CITY OF NORWALK
REDEVELOPMENT AGENCY
REGULAR MEETING
DECEMBER 13, 2016

ATTENDANCE:	Felix R. Serrano, Chairman; Commissioners Lori Torrano and Tom Devine
AGENCY COUNSEL:	Joseph DaSilva, Jr., Esq.
STAFF:	Timothy T. Sheehan, Executive Director; John Slovak, Comptroller, Timothy J. Carney, Housing Development Project Manager, Tami Strauss, Director of Community Development Planning; Susan Sweitzer, Senior Project Manager; Elizabeth Stocker, Director of Economic Development
OTHERS:	Michael McGuire, William Collins; Members of the Press

CALL TO ORDER
Chairman Serrano called the meeting to order at 5:35 P.M.

PUBLIC PARTICIPATION
Michael McGuire, 64 Wall Street, said his company, the Austin McGuire Company, has been on Wall Street since 2001 and he thinks it is really remarkable how much work has been done in Norwalk since that time. It is a testament to what the Redevelopment Agency is doing, but going forward, he wants to bring up the issue of the train station. In the 2003 Cecil Bonds Norwalk Wall Street Area Planning update, on page 87 in a major bullet point under Transit, it says "The City should maintain its advocacy for restoration of a rail station in the Wall Street area as a long term goal." Certainly 15 years later is a long term goal, but it is not in the 2004 Wall Street Redevelopment Plan, and his concern is that it might just get lost. Ms. Strauss said the transportation issues will be addressed in the update. They have made that part of the scope of work with the Regional Plan Association.

Mr. McGuire said he thinks the railroad station is a vitally important issue. He understands that there are a number of competing interests proposing specific projects in support of their constituents, like the Historical Commission, the Bike Walk Task Force and the Harbor Loop, but only a train station will impact every single Norwalk citizen from an economic standpoint, and he is there to advocate for that and encourage the Agency and its Commissioners to advocate for that. It will revitalize their downtown and create a true TOD district. It will focus on TAMI (Technology, Advertising, Media and Information) startups and create a foundation for a tech hub in Norwalk. It is a remarkable opportunity to secure this incredible foundation of a tech hub. They have some startup spaces in SoNo, but no true startup district, but they know that the marketplace is going to demand it and whoever builds it first is going to be the beneficiary of it. They also have a tax advantage over New York State, which is a very positive issue, but they are missing a vital ingredient. They are missing a train station, which is a key thing for getting the millennials here to establish the startups, and then it will grow from there.

He also thinks the City of Norwalk will see a tax revenue increase of two million dollars a year with the station. He does cost estimates for a living, and he estimates it would cost approximately a million dollars to build the platform, which is a little on the high side but he is assuming they would want a nice station with bathrooms and a little ticket booth. That could go into 16 River

Street. In the area where the train station would go there are 2,000 units that have either been built or are under construction. If just 25% of those people got in their car to go to the train station because they are commuters to New York City, that's 500 cars a day. To build a parking garage for 500 cars is ten million dollars. To build this train station is a million, so it is just a cost benefit analysis. It makes a lot of sense.

The other issue is, and this is absolutely coming because all real estate goes in cycles, the multifamily market is at the top of the cycle and it is going down, and when it goes down, unless your property has great amenities or great linkages into the marketplace that make it a great place, you are going to suffer losses and you are going to have an overly high vacancy rate. They know this is coming. It is inevitable. By having a train station there and making those properties within walking distance to that train station, they would be so much more valuable. It is such a long term net benefit for Norwalk, it is almost ridiculous. He has never seen anything that just works so well, and it is right next to the Pulse Point Bus Station, which means an intermodal transportation hub, which is part of the lynch pin of TOD development, and this is a TOD developer's dream project. He would encourage the Agency not to wrap this into a big development and put another 150 unit apartment complex on top of it, because it will just delay everything a decade, and they don't have a decade, because this live/work community is going to be established and they need to do it in the next three to five years or they will miss the window. That is what the market is telling them. He appreciates their time.

