

East Haddam Village District

Proposed Plan for Redevelopment

May 10, 2023

Centerbridge Group, LLC

CONTENTS

Challenges of the Site Today	slides 3-11
Assets	slides 12-15
Existing Master Plan	slides 16-18
Site Considerations	slides 19-23
Target Market	slides 24-38
Financial Aspects	slides 39-48, 59-62
Land Use	slides 49-58
Main Features and Imperatives of the Plan	slides 63
Redevelopment Agency Assistance	slides 64-69
Preliminary Traffic Calculations	slides 70
Architectural Imagery	slides 71-74

East Haddam Village District

Challenges of the Site Today



East Haddam Village District

Challenges of the Site Today

- Eight unoccupied buildings



East Haddam Village District

Challenges of the Site Today

- Eight unoccupied buildings
- Upfront costs



Environmental remediation

Lack of STC approved access

Upfront Costs Of Town Property

September 2019 – escalated to 2025

Purchase of Town Property	\$	450,000
Demo & Environmental abatement, soil remediation, monitoring	\$	800,000
Purchase of 17 Main St for DOT approved access	\$	300,000
Purchase of 15 Main St. for DOT approved sightlines	\$	350,000
Site Clearing of old pavement, conc pads and walls, old curb cuts, old buried tanks, relocation of historic stone walls, etc.	\$	700,000
Relocate & renovate/code compliance of River House + Old Town Hall	\$	800,000
Renovation/code updates of 15 Main St.	\$	420,000
Renovation/code compliance of 17 Main St.	\$	250,000
Creation of Public Community Water System, wells, tanks, fire protection	\$	500,000
Hook up to Town Wastewater System	\$	100,000
New parking lot, lighting and access driveway	\$	500,000
Village Green development – part of remediation effort – incl ret. wall	\$	600,000
Development of riverfront esplanade	\$	300,000
Participation in off-site Improvements (OSTA)	\$	500,000
Power	\$	125,000
Storm drainage	\$	100,000
NET CONSTRUCTION COST in 2019 dollars	\$	6,795,000
Permits	2% \$	135,900
Escalation to 2025	32% \$	2,217,888
Soft Costs : Legal, A/E fees, Traffic studies, Approvals, Contingencies, Insurance	30% \$	2,744,636
Tenant Improvements Allowances for four buildings	\$	800,000
Broker's fees	\$	150,000
Developer's fee	5% \$	642,171
TOTAL PROJECT COST	\$	13,485,596



East Haddam Village District

Challenges of the Site Today

- Eight unoccupied buildings
- Upfront costs



East Haddam Village District

Challenges of the Site Today

- Eight unoccupied buildings
- Upfront costs
- Off-site Improvements





Off-site Improvements

September 2019 – escalated to 2025

Rt. 82 Realignment	\$	1,500,000
Relocate State of CT easement for bridge generator	\$	200,000
Traffic-calming measures – planting strips, etc.	\$	600,000
Remove cobra head lights and install 30 historic streetlamps	\$	600,000
Bury approx. 2,000 LF of overhead utility lines and remove 15 poles	\$	2,300,000
Add and replace existing sidewalks – approx. 800LF or 6,000SF	\$	600,000
Bicycle paths along Rt. 82 and Main St. – approx. 1,200LF	\$	600,000
Install two state-of-the-art pedestrian crosswalks with strobe lights	\$	600,000
SUB-TOTAL	\$	7,000,000
Escalation to 2025	32%	2,240,000
Soft Costs: Legal, A/E Fees, Approvals, Permits, Contingencies		Included

TOTAL PROJECT COST \$ **9,240,000**

East Haddam Village District

Challenges of the Site Today

- Eight unoccupied buildings
- Upfront costs
- Off-site Improvements



East Haddam Village District

Challenges of the Site Today

- Eight unoccupied buildings
- Upfront costs
- Off-site Improvements
- Inadequate Critical Mass



