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: DECEMBER 27, 2016

RE: **MEETING NOTICE**

The next scheduled meeting of the Planning Committee of the Common Council will be held on **Thursday, January 5, 2017 at 6:30 pm** in the Community Room in Norwalk City Hall. Please Note the Time and Location.

PLANNING COMMITTEE OF THE COMMON COUNCIL
REGULAR MEETING
JANUARY 5, 2017
6:30 PM

A G E N D A

CALL TO ORDER

ROLL CALL

PUBLIC PARTICIPATION

I. APPROVAL OF MINUTES
   A. December 1, 2016 Regular Meeting

II. BUSINESS

   A. **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**
      1. Presentation of CDBG Applications for Program Year 43

   B. **WALL STREET THEATER**
      1. Approve advancing to the Common Council the third-party underwriting of the Section 108 loan for the Wall Street Theater Company

   C. **NORWALK ENTERPRISE ZONE**
      1. Discuss Enterprise Zone and other state development programs

   D. **WEBSTER STREET BLOCK**
      1. Discuss setting a Special Meeting date

III. OLD BUSINESS

IV. NEW BUSINESS

ADJOURNMENT

CITY OF NORWALK
PLANNING COMMITTEE OF THE COMMON COUNCIL
REGULAR MEETING
DECEMBER 1, 2016

ATTENDANCE: John Kydes, Chairman; John Igneri, Shannon O'Toole-Giandurco, Thomas Livingston, Faye Bowman

STAFF: Timothy Sheehan, Redevelopment Agency Director; Hunter Arton, Community Development Administrator; Tammy Strauss, Director of Community Development Planning

OTHERS: Mr. Charlie Taney, Manresa Association; Mr. John Moeling, Norwalk Land Trust president; Sharon Conners, Purchasing Officer

PUBLIC PARTICIPATION

Mr. Kydes announced that the Public Participation portion of the meeting was open at 7:01 p.m.

Mr. Charlie Taney, the Manresa Association president, came forward and said that after the Manresa Power Plant had closed, the Manresa Association had formed in 2013 to prevent another Cos Cob power plant situation where the plant rusted into the ground for 29 years. He spoke about how the Association was partnering with the City to conduct a Economic Impact Analysis and gave a brief history of the situation. By creating a master plan for Manresa, the City will remain in control of any future development.

Mr. John Moeling, the president of the Norwalk Land Trust, and a member of the Manresa association came forward. He said that he lives near the Island and that there are 8 active osprey nests on the island. He said that the City needs to be in control of the land after NRG disposes it to protect the wetlands and the wildlife there. It is literally at the entry way to the Harbor. He pointed out that several people have stepped forward to put their own money to finance the study and the island does have polluted areas on it.

CALL TO ORDER

Mr. Kydes called the meeting to order at 7:08 p.m.

ROLL CALL

Mr. Kydes called the roll. A quorum was present.

I. APPROVAL OF MINUTES

November 3, 2016 Regular Meeting

**** MR. LIVINGSTON MOVED THE MINUTES OF THE NOVEMBER 3, 2016 REGULAR MEETING.**
**** THE MOTION TO APPROVE THE NOVEMBER 3, 2016 REGULAR MEETING AS SUBMITTED PASSED WITH FOUR IN FAVOR (KYDES, IGNERI, LIVINGSTON AND O'TOOLE-GIANDURCO) AND ONE ABSTENTION (BOWMAN).**

II. BUSINESS

A. MANRESA ISLAND MASTER PLAN

1. Approve advancing to the Common Council a request for $75,000 from account 017025-5258 for the preparation of the Manresa Island Master Plan.

**** MR. IGNERI MOVED THE ITEM.**

Mr. Sheehan said that Mr. Taney had offered a thorough overview of the history of the island. He said that the City needed to look at the parcel carefully to get back the maximum return that it can. It is important to have a planning document in place in order to work with the owner.

Ms. O'Toole-Giandurco asked what account the funding would come from. Mr. Sheehan said that it was a surplus account and gave the details. It will be important to insure that the City Council supports the study. Ms. O'Toole-Giandurco wished to know who owns the property. Mr. Sheehan said that NRG currently owns it. Ms. O'Toole-Giandurco asked if the City was planning to purchase the property. Mr. Sheehan said that the City might be able to guide the course of the development because it has the power of land use behind it. Mr. Taney pointed out that when NRG goes to sell the property, the City will have to approve it. By being ahead of the plan, the City will already have options available because they have the analysis. When the decision is based on metrics and analysis, the Council can make an informed decision. The study will provide the information for that decision.

Mr. Kydes pointed out that they would not have the ability to go onto the property. He asked what kind of impact that this would have on the study. Mr. Taney said that the firms had most of the information already that would be needed, so they do not need access to the property. Most of the information is already available to the public because the government required the owners to provide extensive testing.

Ms. O'Toole-Giandurco asked what Mr. Toney's goal was for the property. Mr. Taney pointed out that it was private land. He said that the primary goals were for the land to be environmentally safe. 55 of the 125 acres have coal ash on it, but the Manresa Association would like to see it safe for the wildlife. They would also like to see some part of it preserved as open space.

Mr. Taney said that from a land trust viewpoint, they would to see the environment preserved. He said that one of the firms had a biologist on staff and that weighed heavily in the firm's favor. Also the firm has been on the property previously, so they are familiar with the area and don't need access.

Ms. Bowman asked if there would be more backup for the Council Members. Mr. Livingston suggested that there was a two page Executive Summary that could be given to the Council members.

Ms. Bowman asked where the surplus funding came from. Mr. Sheehan explained that the Finance Director went to the BET and presented this item as a project, which the BET approved adding it to the Economic Development Director's budget and this is in the Operation Budget. Ms. Bowman asked why Ms. Conners was present. Mr. Sheehan said that Ms. Conners works out on the Grant budget for the City. Ms. Bowman said that she did not have enough information to vote for the item.

Mr. Kydes said that if residential units were put on the island, would there be an easement through the area of coal ash. Mr. Igneri said that this was one of the many issues that the analysis would address, along with infrastructure and future needs. Mr. Taney said that there were a number of public meetings built into the process, so as the analysis moves forward, the concerns are addressed.

Ms. O'Toole-Giandurco asked for the recap information before the next Council Meeting, which will be in two weeks. Mr. Sheehan made a note of this.

**** THE MOTION TO APPROVE ADVANCING TO THE COMMON COUNCIL A REQUEST FOR $75,000 FROM ACCOUNT 017025-5258 FOR THE PREPARATION OF THE MANRESA ISLAND MASTER PLAN PASSED WITH THREE IN FAVOR (KYDES, IGNERI, AND LIVINGSTON) ONE OPPOSED (O'TOOLE-GIANDURCO) AND ONE ABSTENTION (BOWMAN).**

2. Approve advancing to the Common Council approval of the contract with Fitzgerald & Holliday not to exceed $150, 000 and approve the Economic Development Director to execute the contract and related documents.

**** MR. LIVINGSTON MOVED THE ITEM.**
**** THE MOTION TO APPROVE ADVANCING TO THE COMMON COUNCIL APPROVAL OF THE CONTRACT WITH FITZGERALD & HOLLIDAY NOT TO EXCEED $150, 000 AND APPROVE THE ECONOMIC DEVELOPMENT DIRECTOR TO EXECUTE THE CONTRACT AND RELATED DOCUMENTS**

PASSED WITH THREE IN FAVOR (KYDES, IGNERI, AND LIVINGSTON) ONE OPPOSED (O'TOOLE-GIANDURCO) AND ONE ABSTENTION (BOWMAN).

B. COB PROGRAM YEAR 43

1. Approve scheduling the January 5, 2017 Planning Committee meeting for 6:30 p.m.

**** MS. O'TOOLE-GIANDURCO MOVED THE ITEM.**
**** THE MOTION PASSED UNANIMOUSLY.**

2. Advance the Conflict of Interest Policy to the Common Council and authorize Mayor to submit waiver requests related to the COB program to HUD.

