Land Use-Urban Redevelopment Committee – Board of Representatives

Harry Day, Chair

Committee Report

Date: Thursday, June 20, 2013
Time: 7:00 p.m.
Place: Republican Caucus Room, 4th Floor, Government Center

The Land Use-Urban Redevelopment Committee met as indicated above. In attendance were Chair Day and Committee Member Reps. Fountain, McGarry, McMullen and Summerville. Absent or excused were Committee Member Reps. Kaufman and Lombardo. Also present were Rep. Taylor; Corporation Counsel Joe Capalbo; Vikki Cooper, Legal Affairs; Rachel Goldberg, URC; Jackie Kaufman, Sandak, Hennessey & Greco; Jon Gottlieb and Vin Tufo, Charter Oak Communities; Bob DeMarco, Building Department; and Carol Ann McClean.

Chair Day called the meeting to order at 7:08 p.m.

Item No.	Description	Committee Action
1. LU28.068	RESOLUTION & public hearing; authorizing the acquisition by negotiation or eminent domain of rights of way for the Pulaski Street, Greenwich Avenue and Waterside Place intersection improvement project.	**Approved 5-0-0**

Chair Day noted that this item had been discussed at length at the previous month's meeting. He opened the public meeting. No members of the public were initially present to speak, and the public hearing was closed. Ms. McClean arrived later and was given an opportunity to speak. She was concerned that this involved a house on Pulaski Street, which is not part of the eminent domain proceeding or the improvement project.

Mr. Capalbo stated that:

- This is one small part of the whole process
- This is a friendly transaction because there are tax benefits to the property owner in having the property taken by eminent domain.

Ms. Goldberg explained that:

- The eminent domain process requires 2 resolutions, one to get the process started and one to approve the actual taking. This is only the first resolution.
- The Charter and Code require public notice and negotiation of the price; this can be a long process, but the property owner is willing to waive some of the timeline restrictions because this is a friendly transaction.
- The money for this project was already included in the capital budget.

A motion to approve this resolution was made, seconded and approved by unanimous vote. (Reps. Day, Fountain, McGarry, McMullen and Summerville in favor.)

2. LU28.067	REVIEW; approving a license and public improvement agreement between the City and Waterfront Magee LLC and the Strand BRC Group, LLC.	**Held in Committee**

Chair Day stated this item would be held because there was no agreement for the Committee to review.

3. LU28.069	APPROVAL; of a loan agreement (note) between the City of Stamford, the URC and Trinity Stamford, LLC in the amount of $450,000 (6% interest rate) in connection with the 2d Amendment to the Land Disposition Agreement dated 12/21/12.	**Held in Committee**

Chair Day noted that this item was discussed at last month's meeting. He noted that it has not been submitted to the Board of Finance, and after discussions with Mr. Capalbo and Ms. Goldberg, he believes this item should go before the Board of Finance and be held by this Committee. He explained that the ability of the City to make this loan is contained in state law, specifically CGS §§ 8-144 & 8-135.

In response to questions from the Committee, Ms. Goldberg explained that:

- Under the original agreement, Corcoran Jenison gave the City funds to acquire property, relocate the tenants and remediate the land, which was credited as the security deposit. These funds were to be credited back to Trinity at the closing.
- The original plan was that the parties would use the proceeds from the sale of Phase II to pay off a portion of the Epstein loan ($400,000) and rollover the balance ($400,000) with Trinity paying the interest at a rate of 6% until the Phase IV Closing, at which time the Epstein Note would be paid in full and the Mortgage discharged.
- When the transaction was bifurcated, the entire Epstein Note had to be paid off at the Phase II Closing.
- Under the proposed solution, Trinity has agreed to permit the URC and the City to utilize a Security Deposit which was to have been held in escrow and then paid to Trinity when it begins construction of the Private Parking Garage. However, the escrow account would need to be replenished in order to allow the City to pay the security deposit to Trinity as required, which will be in 8 to 9 months
- The proposal is that the City would loan $450,000 to the URC, with interest at a rate of 6% to be paid by Trinity, to be repaid to the City at closing. The City would earn approximately $100,000 in interest under this proposal.
- The URC will have to convey the Phase III and Phase IV properties before it will have the funds to repay the security deposit, which is several years away.

Rep. Fountain stated that he spoke with Pete Privitera, and given the length of this transaction, the City may not be able to use capital non-recurring funds.

Chair Day stated that this item needs to be clarified and go before the Board of Finance. He will leave it up to Corporation Counsel to determine if it needs to also go before the Planning Board. This item was held.

4. LU28.063	REVIEW; status of the Director of Administration's report re: discontinuance of West Park Place (per Board of Rep's Resolution No. 3534, 10/1/12).	**Held in Committee**

Chair Day stated that the administration asked that this item be held.

