

**CITY OF NORWALK  
PLANNING COMMITTEE  
SPECIAL MEETING  
FEBRUARY 19, 2009**

ATTENDANCE: Rev. Phyllis Bolden, Chair; Amanda Brown; Carvin Hilliard;  
William Krummel

STAFF: Timothy Sheehan, Susan Sweitzer, Norwalk Redevelopment  
Agency; Thomas Hamilton, Finance Director; Frank Baker,  
Robinson & Cole

OTHERS: Richard Bonenfant, Anna Duleep, Michael Geake,  
Laurel Lindstrom, Common Councilmembers

**CALL TO ORDER**

Rev. Bolden called the meeting to order at 7:09 p.m.

**PUBLIC PARTICIPATION**

Rev. Bolden asked three times if any one wished to speak. Hearing none, she closed the public participation portion of the meeting.

**APPROVAL OF MINUTES**

- **January 29, 2009**

- **\*\* MR. KRUMMEL MOVED TO ACCEPT THE MINUTES AS SUBMITTED  
\*\* MOTION PASSED UNANIMOUSLY**

- **February 5, 2009**

- **\*\* MR. KRUMMEL MOVED TO ACCEPT THE MINUTES AS SUBMITTED  
\*\* MOTION PASSED WITH TWO (2) ABSTENTIONS (MS. BROWN AND  
MR. HILLIARD)**

**WEST AVENUE CORRIDOR REDEVELOPMENT – PLAN AREA B**

Mr. Sheehan explained that the purpose of this meeting was to go through the changes that were brought back to the development team. Ms. Sweitzer gave everyone corrected versions of the document. She explained that the strike outs were clearly strike outs and the additions were underlined. Mr. Sheehan said that they did not get the documents copied in color. He said that the cost for all of the individual copies was approximately

\$500.00 and their annual budget for this Committee is \$3,000. Ms. Sweitzer said that the revised version is on the City's website in color.

Mr. Krummel noted the members of the Common Council who showed up for this important meeting despite the snow. They are Councilmembers Bonenfant, Duleep, Geake and Lindstrom.

Ms. Brown asked Ms. Sweitzer for a copy of the questions that were submitted to Robinson & Cole. Mr. Sheehan said that going forward they are not going to be able to provide copies to the Committee members; the Agency is subsidizing the Committee's work.

Mr. Baker explained the City's role in this process. They are the end purchaser of the parking garage. He said that the City is not a partner in a legal sense and the City does not want to characterize itself as a partner in this project. Attny Baker said that he started out with seven pages of questions and synthesized the questions down to five pages. He presented them to the redeveloper's legal counsel; their primary issue was the removal of the MDA provisions on pages 70 – 75) related to condemnation.

With regard to the reimbursement for Agency Agreement Costs, Mr. Sheehan said that he thought the agreement went up to \$500,000, but after conversations with Mr. Hamilton, it seems that the agreement was for \$300,000. Mr. Hamilton said that his recollection was that \$300,000 was reimbursable to the Agency.

The project design review costs are covered in the reimbursement fund. Mr. Krummel said that he was concerned that they should have an architect on board. Mr. Baker said that he believed there would be a handful of third parties for a project of this size.

Mr. Krummel asked about the construction fees being charged by the construction manager. Mr. Baker said that if there are significant changes they have to go back before Planning and Zoning. He added that there is a category in the document that deals with significant changes and they are the burden of the redeveloper. Mr. Baker said that he can't represent whether or not \$300,000 is enough. Ms. Brown asked Mr. Sheehan if he was comfortable with \$300,000. Mr. Sheehan said that the developer indicated that \$300,000 is their final number. This is independent of any permit fees that would come to the City which is well beyond \$300,000 and is in excess of \$1 million.

Mr. Sheehan said that he expects permit fees to be quite substantial. Mr. Baker said that the reimbursement fund is for the third parties.

Mr. Baker said that a comment was made that the timeline seemed to be short. He said that the redeveloper pushed out the dates in response to comments from the Planning Committee.

Mr. Baker said that eminent domain power was a big issue and was the biggest set of deletions in the document. Mr. Sheehan explained the thought process about removing eminent domain and said that it was not necessary to include in the document.

Mr. Baker said that he amended section 5.3C which provides for supplemental agreements to the MDA for administration of the funds.

