

**CITY OF NORWALK
PLANNING COMMITTEE OF THE COMMON COUNCIL
JANUARY 21, 2010**

ATTENDANCE: Douglas Hempstead, Chair, Andrew Conroy, Carvin Hilliard,
Laurel Lindstrom, Kelly Straniti, John Tobin;
Richard Bonenfant; Joanne Romano (Public Information Session only)

STAFF: Norwalk Redevelopment Agency: Tim Sheehan, John Burrirt,
Michael Moore.

OTHERS: George Walsh, Thompson Hine Attorneys; David Fite Waters,
Building & Land Technology; Lou Trajcevski, New Castle
Housing Ventures; Ross Burkhardt, New Neighborhoods, Inc.

CALL TO ORDER

Mr. Hempstead called the meeting to order at 6:30 p.m. and announced that the first part of the meeting was a public information session for the purposes of amending the language of the state grant to the Waypointe Project.

PUBLIC PARTICIPATION

Mr. Hempstead stated that Mr. Sheehan of the Norwalk Redevelopment Agency would begin with an overview of the wording, and re-stated that the issue is the amended wording to the language of the grant to allow the flexibility for land acquisitions, not utilization or approvals.

Mr. Sheehan provided a background on the Norwalk Urban Act Grant in the amount of \$5 million to fund public improvements as identified by the State Bond Commission is to assist with the final design and surveys for the Waypointe mixed use development project. He added that while the need for design services remains, the work of completing site control is a first priority in any redevelopment effort in order to move the project forward into zoning approvals and entitlement. He stated that grant funding in the area of land appraisals, site acquisitions and environmental investigations needs to be prioritized. He summarized that recognizing last Spring that the present State Bond Commission allocation language too narrowly defines the uses for the grant, the Agency has been working with DECD to put forward the request to amend the current grant authorization language.

He listed the following action requested:

(A) Authorize the Mayor to request that DECD submit the following language to the State Bond Commission to amend the current grant budget for the \$5 million Urban Act Grant approved December 122, 2008, for the City of Norwalk Waypointe mixed-use development project in the West Avenue Corridor redevelopment area.

These funds are requested to provide a grant-in-aid to the City of Norwalk to assist with the development of public improvements associated with the Waypointe mixed-use development project in the West Avenue Corridor redevelopment area.

(B) Authorize the Norwalk Redevelopment Agency as the Grant Administrator to execute all documents relevant to implement the Urban Act Grant Assistance Agreement and the Project Financing Plan and Budget for the DECD Urban Act \$5 million grant for public improvements associated with the Waypointe mixed-use development project in general accordance with the attached draft budget. Such authorization does not extend beyond a 15% change in any related line item.

Mr. Sheehan provided an overview of the role of the Redevelopment Agency and stated that they administer the grant on behalf of the City and attest that state funding is utilized appropriately, undertake specific reporting functions to the state, and is NOT the recipient of the grant, cannot act regarding the use of any of the funds, and the grant remains in the City's control.

Mr. Hempstead reviewed the procedure for public information session and asked those individuals who planned to speak to state their name, address or affiliation and to limit questions or comments only as relevant to the issue as stated. He added that comments regarding the nature of the project would not be appropriate, as there have been many public sessions, committee presentations and approvals along the way.

The following comments are not verbatim and represent a summary of statements made.

Ms. Diane Cece, 38 Olmstead Place, stated that the original MDA at \$33million was previously approved and to modify the wording is creating a situation for concern, that she heard Mr. Sheehan's explanation, but still was not clear. She questioned why the shift from Engineering/Architectural to Land Acquisition and asked what specific was included in the Land Acquisition number of \$2,985,000. She added that her questions are three-fold as follows: who owns the land, the City or the Developer; why was this not known earlier and just now coming to the forefront; and what happens to the Engineering allocation down the road. She added are we robbing Peter to pay Paul, and are there stipulations in the MDA giving the Council ability to waive conditions that protect the City or are we being held hostage for additional funds, and how to prevent further situations like this that appear to be creating a slippery slope?

Mr. Sheehan responded that he was not sure of the exact question and Ms. Cece restated that she had three questions: What specifically was included in the Land Acquisition number of \$2,985,000; who owns the land; why was this not known earlier; what happens to the Engineering allocation down the road; and how can this be prevented?

