CITY OF NORWALK
REDEVELOPMENT AGENCY
REGULAR MEETING
APRIL 22, 2009

ATTENDANCE:	Emil Albanese, Acting Chairman, Commissioners Ellen Gamer Wink, Felix Serrano, Randy Napoletano
AGENCY COUNSEL:	Anthony J. DePanfilis, Esq.
STAFF:	Timothy T. Sheehan, Executive Director, John L. Burritt, Jr., Assistant Director, Michael T. Moore, Project Manager, Munro W. Johnson, Sr. Development Project Manager and John Slovak, NRA Comptroller

ROLL CALL

CALL TO ORDER

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

I. APPROVAL OF MINUTES – February 11, 2009 Regular Meeting
II. March 2, 2009 Special Meeting

** **MS. WINK MOVED TO APPROVE THE MINUTES OF THE FEBRUARY 11, 2009 REGULAR MEETING AND THE MARCH 2, 2009 SPECIAL MEETING.**
** **MR. SERRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

II. FINANCE - Financial Statement Budget Variances for the Period Ending January 31, 2009
Financial Statement Budget Variances for the Period Ending February 28, 2009

Mr. Slovak reported on the financial statements as follows:

Total revenues including interest income and miscellaneous revenues for year-to-date February 28, 2009 are $1,137,835 versus a budget of $1,169,835, resulting in an unfavorable year-to-date revenue variance of ($32,000) due to lower interest income.

Total year-to-date expenditures are $1,152,934 versus a year-to-date budget of $1,225,250, resulting in a favorable expenditures variance of $72,316.

There is an actual net year-to-date operating surplus of ($15,099) versus a budgeted net operating deficit of ($55,415), resulting in a favorable net year-to-date operating variance of $40,316. The $15,099 year-to-date actual net deficit should be offset later in the fiscal year by revenues received upon completion of the Master Development Agreement for Seligson.

Mr. Slovak noted that the Agency's funds have been moved from the Bank of America to People's United Bank, which is one of the strongest regional banks in New England, and has a 16.5% equity to assets ratio.

** **MR. NAPOLETANO MOVED TO ACCEPT THE FINANCIAL REPORT FOR FEBRUARY 28, 2009.**

** **MS. WINK SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

III. BUSINESS

A. **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

1. Approval of Program Year 35 (2009-2010) CDBG Annual Action Plan

Mr. Moore said the agency received 26 applications for CDBG funds, and the Annual Plan makes recommendations for 17 awards. The awards represent approximately 50%-60% of each individual request. A total of $1.6 million was requested, of which approximately $900,000 will be expended.

The Annual Plan has been vetted through two public hearings, through the Joint Committee, the Planning Committee and the District Commissions, has gone through a 30-day common period and received approvals from the Common Council and the Planning Committee. The last step is approval from the Redevelopment Agency.

The Agency is entering the final year of its five-year Consolidated Plan for Housing and Redevelopment. Three years ago the Agency reached an agreement to the Planning Committee of the Common Council that a substantial portion of their funding would be allocated to the affordable housing activities and preservation of the affordable housing stock, and they are continuing their investment in preservation of affordable housing.

Also included in the Annual Plan is text that permits them to submit application for Section 108 loan guarantee authority to the U.S. Department of Housing and Urban Development. Section 108 allows them to leverage up to five times their annual entitlement award, which is approximately $940,000, to commit to economic development projects within the urban redevelopment project areas. They have not yet been informed by HUD how much they will receive in entitlement grant funds for the upcoming year, but as they would like to submit the Annual Plan by May 15th, they would ask for the Commission's indulgence in approving the Annual Plan. If and when they do hear the final number from HUD, they will come back to the Commission and determine the best method for allocating additional dollars.

Mr. Moore said in addition to the anticipated $935,000 in entitlement funds, which is the money they can access on July 1st, they will be able to access up to $250,000 in additional funds for CDBG activities made available through the recent stimulus package. They have been notified how much they are going to receive, but they have not been notified the regulations and requirements for actually making the money available to the public.

