Land Use-Urban Redevelopment Committee – Board of Representatives

Harry Day, Chair

Committee Report

Date: Tuesday, July 23, 2013
Time: 7:00 p.m.
Place: Democratic Caucus Room, 4th Floor, Government Center

The Land Use-Urban Redevelopment Committee met as indicated above. Present were Chair Day and Committee Member Reps. Fountain, Lombardo, McMullen and Summerville; excused were Committee Member Reps. Kaufman and McGarry. Also present were Reps. Adams, Cerasoli, Coleman, Taylor, Uva and Zelinsky; John Gottlieb, Esq. of Charter Oak Communities; Joseph Capalbo, Esq., Director of Legal Affairs; Vikki Cooper, Esq.; Deputy Corporation Counsel; Laure Aubuchon, Economic Development Director; John Leydon, Esq. and Richard Freedman representing Garden Homes Management; Rachel Goldberg, Esq., of the URC; Don Corbo, Pat Ryan, Todd McClutchey and John McClutchey of Stamford-Manhattan Development Ventures; and Keith Hall, Bruce Olmstead and Amy Martinez of the State DOT.

Chair Day called the meeting to order at 7:10 p.m. Chair Day requested that, without objection from committee members, certain items would be taken out of order (LU28.050, LU28.073 and LU28.069).

Item No.	Description	Committee Action
[1]1. LU28.071	PROPOSED ORDINANCE; **for public hearing & final adoption**; amending Section 123-5 Fees Assessed, to reduce fees and provide a certificate of estoppel.	**COMMITTEE APPROVED 5-0-0**

Chair Day opened the public hearing; there was no one from the public present to speak.

Mr. Capalbo explained that:

- The Section 123-5 was amended last year to impose tougher penalties to encourage property owners who have taken out building permits to return for final Certificates of Occupancy (CO).

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- Problems have arisen since this ordinance was enacted that are affecting the real estate market in Stamford.
- The $1000 penalty will be reduced to $200, which is still slightly higher than neighboring communities.
- If a CO is open for more than 6 years, the City will not enforce the regulations, but after the owner provides an affidavit to hold the City harmless, the owner will receive a certificate of estoppel from the City.

Chair Day closed the public hearing. Upon motion duly made and seconded, the item was approved unanimously.

[2]2. LU28.076	RESOLUTION & ~~approval of~~ **public hearing**; initiating the process of discontinuing Waterside Place and an Unnamed Highway (located between Pulaski and Davenport Streets).	**COMMITTEE APPROVED 5-0-0**

Chair Day opened the public hearing, adding that the public hearing was duly noticed; there was no one present from the public to speak. Chair Day stated that this has to do with the reconstruction of the rotary at Waterside and Pulaski Streets. The BOR has already begun the process of a friendly taking by eminent domain. This is the 2d step required to approve this project. The third item will be the approval of the swapping of properties with O&G. The vote tonight is only on the determination that it is in the public interest to *begin* the process of discontinuing the street; this vote will empower the administration to prepare a report on the effect of the street discontinuance. He emphasized that this vote is *not* approving the discontinuance of these streets.

The public hearing was closed at 7:34 p.m. Upon motion duly made and seconded, the resolution was approved unanimously.

[3]3a. LU28.074	RESOLUTION & ~~approval of~~ **public hearing**; initiating the process of discontinuing a portion of Stanley Court.	**COMMITTEE APPROVED 5-0-0**
3b. LU28.075	RESOLUTION & APPROVAL of public hearing; authorizing the sale of city-owned property to Garden Homes Management.	**HELD IN COMMITTEE 5-0-0**

Chair Day opened the public hearing (and added that it was duly noticed).

Laure Aubuchon stated that the Mayor is supportive of this plan, and this is the first step in discontinuing a portion of Stanley Court. This project will provide affordable housing in the downtown area, which is sorely needed. Mr. Freedman

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distributed some background on the project (see attached), including pictures of the existing property and rent comparisons. Mr. Freedman reviewed the project:

