THE PLANNING COMMITTEE
OF THE COMMON COUNCIL
125 East Avenue
P.O. Box 5125
Norwalk, CT 06856

TO: MEMBERS, PLANNING COMMITTEE OF THE COMMON COUNCIL

FROM: JOHN KYDES, CHAIRMAN

DATE: MARCH 7, 2017

RE: **MEETING NOTICE**

A Special Meeting of the Planning Committee of the Common Council will be held on **Thursday, March 9, 2017 at 6:30 pm** in the Common Council Chambers in Norwalk City Hall. Please Note the Time and Location.

PLANNING COMMITTEE OF THE COMMON COUNCIL
SPECIAL MEETING
MARCH 9, 2017
6:30 PM

A G E N D A

CALL TO ORDER

ROLL CALL

PUBLIC PARTICIPATION

I. BUSINESS

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

1. Advance to the Common Council for approval action evidencing support for Northeast Community Innovation Corporation's (NCIC) application for a Innovation Places Implementation Grant

B. **WALL STREET REDEVELOPMENT PLAN AREA**

1. Advance to the Common Council for approval City Bank's request for City consent to waive the 90 day written notice requirement to accept a deed in lieu of foreclosure on Phase I of the Wall Street Place Development

II. OLD BUSINESS

III. NEW BUSINESS

ADJOURNMENT

CITY OF NORWALK
Elizabeth Stocker, AICP
Director of Economic Development
estocker@norwalkct.org
P: 203-854-7948
Norwalk City Hall, Mayor's Office
125 East Avenue, PO BOX 5125
Norwalk, CT 06856-5125

NORWALK
The Sound of Connecticut

MEMORANDUM

DATE: March 7, 2017
TO: Planning Committee of the Common Council
FROM: Elizabeth Stocker, AICP, Director of Economic Development
RE: Support for Innovation Places Implementation Grant

Background: The Innovation Places program, part of Public Act 16-3, builds on the successes of entrepreneurs and intends to further support their work to grow the innovation community in Connecticut. The program has three parts:

1. Planning Grants to help communities develop an Innovation Places Master Plan and Implementation Application. (Norwalk was one of 12 to receive a planning grant)
2. Implementation Grants to provide a portion of the funding required to implement the Master Plan. ($4,900,000 allocated for each of next five years)
3. Agency alignment: Encouragement for State agencies and offices to favor applications for financial and technical assistance for projects and initiatives in areas designated as Innovation Places.

Excerpt from Norwalk's Innovation Places Planning Grant:
Norwalk has a long history of design, product, and marketing innovation as well as successful local homegrown companies. The city has been an important part of the "origin story" of companies in many industries, including digital media, media production, digital marketing, and consumer packaged goods.

Our vision is to build on this long history and the city's native infrastructure by establishing a Norwalk Innovation District that will bring communities together to form bonds and ideally develop new companies. Headquartered in the up-and-coming downtown corridor, the district will focus on areas under the purview of the Norwalk Redevelopment Agency. An essential part of our plan will be the development of a series of interactive, community-focused entrepreneurship events to spark creative thinking and inspire innovation.

Leveraging the resources and expertise of Norwalk Innovation District partners, we will focus our efforts on cultivating the creation and growth of early stage businesses in 3-4 industries including food and beverage; digital marketing & media arts; technology & tech startup and maker/light manufacturing.

> "APPROVE to support the decision by the Northeast Community Innovation Corp. (NCIC), a CT based 501c3 nonprofit organization, to apply to the Innovation Places Program - Phase II implementation grant that will help to create an Innovation District in Norwalk."
> "Support for this economic development initiative is consistent with the Norwalk Plan of Conservation and Development."

NORTHEAST INNOVATION
Local Communities. Big Ideas.

Memorandum:

To: Planning Committee of the Norwalk Common Council
From: Peter Propp, Northeast Community Innovation Corp
Date: March 6, 2017
Subject: Innovation Places Program – Request for Letter of Support

CTNext's Innovation Places Program is supported by legislation that provides approximately $30MM over a 5 year period. **Approximately $25MM is earmarked for investment in the enhancement of dynamic "Innovation Places" around the state.**

Allocation of funding is a competitive process between applying communities.