** **MS. WINK MOVED TO (1) APPROVE PY35 CDBG PROGRAM ALLOCATIONS AND ANNUAL ACTION PLAN; (2) APPROVE THE USE OF THE OPTIONAL INCOME ELIGIBILITY LIMITS FOR THE 2009-2010 PROGRAM YEAR; AND (3) AUTHORIZE MAYOR RICHARD MOCCIA TO EXECUTE ANY AND ALL DOCUMENTS REQUIRED TO APPLY FOR, ACCEPT, AND IMPLEMENT THE PY35 CDBG PROGRAM.**

** **MR. SERRANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

B. NORWALK REDEVELOPMENT AGENCY SUSTAINABLE DESIGN PROGRAM

1. Presentation – Redevelopment Agency Sustainable Design Guidelines

Mr. Moore said, in view of the volume of development now being planned or implemented within the City's urban core, Agency staff wishes to ensure such development is constructed in an environmentally sensitive manner that minimizes carbon emissions, reduces dependence on traditional sources of energy and reduces the use of toxic materials. Agency staff has been working with partners at The Cecil Group to craft a program that will assist the Agency to meet these objectives. The basic elements of the program include the geographic scope, geographic targeting of such a program to the City's Urban Renewal and Redevelopment Plan areas, establishing target metrics for planned and future development by reducing traditional sources of energy by 10%, increasing energy efficiency on newly constructed buildings by 25% and reducing the use of toxic building materials.

As part of the program, developers themselves will select the sustainable standard that meets the target metrics, such as LEED, Green Factor or Energy Star, and will contribute an escrow fee that will be returned to them once they meet the target metrics. They also have the use of a third party reviewer that will help with technical assistance and verify that in fact a developer has met the target metrics.

Mr. Ken Buckland of the Cecil Group explained that, in order to proceed in the process, a developer must get a form from the Agency and identify the sustainable design program proposed. As they go through the process, the developer will supply information to the third parties to show how they are conforming with the standards and that they are meeting the criteria, so it won't be necessary for the Agency to get involved in that process. At the end of the time period, which is when there is proof that the building will function as modeled, the third party will provide the certification, and if the developer has successfully completed the process, the fee will be refunded. If they are unable to complete the process, they would either ask for relief and have the fee returned, or would forfeit the funds to the Agency.

Many developers complain that sustainable design is expensive and prevents them from being competitive in the marketplace. However, federal tax credits are available at $180 a square foot to buy down the cost of sustainable design. The state code is about to be amended and will have similar requirements, and would provide a standard in the marketplace across the board.

The fee is based on the size of the building, and is approximately a quarter million dollars, which covers most of the buildings of 250,000 square feet. The certification can take up to a couple of years through the construction process and actual proof of the building's energy efficiency, and during that time the fee would be held in an escrow account.

Mr. Sheehan noted that they have allowed a tremendous degree of flexibility to the developers to choose what rating they want to be looking at, and all of their developers recognize the importance of the sustainability design program and have been leading the Agency in this direction as opposed to the Agency pushing the developers.

Mr. Buckland said the energy codes and certification are just for the buildings and not the site, so they have added a green area factor in the guidelines, which pertains to the landscape and the site itself; i.e. how storm water and landscape design is handled to make it sustainable, so as to make the design program a more holistic approach .

Mr. Moore said they are introducing the Sustainable Design Program for consideration, and with the Commission's permission, they will return to the Agency meeting in May for action.

C. <u>NORWALK BROWNFIELDS INITIATIVE</u>

1. Approval of Professional Services Agreement with the City to Administer Municipal Brownfields Pilot Grant

Mr. Moore said the Agency, acting on behalf of the City, successfully applied for a grant from the State of Connecticut's Brownfields Municipal Pilot Program. The City has received $300,000, which they intend to commit to complete remediation of the surface parking lot on the eastbound side of the South Norwalk Train Station.

He said the Agency staff has worked with legal counsel to craft a Professional Services Agreement for execution between the City and Agency in order to formalize the Agency's role as the administrator of the Pilot Program funding, and are looking for authorization permitting the Executive Director to negotiate and enter into such an agreement.