5. LU28.071	PROPOSED ORDINANCE; for publication; amending Section 123-5 Fees Assessed, to reduce fees and provide a certificate of estoppel.	**Committee approved 5-0-0**

Mr. Capalbo explained that:

- The Section 123-5 was amended last year to impose tougher penalties
- This amendment is in response to problems created by that amendment, which the real estate bar and real estate brokers have brought to their attention, because it is affecting the real estate market in Stamford
- The $1000 penalty will be reduced to $200
- The ordinance will be simpler and fairer and in-line with neighboring communities
- The problems included lost, misplaced records and owners seeking to get open C of O's resolved that may have extended back several owners
- If the C of O is open for more than 6 years, the City will not enforce the regulations, but the owner will provide an affidavit to hold the City harmless and receive a certificate of estoppel from the City.
- He will clear this with the State as the ordinance moves forward

Mr. DeMarco stated that

- these open items are being picked up by banks in municipal searches in connection with loans, not by the City
- the new form informing owners of their responsibilities to obtain C of O's has been very effective
- 2700 people have been notified that they have open permits and they are getting closed

A motion to approve this ordinance for publication was made, seconded and approved by unanimous vote. (Reps. Day, Fountain, McGarry, McMullen and Summerville in favor.)

6a.	LU28.072	RESOLUTION; approving the Vidal Court Redevelopment Plan.	**Approved 5-0-0**
6b.	LU28.073	RESOLUTION & APPROVAL of public hearing; approving the acquisition by the Housing Authority of the City of Stamford d/b/a Charter Oak Communities of the properties known as 195 and 211 Stillwater Avenue by eminent domain.	**Approved 5-0-0**

Mr. Gottlieb explained that

- Item 6a is a portion of the redevelopment plan Charter Oak Communities has been working on for 10 years, and this phase, Phase IV, consists of a portion of Stillwater Avenue
- Item 6b is the eminent domain proceeding for 2 properties on Stillwater Avenue necessary for the completion of Phase IV and they have been working with the owners for more than a year to try to resolve this
- Phases I and II are complete and Phase III is in process
- The Planning Board has reviewed the Plan and have reported that it is consistent with the Master Plan and is in favor of it
- Charter Oak has held public hearings and voted unanimously to go forward and conduct the eminent domain proceedings if necessary
- Because there is no cost to the City, no Board of Finance approval is required for the eminent domain proceeding
- They have worked with the owners to try to negotiate a purchase, but have been unsuccessful to far because both owners want more money
- The appraisal for the property at 211 is the amount the owner wants, but there are $250,000 in remediation costs on the property which are subtracted from the price because the previous owner was a dry cleaner
- Charter Oak has tried to work with this owner to get the property remediated and will reimburse the owner if Charter Oak receives any funds to assist with the remediation.

- Even if the Board approved the eminent domain proceeding, Charter Oak would still have many months to work with the owners to try to resolve this amicably
- Charter Oak cannot apply for funding for Phase IV until they have ownership of the property
- This is a great deal for Charter Oak because the value of the land from the hospital is greater in both money and acreage than what the hospital received.

Chair Day stated he would like a letter from counsel to Charter Oak stating what the procedure is and that it has been followed.

A motion to approve the Vidal Court Redevelopment Plan was made, seconded and approved by unanimous vote (Reps. Day, Fountain, McGarry, McMullen and Summerville in favor).

A motion to approve the public hearing for the eminent domain proceeding was made, seconded and approved by unanimous vote (Reps. Day, Fountain, McGarry, McMullen and Summerville in favor).

7. LU28.050	REVIEW; construction work at Star Meadow Ranch, Erskine Road.	**Report Made**

Ms. Cooper stated that:

- The City filed a complaint and motion for a temporary injunction on February 15, 2013
- After the Court set a date to set the matter for a full hearing, the parties entered mediation, and so the action is pending but inactive
- Vince Freccia is the mediator
- The mediation has been effective
- Mr. Orgera told them that they did not need street opening permits for trees and curb cuts, but she will review this
- The owner is willing to take down trees that are in the sightline of the road
- The owner is permitting Mr. Talamelli onto the property and filing an application with the EPB to resolve the violations
- Soil scientists have mapped the property which has been reviewed, and EPB will come up with a remediation plan for encroachments in the regulated areas
- Permits for moving the barn and work on the house are in the process of being pulled
- Anyone with further information about work on the property should contact her and she will bring it up in the mediation
- EPB has not ruled that the property is a farm, and the farm exemptions may not apply
- No soil contamination has been found
- The soil and erosion plan has not been effective with the recent heavy rain and they are working on rectifying this

8. LU28.070	RESOLUTION & public hearing; approving a Proposed Plan Amendment to the URC Mill River Corridor Plan that 1) extends the project boundaries; 2) expands available financing options; and 3) complies with CGS Chapter 130 amendments regarding ten-year plan review.	**TO BE HELD; PUBLIC HEARING SCHEDULED FOR 7-11-13**

Chair Day adjourned the meeting at 9:45 p.m.

Respectfully submitted,

Harry Day, Chair

This meeting is on video.