

STATE OF CONNECTICUT
DEPARTMENT OF HOUSING

In the Matter of:)

Petition for Declaratory Ruling
King Court State Family Moderate Rental

September 4, 2018

PETITION FOR PARTY STATUS

Pursuant to General Statues § 4-177a, Goodwin College King Court, LLC (“GCKC”) hereby petitions to be made a party in the above-captioned Petition for Declaratory Ruling (“The Petition”).

A. Facts which Demonstrate that the Petitioner will be Specifically Affected by the Agency's Decision

GCKC is the owner of the King Court development in East Hartford, Connecticut which consists of 80 units in 34 buildings, built in the early 1950's. In 2014, GCKC acquired the property from the East Hartford Housing Authority. The Housing Authority sold the property because it lacked the funding to continue its operation and the capital funds to rehabilitate the uninhabitable units. At the time of sale, 30 of the 80 units were vacant and were not available for rent because of their physical condition.

Since the Housing Authority received state financial assistance for King Court, the proposed transfer of King Court was subject to the terms of C.G.S. §8-64a. A public hearing was held on May 8, 2013 at the East Hartford Cultural Center Auditorium, 50 Chapman Place, East Hartford, Connecticut, concerning the disposition of King Court (the “Hearing”). The Hearing was conducted by the Department

of Economic and Community Development (“DECD”), which at that time had the statutory authority to review the disposition proposed by the Housing Authority.

Based on the hearing and the record, the Department found that the disposition of King Court by the Housing Authority satisfied the enumerated requirements under C.G.S. §8-64a. At the time of the transfer, the DOH found that 30 of the 80 housing units were uninhabitable due to their physical condition and therefore the State Moderate Rental Program requirements applied to the 50 habitable units. On that basis the proposed transaction was approved. As required by the Decision and state statute, a Declaration of Land Use Restrictive Covenants from Goodwin to DOH was recorded on the East Hartford Land Records at the time of closing on the sale of the Property.

As a result of a meeting and discussion with Department of Housing staff, GCKC was informed that the State Moderate Rental Program requirement applied to 50 of the 80 units on the Property at the time of the sale of the Property. GCKC requested an amendment to Schedule A of the “Declaration of Land Use Restrictive Covenants – Rental Housing for the King Court Housing Development, MR23” to help its efforts to renovate and redevelop the King Court property. The purpose of the amendment was to clarify that the Schedule A definition of the Property subject to the Restrictive Covenant applies to 50 units of rental housing at King Court.

The original Schedule A to the Restrictive Covenants described the entirety of the King Court Property, consisting of 34 buildings on separate parcels with a total of 80 units. The GCKC request was to modify the Schedule A definition of the Property to delete reference to 30 of the King Court housing units to clarify that the moderate rental program requirements apply to 50 King Court units, which number represents the housing units at King Court that were available for occupancy at the time of the transfer. The GCKC request to amend the property description to the Covenant of Restrictions was consistent with the DOH November 3, 2013 Findings of Facts and Decision on the proposed transfer of King Court.

On April 12, 2017 the Commissioner granted the GCKC' request stating the following:

Based on that original Finding of Fact and Determination, the statutory provisions of §8-64a of the Connecticut General Statutes, and the Assignment, Assumption and Modification of Assistance Agreement executed between the East Hartford Housing Authority, Goodwin College King Court, LLC and the State of Connecticut, acting through the Department of Housing in January, 2015 and other related materials, the Department agrees that a clarification of the Schedule A of the Assignment, Assumption and Modification of Assistance Agreement is necessary to accurately reflect the transaction envisioned as part of the acquisition of King Court by Goodwin College King Court, LLC.

Since the granting of the request, GCKC has invested more than \$1 million in renovations to the 30 units. As of today's date, four of the units are leased.

On June 11, 2018, the King Court Resident's Association brought a civil action and request for injunctive relief. The six count complaint alleges a breach of contract and violations of the Connecticut Unfair Trade Practice Act. On June 13, 2018, KCRA filed this Petition for Declaratory Ruling.

Based on the facts cited above, this proceeding will have a specific, significant effect on GCKC's legal rights, duties and privileges and will be specifically affected by the Agency's decision in this case. GCKC is the owner of King Court and has invested over \$1 million in the renovations of the 30 units at issue in this proceeding.

GCKC respectfully requests that Department of Housing waive the requirement in paragraph 4 of the Order that this petition be served five business days prior to September 10, 2018. Due to the holiday and the ongoing discussions with KCRA, this petition is filed September 4, 2018

GOODWIN COLLEGE KING COURT, LLC

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CERTIFICATION

This is to certify that a copy of the foregoing was mailed or electronically delivered on September 4, 2018 to all counsel and self-represented parties of record and that written consent for electronic delivery was received from all counsel and self-represented parties of record who were electronically served.

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The foregoing having been heard by the Court it is hereby ORDERED:

GRANTED DENIED.

Dated at Hartford, Connecticut, this ____ day of September, 2018.

Department of Housing