Northeast Community Innovation Corp. (NCIC) a 501(3)(c), partnered with the City of Norwalk and Norwalk Redevelopment Agency (NRA) to win a $50K Planning Grant from the State of Connecticut. NRA matched $25K of state funding for Planning Grant.

The initial grant moneys have supported the hiring of Regional Plan Agency and Kevin Dwarka Associates who are working with NCIC and the City of Norwalk to develop a Master Plan and an Implementation Grant Submission, based on significant research and community engagement to discover the assets, capabilities and needs of the city of Norwalk.

The state is looking to provide funding for projects/programs that catalyze innovation by:

- Attracting and directing support to startup businesses and attracting anchor institutions
- Developing, in collaboration with private partners, a business incubator, co-working space, business accelerator or public meeting space;
- Events, community building, marketing and outreach; and
- Open space improvement, housing development, bicycle paths and improved technology infrastructure, including broadband.

The final plan is due for submission on April 1.

What we are asking for: A letter of support from the municipality's chief elected official including evidence that the municipality's legislative body has voted to support the decision to apply to the Innovation Places program is required.

At this time, we are not asking for:

- **Additional funds**
- **Use of City Owned Real Estate**

CT Innovation Places

NORWALK

Prepared for: Norwalk Planning Committee of the Common Council March 9, 2017
Prepared by Northeast Community Innovation Corp. (NCIC)

What is CT Innovation Places Program?

The Innovation Places program seeks to support entrepreneurs and leaders developing places that will attract the talent high-growth enterprises need.

The Innovation Places program, part of Public Act 16-3, builds on the successes of entrepreneurs and intends to further support their work to grow the innovation community in Connecticut. The program is managed by CTNext. CTNext, is a wholly-owned subsidiary of Connecticut Innovations.

The legislation provides approximately $30MM over a 5 year period. **Approximately $25MM is earmarked for investment in the enhancement of dynamic "Innovation Places" around the state.**

Allocation of funding is a competitive process between applying communities.

A key requirement for Implementation Grants is that state money be complemented by private funding sources.

What is CT Innovation Places? (2)

The process has two key elements

1. **Planning Grants** to help communities develop an Innovation Places Master Plan and Implementation Application (up to $50k per community)

   STATUS: Based on successful application and Norwalk Redevelopment Agency matching of $25K, Norwalk was awarded the maximum planning grant of $50K.

2. **Implementation Grants** to provide a portion of the funding required to implement the Master Plan developed during the planning process.

   STATUS: Currently developing a plan to support receipt of implementation grant. Plan to be submitted April 1.

Part 1: Norwalk Innovation Places Planning Grant

- Grant to conduct a strategic planning process to:
  - Discover and understand the relevant emerging conditions, risks and opportunities they face
  - Decide which capabilities the community needs
  - Plan catalytic actions to build and leverage their capabilities to take advantage of those conditions, risks and opportunities.
  - Develop a public/private partnership to organize plan and manage program.

STATUS: Based on successful application and Norwalk Redevelopment Agency matching of $25K, Norwalk was awarded the maximum planning grant of $50K.

Norwalk Innovation Places Planning Team

- Co-Lead applicants
  - Northeast Community Innovation Corp. (NCIC)
  - City of Norwalk/Norwalk Redevelopment Agency
- Partners
  - Norwalk Public Library
  - Norwalk Community College
  - Wall Street Theater
  - Connecticut Public Television
  - Many Local Entrepreneurs
- Consultant Team
  - Regional Plan Association
  - Kevin Dwarka LLC, Land Use & Economic Consulting

About Northeast Community Innovation Corp.