**** MR. LIVINGSTON MOVE THE ITEM.**
**** THE MOTION PASSED UNANIMOUSLY.**

C. ADMINISTRATIVE

A. Adoption of the Schedule of Meetings for calendar year 2017.

**** MS. O'TOOLE-GIANDURCO MOVED THE ITEM.**
**** THE MOTION PASSED UNANIMOUSLY.**

III. OLD BUSINESS.

There was no old business to consider at this time.

IV. NEW BUSINESS.

There was no new business to consider at this time.

ADJOURNMENT.

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

The meeting adjourned at 7:28 p.m.

Respectfully submitted,
S. L. Soltes
Telesco Secretarial Services

NORWALK re: DEVELOPMENT AGENCY

TO: MEMBERS, PLANNING COMMITTEE OF THE NORWALK COMMON COUNCIL

FROM: TAMI STRAUSS, DIRECTOR OF COMMUNITY DEVELOPMENT PLANNING

DATE: DECEMBER 15, 2016

RE: PY43 CDBG APPLICATIONS

ANTICIPATED FUNDING AVAILABLE AND REQUESTED FUNDING

The anticipated funds are based upon HUD's funding category caps and an estimate of what will be allocated to the City of Norwalk by HUD. It is subject to change based on future federal budget decisions. The following is a breakdown of what is anticipated to be available and what is actually requested by Program Year 43 (2017-2018) applicants.

Funding Category	Anticipated Funds	Funds Requested	# of Applications
Public Service activities	$121,471	$292,039	13
Public Facility & Housing activities	$616,356	$798,275	9
Planning & Administration activities	$200,103	$200,103	1
Total	*$937,930*	*$1,290,417*	*23*

SUMMARY OF SUBMITTED APPLICATIONS

A total of 24 applications were submitted for the PY43 CDBG program. Applications were received from 23 organizations, 6 of which did not receive CDBG funding in PY42 and 4 which did not receive CDBG funding in the last five years. Twenty (20) applications address currently unmet Consolidated Plan goals. Accompanying this memo is a binder with a summary spreadsheet and each application.

AVAILABILITY OF APPLICATIONS FOR PUBLIC REVIEW

On December 5, 2016, submitted applications were posted on the City's website: http://www.norwalkct.org/index.aspx?nid=1412.

CONFLICTS OF INTEREST AND THE REVIEW PROCESS

Agency staff is working with Corporation Counsel and HUD to secure waivers for the affected Council member and organization.

APPLICATION PRESENTATIONS

At the Planning Committee meeting on January 5, 2017, organizations submitting an application are invited to make a brief (three minute) presentation to the Planning Committee during the public meeting portion of the Planning Committee meeting.

KEY DATES

- February 2, 2017 – Planning Committee meeting – The Committee is asked to recommend PY43 CDBG applications for funding
- March 2, 2017 – Public Hearing – Held at prior to the Planning Committee meeting to receive public comment on the draft PY43 Annual Action Plan
- April 6, 2017 – Planning Committee meeting – The Committee is asked to forward the draft PY43 Annual Action Plan to the Common Council for approval
- May 9, 2017 – Common Council meeting – The Council is asked to approve the draft PY43 Annual Action Plan for submission to HUD

NO ACTION IS REQUESTED AT THIS TIME.

CDBG PY43 Applications

Binder Tab Number	Organization	Project Title (abbreviated for printing purposes)	Request	% of Total Program	Match Indicated (2:1)	Target Area Indicated	Number of Beneficiaries Indicated	$ Request per Beneficiary	Addresses an Unmet ConPlan Goal Target	PS Funds Received Last year	PS Funds Received in Last 5 Years
PUBLIC SERVICES - $121, 471 anticipated to be available; $292,039 requested											
2	Child Guidance Center of Mid-Fairfield County	Dialectical Behavior Therapy	$30,000	18%	Yes	Citywide	30	$1,000	No	$10,000	$126,205
3	ChoZen Few Entertainment dba SoNo Entertainment	LIFT Program - Learning is Fun Too	$20,000	31%	Yes	South Norwalk	20	$1,000	Yes	$15,000	$30,000
4	Community Health Center	Comprehensive Dental Care for Seniors	$15,000	50%	No	Citywide	40	$375	Yes	$10,000	$10,000
5	Domestic Violence Crisis Center	SustainAbilityCT (iACT)	$30,000	9%	Yes	Citywide	150	$200	No	$14,548	$94,279
6	Family & Children's Agency	Project REWARD	$20,000	5%	Yes	Citywide	70	$286	No	$10,000	$37,366
7	Food Access Coalition	SONO Common Ground Farmer's Market	$10,000	56%	No	South Norwalk	100	$100	Yes	$0	$0
8	Hair Tech Beauty and Barber Academy	Barber Academy - Life Skills	$40,000	50%	No	South Norwalk	8	$5,000	Yes	$0	$0
9	Higher Education Literacy Professionals	College Edge Program	$14,000	90%	No	Citywide	20	$700	Yes	$14,000	$14,000
10	Person to Person	Emergency Assistance Program	$35,000	33%	Yes	Citywide	225	$156	Yes	$20,000	$65,899
11	Saturday Academy	Cryptography	$15,820	34%	Yes	Citywide	50	$316	Yes	$0	$25,820
12	Senior Services Coordinating Council	Senior Safety Net - Part II	$24,000	33%	Yes	Citywide	125	$192	Yes	$10,684	$23,184
13	Serving All Vessels Equally (S.A.V.E.)	Check and Connect	$20,000	36%	No	Citywide	20	$1,000	Yes	$0	$0
14	Triangle Community Center	Case Management and Navigation Program	$18,219	33%	Yes	Citywide	120	$152	Yes	$15,000	$15,000

Binder Tab Number	Organization	Project Title (abbreviated for printing purposes)	Request	% of Total Project	Match Indicated (1:1)	Project Location	Qualified Estimate Submitted	$ Request per Beneficiary	Addresses an Unmet ConPlan Goal Target	PF/Housing Funds Received Last year	PF/Housing Funds Received in Last 5 Years
PUBLIC FACILITIES / HOUSING - $616,356 anticipated to be available; $798,275 requested											
16	Carver	Facilities Project - HVAC Replacement, Phase 3	$87,500	50%	Yes	West Avenue	Yes	$40	Yes	$50,000	$275,000
17	HomeFront	Home Revitalization	$15,000	13%	Yes	Citywide	N/A	$5,000	Yes	$10,000	$10,000
18	North Guilford Studios	Norwalk Businesses on Google Maps	$25,000	50%	Yes	Wall Street	N/A	$2,500	Yes	$0	$0
19	Norwalk Housing Authority	Irving Freese ADA Improvements	$24,452	100%	No	Wolfpit	Yes	$59	Yes	$0	$173,156
20	Norwalk Senior Center	Accessible & Safe Parking	$50,000	100%	No	Cranbury	Yes	$25	Yes	$45,007	$45,007
21	Open Door Shelter	Family Housing Renovations	$100,000	31%	Yes	South Norwalk	Yes	$25,000	Yes	$100,000	$169,500
22	Rowayton Senior Housing Corp.	Improve Heating Efficiency	$45,000	40%	Yes	Rowayton	Yes	$1,875	Yes	$10,000	$10,000
23	South Norwalk Community Center	SoNoCC Renaissance Project	$100,000	63%	No	South Norwalk	Yes	$32	Yes	$80,000	$280,000
24	STAR, Lighting the Way	Handicapped Accessible Bathrooms	$29,500	50%	Yes	Wolfpit	Yes	$49.17	Yes	$40,000	$205,755
25	Norwalk Redevelopment Agency obo City of Norwalk	City Neighborhoods	$351,323	21%	Yes	Urban Core	N/A	$39	Yes	$282,150	$2,370,088

Binder Tab	Organization	Project Title	Request	% of Project	Project Summary
PLANNING & ADMINISTRATION - $200,103 anticipated to be available; $200,103 requested					
27	Norwalk Redevelopment Agency obo City of Norwalk	CDBG Administration	$200,103***	90%	The Agency requests $200,103 in PY43 CDBG funds to cover costs associated with administration of the City's CDBG program.