One restaurant



One antique store



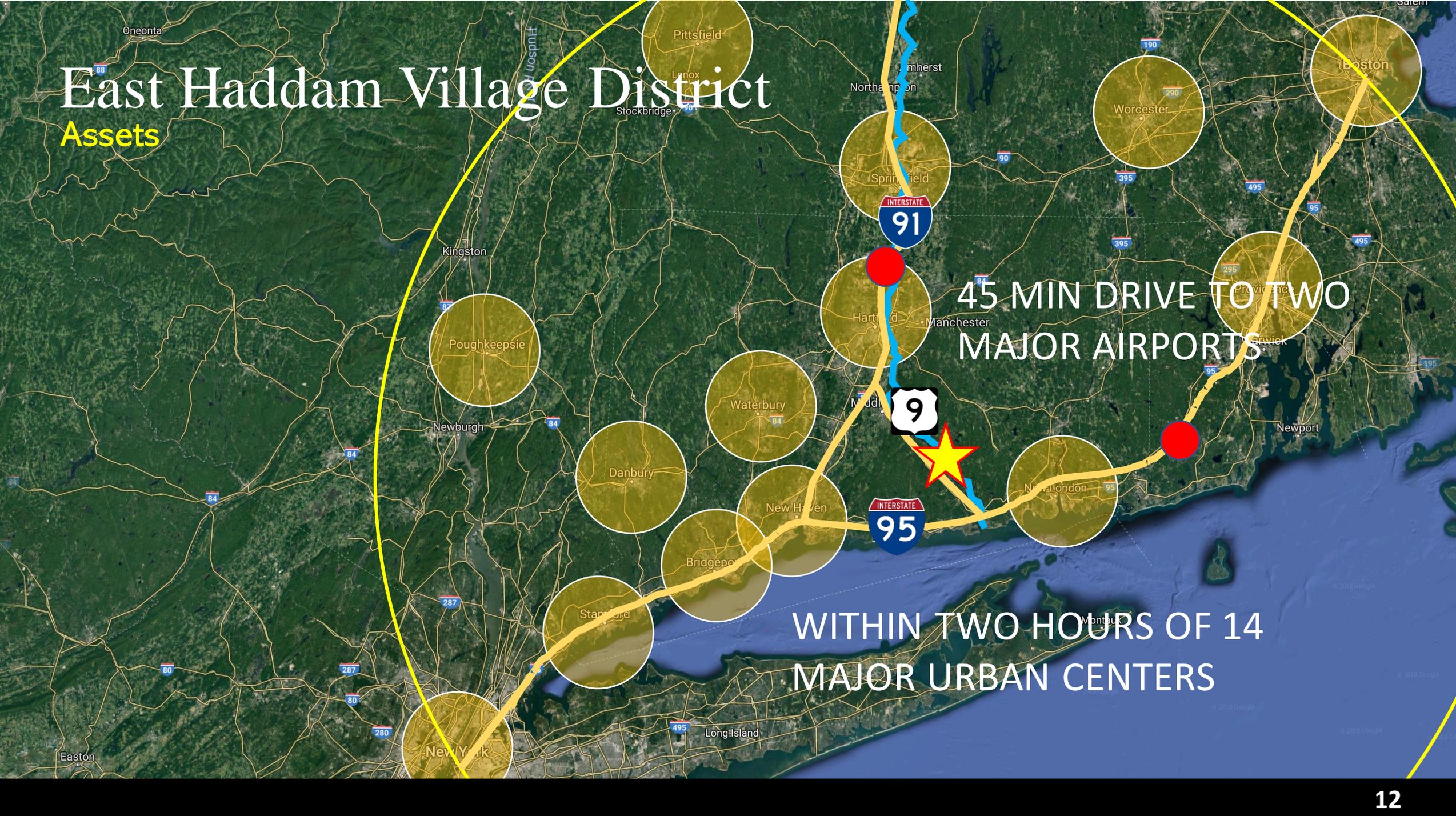
One ice cream shop
& used bookstore



One liquor store

East Haddam Village District

Assets



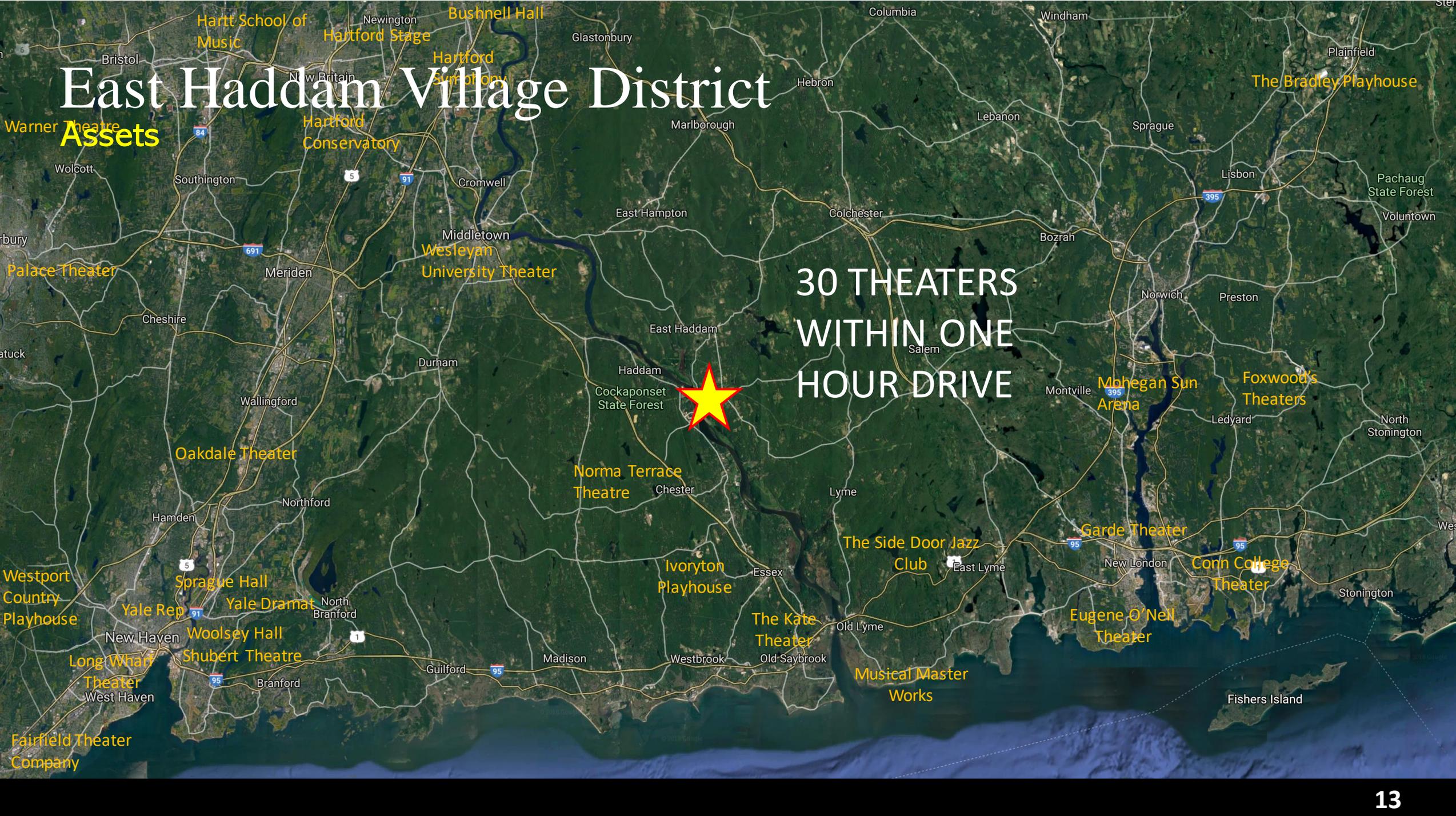
45 MIN DRIVE TO TWO MAJOR AIRPORTS

WITHIN TWO HOURS OF 14 MAJOR URBAN CENTERS

East Haddam Village District

Assets

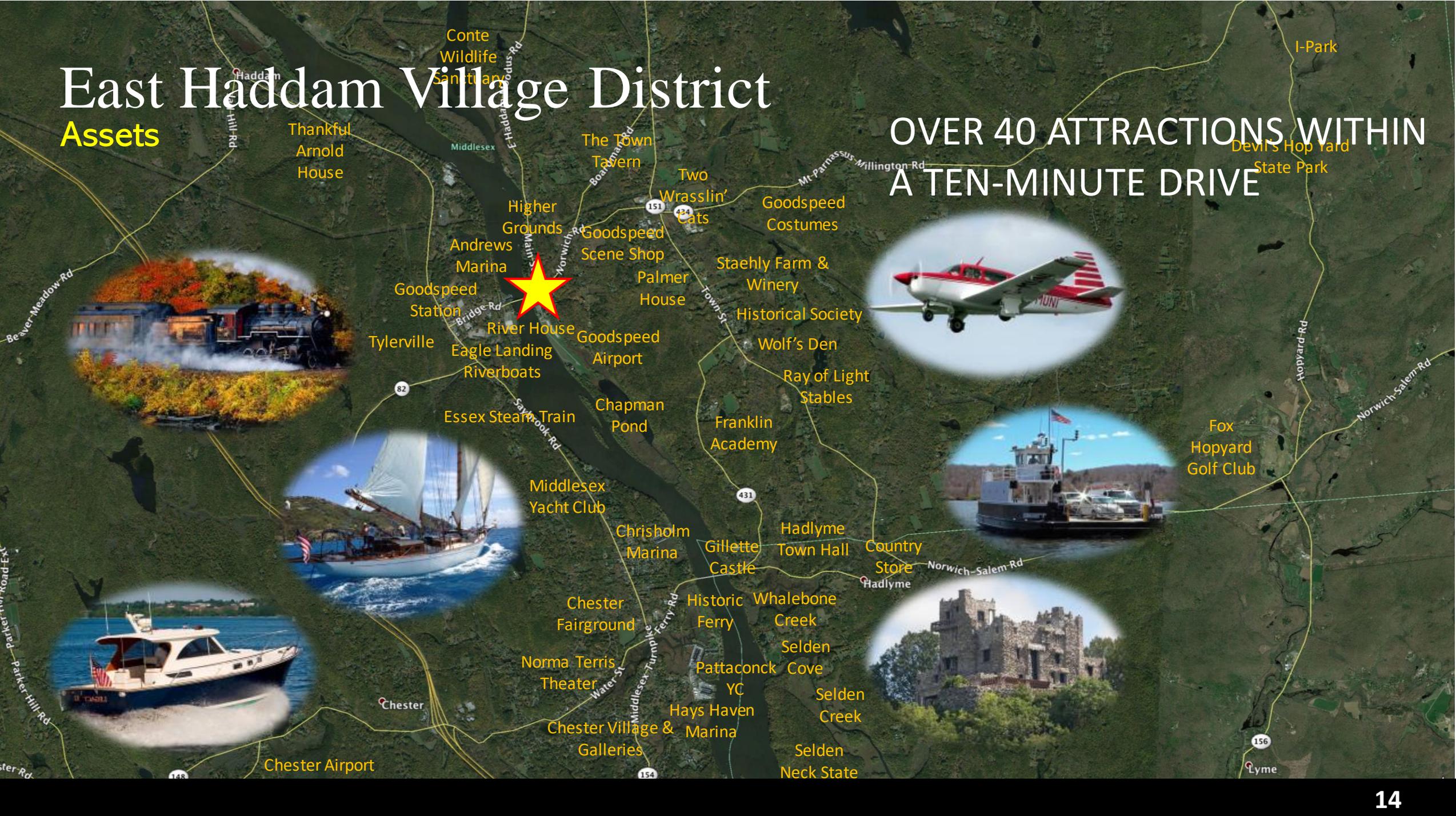
30 THEATERS
WITHIN ONE
HOUR DRIVE



East Haddam Village District

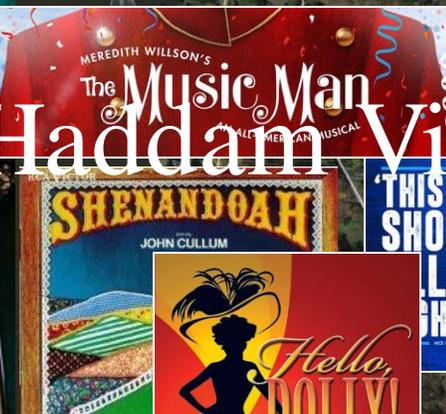
Assets

OVER 40 ATTRACTIONS WITHIN
A TEN-MINUTE DRIVE



East Haddam Village District

Assets



Prop shop



World-Class Costume Collection

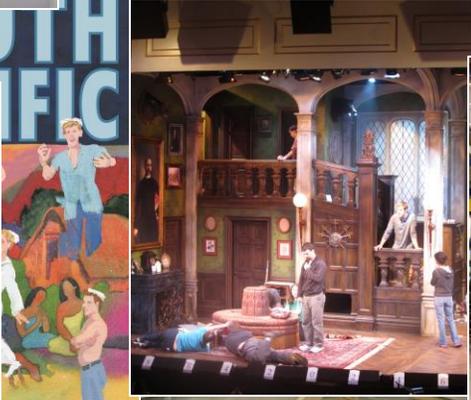


Costume and wig shop



Rehearsal halls

Largest library of musical theater



Scene shop



Paint shop



Johnny Mercer
Writer's Grove



The Norma Terris Theater in Chester



East Haddam Village District

Existing Master Plan

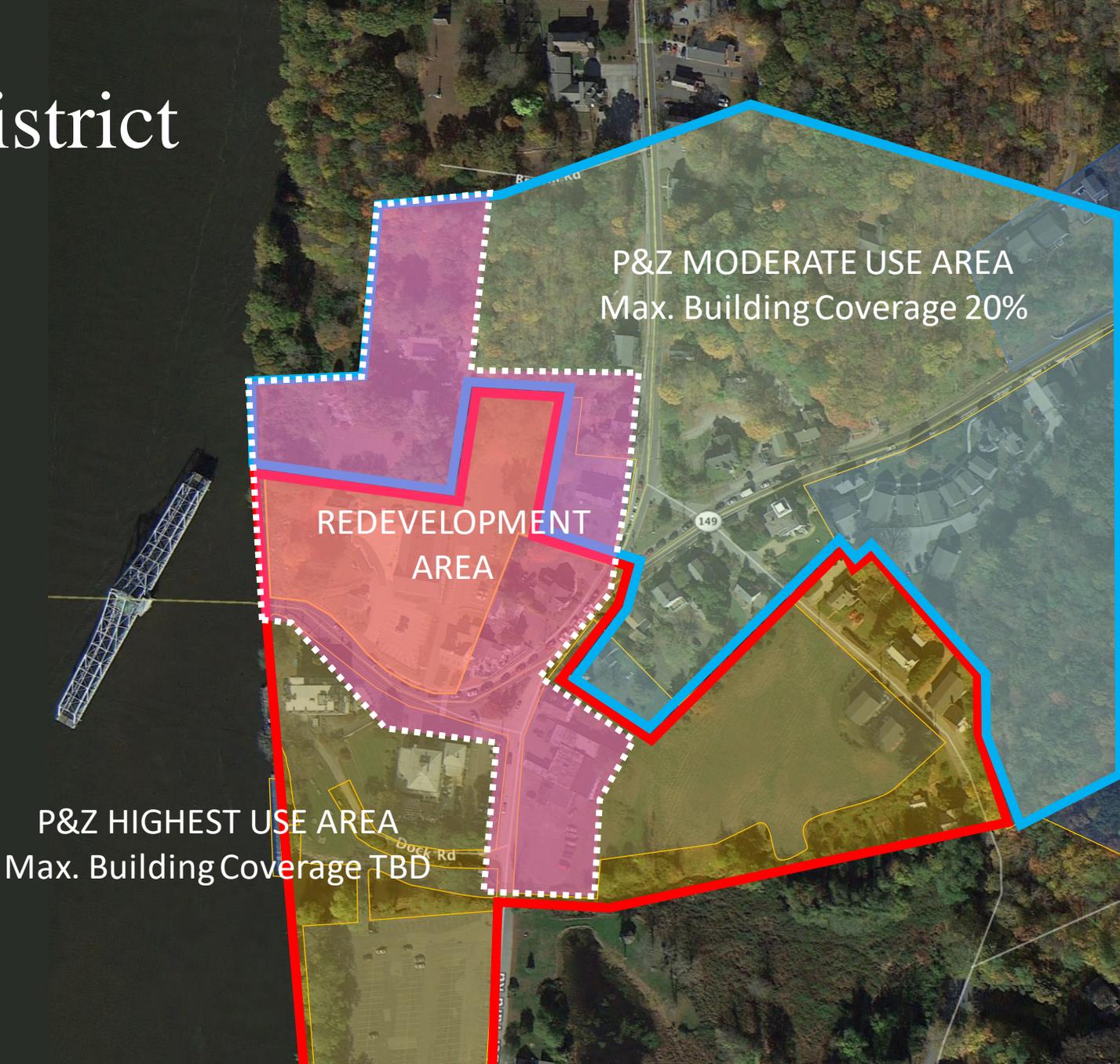


2.75-acre Town Property
designated for mixed-use
development

Goodspeed
Musicals

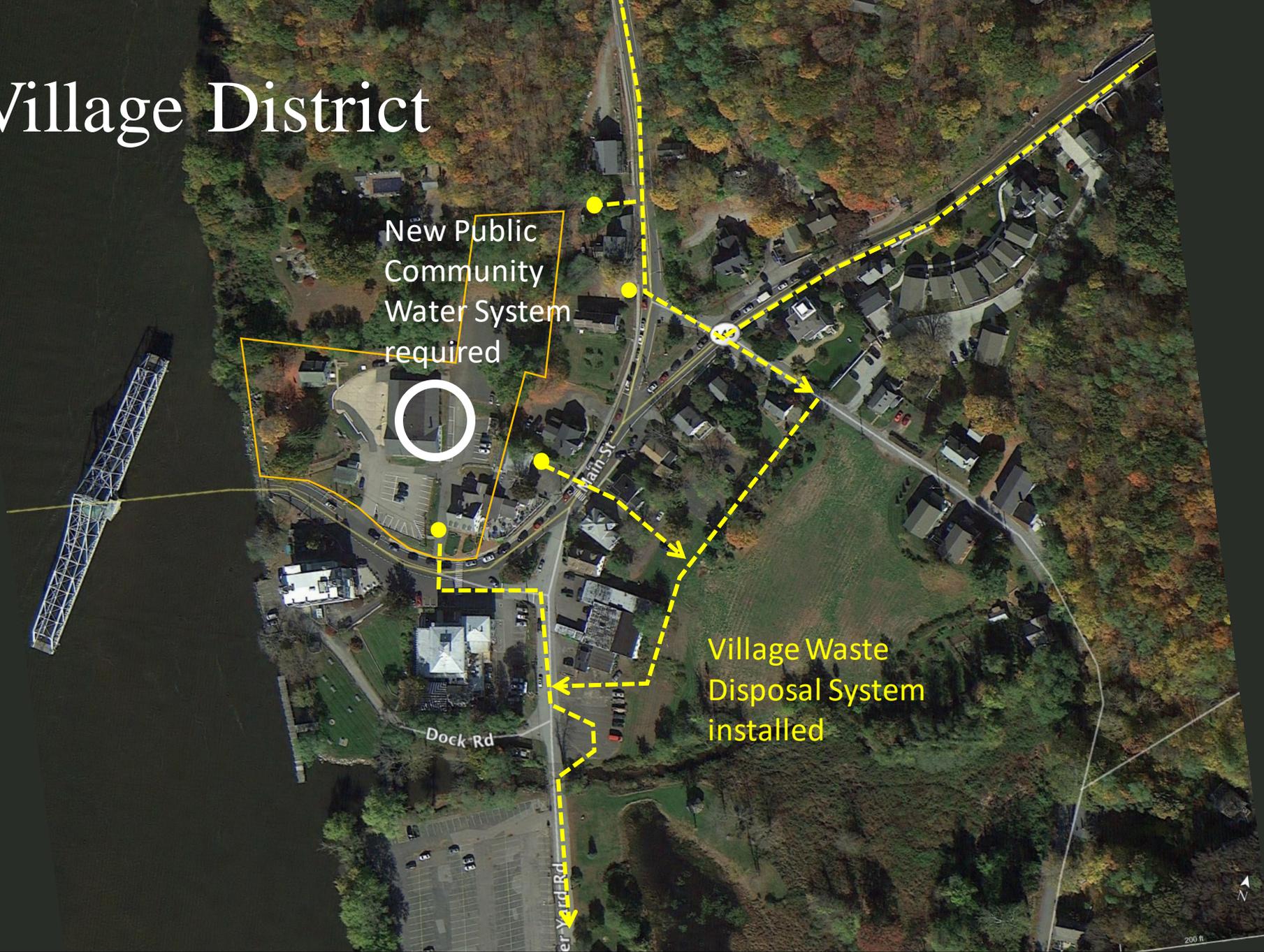