- Northeast Community Innovation Corp. is a licensed 501(c)(3) not for profit company with the charter of helping communities develop local talent and capabilities to support early stage organizations of all types. The Goal: increase economic activity and job growth in the Northeastern United States. NCIC has a particular focus on underserved communities.
- NCIC leadership includes Barry Schwimmer and Peter Propp. For the past five years, Barry (Managing Partner) and Peter (CMO) have been running the Stamford Innovation Center, a coworking space and startup incubator in downtown Stamford, CT.
- **Barry Schwimmer** (BS Wharton, MBA Booth) successful private equity investor in Chemical Venture Partners, Commonwealth Capital, Stoneybrook Capital, and currently, Petros Connecticut Fund I. Managing Partner, Stamford Innovation Center.
- **Peter Propp** (BA, Kenyon) Original business development leader for IBM WebSphere software. 15 years of business development, strategy and marketing roles at IBM Software Group, CMO, Stamford Innovation Center.

Norwalk Innovation Places Planning

Purpose:

1. Analyze existing economic & land use conditions
2. Catalyze collaboration among community and business stakeholders
3. Determine optimal location for Norwalk Innovation District
4. Determine programs and projects for implementation grant application

Process:

1. Economic Baseline Analysis
2. Land Use Analysis
3. Stakeholder Engagement
4. Strategic Plan
5. Implementation Projects

Norwalk Innovation Places Planning: Economic Baseline & Land Use Analysis

- Document fiscal conditions, market trends, demographic composition, sectoral strengths and weaknesses, job flow patterns and business development entities at a local and regional scale
- Map underutilized properties that may serve as building blocks for new economic clusters
- Analysis of economic and land use potential across Norwalk's urban core from South Norwalk to Merritt 7

Norwalk Innovation Places Planning: Initial Stakeholder Engagement

- Community-wide visioning: Idea Jam, February 15th @ Stepping Stones
- Focus groups
  - City planning & economic development staff
  - Business leaders/Chamber of Commerce
  - Cultural institutions (Stepping Stones, Maritime Aquarium)
- Stakeholder conversations
  - Norwalk City Leadership
  - Norwalk Community College
  - Norwalk Public Library
  - Norwalk Public Schools
  - Norwalk Hospital
  - Business owners & innovators
  - Developers
  - Banks

Part 2: Implementation Grant Application

Funding for projects/programs that catalyze innovation by:

- Attracting and directing support to startup businesses and attracting anchor institutions
- Developing, in collaboration with private partners, a business incubator, co-working space, business accelerator or public meeting space;
- Events, community building, marketing and outreach; and
- Open space improvement, housing development, bicycle paths and improved technology infrastructure, including broadband.

STATUS: Currently developing plan to support receipt of implementation grant. Plan to be submitted April 1

What we are asking for:

A letter of support from the municipality's chief elected official including evidence that the municipality's legislative body has voted to support the decision to apply to the Innovation Places program. Our final plan is due to be submitted April 1.

At this time, we are not asking for:

- **Additional funds**
- **Use of City Owned Real Estate**

In Review: Implementation Grant Timeline

- Master Planning Process (Phase I)
  December 1, 2016 - March 30, 2017
- Draft Strategic Plan and Implementation Plan Submitted
  March 1, 2017
- Strategic Plan and Implementation Grant Application Due
  April 1, 2017
- Public Hearings on Applications
  April 15 - May 15, 2017
- Application Review Period
  April 1 - May 30, 2017
- Announcement of Grant Winners
  June 2017
- Anticipated Start Date
  July 1, 2017

SoNo INNOVATION PLACE

A Strategic Plan for Connecting People, Ideas, and Places

Vision

Over the past several years, the City of Norwalk has undertaken several planning initiatives aimed at revitalizing the SoNo Station Area. Already, there are signs of economic vitality as new stores and restaurants have lined Main Street and rekindled a sense of street life. Smaller professional firms tenant office spaces. The residential population continues to grow.

However, much of this district's business potential remains unrealized. With its fine grain street network, underutilized commercial spaces, and exceptional regional transit connections, South Norwalk can become a vibrant economic center with a high proliferation of startup firms and larger companies creating a flourishing business environment defined by collaboration and partnership. Unlike the corporate office parks along Route 7, SoNo's compact urban form, historic buildings, and unique mix of land uses offers entrepreneurs and companies an aesthetically attractive place where ideas are not fortressed but exchanged. Moreover, SoNo's active nightlife and cultural offerings offer the possibility of a business culture that is integrated rather than disconnected from a residential community. While we envision SoNo as Norwalk's primary urban business district, we also hope to link its economic revival to a parallel revitalization effort, focused on the arts, in the Wall Street area.