Mr. Sheehan replied that land acquisition is a tool used to set aside land which may be slated for infrastructure, and is acquired by mutual agreement under negotiation. The RDA is not recommending the City seek to use state grant for contested land acquisitions associated with the Waypointe Project. He added that in response to the \$33 million the allocation is tied to infrastructure and resulting land allocation costs with the public infrastructure improvements. Mr. Sheehan said that in response to the relationship between Seligson and ownership of land, there are small parcels of land along the roads where public-private infrastructure meet and Seligson makes payment back to city as reimbursement of acquisitions necessary.

Relative to site control and if this was an oversight by the bond Commission, he clarified that there is no private component paid for public sector funds. Ideally land is acquired by mutual agreement, where both parties have participated in negotiations to determine a fair price. Mr. Sheehan added, that while eminent domain still remains a power of government, its use has been restrained due to associated legal costs and negative public reaction. He re-stated that he Agency is not recommending the City seek to use the State grant for any contested land acquisitions associated with the Waypointe Project.

Mr. Keal Evans, stated his address as 539 West Avenue, Norwalk, and expressed his concern with the language for \$5 million state bond for the Waypointe development project. He asked if the balance goes to the developer and what properties were involved. stated that he has been in touch with the state and that they are very upset with the Council. He added that the language should be looked at very closely to be careful how the funding guidelines are set and how much is going to the developer that the City may have to go back and fight for.

Mr. Sheehan stated that and he takes exception to inflammatory comments of this nature that the state is shocked with this situation. He added that the MDA does address and answer this issue of site control, and it has been closely reviewed, evaluated by Corporation Counsel and approved by the Council.

Mr. Hempstead stated that there was a misconception, that the wording does not authorize any expenditures it only modifies the language. Mr. Tobin stated it would be helpful to clarify the next steps and asked what happens next. Mr. Sheehan replied that it first goes to the Redevelopment Agency, then to the Planning Committee, then to the Planning Commission of the Common Council, then to the full Common Council; and dollars available to acquire property only if needed. Mr. Hempstead asked Mr. Sheehan to indicate on the map what possible land acquisitions would be involved, and Mr. Sheehan identified areas on the map as presented on display to include Academy Street Extension, Orchard Street, and other new street areas proposed.

Mr. Tony Savis interjected that the \$2,985,000 had to come from somewhere and asked how it was created. Mr. Hempstead asked Mr. Savis to please refrain from speaking without being recognized, as other members of the public were raising their hands, waiting to be acknowledged to speak.

Mr. Savis introduced himself as a resident of Norwalk, and asked what was the formula for coming up with \$2,985,000 needed for land acquisitions, that it had to come from some list of property.

Mr. Sheehan replied that it was a percentage of estimated dollars needed for possible land acquisitions, and that it was up to the City to determine what properties were necessary, that there was no pre-conceived agreement on spending.

Mr. Hempstead again clarified that there was no allocation of approved acquisitions, this was only modified language to allow flexibility, no recommended spending, that would have to go to Committee, Commission, Council and so forth.

Ms. Amanda Brown, introduced herself as a former Councilwoman who had been extensively involved with the MDA, and asked if the procedure with the State as an automatic approval. Mr. Sheehan responded that it goes through the DCED not the Bond Commission, and that the State is in support of the change. Ms. Brown added additional questions on what was the time frame and how much of the site development impacts the infrastructure needs to be completed before zoning approval

Mr. Sheehan responded that the structure of the MDS under Article XIX as approved by the Council and Corporation Counsel contemplates the entire project site coming under the unified control of the redeveloper during construction. He added that the Agency is not seeking to use the grant for any contested land acquisitions, and land acquired by mutual agreement between the government and the landowner remains eminent domain, there is no plan to use the grant for contested property.

Ms. Romano asked how the site development impacts the infrastructure needs and if this to be completed before zoning approval. Mr. Hempstead replied that any contested land remains eminent domain, but there is no plan to use the grant for contested property.

Mr. Bonenfant asked how the contingency was determined and Mr. Sheehan responded that the RDA administers the grant on behalf of the City and attests that state funding is utilized appropriately in accordance with the MDA.

Mr. Hempstead asked if there were further questions from the public, and hearing none, he closed the public information session at 7:43 p.m.

Mr. Hempstead called the regular portion of the meeting to order at 7:45 p.m. and announced he was requesting a suspension of the rules of order to move up item F: Waypointe to first on the agenda. The members were in agreement.

