CITY OF NORWALK
REDEVELOPMENT AGENCY
REGULAR MEETING
APRIL 11. 2017

ATTENDANCE:	Felix R. Serrano, Chairman; Commissioners Lori Torrano, Lisa Cooper, LaTanya Langley and Tom Devine
AGENCY COUNSEL:	Joseph DaSilva, Jr., Esq.
STAFF:	Timothy T. Sheehan, Executive Director; Susan Sweitzer, Senior Project Manager; Timothy Carney, Housing Development Project Manager; Elizabeth Stocker, Director of Economic Development
OTHERS:	William Collins, Members of the Press

CALL TO ORDER
Chairman Serrano called the meeting to order at 5:36 PM.

ROLL CALL
Chairman Serrano noted that a quorum was present.

PUBLIC PARTICIPATION
Chairman Serrano opened the public participation portion of the meeting.

Mr. Bill Collins asked what the status of the Wayfinding project was. Mr. Sheehan said the preliminary design was reviewed with the Planning Committee about two months ago. The bottom line issue has to do with funding in terms of implementing it and the City's support for it, and they are hoping there will be an allocation within the Agency's capital budget to implement at least the first phase of the Wayfinding, which would be as you are coming off the exit ramps on 95. They need to get consensus on the design from the Common Council and the Planning Committee. They don't want to have a situation where something gets installed and the elected officials are not supportive of what has been installed.

Mr. Collins asked about the Webster lot as they had a big consultant project on that but he hasn't seen any announcements. Mr. Sheehan said there was a special meeting of the Planning Committee to discuss the issues dealing with the Webster Street block, and one of the primary concerns is the public parking issue, because if you don't accommodate for the public parking you will have none of the residual development around the block. One of the important things to recognize is that the City only controls the public parking asset, it does not control any of the property that surrounds the lot, so the issue is the public parking that needs to be accommodated, not the overall development of the lot. That's the piece they need to figure out first, and that is what they reviewed with the Planning Committee. The City, simultaneously, is doing a capacity study in terms of overall public parking, and he thinks the issues associated with Webster Street are going to come into that committee as well.

Chairman Serrano said he is also concerned about the Webster Street lot and the dynamics. Originally they talked about the amount of what was allowable to build, and then the conversation shifted more to addressing the parking issue, because that is what the City can control and that would dictate what is doable.

Mr. Sheehan said the real problem is the fractured ownership of the surrounding parcels. If those sites were acquired by one developer, then there is a critical mass where a developer could come back and say here is what we can actually accommodate on the site. The consultant was asked to come back to the Planning Committee with some understanding of a public parking structure in terms of the number of spaces, the cost and how it would be financed, which they indicated would take 90 to 120 days to come back with a conceptual layout. There would need to be some level of public commitment to fund the parking. Obviously the City is not taking on 100% of that responsibility. That would have to be negotiated out with other parties, so there is a whole process.

Mr. Collins referred to an article in the Sunday Hour regarding the housing situation in town, which indicated that there seems to be a terrible deficit. The only agency that has sort of a general mandate to provide for that is the Redevelopment Agency, and thus far it does perhaps a one or two family house at a time, so he is wondering if the Agency is contemplating any further programming they might want to suggest to the City. Chairman Serrano said the overall TOD, which is still in the works, addresses both the existing housing stock and anyone that is taken out, but also kept within the affordable housing guidelines.

Mr. Sheehan said he doesn't think there is a full understanding of the Agency's involvement relative to affordable housing, and maybe it is incumbent upon the Agency to get more information out as to the degree of the their involvement in affordable housing, not even within their plan areas, but across the entire city.

I. APPROVAL OF MINUTES

A. Approve February 15, 2017 Special Meeting
B. Approve March 20, 2017 Special Meeting

** **MR. DEVINE MOVED TO APPROVE THE MINUTES OF THE FEBRUARY 15, 2017 SPECIAL MEETING OF THE NORWALK REDEVELOPMENT AGENCY**
** **CHAIRMAN SERRANO SECONDED (MS. COOPER ABSTAINED).**
** **THE MOTION PASSED UNANIMOUSLY.**

** **MS. COOPER MOVED TO APPROVE THE MINUTES OF THE MARCH 20, 2017 SPECIAL MEETING OF THE NORWALK REDEVELOPMENT AGENCY**
** **MR. DEVINE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

II. FINANCE

A. Approve NRA Operating Statement of Revenues and Expenditures for year to date January 31, 2017
B. Approve NRA Operating Statement of Revenues and Expenditures for year to date February 28, 2017

Mr. Slovak reported on the NRA Operating Statement of Revenues and Expenditures for year-to-date February 28, 2017 as follows:

- Operating Fund 100 had invoiced revenues of $1,105,356 versus budgeted revenues of $1,138,821 with $33,465 of revenues available to invoice.