****The Norwalk Redevelopment Agency's request is the amount allowed by HUD for the Administration of CDBG funds over the course of the program year.*

PY43 CDBG Application Summaries (as submitted)

PUBLIC SERVICES		
Child Guidance Center	**Dialectical Behavior Therapy**	**$30,000**
<u>Project Summary</u>	If approved, funds will help preserve our DBT Program and also enhance our capacity to help even more children in need. DBT is an evidence-based treatment designed for adolescents who present with high-risk behaviors (self-injurious behaviors, suicidal ideations, etc.). Between 15 - 20% of children we currently serve are assessed as suicide risks. DBT is designed to increase overall functioning and `unlock potential` in the adolescents we serve so they can actively participate in their home-life, school, and community; thus, increasing the likelihood that they grow to become independent, self-sufficient adults. Our DBT program will serve approximately 30 beneficiaries.	
ChoZen Few Entertainment, LLC dba SoNo Entertainment & Recording Studios	**The L.I.F.T Program: Learning Is Fun Too**	**$20,000**
<u>Project Summary</u>	STEAM Program to introduce youth to Science Technology Engineering Arts and Math, as it relates to music and video production. The LIFT Program, focuses on inner city Norwalk Youth, addressing current issues our youth encounter and producing a Public Service Announcement in relations to the issue. This effect the youth immediately and countless others as we debut the finish project at our local movie theater.	
Community Health Center, Inc.	**Comprehensive Dental Care for Norwalk Seniors**	**$15,000**
<u>Project Summary</u>	Community Health Center, Inc. (CHCI) proposed project will provide comprehensive dental services in Norwalk, Connecticut to patients over 60 years of age that would otherwise not be able to afford dental care. Meeting the dental needs of seniors will enhance their ability to achieve and maintain optimal health. Through a thorough dental exam, a treatment plan will be created addressing any health issues such as gum disease, tooth and root decay, denture-induced stomatitis, and other oral diseases causing pain, discomfort or other health and wellness issues.	
Domestic Violence Crisis Center	**SustainAbilityCT (iACT)**	**$30,000**
<u>Project Summary</u>	SustainAbilityCT (iACT) focuses on economic solutions that drive employment, education, and housing. Participants in the iACT program engage in one-on-one financial education sessions, a consumer education program, group workshops, job training, and are connected to sustainable housing. Participants facing eviction and foreclosure have access to free legal representation. Benefits include: long term housing solutions, enhanced financial knowledge, employment, and access to community resources. The project serves our SafeHouse and Outreach clients as well as our Spanish speaking clients participating in the EsperanzaCT project. DVCC plans to help 150 clients with CDBG funds.	

PY43 CDBG Application Summaries (as submitted)

Family & Children's Agency

Project REWARD **$20,000**

Project Summary: Established in 1993, Project REWARD is the only program in southern Fairfield County providing outpatient substance abuse treatment only for women. Tailored to meet the specific needs of women, we offer a continuum of care designed to prevent continued substance use. This includes Seeking Safety, an evidenced based treatment for women who have experienced trauma and are at high risk of re-victimization. DMHAS designated the program as co-occurring ready, allowing us to simultaneously treat substance abuse and mental health co-morbidities. Finally, at no charge, we offer transportation and on-site babysitting to reduce the barriers to treatment that the low-income women we serve often face.

Food Access Coalition — **SONO Common Ground Farmer's Market** **$10,000**

Project Summary: The Food Access Coalition, partnering with Ct. farmers, strives to provide fresh locally grown produce to the community. By doubling the value of family food coupons we are able to reach a wider community of those in need. Our mission is to improve the quality of food for our families in areas known as `food deserts`. We make fresh food accessible, affordable and educational. Our goal is to reach 100 Seniors at Common Ground.

Hair Tech Beauty and Barber Academy — **Barber Academy - Life Skills** **$40,000**

Project Summary: Vincent Grant, owner/operator, opened Hair Tech Beauty & Barber shop in 1993 in S. Norwalk. Hair Tech is looking to continue efforts to empower those most disadvantaged by providing opportunities to enter into a profession that will create life changing paths and elevate the economic conditions of families. The Academy will prepare students with the State required 1,000 hrs. necessary to take the licensing exam. Student population will consist of 8 S. Norwalk residents, including 5 spots for ODS clients. Hair Tech will provide 50% of the normal cost for the program inkind for each student who qualifies with an inability to pay $10k fees for the School. The average cost in the areas is $9k - $18k.

Higher Education Literacy Professionals — **College Edge Program** **$14,000**

Project Summary: The College Edge Program is a comprehensive series of college-readiness workshops, SAT test preparation lessons, college tours, and private coaching sessions designed to guide students and families to and through the college application process. The goal of the College Edge Program is 100% college placement for 20 low-income Norwalk program participants.

PY43 CDBG Application Summaries (as submitted)

Person to Person — **Emergency Assistance Program** — **$35,000**

Project Summary: Person-to-Person is requesting support of its Emergency Assistance Program serving low-income and food-insecure individuals and families residing in Norwalk, at least a third of which are children. The Emergency Assistance Program assists clients through their situational crises by providing them with emergency financial assistance, food, and clothing. Clients of the Program have access to P2P's team of Caseworkers to assist with a variety of needs including budget counseling, referrals to partner agencies for additional services, advocacy for benefits, and general support as clients move towards greater stability.

Saturday Academy Inc — **Cryptography** — **$15,820**

Project Summary: Cryptography is important in our modern technological society, not only to diplomats and military personnel, but also to ordinary citizens as they use computers and cellphones to share information through the Internet while shopping, banking or just communicating with friends. Teaching students about cryptography makes them aware of basic notions of encryption, helps prepare them for jobs in STEM fields in which data security is important, and makes them aware of cryptography as a career choice. And, because of the mathematical nature of the subject and the natural interest surrounding secret messages, cryptography is also an exciting hook for learning and applying mathematics.

Senior Services Coordinating Council — **Senior Safety Net: Part II** — **$24,000**

Project Summary: We have begun and will continue in part 2 to create Senior Safety Nets with training for seniors, plus home inspections, to prevent unnecessary falls, injuries, fires and accidents; and to teach seniors to avoid fraud, theft, scams and financial abuse. In part 2 we will also involve seniors to be more proactive in their personal safety by having them fill out monthly home safety check lists, and invite seniors to bring us mail solicitations which we will compile and add to our educational programs.

Serving All Vessels Equally (S.A.V.E.) — **Check and Connect** — **$20,000**

Project Summary: Check & Connect is a program that was developed at The University of Minnesota. This research based dropout prevention program is a comprehensive intervention designed to enhance student engagement at school and learning for marginalized and disengaged students through relationship building, problem solving and capacity building. The Check component is designed to continually assess student engagement through close monitoring of student performance and progress indicators. The Connect component involves staff giving individualized attention to students, in partnership with school personnel, family members, and community service providers. Twenty (20) high schoolers will be admitted.

Triangle Community Center, Inc. | **Case Management and Navigation Program** | **$18,219**

Project Summary: TCC understands the needs of the LGBT community, a population with the highest percentage of homeless, unemployed and uninsured individuals. For these reasons, TCC's case management program offers assistance with homelessness and supportive housing, job training and placement, healthcare and mental health services, basic needs and financial assistance, legal and LGBTQ identity issues and peer support groups. TCC strives to help each client become self-sufficient by developing an individualized plan with weekly check-ins either by phone or in person.

