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: JANUARY 9, 2017

RE: **MEETING NOTICE**

A Special Meeting of the Planning Committee of the Common Council will be held on **Monday, January 29, 2018 at 7:00 pm** in Room 231 in Norwalk City Hall. Please Note the Time and Location.

PLANNING COMMITTEE
OF THE COMMON COUNCIL
SPECIAL MEETING
JANUARY 29, 2018
7:00 PM

A G E N D A

PUBLIC PARTICIPATION

CALL TO ORDER

ROLL CALL

I. ADMINISTRATION

A. **APPROVAL OF MINUTES**

1. Approve Minutes of December 7, 2017 Regular Meeting.

II. REDEVELOPMENT PLANS & PROJECTS

A. Wall Street-West Avenue Redevelopment Plan presentation by RPA.
B. Review Innovation District Incentive Structures.
C. Review Urban Core Infrastructure and Affordable Housing Capital Budget requests.

III. NEW BUSINESS

IV. OLD BUSINESS

ADJOURNMENT

CITY OF NORWALK
PLANNING COMMITTEE
DECEMBER 7, 2017

ATTENDANCE: John Kydes, Chair; Doug Hempstead; John Igneri; Tom Livingston; George Tsiranides; Faye Bowman

STAFF: Timothy Sheehan, Executive Director; Tami Strauss; Director Community Development Planning; Sabrina Church, Community Development Planner

PUBLIC PARTICIPATION

No member of the public came forward.

CALL TO ORDER

Mr. Kydes called the meeting to order at 7:04 p. m. A quorum was present.

ROLL CALL

Mr. Kydes called the Roll.

I. ADMINISTRATION

A. Approval of minutes

1. Approve Minutes of October 5, 2017 Regular Meeting.

** **MR. KYDES MOVED TO APPROVE THE MINUTES OF OCTOBER 5, 2017 AS SUBMITTED.**
** **THE MOTION PASSED UNANIMOUSLY.**

B. Approve of schedule of meetings for 2018

2. Approve schedule of meetings for calendar year 2018

** **MR. KYDES MOVED TO APPROVE THE SCHEDULE OF MEETINGS FOR CALENDAR YEAR 2018.**
** **THE MOTION PASSED UNANIMOUSLY.**

II. COMMUNITY DEVELOPMENT BLOCK GRANT PY44

A. Advance the PY 44 NOFA amended language to the Common Council for review and approval.

Ms. Church stated that the PY 44 NOFA will include new language regarding the reservation of $100,000 for a Walk Bridge Business Mitigation Program aimed at business retention and low to moderate income job retention. The $100,000 will be allocated to the plan via the yearly CDBG allocation. The plan is referenced on page 11 of the NOFA in the section titled Funding Restrictions and Targeting of Resources.

She stated that if the language is not approved by the Common Council, the standard NOFA will be released by the Redevelopment Agency on December 13, 2017.

Mr. Sheehan stated that the $100,000 will become available on July 1, 2018 and we will have until June of next year to deploy the funds. Businesses will have to prove they have been impacted by the Walk Bridge project.

** **MR. KYDES MOVED TO ADVANCE THE PY44 NOFA AMENDED LANGUAGE TO THE COMMON COUNCIL FOR REVIEW AND APPROVAL.**

** **THE MOTION PASSED UNANIMOUSLY.**

B. Approve scheduling a presentation of the CDBG applications on February 1, 2018 at 6:30 p. m.

** **MR. LIVINGSTON MOVED TO APPROVE SCHEDULING THE FEBRUARY 1, 2018 PLANNING COMMITTEE MEETING FOR 6:30 P. M.**

** **THE MOTION PASSED UNANIMOUSLY.**

III. REDEVELOPMENT PLANS & PROJECTS

A. Wall Street – West Avenue Redevelopment Plan presentation by RPA.

** **MR. KYDES MOVED TO TABLE THE WALL STREET – WEST AVENUE REDEVELOPMENT PLAN PRESENTATION BY RPA.**

** **THE MOTION PASSED UNANIMOUSLY.**

B. UPDATE ON FREESE PARK.

Ms. Strauss stated that the Redevelopment Agency has begun the process of creating a cohesive open space system to accommodate the growing residential population and visitors to downtown Norwalk. In May 2017, the Common Council approved the Master Plan of Freese Park which was funded by $25,000 of CDBG Planning funds. She stated the Redevelopment Agency has expended an additional $10,000 for surveys of Freese Park and neighboring Mechanic Street Esplanade and Klondike Park.

Ms. Strauss stated the firm that developed the Master Plan and surveys, has quoted an additional $178,000 for design and construction contract administration and estimates park improvements to total $2.2 million.