- Actual operating expenditures are $1,039,275 versus a budget of $1,124,449 resulting in an $85,174 favorable expenditure variance.

- There is an actual operating surplus of $66,081 versus a budgeted operating surplus of $14,372 resulting in a $51,709 favorable net operating variance.

** **MR. DEVINE MOVED TO ACCEPT THE JANUARY 31, 2017 AND THE FEBRUARY 28, 2017 FINANCIAL REPORTS.**
** **MS. COOPER SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

C. Approve Board Resolution – Move $25,000 from Salaries to Consultants Contracted Services Budget for RPA

Mr. Slovak said staff is seeking Commission authorization to move $25,000 from the Salaries line item in the Redevelopment Agency FY17 operating budget to the Consultants Contracted Services line item to cover the cost of the Commission approved contract with the Regional Plan Association for planning services for the end of fiscal year 6/30/17.

** **MS. COOPER MOVED TO APPROVE MOVING $25,000 FROM THE SALARY LINE ITEM TO THE CONSULTANTS/CONTRACTED SERVICES LINE ITEM IN THE REDEVELOPMENT AGENCY FY 2017 OPERATING BUDGET TO COVER THE REGIONAL PLAN ASSOCIATION CONTRACT EXPENSES.**
** **MR. DEVINE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

III. **BUSINESS**

A. **WALL STREET**

1. Approve Term Sheet for Section 108 loan to Norwalk Redevelopment Agency on behalf of the City of Norwalk
2. Approve Term Sheet for loan to the Wall Street Theater Company, Inc. from the Norwalk Redevelopment Agency

Mr. Sheehan said HUD stipulated that the Norwalk Redevelopment Agency was to be the Section 108 borrower for the Wall Street Theatre project and the Agency agreed to assume that responsibility in September of 2014, and in assuming the borrowing responsibilities under the Section 108, the Agency agreed that in turn it would make a loan from the Agency to the Wall Street Theatre Company in the amount of $1,666,000 equal to the Section 108 loan from the City. As part of the underwriting process, the City hired a third party, High Impact Financial Analysis, to underwrite the loan. The underwriting process has determined that the projected operations of the theater are sufficient to make the payments under the subject financing as required. Collateral coverage is strong based on an as-completed appraisal of the theater building. The project meets the community and economic development objectives of the Agency and the program. Patriot National Bank, the construction lender on the Theater, values the as-completed theater at $11,785, strengthening the collateral coverage of the loan, and it is a requirement of the Agency's loan that the $1,666,000 loan be the only debt on the property at closing.

Mr. Sheehan went through the term sheets for the HUD loan, which is the City's loan to the Redevelopment Agency, and the term sheet for the Norwalk Redevelopment Agency loan to the Wall Street Theater Company. A temporary certificate of occupancy has been issued for the building. The Agency's security is the value of the property of $11,785. The next step is that this will go to the Planning Committee and the Planning Committee will forward their underwriting to the Common Council for acceptance.

Attorney DaSilva said in the first term sheet, even though the Redevelopment Agency on behalf of the City of Norwalk is the borrower, no money flows from HUD to the City. The City will transfer the money to the Redevelopment Agency, who will then under the second term sheet loan it to Wall Street Theater Company, Inc. It is their recommendation that the language reflect that they are approving the term sheet subject to the 108 HUD money being provided from the City of Norwalk to the Agency, because unless you get the 108 money from the City, you can't extend the loan.

** **MS. TORRANO MOVED TO APPROVE THE TERM SHEET AS PRESENTED FOR THE SECTION 108 LOAN TO THE NORWALK REDEVELOPMENT AGENCY FROM THE CITY OF NORWALK.**
** **MR. DEVINE SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

** **MR. DEVINE MOVED TO APPROVE THE TERM SHEET AS PRESENTED FOR THE LOAN TO THE WALL STREET THEATER COMPANY INC. FROM THE NORWALK REDEVELOPMENT AGENCY SUBJECT TO SECTION 108 HUD FINANCING FROM THE CITY OF NORWALK TO THE NORWALK REDEVELOPMENT AGENCY.**
** **MS. TORRANO SECONDED.**
** **THE MOTION PASSED UNANIMOUSLY.**