Mr. Bill Collins said Mr. McGuire is right.

I. APPROVAL OF MINUTES

A. October 11, 2016 Regular Meeting
November 7, 2016 Special Meeting

** **MS. TORRANO MOVED TO APPROVE THE MINUTES OF THE OCTOBER 11, 2016 REGULAR MEETING OF THE NORWALK REDEVELOPMENT AGENCY.**
** **MR. DEVINE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

** **MR. DEVINE MOVED TO APPROVE THE MINUTES OF THE NOVEMBER 7, 2016 SPECIAL MEETING OF THE NORWALK REDEVELOPMENT AGENCY.**
** **MR. SERRANO SECONDED.**
** **THE MOTION PASSED (MS. TORRANO ABSTAINED).**

II. FINANCE

Mr. Slovak reported on the NRA Opérating Statement of Revenues and Expenditures for year-to-date October 31, 2016 as follows:

- Operating Fund 100 had actual revenues of $556,927 versus budgeted revenues of $569,411 for a $12,483 revenue deficit.
- Actual operating expenditures are $489,639 versus a budget of $562,224 resulting in a $72,586 favorable expenditure variance.
- There is an actual operating surplus of $67,289 versus a budgeted operating surplus of $7,186 resulting in a $60,103 favorable net operating variance.

** **MS. TORRANO MOVED TO APPROVE THE FINANCIAL REPORT AS GIVEN.**

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

III. <u>BUSINESS</u>

A. <u>MANRESA ISLAND MASTER PLAN</u>

1. Approve entering into a contract with Fitzgerald & Halliday for the development of a Manresa Island Economic Impact Analysis not to exceed $150,000 (Account # 017025-5258) pending Common Council approval, and approve the Economic Development Director to execute the contract and related documents.

Ms. Stocker said the Manresa Association approached the Mayor during the summer to ask if the City would cosponsor an Economic Impact Analysis report on the various reuse scenarios of Manresa Island, because the power plant has been decommissioned and is not likely to ever get recommissioned at this point. They decided on a $150,000 budget, and the Manresa Association raised their part and the City put up its $75,000. They did an RFP and had seven different proposals and interviewed four and have made a recommendation that Fitzgerald & Halliday be the firm that they go with to develop this analysis.

Ms. Torrano said she assumes this plan is going to include the demolition, the phases it ought to be done in and if there is any environmental stuff they have to deal with and remediation, and then subsequent uses for the property.

Ms. Stocker said correct. It is not going to get into a full environmental remediation. They are going to come up with four different scenarios for reuse and they will identify what kind of impact they will have to the City of Norwalk in terms of a traffic impact, what kind of taxes, and what kind of improvements there will be. There has been some environmental studies done that are filed with the state, and so they will be using them.

** **MS. TORRANO MOVED THAT THEY APPROVE ENTERING INTO A CONTRACT WITH FITZGERALD & HALLIDAY FOR THE DEVELOPMENT OF A MANRESA ISLAND ECONOMIC IMPACT ANALYSIS NOT TO EXCEED $150,000 (ACCOUNT # 017025-5258) PENDING COMMON COUNCIL APPROVAL, AND FURTHER THAT THEY APPROVE THE ECONOMIC DEVELOPMENT DIRECTOR TO EXECUTE THE CONTRACT AND RELATED DOCUMENTS.**
** **MR. DEVINE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

B. <u>WEST AVENUE CORRIDOR REDEVELOPMENT PLAN/ WALL STREET REDEVELOPMENT PLAN/ WASHINGTON-SOUTH MAIN URBAN RENEWAL PLAN</u>

1. Approve the West Avenue, Wall Street and Washington-south Main redevelopment plans for a period of 18 months (June 2018)

Ms. Strauss said Agency staff is requesting that the Commission approve the three redevelopment plans for a period of 18 months so that they remain in effect while they are being updated and amended. They have gone through the required process per the Connecticut state statute for having redevelopment plans reapproved, they have gone before the Planning Committee and they have had a public hearing. They presented the request twice to the Planning Commission who has determined that the three redevelopment plans are consistent with the Plan of Conservation and Development, and on November 22nd the Common Council voted to approve them.