PUBLIC FACILITIES / HOUSING

Carver Foundation | **Facilities Project - HVAC Replacement Phase 3** | **$87,500**

Project Summary: The Carver Center will complete phase 3 of the project to replace our HVAC and duct system for the first floor of the building. With the support from CDBG PY 42, we were able to start the project. These renovations will make our center more energy efficient. Carver Center's programming includes free after-school programming, an affordable summer camp, GED and ESL classes, recreation programs and community events.

HomeFront | **Home Revitalization** | **$15,000**

Project Summary: HomeFront seeks funding to perform critical home repairs and improve handicap accessibility for three very low income homeowners in Norwalk.

North Guilford Studios | **Norwalk Businesses on Google Maps** | **$25,000**

Project Summary: The objective of this program is to put Norwalk businesses on the map. This project will provide 10 businesses in the census tract 437 (Wall Street) with tools to help increase public awareness of their businesses. NGS creates and posts street view images that are publicly viewable on Google maps. Panoramic images and other content may be updated or added to periodically.

Norwalk Housing Authority | **Irving Freese ADA Improvements** | **$24,452**

Project Summary: The project will provide enhanced access and accommodation through the installation of automatic doors at the community center and at 3 common building entry doors. This will make access and egress far easier for all and is especially important in times of emergency. NHA oversees housing and other needs of all Norwalk's public housing and Section 8 residents, who regularly visit between different developments. NHA public housing includes 414 seniors. This project will provide easy access to under-served populations including handicapped individuals, senior citizens, and visiting family members/friends including guardians, mothers with small children, other seniors or handicapped persons.

PY43 CDBG Application Summaries (as submitted)

Norwalk Senior Center | **Accessible & Safe Parking** | **$50,000**

Project Summary: The proposed project would solve a significant parking space shortage at a multi-use city-owned building/property located at 11 Allen Road. The Norwalk Senior Center shares 3 parking lots with a new preschool program & Senior Services. We provide services to help seniors thrive. Our Enhance Fitness class is the 2nd-most attended exercise class in the country averaging 80 participants. Seniors are unable to attend activities offered due to a shortage of parking & will try to park on a sidewalk, on the street, or across the street on Allen Court creating serious safety issues. 26 parking spaces would be created by converting an unused tennis court;increasing safety & accessibility.

Open Door Shelter | **Family Housing Renovations** | **$100,000**

Project Summary: The Open Door Shelter is requesting funds to renovate four supportive housing units for homeless families in a multi-family house located at 143 S. Main St. in South Norwalk. Renovations include heating systems, plumbing updates, a new roof and updates to the interior. This building is close to other properties and shelter services (food, health care, clothing and case management). The Open Door Shelter also owns housing facilities at 129 South Main and 137 and 139 South Main Street, which are contiguous to the property. The shelter playground area is contiguous to the back yard of the house.

Rowayton Senior Housing Corp. | **Improve Heating Efficiency** | **$45,000**

Project Summary: The project is one of several projects being undertaken to reduce the carbon footprint and reduce electrical costs. This project will benefit low-income seniors residing at Hill Top Homes, an affordable apartment community for seniors with 24 rental units in Norwalk. The facility needs to replace its 1980's vintage heating units which are inefficient compared to more modern energy efficient heat pumps. The goal of this project is to ensure renters' comfort and to achieve significant savings in electrical energy costs. Hill Top Homes is one of over 100 Section 202 properties in Connecticut.

South Norwalk Community Center | **SoNoCC Renaissance Project** | **$100,000**

Project Summary: The SoNoCC Renaissance Project is a phased facilities improvement of 98 S. Main Street. This will be the last phase of the project targeting the front area of the building. We will build a waiting area, and office space in the front right corner of the building. The building has no direction when entering, causing the need for a receptionist/waiting area. The area will serve the general South Norwalk Community, specifically all those that utilize the Community Center. The project addresses ConPlan Priority Need `Modernize public facilities and infrastructure` and is classified as an `Area Benefit` to the 441 LMI census tract.

Star, Inc., Lighting the Way... | **Handicapped Accessible Bathroom** | **$29,500**

Project Summary: Our project is to increase the accessibility and availability of sanitary, handicapped-access bathroom facilities and changing areas to meet the growing need of our aging population and seniors program at STAR Center. The project includes converting an existing storage room to a 2-stall handicapped bathroom with new fixturing, safety features, changing table, etc. Project entails subcontracted plumbing, electrical, tile/flooring, and general contractor work to comply with current building and ADA regulations. We need to trench across the hall to tie into the existing waste main. This will require additional repair to floors, walls, and replacement of personal lockers.

Norwalk Redevelopment Agency obo City of Norwalk | **City Neighborhoods** | **$351,323**

Project Summary: The City Neighborhoods program proposes the following projects in PY43: continued implementation of the South Norwalk Renovation program through renovation of 4 housing units (2 unoccupied small-multifamily homes, both of which are in the CNI area); provision of technical assistance to 4 businesses (2 of which are within the CNI area); implementation of the Freese Park master plan; street improvements via implementation of a wayfinding system, streetscaping and lighting of four underpasses; and the assessment of 6 acres of potentially contaminated land.

CDBG ADMINISTRATION

Norwalk Redevelopment Agency obo City of Norwalk | **CDBG Administration** | **$200,103**

Project Summary: The Agency requests $200,103 in PY43 CDBG funds to cover costs associated with administration of the City's CDBG program for the 2017-2018 fiscal year.

THE PLANNING COMMITTEE OF THE COMMON COUNCIL

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

To: Members of the Planning Committee of the Norwalk Common Council
From: Tami Strauss, Director of Community Development Planning
Date: December 21, 2016
Re: Section 108 Loan for the Wall Street Theater

In June 2013, the Common Council approved the Redevelopment Agency to advance to HUD an application for a Section 108 loan guarantee for the redevelopment of the old Globe Theater on Wall Street. In September 2015, HUD approved the City of Norwalk's request for loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974 for the Globe Theater Redevelopment Project to be named the Wall Street Theater in the amount of $1,666,000.

As reviewed with the Planning Committee in September 2014, HUD stipulated that the Norwalk Redevelopment Agency (NRA) is to be the Section 108 borrower. The Norwalk Redevelopment Agency agreed to assume that responsibility in September 2014.

In May 2016 a Consent Resolution was approved by the Common Council that stated that prior to the Redevelopment Agency closing on a loan with the Wall Street Theater Company Inc. that the Redevelopment Agency would have underwritten the loan and made such underwriting available to the Common Council prior to closing the loan, and that approval of the closing would not be unreasonably withheld.

Financial Underwriting

The Norwalk Redevelopment Agency received the attached Executive Summary from High Impact Financial Analysis, the firm selected to underwrite the loan. The memo describes the underwriting process and has determined that:

- The projected operations of the theater are sufficient to make payments under the subject financing as required.
- Collateral coverage is strong based on an as complete appraisal of the theater building.
- The project meets the community and economic development objective of the Agency and Program.

High Impact's analysis is based, in part, upon an Agency commissioned June 2016 appraisal valuing the as-completed theater at $5.6 million. An August 2016 appraisal commissioned by Patriot National Bank, the construction lender on the Theater, values the as-completed theater at $11,785,000, strengthening the collateral coverage of the loan.

Market Study

In December 2016, the Agency received a copy of the Wall Street Theater Market Study from the Wall Street Theater Company. The market study, prepared by AMS Planning and Research for the Arts and Entertainment Industries, offers a favorable socio-demographic and lifestyle profile (15 and 30 mile radii) to justify a new arts and culture venue in Norwalk. The market study recommends further research in terms of a facility feasibility study to help examine the interest in and the desire to participate in activities at a renovated theater, as well as profiling the competitive landscape for arts and cultural participation.

