CITY OF NORWALK
REDEVELOPMENT AGENCY
REGULAR MEETING
MAY 20, 2009

ATTENDANCE: Paul L. Jones, Chairman, Commissioners Emil Albanese, Felix Serrano, Randy Napoletano and Lisa Cooper

AGENCY COUNSEL: Anthony J. DePanfilis, Esq., Marc Grenier, Esq.

STAFF: Timothy T. Sheehan, Executive Director, John L. Burritt, Jr., Assistant Director, Munro W. Johnson, Sr. Development Project Manager, Susan Sweitzer, Sr. Project Manager and John Slovak, NRA Comptroller

PUBLIC HEARING: SOUTH MAIN CORRIDOR URBAN RENEWAL PLAN – AMENDMENT

Mr. Burritt said the Public Hearing is the next step with respect to the proposed T.R. SoNo Partners/F.D. Rich hotel project at 43-47 South Main Street. The item came before the staff initially in October 2008 when John Lindell, representing F.D. Rich, and his associates proposed the hotel development.

As the property is located in the South Main Corridor Urban Renewal Plan, and the Urban Renewal Plan does not provide for the hotel as a permitted use, the Urban Renewal Plan requires an amendment for consideration of the project. Additionally, the Urban Renewal Plan has a height restriction of four stories, or 50'.

A third party design review was conducted by Gill and Gill Architects, and the project was presented to the Agency in January. Next, the Agency commissioned a hotel market and feasibility study in February, which was jointly funded by the Redevelopment Agency and the applicant. The study was completed in March and presented to the Redevelopment Agency at its April meeting by representatives of HVS. The Agency accepted the market and feasibility study, which moved the focus to the Urban Renewal Plan amendment.

The Urban Renewal Plan amendment represents a substantial amendment to the plan. As a consequence, it is governed by Section 8-136 of the statutes, which requires that the Agency follow the same process as when the original plan was adopted. The process includes a public hearing on the amendment, and that the Planning Commission comment on the plan, which in fact it did last week shortly after the packages went out. He said the Agency now has the Resolution from the Planning Commission approving the Amendment if the Commissioners would like to see it.

Mr. Burritt explained that there are essentially five changes to the Urban Renewal Plan, four of which relate directly to the hotel project, and include adding a hotel as a permitted use, increasing the height limits from 50' to 89', but only for a hotel use, adding additional language permitting new development of properties not designated for acquisition under the Plan where rehabilitation is not economically feasible, and an allowance for restaurants and cafes above the ground floor. The other language in the amendment deals with bringing the Plan up to date and addresses such things as the completion of the railroad station and the construction of the police headquarters facility. As a result, there is an item that removes Tax Block 45 from property designated for acquisition. The City's police headquarters occupies the vast majority of Tax Block 45, and the hotel property occupies the balance.

Eric Rains of 33 North Water Street said he fully supports the project and hopes it will move forward in a rapid time frame. He said 33 North Water Street is the Maritime Condominiums, of which he is president. He submitted six emails from other residents who also support the project.

Brett Maneri said he also supports the project. He lives at 42 South Main, which is directly across from the proposed property. He moved there two and a half years ago from New Jersey. He was taken to lunch in SoNo, and fell in love with the area. What attracted him most was the redevelopment that was taking place, and with the continued growth of projects like 95/7 and West Avenue, his commitment to the Town is a long term one. Every resident he has spoken to is happy with the proposed project, and sees its potential. He understands from the history of Norwalk that ten years ago, or even five years ago, it was a much different place, and he would like to see the growth continue creating a place he knows will be interesting.

ROLL CALL

CALL TO ORDER

The Regular Meeting was called to order at 6:50 P.M by Chairman Jones.

I. APPROVAL OF MINUTES – April 22, 2009 Regular Meeting

** **MR. ALBANESE MOVED TO APPROVE THE MINUTES OF THE APRIL 22, 2009 REGULAR MEETING.**
** **MR. SERRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

II. FINANCE – March 31, 2009 Operating financial Statement and Year-to-Date Third Quarter Comparative and Combining Profit and Loss Statements and Balance Sheets

Mr. Slovak reported on the financial statements as follows:

Total revenues including interest income and miscellaneous revenues for third quarter year-to-date ending March 31, 2009 are $1,281,939 versus a budget of $1,316,065, resulting in an unfavorable year-to-date revenue variance of ($34,126) due to lower interest income.

Total third quarter year-to-date expenditures are $1,288,731 versus a year-to-date budget of $1,367,059, resulting in a favorable expenditures variance of $78,328.