Ms. Brown asked for an overview of the additional \$30 million. The Agency is not committed to getting them the funding. Mr. Sheehan said that this is a shared relationship between the redeveloper and the Agency. The application will be made in the name of the City and awarded to the City. The public improvement cost estimate substantially exceeds \$160 million.

Ms. Brown asked who was helping to facilitate the writing of this grant. Mr. Sheehan said that the Agency is the City's lead agency in addition to the City's Grants Coordinator. It will most likely be a shared responsibility between the City and the Agency.

Ms. Brown asked if there will be a way to move the project forward if they are unsuccessful in getting the \$30 million grant. Mr. Sheehan said that there is a "but for" clause in the agreement.

Mr. Krummel said that he was concerned about whether or not the City is in the position where it would be forced to put up the difference. He said that he is concerned about risk. Mr. Baker said that the City pays nothing to the redeveloper until the garage is built. The document does not require the City to spend any money if the redeveloper comes up short.

Mr. Sheehan said that there is no obligation for the City to come up with additional cash. Mr. Baker said that this is structured as an end purchaser; the City is protected. It is not required to put any money into this beyond the regular administrative costs. In terms of the document, the City is not required to spend any money.

Mr. Baker addressed comment 12: there would be a restrictive covenant with regard to tax exempt entities that would run with the property in perpetuity. The Finance Director would have the authority to lift the restriction. Ms. Brown said that she was not comfortable. Mr. Baker suggested adding the wording "with the consent of the Common Council".

A recess was called at 8:02 p.m. to move the location of the meeting from the Community Room to room 101.

The meeting resumed at 8:10 p.m.

The Committee indicated that the revised wording should be "the Finance Director acting with a simple majority of the Common Council".

The Committee discussed the request for valet parking. Mr. Sheehan said that the redeveloper wanted this with regard to the restaurant tenants. This has to do with their marketing. Mr. Krummel said that this was not the best location for outside dining unless the curbside has a good sidewalk width. Ms. Brown noted that Stamford has a lot of curbside dining. Mr. Baker said that they tried to visualize how this would work. Mr. Sheehan said that there will always be a pedestrian walkway. The tables have to be set back from the curb and would not block the sidewalk. Mr. Sheehan said that he had no problem with adding that the setback would be consistent with the existing ordinance.

Mr. Baker talked about comment 28: He said that there was a question about the sale/rental mix and affordable units. The agreed amount is that the mix of affordable units would be within 20% of the market rate mix, and the redeveloper will decide which units are rentals or condos. Mr. Baker said that the notice question was cleared up.

Mr. Hilliard asked what "reasonably dispersed" meant. Mr. Sheehan explained that traditionally there is a contract for affordable units that get recorded in the land records. They indicate what the redeveloper's responsibilities are. They do not want all of the affordable units to be located together. Ultimately the requirement is that they are required to spread the affordable units throughout the development. In addition the redeveloper needs to identify all of the affordable units to the Agency.

Ms. Brown asked for clarification about the 80% of Connecticut income. Mr. Sheehan said that the area income is higher than the State income. Traditionally they have to have 80% of the State median to be consistent.

LEED standards – Mr. Baker said that they had to include that. He said that his environmental people provided the right reference for LEED standards for the parking garage. He said that they are not applying for LEED certification, but is asking that they design to those standards that are in place on the day the permits are pulled. Ms. Sweitzer noted that the standards change all of the time.

Section 8.4. Mr. Baker said that the suggestion was made by the Committee to use the wording "no more than \$103 million", but the issue is that it can't be less than \$103 million. He said that the gross bond amount would be no less than and no more than \$103 million. Mr. Sheehan said that there are provisions to audit what is spent on public improvements. Mr. Krummel said that the Common Council always uses the phrase "no more than". Mr. Baker joked that if it comes in under \$103 million he will take the Committee to dinner.

Mr. Krummel said that a lot of topics they talked about were not reviewed, such as marketing. Mr. Baker said that is included in the exhibits. Ms. Sweitzer said that she believed the Committee has all of the exhibit changes.

Mr. Sheehan said that the declaration of restrictions is a Zoning function.

Mr. Krummel said that Mr. Baker skipped over comment 7. He said that we are in crucial times now, and a lot of people we put our faith in are guilty of fraud or victims of fraud. He said that he is concerned about having an empty lot on West Avenue because of a lack of project financing. He noted that although the point was made that the City will not need to make a financial commitment until the project is complete, but the site would be an eyesore.