Feasibility and Competitive Analysis

A needs analysis performed by the Arts Consulting Group recommends that a new (or renovated) theater in Fairfield County should, at its start, serve the local community. The scope and scale of a new or renovated theater should be small in nature, yet programmed with a broad mix of popular attractions. The economic impact of a small theater serving local community needs would likely be minimal at the onset. It is possible, over time, a new theater could achieve success and recognition sufficient to make the town into a destination for visitors and tourists.

Business Plan

A business plan prepared by the Wall Street Theater Company details the operations, fundraising and programming plans of the 700-seat Wall Street Theater. The redevelopment of the theater, focused on Performance, Education and Community, will restore the building to a multi-purpose theater to accommodate live entertainment, conferences, public performances, interactive entertainment, digital production, and exhibition space. The Wall Street Theater Company projects nearly $3.0 million in net income from operations in Year 1 with nearly $3 million in expenses including debt service.

The Wall Street Theater will require the hiring of 20 full-time and part-time employees for the operation of the facility and its business, to be filled as part of a training program with an emphasis on local recruiting and training. Additionally, operations will require a significant employment base from the surrounding area on an as-needed basis. These positions include, creative, artistic, security, stagehands, runners, repairpersons and other jobs necessary for the proper operation of a theater.

Construction Update

Per the Developer, as of December 22, 2016, the Wall Street Theater is about 85% complete, and the Developer anticipates receiving a Temporary Certificate of Occupancy by December 30, 2016. Per the Developer:

- All of the interior systems are complete.
- The HVAC structure has been built on the roof and the system itself is ready for testing.
- All new gas, electric and water service has been brought to the site, about a $550,000 upgrade that will allow bigger and better utilities to be used elsewhere on Wall Street.
- The State of Connecticut is bringing in 2GB of fiber for streaming data, which has been completed at the site but won’t be actually dug from West Avenue until March.
- The roof, exterior areas and alleys will be completed.

- Finish work is currently underway, with the bathrooms, life safety and sprinkler systems being tested for the TCO.
- There are 4 distinct bar areas in the building, with each one being hand built.
- The walk in refrigerator has been installed.
- Painting is mostly complete with carpeting being laid in certain places.
- The stage fire curtain has been installed, as well as the steel gridiron which holds the rigging system.
- In the next 45 days, the full stage rigging package will be installed, the full theater lights and sound packages will be hung and installed.
- The historic proscenium will be rehabilitated, and the historic murals will be completed, framed and hung.
- The fire doors and fire escapes will be rehabilitated
- 100% completion in approximately 60 days

Construction and Construction Loan Takeout Budget

All tax credits are scheduled to close the week of December 26, 2016. A title search is underway to confirm that the 108 loan will be the only lien on the property once the Patriot Bank loan is taken out.

TO COMPLETE CONSTRUCTION	$ 10,788,225.67
Patriot Bank Construction Loan	$ 8,800,000.00
Federal Historic Equity	$ 1,795,200.00
Patriot Bank Construction Loan Shortfall	$ 193,025.67
PATRIOT BANK LOAN TAKEOUT	$ 8,993,025.67
State of CT Infrastructure Credits	$ 2,291,133.27
State of CT HTC	$ 1,905,226.13
State of CT Green Tax Credits	$ 504,000.00
HUD 108	$ 1,660,000.00
Green Bank	$ 2,632,666.27

Attachments

- Underwriting Executive Summary – September 2016
- Market Study Executive Summary – March 2012
- Business Plan Executive Summary – December 2016
- Cover letter of property appraisal – August 2016

Action Requested

Approve advancing to the Common Council the third-party underwriting of the Section 108 loan to the Wall Street Theater Company, and other due diligence information, as sufficient proof of the Theater's ability to repay the Section 108 loan; and approve advancing to the Common Council the approval of the Redevelopment Agency to close the Section 108 loan with the Wall Street Theater Company.

Executive Summary
Wall Street Theater Financing Proposal

Prepared for Norwalk Redevelopment Agency

by

HIGH IMPACT
FINANCIAL ANALYSIS, LLC

September 8, 2016

High Impact Financial Analysis (High Impact) has been engaged by Norwalk Redevelopment Agency (Agency) to underwrite a proposal for financing from Wall Street Theater Company, Inc. under the HUD Section 108 guarantee program (Program). The proposal would provide $1,666,000 to retire construction debt from Patriot National Bank and serve as permanent financing to be repaid by operations of the theater. The financing would be repaid over 20 years at an interest rate of 90-day LIBOR plus 320 basis points and would be secured by the theater building. High Impact has completed its due diligence and offers a recommendation for approval based on the following factors:

- The projected operations of the theater are sufficient to make payments under the subject financing as required.
- Collateral coverage is strong based on an as complete appraisal of the theater building.
- The project meets the community and economic development objective of the Agency and Program.

While a favorable recommendation has been reached, there are several notable risks inherent to the financing. First, the theater's ability to make payments under the financing is based solely on projections, rather than historical operating results. While the projections have reasonable underpinnings, they are uncertain and dependent on a variety of assumptions. Second, the theater does not yet have management in place and is wholly reliant on a volunteer Board of Directors at present. Identifying a capable management team is essential to the viability of the theater. Finally, the collateral's value in a workout situation carries uncertainty. Though the appraisal indicates excess collateral coverage, its reliability is questionable based on the special use nature of the facility. These and other risks make the financing proposal unlikely for approval by a conventional lender who lacks the community and economic development objective of the Agency and the credit support provided by the Program.

The recommendation is reliant on the analysis contained in the full credit memorandum and is subject to certain closing conditions expressed therein.

Executive Summary

The Globe Theater, located in the city of Norwalk, Connecticut, has undergone many transformations over the past century. Originally built as a vaudeville house, it was later repurposed into a cinema. More recently, the theater was transformed into a rock and roll venue and nightclub, where it has sadly fell into disrepair.

The purpose of this paper is to examine the potential for a renovated and re-envisioned Globe Theater. An examination of market area characteristics, in terms of demographics, as well as lifestyle behaviors present in the marketplace, helps paint a picture of the potential for arts and cultural participation in a "new" Globe Theater. Three areas were examined in terms of demographic and lifestyle behaviors: the city of Norwalk, a 15 mile drive from the Globe Theater and a 30 mile drive from the Globe Theater.

In terms of demographics, key variables that were examined were: population size and growth, age composition of the population, educational achievement, household income, ethnicity, household composition and occupation. The city of Norwalk itself has a demographic profile that is favorable for arts and cultural participation. Education, as well as household income, have been proven and tested to be important indicators of interest in and the ability to participate in arts and cultural activities. Out of the three areas of examination, the city of Norwalk has the highest percentage of its population with college degrees (38.4%) and the highest median household incomes ($71,858).

For the examination of the lifestyle behaviors, the $\text{Prizm}_{\text{NE}}{}^{\text{TM}}$ market segmentation system, developed by The Nielsen Corporation, was used to categorize the households within each of the three areas into one of 66 segments. Each segment presents a unique understanding of the households present within a particular area based upon demographic profiles and consumer research into psychographics and consumption patterns. Again, the city of Norwalk presents a favorable profile for arts and cultural participation compared to the national average.

While all three areas of examination presented favorable profiles for arts and cultural participation in terms of demographics and lifestyles, caution should be made before labeling these areas as potential participants in activities at a renovated Globe Theater. Further research in terms of a facility feasibility study is needed to help examine the interest in and the desire to participate in activities at a renovated Globe Theater, as well as profiling the competitive landscape for arts and cultural participation. The proximity to Manhattan, for example, could be a barrier to participation, as well as other venues located within the immediate area surrounding the Globe Theater.