** **MR. SERRANO MOVED TO AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH THE CITY OF NORWALK IN ORDER TO ASSUME THE ADMINISTRATIVE RESPONSIBILITIES ASSOCIATED WITH THE CURRENT GRANT AWARD TO THE CITY OF NORWALK FROM THE STATE OF CONNECTIUCT'S MUNICIPAL BROWNFIELDS PILOT PROGRAM**

** **MR. NAPOLETANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

D. STRATEGIC PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

1. Presentation – Strategic Plan for Housing and Community Development

Mr. Moore said Agency staff has worked with the National Development Council to draft a strategic plan that will help guide and direct the Agency's efforts to preserve and expand the City's supply of affordable housing. Currently, the Agency, working through its non-profit affiliate, the NorthWalke Housing Corporation, administers a variety of affordable housing activities, including a homeownership program and a residential rehab program. The array of programs and the need to effectively leverage available resources to address the challenge of affordable housing in Norwalk has led staff to undertake this strategic planning effort.

Mr. Sheehan said typically the Agency has had its housing component flow out of the Community Development Block Grant, and as they have been going through the process with the City in terms of the larger developments, housing is becoming a bigger component of it, and the City is demanding more affordable housing, and this is a starting point for discussion as to the level of the Agency's involvement in housing going forward.

Mr. Kevin Gremse of the National Development Council said Norwalk is in a very high end market in Fairfield County, and rents and the cost of condominiums and single family homes has escalated beyond the means of many individuals and households. As a result, there are less housing opportunities for the workforce to live near their places of employment, and many employers are at a risk of being able to retain an adequate workforce, especially the 25 to 34 year olds.

A report was released last week that identified the Stamford/Norwalk area as the most expensive market in the country for rental housing. For the average two-bedroom, a salary of $70,000, or an hourly wage of $33 an hour, is needed. More than half of the residents of Norwalk have incomes less than that number, so obviously rental is an issue in terms of supply and affordability.

The area median income in Stamford/Norwalk is $122,000. The medium single family home in the area in 2007 was $528,000, and a condo was $330,000. At those prices, a household would need to make $151,000 to buy a medium price single family home, and $106,000 to buy a medium price condo, so a lot of people are priced out of the market.

Connecticut's affordable housing statute, Section 8-30(g), encourages every municipality to have at least 10% of its housing inventory as affordable. Based on 2007 numbers, approximately 11% of the City's housing supply is deemed affordable. 1,800 additional units have been placed into service over the last decade, but a lot less than 10% of those new units have been affordable, so Norwalk is in jeopardy of dipping below that 10% threshold.

About 15% of the units in the developments that are planned or under way in the redevelopment areas will be affordable s a result of the Land Disposition Agreement. The Waypointe and Head of the Harbor developments have no affordability, so the number of affordable units could go below the 10% threshold, and if Norwalk goes below the 10% threshold, the State law imposes more stringent affordability requirements.

The investors go where there are opportunities to maintain the highest profit, and that is not with affordable housing. The cost of recent construction is exceedingly high. In order to be able to capture some of the federal and state resources to offset that hit, it could help to have a more coordinated process at the City level.

Workforce housing is normally defined as affordable to individuals or families at 80 to 120% of the area median income, which is $122,000, moderate income is 60 to 80% of AMI, and low income is less than 60% of AMI, which would be housing that is priced in the mid $200,000 for sale, and rentals at about $1,500.

The three broad strategy areas they would like to address are (1) creating affordable housing through a mixed-income development plan, (2) preserving the existing affordable housing stock, and (3) utilizing the full range of funding resources in order to coordinate a more comprehensive program for the preservation and production of affordable housing.

