town Plan of Conservation and Development and I think we should honor that plan.

Mr. Speich stated that he was in favor of the acquisition. He thinks it is a good, fair price for this property and it is really a gateway for our Town. When you are coming from Farmington, the first thing you see is this property on the right hand side. I think it is a great purchase and if you look at the housing that could potentially be there, if we did not purchase this property I think economically, it (inaudible).

Mr. Pena stated he was in favor of purchasing this property. He believes it is good for the Town to acquire open space.

Chairperson Maguire stated that she also supports purchasing this property. She stated it is a momentous night for Avon, since we haven't had a Special Town Meeting since 2003, and tonight we come together as a community to discuss and vote on a proposed land acquisition of approximately 38 acres at 828 West Avon Road. As you have heard from my fellow Council members and you will hear again tonight, it has been identified by Planning and Zoning in our Town's Plan of Conservation and Development as one of twenty-one properties to pursue if they were to become available. A property is identified if it has attributes, including but not limited to, substantial size. Opportunities to preserve the rural character of the Town. Open space will benefit wild life populations and provide other environmental benefits. This opportunity did not happen overnight. It required over seventeen years of discussions, negotiations and property visits to arrive where we are tonight. This purchase has the full support of Town Council and many others here in Town. The Avon community recognizes the benefits of preserving open space. When the Plan of Conservation and Development was revised in 2016, a survey was conducted to gauge interest by citizens of Avon regarding open space. The results were a staggering 88% supported purchasing undeveloped land. Most residents also supported slightly higher taxes to preserve additional valuable open space. Picturesque undeveloped land on a major road at a gateway location to town does not become available every day. We are fortunate that we have this unique and very affordable opportunity before us tonight.

Mr. Robertson began by recognizing staff members Grace Tiezzi, Assistant to the Town Manager, Peggy Colligan, Director of Finance, and Harry DerAsadourian, Assessor, who has been involved with this potential acquisition for many years. Mr.

Robertson began his presentation. He stated that no buildings would be included with this purchase and the property would be acquired without any restrictions.

- D. Mr. Zacchio thanked Chairperson Maguire and Mr. Robertson for their presentations. He invited comments and questions from the audience.

Charles Harvell – 7 Saint Michaels Court – I've been a resident of Avon for 15 years. I have a question about the resolution and the leaseback. Is there a reason why the term of the leaseback, the number of years, is not in the resolution? Or does it matter? Mr. Robertson responded that the resolution was approved by the Town Council and the term of the leaseback doesn't require approval by its (inaudible) in the resolution. What this (inaudible) is doing is authorizing issuance of the debt. We've been going through this process, anytime the community contemplates acquiring land, there are a number of procedural boxes that you need to check. One of those boxes, in the case of this property, was that we had to have public hearings on the leaseback provisions that are part of this arrangement. And you may recall, those of you that have been by the property over the last couple of months, that we had some very large signs that were posted out front and a number of legal notices that were required. Those notices were required as a function of both our Town Charter which has specific language to that effect and also statutory language. Mr. Harvell responded, so the eighteen year period referred to in the slide, is the Council bound to that? Mr. Robertson responded yes, that period is not included in the resolution, but it is included in the buy/sell agreement with the sellers and the Town is bound by that. It is important to note that with the leaseback provision there are various triggers where the leaseback can terminate. One of the provisions in that agreement is that one of the current owners of the property has to maintain residence for that lease to remain valid. So let's say Mr. and Mrs. Severni decide to move out and lease the home to somebody else, rent it out, that would invalidate one of the leaseback provisions. We have all of the language of the leaseback – the Town is bound by this. Mr. Harvell responded that he has always noticed the property in the time he has lived here but he had to go and look at it again one more time when he read about the Town's plan in the paper. He can certainly understand why all of you on the Council would want to own the 38 acres but is there a particular need for the property? Mr. Zacchio asked if Mr. Harvell meant to ask if there is an immediate need or is the Town acquiring for a future need. Chairperson Maguire responded that with the property acquisition they are not just looking for today but for future generations. Will that be a piece of property that we need for some other municipal purposes – for fields, for schools. We just don't want to miss an opportunity for such a prominent, well-located piece of land to slip through our fingers.