** **MR. DEVINE MOVED TO RE-APPROVE THE WALL STREET REDEVELOPMENT PLAN FOR A PERIOD OF 18 MONTHS, TO RE-APPROVE THE WEST AVENUE CORRIDOR REDEVELOPMENT PLAN FOR A PERIOD OF 18 MONTHS, AND TO RE-APPROVE THE WASHINGTON-SOUTH MAIN REDEVELOPMENT PLAN FOR A PERIOD OF EIGHTEEN MONTHS.**
** **MS. TORRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

C. <u>WEST AVENUE REDEVELOPMENT PLAN</u>

1. Authorize Timothy T. Sheehan, Executive Director, to execute any and all documents associated with the DECD $3Million Grant for Waypointe Phase II Public Infrastructure Improvements.

Ms. Sweitzer said the City has received a Phase II grant from the State Department of Economic and Community Development in the amount of $3 Million to fund public infrastructure improvements associated with the Waypointe Development. Although the City is the recipient of the grant funding, the State has requested that the Agency be identified as the management entity for the grant funding. Therefore, they are requesting a Memorandum of Understanding between the City and the Agency authorizing Tim Sheehan, Executive Director, to execute all documents required to implement the DECD $3 Million Waypointe Phase II Public Infrastructure Improvement Grant, which would include street improvements, utility improvements, sidewalks, lighting, street trees, street furniture and curbing.

** **MS. TORRANO MOVED TO AUTHORIZE TIMOTHY T. SHEEHAN, EXECUTIVE DIRECTOR, TO EXECUTE ALL DOCUMENTS REQUIRED TO IMPLEMENT THE DECD $3M WAYPOINTE PHASE II PUBLIC INFRASTRUCTURE IMPROVEMENTS GRANT**
** **MR. DEVINE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

D. <u>AGENCY LOAN PORTFOLIO</u>

1. Authorize conditioned forbearance of loan #3331035804 for a period of one year.

Mr. Carney said Chocopologie is a local business that has been in Norwalk since 2000 and has two business loans through the Agency. Both loans were each originally $20,000. The first was originated in 2007 through the Grow Norwalk Fund program and the balance as of September 30th was $3,000. The second loan was originated in 2011 through the Urban Retail Loan program and is due in full as of March 2015. The balance as of November 30th 2016 was $15,851.43 including all principal and interest. Mr. Fritz Knipschildt, managing owner of the company, is requesting that the balance of the loan be forgiven in full. Chocopologie has been closed since July 2015. House of Knipschildt owns Chocopologie as well as Chocolatier, which is a wholesale business currently operating on Wall Street. Staff has reviewed both Mr. Knipschildt's finances and House of Knipschildt's finances and it is evident that the business and Mr. Knipschildt cannot afford the current debt service payments. At this time staff is recommending forbearing the payments on the Urban Retail Loan Program loan for a period of one year conditioned upon the Grow Norwalk Fund loan being paid off in full by December 31st, 2016, and at the end of one year Staff will review both Mr. Knipschildt's personal and

Chocopologie's finances to see if it should continue in the forbearance state. Interest of 4% will continue to accrue.

Attorney DaSilva said it would be their recommendation that rather than use the term forbearance, to change the language to the effect that the Agency will not take any further collection action on loan #3331035804 for a period of one year conditioned upon loan GNF305 being paid off on or before December 31st. That would avoid any potential legal defense being put up that there is a forbearance that might somehow affect the way interest is being calculated in the event the loan is not forgiven or collection recommenced.

Ms. Torrano said looking over the financials, it is highly improbable that in a year they are going to be able to collect on this, so aren't they better off writing this off now. Mr. Devine said he doesn't think that is a good idea simply because of the message that it would send.

