CITY OF NORWALK
REDEVELOPMENT AGENCY
REGULAR MEETING
JULY 15, 2020

ATTENDANCE: Felix R. Serrano, Chairman, Lisa M. Cooper; John Igneri, David G. Westmoreland

OTHERS: Katie O'Leary, Norwalk Redevelopment Agency; E Lupinsky, Norwalk Redevelopment Agency; Atty. Marc Greinier; Atty. Brian Bodlli, John McClutchy, JHM Group; Todd McClutchy, JHM Group; Jason Milligan, Deborah Brancato

CALL TO ORDER

Mr. Serrano called the meeting to order at 5:32 p.m.

ROLL CALL

Mr. Serrano called the roll. A quorum was present.

PUBLIC PARTICIPATION

Mr. Jason Milligan said that the proposed amendment claims only to pertained to Phase 1, however, Mr. Milligan said this is false in one critical way. The amendment attempts to preserve all the rights and obligations of Phase 2 and 3. There are serious legal questions about this project, this plan and the LDA. It is likely that all of them are invalid for various reasons. Personally, Mr. Milligan said that he had no desire to find out because It would require at least five years of legal battles and appeals.

Mr. Milligan said that he did not begin the legal battles but was sued twice by the City and the Agency before he brought any litigation against the City. He said he would prefer to try and negotiate in order to move forward. The Redevelopment Agency is currently the lead plaintiff in the lawsuit against him and has spent over $1 million dollars in legal fees.

Mr. Milligan said that at the previous evening's Common Council meeting, Council Member Livingston wisely recognized the problems in the past and also that things had changed. However, Council Member Livingston felt comfortable allowing the plan to move forward despite his reservations. Council Member Livingston also pointed out that it would be important to work things out with him.

It's time to turn the page because time has passed. Things have changed and it's time to find a way to end the lawsuits and allow Norwalk to move forward. Ending the lawsuit against Mr. Milligan would be the place to start. This could happen by adding one sentence to the amended plans that would give the project a chance at happening soon. He suggested the following: "Phases 2 and 3 are hereby suspended indefinitely and will no longer be enforced against the parties, successors or [inaudible]." Nothing would prevent a new developer from coming forward later to resurrect these phases or create a new concept for Phase 2 or Phase 3.

The problem with going forward with the current plan amendment is the fact that Mr. Milligan must defend himself as does Mr. Olsen. Mr. Milligan said that he did not want to be in that position. He added that he would be happy to find a path forward with reasonable people including one of the McClutchys, Citi Bank, Agency members and Council Members.

Mr. Milligan concluded that he hoped the Commissioners would consider that proposal because it would make all the difference in the world. He said that he wanted to see Norwalk move forward and would help it move forward by getting out of the way of the current project if possible. He repeated his request that the Commissioner consider his proposed amendment.

Mr. Serrano thanked Mr. Milligan and asked if there was anyone else who would like to address the Commissioners. There was no one else who wished to address the Commissioners at this time.

ADMINISTRATION

1. **APPROVAL OF MINUTES**
   i. **June 9, 2020 Regular Meeting**

**** MS. COOPER MOVED THE MINUTES OF THE JUNE 9, 2020 REGULAR MEETING.**
**** MR. WESTMORELAND SECONDED.**
**** THE MOTION TO APPROVE THE MINUTES OF THE JUNE 9, 2020 REGULAR MEETING AS SUBMITTED PASSED UNANIMOUSLY**.

2. **FINANCE**
   i. Approve Norwalk Redevelopment Agency Revenue and Expenditures

Ms. Lupinski presented the financial report.

**** MR. IGNERI MOVED TO APPROVE THE NORWALK REDEVELOPMENT AGENCY REVENUE AND EXPENDITURES.**
**** MR. WESTMORELAND SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY**.

3. BUSINESS
1**. Election of Officers**.

Mr. Serrano suggested presenting the entire slate of officers at one time for approval>

**** MS. COOPER MOVED TO APPROVE THE FOLLOWING SLATE OF OFFICERS FOR THE NORWALK REDEVELOPMENT AGENCY:**

CHAIRMAN:	**MR. FELIX SERRANO**
VICE CHAIR:	**MR. WILLIAM SPEIR**
SECRETARY/TREASURER:	**MS. LISA COOPER**

**** MR. IGNERI SECONDED**.
**** THE MOTION TO APPROVE THE SLATE OF OFFICERS AS PRESENTED PASSED UNANIMOUSLY**.

2. Strategic Plan Update.

Mr. Bildolli presented his update to the Commissioners. He said that he was targeting the next few months to bring a draft to the Commissioners.

3. Wall Street Place – Phase I Development.

i. Approve the amended Land Disposition and Development Agreement (“LDA”) by and between the City of Norwalk, the Redevelopment Agency of the City of Norwalk and POKO- IWSR Developers, LLC, dated November 14, 2007 (as amended), and the proposed amendment to the Loan Recognition Agreement (“LRA”), by and between POKO- IWSR Developers, LLC and the City of Norwalk, the Redevelopment Agency of the City of Norwalk, Citi Bank, and…, dated November 14, 2007 (as amended); and authorize the Agency Chairman to execute any and all documents associated with the amended LDA and LRA as necessary to allow for the proposed development by Municipal Holdings, LLC to complete the Phase 1 Construction of the Wall Street Place project.

Mr. Bidolli said that this had been presented to the Planning Committee and the Common Council last year. There had been a number of concerns, such as the affordability, expressed at that time.

The Planning Committee has approved the revised proposal and the Common Council had approved the proposal at the last Council meeting.

Mr. Bidolli displayed the site plan and an aerial photo of the site on the screen. He spoke about the access areas and indicated where the garage would be.