Christine Winter – 191 Cold Spring Road – I do agree that it is a very beautiful piece of land and I love the idea of having it purchased by the Town to preserve as a beautiful spot for us all to enjoy in the years ahead. The one concern I have about the way this is structured is this idea that it is without any possible restrictions for future use. I would feel better if we included wording to the effect that it was going to be permanently maintained as open space. I really don't understand the logic of pushing that out to the future to be argued about a generation from now. If we are really

committed to maintaining open space in our town, this seems like the opportunity to do it with this property. Mrs. Maguire stated that it will be open space. We don't have any plans to build in our crystal ball but eighteen years is a long way off. You don't know what could change. So I think, first and foremost, it is open space and we want to enjoy the beauty of that. It is located at the gateway of our Town and there are no plans to build, but eighteen years is a long time and our circumstances could change. We can't forecast that. Mr. Stokesbury added that the current board has no intention of developing the land. You've heard we have an eighteen year leaseback. And it is not just eighteen years out that we are talking about. It's one hundred years out. It's two hundred years out. Whatever it is we don't think that this Board should be constraining future boards from deciding the purpose of the property. We've talked about it, and this Town Council is in favor of purchasing it without restrictions, other than the relatively short term lease.

Paul Janaskie – 38 Lenox Road – Thank you for the helpful and informative presentation. I just have a few questions. In the past tax year, was any tax received from this property by the town? Several responded yes. Mr. Janaskie asked how much tax was received. Mr. Robertson responded that it is carried as farm land/agricultural. He asked Mr. DerAsadourian for a tax figure. Mr. DerAsadourian responded about \$100. Mr. Janaskie asked if the property were to be used for another purpose, has there been any analysis done on what the tax revenue would be. Mr. Zacchio asked, are you referring to homes to be built? Mr. Janaskie stated homes or commercial. Has there been any analysis done on that? Mr. Robertson responded that we have done formal tax impact analysis on the property but we have to make a couple of assumptions. The property is currently zoned R-40 which is basic residential. Based on our engineering takeoffs there could probably be between twenty and twenty-four lots on the property. So doing some math and making some assumptions about the values of the homes that would be built, cars that people would own, and you have to throw in an unknown variable, which is the kids and whether that would make it tax neutral or tax negative. I would add that R-40 is only one potential scenario. I only mention R-40 because that is the existing zoning for the property and you could have development scenarios with everything from RU-2A or even 840-G affordable housing. So all those different footprints result in very different tax impacts. Mr. Janaskie followed up that you used as an estimated tax impact scenario assessment the figure \$267,000. Is that a net loss for the town? Mr. Robertson responded it is impossible to know because – Mr. Janaskie said accounting for two kids – Mr. Robertson continued off the top of my head I wouldn't really answer yes. It just depends.

There were no other questions. Mr. Zacchio commented that as most of you know, I served on Town Council for a number of years and retired this past December. The negotiations and discussions date back to Board of Finance days in 2000 when we first started talking about this. Of the points that have been brought up, the two that really resonate with me are first, this is conducive with the Plan of Conservation and Development's future vision for Avon. That's really important because our Planning and Zoning Department has spent a great deal of time in developing the Plan of Conservation and Development and what Avon might look like in the future. There's

often calls for additional planning as the Town looks to the future. This is one of those pieces of property – maybe we don't know what we are going to do with it in the future and maybe it stays open space like the rest of nearly 1,200 open acres of space in Avon that the Town actually owns. I think that is a really important point because of working in concert with our Plan of Conservation and Development. One thing that hasn't been said is that working with these land owners is unique in Avon right now. We've all seen the big development in Town. I've lived here all my life. I've watched it go from nearly 6,000 people to where we are today at almost 19,000. And I often hear when I am out in public – stop development. Why does that continue to happen? Well, landowners have a right to development their land. They have a right to sell it to the highest bidder and maximize their profits. These land owners aren't doing that. They are giving the Town an opportunity to purchase this open space – and we all agree it is beautiful – and give it to the Town in a way that doesn't encumber us in the future. It secures that beautiful piece of property and they are doing it at a fair deal to the Town and a fair deal to them. And for that reason I will be voting yes.

