

UNIVERSITY OF CONNECTICUT
REQUEST FOR EXPRESSIONS OF INTEREST
Sale of the Former UConn Campus
IN TORRINGTON, CONNECTICUT

Responses due by 4:00 p.m. on WEDNESDAY, MAY 16, 2018

Overview

The University of Connecticut (“**University**” or “**UConn**”) is seeking buyers for the former UConn Campus in Torrington Connecticut (the “**Property**”). The Property is owned by the State of Connecticut and is in the custody and control of UConn. UConn has received a bona fide offer for the portion of the Property that includes the Buildings (defined below), improvements and related acreage. UConn wishes to give other potential purchasers an opportunity to compete for the purchase of that portion of the Property or the purchase of the entire Property.

By this Request for Expressions of Interest (this “**Request**” or “**RFEI**”), UConn requests submissions of proposed terms, conditions and proposed use (“**Responses**”) from parties (“**Respondents**”) who wish to be considered to purchase the Property.

1. Introduction

UConn’s Board of Trustees approved the closure of the Torrington branch campus on April 27, 2016. The decision to close the campus was made after a careful assessment of the campus’s inability to attract a sufficient number of students over a number of years. The small student population at the campus diminished UConn’s ability to provide the same level of high-quality academic programs and services that students receive at UConn’s other campuses.

The Property has been available for sale since it was closed.

The entire Property consists of approximately 95 acres.¹ There is a 91 acre parcel situated on the west side of University Drive in Torrington, Connecticut (the “**UConn West Property**”) which includes an improved area but is mostly unimproved. The improved portion of the UConn West property, consisting of approximately 5 acres, contains the three (3) Buildings and all other improvements, including driveways and parking lots (such portion being defined as the “**UConn Campus Property**”), as shown and described on the attached site plan.² The balance of the UConn West Property contains unimproved land, lawn areas, forest and hiking trails (such portion being define as the “**Unimproved Land**”).

On the otherwise Unimproved Land within the UConn West Property are (a) a cell tower owned and operated by others pursuant to a ground lease and (b) a wind sampling tower owned by UConn.

¹ UConn does not have an up to date survey of the Property. All quantities of acreage are approximations made in good faith, but UConn does not warrant or guaranty the accuracy.

² The attached Conceptual Site Plan is provided for the limited purpose of familiarizing potential Respondents with the area identified as the UConn Campus Property. The actual boundaries of a conveyance are to be determined as part of the sale process and confirmed by a survey as set forth below.

Recently EdAdvance, a Regional Educational Service Center, established under Connecticut General Statutes Section 10-66a, et seq. (“**EdAdvance**”) has offered to purchase the UConn Campus Property on the West Side of University Drive along with the septic fields on the east side of University Drive that services the three buildings for the price of \$250,000.

UConn, with the knowledge and consent of EdAdvance is seeking Expressions of Interest from other potential buyers.

2. Additional Property Information

2.1 Buildings

On the UConn Campus Property are three (3) primary structures as follows:

- (i) A one (1) story building, containing approximately 30,000 square feet, commonly known as the ‘M. Adela Eads Classroom Building’ (the “**Classroom Building**”);
- (ii) A maintenance garage containing approximately 600 to 800 square feet (the “**Maintenance Garage**”); and
- (iii) A one (1) story building, containing approximately 10,000 square feet, commonly known as the ‘Litchfield Country Extension Center’ and its related storage shed (collectively, the “**Extension Center Building**”).

The three buildings on the UConn Campus Property are collectively referred to as the “**Buildings**”.

2.2 Septic and Community Gardens

There are approximately 4.25 acres of unimproved land owned by the State of Connecticut and situated on the east side of University Drive (“**UConn East Land**”). The UConn East Land contains community gardens used by the general public (the “**Community Gardens**”). The UConn East Land abuts land owned by the City of Torrington

The exact location of the septic system and leaching field serving the Buildings is unknown.

