

**Torrington Development Corporation  
Board of Directors Special Meeting  
Minutes – January 13, 2021**

Name	Present	Absent w/Excuse	Absent	Name	Present	Absent w/Excuse	Absent	Name	Present	Absence w/Excuse	Absent
Mayor Elinor Carbone	X			Eric Erdtmann	X			Susan McLaughlin-Schapp	X		
Peter Herbst, Co-President	X							Gregory Perosino	X		
Vic Muschell, Co-President	X			JoAnn Fenty	X			Jenna Reichen	X		
Darrin Newbury, Treasurer	X			Gerald Libby	X			JoAnn Ryan	X		
Jack Baer	X			Donna Marconi	X			Anne Ruwet	X		
Allan Borghesi	X			Michael Mazaik	X			Marie Soliani	X		
Christina Emery	X							Shaaron Wagner		X	

### **Open Meeting**

Peter Herbst called the meeting to order at 8:04 AM.  
Also in attendance was Rista Malanca, Director of Development.

### **Approval of Minutes:**

The agenda was modified to approve the March 2020 minutes. Upon motion by JoAnn Ryan, seconded by JoAnn Fenty, the minutes were approved.

### **Blighted/Abandoned Properties Pursuant to the CT General Statutes:**

Peter Herbst provided an overview of the Yankee Pedlar Inn, its importance to Downtown Torrington, and the ongoing enforcement actions.

Vic Muschell reported that the State of CT enacted new legislation regarding blighted/abandoned properties and that there has been TDC Executive Committee discussions about this.

Mayor Carbone explained the new Public Act 19-92: An Act concerning Abandoned and Blighted Property Receivership, which went into effect in January 2020. The legislation applies to municipalities with at least 35,000 population. The definition of abandoned property is clearly defined; the petitioner needs to prove that the property qualifies for at least three of the eight conditions and the Yankee Pedlar Inn qualifies for all eight conditions.

The City qualifies as a petitioner under the legislation. The Court may appoint a willing development organization as the receiver to take possession of the property to rehabilitate or dispose of it. The goal of the TDC as potential receiver is to identify funding sources and obtain funding to develop and implement a plan for stabilizing and securing the building (compliance with fire code and access security), prepare the building for sale, and/or develop a plan to market the retail space for lease or rent. It was noted that the TDC has a very strong board, with broad community representation.

Rista explained that the City has taken various enforcement actions since 2015 with no results. The overall impact to the community is significant and includes 91 police calls, fire code violations and a blighted property that impacts downtown. Revitalizing the property will create jobs, support creative economies, support manufacturing companies that need lodging facilities, and preserve the historic building.

Vic Muschell made the following motion:

*Move that the TDC accept appointment by the Superior Court to act as Receiver under PA 19-92 in case entitled City of Torrington v. Jayson Hospitality, LLC et al under the following circumstances: that TDC determines that it has sufficient funds to accomplish the purposes of the Receivership; that the Corporation and its members and officers are appropriately insured as Directors and Officers of the corporation, and of the corporation acting as the Receiver and; that it may engage counsel if that is considered necessary by the TDC.*

The motion was seconded by Greg Perosino.

The following items were discussed:

Funding – The City has identified two potential funding sources for the required immediate action needed to secure the building: The City's Blight Fund and a portion of the City of Torrington's grant from the Building Healthier Communities Fund. The Neighborhood Assistance Act was also noted as a possible funding source. The legislation states that any money that is expended by the receiver is recovered once the property is either turned back to the owner or sold to another developer pursuant to the Court's Order.

Insurance – An insurance company has been consulted and TDC will need a builder's risk insurance policy in addition to the existing Directors & Officers Policy. Proper insurance will be secured.

Staffing Resources – The Executive Committee of the TDC will continue to meet; a Project Committee may be established. Rista Malanca will serve as the liaison and the City of Torrington will serve as the fiduciary agent.

Timeline – After TDC is appointed as the receiver and the building has been stabilized and brought to compliance, TDC will apply for an order from the Court authorizing TDC to market and sell the property.

Potential Sale Price – The legislation requires the building to be sold for fair market value. Sale proceeds will reimburse the receiver for any expenses incurred. Any surplus is paid back to the owner.

The Motion passed unanimously.

### **Meeting Dates for 2021:**

Vic made a motion to maintain the current schedule of meeting as a board every-other month commencing in January on the first Tuesday at 8 AM, with Exec Committee meeting during the off months. The motion was seconded by Greg and passed unanimously. The next meeting in March will be the Annual Meeting.

### **Adjournment:**

The meeting was adjourned at 9:15 AM.

Submitted,

Christina Emery, Secretary