Strategic Goals

The following strategic goals were developed based upon input we have received from Norwalk's business community, guidance from the Connecticut Innovative Places program, a careful review of the City of Norwalk's planning documents, as well as our own originally conducted statistical analysis of SoNo's unique assets, demographics, and economic trends.

1) Define South Norwalk as a regional business hub attracting entrepreneurs as well as anchor companies from key sectors including digital marketing, technology, and light industry

2) Enable business growth within the district through the adaptive reuse of existing buildings, facilitating tenancy of vacant buildings and supporting infill development

3) Ensure that South Norwalk is a well-connected place internally but also strongly linked to other parts of Norwalk including the Wall Street area as well as other regional business hubs

4) Maximize the use of South Norwalk's train station and the area immediately surrounding it as an active public space that encourage people to gather and interact safely rather than pass through and disperse

5) Draw an even larger residential population that helps define SoNo not only as place but as a community

Projects

Based on the goals defined above, we have established five potential projects that could help us advance forward the Innovation Place concept forward in SoNo. These proposed projects are still preliminary. During the month of March, we will be further developing each of these six projects, identifying the costs and benefits of each of them, and linking them more closely to the goals and vision presented above.

1) **Establish a Marketing, Branding, and Communications Strategy for South Norwalk**
   Although South Norwalk has been variously branded as a "Design District" or "TOD", neither concept fully speaks to the area's potential to attract a wide range of businesses from a cross-section of industries including technology, digital marketing, or lite industry. Our team needs to develop a messaging platform that invites current and prospective businesses to locate within South Norwalk and highlights the returns of doing business within a highly networked urban space. A key part of developing this strategy will also to be harness the creativity and initiative of the existing business community and ensure that that they remain integral partners not only in the design of the communication strategy but also its delivery.

2) **Determine the Optimal Land Use & Zoning Regulatory Environment for the Innovation Place**
   As part of the city's TOD station area redevelopment initiative, South Norwalk was identified as an urban renewal area appropriate for mixed use redevelopment (though not via eminent domain). The City's conceptual planning studies were further supplemented with proposals for concrete zoning changes intended to facilitate a mixed use urban environment. However, these studies were prepared prior to the formulation of an Innovation Place concept. In order to make sure that the proposed zoning code truly supports the Innovation Place concept, we propose undertaking a careful assessment of existing land uses in the SoNo area. The purpose of this assessment would be to identify buildings ripe for adaptive reuse for commercial business activity and determine if there are any specific regulations that should be adopted in order to expedite or simply the process for their redevelopment. We also see this process of land use assessment as more than a data collection exercise but as an opportunity to strategically engage current property owners, ascertain their plans for rehabilitation, and identify challenges with tenancy.

3) **Develop a Transportation, Pedestrian, and Station Area Access Plan**
   One of SoNo's greatest strengths is its train station. However, there are a variety of ways in which access to this station could be improved and better connected to the pedestrian network as well as other transportation services. In order to make sure that SoNo fully unlocks the value of its train station, we hope to undertake a multi-modal transportation analysis aimed at ensuring that SoNo is not only easy to navigate within the district but also easy to access from myriad other locations.

4) Implement Streetscaping, Lighting, and Landscaping Improvements

There are many aesthetically pleasing aspects of SoNo's existing built environment. However, there are also perceptions that parts of the district are less than attractive or unsafe to walk. In order to ensure that SoNo retains and attracts businesses as well as customers, we would like to identify the urban design treatments (as well as information infrastructure) required to make it a desirable place to do business.

5) Coordinate the Innovation Place with the Existing Community

The City's conceptual plans for SoNo emphasize the importance of retaining the existing community and preserving a range of housing choices in the area. As SoNo develops, we want to make sure that the business community is closely connected to the existing residential community. Meanwhile, residents can be cultivated as potential business owners or investors. We also see many opportunities for employees to live within the neighborhood. To that end, we propose an ongoing set of outreach activities that helps build community between businesses and residents.