3. Approve A.M. Rizzo Electrical contract and authorize Executive Director to execute all related documents

Ms. Sweitzer said as the primary electrical connections for the Globe Theater run through the Wall Street Place property, the relocation and upgrade of the electrical service to Wall Street was considered an offsite public infrastructure expense, which is a public obligation under the Wall Street Place LDA. The Agency requested proposals for the relocation of the utility and received a proposal from A.M. Rizzo in the amount of $44,000, so they are asking the Agency to approve the award of the contract to A.M. Rizzo for the amount of $44,000 and then to authorize Timothy T. Sheehan, Executive Director, to execute all documents as requested to implement the contract. Multiple electrical infrastructure proposals were received, but Rizzo was the lowest bid and was also the electrical contractor working for Morganti, who is the contractor for the Globe Theater.

Mr. Sheehan pointed out that the electrical upgrades in Wall Street were beneficial to the entire street, not just the Globe Theater. This was always anticipated to be a public infrastructure improvement. The funding is part of the offsite public improvements under the Wall Street LDA and is a bond obligation that the City undertook.

** **MS. TORRANO MOVED TO APPROVE THE AWARD OF CONTRACT FOR THE ELECTRICAL RELOCATION PUBLIC INFRASTRUCTURE TO A.M. RIZZO ELECTRICAL CONTRACTORS IN THE AMOUNT OF $44,000 TO BE PAID FROM THE OFFSITE IMPROVEMENT ACCOUNT FOR WALL STREET PLACE; AND FURTHER, TO AUTHORIZE TIMOTHY T. SHEEHAN, EXECUCTIVE DIRECTOR, TO EXECUTE ALL DOCUMENTS AS REQUIRED TO IMPLEMENT THE CONTRACT WITH A.M. RIZZO ELECTRICAL CONTRACTORS FOR AN AMOUNT NOT TO EXCEED $44,000.**

** **MR. DEVINE SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

B. **<u>HEAD OF THE HARBOR</u>**

1. Approve contract with Tighe and Bond for Head of Harbor Inspection Services
2. Authorize Chairman to execute all related documents.

Ms. Sweitzer said the item is to authorize an agreement with Tighe and Bond to serve as construction administration and basically Clerk of the Works for the Agency in the construction of the public improvements along Wall and Smith Streets, which also is a public obligation under their Option Agreement. Tighe and Bond prepared the final design of the retaining wall replacement and streetscape improvements and their work has been incorporated into the contract that they will be undertaking, and they would like to have the services of Tighe and Bond to ensure that this work is constructed in accordance with their design. The proposal is for such construction administration to be performed for a sum not to exceed $92,000 for the duration of the construction period, which is anticipated of about four months.

Mr. Sheehan pointed out that inasmuch as the private developer's contractor is actually undertaking the work on behalf of the City of Norwalk, they need an independent third party out in the field to ensure that the work is consistent with what was agreed to and the design that was approved. The City does not have the resources in-house to do this, so the City determined that it is more cost effective to have this go out, and since Tighe and Bond was the engineering design firm of record, they are the most reasonable firm to do the work. They will bill on an hourly rate as outlined on their rate schedule.

** **MS. LANGLEY MOVED TO APPROVE THE AWARD OF CONTRACT TO TIGHE & BOND FOR HEAD OF THE HARBOR CONSTRUCTION ADMINISTRATION AND OBSERVATION AGREEMENT FOR AN AMOUNT NOT TO EXCEEED $92,000 FROM THE WALL STREET IMPROVEMENTS ACCOUNT; AND TO AUTHORIZE CHAIRMAN FELIX R. SERRANO OF THE NORWALK REDEVELOPMENT AGENCY TO EXECUTE THE ATTACHED CONSTRUCTION ADMINISTRATION AND OBSERVATION AGREEMENT PROPOSED BY TIGHE & BOND FOR THE CONSTRUCTION OF PUBLIC IMPROVEMENTS AS DEFINED IN THE HEAD OF THE HARBOR RETAINING WALL REPLACEMENT FINAL DESIGN SUBMISSION DATED DECEMBER 1, 2016 FOR AN AMOUNT NOT TO EXEEED $92,000, FUNDING AVAILABLE IN ACCOUNT 090800910 5777 C0433.**

** **MR. DEVINE SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

C. HARBOR LOOP TRAIL

1. Approve Stantec Contract Amendment, 40 Cross Street
2. Authorize Chairman to execute all related documents

Ms. Sweitzer said this is a request to amend a contract they have with Stantec Engineering who developed the design of the Harbor Loop Trail along the rear portion of 40 Cross Street for which the City received an easement several years ago. The trail section has not moved forward because of ongoing discussions with the state, but they are now ready to undertake the construction. The funding comes from three capital budget accounts that were for the purposes of the trail designs, and they need to have these pieces put together so that the Norwalk River Valley Trail is connected all the way. The Wilton piece has been completed and they are trying to finish up parts of the Norwalk piece and then go to Danbury.