The ten point implementation plan includes:

1. Workforce Housing Regulation modification.
2. Link Workforce Housing Regulation to incentives available at the state and federal level.
3. Consider density bonuses near transit centers.
4. Strive to maintain the total inventory of affordable housing with expiring affordability restrictions.
5. Expand capital for two new programs, i.e. Predevelopment Loan Pool and Site Acquisition Loan Pool.
6. Maintain and expand the pool of capital for existing homebuyer and rehabilitation programs currently run by the Agency.
7. Address foreclosure issues
8. Coordinate an expedited land use review process.
9. Expand the capacity and establish defined roles of the City, of the Redevelopment Agency and Northwalke with respect to the affordable housing plan.
10. Coordinate the activities with the development and finance community.

Mr. Sheehan said it is important to note that the Redevelopment Agency cannot take on these types of modifications to the Workforce Housing Regulation on its own. It has to work with the Zoning Commission and the P&Z Department.

Mr. Gremse said currently the existing Workforce Housing Regulation covers 15 different zones in the urban core, and there has been discussion to expand the Workforce Housing Regulation citywide.

Currently all developments exceeding 20 units or more need to comply with the Workforce Housing Regulation. They discussed establishing two different threshold categories; Tier One would be for 4 to 9 units and Tier Two for 10 or more units, which would allow the Workforce Housing Regulation to be more comprehensive for developments in the City.

As to affordability, they have discussed also breaking that down into two different tiers, where Tier One would be 15% of units at 80% AMI, and Tier Two would be 10% of units at 60% AMI and 15% of units at 80% AMI.

They would keep the offsite provisions permissible, but require that investment from the offsite affordable units match the investment of what it would have required onsite.

The in lieu of fee is quite high right now, so few developers have opted to make a contribution of the in lieu of fee. The dollar amounts per unit are $300,000, $218,000 and $175,000 per unit, depending on what affordability range is being targeted. If they calculate the in lieu of fee on the rental, they would capture the difference between a market rate rent and the affordable rent and divide that by the local capitalization rate, so it would be about $100,000 or $120,000, which is a lot less than what the current one offers.

Density bonuses are available now, but an analysis of those density bonuses shows that most of the additional units would have to be affordable and would make it less cost effective to produce units.

The term of restriction is currently in perpetuity, and they are proposing to keep that in perpetuity agreement on the affordable units.

Mr. Sheehan noted that the Plan is a work in progress and is the start of a discussion. He thinks it is evident that affordable housing is an important component of the City's overall livability, and is essential to their economic development activities. Staff is seeking to heighten the stature of the affordable housing activities within the Agency and to bring it in balance with the overall economic development activity. There will be further discussion among various parties, but no action is requested this month.

E. <u>URBAN RETAIL LOAN PROGRAM</u>

1. Presentation – Implement and Administer Urban Retail Loan Program

Mr. Moore said in response to the impact of the economic downturn on retail businesses, the Redevelopment Agency has reached out to the National Development Council to develop the Urban Retail Loan Program, which will be a source of additional working capital that would be made available to retail businesses within the urban renewal and redevelopment planned areas. As envisioned, the program will provide up to a half a million dollars capitalized with resources from both the Agency and the CDBG program, and would be made available to retail businesses that have been in business for at least one year.

The average loan size would be about $25,000, but could be up to $50,000, and would be based upon demonstrated need. The term will be up to five years, interest only in the first year, self amortizing years two through five. They would encourage retailers to establish the loan in participation with banks.

Mr. Serrano said he thinks it is a very good program and needed for the area, especially in these difficult times.

F. MARKETING INITIATIVE

1. Approve Advancement of the Redevelopment Agency Communication/ Marketing Campaign at a Cost of $50,000

Mr. Tad Diesel said an Agency Communication/Marketing Plan was developed in consultation with the Snyder Group. The primary campaign objectives are to educate, clarify and build a wide scope of constituents of the Redevelopment Agency and its mission. The campaign will lay the groundwork for future targeted campaigns as well.

He said there is a lack of awareness of what the Redevelopment Agency is, what it does and what values it adds to the City. The primary audience for the campaign are developers, large and small businesses, government officials, and the greater Norwalk community. The objective is to ensure that the audience is aware that the Agency is helping to make the City of Norwalk a better place to live and work.