VI. MODERATOR: Mark Zacchio

- A. Mr. Zacchio stated that as there were no additional comments, the discussion would be closed and the vote would take place. He then asked all those in favor to raise their hands and keep them held up until the Registrar takes a count. He then asked all those voting “no” to raise their hands.

Mr. Zacchio then announced that those who voted “yes” totaled 81 and those who voted “no” totaled 5. Therefore, the motion carries.

- B. Mr. Zacchio stated that there was no other business to conduct.
The meeting was adjourned at 8:36 p.m.

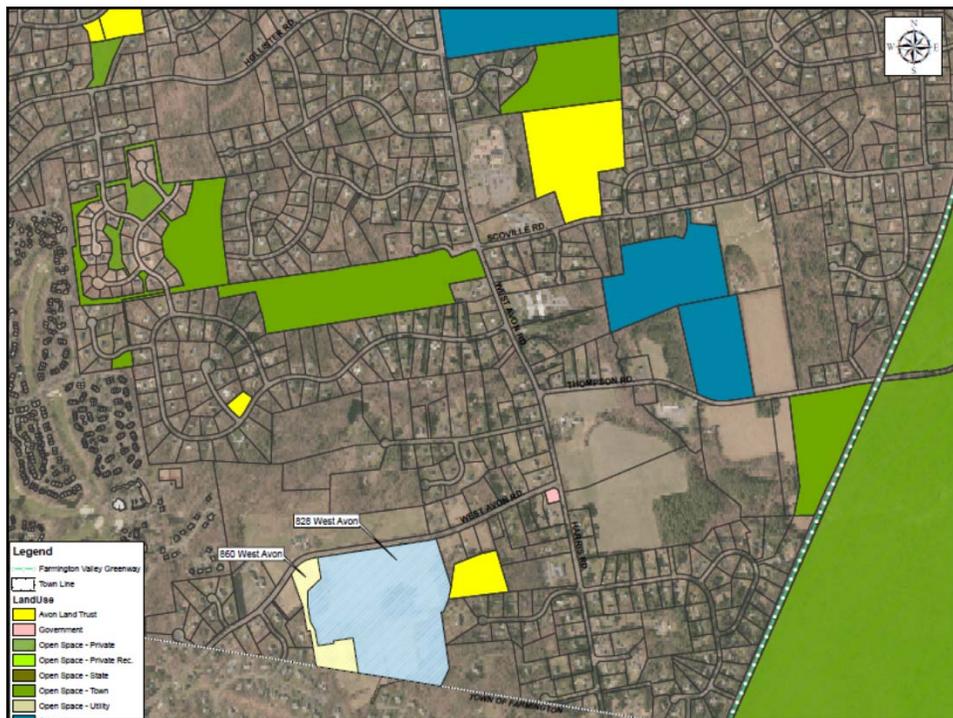
Respectfully Submitted,

Nick Hogan
Acting Town Clerk

Special Town Meeting

Regarding the Town's
Proposed Acquisition of
828 West Avon Road

Monday June 4, 2018 @ 7:30 p.m.
at the Avon Senior Center
635 West Avon Road





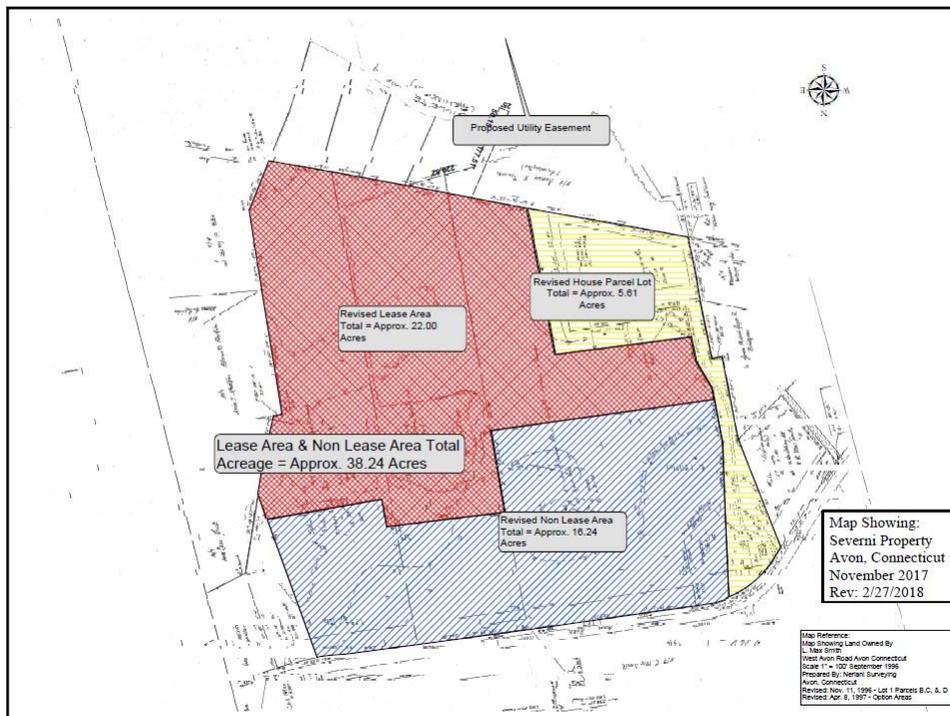


Terms of the Agreement

- Town to purchase the approximately 38 acre property for municipal use, with no restrictions.
- No structures to be acquired.
- Town to acquire utility easement over property located at 8310 Gillette Way in Farmington. Property also owned by Seller.
- Town to lease back to Seller a “buffer zone” of approximately 22 acres at the rear of the property for a period not to exceed 18 years, to be used solely for agricultural and farming purposes.

Terms of the Agreement