The UConn East Land may contain a portion, but not all of, the septic system and leaching fields serving the Buildings (the “**Septic System**”). Any Community Gardens located on the UConn East Land which are NOT located on land which contains any of the Septic System are herein referred to as the “Non-Septic Impacted Gardens”. Any Community Gardens located on the UConn East Land which ARE located on land which contains any of the Septic System are herein referred to as the “**Septic Impacted Gardens**”.

It is a goal of UConn that as a result of the transactions contemplated by the RFEI, all of the land containing the Septic System will be conveyed to the purchaser of the Buildings, but that the Community Gardens be conveyed to Torrington.

2.3 City of Torrington Land

There are approximately 90.76 acres of land owned by Torrington situated on the east side of University Drive. Within that parcel, there is a portion of the land which contains all or a portion of the Septic System (the “**Torrington Land**”). UConn currently has an unspecified easement to use the Septic System which does not describe the location and area of the Septic System and its leaching fields (the “**Septic Easement**”). It is presently unknown whether the State of Connecticut has an easement underneath University Drive to connect the Septic System to the Buildings.

3. Proposed Transaction Structure

EdAdvance has proposed, and UConn has agreed in principle, to the following sequence of transactions to accomplish the goal of having the buyer obtain title to the UConn Campus Property and the land on which the Septic System is located. The balance of the Property would be conveyed to Torrington

Respondents should indicate whether this proposed transaction structure is acceptable or, alternatively, a Respondent may propose a different structure and explain the benefits of the alternative.

Specifically, a Respondent who wishes to purchase the entire Property should so specify.

In order to accomplish the purchase of some or all of the Property, the selected buyer, at its sole expense, will provide UConn and Torrington a survey to delineate (i) the land and improvements Buyer is acquiring from UConn (on both the West and East side of University Drive), (ii) the land UConn is acquiring from Torrington, and (iii) the land Torrington is acquiring from UConn, if any.

3.1 Transactions

The following transactions are proposed to occur in the following sequence:

- (i) First, Torrington will convey to UConn the Torrington Land which contains the Septic System, together with enough land around the Septic System to allow for access and maintenance, which conveyance shall be accomplished by a lot line adjustment and deed increasing the area of the UConn East Land. The UConn East Land as increased by the Torrington Land is herein referred to as the **“The UConn Septic Land”**.
- (ii) Second, UConn will convey to Torrington that portion, if any, of the UConn East Land which contains the Non-Septic Impacted Gardens, which conveyance shall be accomplished by a deed and lot line adjustment.
- (iii) Third, UConn will convey to buyer the UConn Campus Property and the UConn Septic Land.
- (iv) Fourth, UConn will transfer to Torrington all of the Unimproved Land including the land leased to a cellular tower and the wind data sampling tower.
- (v) Buyer will grant Torrington an easement to access and use the Septic Impacted Gardens, if any.
- (vi) UConn and Torrington will release the Septic Easement.
- (vii) Torrington will release the restrictive covenant, imposed by Torrington, requiring use of the UConn Campus Property “for the creation of a branch of the University of Connecticut”.
- (viii) Torrington and UConn will cooperate with the buyer to obtain an easement underneath University Drive in a location to be shown once the existence of the Septic Pipes is ascertained, permitting for the use, maintenance and repair of pipes leading from the Buildings, underneath University Drive, to the Septic System (the **“Septic Pipe Easement”**). University Drive is a state road, so the easement will require approval of the state DOT.

3.2 Pricing

The sale price paid by buyer to UConn for the UConn Campus Property and the UConn Septic Land (or for the entire Property if that is the buyer's proposal) is to be, paid in full at Closing by wire delivery of immediately available funds.

The price offered by EdAdvance for the UConn Campus Property and the UConn Septic Land is \$250,000.

Under the proposed transaction,

- The sale price paid by UConn for the Torrington Land is \$0.00.
- The sale price paid by Torrington to UConn for the Unimproved Land is \$0.00.
- The sale price paid by Torrington to UConn for the Non-Septic Impacted Gardens is \$0.00.

3.3 Property Condition

All land and buildings are being sold or transferred "as is", "where is" and "with all faults" as of closing without any representation or warranty whatsoever as to condition or fitness for use.