- There are currently four 6-family houses, 1 mobile home and 1 single family house. The 6-family houses are comprised of 1-bedroom and efficiency apartments. There are a total of about 30 people living there.
- The houses are old, energy inefficient and need to be replaced.
- The project would involve 1) discontinuing the portion of Stanley Court at the cul-de-sac (see attached map), and 2) purchasing the Stanley Court piece along with two other sections of city land (one section will provide access to Washington Blvd.).
- The potential building site will be approximately 31,000 sq. ft. The city owns about 1/3 of this and he is either in contract to purchase or owns the remaining 2/3.
- He proposes to construct a 5-story building of about 80,000 sq. ft. It will contain a minimum of 80 1-bedroom and studio units. While he is required to reserve 10% of the units for BMR (below market rent), he is willing to reserve 15% of them. (He added that his company is in the real estate development business and specializes in affordable housing.)
- Current tenants will be more than fairly treated. They will be offered units in their other projects, relocation expenses and a right to return to the new units. Current rents will be guaranteed for a 1-2 year time period.
- Rents will be about $1,350 for a 1 bedroom and $1,100 for a studio (current BMR rate is $980/month for a 1 bedroom and $950/month for a studio).

A member of the public, Cynthia Reeder, spoke and stated that the City should consider using this property for parking.

Chair Day closed the public hearing at 8:10 p.m.

Rep. McMullen expressed concerns about access through Washington Boulevard and increasing traffic congestion. Mr. Freedman responded that this should not be a problem as there will be 80 units, residents will come and go at various times of the day and because there are two entrances/exits, not everyone will use the Washington Boulevard access. He added that it is also better to have 2 means of entrance/exit for safety reasons.

Chair Day stated that parking issues, driveway issues, etc. are properly before the Zoning Board. The only thing that the Committee will vote on is if it is in the public interest to *begin* the process of discontinuing a portion of Stanley Court. If approved, the administration will prepare a report on the impact of such discontinuance.

The Committee also agreed that it was too early to consider the sale of the city-owned land, and upon motion duly made and seconded, unanimously agreed to

hold Item No. LU28.075. Upon motion duly made and seconded, Item No. LU28.074 was approved unanimously.

[4]4. 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.	**COMMITTEE APPROVED PUBLIC HEARING 5-0-0**

Chair Day explained that this item relates to the condemnation of 195 and 211 Stillwater Avenue by eminent domain by Charter Oak Communities. Last month the Committee approved holding a public hearing, however at the full Board meeting, it was returned to committee. Chair Day has since learned that the issues causing it to be sent back to committee have been resolved. Upon motion duly made and seconded, the motion Committee's prior action approving the public hearing was ratified.

[5]5a. LU28.064	RESOLUTION ~~& public hearing~~; noticing intent to discontinue a portion of South State Street.	**HELD IN COMMITTEE 3-0-2**
5b. LU28.065	APPROVAL; of an agreement between the City of Stamford and the State of CT to include a portion of South State Street as part of the State Highway system.	**HELD IN COMMITTEE 3-0-2**

Chair Day opened by stating that the Committee does not know much about this project, and this will be the first in a series of meetings to fully vet it.

Laure Aubuchon stated that the City is attempting to negotiate with the developer so that city departments can play an active role in traffic management, building design as well as to negotiate a PILOT (payment in lieu of taxes). The train station is on state property; as such, it pays no property taxes to the City and it is not subject to city zoning or other approvals. The plan is to develop a hotel, residential and commercial hub as well as 1,000 parking spaces for commuters.

Mr. Keith Hall (of SMDV, or Stamford-Manhattan Development Ventures) gave a history of the RFP process that the State undertook, adding that much of the information was proprietary, and contractors may not have bid had the process been open to the public. He continued:

- The proposed South State Street garage has been presented to the public.

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- They wish to acquire South State Street from Greenwich Avenue to Atlantic Street.
- They propose a pedestrian bridge crossing over Washington Blvd.
- What portion of South State Street is not used could be of interest to the DOT in the future for a non-travel lane on I-95.
- There are no plans to ever close South State Street to traffic.
- They have met with Norman Cole, and as a result, they are trying to keep the building heights as low as possible. Moving he garage back and building over South State Street will give them a bigger footprint.
- In response to concerns about the distance from the current parking lot to the platform vs. the proposed So. State Street parking lot to the platform, Mr. Hall assured Committee members that if one measures from the furthest corner away in the parking lot to the platform for both garages, the new garage will be "about the same distance." Rep. DeLuca emphasized the importance of this (and submitted earlier testimony to Mr. Hall from his September 2012 Transportation Committee meeting).
- Mr. Hall explained that the dynamics at the station will change with the addition of restaurants, bank branches, coffee shops, etc. in the main building (which is expected to be about 600,000 sq. ft. in size).
- Parking will be spread out to help improve traffic flow.
- South State Street will have 600 spaces; in total, the new plan will provide about 300 more spaces than currently exist (from about 700 to 1,000).
- The train station itself will become less relevant as the garages will have coffee, newspapers, etc. available (and most commuters use a monthly pass).
- There is a lot of new technology associated with garages, and they plan on using it to inform commuters where parking spaces are free.
- Entrance and exit ramps to the garages have not been determined yet.
- The building will be about 18-22 stories tall.
- They have hired the best consultants from around the country to help with this project.
- The project will improve drop off and pick up lanes, deal with corporate vans and public buses.
- The parking for the development will not be mixed in any way with train station parking.
- Parking passes cannot be limited to Stamford residents. The State is required to honor any CT resident.

