

**CITY OF NORWALK
PLANNING COMMITTEE
SPECIAL MEETING
OCTOBER 27, 2008**

ATTENDANCE: Rev. Phyllis Bolden, Chair; Amanda Brown; Carvin Hilliard;
Douglas Hempstead; Kelly Straniti

STAFF: Timothy Sheehan, Executive Director

CALL TO ORDER

Rev. Bolden called the meeting to order at 7:36 p.m.

PUBLIC PARTICIPATION

Mr. Tony Doumele distributed a document "Reality Check for Annual Parking". He said that he had no expertise in parking garages but can Google that information. He said that he asked East Coast Walker to provide information on their proposed revenue per space, but has not received it. He said that \$1,800 - \$2,400 per parking space will not happen. He said that he would like to know what Mary Smith, Senior Vice President of Walker Parking Consultants, thinks about \$2,934 per space. Mr. Doumele said that \$2,000 per parking space is too high.

Mr. Doumele said that after 20 years, we will see a cumulative deficit of the \$64 million. He said that he has not seen an analysis on how that would impact the City's bond rating if the City were to incur that debt.

Mr. Keal Evans, West Avenue said that he had to retain a lawyer to protect what was his. He said that he has a contract that has been initialed for a number of months. He requested a meeting with the developers and Redevelopment. Mr. Evan said that the Redevelopment Agency was surprised by what he told them. He said that he had agreed to go where Seligson Properties wanted to move him, but now supposedly the Firestone property deal fell through. Mr. Evans said that the land owners want to be heard; he told the Committee that they do not know what they are going through.

Mr. Evans said that they are saying that the money man backed down. He reiterated that the land owners want to be heard. Redevelopment had an open door policy, but they have no answers. Mr. Evan said that he can not afford counsel anymore and wants to get protection so that in two years time no one knocks on his door.

Mr. Evans asked the Committee to see where the project finances were coming from. He said that Mr. Seligson does not have the finances. He said that he does not have a signed contract yet. He wants to stay in Norwalk, but not on his dime.

Mr. Sheehan responded that the Agency does not have the authorization to negotiate with him. What is coming forward is that there are potential environmental issues on the Connecticut Avenue relocation site. He said that the deposit has been submitted and the environmental reports are coming forward. He asked Mr. Evans if it is his intent to hire LEP. Mr. Evans said that he can't get on the property. He added that this is a stall tactic on their part; he was supposed to hear two weeks ago.

Mr. Sheehan said that the Agency asked for a copy of the original contract. Firestone will only provide the environmental information upon receipt of the deposit. Mr. Evans said that this is the latest thing to come up. He said that Seligson Properties blamed his attorney for losing the contract, but found that Attorney Zullo never did it. Mr. Evans said that he told Mr. Seligson's people that he would buy the property and then heard that the seller will not let it be used for anything but an automotive use. Mr. Sheehan said that the issue is in the environmental reports coming from the owner.

Mr. Hempstead told Mr. Evans that he felt for him. He asked Mr. Sheehan to provide an update and time certain when the contract will commence. He acknowledged that we are heading into trying times and asked if deals in place are moving forward and when they will commence. Mr. Sheehan said that they are not authorized by the Common Council to negotiate with the property owners. Mr. Hempstead asked for an update from the developer. Mr. Sheehan said that it is a private real estate negotiation. He said that the Common Council wants the developer to negotiate with the property owners themselves. Mr. Sheehan said that the Agency has been told that they have restricted involvement.

Mr. Evans said that he calls once a month for an update, but does not know if the Common Council knows this. Mr. Hempstead asked Mr. Sheehan for outstanding issues; no one wants to use eminent domain and it should not be held over anyone's head.

APPROVAL OF MINUTES – August 4, 2008 Special Meeting

**** MR. HEMPSTEAD MOVED TO APPROVE THE MINUTES AS PRESENTED**

Ms. Brown asked about the timeline. Mr. Sheehan said that it is on the City's website. Ms. Brown said that she wants specific, critical dates in the LDA. Mr. Sheehan said that one of the issues, in terms of the project, runs on specific dates because the project has not started.