** **MS. TORRANO MOVED TO APPROVE THE STANTEC CONTRACT AMENDMENT #1 IN AN AMOUNT NOT TO EXCEED $16,500 TO COMPLETE MODIFICATIONS TO EXISTING 40 CROSS STREET PLANS AND ENGINEERING DATED AUGUST 14, 2014 AND THAT THE FUNDS NECESSSARY FOR THIS PROJECT WILL BE COMING FROM ONE OF THE HARBOR LOOP TRAIL ACCOUNTS; AND FURTHER THAT THEY AUTHORIZE FELIX SERRANO, CHAIRMAN, TO EXECUTE ALL DOCUMENTS AS REQURED TO EXECUTE THE STANTEC CONTRACT AMENDMENT #1 FOR MODIFICATIONS TO 40 CROSS STREET HARBOR LOOP TRAIL DESIGN DATED AUGUST 14, 2014.**

** **MR. COOPER SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

D.. REHABILITATION SPECIALIST CONSULTANT

1. Approve Contract terms for a Rehabilitation Specialist Consultant
2. Authorize Executive Director to enter into a professional services contract with Klaus Schmitt

Mr. Carney said due to the expanded scope of the Residential Rehab program there is a need to engage a consultant to manage various projects and regulatory aspects of the program. An RFP for the position was sent out in August and they got a number of applicants, and Klaus Schmitt seems to be the ideal candidate. He has had vast experience in residential rehab and is a licensed architect. He lives in Norwalk and has a good relationship with the City departments. The contract agreement stipulates compensation on an hourly basis plus limited expenses. It is anticipated that the consultant will work on an as need basis at a rate of $40 per hour, ultimately working between 20 to 25 hours per week. Funding for the consultant is capped at $24,000 and the funding source is the Community Development Block Grant. This will help expand the Residential Rehab program to what it used to be and allow someone to go into the neighborhoods and work with the homeowners. If it is successful, they will probably come back for additional funds.

Mr. Sheehan said ultimately the success of this will be what the volume is in terms of the rehab loans that come in.

** **MS. COOPER MOVED TO APPROVE CONTRACT TERMS FOR THE REHABILITATION SPECIALIST CONSULTANT AND TO AUTHORIZE THE EXECUTIVE DIRECTOR, TIMOTHY T. SHEEHAN, TO ENTER INTO A CONTRACT WITH KLAUS SCHMITT FOR RESIDENTIAL REHABILITATION SERVICES IN AN AMOUNT NOT TO EXCEED $24,000.**

** **MS. TORRANO SECONDED.**

** **THE MOTION PASSED UNANIMOUSLY.**

E. **INNOVATION PLACES IMPLEMENTATION GRANT APPLICATION BY NORTHEAST COMMUNITY INNOVATION CORP. (NCIC)**

1. Progress Update

Ms. Stocker said in August the Agency got approved for the expenditure of $25,000 that allowed them to move forward with the planning process for the Innovation Places project, which just concluded on April 1st. The project basically focuses on four pillars that would help grow the innovated parts of technology, digital marketing and media, light manufacturing and food. The Northeast Community Innovation Corporation has been very instrumental in putting the project together with the assistance of the Norwalk Library, NCC, Fairfield County Makers Guild and numerous other folks. CTNext has provided funding of $49,000,000 over the next five years. Originally they focused on the Wall Street area as being an area they wanted to help grow, but the State felt they should move closer to the train station, so the application now focuses on South Norwalk. They expect there will be an announcement by June as to who will be receiving funding, and if successful they will fund up to ten people and give them free space for up to a year. It is a good program, and they are hopeful that it will be successful because it will really help Norwalk grow businesses and attract people who have the spirit to grow businesses.

Mr. Sheehan said there was an application requirement that you had to be in close proximity to a transit hub, and the State was not accepting Pulse Point as a transit hub. Being close to transit makes sense because you want to be able to pull people in from other areas that aren't necessarily in Norwalk.

IV. **NEW BUSINESS**

V. **OLD BUSINESS**

ADJOURNMENT

There being no further Old or New Business, upon Motion of Ms. Cooper and second by Mr. Devine, the Norwalk Redevelopment Agency meeting was adjourned at 6:45 P.M.

Respectfully submitted,
Karen Pacchiana