Chair Day stated that he feels this project is being driven by the State's need to acquire the second $35 million to replace the existing garage. The State needs a garage, and it has $35 million available it build it but needs an additional $35 million. Thus, it has transformed from a garage to a massive commercial project.

Laure Aubuchon emphasized that, again, this is the first step in the process of discontinuing South State Street and will allow the Mayor to begin preparing his

economic report on the impact of such discontinuance. Chair Day clarified that the Committee is not being asked to discontinue South State Street but to *discontinue the City's ownership* of it.

The Committee briefly discussed LU28.065 and agreed that this item is prematurely on its agenda. Upon motion duly made and seconded, the Committee agreed 3-0-2 to hold this item (Reps. Fountain and Summerville abstaining).

Ms. Martinez stated that if the City does not abandon the street, it is her opinion that it can be taken by eminent domain. Atty. Capalbo responded that he did not believe this a fact. Chair Day added that if it is the case, it is in the Committee's interest to be more cooperative (as opposed to less cooperative).

Chair Day added that there is some fence-mending to be done, and the developers need to work with city personnel. He also stated that this is a massive building that creates no tax revenue for the City going forward but that will require educating its residents children in school and providing police and fire protection – all in exchange for replacement of a portion of the existing parking spaces.

Upon motion duly made and seconded, the Committee voted 3-0-2 to hold the item (Reps. Summerville and Fountain abstaining).

[6]6. LU28.069	APPROVAL; of an amendment to a loan agreement 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**

Item LU28.069 was held at the request of the Urban Redevelopment Commission.

[7]7. LU28.067	REVIEW; approving a license and public improvement agreement between the City and Waterfront Magee LLC and the Strand BRC Group, LLC.	**REPORT MADE & HELD IN COMMITTEE**

Chair Day stated that due to the late hour and the recent submission of the draft, an introduction to the item will be given tonight. It must be reviewed by the Planning Board, Board of Finance and the BOR. Mr. Capalbo stated:

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- The license agreement has been executed by all parties involved.
- The Mayor has submitted the agreement to all three boards; therefore, the process will be transparent with several public hearings.
- A license agreement provides the lessee with fewer rights than a lessee under a lease (e.g., it is easier to remove someone from the property under a license agreement).
- The $500,000 budgeted by the City for a new animal shelter will be used for the $2.5 million shelter. Rep. McMullen expressed concern that the item might have needed to go out to competitive bid, and Chair Day felt that this is a legitimate concern. Atty. Capalbo stated that the contract does require that a local firm be hired for the construction and that the shelter be constructed according to city specification. Chair Day added that perhaps there could be a way to require they use the City's procurement procedures.
- Rep. McMullen questioned whether this property is parkland. Rep. Capalbo stated that there will be a definitive determination in the future as to its designation. Chair Day stated that most of it is a park, but a key question is whether the easement piece (which was donated to the City as waterfront access) is a park. Rep. Day stated it was critical that the City retain this as waterfront access. The remaining land was acquired as open space, not particularly parkland. Rep. Uva stated that the purpose of the purchase was to have an interconnected walkway along the waterfront.
- Rep. Fountain stated there were a number of issues raised by the feasibility study (on the relocation of the old boatyard), and he hopes answers to those concerns will be forthcoming.
- Rep. Fountain stated his biggest issue is that, since this is part of a major project (i.e., Bridgewater occupying the former boatyard site), he wants assurance that the entire project will go forward. He wants to ensure that the developer does not end up utilizing this land for another purpose.
- Rep. Taylor stated that the license agreement contains so many provisions (leases, conditions, etc.) that consideration should be given to breaking up this document into manageable pieces. Rep. Taylor stated that Mr. Brink (Exec. Director of the WPCA) said that nothing long-term could be on the WPCA property, because if the WPCA ever needs to expand, that is the only available property.
- Rep. Day stated that in a proposal of this type, it should be evaluated by looking at all of the advantages vs. all of the disadvantages. If the proposal is evaluated based on one thing being wrong, the BOR will not be treating the City's interests fairly. He stated he may not like the idea of a huge corporate headquarters on that land (compared to a beautiful marina), but the Committee does not have a marina proposal in front of it. On the other hand, the plan does offer another marina, terrific waterfront access and environmentally-friendly aspects. Laure Aubuchon mentioned that the WPCA is only at 63% of capacity and due to efficiencies, all of the new construction is not adding significantly to its capacity.