UConn believes that the condition of the buildings and building materials are typical for buildings of this age. The Campus was established in 1965. UConn is not aware of any material environmental issues on the land.

UConn will work with a Respondent to provide additional information in the context of a bona fide expression of interest in purchasing.

4. Agricultural Extension Center Building

a. One of the buildings on the UConn Campus Property is the Extension Center Building. Pursuant to the terms of a gift, UConn is obligated to maintain the Agricultural Extension Service in the Extension Center Building through February 2026.

b. Contemporaneously with the sale of the UConn Campus Property, the buyer as landlord and UConn as tenant will enter into a Lease (**Extension Center Building Lease**) for UConn to remain in the Extension Center Building long enough to fulfill the requirements of the gift.

c. The Extension Center Building Lease shall also include a right for UConn to extend the Lease for an additional term to and including December 31, 2028, or more than ten (10) years in total.

d. The terms of the Extension Center Building Lease will be determined between buyer and UConn but is expected to provide that (i) UConn will pay no rent to buyer and (ii) UConn will pay an equitable share of maintenance and operations costs on a formula to be determined between buyer and UConn. EdAdvance has agreed to this structure.

5. Charitable Restrictions on the Land and Classroom Building -- Court Approval Required

5.1 Land Restrictions

The land on which the Torrington campus is located, and which UConn continues to own, was initially transferred to UConn on the condition that the property be used "for the creation of a branch of the University of Connecticut." The City of Torrington imposed this condition in the deed transferring title in

the property to UConn, which, if unfulfilled, would require the land to automatically revert to the City of Torrington.

There is no dispute that UConn satisfied this condition of transfer when it established the Torrington branch campus in 1965. UConn previously considered closing the Torrington campus in 1983. At that time, the Office of the Attorney General was asked to opine as to the status of the land and buildings following such closure. The Attorney General at that time clearly advised UConn that it had “fulfill[ed] the precisely worded condition of the deed” that conveyed the land to UConn and that UConn would retain title to the land if it proceeded with closing the Torrington branch campus.

It is anticipated that, as part of the court approval described below, the parties would seek a judgment confirming the opinion of the Attorney General and confirming that the land is not subject to a reversionary right of Torrington.

5.2 Charitable Restrictions on the Classroom building

The primary building at the Torrington campus, the Classroom Building, was originally constructed in 1965 using funds gifted to UConn by the Estate of Julia B. Thompson. Ms. Thompson gifted UConn these funds to be used “for the purchase or construction of a building or buildings in Torrington or in the vicinity of Torrington for use by the Torrington Branch of the University of Connecticut.”

UConn’s acceptance and use of these funds for the purpose of constructing the Classroom Building created a charitable trust. This charitable trust restricts the use of the building to the intent and meaning upon which the funds were gifted to UConn, which, in this case, is for use by the Torrington branch campus.

5.3 Release of Charitable Restrictions

The charitable restrictions associated with the use of the classroom building may be released under the doctrine of cy pres. Cy pres is a principle used to save a charitable trust from failing when a charitable objective is originally or later becomes impossible or impracticable to fulfill.

The doctrine of cy pres is applicable and appropriate here because UConn will no longer maintain a Torrington branch campus on which the Classroom Building can be used to fulfill the original intent of the charitable trust. As a result, it is necessary and appropriate for cy pres to be applied to revise the charitable trust to accommodate a subsequent use for the building.

5.4 Court Action

UConn has informally discussed with the Office of the Attorney General the requirement to take legal action on a proposed future use of the Classroom Building. The Attorney General’s office confirmed that after a legally acceptable agreement on the future use of the property has been reached, the Attorney General would institute a legal action to have the court confirm the appropriateness of the agreement.

5.5 Inducements for Court Approval

It is the intent of UConn to use the proceeds of the sale of any portion of the Property to establish an endowed scholarship fund at UConn or at the UConn Foundation. The purpose of the scholarship will be to provide financial assistance to undergraduate students at UConn who are from the City of Torrington or the vicinity of Torrington.

