



STATE OF CONNECTICUT OFFICE OF POLICY AND MANAGEMENT

September 26, 2018

First Selectman James M. Zeoli
Orange Town Hall
617 Orange Center Road
Orange, CT 06477

Re: Orange Property Acquisition at 28 Salemme Lane

Dear Selectman Zeoli,

As I am sure you are aware, the State Bond Commission recently approved a bond authorization to assist the Town of Orange in acquiring 28 Salemme Lane in order to support development of an Orange train station, pursuant to Special Act 11-11, and transit-oriented development (TOD) around any such station. Negotiations surrounding the grant-in-aid agreement related to this property acquisition are currently ongoing between the State and the Town and have been conducted in good faith. Thank you for the opportunity to restate and add detail to our positions on critical provisions of this agreement, so that we can move toward its conclusion.

The State's consistent, over-arching goal in this matter has been to preserve the opportunity to develop the Orange Train Station and associated TOD. As such, we must first ensure that the Town not undertake any effort to rezone the current Transit Oriented Development District (TODD) that encompasses this parcel of land to another category that would hinder the TOD goal or reduce the value of the property as established in the May 2, 2018 appraisal by Kerin & Fazio. The letter you sent my office requesting state assistance for purchase of this parcel, dated July 16, 2018, clearly states the importance of economic development through the TODD and the Town's pledge "to support the development of an Orange train station and promote the development of a TODD in and around the train station..." As such, the Urban Act Grant recommended to, and favorably voted upon by, the State Bond Commission was done so with this specific purpose in mind. TOD is vital to both the economic growth of the State and the potential success of a future train station. Rezoning the current TODD to Light Industrial or other designation that is incompatible with transit would be contrary to the purposes for which this grant funding was made available, and I must insist that the town commit not to such rezoning during the term of the use restrictions.

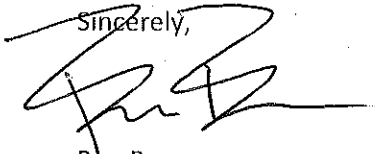
Additionally, the construction and availability of affordable housing, particularly as a key part of transit-oriented development, is something this administration takes very seriously and has consistently endeavored to expand throughout all communities. While an inevitable consequence of committing this property to TOD and to the Town's ownership is that it will not be immediately available for private affordable housing under the Appeals Act, we would like to provide the State with the assurance that

the land's eventual development, to the extent that it includes housing, will not diminish the Town's compliance with that act's requirements. That can be accomplished with a requirement that 10% of housing units that may be developed during the term of any use restrictions be set aside as affordable units under the terms of that act.

There are several other key issues that OPM will seek to ensure are resolved before the agreement is finalized, including, but not limited to, the details of access to the train station location, the duration of use restrictions and state recourse in the event that they are breached, the need to conclude the CEPA process, including the completion of an environmental impact evaluation, and the right of the Town to engage in temporary or interim uses during the period of use restrictions. I am confident that these can be amicably resolved soon.

I hope you appreciate the seriousness of the above issues and the corresponding protections the State must put in place to ensure any future development aligns with the spirit and purpose of the grant funding as well as the intent of the State as articulated in Special Act 11-11. Thank you again for your help in securing this train station location for future development to serve the Town of Orange and the entire State of Connecticut.

Sincerely,



Ben Barnes
Secretary

Cc: Brian Durand, Office of the Governor
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