- Rep. Uva requested a copy of the Mayor's report on alternative sites for an animal shelter; the report was never received by the BOR. Rep. Day stated that every alternative site had significant problems, and no alternatives were adopted. Further, the proposed plan has certainty associated with it, which is why Laurie Holiday is in favor of it. Rep. Uva stated that it is not sensible to rebuild an animal shelter in an improper location just because it is part of this deal. Rep. Summerville questioned whether it is the responsibility of the Land Use Committee to locate a site for the animal shelter.
- Rep. Summerville asked the developers to confirm that they have had no contact with the State delegation members or the Governor, adding that she would greatly appreciate their input on this important project.

[8]8. LU28.050	REVIEW; construction work at Star Meadow Ranch, Erskine Road.	**REPORT MADE & HELD IN COMMITTEE**

Attorney Cooper reported that the mediation process has broken down, and the matter will be pursued in court. The City has filed the appropriate motions to continue with the court action.

[9]9. 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.	**COMMITTEE APPROVED 4-1-0**

Chair Day stated a joint public hearing with the URC was held on July 11th. A full discussion of these items was held over two meetings. There was no quorum on July 11th; therefore no vote was taken.

Rep. McMullen moved to strike Section 2 (expansion of the available financing options) of the resolution. Chair Day stated that this should have been brought up before the public hearing.

Rep. McMullen stated that when the TIF was created, a commitment was made to the residents that they would be protected from all risks associated with that financing. Chair Day stated that there is currently an opportunity to capture a favorable interest rate that may not be available later and that this step could allow the City to obtain more favorable financing with zero risk. This is purely an

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enabling resolution; it does not authorize anything. It says that if the administration and the BOF (and perhaps the URC) all vote to do something, as permitted by this, then we could do it. Ms. Goldberg stated that the URC cannot even entertain or prepare the selling of bonds that it does not have the authority to sell. The Plan must state that with BOF and BOR approval, the URC can sell a bond, paid for by the TIF and guaranteed by the City. The URC cannot go to an underwriter and price it without this change. All this does is allow the URC to go out and find out what the best deal is available. Chair Day challenged Rep. McMullen's assertion that this changes the fundamental character of the TIF. Rep. McMullen countered that this was carved out, the residents were told that the City's borrowing costs, property taxes, etc. would not be affected. Now, we are saying that now we can potentially affect every property in the City. Atty. Goldberg stated that the discussion at that time was that development would be occurring, taxes would increase by x amount and half of those taxes would go toward financing the project. Unless the redevelopment plan provides for it, they cannot issue g.o. bonds.

Chair Fountain stated that TIF financing bonds have essentially been eliminated. An insurance policy could be purchased, and savings could still be achieved. He added there is no reason the BOR would not want to save the taxpayers money by doing this.

Ms. Goldberg stated that the URC is only issuing debt based on existing revenues. TIFs have failed around the country, and this has affected the market.

The TIF district will be extended, but not the TIF plan. Several years ago, the statute was amended that relates to the term of an urban renewal project; it now must be reauthorized every ten years. In the TIF bonding section of the same statute, it says that you must leave the TIF district (the part in place and collecting revenue) as long as there is outstanding debt. The Plan must be reaffirmed, but the TIF District (the boundaries) will stay in place as long as there is debt outstanding; the Plan can be discontinued. With no Plan, no further debt can be issued.

No second was received on Rep. McMullen's motion. Rep. Fountain moved the item; said motion was seconded and was approved by a vote of 4-1-0 (Rep. McMullen opposed).

The meeting was adjourned at 11:15 p.m.

Submitted by,

Harry Day, Chair

This meeting is on video.