Mr. Hempstead thanked members of the public who came out for comments and invited them to stay, adding that he shared many of their questions, and would now address comments from the Committee members relative to the language of the state grant to the Waypointe Project.

Ms. Straniti asked if the agreement includes site acquisition, and Mr. Sheehan answered that site control is a first priority in any redevelopment effort in order to move the project forward into zoning approvals and entitlement. He stated that grant funding in the area of land appraisals, site acquisitions and environmental investigations needs to be prioritized. Ms. Lindstrom stated that this session was very helpful in answering her questions and issues were well explained, and she feels very comfortable with the clarification.

Mr. Conroy asked how the contingency was determined and if there were administrative costs included, and Mr. Sheehan replied, yes. Mr. Conroy asked how this was handled in the past and Mr. Sheehan responded that the RDA administers the grant on behalf of the City and attests that state funding is utilized appropriately in accordance with the MDA.

**** MS. LINDSTROM MOTIONED TO APPROVE AND FORWARD TO THE COMMON COUNCIL THE PROPOSED AMENDMENT TO THE STATE GRANT FOR THE WAYPOINTE PROJECT TO:**

(A) AUTHORIZE THE MAYOR TO REQUEST THAT D.E.C.D. SUBMIT THE FOLLOWING LANGUAGE TO THE STATE BOND COMMISSION TO AMEND THE CURRENT GRANT BUDGET FOR THE \$5 MILLION URBAN ACT GRANT APPROVED DECEMBER 22, 2008, FOR THE CITY OF NORWALK WAYPOINTE MIXED-USE DEVELOPMENT PROJECT IN THE WEST AVENUE CORRIDOR REDEVELOPMENT AREA.

THESE FUNDS ARE REQUESTED TO PROVIDE A GRANT-IN-AID TO THE CITY OF NORWALK TO ASSIST WITH THE DEVELOPMENT OF PUBLIC IMPROVEMENTS ASSOCIATED WITH THE WAYPOINTE MIXED-USE DEVELOPMENT PROJECT IN THE WEST AVENUE CORRIDOR REDEVELOPMENT AREA.

(B) AUTHORIZE THE NORWALK REDEVELOPMENT AGENCY AS THE GRANT ADMINISTRATOR TO EXECUTE ALL DOCUMENTS RELEVANT TO IMPLEMENT THE URBAN ACT GRANT ASSISTANCE AGREEMENT AND THE PROJECT FINANCING PLAN AND BUDGET FOR THE DECD URBAN ACT \$5 MILLION GRANT FOR PUBLIC IMPROVEMENTS ASSOCIATED WITH THE WAYPOINTE MIXED-USE DEVELOPMENT PROJECT IN GENERAL ACCORDANCE WITH THE ATTACHED DRAFT BUDGET*. SUCH AUTHORIZATION DOES NOT EXTEND BEYOND A 15% CHANGE IN ANY RELATED LINE ITEM.

**** THE MOTION PASSED UNANIMOUSLY.**

*** The next page provides a copy of the draft budget.**

Part IV-Budget:

	This Request		Prior* State Funds	Future State Funds	Non-State Funds	Totals
	Grant	Loan				
Capital Costs:						
New Construction						\$0
Renovations/Improvements						\$0
Leasehold Improvements						\$0
Property Acquisition	\$2,985,000					\$2,985,000
Appraisals	\$44,000					\$44,000
Computer Equipment						\$0
Office Equipment						\$0
Machinery/Equipment						\$0
Engineering/Architectural	\$600,000		\$3,629,000			\$4,229,000
Environmental/Feasibility						\$0
Administrative Costs	\$355,000		\$355,000			\$710,000
Contingency	\$1,016,000		\$1,016,000			\$2,032,000
Other:						\$0
Sub-total	\$5,000,000	\$0	\$5,000,000	\$0	\$0	\$10,000,000

Mr. Hempstead stated they would now return to the order as listed on the agenda.

APPROVAL OF MINUTES

Ms. Lindstrom stated that the time of adjournment was left blank, and it should be added to the minutes to accurately reflect the time of the Executive Session.