**** MOTION PASSED WITH ONE (1) ABSTENTION (MR. HILLIARD)**

BUSINESS

WEST AVENUE REDEVELOPMENT PROJECT

1. Discussion of Waypointe Master Development Agreement

Mr. Sheehan said that he is seeking from the Committee what they are looking for over the next few months. He said that he welcomed any thoughts. Ms. Brown said that she has seen only the positive side of this project, but not the other side. She asked what would be the factor that would not make this project feasible. Mr. Sheehan said that Mr. Hamilton would be the person who could answer that question. Ms. Brown said that she wants to see a worst case scenario. Mr. Sheehan said that would be if no cars show up.

Ms. Brown asked what would happen if they get \$1,800 per parking space. Mr. Sheehan said that Mr. Hamilton has done a stress test that brings the projections for the garage down. Ms. Brown said that she wants to see \$1,800 model. Rev. Bolden said that she would like to find out how Blue Back is faring.

Mr. Hempstead said that the agreement is different because of the 75% occupancy that is being proposed. He asked if that can be tied into cars. He said that he would like an update on where the developers are.

Mr. Sheehan said that this is a half billion dollar project; it was never intended to be funded by Seligson Properties. There is an equity partner that is coming forward, but has not yet been identified. Mr. Sheehan said that they were always bringing a joint venture partner into the deal.

Mr. Hempstead asked if Mr. Seligson has gotten to Planning and Zoning yet. Mr. Sheehan said that won't happen until he has site control.

Mr. Hilliard asked Mr. Sheehan how he suggests the Common Council proceed. He said that they have to know the developer's intentions. Mr. Sheehan said that the first issue has to do with land acquisition. The Redevelopment Agency has been authorized to negotiate with five properties. He said that they anticipate that negotiations will go 90 – 120 days after which they will have a solid understanding of what is doable.

Ultimately a decision will have to be made by the City whether to allow the Redevelopment Agency to utilize its power of eminent domain. The issue of site assembly is the first issue.

Ms. Straniti said that since the site acquisition will take time, can the document be broken down section by section and discussed at monthly meetings. She said that she wants to be sure that she understands the document. Mr. Sheehan said that the Redevelopment Agency is happy to provide what the Committee wants. He said that he needs clarity from the Committee of what they are looking for.

The Committee agreed that they would like a chapter by chapter summary.

Ms. Brown asked Mr. Sheehan if he received Mr. Krummel's seven questions. Mr. Sheehan said that he received that e-mail today.

Ms. Straniti said that since it will be sometime before they vote on this document she would like a summary of the entire document. Mr. Sheehan said that Robinson and Cole submitted the executive summary and asked if that addresses her concerns. Ms. Straniti said that this is an important document and wants to feel that she understands it.

Rev. Bolden said that the Committee needs to understand the document. Mr. Hilliard added that they need to know, at some point, the intention of the developer. He also said that they need to know where the developer is financially and what impact the financial crisis has had on this. Mr. Sheehan said that the Master Development Agreement allows the City and the Redevelopment Agency to review the finances of the developer. Mr. Hilliard said that the Common Council should know if there are going to be delays. Mr. Sheehan said that the partner needs to be identified and vetted. Council approval of the West Avenue Redevelopment Plan, allows the Agency to seek authorization for eminent domain.

Ms. Straniti asked Mr. Sheehan to explain the MDA first, since that is everyone's major concern. She asked what would happen if the deal falls through after the properties have been acquired. Mr. Sheehan said that the developer owns approximately 90% of the property in Plan Area B.

Ms. Straniti asked what will happen if the economy gets worse and there is no funding. Mr. Sheehan said that this is a mammoth investment already. If there is no capital to invest, then the project will not happen. Mr. Sheehan said that at this point there are three issues: The Council need to vote on any acquisitions if necessary; and then there is the Agreement; and then the bond authorization.