There is an actual third quarter net year-to-date operating deficit of ($6,792) versus a budgeted net operating deficit of ($50,994), resulting in a favorable net year-to-date operating variance of $44,202.

Mr. Slovak said the third quarter year-to-date comparative P&L and balance sheets for all funds and also combined P&Ls and balance sheets are enclosed for the Commissioners review and information.

** **MR. NAPOLETANO MOVED TO ACCEPT THE FINANCIAL REPORT FOR MARCH 31, 2009.**
** **MR. SERRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

III. BUSINESS

A. **WEST AVENUE REDEVELOPMENT CORRIDOR**

1. Approval of the MDA as amended by the Common Council March 24, 2009 conditioned by a positive finding by Graf Repetti regarding the financial capacity of the development team and payment of Agency soft costs associated with such approval 10 days prior to closing

Ms. Sweitzer said the West Avenue Master Development Agreement was approved by the Common Council in March, and under Connecticut General Statutes Chapter 130, the Redevelopment Agency is to act on the final approval of the Master Development Agreement following such approval by the municipal legislative body. She said the terms and conditions of the agreement insofar as it obligates the Agency were presented to the Commissioners for their approval in February, and this would be the final approval of the document itself. She noted that staff has contracted with Shipman and Goodwin of Stamford to review the existing agreements between Seligson Properties and their joint venture partner. She had thought it would be available for the meeting, but it needs prior review and acceptance by the City of Norwalk and the Office of Corporation Counsel.

In addition, the Agency contracted with Graf Repetti of New York City to evaluate the financial capacity of the development team to undertake the Waypointe development project as outlined in the Master Development Agreement. As noted in the action, the Agency approval will be conditioned upon a positive opinion from Graf Repetti as well as acceptance by the City of the opinion letter from Shipman and Goodwin.

** **MR. ALBANESE MOVED TO (1) APPROVE THE MASTER DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF NORWALK, CT, THE NORWALK REDEVELOPMENT AGENCY AND WAYPOINTE LLC AS AMENDED BY THE COMMON COUNCIL MARCH 24, 2009 CONDITIONED BY A POSITIVE FINDING BY GRAF REPETTI & CO., LLP REGARDING THE FINANCIAL CAPACITY OF THE DEVELOPMENT TEAM AND ACCEPTANCE OF THE LEGAL OPINION LETTER SUBMITTED**

BY SHIPMAN AND GOODWIN BY THE CITY OF NORWALK AND FULL PAYMENT OF REDEVELOPMENT AGENCY SOFT COSTS ASSOCIATED WITH SUCH APPROVAL AS STIPULATED IN THE AGENCY/SELIGSON PROPERTIES AGREEMENT LETTER DATED APRIL 18, 2007 TEN DAYS PRIOR TO CLOSING; (2) AUTHORIZE PAUL JONES, CHAIRMAN, NORWALK REDEVELOPMENT AGENCY, TO EXECUTE ALL DOCUMENTS RELATED TO THE MASTER DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF NORWALK, CT, THE NORWALK REDEVELOPMENT AGENCY AND WAYPOINT LLC; (3) APPROVE THE PROJECT SERVICE AGREEMENT BETWEEN THE CITY OF NORWALK, CT AND THE NORWALK REDEVELOPMENT AGENCY TO PERFORM THEIR RESPECTIVE OBLIGATIONS AS STIPULATED IN THE MASTER DEVELOPMENT AGREEMENT; AND (4) AUTHORIZE TIMOTHY SHEEHAN, EXECUTIVE DIRECTOR, TO EXECUTE ALL DOCUMENTS RELATED TO THE PROJECT SERVICE AGREEMENT BETWEEN THE CITY OF NORWALK, CT AND THE NORWALK REDEVELOPMENT AGENCY FOR THE PERFORMANCE OF RESPECTIVE OBLIGATIONS UNDER THE MASTER DEVELOPMENT AGREEMENT.

** **MR. NAPOLETANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

Ms. Sweitzer noted, as a point of clarification, that the Common Council amendments to the MDA included a revision to Definition of Legal Requirements and a change to the Special Services District ordinance, Section A, but Mr. Albanese's motion is to approve the Waypointe Master Development Agreement as amended by the Common Council on March 24th.

B. SOUTH MAIN CORRIDOR URBAN RENEWAL PLAN

1. Proposed Amendment – T.R. SoNo Hotel Project

Mr. Burritt said he has nothing to add to his previous comments, but would be happy to answer any questions the Commissioners may have.