- ** **MR. TOBIN MOTIONED TO APPROVE THE MINUTES FROM THE DECEMBER 3, 2009 MEETING, WITH CORRECTION AS NOTED.**
- ** **THE MOTION PASSED WITH A VOTE OF 4 IN FAVOR, NONE OPPOSED AND 1 ABSTENTION (MS. STRANITI).**

BUSINESS

A. Globe Theater.

1. Approval of proposed letter of intent for acquisition of 71 Wall Street.

Attorney George Walsh of Thompson Hine Attorneys presented a draft of the letter of intent along with a summary of comments on due diligence, Council approval, formal contract of sale and attorney's fees. He provided an overview of the background stating that the purchase price is \$1,500,000 and highlighted elements of the contract covering contract deposit, remediation, and conditions of acquisition.

There were no further comments from the Commission members and Mr. Hempstead thanked Attorney Walsh and stated that all looked to be very complete.

- ** **MS. STRANITI MOTIONED TO APPROVE THE PROPOSED LETTER OF INTENT FOR ACQUISITION OF 71 WALL STREET.**
- ** **THE MOTION PASSED UNANIMOUSLY**

B. 80 Fair Street Project

Approval of the project's proposed PILOT

Mr. Sheehan presented the attached written summary on New Neighborhoods, Inc. request to consider involving a PILOT proposal acquisition of 80 Fair Street. David Fite Waters, Building & Land Technology presented the program to provide affordable housing to Norwalk's workforce and supportive housing for its veterans. He highlighted the elements of the agreement including the history, rationale, and proposal from NNI, New Neighborhoods, Inc.

Mr. Lou Trajcevski, New Castle Housing Ventures stated that as part of the program, the one element that will make the project viable is an abatement agreement that reflects a payment in lieu of taxes (PILOT) based on 10% of effective gross rent and he included financials, and the tax abatement proposal.

Ms, Straniti asked how much the rent would be and Mr. Ross Burkhardt, New Neighborhoods, Inc. responded that a 1 bedroom would be approximately \$1,100 per month plus utilities.

Mr. Hempstead requested more information on New Neighborhoods, perhaps their website, and an outline of the income guidelines for affordable housing qualifications and approvals.

PLANNING COMMITTEE OF THE COMMON COUNCIL

TO: MEMBERS, PLANNING COMMITTEE OF THE COMMON COUNCIL
FROM: TIMOTHY SHEEHAN, STAFF
RE: 80 FAIR STREET PILOT REQUEST
DATE: JANUARY 14, 2010

New Neighborhoods, Inc has put forward a formal request for the City to consider involving a Payment In Lieu of Tax (PILOT) proposal for the 80 Fair Street property which they are in the process of acquiring from Building and Land Technology. The proposed PILOT is necessitated by the development's objective to provide 57 units of new affordable housing to the City's existing inventory.

As consideration for the new affordable units being provided New Neighborhoods has proposed a PILOT seeking an abatement of part of the real estate taxes that will be incurred by the building. The PILOT program being suggested reflects taxes being based on 10% of the development's Effective Gross Rent.

The formal request, the rationale for it and the related financials are attached for your review as is the proposed agreement. This request is in the process of being reviewed by Corporation Counsel and the Finance Director and I have been advised that both are attempting to expedite that review to align with the next Common Council Meeting. A representative of New Neighborhoods will be available on Thursday to address any questions of the Committee.

REQUESTED ACTION:

Approval of establishing a PILOT for property to be owned by New Neighborhoods, Inc. at 80 Fair Street in Norwalk that is based on 10% of Effective Gross Rent. Should the project affordable unit count or the intended ownership of this property change this agreement is void.

Mr. Hempstead stated that the law department was not finished with their portion of document review and approval and suggested the item be tabled until the next meeting.

- ** MR. CONROY MOTIONED TO TABLE THE 80 FAIR STREET PROJECT APPROVAL OF THE PROJECT'S PROPOSED PILOT.**
**** THE MOTION PASSED UNANIMOUSLY.**

C. 95/7 Development – Review of Infrastructure Sources and Uses Budget

Mr. Jack Burritt, Associate Director of the Norwalk Redevelopment Agency presented the following summary of Infrastructure Funding for the Reed Putnam Project.