East Haddam Village District

Existing Master Plan



East Haddam Village District

Existing Master Plan



New Public
Community
Water System
required

Village Waste
Disposal System
installed

Dock Rd

Ber Yard Rd

Main St

Redevelopment Plan

Site Considerations

- Access and acquisition of property

Existing access points were condemned by State Traffic Commission

2.75 acres

335ft. sightline

A new north access point was required for proper sightlines

Requiring acquisition of Goodspeed property

335ft. sightline

...and acquisition of Pelletier property

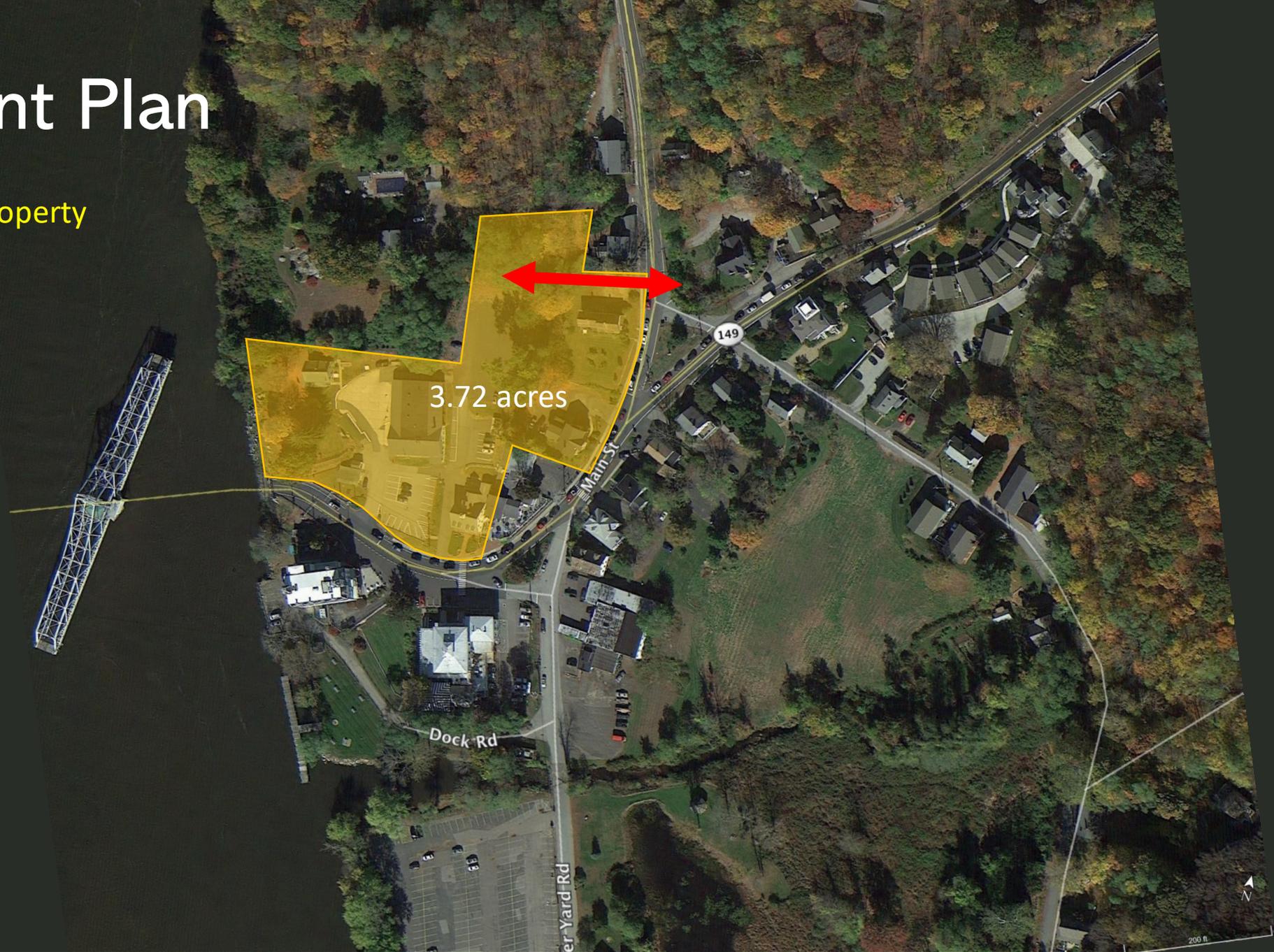
Dock Rd

er Yard Rd

Redevelopment Plan

Site Considerations

- Access and acquisition of property



Redevelopment Plan

Site Considerations

- Access and acquisition of property
- Relocation of Historic Buildings



Redevelopment Plan

Site Considerations

- Access and acquisition of property
- Relocation of Historic Buildings



Redevelopment Plan

Site Considerations

- Access and acquisition of property
- Relocation of Historic Buildings
- Environmental Remediation



