

**CITY OF NORWALK
PLANNING COMMITTEE OF THE COMMON COUNCIL
FEBRUARY 4, 2010**

ATTENDANCE: Douglas Hempstead, Chair; Andrew Conroy, Carvin Hilliard, Laurel Lindstrom, Clyde Mount, Kelly Straniti, John Tobin

STAFF: Norwalk Redevelopment Agency: Tim Sheehan, John Burritt

OTHERS: Common Council Members: Richard Bonenfant; Richard McQuaid; Nora King (Public Information Session only).
Norwalk Chamber of Commerce: Edward Musante, President
Tony Izzo, Chairman; Mr. Paul Kuehner, Building and Land Technology, David Fite Waters, Thompson Hine Attorneys; Ross Burkhardt, New Neighborhoods, Inc.

CALL TO ORDER

Mr. Hempstead called the meeting to order at 6:45 p.m. and announced that the first part of the meeting was a public information session for the purpose of a round-table discussion with the Chamber of Commerce. He thanked the management of the Steppingstones Museum for hosting the event and for the meet and greet reception.

Mr. Hempstead introduced Mr. Izzo, Chairman of the Norwalk Chamber of Commerce who provided welcoming remarks and introductions of the Chamber members. He added that the objective is to learn from their governing board how to improve Norwalk efficiencies with the program/project approval process.

Mr. Musante spoke to the following list of agenda items:

- A. Approval Process for Large Scale Development Projects.
- B. Charter Revision – 4-Yr Term for Mayor with Commensurate Pay for the Position and Commensurate Pay for Council Members.
- C. Affordable Housing
- D. Other Discussion Items

Mr. Musante, president of the Norwalk Chamber of Commerce said developers in the City have been frustrated for years as they try to get their respective projects approved. The process should be more streamlined and less confusing, and he suggested the city puts together a manual so that developers have an idea of the time and money that will be needed to get a project approved.

He added that approval is needed from one committee before you can move on to the next—which is a “begin and end” and “begin and end” approach. He stated that instead of a consecutive approval process, it should be a concurrent process.

Following the discussion of streamlining the approval process, Mr. Musante urged the Council to extend the mayor’s term from two to four years. He explained that, because so much effort is based on being re-elected after only one year of service, reaching a level of experience after only one “city year cycle”, the effectiveness of the position is really limited. He added that the mayor’s salary should be raised to be more in line with other cities along with a raise for Common Council members who receive only a stipend that barely covers their expenses to serve on the City’s primary governing board.

Mr. Bonenfant stated that would require a charter revision and would have to be voted upon by the public. Following the discussion of elected official compensation structures, Mr. Musante stated that the last and most critical element of the recommendations is affordable housing.

Mr. Musante urged the Committee to approve more affordable housing so that workers, such as firemen, teachers and nurses could afford to live in Norwalk. He added that the transportation problem in Fairfield County is in large part due to the fact that many people have to commute to their jobs because they can’t afford to live in cities like Norwalk. Ms. Mary Franco of Norwalk Hospital said that as the City’s largest employer, they have a continual issue with maintaining employees. She added that nurses are the bulk of the workforce and it is hard to keep them because they have to live so far away.

The following recommendations were presented and discussed:

1. Council should convene a group of Council Members and members of the Chamber to make recommendations to streamline the approval process of large-scale development projects. Committee to report back within 60 days of formation.
2. Committee should convene lead staff people and chairs of approval process agencies to determine where streamlining/efficiencies can be made within the approval process.
3. Create a development process manual so that developers understand the process and strict time frames prior to moving forward with an application for a project.
4. Create standard City Land Disposition/Project Agreement that will be offered to a Developer including a schedule of assistance to be given by the City depending upon the positive tax consequences to the City.
5. Immediately begin Charter Revision to process to consider a 4-year term for Mayor.
6. Amend Ordinance to increase Mayor’s salary to a level commensurate with other larger cities within our economic region.
7. Amend ordinance to increase salary to Common Council members to reflect the level of time and commitment necessary to properly fulfill the legislative body duties.

The following is a summary of the comments made by the Committee Members in response to the above recommendations and discussion points made by members of the Chamber of Commerce:

Ms. Lindstrom commented that the discussion has been very appropriate and she is in agreement with many of the recommendations, but wanted to ask if this has been broached with the City Department heads for their input. Mr. Musante replied that this was a very good point that the City Hall staff and Department Heads and Committee Chairs are all quite competent, qualified experts in their respective fields of expertise, and they should provide their perspectives on how to streamline the approval process to a more concurrent timeline approach.