Norwalk is home to approximately 6,400 companies providing fewer than 60,000 jobs. Fewer than 15 companies in Norwalk employ more than 500 employees. That indicates that the vast majority of Norwalk companies are small, agile and entrepreneurial. That is a significant municipal asset, and it helps the City obtain its coveted triple A bond rating.

Mr. Diesel displayed five advertisements, which will be placed in the Norwalk Hour, The Fairfield and Westchester County Business Journals and The Beat Magazine. During the initial campaign they will achieve more than 1.1 million impressions with their primary audience for the cost of the initial campaign of $50,000.

** **MR. NAPOLETANO MOVED TO APPROVE ADVANCEMENT OF THE REDEVELOPMENT AGENCY COMMUNICATION/ MARKETING CAMPAIGN AT A COST OF $50,000.**
** **MS. WINK SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

G. REED PUTNAM URBAN RENEWAL PROJECT

1. 95/7 Ventures LLC – Review of Phase I Construction Documents – Northeast Parking Garage

Mr. Burritt said the Agency started the process with the Conceptual Master Site Plan, then moved through the construction plans, which were both approved by the Redevelopment Agency. The purpose of the construction documents is to ensure that the buildings will be built consistent with the approved plans and the approved concept for the project.

The parking garage is a critical element in the development of the project. It is a resource that allows the parking of vehicles to be vertical as opposed to horizontal, and frees up space necessary for development. BFJ Perkins Eastman was retained as third party reviewers for the project. The construction documents were also submitted to Bill Ireland, the City's chief building official, and the Department of Public Works for review to ensure that all elements of the building are in fact consistent with the plans as the City anticipates.

The developer has requested that the Agency consider, and they have shown in their bid documents, a phased construction of the garage. It is a large garage, and it is pretty onerous to require the developer to build the entire structure all at once when all of the parking is not going to be needed at the front end of the project, so there is a two phase approach to the garage that is called out as the principal exception to the original construction plans.

** **MS. WINK MOVED TO APPROVE THE CONSTRUCTION DOCUMENTS PREPARED BY BEYER, BLINDER, BELLE ARCHITECTS ENTITLED NORTHEAST GARAGE PRECAST CONCRETE BIDDING DOCUMENTS VOL. II DRAWINGS DATED SEPTEMBER 19, 2008 (REV. DECEMBER 19, 2008) AND SUBMITTED ON BEHALF OF 95/7 VENTURES LLC, REDEVELOPER.**

** **MR. NAPOLETANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

H. SOUTH MAIN CORRIDOR URBAN RENEWAL PLAN

1. Hotel Market & Feasibility Study – 43 & 47 South Main St (T.R. SoNo Partners)

Mr. Burritt said Mr. John Lindell of F.D. Rich approached the Agency in October about a proposed limited service hotel project at 43 and 47 South Main Street, which they felt would activate the South Main Street corridor and provide a better link between historic SoNo and the South Norwalk railroad station. It was determined that the best way to proceed would be to secure a hotel market and feasibility study, and the parties agreed upon the firm of HVS Consulting, one of the preeminent hotel consultants in the world

Mr. Neel Lund of HVS said in their analysis they ran numbers based on the five hotels that accommodate much of the Merritt 7 and the other commercial market in Norwalk. Historically, over the last six to seven years, these hotels have had occupancies in the mid to high 70%. If any hotel is doing above 70%, that means there are nights during the year when demand is being turned away, which is called unaccommodated demand, and indicates there is a potential demand for another hotel, especially a small hotel. The hotel being proposed in SoNo would be a 121 room hotel, which would be the smallest hotel in the competitive set.

Mr. Zubin Saxena of HVS said he thinks even without the office space of the 95/7 project coming online, if the TR SoNo Hotel was built, it would carry enough unaccommodated demand that they would be able to fill the TR SoNo Hotel by itself. When they ran the numbers, they came up to an occupancy of 72%, so by itself the hotel should survive.

The second more critical question is what happens if the 95/7 hotel comes onboard within the Reed Putnam project area. What they have to consider is there is also coming onboard additional office space within the Reed Putnam project, which should generate an additional amount of room nights. These will overflow into the subject hotel, and there is going to be a surplus left from that which is going to overflow into the rest of the market. So you have that demand, and then you have all the other additional office demand from other projects in the West Avenue Corridor, which are proposed in the next couple of years.

