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HRA to purchase quarters

By George Moore , Herald Staff

NEW BRITAIN -- Mayor Timothy Stewart and the Human Resources Agency have hammered out the details of an agreement to allow the nonprofit organization to purchase its Clinton Street building from the city in anticipation of a major construction project.

HRA and Stewart have zeroed in on a \$325,000 sale price for the former Benjamin Franklin School at 180 Clinton St. The proposed sale agreement, to be examined by the Common Council Wednesday, would also require the nonprofit agency to eventually pay property taxes.

Stewart said he approached HRA executive director Rocco Tricarico about selling the building to HRA after discovering that the city spends more on upkeep for the building that it receives in lease payments.

The agency leases the building for \$50,000 annually, though the city, according to Stewart, pays \$80,000 a year in maintenance and operational costs for the building.

HRA must purchase the site in order to begin a major renovation project using state bonding money. HRA is planning to spend about \$10.4 million to add a new 18,000-square-foot wing to the building and to renovate the structure.

About \$2.2 million will be from locally raised funds, while \$8.2 million will be a grant from the Connecticut Health Education Finance Authority.

The project, according to Tricarico, would add enough classroom space to create an additional 120 preschool slots at the Clinton Street site. The additional slots, he said, fill a pressing need in New Britain, a city that is well below state average in preschool service.

"I'm hoping that the council will take a look at this proposal and be supportive," Tricarico said. "Really, there are no losers in this scenario. It really is a win-win for all parties, especially for all the taxpayers in New Britain."

Part of the proposed agreement would require HRA to begin tax payments for at least 25 years after it completes the renovation project. Normally, nonprofit agencies are nontaxable.

"They have a nontaxable status," Stewart said. "One of the contingencies I placed on them was that the property become taxable because it cost the city to keep those doors open every year."

HRA would like to begin construction on the building this summer, Tricarico said. The construction will take 18 to 24 months.

The organization has secured most of the funding needed for the project, though it is still waiting for \$750,000 in bond money from the State Bonding Commission.

The organization is financially prepared for the transition, Tricarico said, after implementing an annual appeal and a capital campaign. HRA may also begin a building endowment to maintain the building, he said.

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