Mr. Tobin asked if they looked at the Stamford process to get feedback from them as perhaps they follow a better model or timeline. Mr. Musante responded that it is good to look at the zoning in Stamford and there are members of the Chamber of Commerce that are involved in Stamford and that perhaps an Ad-Hoc Committee should be formed as a resource that can be used for improving the processes in Norwalk.

Mr. Conroy added that he thought an Ad-Hoc Committee was a great idea and he hopes that the Chamber has volunteer members ready to sign up for it. Ms. Straniti stated she agrees with an ad-hoc committee and a manual. She stressed that it is a great idea to have a more concurrent process and that format would prevent the current slow process where projects have to be re-presented many times at the various Committees. She added that a manual would be really helpful to provide an efficient “how to guide” to outline the timing and approval steps involved.

Mr. Mount stated that the best idea is to identify and look at internal processes within the City and learn from the various Departments where efficiencies for the approval process can be implemented.

Mr. Hempstead acknowledged other non-committee Common Council members that were in attendance, and asked if they had any remarks.

Mr. Bonenfant commented that this type of forum with members speaking on behalf of the business community was great and the ideas that come out of this truly benefit all. He added that the upfront presentation to all committees early on with the public information sessions and concurrent meetings with the departments are all good ideas. Mr. Musante replied that it avoids going back in the approval step process as often times there are changes required that affect prior approvals, where if all committees are in the same room it presents a greater understanding and consistency of communication.

Mr. McQuaid commented that the idea of a manual is the best part, where there are guidelines of requirements and a timeline of the process and procedures. Ms. Nora King stated that there are tremendous advantages with having connections with the Chamber of Commerce, and it would be interesting to see if other cities have a manual to see how the process moves through their system.

Mr. Musante responded that each city has different forms of government either with a strong City Council/weak Mayor or strong Mayor/weak Council, and that has an impact on the manual or the evolving process.

Mr. Hempstead stated the creation of a manual or “playbook” would make the process a lot easier, but utilizing and enforcing it would be the issue. He added that while he agrees with the need of affordable housing, it is the long-term inequity situation where Norwalk does comply with the 10% rule of low income housing, where the surrounding towns, Wilton, Westport, Darien, New Canaan do not. He feels that the state legislature needs to do something to make things fair and equitable without continuing to strong arm Norwalk to more than their fair share of the affordable housing issue.

He stated that overall this roundtable session was highly informative and a crucial element in improving the efficiency of the City’s efforts for economic development. He thanked the members of the Chamber of Commerce and stated that they were welcome to stay for the public comments portion of the meeting.

PUBLIC PARTICIPATION

Mr. Hempstead reviewed the procedure for public comments 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 agenda items.

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

State Representative Christopher Perone presented a letter to the Planning Commission signed by the following state legislators: State Representative Larry Cafero, State Representative Bruce Morris, State Representative Peggy Reeves, State Representative Terry Wood, and State Senator Bob Duff. He read the letter, which is summarized as follows:

The Norwalk state legislative delegation would like to make it a matter of public record that we are respectfully asking the Planning and Zoning Commission for a favorable consideration of the 80 Fair Street project. ...There is a real need for this type of housing in the City of Norwalk and without the financial assistance of the city and state; this housing will not be available to the working men and women who truly need it. ...one of the chief contributors to students leaving after college has been a lack of affordable housing...lack of housing for employees is a disincentive for businesses to locate in Connecticut.

Mr. Perone went on to read that the legislative session is going to be marked by legislation that focuses on job creation...lack of affordable housing is widely considered by most experts to be a major obstacle in the path of a community’s future growth and development.. Norwalk has the opportunity to move in the right direction...We ask that you consider the numerous benefits of this project...this opportunity may be too great to ignore...

Senator Bob Duff spoke to the letter from the legislature delegation and urged members of the Committee to approve 80 Fair Street and echoed many of the points made by Representative Perone. He stated that he was proud to support the efforts of New Neighborhoods by providing affordable housing to help young families be able to stay in Norwalk and live more affordably so they can save to become a home owner. He added that so many of Norwalk's young workforce has to move up the line to afford to live, which clogs the highways and acts as a economic decline rather than a boost to the city. Norwalk's workforce, their firemen, teachers, and nurses are forced to spend their money out side of Norwalk--in the towns where they can afford to live, rather than investing in our City. He concluded with a statement to urge the Committee to consider the numerous benefits of 80 Fair Street.

