

Agenda Item 8

8 September 2026

1. What process was used to select the Wallingford Community Theatre for use of this town-owned building? Was the space publicly advertised or made available to other nonprofit or community organizations? I understand that use of this space by WCT is not new, but it seems now is the time for this equity discussion.

This is renewal of a lease that was originally proposed by the prior administration and approved by the town council in April of 2021. I do not know whether not the space was advertised in 2021. The space has not been advertised prior to placing this renewal on the council agenda. It should be noted that, like other organizations under similar lease arrangements, this organization receives funding from the town.

2. Were any other organizations given an opportunity to express interest in this property? If not, why not?

No. We are proposing renewal of the lease by the current occupant.

3. What criteria did the administration use to determine that this particular organization should receive use of a town asset for \$1 per year for five years?

This is a renewal of the existing lease terms. This arrangement is not uncommon for use of town properties, particularly those that, like WCT, receive funding from the Town.

4. What is the fair-market rental value of this building? I think the Council should understand the actual value of the benefit we are providing.

A request for information is pending with the Assessor's Office. It may be difficult to determine fair-market rental value as the town is not in the business of renting storage space.

5. Are there other town-owned buildings or spaces currently being provided to private nonprofit organizations for free or nominal rent? If so, under what terms?

See attached.

6. What precedent does approving this establish? If another Wallingford nonprofit comes to the Town next month requesting unused municipal space for \$1 per year, what objective criteria would we use to say yes or no?

Obviously, this is not unprecedented based upon the attached. The criteria we would use would include the community benefit of the use as well as the non-profit's relationship to the community and the Town, including the fact that these organizations receive funding from the Town. The administration would further consider whether town government departments have a need for available space prior to offering it outside of general government.

7. Why is a five-year term appropriate? Why not a shorter agreement with periodic Council review, particularly since this is effectively a subsidy through the use of public property?

The administration has opted to seek renewal of the present terms of the lease as proposed by the prior administration and approved by the Town Council, seated at the time. The lease term is common to other non-profit, non-market leases between the town and non-profits. If the council desires a shorter term, that is within the purview of the council. This administration is of the perspective that review of these leases takes time and resources from several departments.

8. Who is responsible for utilities, insurance, maintenance, repairs, security, code compliance, and any improvements to the building? What financial or liability exposure remains with the Town?

Per the lease, Paragraph 3, the Town provides utilities. Per Paragraph 4, the Tenant provides proof of insurance. Per Paragraph 3, the Town maintains the property, based upon the Town's determination of what maintenance is appropriate. Per Paragraph 4, the Tenant holds harmless the Town.

9. Can the Town terminate the lease if it determines that the property is needed for a municipal purpose? If so, what notice is required?

While there are no specific terms regarding the Town's early recapture of the premises, Paragraph 8 provides for modifications of the lease in writing.

10. Would you, as mayor, support establishing a uniform policy for the use of town-owned property by outside organizations so that future decisions are based on transparent criteria rather than being handled organization by organization?

All of the existing arrangements were originated by the prior administration, and, as required by the Charter, were all approved by the Town Council, whether at the time of inception, or renewal, at regular meetings of the Town Council.

For well over a decade, these leases have passed without objection of the Council, often on the consent agenda.

Subsequent questions:

1. How long has the theater been using this Town-owned building?

It appears that WCT has been using this space for the prior lease term.

2. Under what Agreement or authorization have they been occupying it? I am interested in this based on what is outlined in our Town Charter and our Purchasing Ordinance.

The proposed lease is a renewal of the prior lease, as approved by the Town Council, on the consent agenda, in April of 2021.

Also, I did some more of my own research and am aware that there has been other similar Agreements in the past. Specifically for the Committee on Aging and SCOW and others.

1. Does the Town currently have written criteria governing which non-profit organizations qualify for nominal leases of Town Property?

It appears that these determinations have been made on a case-by-case basis. In several cases, buildings have been built for specific non-profit uses, or are leased to non-profits whose use is appropriate for the building as it exists upon their occupying it.

2. How many \$1 or nominal leases does the Town currently have, and can the Council receive a list of them and their terms?

See attached.

3. If five Wallingford non-profits approached you tomorrow and each asked for Town-owned storage space for \$1 per year, how would you decide which one gets it.

This would be determined based upon all factors available at the time of the request. The factors would include:

- a. the availability of space;
- b. the relationship between the requesting agency and the Wallingford community; and
- c. the community impact and presence of the organization.

TOWN LEASES

Tenant: **Wallingford Community Day Care Center, Inc.**

Premises: Portion, 3.06 acres, 98 Wharton Brook Drive (Lyman Hall High School)

Term: May 17, 1989 to May 16, 2031 plus option for one more 5-year extensions

Rent: -0- (same for extensions)

Tenant: **Wallingford Municipal Federal Credit Union**

(now known as Cornerstone Community Credit Union)

Premises: 88 South Main Street

Term: November 1, 2005 to October 31, 2035 plus option for two 10-year extensions

Rent: \$1.00 per year for initial lease period, option period rent to be negotiated

Tenant: **Comunidad Hispana de Wallingford, Inc. (SCOW)**

Premises: 284 Washington Street

Term: October 1, 2022 to September 30, 2027

Rent: \$1.00 per year

Tenant: **Wallingford Community Theatre, Inc.**

Premises: 284 Washington Street (Free Standing Storage Building only)

Term: May 14, 2021 to May 13, 2026 (*in the process of being renewed)

Rent: \$1.00 per year

Tenant: **CT STEM Academy, Inc.**

Premises: 284 Washington (Rear portion – 2700 square feet, former cafeteria)

Term: October 1, 2021 to September 30, 2026

Rent: \$1.00 per year

Tenant: **Wallingford Public Library Association**

Premises: 200 North Main Street

Term: April 1, 1982 to March 31, 2081

Rent: \$1.00 per year

Tenant: **Wallingford Committee on Aging, Inc.**

Premises: 238 Washington Street

Term: Commencing July 1, 2003, continues year to year until action taken to terminate

Rent: \$1.00 per year

Tenant: **Wallingford Committee on Aging, Inc.**

Lease of: Passenger Vehicle Lease (four vehicles)

Term: Commencing February 23, 2018, continues year to year until action taken to terminate

Rent: \$1.00 per year