In response to a question by Mr. Albanese, Mr. Saxena said 72% occupancy is considered a good healthy hotel. In the Merritt 7 Park area there is a dense corporate/commercial/office market, and there is so much commercial demand, which has really nowhere to go but these hotels, which are right along that road. In his opinion, the particular site in South Norwalk with all the additional restaurants and the various facilities which are available there, which are essentially not available in the Merritt 7 Park area, should be an attraction overall.

Mr. Burritt said there are distinct differences in terms of the occupancy rates based upon the segmentation of the Norwalk market. 70% of the marketplace are business travelers, and because business travel has contracted somewhat in recent years, some of the better priced hotels have higher occupancy rates than the full service hotel, which has a higher overhead and consequently has to carry a higher room price.

He said in doing the analysis HVS had to establish what hotel goes where chronologically, and right now the 95/7 hotel is actually in Phase II of the 95/7 project, of which the first phase runs years one through five, and then the second phase is years six through eleven. So from a timing standpoint, unless something changes , that is something to be considered.

In response to a question by Mr. Sheehan, Mr. Lund said essentially if none of the other projects are built, the performance of the SoNo hotel would be 72%, but if both hotels get built, and if 95/7, Waypointe and all the other projects planned get built, they estimate the performance as high as 80%, but ended up saying 79%, stabilizing at 76%. It obviously helps to have all these other projects to support both hotels.

Mr. Sheehan asked if they are going to have a situation where one hotel is basically competing so heavily against another hotel that it is driving the other one down. Mr. Lund said obviously they are going to impact on each other's performance. In their report they had the occupancy stabilizing for the SoNo hotel at 67%, and they had the 95/7 doing slightly higher, because of the fact that it is right in the 95/7 development. He said as long as you are making money on the project, these are healthy occupancy rates.

Mr. Saxena said HVS is considered to be a very conservative firm and tends to be on the conservative side. This is a forward looking study and they have given the benefit of doubt and have not been aggressive in any way in their projections. If at all, they have been more towards the conservative side.

** **MS. WINK MOVED TO ACCEPT THE MARKET STUDY AND FEASIBILITY ANALYSIS PROPOSED SELECT SERVICE HOTEL, NORWALK, CONNECTICUT, AS PREPARED BY HVS CONSULTING AND VALUATION SERVICES DATED MARCH 31ST, 2009 FOR THE HOTEL PROPOSED BY TR SONO PARTNERS AT 43 AND 47 SOUTH MAIN STREET, SOUTH NORWALK, AND NUMBER 2, TO AUTHORIZE THE PROCESS FOR ADVANCING AN AMENDMENT TO THE SOUTH NORWALK SOUTH MAIN CORRIDOR URBAN RENEWAL PLAN TO PERMIT THE**

DEVELOPMENT OF THE HOTEL AS PROPOSED BY TR SONO PARTNERS AND AS DESIGNED BY BEINFIELD ARCHITECTURE DATED DECEMBER 18, 2008 AND AS ACCEPTED BY THE REDEVELOPMENT AGENCY IN ITS DESIGN REVIEW OF JANUARY 14, 2009.

** **MR. NAPOLETANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

I. **WALL STREET REDEVELOPMENT PLAN**

a. Design Review: Norwalk Transit District "Pulse Point" on Burnell Boulevard

1. Presentation from 3rd Party Design Reviewer

Mr. Johnson said they had recently become aware that the way the third party design review system currently works, 100% of the design reviewer fees come directly from the applicants, and a dynamic has developed whereby the third party design reviewers view the applicant rather than the Agency as the client. This becomes an issue of redundancy from the applicant's perspective, since the applicant already has a design professional on their team, and from the Agency's perspective it defeats the purpose of the third party reviewer system, since the reviewers cease to be third parties, becoming constituent pieces of the proponent instead. So with the Agency's approval, they would like to revise their design review procedures by issuing a clarification in their design review materials for applicants and reviewers alike that all design review fees are rendered to the Agency and all design review payments to their reviewers are paid by the Agency.