Mr. Peter Nolan, Douglas Drive, Norwalk spoke that despite a charity in town has a problem with the 80 Fair Street project, the Mayor has spoken out in support of the project and he applauds the efforts of New Neighborhoods to come to the rescue of the developer. He stated that the City has a commitment to meet half way and there is an implied contract. The City agreed years ago to help get this done, and they have a hand shake deal with the obligation to get it done; and despite the issue that other cities don't do their fair share of 10% low income, that is a much bigger issue.

Ms. Diana Lauricello of the League of Women Voters, stated that she agrees with Mr. Nolan that the City has a moral obligation to honor their implied contract and she agrees with the semantics of affordable vs. workforce housing, and she is very pleased that the New Neighborhoods, Inc. has come to the rescue of Building and Land Technology. She questioned why for other developments such as Avalon, when the permit was up for renewal it was automatically approved without going to the 10% affordable rule, which was not agreed upon. She added that she likes the fact that 80 Fair Street is in a residential district where others have been in an industrial zone. Ms. Lauricello stated that relative to the Enterprise Zone, the City already has clean industry with Mueller Park and Pearl Street areas that qualify for state benefits, so she urges caution with expanding the zone. She stated that relative to the Globe Theater, she would ask the Committee why is it that the current owner is not to be held responsible for the environmental remediation, but the City. She feels that the City should renegotiate that portion of the contract so they do not have to pay what could amount to a million dollars in asbestos removal and environmental remediation costs.

Ms. Amanda Brown, introduced herself as a former Council member who had been extensively involved with many housing development projects, but the one here tonight on Affordable workforce housing is an issue that affects many of Norwalk's residents, and her in particular. She added that she is a single mother of two children and finds it very difficult to make ends meet with housing costs in Norwalk, and it is a humbling experience. She added that she is here tonight on an emotional appeal to the Council to make sure that people have affordable housing options to raise a family and make a life in the city where they work and live. She added that when she made a job change, she had to realize a huge increase in her housing expenses just to remain living in the city where her children attend school.

Ms. Brown continued on to state that she came to the meeting tonight to speak on the emotional issue, not the financial or law-making issues, as this is one that hits her and many others in the heart. She added that the City has to do their due diligence to not be taken advantage of compared to the lack of compliance with the neighboring towns. However, she asked the Committee members to consider the numerous benefits of this project that is not just a financial project, but one that affects the lives of so many residents like her. She urged the members to please think of how many young families, middle-income people will be affected by this opportunity to have affordable housing, so they may be able to stay in the City they love; to be able to enjoy the services, the beaches, the many programs that the City works hard to put in place. She closed with an appeal to approve affordable housing to help the Norwalk workforce to be able to afford to pay their rent, to have a better live, and to be able to save money to some day afford to become a home owner.

Mr. Bob Burgess spoke in behalf of the 80 Fair Street project and stated he had predicted years ago that their would be crowding and overflows on the highways with the private sector moving and expanding in Norwalk. He added that it is a disgrace and shame not to approve the project and to look at other areas of the city where workforce housing can be created.

Mr. Hempstead asked if there were others who wanted to make public comments, and announced once, twice, and, that hearing none, he closed the public comments of the meeting at 9:00 p.m.

Mr. Hempstead called for a five-minute recess.

The meeting was reconvened at 9:10 p.m. and the regular portion of the meeting was called to order.

Mr. Hempstead announced he was requesting a suspension of the rules of order to move up item F. 80 Fair Street to next on the agenda, since those members who had spoken about the project were still present. The members were in agreement.

B. 80 Fair Street Project

Approval of the project's proposed PILOT

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 80 Fair Street project.

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. Hempstead asked Mr. Sheehan to present the additional information as requested from last month's meeting. Mr. Sheehan presented an updated proposal listing the formal PILOT request, rationale and related financials along with the proposed agreement, which is in the process of being reviewed by Corporation Counsel. He added that at the time the package was being sent out there was no further word as to when the agreement would be forthcoming to the Committee. He stated that in response to the Committee's request for additional information from New Neighborhoods, attached was the pro-forma with assumptions, related PILOT sensitivity analysis and background information on New Neighborhoods.

Mr. Sheehan distributed a chart that outlined the PILOT sensitivity analysis with the three scenarios of anticipated vacancy/occupancy factors and rent estimates. He added that the project team was present to review information, and Attorney David Fite Waters stated that New Neighborhoods has put forward a formal request for the consider involving a payment in lieu of tax (PILOT) proposal for the 80 Fair Street property. He introduced Mr. Paul Kuehner, of Building and Land Technology, who said he was representing his brother, Carl, who had been the primary business contact with the project, but that he was here tonight to discuss "doing the right thing." Mr. Kuehner gave an overview of the history of the project that began in 2006, and highlighted the stumbling blocks they have hit with losing financing, CHAFA denial in 2008, the dismissal of the management company, and finally a call from the state offering their assistance within the realm of affordable housing.