EdAdvance has agreed to commit to using the Classroom Building for educational purposes for the duration of the lease of the Agricultural Extension building to UConn. See section 4 above.

Respondents should carefully consider whether their proposed transaction structure and their proposed use of Classroom Building will be acceptable to the Court as being consistent with the intent of the gift which supported the construction of the Classroom Building.

In evaluating Respondent's proposal, UConn will take into account the probability of being able to secure court approval.

6. Other Approvals

The transactions contemplated by this RFEI will require the approval of the UConn Board of Trustees, the Torrington City Council and the buyer. As to the sale of the Classroom Building, approval of the court will be required as noted above. In addition, any contract documents to which UConn is a party will require approval as to form by the Attorney General.

7. Torrington right to Purchase

By letter of February 28, 2018 Torrington was given notice under Connecticut General Statutes Section 3-14b of UConn's intent to sell the Property. Under that statute, Torrington had forty five days to give written notice to UConn of Torrington's desire to purchase the Property. By letter of March 27, 2018 Torrington waived its right to purchase the Property.

Under subsection (c) of Section 3-14b, if UConn thereafter proposes to sell the Property to another person, Torrington has the option to purchase the Property on the same terms. Any agreement between UConn and any buyer is subject to this statutory right to purchase by Torrington.

8. Existing Commitments

UConn has entered into various agreements to allow community groups to use exterior portions of the UConn Campus Property, such as parking lots, for charitable or other purposes such as 5K runs and fundraisers. Any buyer will need to agree that to the extent that such commitments are for a time period after the buyer takes title, the buyer will honor those commitments. From and after the date of an executed Memorandum of Understanding between UConn and a buyer, UConn will provide the buyer with the opportunity to review and reasonably approve any future commitments that may be binding upon buyer before UConn enters into such future commitments.

9. Content of Responses

Respondents should provide, at a minimum the following information

- a) The name of the proposed buyer and a description of its business;
- b) Respondent's qualifications and experience including financial capacity;
- c) Whether the Respondent proposes to purchase the entire Property, the UConn Campus Property, or something else;
- d) The proposed purchase price;

- e) Whether the respondent (1) accepts the transaction structure outlined above in Section 3, or (2) proposes an alternative transaction structure and an explanation of why it preferable;
- f) The proposed use of the purchased property; and
- g) An explanation of how the proposed use is likely to satisfy the cy pres requirements in order to obtain court approval for the transfer of the classroom building (See Section 5).

10. Qualification and Evaluation Criteria

UConn will use both qualitative and quantitative criteria to evaluate the Responses. In addition to the proposed price, UConn will consider a Respondent's experience, potential financing structure and financial capacity.

In evaluating Responses, UConn will take into account the probability of being able to secure court approval. Specifically, UConn will consider the proposed transaction structure and the proposed use of Classroom Building and whether the proposal is consistent with the intent of the gift which supported the construction of the Classroom Building.

After UConn receives the RFEI Responses, it will evaluate the Responses and determine which Respondents are, in the sole discretion of UConn, bona fide potential purchasers. UConn may engage with one or more Respondents to review the Responses in more detail.

UConn will select the buyer which, in UConn's sole and absolute discretion is in the best interest of UConn.

11. Delivery of Responses

Written responses can be submitted in either hard copy or e-mail to the following:

University of Connecticut
Office of the General Counsel
Attention: Richard F. Orr, Special Counsel
343 Mansfield Road, Unit 1177
Storrs, CT 06269-1177
Email: Richard.Orr@uconn.edu

Responses are due by 4:00 p.m. on WEDNESDAY, MAY 16, 2018

UConn intends to reject any late submissions but reserves the right to consider them if it is in the best interest of UConn. UConn welcomes early responses and reserves the right to engage in discussions or negotiations with any early Respondent prior to the deadline

If the Respondent has any questions, please submit them to RichardF.Orr@uconn.edu and copy Robert.Sitkowski@Uconn.edu. Please put "Torrington RFEI" in the subject line. UConn may, on the website hosting this RFEI post questions (without revealing the identity of the person who asked the question) and answers.