Mr. Sheehan said to simplify, it is basically the Agency making sure that the third party design reviewer is working for the Agency and not for the project sponsor.

** **MR. SERRANO MOVED TO REVISE THE AGENCY DESIGN REVIEW PROCEDURES TO REQUIRE UPFRONT PAYMENT FOR DESIGN REVIEW SERVICES TO THE AGENCY WITH PAYMENT FOR SERVICES TO THE THIRD PARTY DESIGN REVIEWERS ISSUED BY THE AGENCY, (2) ISSUE NOTIFICATION OF PROCEDURE MODIFICATION TO APPROVE THIRD PARTY DESING REVIEWERS ACCORDINGLY.**

** **MS. WINK SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

2. Approve the Proposed Design of the Pulse Point, for the North Side Only

Mr. Johnson said the Commissioners' formal approval is not required on this item, but the project is, however, a high profile project and has generated substantial discussion in the community, and it is for that reason that they have brought it forward tonight.

Mr. Sheehan noted that when they originally put this design review in, it was the sense that the Commissioners felt the issues were taking up too much time at the table, and that unless they were high priority issues in terms of high profile projects, they didn't require the Commissioners to be involved. Therefore, they hired a third party to assist the staff in doing the design review.

Ray Sullivan of The Sullivan Architectural Group said the Pulse Point structure is really a canopy to give a shelter for the bus users. The structure is approximately 250' long and is comprised of about seven individual structures, broken into seven components. Not only is it broken up into seven components horizontally, but vertically they all slope, so there is quite a bit of visual activity, and is quite an attractive structure.

The Wall Street Area Planning Update suggests improvements to the Pulse Point that make it both more attractive and effective as a transportation node. The project as submitted accomplishes these goals within the context of a unique and contemporary expression of structure and architecture. Though not a historic structure, the project creates stimulating visual interest at the pedestrian scale. Overall he thinks it is a very unique, a very vibrant design, and he thinks it is a great enhancement to the Wall Street area.

In reviewing these structures, the first component to consider is scale, and scale-wise the structure ranks from 12 ½ 'to just under 20' tall, and is a very interesting and visual expression.

Under the context section of the review, Wall Street is a historic area. This is clearly not an historic structure, but rather a contemporary expression.

Taking the context of the design in a small scale, it has the garage on one side and the remnants of the Norwalk Mall and the office building and the OTB on the other side, and is a vast improvement over what is there. In its overall context it is not historic, but he thinks its sculptural nature and opposite expression of the historic nature that is there is quite pleasing and enhances the area.

With regard to some of the other criteria, he thinks the Pulse Point provides pedestrian circulation safety and pedestrian connection to the Wall Street area, and is a way for Norwalk residents to get down to the Wall Street area. It ties into the riverwalk, and by being a transportation node by itself, limits and reduces vehicular traffic in the area.

One issue that has come up that is of concern is the driver shed, which for reasons that happened prior to the submission of the design, ended up on the other side of the street. Good site design says it should be with the main structure, so as submitted, he thinks that is a difficult piece to approve

Another issue of concern was lighting, and most of the lighting will be down onto the pedestrian level. There will be some uplighting, which will be at a minimal one foot candle.

There was concern about maintenance and graffiti. The structure is somewhat of a Teflon coated product, so dirt and chemicals don't adhere to it. When it rains it kind of washes itself right off, and the coating is actually an anti graffiti coating at the same time.

While not historically designed, Mr. Sullivan said he believes the sculptural structure enhances the pedestrian visual and practical experience and will be an asset to the revitalization of the Wall Street area and he applauds the innovative design.

Lou Shulman, administrator of the Transit District., said he is there with attorney Simon Sumberg and the project designer Al Pizacki to answer any questions.