Ms. Strauss stated that she would like to gauge the interest of the Planning Committee in supporting this open space improvement project in the upcoming capital budget cycle. Mr. Sheehan stated that if the $2.2 million in spending was approved, it would make up 10% of the Capital Budget. Discussion followed on the total cost of the project. Mr. Kydes requested that staff meet with the consultants and find out what could be included in the project if $333,000 were spent per year over a three year period.

C. Washington Village review Phase I Development and discuss Phase II.

Ms. Eva Erlich and Mr. Tom Ivers came forward on behalf of Trinity Financial. Ms. Erlich stated that Phase I of the project is currently under construction with 80 approved housing units on two sites bordering Day and Hanford Streets. She stated that construction on the two building complex is approximately 35% complete. The roofing is complete on Building A at 13 Day Street. Underground plumbing and electrical utilities are nearly complete as is the exterior siding and windows. She stated that the base coat of asphalt has been installed for the parking area.

Mr. Ivers stated that the first floor decking and framing is complete on Building B. Installation of the second floor joists been completed. Construction has started on the wall panels.

Mr. Ivers stated that 17% of the total direct construction costs included in the construction contract has been awarded to MBE firms, 34% to State Certified Small Businesses, and 5% to Section 3 firms. Of the total number of hours worked to date, 32.94% have been minority employees, 6.03% have been women, 11.37% have been Section 3, and 75.22% have been Connecticut residents. He stated that there have been four new hires made for Phase One construction and 100% are Section 3 certified.

Ms. Erlich stated that the development team encountered early delays due to unforeseen conditions during construction. This has pushed back the project delivery date. Original projections for having Temporary Certificates of Occupancy for both Building A has been pushed back to April. Building B has been pushed back to May.

Ms. Erlich stated that Trinity is in the process of securing the capital stack for Phase Two of the Washington Village Redevelopment effort. Phase Two has been approved for 85 units. 42 of those will be Public Housing Replacement Units. 23 will be Workforce LIHTC Units and 20 will be Market Rate Units. The total development cost is estimated at $47,664,727.

D. Webster Street Lot review study findings.

Mr. Sheehan stated that the City owns approximately five acres of land in the area defined as the Webster Street Lot. The lot is currently used to support six hundred surface parking spaces. These shared parking spaces support the business and entertainment uses that surround the parking lot and are currently managed by the Norwalk Parking Authority. Any development of City owned land within the Webster Street Lot would require the City to replace all of the existing six hundred parking spaces.

Mr. Sheehan stated that the City and Redevelopment Agency could work with the private sector regarding the public infrastructure burden of a public parking facility. Without a structured public parking facility, the economic potential of the block has been maximized by the existing uses surrounding it. That is the reason why the private sector has been unable to introduce new development despite favorable land use regulations with regards to density and height. He stated that there is no way to effectively provide for the necessary parking that any meaningful new development would require.

Mr. Sheehan stated that if the City put out a development plan, we would have difficulty implementing the plan. A better approach would be to allow the private sector to submit development plans and then we work with them on implementation.

IV. NEW BUSINESS

No new business was brought forward.

V. OLD BUSINESS

No old business was brought forward.

ADJOURNMENT

** **MR. IGNERI MOVED TO ADJOURN.**
** **THE MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 8:24 p. m.

Respectfully submitted,

Tom Blaney
Telesco Secretarial Services

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125 East Avenue
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TO: MEMBERS, PLANNING COMMITTEE OF THE NORWALK COMMON COUNCIL

FROM: TAMI STRAUSS, DIRECTOR OF COMMUNITY DEVELOPMENT PLANNING

DATE: DECEMBER 20, 2017

RE: WALL STREET / WEST AVENUE REDEVELOPMENT PLAN UPDATE

The Redevelopment Agency's consultant, Regional Plan Association (RPA), will present a progress report to the Planning Committee on the update of the Wall Street-West Avenue Redevelopment Area Plan. The primary purpose of the meeting is to discuss and gain feedback from the Planning Committee on the draft plan vision and draft plan policies that have been developed thus far through the planning process. Committee members' feedback at this meeting will be essential to confirming a vision for the future of this neighborhood and setting the policy framework that will inform the recommendations of the plan.

At the meeting RPA will provide a brief overview of the demographic and socioeconomic data analysis and the land use, zoning, infrastructure and mobility/connectivity analyses that were undertaken as part of the planning process. The primary focus of the presentation will be to review the qualitative data gathered through an extensive community engagement process and to discuss a vision for the neighborhood and draft plan policies. The community engagement process, which was guided by the Redevelopment Agency and a working group of stakeholders, included individual and small group meetings and focus groups, as well as a business owner survey and meetings with residents. The draft vision for the plan came out of these discussions. The draft plan policies to achieve this vision were then developed in collaboration with the working group.