Proposal to encapsulate material on site

Redevelopment Plan

Target Market

Redevelopment Plan

Target Market

- Six demographic segments driving residential rental/condo/hotel market and mixed-use development for East Haddam Village District:

Redevelopment Plan

Target Market

- Six demographic segments driving residential rental/condo/hotel market and mixed-use development for East Haddam Village District:
 - DINKs – Double Income No Kids

Redevelopment Plan

Target Market

- Six demographic segments driving residential rental/condo/hotel market and mixed-use development for East Haddam Village District:
 - DINKs – Double Income No Kids
 - Empty nesters – couples

Redevelopment Plan

Target Market

- Six demographic segments driving residential rental/condo/hotel market and mixed-use development for East Haddam Village District:
 - DINKs – Double Income No Kids
 - Empty nesters – couples
 - Divorcees or widowed singles

Redevelopment Plan

Target Market

- Six demographic segments driving residential rental/condo/hotel market and mixed-use development for East Haddam Village District:
 - DINKs – Double Income No Kids
 - Empty nesters – couples
 - Divorcees or widowed singles
 - Theater enthusiasts

Redevelopment Plan

Target Market

- Six demographic segments driving residential rental/condo/hotel market and mixed-use development for East Haddam Village District:
 - DINKs – Double Income No Kids
 - Empty nesters – couples
 - Divorcees or widowed singles
 - Theater enthusiasts
 - Actor Housing

Redevelopment Plan

Target Market

- Six demographic segments driving residential rental/condo/hotel market and mixed-use development for East Haddam Village District:
 - DINKs – Double Income No Kids
 - Empty nesters – couples
 - Divorcees or widowed singles
 - Theater enthusiasts
 - Actor Housing
 - Outdoor adventure & nature enthusiasts

Commercial Real Estate (CRE) Investment Overview

Target Market

Post COVID-19 Debt & Equity:

- Anticipate substantial demand for CRE investments
- Estimate: \$300 billion in private equity accumulated so far
- “CRE is a market that will rebound quite considerably”
- Investors’ target allocation for CRE reached 10.6% in 2020
- Highest since 2013

Commercial Real Estate (CRE) Investment Overview

Target Market

Post COVID-19 Debt & Equity:

- ***Less availability:***
 - Hotels, conference centers
 - Specialty retail
 - Major office
- ***Increased availability:***
 - Multi-family residential
 - Experiential retail
 - New restaurant concepts, restaurant complexes
 - Logistics

Commercial Real Estate (CRE) Investment Overview

Target Market

Mixed Use:

- Theaters, Arts, & Entertainment
- Food & Beverage, if unique
- Get-Away Hotels
- Community centers
- Housing of all types
- Sports & activities of all kinds
- Parks/activity parks
- Farmer's markets, outdoor concert venues
- True implementation of live, work, learn, play
- Health Clubs

Redevelopment Plan

Target Market

Redevelopment Plan

Target Market

- **An amenity rich environment**, with things to do, see, and participate in, is the type of development that is attracting people and, therefore, investors, and lending institutions:
 - Outdoor/nature activities (fishing, bird watching, bicycling, hiking, boating, kayaking, flying)
 - Theaters (in addition to Goodspeed, 30 theaters within an hour)
 - Restaurants (multiple choices)
 - Shops (variety of local specialty shops- local ownership – character shops)
 - Artist programs (including art supplies and galleries)
 - Wellness programs
 - Cooking school (including culinary supplies)
 - Dance programs
 - Children’s programs (Essex Steam Train, summer programs, after school activities)
 - Festivals – Music on the River, River festivals (new), Farmers Market, Airport events, Community events, Goodspeed back-of-house tour

Redevelopment Plan

Target Market

- **An amenity rich environment**, with things to do, see, and participate in, is the type of development that is attracting people and, therefore, investors, and lending institutions:
 - Outdoor/nature activities (fishing, bird watching, bicycling, hiking, boating, kayaking, flying)
 - Theaters (in addition to Goodspeed, 30 theaters within an hour)
 - Restaurants (multiple choices)
 - Shops (variety of local specialty shops- local ownership – character shops)
 - Artist programs (including art supplies and galleries)
 - Wellness programs
 - Cooking school (including culinary supplies)
 - Dance programs
 - Children’s programs (Essex Steam Train, summer programs, after school activities)
 - Festivals – Music on the River, River festivals (new), Farmers Market, Airport events, Community events, Goodspeed back-of-house tour
- **Architectural design** features for residential/hospitality:
 - In-house office/study, One to two bedrooms, Outdoor decks, Storage for equipment and belongings
 - Shared conference center, Exercise facilities

Redevelopment Plan

Target Market

- **An amenity rich environment**, with things to do, see, and participate in, is the type of development that is attracting people and, therefore, investors, and lending institutions:
 - Outdoor/nature activities (fishing, bird watching, bicycling, hiking, boating, kayaking, flying)
 - Theaters (in addition to Goodspeed, 30 theaters within an hour)
 - Restaurants (multiple choices)
 - Shops (variety of local specialty shops- local ownership – character shops)
 - Artist programs (including art supplies and galleries)
 - Wellness programs
 - Cooking school (including culinary supplies)
 - Dance programs
 - Children’s programs (Essex Steam Train, summer programs, after school activities)
 - Festivals – Music on the River, River festivals (new), Farmers Market, Airport events, Community events, Goodspeed back-of-house tour
- **Architectural design** features for residential/hospitality:
 - In-house office/study, One to two bedrooms, Outdoor decks, Storage for equipment and belongings
 - Shared conference center, Exercise facilities
- **Walkable access** to arts & entertainment, retail shops, restaurants, riverfront, and airport

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue

The overall revenue generated by the project has to be adequate to cover all operating costs:

- **Revenue**
 - Rents
 - Condo sales
- **Costs**
 - Debt Service covering design and construction costs
 - Operating expenses
 - Acceptable or attractive rate of return to the equity investors

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue

The overall revenue generated by the project has to be adequate to cover all operating costs:

- **Revenue**
 - Rents
 - Condo sales
- **Costs**
 - Debt Service covering design and construction costs
 - Operating expenses
 - Acceptable or attractive rate of return to the equity investors

If the project costs vs. available rents don't make financial sense, the project won't get built or worse, it will get built but default on its obligations

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue

The overall revenue generated by the project has to be adequate to cover all operating costs:

- **Revenue**
 - Rents
 - Condo sales
- **Costs**
 - Debt Service covering design and construction costs
 - Operating expenses
 - Acceptable or attractive rate of return to the equity investors

If the project costs vs. available rents don't make financial sense, the project won't get built or worse, it will get built but default on its obligations

Unfortunately, rental rates are softening, while construction costs are up, interest rates are up, and investor risk premiums are up. In Connecticut, construction costs are simply not supported by rents.

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue
- Scale or Critical Mass

Additionally, in order to assure success, the critical mass, or scale, of this development must be able not only to generate enough revenue to cover costs but also to:

- ...absorb the burden of exceptionally large **upfront costs** and **off-site improvements**, none of which generates much, if any, income.
- ...generate the **economic activity** needed to make small businesses successful and create collateral spin-off to surrounding properties.