THE PLANNING COMMITTEE OF THE COMMON COUNCIL

125 East Avenue
P.O. Box 5125
Norwalk, CT 06856

MEMORANDUM

TO: MEMBERS OF THE PLANNING COMMITTEE

FROM: TIM SHEEHAN, STAFF

DATE: MARCH 7, 2017

RE: WALL STREET PLACE DEED IN LIEU OF TRANSFER

As the Committee is aware, Citibank has issued to IWSR Owners LLC (POKO) a Notice of Default regarding the bank's construction loan for Phase I of the Wall Street Place project. The bank has been negotiating resolution of this default with POKO for several months. Based on the attached correspondence from the bank, the parties have successfully completed those negotiations. As such, the bank is eager to take title to the property as soon as possible for several reasons, including its desire to get this project back online. To accommodate this the bank is seeking the consent of the Redevelopment Agency and the City to waive the 90 day written notice of its intent to accept a deed in lieu of foreclosure, which is required under the Amendment to the Loan Recognition Agreement. This notice provision was incorporated into the referenced document so that both the City and the Redevelopment Agency would not be surprised by any such action taken by the bank. As the public parties were informed that the project was in foreclosure and that negotiations between the developer and the bank have been ongoing, there is no surprise associated with the bank's intended resolution of the default.
The bank's request has been reviewed by the City's Office of Corporation Counsel which has indicated that the request should be brought forward to the Common Council to authorize the Mayor to consent to waiving the notice requirement on behalf of the City.

ACTION

Advance to the Common Council authorization for the Mayor to consent on behalf of the City to waive the 90 day notice period associated with Citibank's intent to accept a deed-in-lieu of the foreclosure as stated in section 5.1 of the Amendment to the Loan Recognition Agreement for Phase I of the Wall Street Place project and to execute all required documents evidencing such consent.

Community Capital

March 1, 2017

Redevelopment Agency of the City of Norwalk
125 East Avenue
P.O. Box 5125
Norwalk, CT 06856-5125
Attn: Timothy Sheehan, Director

DePanfilis & Vallerie, LLC
25 Belden Avenue
Norwalk, CT 06850
Attn: Marc Grenier, Esq.

City of Norwalk
125 East Avenue
P.O.Box 5125
Norwalk, CT 06856-5125
Attn: Mayor

Corporation Counsel
City of Norwalk
125 East Avenue
P.O Box 598
Norwalk, CT

Wall Street Place Phase I: Deed-in-lieu transfer

As you are aware, a Notice of Default was issued by Citibank, N.A. ("Lender") to IWSR Owners LLC ("Borrower') with respect to the $31,880,000 construction loan ("Loan"). Since issuance of the Notice of Default, Citibank has been engaged in negotiations with Borrower to take title to Wall Street Phase I via a deed-in-lieu transaction. Negotiations on a Settlement Agreement to facilitate the transfer to an entity 100% owned by Citibank, N.A., and in addition provide for the release of the Kenneth Olson and Richard Olson (the "Guarantors") from the Completion Guaranty and Payment and Exceptions to Non-recourse Guaranty, are in the final stages.

Per Section 5.1 of the Amendment to Loan Recognition Agreement, Citi must provide the Agency and City written notice of its intention to accept a deed-in-lieu of foreclosure at least 90 days prior to accepting the deed-in-lieu of foreclosure. Citi would like to request that the Agency and City waive this 90 day requirement and allow Citi to proceed with taking title as soon as possible. If agreeable, please execute the signature blocks provided on page 2.

Sincerely,

Citibank, N.A.

Name: [signature]
Title: VICE PRESIDENT

CONSENTED AND AGREED:

THE CITY OF NORWALK

By: ____________________
Name:__________________
Its: Mayor

THE REDEVELOPMENT AGENCY OF THE CITY OF NORWALK

By: ____________________
Name:__________________
Its: ____________________