CITY OF NORWALK
REDEVELOPMENT AGENCY
REGULAR MEETING
August 12, 2009

ATTENDANCE:	Emil Albanese, Acting Chairman, Commissioners Felix Serrano, Randy Napoletano and Lisa Cooper
AGENCY COUNSEL:	Marc J. Grenier, Esq., David W. Stergas
STAFF:	Timothy T. Sheehan, Executive Director, Munro W. Johnson, Sr. Development Project Manager, Susan Sweitzer, Sr. Project Manager, and John Slovak, NRA Comptroller

CALL TO ORDER

The Regular Meeting was called to order at 6:30 P.M by Acting Chairman Albanese.

ROLL CALL

I. FINANCE
   1. Operating Financial Statements for the Fiscal Year Ending – June 30, 2009

Mr. Slovak reported on the financial statements as follows:

Total revenues including interest income and miscellaneous revenues for fiscal year ending June 30, 2009 are $1,764,799 versus a fiscal year end budget of $1,754,753, resulting in a favorable fiscal year-end revenue variance of $10,046. This was due to moving checking accounts to Peoples United Bank and setting up money market accounts and certificate of deposits paying higher rates of interest.

The actual miscellaneous expenditures for fiscal year end are $54,520 versus a fiscal year end budget of $37,436, resulting in an unfavorable spending variance of ($17,084). This is a result of marketing expenses for Snyder Group and other advertising expenditures.

Total fiscal year end actual expenditures are $1,777,507 versus a fiscal year end budget of $1,822,745, resulting in a favorable expenditures variance of $45,238.

There is a fiscal year end actual operating deficit of ($12,708) versus a budgeted net operating deficit of ($67,992), resulting in a favorable net year-to-date operating variance of $55,284.

** **MR. NAPOLETANO MOVED TO APPROVE THE OPERATING FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING JUNE 30, 2009.**
** **MR. SERRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

II. BUSINESS

A. WEST AVENUE CORRIDOR REDEVELOPMENT PROJECT

1. DECD Site Assistance Agreement – Negative Pledge Agreement

Ms. Sweitzer explained that the Department of Economic and Community Development received State Bond Commission approval to invite the City to submit a Financial Assistance Proposal under the Urban Act Grant Program in an amount of $5 million for the Waypointe Development Project. The City executed the Financial Assistance Proposal, which contains certain property restrictions during its term. It also obligates the City to obtain the Redevelopment Agency's signature on a Negative Pledge Agreement as a component of the grant Assistance Agreement, even though (a) the Agency owns no property in the project area and does not prospectively conceive of purchasing property; and (b) is not a party to the grant Assistance Agreement between the State and the City.

Ms. Sweitzer said the Negative Pledge Agreement as originally proposed would have exposed the Agency to certain financial obligations and expenses in the event of a default by the City. These terms were renegotiated with the State and an alternative document was proposed by Agency counsel which essentially omitted the financial exposure, but would have obligated the Agency to execute the Pledge Agreement separately from the City, so in effect there would have been two Pledge Agreements.

What the State ultimately proposed as a compromise provides for only one Pledge Agreement under which the Agency is not a pledgor and, therefore, is not incurring the obligations and expenses that could result from a default by the City. Rather the Agency agrees to acknowledge and agree to the terms of the agreement with no obligations or liability provided it does not take title to nor receive any interest in property during the term of the agreement. The Action Requested has been revised to reflect the new Pledge Agreement language.

Mr. Sheehan said he was of the opinion that the Agency should be written out of the agreement altogether. It has no property interest in the site and is not a party to the agreement between the City and the State, but in recognition of the potential that the Agency would have a role if it were asked to pursue a property acquisition under an eminent domain taking, he understands the State wanting the Agency to be tied into the agreement.

He noted that the Negative Pledge Agreement is a typical standard issue for the State of Connecticut when they provide this type of funding. The State requires a ten-year commitment, even when they are dealing with private companies, and he believes the solution that DECD has come forward with is a workable solution for the Agency.

** **MR. NAPOLETANO MOVED TO AUTHORIZE THE EXECUTION OF THE NEGATIVE PLEDGE AGREEMENT AS REQUIRED BY THE ASSISTANCE AGREEMENT BETWEEN THE CITY OF NORWALK AND STATE OF CONNECTICUT FOR THE RELEASE OF $5 MILLION FOR THE WAYPOINT DEVELOPMENT PROJECT AND AUTHORIZE PAUL JONES, NORWALK REDEVELOPMENT AGENCY CHAIRMAN, AND/OR EMIL**

ALBANESE, VICE CHAIR, TO EXECUTE ALL DOCUMENTS TO IMPLEMENT THE NEGATIVE PLEDGE AGREEMENT.

** **MR. SERRANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

III. OLD BUSINESS

1. 501(c) 3 Non Profit

(Tabled until later.)

IV. NEW BUSINESS

A. <u>WALL STREET REDEVELOPMENT PLAN</u>

1. Mill Hill Master Plan draft Phase I (Existing Conditions) Report

Mr. Johnson said Mill Hill is probably the largest green space and most significant historic property within the Wall Street Redevelopment Plan area, and because of that, the Agency feels it has a role to play with its planning and has agreed to assist the Norwalk Historical Society in putting together a Master Plan. Last winter they did the RFP, received several responses back and selected a consultant, who has just completed a draft existing conditions report, which basically describes the way the property is now. They have not gotten to any of the more interesting aspects of what the proposals may be going forward, but inasmuch as it is a significant piece of property within the Wall Street Redevelopment Plan Area and they are assisting with the planning process, they wanted to keep the Commissioners informed as the drafts come in so it can see the direction they are going in.

III. OLD BUSINESS

1. 501(c) 3 Non Profit

** **AT 6:43 P.M. MR. ALBANESE MOVED TO CLOSE THE MEETING AND GO INTO EXECUTIVE SESSION.**

** **MR. SERRANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

(EXECUTIVE SESSION FROM 6:43 P.M. to 6:58 P.M.)

** **AT 6:58 P.M., MR. ALBANESE MOVED TO COME OUT OF EXECUTIVE SESSION.**

** **MR. SERRANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

V. EXECUTIVE SESSION

A. **<u>310 ELY AVENUE</u>**

1. Real Estate Negotiations

Mr. Grenier noted that the Commission came out of Executive Session at 6:58 and is back on the regular agenda for August 12, 2009. The Vice Chair will entertain a motion to go back into Executive Session to discuss agenda item number V.

** AT 7:00 P.M. MR. ALBENESE MOVED GO INTO EXECUTIVE SESSION REGARDING ARTICLE V.

** MR. SERRANO SECONDED.

** THE MOTION PASSED UNANIMOUSLY.

(EXECUTIVE SESSION FROM 7:00 P.M. TO 7:25 P.M.)

** AT 7:25 P.M. MR. ALBANESE MOVED TO COME OUT OF EXECUTIVE SESSION

** MR. SERRANO SECONDED.

** THE MOTION PASSED UNANIMOUSLY.

ADJOURNMENT

There being no further Old or New Business, upon motion duly made by Mr. Napoletano, seconded by Mr. Serrano, the meeting was adjourned at 7:25 P.M.

Respectfully submitted,

Karen Pacchiana