



Land Use-Urban Redevelopment Committee – Board of Representatives

Harry Day, Chair

Committee Report

Date: Wednesday, June 1, 2016
Time: 7:30 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. Hoch, McNeil, Okun, Patterson, Ryan and Summerville. Absent or excused were Committee Member Reps. Heaphy and McGarry. Also present were Rep. Zelinsky; Michael Pollard, Mayor's Chief of Staff; David Yanik, Controller; Teresa Viscariello, Internal Auditor; Joshua Benson; Transportation Edward V. O'Hanlan, Robinson & Cole; Leonard D'Andrea, Rocco V. D'Andrea, Inc.; and Reverend Tommie Jackson, URC.

Chair Day called the meeting to order at 7:34 pm.

Item No.	Description	Invitee(s) or Designee(s)
¹ 1. LU29.067	RESOLUTION <u>and public hearing</u> ; Approval of Director of Administration's Final Report Dated April 5, 2016 Concerning the Discontinuance of Waterside Place and an Unnamed Highway and Directing that Such Discontinuance be Carried Out. 04/05/16 – Submitted by Mayor Martin 04/12/16 - to be considered by the Planning Board 04/14/16 – Approved by the Board of Finance 04/27/16 – Approved by Committee for publication	Approved 6-0-0

Chair Day opened the public hearing. There being no members of the public present, wishing to speak, Chair Day closed the public hearing. A motion to approve this item was made, seconded and approved by a vote of 6-0-0 (Reps. Day, Hoch, McNeil, Okun, Patterson and Summerville in favor; Rep. Ryan abstaining).

² 2. LU29.068	REVIEW; Status of URC Audit. 04/19/16 – Submitted by Mayor Martin	Report Made
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Mr. Pollard stated that the administration had requested a loan on behalf of the URC to satisfy a and one of the conditions of the loan was an audit by Blum Shapiro to identify the assets of the URC to secure the loan and a second audit to verify the financial strength of the URC, which is what will be addressed this evening.

Mr. Yanik explained that:

¹ Video Time Stamp - Pt. 1 00:00:20

² Video Time Stamp - Pt. 1 00:02:00

- the internal audit report updates the financial projections originally prepared by Blum & Shapiro for the period 7/1/14 through 12/31/15 and assures that there were sufficient cash flows and assets to repay the City's advance
- The findings and recommendations are contained in the report

Ms. Viscariello reviewed the top 3 findings and recommendations contained in [the report](#):

- The cost basis for the real estate holdings were not adjusted to reflect the sale of property. The Internal Audit recommendation is that the URC should attempt to adjust cost basis for each sale property transaction. The URC staff response is that the cost basis and potential adjustments to the basis are not relevant to the URC's mission and would take up valuable time and be contrary to the Board's fiduciary obligations.
 - Current and non-current receivables and liabilities were not being updated as transaction changes occurred. The Internal Audit recommendation is that the Board's oversight should include a periodic review of the URC's assets and liabilities. The URC response was that management will comply with the financial statements for y/e 6/30/2016
- The net cash flow projections were not updated to reflect negotiated changes and the real estate related receivables and liabilities. The Internal Audit recommendation is that the URC staff should consider engaging qualified financial consultants to provide updates more often than twice a year. The URC responded that the URC prepares a 4 year cash flow projection that is presented to the URC Board and the Land Use Committee twice a year without complaint.
- The financial records were not up to date when the internal audit was begun. The Internal Audit recommendation is that the URC should follow its own Internal Financial Control Policy and Procedures. The URC response was that the bookkeeper had resigned her position and provided limited bookkeeping services.
- The payoff of the Epstein mortgage was to be paid off in full on 5/13/2013. At the time the URC did not have the funds to pay this. Everything was recorded properly, but the closings did not occur as scheduled and there were not sufficient funds.

Mr. O'Hanlan stated that the funds to pay off the \$800,000 escrow in two phases. The deposit was not placed in escrow and there was no legal obligation to do so. The funds were placed into the URC operating account. There was no issue of malfeasance or misappropriation, but probably should have been treated differently under best practices.

A motion to go into executive session to discuss pending claims involving the URC and the City of Stamford was made, seconded and approved by a vote of 7-0-0 (Reps. Day, Hoch, McNeil, Okun, Patterson, Ryan and Summerville in favor). Discussion of these claims required the presence of Chief of Staff Pollard, Reverend Jackson and Mr. O'Hanlan.

At 8:00 p.m., the Committee went into executive session. The Committee returned from executive session at 8:43 p.m. and Chair Day noted that no votes had been taken in executive session.³

- ⁴³. [LU29.069](#) RESOLUTION; Initiating the Process of Accepting Golf View Circle cul-de-sac as a City Street under [Chapter 214, Article III of the Code of Ordinances](#). 04/22/16 – Submitted by Hubbard Avenue Associates, LLC Approved 7-0-0

Mr. Casolo was unable to attend but provided a map and communicated to Chair Day that he is

³ Video Time Stamp – Pt. 2 00:00:05

⁴ Video Time Stamp 00:01:12

in support of this. Mr. D'Andrea stated that this is the extension of a current road. The road has been built in accordance with City standards and there is a letter in the file confirming this. The City will inspect the road prior to releasing the maintenance bond.

A question was raised regarding whether Hubbard Avenue Associates is the appropriate entity to submit this item.

A motion to approve this resolution was made, seconded and approved by a vote of 7-0-0 (Reps. Day, Hoch, McNeil, Okun, Patterson, Ryan and Summerville in favor).

Chair Day adjourned the meeting at 9:00 p.m.

Respectfully submitted,
Harry Day, Chair

This meeting is on video ([Pt. 1](#) and [Pt. 2](#))