CITY OF NORWALK
REDEVELOPMENT AGENCY
REGULAR MEETING
JULY 9, 2019

ATTENDANCE: Felix R. Serrano, Chairman, Commissioners Lisa Cooper, Tom Devine, William Speirs and David Westmoreland

AGENCY COUNSEL: Marc Grenier, Esq.

STAFF: Tami Strauss, Acting Executive Director, John Slovak, Comptroller, Susan Sweitzer, Senior Project Manager

OTHERS: Former Mayor William Collins and Members of the Press

CALL TO ORDER
Chairman Serrano called the Regular Meeting of the Norwalk Redevelopment Agency of July 9, 2019 to order at 5:31 PM.

ROLL CALL
Chairman Serrano noted that a quorum was present.

PUBLIC PARTICIPATION
There was no one present from the public who wished to comment.

I-A. <u>APPROVAL OF MINUTES</u>
** **MS. COOPER MOVED TO APPROVE THE MINUTES OF THE JUNE 11, 2019 REGULAR MEETING.**
** **MR. DEVINE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

I-B. <u>ELECTION OF OFFICERS</u>

** **MS. COOPER NOMINATED FELIX R. SERRANO AS CHAIRMAN OF THE NORWALK REDEVELOPMENT AGENCY.**
** **MR. DEVINE SECONDED.**
** **MR. SERRANO ACCEPTED THE NOMINATION.**
** **THE MOTION PASSED WITH ONE DISSENTING VOTE FROM MR. WESTMORELAND.**

** **MR. SERRANO NOMINATED WILLIAM SPEIRS AS VICE CHAIR OF THE NORWALK REDEVELOPMENT AGENCY.**
** **MR. SPEIRS ACCEPTED THE NOMINATION**
** **THE MOTION PASSED UNANIMOUSLY.**

** **MR. SPEIRS NOMINATED LISA COOPER AS SECRETARY/TREASURER OF THE NORWALK REDEVELOPMENT AGENCY.**
** **MS. COOPER ACCEPTED THE NOMINATION.**
** **THE MOTION PASSED UNANIMOUSLY.**

1-C. CONTRACTS

1. Review proposal(s) and approve the selection of an Executive Search Firm
2. Approve the transfer of the allocation from the Agency Deferred Revenue Account to the Consulting Services line item in the Redevelopment Agency's FY 2020 Operating Budget for the purposes of retaining an Executive Search Firm

Attorney Grenier said, as discussed at the last meeting, all Commissioners are members of the search committee. He said Tim Sheehan talked with four recruiting firms about the Agency's upcoming search for a new executive director and three firms responded with proposals, which were sent to the Commissioners on July 2nd along with the updated job description. The consensus was that GovHR was the best fit professionally and economically. The request is for approval of their fee of $15,000, which is a significant savings based on the other proposals. The anticipated expenses are not to exceed $5,000 and advertising expenses are approximately $2,500 for a total potential outlay of $22,500. He would suggest approving an extra $4,500 to cover any unanticipated expenses or services under the contract, such as travel, which would bring the total to $27,000. He thinks GovHR's fee of $15,000 is lower because the job description was already provided, so a little of their work was taken away. The time frame stated was 90 to 120 days from the time of selection, which puts us in a timeline that was discussed at our meeting on June 25th.

Attorney Grenier said Tim vetted GovHR. They do a lot of work for other companies in Norwalk with regards to executive searches, and they came highly recommended. The CV of the woman that was going to be in charge, Heidi Vorhees, was pretty impressive. He took the liberty of writing up two action items.