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue
- Scale or Critical Mass

Chester

14 RETAIL SHOPS

11 RESTAURANTS

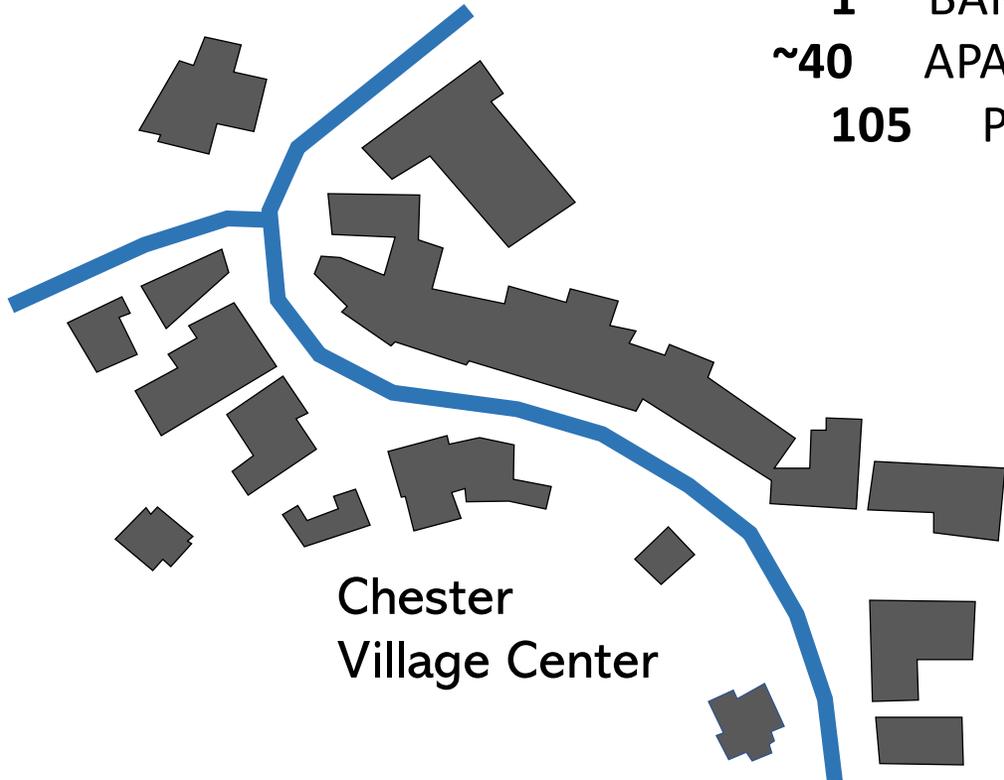
2 ICE CREAM

7 OFFICE COMPLEX

1 BARBER/BEAUTY SHOP

~40 APARTMENTS/CONDOS

105 PARKING SPACES



100 ft.



Redevelopment Plan

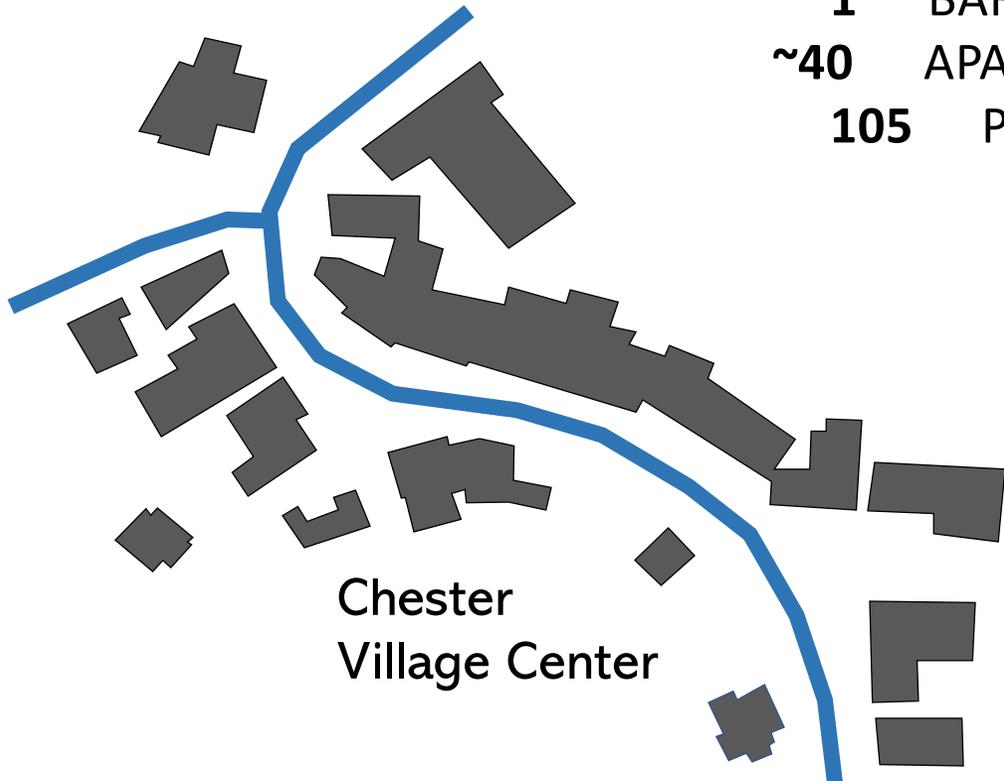
Financial Aspects

- Costs vs. Revenue
- Scale or Critical Mass

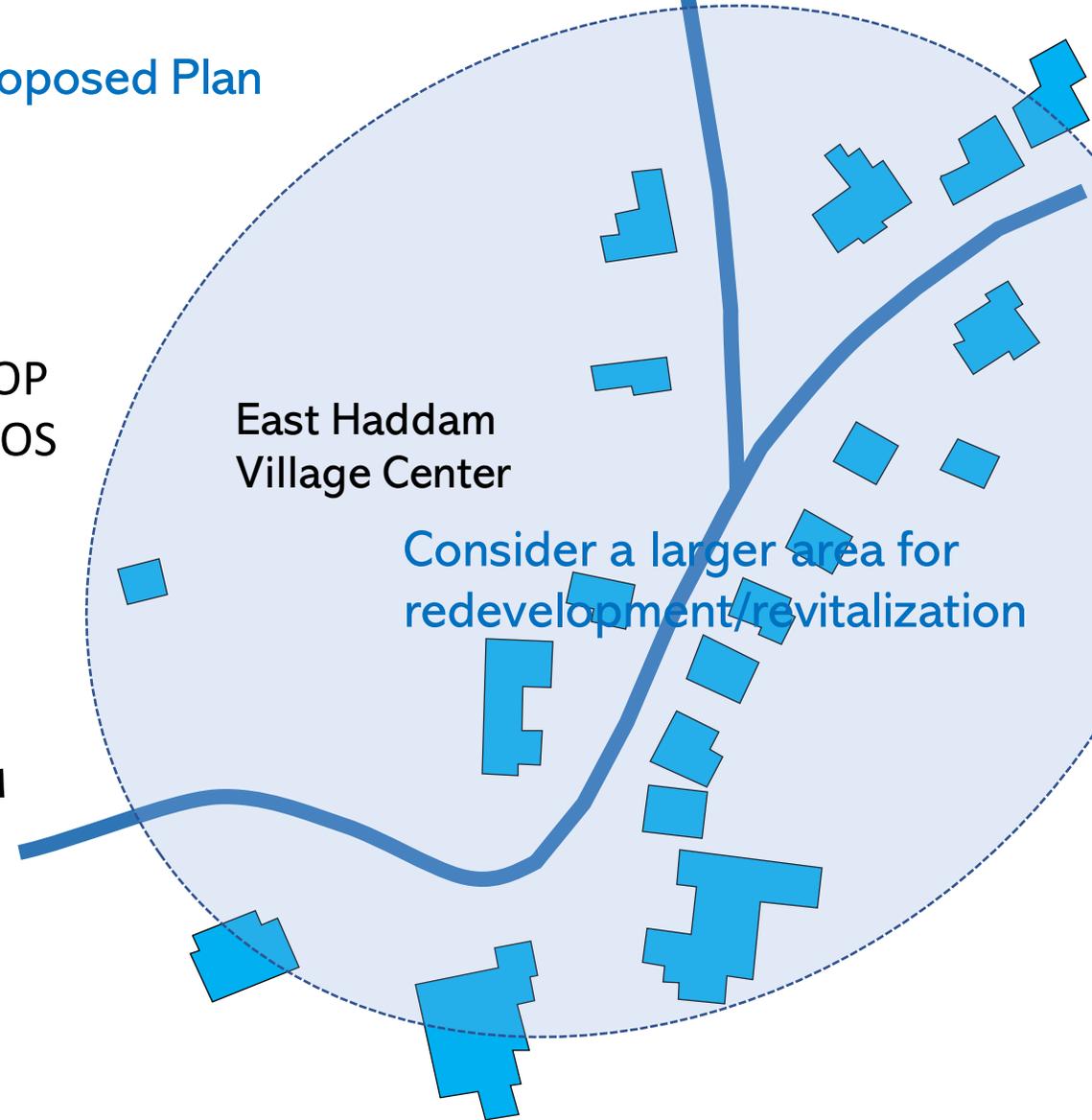
Chester

- 14 RETAIL SHOPS
- 11 RESTAURANTS
- 2 ICE CREAM
- 7 OFFICE COMPLEX
- 1 BARBER/BEAUTY SHOP
- ~40 APARTMENTS/CONDOS
- 105 PARKING SPACES

Proposed Plan



100 ft.



Redevelopment Plan

Financial Aspects

- Costs vs. Revenue
- Scale or Critical Mass
- Financial Proformas

TO BE UPDATED

once plans and schedule are further developed and finalized

Proposed Plan – Village Green rental scenario

Developer's Costs	\$
Land & Site Costs	\$4,362,000
Infrastructure Improvements	\$1,125,000
Construction Costs	\$35,397,320
Soft Costs	\$6,646,394
Financing & Leasing Costs	\$4,387,580
Total Development Cost	\$50,793,294

Stabilized Cash Flow	\$
Gross Rental Income	\$3,251,740
Expenses	(\$1,366,629)
Residential Taxes	(\$307,991)
Commercial Taxes	(\$276,544)
Net Operating Income	\$1,885,112

Development Valuation	\$
Rental Valuation @ 5.00% Cap	\$37,702,233
Total Valuation	\$37,702,233

Original Swing Bridge Landing proposal with all rental residential & commercial. Includes **48,166** sf of rental residential space, **34,568** sf of commercial space, as well as a resident health club, business center, and resident storage (11,289 sf).