Mr. Carney said Chocopologie is closed currently. Mr. Knipschildt has IRS liens on his property which there is no way he can come close to satisfying, even if he has a banner year over the next five years.

Ms. Torrano asked if they have some assurance that the one loan is getting paid off by the end of the month. Chairman Serrano said that is a condition to not taking any collection action for a year provided the $3,000 is paid off.

** **MR. DEVINE MOVED NOT TO TAKE ANY FURTHER COLLECTION ACTION OF LOAN #3331035804 FOR A PERIOD OF ONE YEAR CONDITIONED UPON LOAN NUMBER GNF305 BEING PAID OFF ON OR BEFORE DECEMBER 31ST, 2016.**
** **MS. TORRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

F. CHOICE NEIGHBORHOODS

1. Update on Master Plan for Ryan Park

Ms. Sweitzer said the preliminary park design, which is included in their package, was approved by the Common Council in August 2016 authorizing the Agency to proceed with the remediation plan to deliver a clean site and also for the park designers to develop construction plans and documents. The environmental assessment has revealed some conditions that will require more extensive remediation than they had originally planned. There are some hot spots that are currently contained under parking lots and pavements, so they are not immediately open and accessible to the public, but the remediation period now will require some approvals by EPA which will extend the timeline somewhat. The timeline they are working on now is remediation would be completed in May or June, which would include both soil removal and capping. The capping had been anticipated because the grade level of the park has to be raised to meet the existing street grades that will result with the raising of the intersection through the Day and Raymond public improvements. They have applied for a $2 million grant through the DECD Brownfields Remediation Grant Program, and those grant award decisions are planned to be released tomorrow. They also have submitted a $1 million capital budget remediation request through the Parks Department for the park remediation plan, so hopefully between the two funding sources they will be able to complete the remediation. The park improvements are funded through the Choice Neighborhoods grant, so it is a phased construction site. The site was fenced and closed starting today and will be inaccessible to the public during the construction period. There was some controversy about this, but there is really no other way to move a site like this through remediation and then park construction and still allow public access.

They will have public information sessions on a regular basis so that the public will have an opportunity to have conversations directly with contractors, designers and the City. She would equate these to construction meetings. There will be issues not only with the Ryan Park project, but the Day Raymond infrastructure improvement project, the Maritime Village construction project, and the two Day Street Choice Neighborhoods construction projects, so it is going to be a busy place. They will be setting up these meetings on a regular basis, and the first will start on Thursday with outlining the timeline, what can be expected at least for the immediate future, perhaps the first quarter of the construction period, and also for the public to know that this will be a regularly established meeting period. Construction meetings are very common when you are in a project, and to have it open to the public, at least in the beginning, will be very useful. They will be in the evening as well as during the day. A project like this is always difficult because it is an interruption of people's schedules and expectations, but it is not a big project and eight months goes by pretty quickly and hopefully the park will be reopened by this time next year and everybody will be in a better situation.

G. ADMINISTRATIVE

1. Adoption of the Schedule of Meetings for calendar year 2017

** **MR. DEVINE MOVED TO ACCEPT THE PROPOSED MEETING SCHEDULE FOR 2017.**
** **MS. TORRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

E. REVIEW FY18 CAPTIAL BUDGET REQUESTS

Ms. Strauss said Capital Budget requests to the City were due last Friday. The Redevelopment Agency made four requests totaling $3 million. $1.9 million was for infrastructure and pedestrian enhancements on Wall Street and West Avenue, $500,000 was for affordable housing purposes which will go mostly towards the South Norwalk renovation program, $500,000 was for the design and construction of a new and improved 50 Washington Street Plaza, and $100,000 to establish a public art fund. The Budget Department will take these requests through their process of public participation and public hearings and the Agency will have to go and defend these requests.

IV. NEW BUSINESS

None.

V. OLD BUSINESS

None.

ADJOURNMENT

There being no further Old or New Business, upon motion by Chairman Serrano, seconded by Mr. Devine, the meeting was adjourned at 6:15 P.M.

Respectfully submitted,
Karen Pacchiana