** **MR. DEVINE MOVED THAT THE REDEVELOPMENT AGENCY COMMISSION APPROVE GovHR'S CONTRACT PROPOSAL TO UNDERTAKE THE REDEVELOPMENT AGENCY'S SEARCH FOR A NEW EXECUTIVE DIRECTOR AND AUTHORIZE ITS CHAIRMAN, FELIX R. SERRANO, TO ACCEPT THE PROPOSAL DATED JULY 1, 2019 ON BEHALF OF THE COMMISSION.**
** **MR. SPEIRS SECONDED.**
** **THE MOTON PASSED UNANIMOUSLY.**

** **MR. DEVINE MOVED THAT THE REDEVELOPMENT AGENCY COMMISSION APPROVE AN ALLOCATION OF $27,000 FROM ITS DEFERRED REVENUE ACCOUNT TO THE CONSULTING SERVICES LINE ITEM IN THE REDEVELOPMENT AGENCY'S FISCAL YEAR 2020 OPERATING BUDGET.**
** **MS. COOPER SECONDED.**
** **THE MOTON PASSED UNANIMOUSLY.**

D. FINANCE

Mr. Slovak reported on the NRA Operating Statement of Revenues and Expenditures for May 31, 2019 as follows:

- Operating Fund 100 had revenues of $1,573,793 versus budgeted revenues of $1,644,939 with an unfavorable variance of $71,146 mostly due to a large loan payback which resulted in lower interest income of $33,227.
- Actual legal expenses are $688,272 versus $165,757 budget resulting in a $522,515 unfavorable variance due to Wall Street litigation. There is a $42,800 favorable variance for taxes and benefits expense mostly due to the switch from Anthem to the CTPP 2.0 City Medical Insurance Plan. Total operating expenditures are $2,041,763 versus a budget of $1,652,564 resulting in a $389,199 net unfavorable operating variance due to litigation expenses.
- There is an actual operating deficit of $467,970 versus a budgeted operating surplus of $7,625, resulting in a $460,345 unfavorable net operating variance due to litigation expenses.

** **MS. COOPER MOVED TO APPROVE THE NRA OPERATING STATEMENT OF REVENUES AND EXPENDITURES FOR MAY 31, 2019 AS PRESENTED.**

** **MR. WESTMORELAND SECONDED.**

** **THE MOTON PASSED UNANIMOUSLY.**

II. <u>RESIDENTIAL REHABILITATION LOANS</u>

Ms. Strauss said the Loan Committee reviewed this loan proposal with Ms. Church and Mr. Ivan. The loan is with the Church of God and will bring two affordable units of two and three bedrooms above the church property located at 155 South Main back to livable condition. They will be affordable for the life of the mortgage, which is for 25 years. The loan amount is for the maximum loan amount of $150,000. The bids came back at about $175,000 and the Church of God will pay the difference.

Chairman Serrano asked procedurally, are we controlling the payments to the contractor? Ms. Strauss said staff will go out and review the work that gets submitted and make sure it was completed and done well, and then we will pay the bills as they come in.

Chairman Serrano asked will we be in second position? Ms. Strauss said she doesn't believe there is another mortgage on the property so we will be in first position. Attorney Grenier said the Agency would be the second lien holder on the property as it exists today. Typically there is language in the draft document that says they can't put on secondary financing without the consent of the Agency and they would have to come back and ask for a subordination and we would have to take it to the Commissioners and present the financial circumstances, so certainly any approval would be subject to Agency review. We would want to make sure that they have the zoning permits for the scope of the work and that zoning is signing off on the work that needs to be done. Obviously there needs to be a title search to make sure of the right borrowers, and things like that.

Mr. Ivan said the contractors are responsible for pulling any permits they need, whether it's P&Z or Building, and that is written into our guidelines and our contract, but we would confirm it before the distribution of funds.

Mr. Speirs said he believes this needs to be approved by the church's Board of Trustees, and asked if that happens before we approve or does that happen after? Ms. Strauss said they are going to do that after we let them know that they were approved. Mr. Ivan said the church is aware of the situation but in order for them to sign anything we have to have approval from the Commissioners to be able to release the funds and have them sign the contract, so they would sign the contract after the acceptance or denial of the action. Attorney Grenier said he would think they would probably do a business term sheet that they could take to their board saying this is what the Agency is willing to do, and assuming it is acceptable, that will start the process for them to incur any expenses relative to the title search and things like that. Ms. Strauss said we will give them the term sheet and they will take that to their board.