Action Requested: None

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TO: MEMBERS, PLANNING COMMITTEE OF THE COMMON COUNCIL

FROM: TIMOTHY SHEEHAN, EXECUTIVE DIRECTOR

RE: WALL STREET-WEST AVENUE INNOVATION DISTRICT

DATE: DECEMBER 26, 2017

Introduction

Norwalk last year began to lay the ground work for the Wall Street and West Avenue Corridor to become an Urban Innovation District. An Urban Innovation District is a defined geographic area within a city where technology and creative class businesses and institutions are clustered. Those businesses then connect with start-ups, accelerators, and incubators. These areas are emerging as the new urban business centers. The defined geographic area for a typical innovation district is amenity-rich, operates 24/7, has diversified housing opportunities and is a hyper-connected area via both technology and transportation.

The "Reimagined Urban District" model of Innovation District development drives forward an economic development strategy aimed at revitalizing underutilized parcels of land by attracting both established companies and emerging entrepreneurs, and developing infrastructure and amenities to holistically support the work-life opportunities within it. Business relocation, retention and new development that significantly contributes to these public policy objectives are the development building blocks that the incentives would encourage. To further these ideas and incentives, the Agency has gathered input from the Innovation District Subcommittee of the Common Council and is proposing the following incentive program.

Program Boundary

The proposed incentive program will only apply to a targeted area within the City to draw new jobs and businesses to a specific area that is of interest. It is important that the chosen area has the foundation to support an Innovation District. This foundation mainly comes in the form of anchor institutions, available space, and amenities. Of these, the most crucial being anchor institutions. These institutions are well established and have the potential to draw other synergistic employers and businesses to the district. Having these institutions within the incentive boundary will not only benefit the cohesiveness of the district as a whole, but also incentivize the anchor institutions and new businesses hoping to enter the district.

The Agency, with input from the anchor institutions and the Innovation District Subcommittee, has proposed that the boundary reflect that of the new Wall Street-West Avenue Redevelopment Plan boundary which resembles the boundary of Census Tract 437. The boundary extends to include the Norwalk Hospital, King Industries, Devine Brothers, Lillian August, Yale-New Haven Children's Hospital, the Norwalk Main Library, and Stepping Stones (see Figure 1). All of these institutions are major employers and assets within the district. The institutions also have the potential to create synergistic relationships with one another within the underutilized areas in the district boundary centered on the themes of health, science, and technology.