- Town intends to lease remaining 16 acres closest to West Avon Road to a yet to be determined private party for agricultural purposes.
- No portion of property will be available for public access while lease to Seller is in effect.



Purchase & Financing

- Purchase price - \$2,000,000
- **\$400,000** to be funded through FY 2018/2019 capital budget
- Bond privately placed with Seller @ interest rate of 1.75% (**\$103,250**) payable FY 2019/2020 through 2025/2026, to finance **\$1,600,000**.
- Soft costs of purchase (surveys, attorney's fees, bonding fees, etc.) expected to be **\$70,000**. To be funded through FY 2018/2019 capital budget.
- Total cost of acquisition **\$2,173,250**

Payment Structure

- First payment due July 1, 2018 (\$400,000)
 - \$470,000 appropriation included in the adopted FY 2018/2019 capital budget for the first payment and the soft costs associated with the acquisition.
- Seven bond principal and interest payments in FY 2019/2020 through FY 2025/2026 to be included in Town's debt service budget as follows:

FY 2019/2020	\$328,000
FY 2020/2021	\$322,750
FY 2021/2022	\$217,500
FY 2022/2023	\$214,000
FY 2023/2024	\$210,500
FY 2024/2025	\$207,000
FY 2025/2026	\$203,500

Determine Your Own Tax Impact

828 West Avon Road – over 7 years
Multiply your Assessed Value by **0.000604**

Your Assessed Value can be accessed by logging on
to www.avonassessor.com