Ms. Straniti said that she is in favor of this project, but before she votes, wants a full understanding of the details and the financials. She said that she does not want to vote to take someone's property and then not have the project move forward. Mr. Hempstead said that they need to understand the benefits and the downside. He added that he wants to work through the scenarios to make this faster; he asked Mr. Sheehan to make three different scenarios.

Rev. Bolden said that the Committee needs to be empowered to make decisions; knowledge will provide that empowerment. Mr. Sheehan said that the purpose of the executive summary is to bring forward the major deal points.

Ms. Brown said that after going to Blue Back she is on board to do this, but without hurting anyone. She said that she wants to know if the risks are worth taking. Mr. Hempstead asked Mr. Sheehan if he could identify anything that would be a hindrance.

Mr. Sheehan said that the developer can't get to Zoning until they have site control; they are looking at a variety of ways to do that. Mr. Hempstead noted that there are some tentative agreements that have not moved forward for a variety of reasons. He asked what would happen if the City steps in and negotiates with the property owners. Mr. Sheehan said that the City would then absorb a fair amount of risk. Mr. Hilliard said that in this economic climate, he would not be in favor of doing this.

Ms. Brown asked what would be a reasonable risk. .

Mr. Sheehan said that he will go chapter by chapter and bring those forward for Committee review. He suggested booking 30 – 45 minutes per meeting. He said that he will begin with the financial aspects. Mr. Hempstead suggested inviting other Council members to attend those meetings.

Mr. Sheehan said that he heard that there were concerns about the Agency working as staff to this Committee. He said that he has asked for a legal opinion because he does not know if that is in the best interest of the Committee. Mr. Sheehan said that as the Agency participated in the development of the document, it has professional conflicts. It is a potential issue because it has financial issues. The Agency is an advocate for urban development and he is not comfortable without a third party independent person.

Mr. Hempstead said that he did not believe it was a conflict; the negotiating team acted as the development team and the Finance Department acts as a check. The outside attorney provides an additional check. Mr. Hempstead asked who would act as staff to this Committee. Ms. Brown told Mr. Sheehan that no one knows the details like he does. Mr. Sheehan said that he would see a non-Redevelopment Agency staff person providing information to the Committee.

Rev. Bolden said that the Committee has a level of trust and confidence in him. Ms. Brown said that she enjoys this Committee because the staff is prepared. A third party does not have the vision of how the City will look. She told Mr. Sheehan that he brings a level of expertise that is very helpful. She added that he does a good job and she never felt a conflict of interest.

NORWALK BROWN FIELDS INITIATIVE

1. License Agreement for Environmental Assessment – 13 and 20 Day Street

**** MR. HEMPSTEAD MOVED TO APPROVE THIS ITEM**

Mr. Sheehan said that this was self explanatory. Mr. Hempstead asked if the cost could be rolled into L & L's common area maintenance. Mr. Sheehan said that this is a straight per month lease. Mr. Hempstead said that the cost should be rolled into the lease.

**** MOTION PASSED UNANIMOUSLY**

Rev. Bolden said that this would go on the consent calendar. Mr. Hempstead asked for an update on Poko at the next meeting. Mr. Sheehan said that CHFA is committed to the Poko project.

**** MR. HEMPSTEAD MOVED TO GO INTO EXECUTIVE SESSION AT 9:30 P.M. TO DISCUSS AN E-MAIL REGARDING WEST AVENUE FROM ANTHONY SAVAS
** MOTION PASSED UNANIMOUSLY**

**** MR. HEMPSTEAD MOVED TO COME OUT OF EXECUTIVE SESSION AT 10:00 P.M.
** MOTION PASSED UNANIMOUSLY**

No votes were taken while the Committee was in Executive session.

ADJOURNMENT

There was no further business and the meeting was unanimously adjourned at 10:00 p.m.

Respectfully submitted,

Rosemarie Lombardi
Telesco Secretarial Services