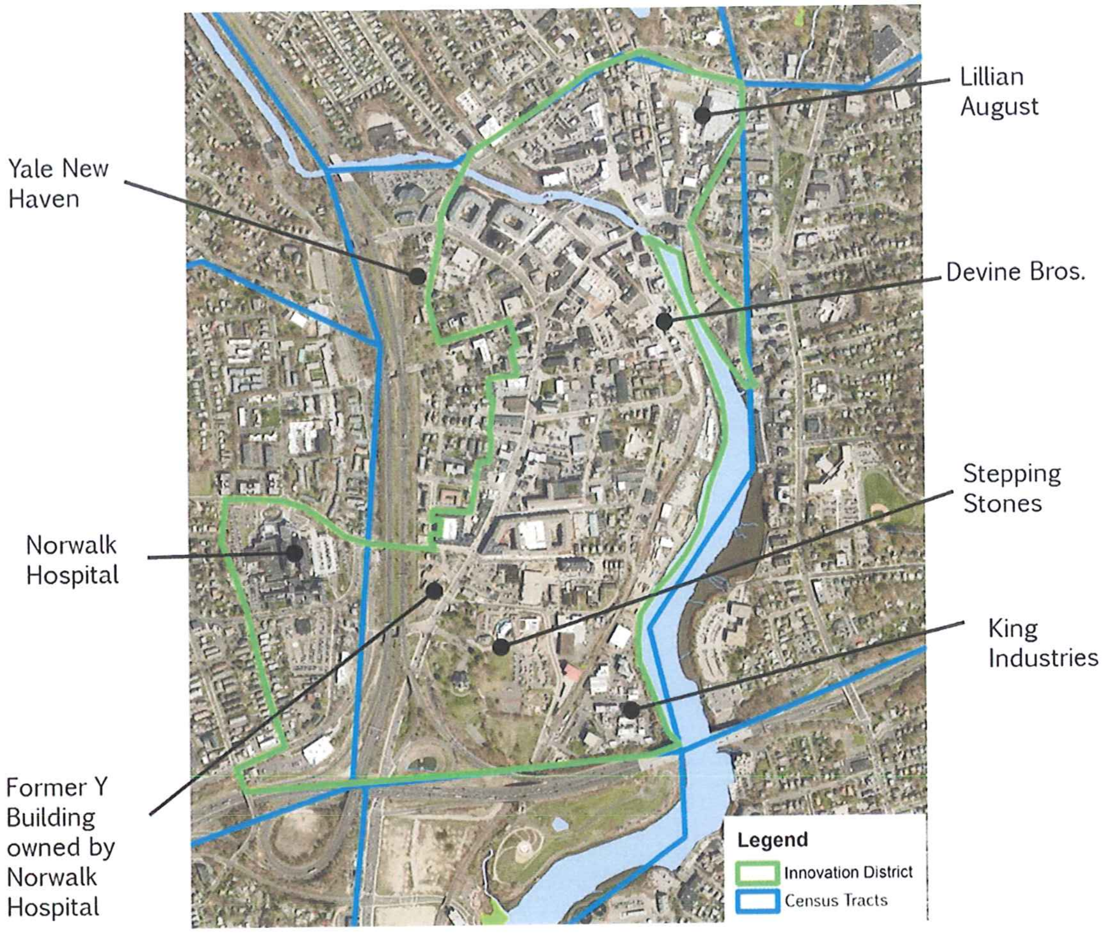

Figure 1. Map of Innovation District Boundary.

Proposed Incentives

The Agency is proposing five tax incentives for the Innovation District to attract new development, businesses and jobs to the area. The following incentives can be used in combination or standalone, depending on the business and/or project. The advancement of an application regarding a proposed incentive will require Innovation District Committee recommendation (committee will be formed after incentive approval from the Common Council). That recommendation will be referred to the Planning Committee, Redevelopment Agency and Planning Commission for their respective consideration, comment and action. All respective consideration, comment and action will then be advanced to the Common Council for final approval (See Figure 2).

1. Application completed by applicant → 2. Application to Redevelopment Agency → 3. Application to Innovation District Committee → 4. Application to Planning and Redevelopment Agency Commission → 5. Application to Planning Committee → 6. Application to Common Council

Figure 2. Steps to Approval.

The Agency will develop the various incentive applications for the Innovation District that will vet applicants and streamline the process prior to coming to the Innovation District Committee and the Common Council for approval. Such application will be reviewed with the Planning Committee.

- ***Infrastructure Investment Incentive:***
  A service payment agreement where the tax increment may be fully applied to support financing public infrastructure projects within the district for up to 30 years provided the service payments are equal to the taxes that would have been paid to the City but for the exemption. As a result, the district will be able to support new business growth and increased population throughout the area which would have otherwise not been possible without significant City financing.

- ***Real Estate Development Incentive:***
  The tax increment is exempted up to 50% for not more than 10 years on new mixed use and not more than 15 years for office development projects that have street frontage on main arterials within the District, that reserve not less than 10% of their developable square footage as highly activated public realm, dedicate 5% of any required workforce housing units to people earning not more than 50% of State Median Income or commit not less than 10% of their gross floor area to health, science or technology uses. Eligible projects are valued at not less than $10 Million. This is to incentivize investment in new larger scale real estate development in the district and to allow those that are building the opportunity to invest more capital into their development projects as they come to market and to allow the project to economically stabilize before realizing the full tax impact.

- ***District Commercial Preservation Incentive:***

  A significant part of the District contains a Historic Preservation District as designated by the Connecticut State Historic Preservation Office (SHPO). As the District gains momentum as a place of strategic innovation it will be important to bring new life into many of the District's historic structures and ensure that they continue to positively influence the District's sense of place, distinctness and architectural relevance. For this purpose a twenty year special valuation is recommended for District historic structures that undergo approved historic rehabilitation. The primary benefit of the special valuation would be that during the twenty year special valuation period, property taxes would not reflect the value of the substantial improvements made to the historic property. Eligible properties, would include those as defined by the Norwalk Common Council, are designated as contributing properties to the Wall Street Historic District, buildings in the District that are located within the National Register and any building deemed by the Norwalk Historic Commission as having local historical significance. The property must have undergone an approved rehabilitation within the two years prior to the date of application and rehabilitation cost must equal or exceed 25% of the assessed value of the improvements, exclusive of land value, prior to rehabilitation. Expenditures are based on Qualified Rehabilitation Expenditures. "Qualified rehabilitation expenditures" are expenses chargeable to the project, including improvements made to the building within its original perimeter, architectural and engineering fees, permit and development fees, loan interest, state sales tax, and other expenses incurred during the rehabilitation period. Not included are costs associated with acquiring the property or enlarging the building.