In conclusion, the potential does exist for arts and cultural participation within the city of Norwalk, as well as the 15 mile and 30 mile drive areas surrounding the theater. It is, therefore, recommended that research into the feasibility of a renovated Globe Theater be pursued.

WALL STREET THEATER

BUSINESS PLAN

1. Executive Summary

1.1 Description

Established as a not-for-profit organization, the **Wall Street Theater Company** (WST) is Norwalk's premier performing arts space. Its purpose is to provide diverse programming and promote arts education, thereby enriching the cultural life of greater Fairfield County. Whether a vaudeville stage, movie theater, music venue, or dance club, the historic theater at 71 Wall Street has been a fixture in Fairfield County for 100 years.

Dedicated to placing the community at the center of its own creative development, the redevelopment of the WST will restore the theater to a multi-purpose theater to accommodate live entertainment, conferences, public performances, interactive entertainment, digital production, and exhibition space. The WST will be a 'next-generation' theater, providing theater enthusiasts with a true trans-media experience, igniting seamless storytelling across multiple media.

Since 1955, Norwalk's Wall Street corridor has seen a steady decline of eeconomic activity. The opening of the WST will contribute to a reversal of that trend. According to a study by the Americans for the Arts, a national average of $27.79 per person (excluding the cost of admission) is spent by arts and culture event attendees. The opening of the WST will not only benefit local business, but also offer theater employment and volunteer opportunities to residents.

By fostering a creative environment and providing quality programming, the WST will promote increased involvement in the arts. We are committed to creating opportunities for broad and inclusive artistic expressions, while supporting creativity and experimentation. Combining live shows, interactive entertainment, cinema, digital production, art space and a community arena in which to play, the **Wall Street Theater** is poised to be the where-to-go destination in Southern Connecticut.

The **Wall Street Theater,** a not-for-profit entity, adopts its moniker from its location, but it adopts its mission from its history and future as a performing arts facility. The **theater** will be the first next-generation theater in Connecticut to provide theater enthusiasts with a true trans--media experience, igniting seamless storytelling across multiple media channels. ,

APPRAISAL OF

THEATRE/PREFORMING ARTS BUILDING
Located at:
71 WALL STREET
NORWALK, CONNECTICUT 06850

PREPARED FOR

PATRIOT BANK, N.A.
900 Bedford Street
Stamford, CT 06905

PREPARED BY

GGP REAL ESTATE ADVISORS
1075 East Putnam Avenue
Riverside, Connecticut 06878

As of

AUGUST 19, 2016

GGP Real Estate Advisors
A Division of
Greenwich Golf & Real Estate Advisors, LLC

September 29, 2016

Jazmin Arrieta
Patriot Bank, N.A.
900 Bedford Street
Stamford, CT 06905

Re: Borrower: *Wall Street Globe Theatre*
71 Wall Street
Norwalk, CT 06850

Dear Ms. Arrieta:

At your request, we have inspected and appraised the above referenced property for the purpose of formulating our opinion of As Is Market Value of the Fee Simple interest, as of August 19, 2016, the date of our inspection.

The subject is located on the easterly side of Wall Street in Norwalk, Fairfield County, New York. The subject site is identified on the Norwalk Tax Maps as 1-29-10. The total land area of the site is 10,018± square feet. The existing improvements consist of a two-story theatre/performing arts building containing a gross building area of 9,562± square feet above grade, plus 1,925± square foot basement. The subject theatre is presently undergoing a major renovation.

The building was constructed circa 1915 and historically was used as a movie theater and during earlier times as a "Broad Ville" theater. In addition to this usage, there were several small offices in the front of the building including two small storefronts occupied by a barber shop and a variety store/news stand.

The "front" portion of the building contains a two□story section. A main entrance into the building and small lobby at the 1st floor were flanked by mercantile occupants on either side of the lobby. The "main" portion of the building contained seating for patrons in an "orchestra" section located at ground level and in "mezzanine" and "balcony" levels. "Box seating" was located on both sides of the main area. The "rear" portion of the building contains a stage with a an approximate 50' high "fly area" above the stage. Dressing rooms were contained in a basement area below the stage.

The building has been vacant for at least the past 12 years. It has suffered from a lack of maintenance and heat to an extent that extensive renovations are required to allow the building to be utilized for the purposes for which it was originally constructed, namely as a theater and performance venue.

While completion was planned for November 2016, it is the opinion of Project Control Associates, Inc. property assessment report dated July 22, 2016 that this completion time frame is unrealistic. According to the lender the estimated remaining construction costs (hard and soft) are approximately $7,870,000 rounded.

This appraisal will not take into consideration the possibility that the property may be contaminated with asbestos, PCBs, or any other toxic, hazardous or radioactive substance. The value reported will be exclusive of the cost to discover, encapsulate, remove, or render harmless such improvements due to treatment. If you have any concern that such substances may be on the property, you should hire a qualified independent engineer or contractor to investigate the property. We cannot assume any responsibility for the discovery, analysis, or treatment of such substances either on the subject or surrounding properties.

Extraordinary Assumption: *It is noted that the planned renovations would not add sufficient value to make economic sense without the anticipated tax credits and third party financing benefits. Therefore, it is an extraordinary assumption of this appraisal that the various tax credits and financing anticipated are received. If that proves not to be the case, our Value Upon Completion is no longer valid.*

We have employed the Cost and Sales Comparison Approaches to determine the As Is Market Value of the subject.

Attached is our report, which describes our investigation and analyses, along with Certification, Basic Assumptions and Limiting Conditions, upon which we have based the following opinions:

AS IS MARKET VALUE

THREE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS

$3,750,000

VALUE UPON COMPLETION

ELEVEN MILLION SEVEN HUNDRED EIGHTY FIVE THOUSAND DOLLARS

$11,785,000

It has been a pleasure to be of service to you. Please do not hesitate to call with any questions you may have regarding our assumptions, observations or conclusions.

Sincerely,

David M. Shlosh, MAI
GGP Real Estate Advisors

1075 East Putnam Avenue
Riverside, CT 06878

THE PLANNING COMMITTEE OF THE COMMON COUNCIL

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

DATE: December 28, 2016

TO: MEMBERS, PLANNING COMMITTEE OF THE COMMON COUNCIL

FROM: ELIZABETH STOCKER, AICP, DIRECTOR OF ECONOMIC DEVELOPMENT

RE: INCENTIVES FOR DEVELOPMENT

Introduction

This memo is a follow up to the November meeting at which time I introduced the option for an expansion of the Enterprise Zone (EZ) for the West Ave./Wall Street area as a means to help attract private investment to the area and increase the grand list. My October memo provided a brief outline of the various incentive tools that were explored including CGS Section 12-65b, Tax Incremental Financing (TIF) and the Enterprise Zone.

The Planning Committee asked for two things for consideration before advancing a recommendation to the Common Council. First, an in-depth description of the various incentives and second, a list of development projects that have land use approvals but not yet under construction and those that are under construction within the proposed EZ expansion area. (See Attachment A) I utilized the CT Office of Legislative Research as my primary source for this memo.

SUMMARY

State law in certain cases requires towns to exempt taxes on certain real and personal property. This includes exemptions for manufacturing machinery and equipment, as well as new or expanded facilities for manufacturing or specified service businesses in designated economically distressed areas.

State law also gives towns the option of offering property tax exemptions, abatements, or fixed assessments for several specified purposes, including many business-related purposes. Generally, these exemptions are geared for specific activities or types of facilities, rather than for business size. Some of the incentives could apply to a wide range of businesses; others apply to only a narrow range of businesses or in narrow circumstances.

PROPERTY TAX INCENTIVES FOR BUSINESSES

Mandated Tax Exemptions

State law requires towns to exempt taxes on certain real and personal property. This includes exemptions targeted for specific types of businesses or organizations (e.g., hospitals, charities) or types of property or equipment (e.g., certain commercial trucks, mechanics' tools up to $500). For example, all towns must exempt businesses from paying property taxes on manufacturing machinery and equipment. There are also certain mandatory exemptions related to energy efficiency or environmental initiatives, which could benefit businesses.