There was a issue about the Arts component. The developer is willing to donate retail space for the Arts Commission for a five year period for the sum of $1.00 a year.

Mr. Bidolli said that during the last six months, the group has been working with Mr. Todd Bryant and the architects to revise the design.

The project will be moving away from the automated parking garage to the more traditional style. The units have been redesigned and brings the units to 60% affordable. There are some three bedroom units included. These changes will have an impact on the Land Disposition Agreement.

Mr. Serrano has several questions about the parking requirements. Mr. Bidolli said that there is a provision in the City Zoning regulations that could reduce the required number of spaces down to 1 per unit. He reviewed the details with the Commissioners.

Mr. Serrano asked about the affordability component and the discussion that has occurred with zoning about the location of the affordability units. Mr. Bidolli said that they were working with the developers on this issue.

Mr. Serrano asked if the Agency Counsel had reviewed the amendments. Mr. Bidolli said that the Counsel had reviewed the changes.

Mr. Serrano said that both Mr. Bidolli and the applicant had been very involved in accommodating the concerns expressed by the Common Council.

Mr. Westmoreland asked about the affordability mix and asked if he anticipated that changing. Mr. Todd McClutchy said that the mix need to address the programmatic requirements and he did not anticipate any changes with the mix because they need to meet the financial requirements also.

Mr. Westmoreland asked why the arts lease was only five years since the abatement was for 15 years. Mr. Bidolli said that the appraisal indicated the space was evaluated at $75,000. This is just the seed to start the program.

Mr. Westmoreland asked if there were particular challenges regarding the zoning review. Mr. Todd McClutchy said that they had been working with the Building Department to insure that they were incorporating the latest requirements.

Mr. Westmoreland asked about the tax credits. Mr. McClutchy said that the tax credits would mostly likely be purchased by Citi Bank. It is an as of right program and there is underwriting involved. Discussion followed about the details.

Mr. Westmoreland said that he had received an email in opposition to the project. He read the concerns out for the Commissioners.

The developer will receive some $9 million in development fees. Mr. Bidolli explained that the developers fee was not a check, but is based on the building performing as expected. Mr. John McClutchy pointed out that 2/3rd of the fees will go back into the project. The Federal Government allows up to 15%, but the developers often only receive 13% or 14% due to local ordinances.

This project will produce less tax revenue. Mr. Bidolli said that there was a memo in the packet that gave an overview about this in detail. There are many nuances that are in the economic aspect of this. There is also an economic advantage in bringing new residents into the area. Both the direct and indirect aspect have to be considered when looking at the new 150 units.

This will sacrifice a beloved theater. Mr. Bidolli said that the owner of the Garden Theater had planned to sell the facility anyway. The Mayor has also announced that he was working on a program with the Norwalk Theater.

The public parking will be reduced. Mr. Bidolli said that they wanted to provide some public parking and hoped to provide 30 spaces.

Mr. Westmoreland asked about the potential programs for the Arts space. Mr. Todd McClutchy said that it was a marketing tool for the space as an Arts Center. There is a demand for more art space and there is some underutilized space in the basement and the back of the building retails.

The project will tie up a large portion of subsidized housing. Mr. Todd McClutchy said that it was necessary to include the units in the capital stack. The utilities will be upgraded around Wall Street and Isaac, along with some streetscape improvements, which are benefits for the City. This will also provide mixed income residences. Discussion followed about the funds being tied to the infrastructure in the area and the tax credits.

There were concerns about the retail spaces. Mr. Todd McClutchy said that they want to have an attractive streetscape that could be activated and that the original designation of retail space had been significantly reduced.

There were concerns about the fact that there might be other developers who could have developed the site without using taxpayer funding. Mr. Bidolli said that there were a multiple range of options but this proposal was what the LDA specified.

Mr. Serrano said that the motion that was being presented to the Commissioners for consideration was the same language that the Common Council had approved at their meeting.

**** MS. COOPER MOVED TO APPROVE THE AMENDED LAND DISPOSITION AND DEVELOPMENT AGREEMENT("LDA") BY AND BETWEEN THE CITY OF NORWALK, THE REDEVELOPMENT AGENCY OF THE CITY OF NORWALK AND POKO- IWSR DEVELOPERS, LLC, DATED NOVEMBER 14, 2007 (AS AMENDED), AND THE PROPOSED AMENDMENT TO THE LOAN RECOGNITION AGREEMENT ("LRA"), BY AND BETWEEN POKO- IWSR DEVELOPERS, LLC AND THE CITY OF NORWALK, THE REDEVELOPMENT AGENCY OF THE CITY OF NORWALK, CITI BANK, AND…, DATED NOVEMBER 14, 2007 (AS AMENDED); AND AUTHORIZE THE AGENCY CHAIRMAN TO EXECUTE ANY AND ALL DOCUMENTS ASSOCIATED WITH THE AMENDED LDA AND LRA AS NECESSARY TO ALLOW FOR THE PROPOSED DEVELOPMENT BY MUNICIPAL HOLDINGS, LLC TO COMPLETE THE PHASE 1 CONSTRUCTION OF THE WALL STREET PLACE PROJECT.**

****MR. IGNERI SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY**.

Mr. Serrano said that this had been a long process but that this would complete Phase 1. There is pending litigation on this and he said that he hoped the dialogue would continue.

NEW BUSINESS

There was no new business to consider at this time.

OLD BUSINESS

There was no old business to consider at this time.

ADJOURNMENT

**** MS. COOPER MOVED TO ADJOURN.**
****MR. IGNERI SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY**.

The meeting adjourned at 6:25 p.m.

Respectfully submitted,
S. L. Soltes
Telesco Secretarial Services