Following further discussion, Mr. Hempstead asked for comments from the Committee members.

Ms. Lindstrom stated that she found the public comments very moving and fully supports the idea of affordable housing and was impressed by the number of people present including the state representatives and delegation from the legislature. She added that she has followed the idea of workforce housing and was impressed by the additional information on New Neighborhoods. She added that she was very moved by the eloquent speakers and is very sensitive to this issue that so many of the Norwalk work force faces. She stated that while she realized there are tax implications, she hopes the state legislature can correct the unfair and inequitable situation that Norwalk is faced with.

Mr. Hilliard stated that he was very much in agreement with Ms. Lindstrom comments and feels 100 % that Norwalk desperately needs housing for the workers, nurses, and spoke in agreement of the brain drain concept where young people leave the City in search of an area where they can afford to live, and it needs to be changed. He asked the question of what the next steps were in the approval process.

Mr. Conroy stated that the threat of being under the 10% rule creates a flood by developers and he cringes at what projects are being forced upon the City. He fails to understand why Norwalk is the target and it has to stop. While Norwalk has complied with the 20% rule, other cities simply have not and have suffered no consequences. He added that we simply can't keep doing this and be considered a wealthy community.

Mr. Conroy stated that he hears from desperate residents in his district that can't handle increased taxes. He added that this is a self-perpetuating situation which creates a shortfall for education, the state assistance is ever-dwindling, and he sees this project resulting in an increase in taxes. He summarized that it creates a precedent and epidemic to the city and state.

Mr. Tobin stated that while he wants to stay above the 10% rule, why is it necessary to move this project at tonight's meeting when it was not on the agenda as an action item.

Ms. Straniti stated that she agrees with Mr. Tobin, and is shocked to hear about handshake deals and implied agreements, when it was not vetted through this Committee. She added that a threat of non-compliance with the state 10% rule is not the right approach and she is baffled by the process.

Mr. Hempstead stated that moving it on to the Common Council would be an action item, but there was no contract to move. He added that this is a complicated agreement that no one with the current law department is familiar with. Therefore, rather than do a great deal of work with state statute compliance, the law department wanted the "reassurance" that there was an indication of positive approval before they did all the work required.

Mr. Hilliard requested clarification as to why they were not in a position to move this forward, and Mr. Sheehan responded that it has been placed in the hands of the Law Department to put a contract together; and rather than spin their wheels, have asked for preliminary direction and contingent approval to get an indication as to the level of interest from the Committee.

Mr. Hempstead stated that it is not an action item for tonight's meeting, and Mr. Hilliard requested it to be shown on the record that he questions this as a highly unusual situation.

Mr. Sheehan clarified that this project was given to the City in October, and Mr. Hilliard again stated that it is highly unusual for it to have taken so long to get this far, only to be sent to the law department without having it as an action item for Committee approval.

Ms. Lindstrom stated that they need to do something, and the members should discuss this in committee.

Mr. Conroy suggested a ten-minute recess to review procedure, and the meeting was recessed at 9:40 p.m., reconvened at 9:48 p.m.

Mr. Hilliard stated a point of clarification for consensus-building, that the project should be sent to the Law Department with contingency approval of forwarding it on to the Common Council.

Mr. Mount asked what was the timing involved, and Mr. Hempstead responded that hopefully by the second meeting in February, and added that he is stymied due to this new process and the need to create a contingency or preliminary approval.

Ms. Lindstrom asked if this will not then come back to the Committee, and Mr. Hempstead answered that it should be vetted by the full Council

**** MR. HILLIARD MOTIONED TO FORWARD THE 80 FAIR STREET PROJECT APPROVAL OF THE PROJECT'S PROPOSED PILOT ON TO THE LEGAL DEPARTMENT FOR CONTRACT REVIEW THEN DIRECTLY TO THE COMMON COUNCIL FOR FULL COUNCIL REVIEW AND APPROVAL.**

**** THE MOTION PASSED WITH FOUR VOTES IN FAVOR, AND TWO OPPOSED (MR. TOBIN AND MS. STRANITI)**

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

APPROVAL OF MINUTES

**** MR. TOBIN MOTIONED TO APPROVE THE MINUTES FROM THE JANUARY 21, 2009 MEETING, AS SUBMITTED**

**** THE MOTION PASSED WITH A VOTE OF 5 IN FAVOR, NONE OPPOSED AND 1 ABSTENTION (MR. MOUNT).**

BUSINESS

C. Capital Budget

Request to approve the scheduling of a public hearing on April 1, at 8:00 p.m. regarding the City's Capital Budget.