** **MR. SERRANO MOVED TO APPROVE AMENDMENT #3 TO THE SOUTH MAIN CORRIDOR URBAN RENEWAL PLAN FOR THE PURPOSE OF REFERRAL TO THE LEGISLATIVE BODY (VIA THE PLANNING COMMITTEE OF THE COMMON COUNCIL FOR APPROVAL IN ACCORDANCE WITH CGS 8-136.**

** **MR. ALBANESE SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

C. SUSTAINABLE DESIGN PROGRAM

1. Approval of Sustainable Design Program and Guidelines

Mr. Sheehan said the issue was presented to the Commissioners last month by Mr. Moore. The genesis of the program is very similar to the design review that they do relating to the

Urban Renewal Plans. It is a program to make sure the projects that are being developed within the Urban Renewal Plans have a green sustainable component associated with them. He said it is important to understand that the requirement allows the developers to participate in that they actually select the sustainable standard the project will use. The Agency does not convey any particular standard onto the developer as long as it is in compliance with the design review. The project will be reviewed by a third party outside of the Agency typical of their traditional design review.

** **MR. NAPOLETANO MOVED (1) TO APPROVE THE SUSTAINABLE DESIGN GUIDELINES, INCLUDING THE GREEN FACTOR GUIDELINES, ASSOCIATED WITH THE NORWALK SUSTAINABLE DESIGN PROGRAM, AND (2) TO AUTHORIZE THE EXECUTIVE DIRECTOR TO UNDERTAKE THE NECESSARY ADMINISTRATIVE STEPS NEEDED TO IMPLEMENT THE NORWALK SUSTAINABLE DESIGN PROGRAM.**
** **MR. ALBANESE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

D. NORWALK URBAN RETAIL LOAN PROGRAM

1. Approval of Norwalk Urban Retail Loan Program

Mr. Sheehan said, again, this was an item presented to the Commissioners for consideration last month by Mr. Moore, and is basically to establish a pool of up to $500,000 to be made available to retail businesses within the Urban Renewal Plan areas. The retail components within these areas have been significantly impacted by the recession, and the goal is to try and assist the businesses while they are going through the recessionary period. The business owner needs to prove to the Agency that the business was profitable prior to the downturn, that it has been in the redevelopment plan areas and/or Urban Renewal Plan areas for a period of time, and that it is not a startup business. The maximum loan amount is $50,000, and can be used for items such as rent, utility payments, and inventory issues. $250,000 of the funds will be coming out of the Community Development Block Grant and the Agency equity is participating with the other $250,000.

** **MR. ALBANESE MOVED TO APPROPRIATE $250,000 FROM FINANCIAL RESOURCES OF THE NORWALK REDEVELOPMENT AGENCY TO CAPITALIZE A PORTION OF THE URBAN RETAIL LOAN PROGRAM**
** **MR. SERRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

E. ADMINISTRATION

1. Non profit Economic Development Corporation

Mr. Sheehan said staff respectfully requests that this item be tabled, as there are some issues that need to be resolved.

** **MR. ALBANESE MOVED TO TABLE THE MATTER.**

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

IV. OLD BUSINESS.

No old business.

V. NEW BUSINESS

No new business.

Chairman Jones announced that, due to the recent loss of their Vice Chairman, he is appointing Emil Albanese as Vice Chairman and Randy Napoletano as Treasurer of the Redevelopment Agency until their elections in a couple of months.

** **MR. SERRANO MOVED TO CONFIRM THE APPOINTMENT OF EMIL ALBANESE AS VICE CHAIRMAN AND RANDY NAPOLETANO AS TREASURER.**
** **MS. COOPER SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

EXECUTIVE SESSION

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

1. Property Negotiations – 71 Wall Street

** **MR. ALBANESE MOVED THAT THE REDEVELOPMENT AGENCY GO INTO EXECUTIVE SESSION.**
** **MR. NAPOLETANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

(Executive Session discussion from 7:00 to 7:17 P.M.)

** **MR. ALBANESE MOVED TO COME OUT OF EXECUTIVE SESSION.**
** **MR. NAPOLETANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

Chairman Jones welcomed Lisa Cooper as a Commissioner of the Redevelopment Agency.

ADJOURNMENT

There being no further Old or New Business, upon motion duly made by Mr. Serrano, the meeting was adjourned at 7:18 P.M.

Respectfully submitted,

Karen Pacchiana