Some of these mandatory exemptions are targeted to specific business incentive zones. For example, state designated enterprise zones, targeted investment communities (i.e., towns with enterprise zones), distressed municipalities, and other specified designated areas (e.g., enterprise corridor zones or the Bradley Airport Development Zone) must abate real and personal property taxes for manufacturers, financial service firms, and other specified businesses that build, expand, or rehabilitate a facility and install new or newly acquired machinery and equipment in it (CGS § 12-81 (59) and (60)). The exemption is generally for 80% of the improvement's value. For facilities located outside of an enterprise zone in a targeted investment community, the exemption varies depending on the amount of the investment in the facility, up to a maximum of 80% for investments over $90 million. The state generally reimburses the municipality for half of the property tax revenue it forgoes because of the exemption.

Towns must also fix the assessment for commercial and residential real property improvements (other than for manufacturing facilities) in enterprise zones, according to a seven-year schedule. The percentage of increase deferred is 100% for the first two years, 50% for the third year, and decreases by 10% in each of the remaining four years. The fixed assessment ends for residential rental properties renting to people above certain income limits. The state does not reimburse towns for this mandatory exemption (CGS § 32-71).

The law also provides for mandatory fixed assessments for commercial and residential property improvements in designated housing development zones, based on an 11-year schedule. However, no such zones have been designated (CGS § 8-380).

Optional Tax Incentives

In addition to these mandatory property tax exemptions, state law allows towns the option of offering tax incentives for a wide range of economic development purposes. Table 1 describes the various property tax benefits that municipalities may choose to adopt. There are three kinds of optional property tax benefits: exemptions, abatements, and fixed assessments. Exemptions reduce some or all of the taxable value of property; abatements cancel some or all of the tax due; and fixed assessments freeze the taxable value of a property for a set period, thus deferring some or all future tax increases. Most of these tax incentives require the municipality's legislative body, town meeting, or board of selectmen to decide whether to grant the incentive.

Please note that the table does not include incentives specifically geared to housing development or agriculture. It also does not include information on incentives related to energy efficiency, some of which could benefit businesses. If you would like information on such incentives, please let us know.

Table 1: Optional Municipal Property Tax Exemptions, Abatements, and Fixed Assessments for Economic Development

Description	***Citation***
Fixed assessment for office, retail, factories, and other major real estate developments. Amount and term depend on investment: 100% for 7 years for minimum $3 m investment, 100% for 2 years for minimum $500,000 investment, and 50% for 3 years for minimum $25,000 investment.	12-65b
Fixed assessments for machinery and equipment in manufacturing, biotechnology, and research and development facilities according to the schedule above	12-65h
Up to 100% abatement on business real or personal property tax if inability to pay taxes bars a corporation from receiving certain government loans	12-125
Additional abatements and tax deferrals for enterprise zone properties	32-71(e)
Seven-year, 100% real and personal property tax abatements for improvements in entertainment districts	32-76a
Up to 100% abatement for bankrupt railroad companies	12-124
Up to 100%, 10-year abatement for rehabilitated commercial or industrial property	8-296
Up to 100% abatement on personal property located in a damaged or destroyed building whose assessment the municipality has reduced	12-64a
100% tax or interest abatement for any year for a food manufacturing plant located on at least 100 acres and served by a regional sewer system whose treatment facility is in an adjacent town	12-81o
100% tax or interest abatement for any year on any amusement theme park of at least 200 acres which has operated for at least 100 years and is determined to be historic	12-81p
Up to 10-year abatement for all or part of the property taxes due on property owned by an entity that has been ordered to acquire a water company by the Department of Public Health (DPH) or Public Utilities Regulatory Authority (PURA). The abatement is for infrastructure improvements ordered by DPH or PURA, that are necessary to provide service.	12-81q
100% exemption for commercial fishing apparatus worth over $500 and subject to corporation tax	12-81s
Up to 100% exemption in any year on information technology personal property	12-81t
Up to 100% abatement for any year for real or personal property of telephone, telegraph, radio and television broadcasting, cable television, or other communications companies	12-81u
100% abatement for any year on property of an electric cooperative organized under the state Electric Cooperative Act	12-81v
Up to 100% abatement for any year on new school buses	12-81y
Up to 50%, five-year abatement on increased value of industrial site or urban investment projects, if they	12-81aa

qualify for state tax credits and do not qualify for any other property tax credits	
Up to 100%, 20-year exemption for property developed under the Connecticut City and Town Development Act	7-498
100% exemption for improvements on or to landing area owned by a private airport if owners allow free take offs and landings	12-81(48)
Up to 100% exemption of the property a business uses to provide day care services to town residents and up to 10% of the other property. Not open to those in the business of building or operating day care facilities.	12-81n
100%, 15-year fixed assessments for Capital City and Adriaen's Landing projects	32-666a

COMPARISON OF HOUSING-RELATED PROPERTY TAX INCENTIVES

As Table 2 shows, several statutes authorize municipalities to provide property tax benefits for housing. Among these, CGS § 12-65d is most similar to the enterprise zone benefit because it too authorizes municipalities to defer assessment increases in a designated "rehabilitation area." But it differs from the enterprise zone statute because it allows municipalities to decide whether to offer the benefit and imposes no criteria for designating areas or determining a property owner's eligibility for the benefit.

Arguably, a municipality could designate a rehabilitation area that encompasses all or part of an enterprise zone. But doing so does not appear to relieve it from complying with CGS § 32-71 because that statute mandates the enterprise zone benefit without exception. The benefit under CGS § 12-65d would be in addition to that under CGS § 32-71.

CGS § 12-65 also restricts its exemption to a designated development area, which must be included in a municipal development plan. But, unlike the enterprise zone benefit, its exemption remains constant during the term the statute specifies.

Like the enterprise zone benefit, CGS § 8-215's benefit is tied to income. It allows municipalities to abate or reduce the taxes on housing constructed or rehabilitated with government funds and occupied by low- and moderate-income people and families. Under most housing programs, a person or family meets this criterion if it earns no more than 80% of the area's median income. The statute imposes no time limit on the abatement.

The enterprise zone statute, on the other hand, requires municipalities to defer the increase in the assessment resulting from the improvement, sets the income limit at 200% of the municipality's median family income, and phases out the deferral over seven years.

The other benefits shown in Table 2 are time-limited tax exemptions that, unlike the enterprise zone exemption, remain constant throughout the exemption period. The statutes authorizing these optional exemptions do not restrict them to a specified income group.

Table 2: Housing Related Property Tax Incentives

CGS §	*Incentive Type*	*Income Requirement*	*Other Requirements*
32-71	Deferral of improvement's assessed value according to statutory schedule	Rental or condominium occupants' income households cannot exceed 200% of municipality's median income during deferral period	No
8-215	Reduction in taxes owed	Housing must be for low- and moderate-income, as defined by the state or federal program that funded the improvement. Household usually meets this criterion if it earns no more than 80% of the median income for the area in which it resides	No
12-65	15- or 16-year exemption	No	Housing must be located in a locally designated area included in a development plan
12-65b	Exemption; period depends on the value of the improvements	No	No
12-65d	Deferral of improvement's assessed value according to statutory schedule	No	Deferrals limited to housing in locally designated rehabilitation areas

SUMMARY OF TAX INCREMENT FINANCING (TIF)

Tax increment financing (TIF) is a technique governments use to repay the bonds or other debt they incur to finance a development project. The technique taps the increased tax revenue (i.e., the increment) the project generates to repay the debt. Tapping the tax increment for this purpose allows governments to finance projects without raising new taxes or diverting funds needed to pay other expenses. But governments may have to do both if the project fails to generate enough incremental revenue to cover the debt.