Mr. Hempstead stated that there were three hearings needed to be scheduled the same week at the regular meeting, and asked the members if they preferred to have this the evening before or the same evening. He suggested the evening prior would be best considering the two other public hearings, and the time needed to allow for public comments on the budget.

**** MR. MOUNT MOTIONED TO APPROVE THE SCHEDULING OF A PUBLIC HEARING ON MARCH 31, AT 7:00 P.M. REGARDING THE CITY'S CAPITAL BUDGET FOR 2010-2011.**

**** THE MOTION PASSED UNANIMOUSLY.**

D. Community Development Block Grant

1. Request to approve the scheduling of two public hearings on April 1, at 6:00 p.m. for the City's Annual CDBG Action Plan for PY36 and the City's CDBG Consolidated Plan.

Mr. Hempstead stated that this hearing could be one of the two held prior to the regular meeting agenda.

**** MS. LINDSTROM MOTIONED TO APPROVE THE SCHEDULING A PUBLIC HEARING ON APRIL 1, AT 6:00 P.M. FOR THE CITY'S ANNUAL CDBG ACTION PLAN FOR PY36 AND THE CITY'S CDBG CONSOLIDATED PLAN.**

**** THE MOTION PASSED UNANIMOUSLY.**

E. Globe Theater.

1. Approval of request to approve the scheduling of a public hearing on April 1, at 7:00 p.m. regarding the use of a Community Development Block Grant Section 108 Loan for acquisition of the Globe Theater by the Redevelopment Agency

**** MS. STRANITI MOTIONED TO APPROVE THE SCHEDULING OF A PUBLIC HEARING ON APRIL 1, AT 7:00 P.M. REGARDING THE USE OF A COMMUNITY DEVELOPMENT BLOCK GRANT SECTION 108 LOAN FOR THE ACQUISITION OF THE GLOBE THEATER BY THE REDEVELOPMENT AGENCY.**

**** THE MOTION PASSED UNANIMOUSLY.**

F. Norwalk Enterprise Zone

Mr. Jack Burrirt, Associate Director of the Norwalk Redevelopment Agency presented a review of the economic impact of expanding the City's Enterprise Zone to include the 95/7 Development and the South Norwalk industrial area. He presented an analysis of the assumptions of tax revenues from Reed Putnam Parcels 1, 2, and 4 with a chart of the approved development program at build-out. He summarized that the projected taxes at full build out based on the assumptions listed is a total of \$4,325,850 for the total 1,144,000 square footage at the various tax rates for Office, Retail, Hotel and Residential use.

Mr. Burrirt presented an analysis of tax revenues from the District 95/7 Project with and without the EZ Abatement for the seven building phases of retail and residential use over 10 years, representing a total of \$30,162,762 with the EZ abatement and \$34,421,930 without the abatement or a difference of \$4,259,168.

Mr. Conroy asked how many users bail out after the five years, and Mr. Burrirt responded that this is PILOT program with provides for the city to be reimbursed for \$692,000 based on state statutes.

Mr. Mount asked that is the next step, and Mr. Burrirt responded that this is the preliminary application, which requires a response with 60 days. He referred to the chart provided and highlighted that applicants should contact DECD where they will be qualified and receive a preliminary application. He added that additional information will be forthcoming for the requested expansion impacting Norwalk's industrial areas.

Mr. Burritt stated that the agency was working with the City's Finance Director to get consensus around the numbers associated with this benefit and expects to have something from Mr. Hamilton for approval at the next meeting.

Straniti asked when the tax abatement starts, and Mr. Sheehan responded when the project is completed. He added that the benefit is jobs, and it is the hope to employ more people in the neighborhoods, which will stimulate growth in depressed areas.

Mr. Hempstead requested a time line, the feasibility of a test and a comparison of if they do nothing versus implementing the expansion program. He suggested that if the necessary financial information becomes available, that this be put on to the next meeting agenda as an action item for approval to advance the item to the Common Council.

EXECUTIVE SESSION

There was no Executive Session.

OLD BUSINESS

There was no old business discussed.

ADJOURNMENT

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

The meeting adjourned at 10:45 p.m.

Respectfully submitted,

Marilyn Knox
Telesco Secretarial Services