- ***Small Business Incentive:***

Designed to incentivize small businesses and entrepreneurs that have less than fifteen full time employees to the Innovation District by fully exempting them from both the property tax associated with their business's space and any personal property tax associated with the business during their first four years of operations. Primary conditions include evidencing a minimum of three full time non-related employees that spend a minimum of 60% of their time in the District at the point of opening and maintaining at least three such employees each year of the incentive and the occupied space cannot exceed 10,000 square feet. Similarly, for small businesses already located in the District, additions of three or more new employees would entitle them to the same tax benefit with the same restrictions.

- ***The Skilled Job Creation Tax Credit:***
  The Job Creation Tax Credit rewards businesses that increase the number of skilled jobs available in the District. A business can apply the credit to its property tax obligation if it creates ten or more new full time jobs, that spend a minimum of 60% of their time in the District and pays each position $50,000 or more annually in a given year. Program participants must commit to maintaining business operations in the District for five years and maintain staffing levels at a minimum of ten such jobs since the starting period. The credit amounts for the new jobs created is 2% of annual wages paid for each new job up to $5,000 per new job created, whichever is higher for each of the five years going forward.

- ***B Corp Tax Incentive:***
  Allows all new, sustainable businesses committed to creating jobs in the District to fully exempt their tax obligations for their real estate for the first five years. The B Corp business must have upon opening and maintain at least two non-related employees for the full term of the incentive and the employees must work in the District 60% of the time and the incentive is capped at the property taxes for not more than ten thousand square feet.

A cap on the incentives of $15 million is proposed for the first five years of the program. The cap amount can be altered by the Common Council if deemed necessary and in the interests of the City. The program structure will be economically evaluated by an independent party at the end of the five year period and a formal recommendation to the Common Council will be offered by that party regarding any future recapitalization actions.

Progress

The Agency has met over the past month with many of the anchor institutions within the district to discuss the incentives, ask questions about what other businesses would benefit their businesses, and what the incentive program could do to assist them in achieving their goals. All of the institutions have expressed interest within the growth of the district and gave an overall positive response to the proposed incentive program concepts and innovation district theme.

Many of the institutions were also interested in bringing other businesses into the district and increasing their own presence within the district. Some expressed interest in expanding their own footprints and others were in support of amenities that could potentially benefit their current employees. Communication between these institutions and the City will promote and improve the Innovation District and form an amenity-rich and active destination.

Next Steps

Upon general consensus from the Planning Committee to advance the above program outline, staff recommends that it be advanced into a formalized Program/Business Plan. Upon the completion of that plan, it is further recommended that the Planning Committee seek formal comment on the plan from the City's Finance Director, the Board of Estimate and Taxation, the Planning Commission and the City's municipal tax counsel. Once that comment has been received, potential modifications should be considered by the Planning Committee. After the Planning Committee is satisfied with the program structure then it should be advanced for public hearing. After the public hearing the Committee should consider further refinement of the program and, assuming the Committee is supportive, advance to the Common Council for approval.

REQUESTED ACTIONS:

Direct staff to advance the Innovation District Incentive Program into a Program/Business Plan for further review and consideration by the Planning Committee.

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TO:	MEMBERS, PLANNING COMMITTEE OF THE NORWALK COMMON COUNCIL
FROM:	TAMI STRAUSS, DIRECTOR OF COMMUNITY DEVELOPMENT PLANNING
DATE:	DECEMBER 21, 2017
RE:	REDEVELOPMENT AGENCY CAPITAL BUDGET REQUESTS 2018-2019

The Redevelopment Agency has requested $2.2 million in the upcoming capital budget cycle 2018-2019.

$1.7 million has been requested for Urban Core Infrastructure:

- $900,000 for the restoration of the HUD Choice Neighborhood Initiative grant funding for Ryan Park Improvements. This is a joint request with the Recreation & Parks Department.
- $500,000 of additional funding for the completion of improvements to the Washington Street Plaza.
- $300,000 for initial / Phase I (out of 5 Phases) improvements to the open spaces in the Wall Street area to enhance the emerging residential and commercial center.

$500,000 has been requested for Affordable Housing:

- Affordable housing capital budget funds will be used to leverage the development of new affordable housing units in South Norwalk Census Tract 441.
- The Consolidated Plan for Community Development 2015-2019 identifies addressing the availability, quality and cost of housing as the City's greatest community development need.

Action Requested: None