Mr. Westmoreland said he thinks this is a good project.

** **MR. WESTMORELAND MOVED TO APPROVE RESIDENTIAL REHABILITATION LOAN #1904 SUBJECT TO AGENCY COUNSEL'S APPROVAL.**
** **MS. COOPER SECONDED.**
** **THE MOTON PASSED UNANIMOUSLY.**

Chairman Serrano thanked them for their work on this. Hopefully we will get it approved by their board and get two more units on line.

III SOUTH NORWALK TOD

1. Approval of Tighe & Bond contract amendment for schematic design and engineering of Station Drive.

Ms. Sweitzer said we have been working since 2011 with Tighe & Bond on modifications to the entrance to the eastbound South Norwalk Train Station to accommodate busses, trucks and passenger vehicles. Access improvements were designed but not constructed because of the activity on adjacent properties on Chestnut Street and Monroe Street, and over the recent year these activities have become much more concrete. Phase I of the project is actually completed and occupied in the LeRoy Shirt Factory building, and Phase II, which is the new construction along Monroe and Chestnut Street, is currently under application for approvals. Phase III is completing the property acquisitions on Chestnut and Henry Street, so at this time what we are requesting is an authorization for Tighe & Bond on the preliminary design street improvements of Station Place roadway to have access from Monroe through to Henry Street to accommodate a city standard roadway so that it will now be a city road, in addition to which we would like to also include in that scope of work an opinion of probable cost for the undergrounding utilities on Chestnut Street from Monroe to Henry and possibly Henry south to Concord

Street. They are going to look at two costs and the decision would be made whether the city would undertake those undergrounding improvements independently of the Chestnut Street property. We would not be requesting construction of these improvements until the next fiscal year when they have formalized their design on the Chestnut Street project, but the preliminary work would enable us to assess the cost of the improvements to the street work and also the cost of utility improvements that might accrue to the project. We are looking for approval of the Tighe & Bond proposal for an amount not to exceed $60,250 to do this work.

Ms. Sweitzer said there was a preliminary design done in 2011 but it was focused almost exclusively on the access points off of Monroe Street as the turning radiuses are very tight. The engineering and design for the private investment on the corner of Monroe Street and Station Place, the 1 Chestnut Street project, has been set back to accommodate those expanded turning radiuses. It will not be so much a revision but an extension of the work to take it up all the way through to Henry Street.

Mr. Westmoreland noted that the Second Taxing District has some economic development funds available for things like burying utilities. You would have to apply to them. Ms. Sweitzer said we would be very interested in applying, and perhaps he could send an email outlining the procedure.

** **MR. DEVINE MOVED TO APPROVE THE TIGHE & BOND PROPOSAL FOR STATION DRIVE – SOUTH NORWALK TRAIN STATION IMPROVEMENTS IN AN AMOUNT NOT TO EXCEED $60,250, AND AUTHORIZE FELIX R. SERRANO, CHAIRMAN TO EXECUTE ALL DOCUMENTS REQUIRED TO COMPLETE THE ATTACHED SCOPE OF WORK. FUNDS ARE AVAILABLE IN THE CAPITAL BUDGET ACCOUNT 9URBCO20.**
** **MS. COOPER SECONDED.**
** **THE MOTON PASSED UNANIMOUSLY.**

IV. <u>NEW BUSINESS</u>
(None.)

V. <u>OLD BUSINESS</u>
(None.)

<u>ADJOURNMENT</u>
Upon motion of Ms. Cooper, seconded by Mr. Westmoreland, the Norwalk Redevelopment Agency regular meeting of July 9th was adjourned at 5:53 P.M.

Respectfully submitted,
Karen Pacchiana