Overall cost to build is ~\$507/sf

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue
- Scale or Critical Mass
- Financial Proformas

TO BE UPDATED

once plans and schedule are further developed and finalized

Proposed Plan– Village Green rental scenario – full tax abatement

<u>Developer's Costs</u>	<u>\$</u>
Land & Site Costs	\$4,362,000
Infrastructure Improvements	\$1,125,000
Construction Costs	\$35,397,320
Soft Costs	\$6,646,394
Financing & Leasing Costs	\$4,387,580
Total Development Cost	\$50,793,294

<u>Stabilized Cash Flow</u>	<u>\$</u>
Gross Rental Income	\$3,251,740
Expenses	(\$782,093)
Residential Taxes	\$0
Commercial Taxes	\$0
Net Operating Income	\$2,469,647

<u>Development Valuation</u>	<u>\$</u>
Rental Valuation @ 5.00% Cap	\$49,392,938
Total Valuation	\$49,392,938

Original Swing Bridge Landing proposal with all rental residential & commercial. Includes **48,166** sf of rental residential space, **34,568** sf of commercial space, as well as a resident health club, business center, and resident storage (11,289 sf).

Overall cost to build is ~\$507/sf

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue
- Scale or Critical Mass
- Financial Proformas

TO BE UPDATED

once plans and schedule are further developed and finalized

*Proposed Plan– Village Green **condo scenario***

Developer's Costs	\$
Land & Site Costs	\$4,362,000
Infrastructure Improvements	\$1,125,000
Construction Costs	\$35,397,320
Soft Costs	\$6,646,394
Financing & Leasing Costs	\$5,038,878
Total Development Cost	\$51,444,592

Stabilized Cash Flow	\$
Gross Rental Income	\$2,023,858
Rental Expenses	(\$867,801)
Residential Taxes	(\$84,159)
Commercial Taxes	(\$276,544)
Net Operating Income	\$1,156,057

Development Valuation	\$
Rental Valuation @ 5.00% Cap	\$23,121,131
Gross Condo Proceeds	\$18,483,850
Total Valuation	\$41,604,981

Original Swing Bridge Landing with the Village Green residential units pre-sold as condos. Includes **48,166** sf of rental residential space, **34,568** sf of commercial space, as well as a resident health club, business center, and resident storage (11,289 sf). Condo units expected to sell at **~\$550/sf** with 80% sold before construction is completed.

Overall cost to build is **~\$510/sf**. Condominiums are expected to pay **~\$220,000** in property taxes.

Redevelopment Plan

Financial Aspects

- Costs vs. Revenue
- Scale or Critical Mass
- Financial Proformas

TO BE UPDATED

once plans and schedule are further developed and finalized

*Proposed Plan – Village Green **condo scenario – full tax abatement***

<u>Developer's Costs</u>	<u>\$</u>
Land & Site Costs	\$4,362,000
Infrastructure Improvements	\$1,125,000
Construction Costs	\$35,397,320
Soft Costs	\$6,646,394
Financing & Leasing Costs	\$5,038,878
Total Development Cost	\$51,444,592

<u>Stabilized Cash Flow</u>	<u>\$</u>
Gross Rental Income	\$2,023,858
Rental Expenses	(\$507,099)
Residential Taxes	\$0
Commercial Taxes	\$0
Net Operating Income	\$1,516,759

<u>Development Valuation</u>	<u>\$</u>
Rental Valuation @ 5.00% Cap	\$30,335,182
Gross Condo Proceeds	\$18,483,850
Total Valuation	\$48,819,032

Original Swing Bridge Landing with the Village Green residential units pre-sold as condos. Includes **48,166** sf of rental residential space, **34,568** sf of commercial space, as well as a resident health club, business center, and resident storage (11,289 sf). Condo units expected to sell at **~\$550/sf** with 80% sold before construction is completed.

Overall cost to build is **~\$510/sf**. Condominiums are expected to pay **~\$220,000** in unabated property taxes.

Redevelopment Plan

Land Use



Redevelopment Plan

Land Use

- Zoning Regulations



Redevelopment Plan

Land Use

- Zoning Regulations



Redevelopment Plan

Land Use

- Zoning Regulations



Redevelopment Plan

Land Use

- Zoning Regulations
- Proposed Additional Land Acquisitions



Redevelopment Plan

Land Use

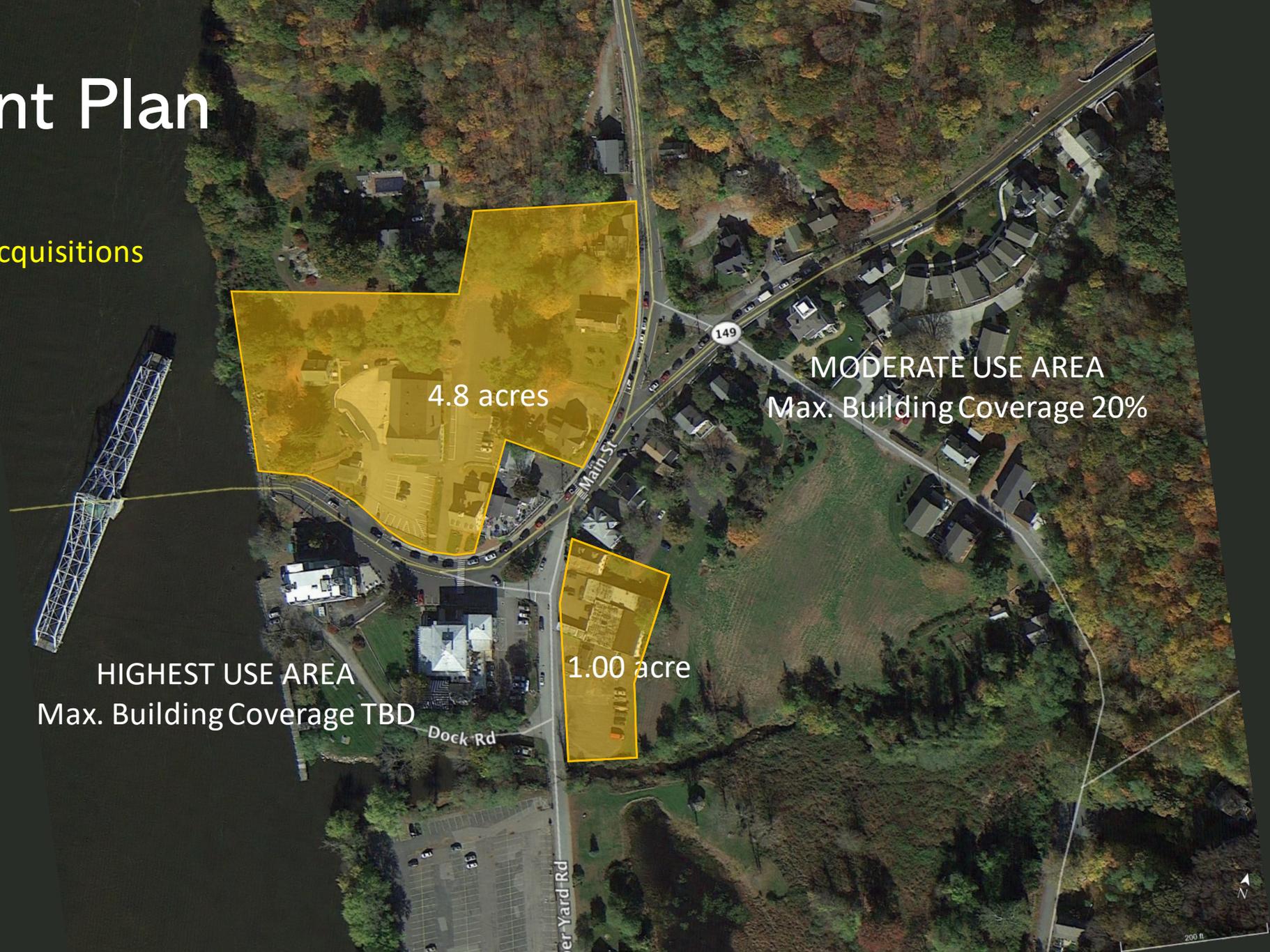
- Zoning Regulations
- Proposed Additional Land Acquisitions



Redevelopment Plan

Land Use

- Zoning Regulations
- Proposed Additional Land Acquisitions



Redevelopment Plan

Land Use

- Zoning Regulations
- Proposed Additional Land Acquisitions
- Proposed Development