Because EdAdvance has already made a detailed proposal, it is not required to submit a Response to this RFEI.

12. Legal Provisions

12.1 UConn reserves the right to unilaterally and without cause accept or reject any or all Responses, and to withdraw this Request at any time before or after the submittal period has closed. UConn may at any time in the process of evaluating Responses seek written clarification and supporting information for a Response. Further, UConn reserves the right, in its sole and absolute discretion, in order to obtain a transaction structure and terms in the best interests of UConn, (i) to discuss a submission or enter into negotiations with any Respondent without notice to other Respondents; (ii) to enter into discussions or negotiations with respect to the subject matter herein with parties not responding to the Request without notice to the Respondents; (iii) to discuss, negotiate and enter into agreements relating to the subject matter of the Request with more than one respondent or any other party with respect to different responsibilities; (iv) to suspend or discontinue any such discussions or negotiations at any time; (v) to extend, reopen, modify, cancel and/or reissue this Request; and (vi) to use the Responses as a basis for negotiation and to negotiate with one or more Respondents on terms other than set forth in this Request.

12.2 All Responses are to be the sole property of UConn and response documents will not be returned to the submitting Respondent. Each Respondent, and not UConn, shall be responsible for all of its costs associated with its participation in this process, including, but not limited to, costs incurred in the preparation of its Response and submittals, investigation and other due diligence activities, and its participation in any discussions or meetings or negotiations. UConn shall in no way be liable for any cost or expense incurred by any Respondent in preparing a Response.

12.3 This RFEI does not constitute an offer by the State. The Respondent waives any right it may have to bring any claim, whether in damages or equity, against UConn or the State, or their agents and employees, with respect to any matter arising out of any process associated with this RFEI.

12.4 Upon receipt by UConn, all Responses are considered a public record or file, subject to the Freedom of Information Act ("FOIA"), and to public disclosure unless otherwise protected. UConn may withhold from disclosure the Responses until the completion of the procurement process, pursuant to § 1-210(b) (24) of the Connecticut General Statutes. The Respondent is responsible for identifying any and all information it considers a trade secret, commercial or financial information submitted in confidence and not subject to release by statute, unless such earlier claims were already adjudicated by the Freedom of Information Commission.

12.5 No member of a Respondent's team may communicate with members of another Respondent's organization to give, receive, or exchange information, or to communicate inducements, that constitute anti-competitive conduct in connection with this RFEI process. Should the Respondent team include subcontractors or team members that are common to another Respondent team(s), the Respondents and common subcontractors or team members must ensure that communications between the parties do not violate this provision.

12.6 Responses made to UConn shall constitute acceptance of all of the terms and conditions set forth in this Request by the Respondent.

12.7 Respondents are hereby noticed that at the conclusion of the selection process and successful negotiation, the selected Respondent will be required to enter into a written agreement with UConn. No

agreement shall be binding and effective upon UConn until such time as such agreement is approved by UConn's Board of Trustees and the Attorney General's Office. At the time such agreement is executed, respondents shall be required, if applicable, to sign certain affidavits and/or certificates, including but not limited to the Certificate of Authority, OPM Ethics Form 1, and the Nondiscrimination Certification . Copies of the affidavits and certificates can be obtained at the following link:
<http://www.attorneygeneral.uconn.edu/contracts.html>

Attachment
Conceptual Site Plan

[End of Text]

CONCEPTUAL SITE PLAN
Proposed property lines are for illustration only.



The blue lines on the photo are an approximation of the area EdAdvance is interested in purchasing.

EdAdvance is only interested in the parcel of land that would include the current buildings (#1-3 on map), all driveways and parking structures, and the developed land surround those structures.

In addition, the purchase must include a small section of land on the opposite side of University Dr (#4 on map) where the septic system is located. The required size/proportion of that area would need to be determined, but we are only interested in as much as would be reasonable to maintain the septic systems on the property into the future.