Mr. Sheehan said the Agency is totally supportive of the Pulse Point project in general. Lou has done a fantastic job in terms of trying to secure the funding necessary to build it from the federal government, and has participated with the City in terms of putting forward some of the matching money associated with the project. It is going to be iconic in Wall Street. Their only complaint has been with the facilities for the employees. There is an existing facility arrangement with the parking authority in the Yankee Doodle Garage, and it is their hope that ultimately between the City, the Agency and the Transit District working together, that there will be some accommodation that would allow those facilities to remain available, rather than moving the building to the outside of the Yankee Doodle Garage. .

b. Redevelopment Parcel 3 (Head of the Harbor) South Parcel
    1. Update on Status of South Parcel

Mr. Johnson said it has been about 2 ½ years since they brought any significant business regarding the Head of the Harbor project. As an update, he would explain that in 2005, after DiScala was formally designated the preferred developer for the project and negotiations commenced, the north parcel quickly came to dominate their weekly negotiating sessions due to the economics associated with the City's public parking requirements for the project. Whether because of the financial challenges associated with making the north parcel pencil out made them more sympathetic to the need for a higher profit margin on the south parcel, or because they simply failed to comprehend the inflexibility of the zoning regulations for waterfront parcels in that district, they allowed the project to advance with the design proposal way out of conformance with the south parcel zoning, which went over like a lead balloon.

While zoning for the parcel allowed up to four stories, 43 units and 56,000 square feet, the original proposal called for 6 stories, 80 units and 140,000 square feet, so almost double the allowed volume. Around that same time the project also ran into serious difficulty on the north parcel having to do with the fact that a key source of state funding for the project excludes from consideration any property lying within a 500 year flood plain, which this project does. Following the descent of the first lead balloon, the Agency focused on addressing the 500 year flood plain issue and the developer established a partnership with Beacon Communities of Boston and undertook a complete redesign of the project. The new design for the south parcel scaled itself back, but still presumed zoning relief in several areas without first obtaining buy-in from planning staff, leading it ultimately to a similar fate.

Early in 2008, with acknowledgement from the developer that his efforts were proving fruitless, the Agency consented to take over the project design working directly with senior planning staff and their own architect, Ray Sullivan. Those many meetings and design studies have culminated in a conceptual site plan, which now has the buy-in of both the developer and the Planning Director. Neither has signed anything in blood, but both have expressed an affirmative willingness to advance with the site plan in its present form subject to the usual subject to's.

Agency staff took two approaches to striking a balance between achieving both the proper economies of scale and a design that would win support among key constituencies. First, having established through cost estimates and financial analysis what the critical economies of scale were for this project, they looked to additional land with which to spread out the development volume and remain within the parameters of an as of right project from zoning's perspective. Second, they worked very closely with planning staff and community stakeholders to identify design elements which would in their mind be worth the tradeoff of the additional land. Those design elements included a mixed use project, public view corridors out to the river, pedestrian connectivity, a high quality street and generous public open space.

So the result is a four story, 59 unit, 86,000 square feet project. Consistent with historic images of the site, they restored Smith Street to a two sided street. Presently, the western slope of Mill Hill is just a slope of a hill, kind of trashed up and neglected for a number of years. So historically there was modest development on that side of the street and the plan proposes restoring that, and placing eight town houses at the foot of Mill Hill, in exchange for which the project will provide assistance in implementing one or more of the objectives that emerges in the Mill Hill master planning process, and that planning process will develop some goals and objectives associated with Mill Hill, in exchange for being able to put the units there.

The site plan also preserves an important view corridor out to the river. The architects looked at where the views to the river open up on the site and identified the area as being important, so that view corridor was established. They then placed a generous amount of open public space in that view corridor that is at grade from the street and then goes down stairs to the river, and then provides another pedestrian access point and gradually sloping down towards the river.

Mr. Johnson said it is their intent to roll out this new design to the general public at the beginning of next month, initiating public comment, and, providing there is general support for it, proceed with getting it officially approved.

IV. OLD BUSINESS.
No old business.

V. NEW BUSINESS
No new business.

ADJOURNMENT

There being no further Old or New Business, upon motion duly made by Ms. Wink, the meeting was adjourned at 8:45 P.M.

Respectfully submitted,

Karen Pacchiana