



Land Use-Urban Redevelopment Committee – Board of Representatives

Virgil de la Cruz, Co-Chair

Charles Pia, Jr., Co-Chair

Committee Report

Date: Monday, November 19, 2018

Time: 7:00 p.m.

Place: Republican Caucus Room, 4th Floor Government Center, 888
Washington Boulevard, Stamford, CT

The Land Use-Urban Redevelopment Committee met as indicated above. In attendance were Co-Chairs de la Cruz and Pia and Committee Member Reps. Cottrell, Graziosi, Lee, Michelson, Sherwood and Summerville. Absent or excused was Rep. Lion. Also present were Rep. Di Costanzo; Michael Pollard, Chief of Staff; Michael Handler, Director of Administration; David Panico, Robinson & Cole (Bond Counsel for the City); David Michel, Kieran Ryan, Ted Ferrarone, David Waters and Thomas Strand, BLT; Barry Bernabe (Financial Advisor to the City); Jim Lohr; Matt Blumenthal.

Co-Chair Pia called the meeting to order at 7:08 p.m.

Item No.	Description	Invitee(s) or Designee(s)
1. LU30.019	REVIEW; Reporting Requirements for the Harbor Point Infrastructure Improvement District. 08/08/2018 – Submitted by Reps. Cottrell, McGarry and Sherwood 08/29/18 – Held by Committee 4-2-0 09/26/18 – Report Made & Held by Committee 5-0-0	M. Pollard T. Madden M. Handler Ted Ferrarone David Waters

Rep. Cottrell explained that she put this on the agenda because there was not much information supplied to the Town Clerk on an annual basis. She is concerned about how long it took to get these documents.

Mr. Handler explained that all of the reporting requirements of the District are set by state statute.

Quarterly project activity reports are available on the Electronic Municipal Market Access (EMMA) Website, which is a municipal securities reporting website (<https://emma.msrb.org/>)

Mr. Panico explained that there is special legislation which established this TIF. The idea behind the TIF is to get a developer who owns the land to impose a fee so that infrastructure is paid for into the future when the land is sold. The Harbor Point District is a governmental entity; it is a tax district. The enabling legislation (SA 2007-6) provided for the establishment; the controls by the City; the members of the corporation, etc. In the beginning all of the properties were owned by entities associated with BLT with the idea that they be sold off after they were developed. Some of the parcels have been sold off.

Mr. Handler, Mr. Panico, Mr. Ferrarone, Mr. and Mr. Strand discussed the TIF with the Committee, including the following:

- SA 2007-6 provides for 5 directors (1 of whom is appointed by the Mayor, the others by the property owners). BLT is the developer and directs the work.
- There is a summary of the Interlocal agreement on the Board of Representatives website.
(http://docs.boardofreps.org/committees/landuse/2008/items/lu27046/lu27046_sum.pdf)
- Most of the projects being done now were in the original Interlocal agreement. The City hired an outside consultant to review all of the work done; which ultimately becomes part of the City.
- The bonds have been refinanced, but the maturity did not change
- TIF districts have more risk for the City. But for the TIF, this work would not have been done
- These TIF bonds are different from the Mill River Bonds; once the increment gets over the debt service, the City gets the increment above the debt service; refunding the bonds brought this event forward
- The benefit to the City of the refunding was \$1.4 million in the first year and the \$42 million over the life of the bonds
- Antares did not get a good deal on the land, this is part of why they went bankrupt;
- Many of the other developments in the NY Metro area were accomplished with tax breaks
- This would rank as a successful TIF district
- There was a study presented to the Board of Representatives at the time of the original approval regarding the social costs of the development. This report is on the Board of Representatives website.
http://docs.boardofreps.org/committees/landuse/2008/items/lu27046/lu27046_finalreport.pdf¹
- The City is committee to turn over to the District 50% of the incremental tax revenue to solely service the debt; to the extent that the remittance is not sufficient, the undeveloped properties are required to make up the difference
- They will clarify why the financial statements appear to show a deficit; the District does not have a deficit

Rep. Sherwood noted that section (l) of the enabling legislation states that The board shall at all times keep accounts of its receipts, expenditures, disbursements, assets and liabilities, which shall be open to inspection by a duly appointed officer or duly appointed agent of the state of Connecticut or the city of Stamford.” and asked to view all of these documents. Mr. Handler stated that he believes he is the officer for the City.

It was noted that the Interlocal Agreement provides that the City shall have the right to inspect all audits, bank statements, fiscal records, trustee statements for Bond proceeds, minutes of Board meetings and notices from governmental authorities.

Rep. Sherwood stated that the activity reports don't detail who was contracted to do the work, etc.

Tighe & Bond was hired by the City to review all of the work, invoices, progress notes, etc., including to ensure it met the specifications; the work is also inspected by the Engineering Department; any changes are then made as required, and Harbor Point posts a bond for 2 years and the work is then accepted if it meets the requirements.

¹ All of the documents relating to the original approval of the Interlocal Agreement by the Board of Representatives can be found at <http://docs.boardofreps.org/committees/Landuse/2008/items/lu27046/lu27046%20-%20File%20Summary.htm>

The projects were approved by the Board of Representatives and the specifications were set by the City

The bond maturity did not change when the bonds were refinanced.

There were 13 plots developed. 8 large and 2 small have been sold. The special assessment is paid on the undeveloped land.

Approximately \$109,000,000 went to construction (a portion went to the Debt Service Reserve Fund and issuance costs). All but \$6,000,000 is left. The remaining funds are going to be used for infrastructure in the original scope

Rated bonds are invested in by mutual funds, individuals, etc. . This bond offering had higher risk and only certain types of investors would be interested. It was a more limited offering, probably to high yield mutual funds, insurance companies, etc.. They will provide the list of bond holders. These were very risky at the time they were offered, which is why the rates were so high. The only other TIF district in the State of Connecticut went bankrupt.

The subsurface improvements to 100 year old cracked pipes and other infrastructure improvements reduced the floods because inflow was reduced, even though there are many more units.

Current building work has been tented to address the prior polystyrene issues.

Mr. Handler stated that the City collects the revenue and pays the bond trustee

Next year, instead of paying 50%, the City will be paying the debt service to the bond holders and then keep the rest

BLT will provide an explanation for why the financials show a deficit.

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| 2. LU30.020 | REVIEW; Procedures Followed by Zoning Enforcement Officer After Receiving a Complaint.
10/01/18 – Submitted by Reps. Figueroa and Sherwood
10/09/18 - Moved to Pending | HELD |
| 3. LU30.021 | REVIEW; Process And Results Of Imposing And Collecting Fines for Zoning and Other Infractions, Such As Illegal Commercial Advertising.
10/01/18 – Submitted by Reps. Lion and Quinones
10/09/18 – Moved to Pending. | HELD |

Co-Chair Pia adjourned the meeting at 9:00 p.m.

Respectfully submitted,
Charles Pia, Co-Chair

This meeting is on [video](#).