TIF is mostly associated with property taxes, the primary revenue source for towns, school districts, counties, and other sub state governments. Theoretically, the incremental revenue generated by any type of tax can be used for TIF, but the difficulty lies in calculating the increment. This is relatively easier with a property tax TIF, since each property generates a known baseline tax and is likely to generate more taxes after a developer improves it.

Connecticut law sets conditions under which towns can use incremental property tax revenue to finance development projects. It dictates how towns must determine the incremental revenue and explicitly requires them to use it to repay the debt. It does not allow towns to tax the developments at higher rates nor prescribe the structure for repaying the bonds sold to finance the developments.

PROPERTY TAX TIF

The law allows towns to finance a development by issuing bonds and backing them with the extra property tax revenue the completed development generates. Towns can issue the bonds themselves or request the Connecticut Development Authority (CDA) to do so on their behalf. The law limits the types of projects that can receive TIF, but not the types of developers. In practice, the type of development and the developer's track record, along with other factors, could determine the development's feasibility.

Eligible Projects

Towns can use TIF to finance a proposed development depending on its location or type. They can use TIF for any type development proposed in a locally designated redevelopment area (CGS § 8-134). They can use TIF for business and industrial developments outside of these areas if they first prepared and adopted a development plan in the manner the statutes prescribe (CGS § 8-189 and 8-191). Towns can use TIF for a proposed development anywhere in the town if the project involves cleaning up a contaminated site (i.e., brownfield remediation; PA 01-179).

Certain towns can use TIF to finance proposed developments without locational restrictions or planning requirements if they involve information technology uses. These are the 17 towns with enterprise zones (i.e., targeted investment communities), the 25 state designated distressed municipalities (which include many of the enterprise zone towns), and the five towns with more than 100,000 people (all of which have enterprise zones). The proposed development must create new jobs or retain existing ones, boost exports, develop innovative products or services, or generally strengthen the state's economic base (PA 01-179).

TIF DISTRICTS

Public Act 15-57 enables towns to establish Tax Increment Financing Districts (TIFD) and set forth the necessary steps that must be taken by the municipality to adopt a TIFD. Such steps include the preparation and adoption of a District Master Plan and a Financial Plan.

Collection of Incremental Property Tax Revenues within TID

Incremental property tax revenues of the Tax Increment District can be used to repay debt service on tax increment financing bonds or collected and segregated by municipality and used to fund future projects within Tax Increment District on a pay-as-you-go basis.

Type of Costs to be financed with incremental property tax revenues include:

- public infrastructure improvements (including streets, parks, landscaping, sidewalks, recreational facilities, parking, and pedestrian improvements)
- façade and signage improvements
- project development and redevelopment costs (including industrial, commercial, residential, mixed-use, retail, and transit-oriented and downtown district development)
- demolition costs
- environmental remediation costs
- engineering, design, permitting and professional costs
- financing costs
- land assembly costs
- technical, training and marketing assistance costs
- maintenance and operation costs
- administrative costs
- revolving loans
- repayment of private debt incurred by developer
- administrative expenses, including personnel, studies and reports
- business development and expansion assistance for TIF district property owners
- relocation costs

- Issuing Debt secured by Incremental Property Tax Revenues

    - Under the Act, the municipality can issue bonds secured solely by the incremental property tax revenues for projects within Tax Increment District or general obligation bonds; only general obligation debt counts against municipality's debt limit
    - For public improvements financed with tax increment financing debt, municipality would have the option to levy benefit assessments against properties within Tax Increment District benefitting from the public improvements; benefit assessments

provide additional collateral to debt holders if project is not developed and incremental tax revenues never generated. Additional collateral improves access to bond market and reduces financing costs (structure is very similar to financing structure used for Connecticut Infrastructure Improvement Districts created by special legislation – e.g. Steelpoint, Harborpoint and Great Pond).

SUMMARY OF ENTERPRISE ZONE (EZ)

Municipalities must phase in over seven years the assessed value of improvements made to residential property in the 17 enterprise zones. They must defer 100% of that value during the first two years after the improvements were completed and then reduce that percentage in each of the remaining years according to a statutory schedule.

But they must automatically end the deferrals if the income of the occupants of the improved property rises above 200% of the municipality's median family income. This requirement applies to newly constructed or rehabilitated rental units and rental units converted into condominiums.

The statute's plain language and legislative history indicate that municipalities must provide the deferral as long as the occupants meet the income criterion. But the statute assigns no state agency to oversee how municipalities administer the deferral. Consequently, a property owner denied a deferral must appeal to Superior Court.

Other laws allow municipalities to exempt or abate property taxes on residential property. Most allow them to do so based on the occupants' income or the property's location. Municipalities may offer these incentives in enterprise zones on top of, but not in lieu of, the seven-year deferral.

After careful analysis of each option by the Mayor's development team, it was determined that the Enterprise Zone would be the most effective tool to implement because it provides the greatest amount of certainty for both the developer and the City. All properties within the EZ would be eligible for an EZ benefit for a predetermined amount and time period. Further, the City may set a goal of reaching a set amount of increased assessments within the EZ or a time period for the program and then sunset the program upon reaching such goals.

ATTACHMENT A
APPROVED DEVELOPMENT PROJECTS
LOCATED WITHIN PROPOSED ENTERPRISE ZONE EXPANSION AREA
THAT ARE APPROVED AND/OR UNDER CONSTRUCTION
AS OF December 15, 2016

Highpointe West: 74-88 Main St; 6-8 North Av; 37-45 High St: 285,458 sf mixed use development with 212 dwelling units and 14,250 sf retail – *Approved by Commission February 2016; no permits issued for construction.*

Highpointe East: 42-48 High Street: 91,174 sf mixed use development with 66 dwelling units and 4,320 sf retail – *Approved by Commission February 2016; no permits issued for construction.*

Waypointe: 515 West Ave/Orchard St/Merwin Sts – New mixed use developments for Midblock & North block approved in 2011.

- **East Block:** 26-36 Orchard St/2 Quincy St – Quincy Lofts new 6 story, 69 unit multifamily building with 87 space parking lot. *Currently under construction; nearly complete.*
- 6 Butler St: 14 space parking lot *Approved April 2016 no permits issued for construction.*
- 25 Butler St: Relocate 8,600 sf historic building from 3 Quincy St for reuse as office. *Approved by Commission April 2015; no permits issued for construction.*
- South Block: 467 West Ave/17 Butler (2 parcels) - 138,630 sf mixed use development with 54,250 sf retail, 3,229 sf restaurant, 11,441 sf gym, 620 seat iPic theater & expanded parking garage. Originally approved Sept 2014*; modified applications approved to add 80 residential dwelling units and 16 lane bowling alley and new application to replace Gap bldg with new 6 story bldg 76 multifamily units & 16,820 sf retail: Approved April 2016; no permits issued for construction.*
- **West Block:** The Berkeley 500 & 520 West Ave (2 parcels) - 6 story, 177,302 sf mixed use development w/ 4,932 sf restaurant, 6,943 sf medical office, 129 units; adjacent Frost Bldg to remain. *Currently under construction.*

Wall Street Place (POKO): Wall & Isaacs Sts: Mixed use development at former Isaacs St municipal parking lot. Phase I plans for 101 multifamily units, 16,800 sf of retail & restaurant space; approved in 2008. Project includes first fully automated 213 sp parking garage and 100 sp of public parking. *Currently under construction.*

Head of Harbor: (DiScala) Smith St/East Wall - New mixed use development with 5,000 sf office space and 60 residential units. *Currently under construction.*

11 Belden Avenue/Mott Av: 69 unit multifamily development. *Approved April 2016; under appeal. No permits issued for construction*

Head of Harbor North: (DiScala) – High & Wall Streets – New mixed use development with ±70 residential units - *Informal review*