



TOWN OF LEDYARD CONNECTICUT OFFICE OF THE MAYOR

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Ledyard, CT 06339
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July 23, 2026

Ledyard Town Council

Via email only

May this letter serve as additional supporting and rebuttal to Council comments regarding the contemplated sale of 480R Shewville Road, Ledyard.

On July 7, 2021, I submitted the deed and associated documentation to the then Town Attorney, Paula Anthony from Berchem Moses.

From: Fred Allyn, III <mayor@ledyardct.org>
Sent: Wednesday, July 7, 2021 11:37 AM
To: Paula Anthony <panthony@berchemmoses.com>
Subject: Land use question

Hi Paula!

I hope you had a nice holiday break- despite the weather!

Below is a tax card and deed (just page 1 of 4) of a property the Town of Ledyard owns. We purchased at the end of 1994 as raw land for the purpose of a public water system and treatment building, which we paid for and had erected. In or around 2017, the town contracted with Groton Utilities (GU) to provide public water. GU extended public water lines into our town and we then abandoned the wells at this location and cleaned out the building.

Steve Masalin, citing an opportunity looked to store PW equipment (street sweeper) in the building over last winter. He was stopped by a Loftus heir who told him use is strictly limited to water utility only and since that use is abandoned, we can not use the building at all.

Is this not essentially the taking of property rights when they are so restrictive? Please advise as I'd like a strategy on this vacant building- as you know, vacant buildings never fare well over time.

On Tue 7/13/2021 9:53AM, I received the following response from our attorney:

Hi Fred,

Interesting issue. Unfortunately, I think a court would uphold the restrictive covenant in the deed for the Shewville Rd. property if the Loftus heir(s) were to seek to enforce it through legal action.

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- 1) The restrictive covenant contained in the Deed, states "Said premises shall be used for the sole purpose of constructing and maintaining municipal water well sites and related equipment, machinery, structures, piping and utilities." Key words being ***"sole purpose"***.

- 2) In April, 2023, I inquired with the new Town Atty, Matt Ritter about the deed restriction. 11.8 hours of legal time were expended with attorneys in the land use field, reviewing the deed, interpretation of the restrictive covenant, enforceability of the same and research of CT laws and case law regarding restrictive covenants.

The legal opinion rendered by Atty. Ritter in 2023 affirmed prior Town Atty. Anthony's position, which is that the Town knowingly and willingly entered into the purchase of the parcel with said restrictive covenant by "free act and deed" and is therefore still enforceable.

- 3) As to Councilor Lambs statement of "grant funding" being used to acquire the parcel, that is incorrect. No grant funds were used for the acquisition, building construction or installation of piping. The Town bonded \$4M to acquire land and construct infrastructure, including water mains. Those bonds matured and fell off the books more than a decade ago.
- 4) As to Councilor Barnes suggestion of retaining the formally abandoned well field for possible re-opening if needed, the process of standing up a new public water supply is not so simple. The Town would be required to submit a new permit application to the DPH to drill new wells (commercially viable wells cost in excess of \$150,000 each), obtain a new water diversion permit from CT DPH and install all new equipment for this new, small scale public water supply. The current or contemplated utility rates GU may charge in the future have no bearing on DPH approving this new permit. Additionally, DPH is discouraging additional wells into the aquifer due to the limited aquifer supply. Further, the State is not supporting establishment of or expansion of small public water supply companies, but in fact actively looking to consolidate (see Aquarion sale June 30, 2026) into several regional providers. Lastly, GU purchased the water rights around much of the area in the Loftus aquifer for future water supply needs for GU so for Ledyard to be permitted to drill new wells, we would be required to have GU sign off on allowing this new diversion permit *within their secured water rights areas*. It should be noted that GU has the ability to process 12 million gallons of water daily with their current plant, coupled with a reservoir system containing more than 1 trillion gallons of water (and growing). The GU system also has emergency interconnects with regional water utility providers in case of a severe water shortage. The short answer is if GU runs out of water, southeastern CT has a far bigger problem.
- 5) The parcel does NOT have deeded road frontage, instead it has a 20' ROW for access for the stated deeded use (ROW is shared with the Loftus family, heirs and assigns per Deed). This is important as it limits development potential to a single structure, if not for the restrictive covenant.
- 6) Regarding the contemplated sale price of \$150,000, please note, I contacted several appraisers in southeastern CT and none would appraise the property as the restrictive covenant has such a profound impact on "arms length sale" and subsequent valuation. It is my opinion that Mr. Blacker's offer is extremely fair to the Town of Ledyard.
- 7) Councilor Garcia-Irizarry made a statement about "selling at a lower price than what the town paid..." (purchased for \$275,000, now selling for \$150,000), I'd ask that you not consider the residual property sale a loss, as the *actual* value of the property to residents was already realized when the well field provided clean drinking water to the 700+ homes in the Highlands section of Ledyard at a time when both the water quality and supply was failing. If one were to apply this statement to sales of surplus former schools we've sold, we'd never be able to sell these surplus properties.
- 8) Regarding Councilor Garcia-Irizarry's statement about the Loftus family removing the restrictive covenant, the Loftus-family does appear ready to remove the restrictive covenant, *but only* for Mr. Blacker's purchase. This parcel was carved out of a longtime family farm, and they have NO interest in seeing more impactful uses

developed within their family farm. In my own personal circumstances, I can certainly appreciate where the Loftus family is coming from.

- 9) As to Councilor Garcia-Irizarry's comment about "not following the process" in listing it for sale with a Realtor as we have done in the past, the restrictive covenant on this deed effectively eliminates any and all other buyers, which I stated at the Finance Committee meeting. The town could list the parcel for sale with a Realtor in the traditional manner, but we'd still have the same buyer, less the added expense of a 5-7% Realtor commission, effectively reducing the recovery of residual value.
- 10) For the past nine years, the town has paid for insurance on a vacant building we cannot legally use. This is an unnecessary added expense on our residents when we have an opportunity to recover some residual value, take the property off our insurance policy and continue to clean up our surplus property ownership.

I appreciate Councilors Thompson, Buhle, Parad, and Ryan for their clear understanding of the background on this surplus property. As always, I am available to answer any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "F B Allyn", is written on a light-colored background.

Fred B. Allyn III
Mayor