Redevelopment Plan

Land Use

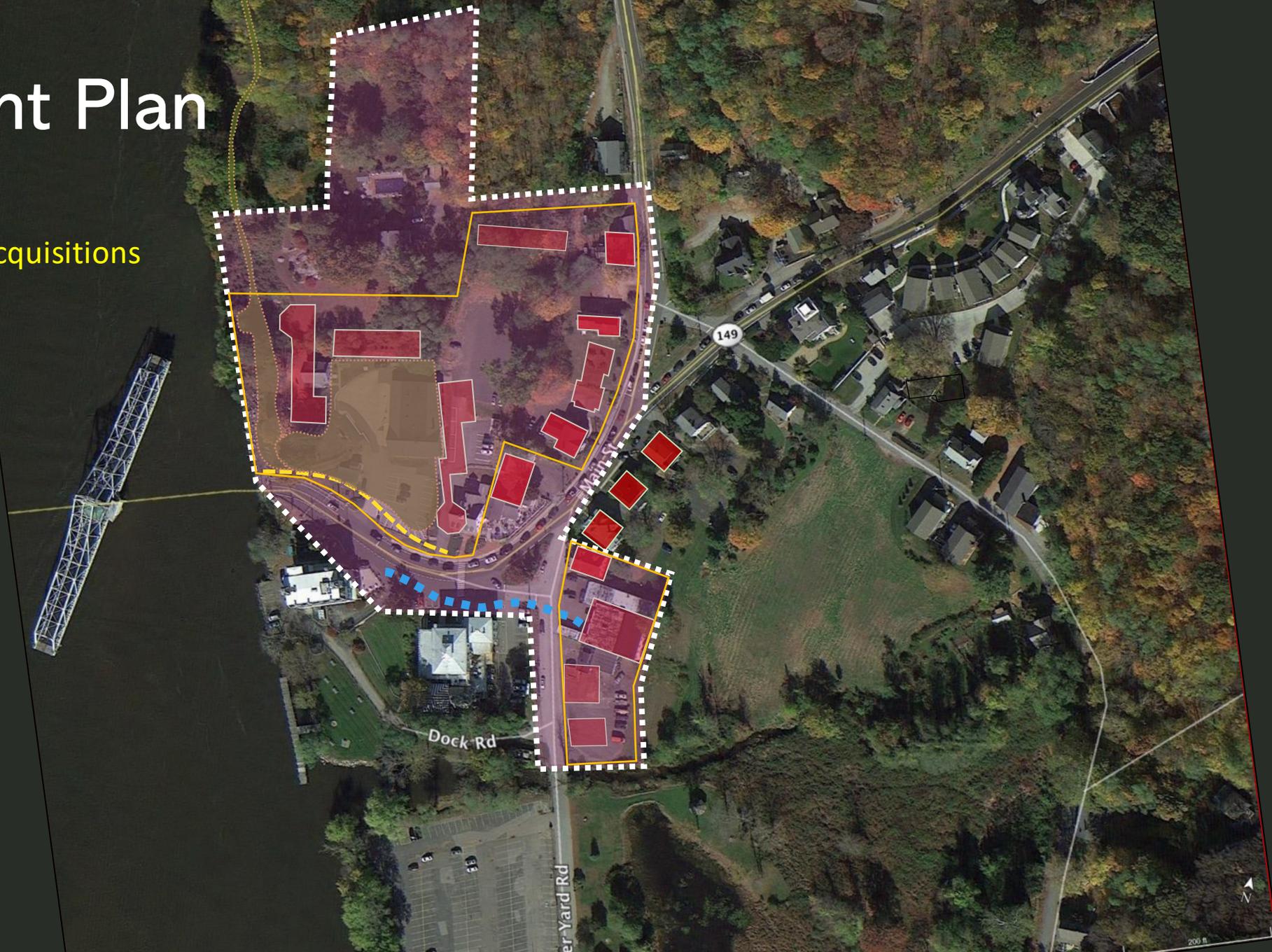
- Zoning Regulations
- Proposed Additional Land Acquisitions
- Proposed Development



Redevelopment Plan

Land Use

- Zoning Regulations
- Proposed Additional Land Acquisitions
- Proposed Development



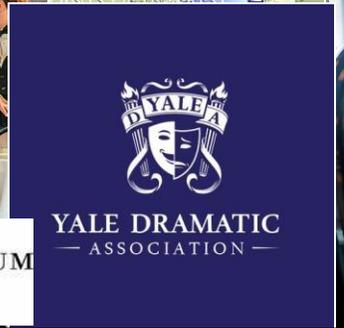
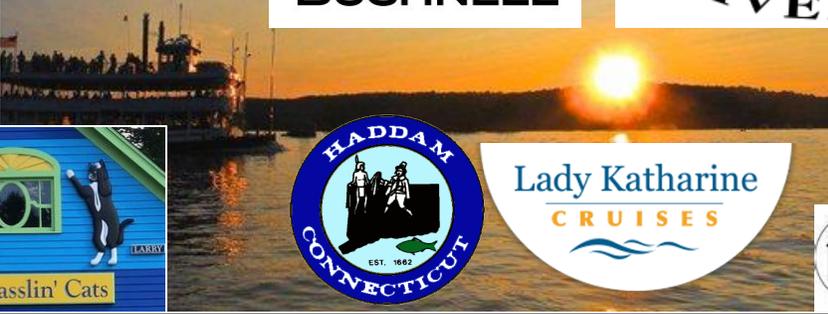
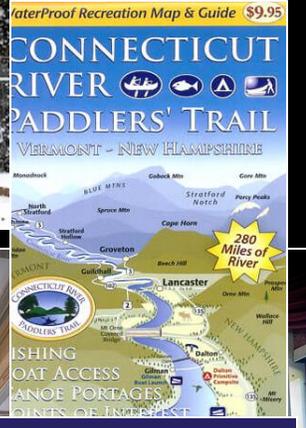
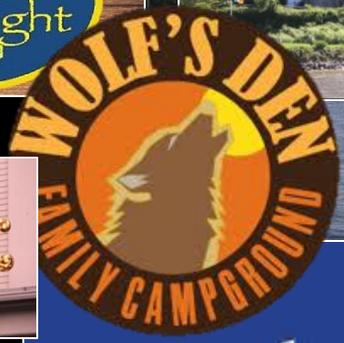
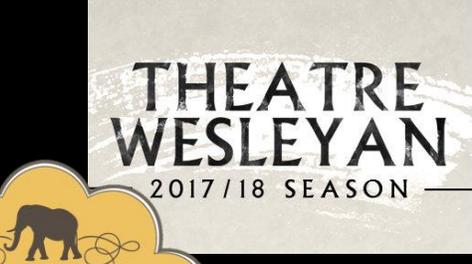
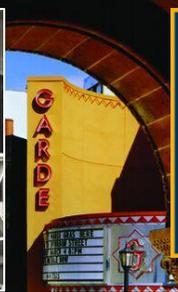
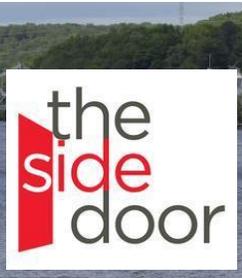
Redevelopment Plan

Financial Aspects

- Economic Impact

Our Proposed Redevelopment of East Haddam's Village District, as proven by many other similar redevelopments, will have a significant beneficial impact on local and regional enterprises





Redevelopment Plan

Financial Aspects

- Economic Impact
- Tax Implications

After 10-Year Abatement ends

Expected Assessment at completion (Construction Cost basis): **\$22,400,000**

- Property tax at current rates (30.44 mills): **\$681,856**

Assumed annual inflation rate: 3%

- Total 10-year inflation: **34.4%**

Assessment after 10-year property tax abatement: **\$30,103,727**

- Property tax at current rates (30.44 mills): **\$916,357**

TO BE UPDATED

once plans and schedule are further developed and finalized

Redevelopment Plan

Financial Aspects

- Economic Impact
- Tax Implications
- Schedule Impact
 - 2 Years to complete pre-development process including Redevelopment Agency negotiations, purchase & sale agreement, land acquisitions, land use permits, and equity/debt formation \$500M to \$1.4MM
 - 1 Year to complete A/E documents and bidding process - \$2MM
 - 2 years to complete construction and off-site work- \$45MM
 - 1 year before first rents come in
 - **Equals 5 to 6 years when the developer's and investors' money is at risk. Therefore, rate of return must be attractive.**
 - 2 more years before rents are normalized

Redevelopment Plan

Main Features and Imperatives

- Purchase 15 and 17 Main Street properties to gain OSTA approved access to “Town Property”.
- Build new actor housing in rear of “Town Property” to allow acquisition and conversion of four Goodspeed houses along Main Street (includes 17 Main Street) to retail shops.
- Purchase Bogan property to add a sixth retail shop.
- Purchase 24 Lumberyard Road property from Goodspeed to build new experimental theater and relocate historic River House and Old Town Hall buildings to that property, renovated for office space.
- Purchase strip of Klink property to enable more open space around Mixed-Use development on “Town Property” and open views of CT River.
- Revise R.O.W. for swing bridge generator building and relocate building.
- Build a river esplanade on “Town Property” plus lease or purchase parts of Klinck property to create a River Walk to the Nathan Hale School House.
- Provide pedestrian access from Main Street shops and La Vita to parking lot on “Town Property”.
- Conceal parking lot from view along Main Street to maintain rural character of Village Center.
- Incentivize Gelston House to upgrade hotel operation. Expand into condo/hotel/AirB&B in mixed use development.
- Ease curve of Rt. 82 coming off bridge and create pedestrian zone connecting Opera House to new theater.
- Implement traffic calming measures along Rt. 82 including state-of-the-art pedestrian crosswalks, boulevards, etc..
- Implement new sidewalks and complete connection to new swing-bridge pedestrian sidewalk.
- Create a bicycle path along Rt. 82 and Main Street.
- Bury overhead power lines and convert cobra head light poles to historic lamp posts.