PLANNING COMMITTEE OF THE COMMON COUNCIL

TO: MEMBERS, PLANNING COMMITTEE OF THE COMMON COUNCIL
FROM: TIMOTHY T. SHEEHAN, STAFF
RE: REED PUTNAM PROJECT – INFRASTRUCTURE FUNDING
DATE: JANUARY 14, 2010

At the Planning Committee's meeting of December 3, 2009, there was a general inquiry concerning the funding of the infrastructure costs for the Reed Putnam Urban Renewal Project. In an effort to more fully elaborate on the sources and uses of funds for the Reed Putnam project infrastructure, Mr. Burritt representing the Redevelopment Agency has prepared the attached spreadsheet identifying the major elements of infrastructure and how each is funded.

The primary source of funding for the Reed Putnam infrastructure cost is Special Act Grant 01-02 that provides for \$20 Million from the State of Connecticut to the City of Norwalk via the Department of Economic and Community Development (DECD) for this project. The City of Norwalk has also contributed to the infrastructure costs, the most significant being the financing for the Maritime Garage. This was funded in the Capital Budget allocation in FY 2000. The Land Disposition Agreement further provided for a Special Capital budget allocation of \$7.395 million, the City has authorized \$5.920 Million for infrastructure costs required by the State Traffic Commission. Finally, the City allocated \$1.886 Million from the sale proceeds of Development Parcel 3 (Maritime Yards) for use in the project. These represent the City's portion of the infrastructure costs.

The attached spreadsheet breaks out the infrastructure costs as they have been funded across the several funding sources. Hopefully, this chart is helpful in understanding the complex funding of the Reed Putnam infrastructure improvements. Mr. Burritt has also agreed to make himself available to answer any questions that the Planning Committee may have regarding the chart or the related project funding, should there be any.

Ms. Lindstrom stated that the chart was very helpful and self-explanatory and thanked Mr. Burritt for his thorough review of the infrastructure funding. Mr. Hempstead requested a cover letter summary for inclusion with the Common Council packet for review and discussion.

C. Workforce Housing Strategic Plan Draft.

Mr. Michael Moore with the Norwalk Redevelopment Agency presented a power point presentation of the strategic plan. Mr. Hempstead requested the chart be amended to incorporate senior citizens and to look into tax relief programs relative to the upcoming Census.

PLANNING COMMITTEE OF THE COMMON COUNCIL

TO: MEMBERS, PLANNING COMMITTEE OF THE NORWALK COMMON COUNCIL
FROM: TIMOTHY SHEEHAN, STAFF
DATE: JANUARY 15, 2010
RE: PRESENTATION – DRAFT WORKFORCE HOUSING STRATEGIC PLAN

Mr. Michael Moore, representing the Norwalk Redevelopment Agency (Agency), will provide the Committee with a presentation regarding the Agency's recently drafted *Workforce Housing Strategic Plan*. The presentation will include:

- (1) A discussion of the research and methodology used to create the document and
- (2) The policy recommendations incorporated into the document.

E. Community Development Block Grant Program.

PLANNING COMMITTEE OF THE COMMON COUNCIL

TO: MEMBERS, PLANNING COMMITTEE OF COMMON COUNCIL
FROM: TIMOTHY SHEEHAN, STAFF
DATE: JANUARY 15, 2010
RE: PRESENTATION COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Mr. Michael Moore representing the Norwalk Redevelopment Agency will provide the Committee with an overview of Norwalk's Community Development Block Grant program as was requested at the last Committee Meeting. The overview will detail the program's requirements, the planning processes associated with the program and the method by which the City approves the disbursement of funds from the program.

The presentation will cover the following topics:

1. The history, policy objectives and administrative requirements of the CDBG Program;
2. A description of the role for, and process for creating, the City's new ConPlan and
3. A briefing regarding the annual process used to allocation the City's community development resources.

Mr. Michael Moore with the Norwalk Redevelopment Agency presented a power point presentation of the Community Development Block Grant Program that included a summary of the mission, history, core, regulatory content, national objectives, eligible activities, consolidated plan, annual plan, and local CDBG program.

EXECUTIVE SESSION

There was no Executive Session.

NEW BUSINESS

Mr. Hempstead stated that he would like to have a round-table discussion or possible a “meet and greet” with the Chamber of Commerce at the next meeting, with the location to be determined. He added that the objective is to learn from their governing board how to improve efficiencies with the program approval process.

OLD BUSINESS

There was no old business discussed.

ADJOURNMENT

**** MS. STRANITI MOVED TO ADJOURN.
** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 10:15 p.m.

Respectfully submitted,

Marilyn Knox
Telesco Secretarial Services