Mr. Krummel said that he does not want to loose the businesses that would be going on the site in this national recession/depression. He said that they have to establish a minimum risk to the City. He said that he wants to be sure the redeveloper has the financial resources now, or before they sign the MDA so that the City will not be stuck with an eyesore for the next 10 years.

Mr. Baker read page 36, 5.1 a & b. He said that before proceeding, the redeveloper has to have their funding in place.

Mr. Sheehan asked to go into Executive Session.

**\*\* THE COMMITTEE, COUNCILMEMBERS AND STAFF MOVED TO GO INTO EXECUTIVE SESSION AT 8:55 P.M. FOR THE PURPOSE OF DISCUSSING REAL ESTATE NEGOTIATIONS \*\***  
**\*\* MOTION PASSED UNANIMOUSLY \*\***

The Committee, Councilmembers and Staff came out of Executive Session at 9:13 p.m.

Mr. Bonenfant asked about the special services tax district and if the developer pays for the construction of the garage. Mr. Sheehan explained that there are a series of pre-conditions they have to meet and once they are met, the City would purchase the garage from the developer. He said that the City will not help the developer construct the garage. Mr. Sheehan said that there are two sources of debt service – user fees (parking revenue) and the other is the SSD tax which will be in effect until the debt is paid off.

Ms. Brown asked if the City will finance the \$103 million in one shot. Mr. Hamilton said that the money will be needed in one shot. There is also a cost of issuance. He said that he will get the final number. The debt service fund will be equal to one year debt service and interest. If the parking revenue projections are off by \$6 million, then the SSD would have to stay in place longer in order to pay off the debt.

Mr. Krummel said that in looking at the capital budget for this year, he sees nothing for the bond. Mr. Hamilton explained that this is a stand alone debt that is apart from the City's regular financing. Parking revenues would be dedicated to repay the debt. The bonds would be issued by the City and their expectation is that they would be authorized under the Redevelopment statutes in the State of Connecticut. The expectation is that they are not general obligation bonds.

Mr. Hamilton said that based on what he knows today, the expectation is that the bonds will be backed by revenues from the SSD and parking revenues and a deficiency pledge by the City. The deficiency pledge will be part of the deal.

Mr. Krummel asked Mr. Hamilton if it would be appropriate to show the addition of the debt in the capital budget. Mr. Hamilton said that it would not be appropriate. This is not a capital item. Mr. Krummel said that it is part of the City's debt. Mr. Hamilton said that he talked extensively with the rating agencies. It will be a piece of the City's overall debt. He said that this debt would be considered self supporting debt. Mr. Hamilton said that this will appear on the City's financial statements, but in this particular case it does not belong in the budget projections going forward. This project falls into a category all by itself. It is self supporting and is a one time debt. The appropriate place for the bond resolution is in the MDA.

Mr. Geake asked if the SSD is based on commercial or residential. Mr. Baker said that there are three categories. Mr. Sheehan said that the developers guarantee payment from the residential component. Mr. Geake said that he is also worried about risk to the City. Ms. Brown asked if the City would own all of the streets and the garage. Mr. Baker said that the City will own all of the public improvements. The SSD Board of Commissioners will be controlled by the City. The SSD will own the garages and contract with the Parking Authority or a designated entity to manage the parking garages. The City runs the SSD.

Ms. Brown asked about comment 29: Mr. Baker said that is an environmental end user restriction. He said that was voluntarily imposed and prevents people from having private wells on the site. The site is already on public water.

Mr. Sheehan said that some concerns were raised about requiring limited contact between City and State officials. The language was reviewed and found to be appropriate.

Ms. Lindstrom asked if the comments made by the Mayor and the Advisory Committee were included. Mr. Sheehan said that they made six recommendations and four were included.

Mr. Sheehan said that the next issue is to hold a public presentation with comments followed by a joint meeting of the Ordinance and Planning Committee. This meeting will take place on March 2, 2009 at 7:00 p.m. That will conclude the Planning Committee's work on the MDA. The intent would be to convene for a regular meeting on March 5<sup>th</sup>.

**\*\* MS. BROWN MOVED TO ADJOURN  
\*\* MOTION PASSED UNANIMOUSLY**

There was no further business and the meeting was unanimously adjourned at 9:50 p.m.

Respectfully submitted,

Rosemarie Lombardi  
Telesco Secretarial Services