The Redevelopment Agency's Assistance

These are the areas in which CBG, LLC will look to the East Haddam Redevelopment Agency (EHRA) for cooperation and assistance through its various sub-committees in a Public/Private partnership or working relationship:

PROPERTY ACQUISITIONS / LAND ASSEMBLY

- "Town Property"
- Goodspeed 17 Main Street
- Pelletier 15 Main Street
- Goodspeed House 10 Main Street
- Goodspeed Garage 24 Lumberyard Road
- Strip of Klink property to expand "Town Property"
- Lease or purchase R.O.W. across Klink property for river walk

RELOCATION OR REMOVAL of PUBLIC SERVICE FACILITIES

- Permanent Readjustment of:
 - Rt. 82 at the bridge
- Permanent Relocation of:
 - Bridge generator and structure
 - River House
 - Old Town Hall
 - Access road (drive) to property
- Permanent Removal of:
 - Cobra head lights and overhead power lines – buried underground
- Cost of the Public Community Water System

ENVIRONMENTAL REMEDIATION and DEMOLITION

OFF-SITE and TOWN IMPROVEMENTS

- Sidewalks and bicycle paths
- Planted boulevards for traffic calming
- Crosswalks with strobes
- Eliminate cobra head light poles and bury overhead power lines
- Install new historic streetlamps
- River Esplanade and River Walk to Nathan Hale School House

FINANCIAL ASSISTANCE

- Bonds, grants, loans, Federal financial assistance, State financial assistance
- Transfer or sell the property at low price
- Obtain, lend, or contribute funds for the financing of the project
- Tax incentive financing (TIF)
- Tax abatements
- Tax fixing
- Reduction of permit fees

The Redevelopment Agency's Assistance

CBG, LLC will look to the EHRA to apply for Grants & other funding:

- State Bond Commission
 - Community Challenge Fund
 - Community Investment Fund 2030 (CIF)

Funding “material change” in towns and villages to re-energize local economies

Requires an experienced, knowledgeable grant writer.

Important not to apply piecemeal, but rather to combine all applications into a single grant proposal.

The Redevelopment Agency's Assistance

CBG, LLC will look to the EHRA to conduct a Public Hearing in preparation for a Town Referendum on CBG, LLC's proposed Redevelopment Plan.

The Redevelopment Agency's Assistance

CBG, LLC and the EHRA will negotiate a Purchase and Sale Agreement for the Town owned property:



January 11, 2021

via email

Mr. Robert Smith
First Selectman
Town of East Haddam
1 Plains Road,
P.O. Box 385
East Haddam, CT 06469

Re: 1 Main & 7 Main Street, East Haddam, CT

Dear Mr. Smith:

Thank you for your patience over the past few months as Centerbridge Group, LLC ("CBG") has considered the available options for the properties at 1 Main and 7 Main Street in East Haddam (the "Properties").

Please accept this letter as formal confirmation that Centerbridge Group, LLC hereby submits this offer which we hope will lead to the redevelopment of these Properties.

Per our recent conversations with members of various town boards, this Letter of Intent sets out the general terms and conditions by which Centerbridge Group, LLC or an affiliated entity is willing to purchase the entirety of the Properties.

On behalf of Centerbridge Group, LLC, I am pleased to present to you the following general terms and conditions for the transaction described above:

PROPERTY: The Properties consist of the lands and improvements located at 1 Main Street and 7 Main Street in East Haddam, as described below, and as further delineated on the attached Town of East Haddam property maps. The Properties consist of lands covering approximately 2.75 acres.

BUYER: Centerbridge Group, LLC of East Haddam, or an affiliate, ("CBG")

SELLER: Town of East Haddam, CT ("Town")

PURCHASE PRICE: The Purchase Price for the Property shall be Four Hundred and Fifty Thousand Dollars (\$450,000) payable in full at Closing. CBG will purchase the Property in an "as is" condition except for the Provisions noted herein.

DEPOSIT: Upon execution and delivery of the Purchase and Sale Agreement, CBG shall deposit the sum of Fifty-Five Thousand Dollars (\$55,000) with a mutually acceptable escrow agent. The deposit shall be fully applied to the purchase price or paid to the Town or refunded to CBG in accordance with the Purchase and Sale Agreement.



Letter to Town of East Haddam
January 11, 2021
Page 5 of 5

CBG and is not to be copied nor disclosed to any other person. In the event that CBG does not enter into the contemplated transaction, Town and Town agents will continue to keep such information and material confidential.

If the foregoing is acceptable, please sign and return this letter to me by no later than noon on Friday, January 29, 2021.

Respectfully,

R. Michael Goman
President
Goman+York Property Advisors LLC

ACCEPTED AND AGREED

Town of East Haddam

By: Robert R. Smith

Its: First Selectman

Signature: 

Date: 1/14/2021

The Redevelopment Agency's Assistance

The EHRA will assist with CBG, LLC's formation of debt & equity

The Redevelopment Agency's Assistance

The EHRA will establish sub-committees to assist CBG,LLC with the regulatory process:

- Planning & Zoning Commission – Special Permit
- Inland Wetlands and Watercourses Commission
- Conservation Commission
- EH Historic District Commission
- CT DEEP – Environmental remediation
- Water Pollution Control Authority
- Water Utility Coordinating Committee
- Public Utility Regulatory Authority
- Office of State Traffic Administration (OSTA)
- EH Parks and Recreation
- EH Public Works
- Gateway Commission
- Economic Impact Study
- Fire Marshal
- Health Department
- Building Department

Redevelopment Plan

Preliminary Traffic Calculations

Significant work will be required to address the numerous traffic concerns including the straightening of Rt. 82 off the Bridge, traffic calming, pedestrian zones, crosswalks, and safety, bicycle lanes, and access curb-cuts to the Town property.

Nonetheless, a preliminary estimate of increased traffic generation seems important. The **busiest traffic hour** is currently calculated to generate a little fewer than 1200 car trips per hour, or 20 car trips per minute on average.

To that, the Redevelopment Plan will add approximately 140 car trips to the **busiest traffic hour**, or around 2.33 car trips per minute on average. Not all of this will happen at rush hour.

- Residential will add approximately 20 car trips per hour (1 car every 3 minutes)
- Restaurants will add approximately 30 car trips but generally at off hours
- Retail will add approximately 90 car trips per hour (1.5 cars every minute)

Redevelopment Plan

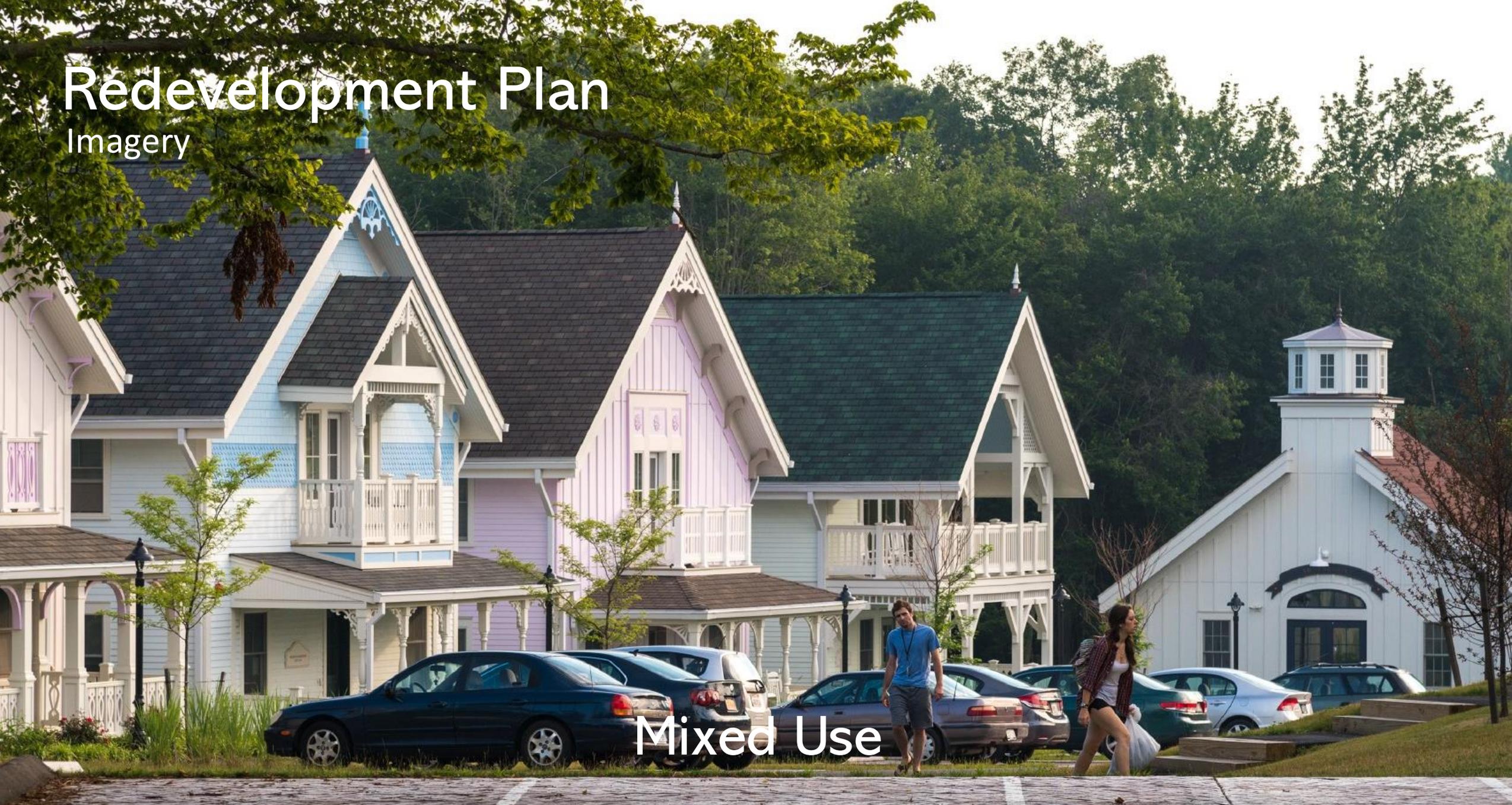
Imagery



Village Green

Redevelopment Plan

Imagery



Mixed Use

Redevelopment Plan

Imagery



Residential

Redevelopment Plan

Imagery

New Theater

