

MINUTES OF THE REGULAR MEETING
CITY OF STAMFORD, CONNECTICUT
URBAN REDEVELOPMENT COMMISSION
THURSDAY, MAY 13, 2004

1. At 6:06PM, Chairman Stephen C. Osman called the regular meeting to order. The following were in attendance:

Commissioners:

Stephen C. Osman, Chairman
James I. Nixon, Vice Chairman
Joel P. Mellis, Secretary/Treasurer
Neal M. Jewell
Edward J. Fuhrman

Staff:

Laszlo Papp, Executive Director
Rachel Goldberg, General Counsel
Durelle Alexander

2. Approval of Minutes/April 8, 2004 Regular Meeting

Commissioner Mellis made a motion to approve the minutes. The motion was seconded by Commissioner Jewell and carried by unanimous vote.

3. Announcements

None.

4. Correspondence

None.

5. Mill River Corridor

- (a) **Archstone/1050 Washington Boulevard – Request for Extension from 6/12/04 to 5/22/05** – On behalf of Archstone, Land Use Consultant Rick Redniss asked that the URC extend the start of construction date for the above referenced property to May 22, 2005. He noted that although the current expiration date for the approval is June 12, 2004, Archstone is attempting to coordinate the expiration dates for all the permits issued for the site (Zoning, State Traffic Commission & Environmental Protection Board) to expire at the same time. Mr. Redniss said, “The rental market continues to suffer. The price of steel has gone up dramatically in the last few months as a result of some global changes in the steel market, and we are now further away from building any rental housing on that site than we were last time we wanted an extension. Archstone is beginning to talk to a variety of people interested in purchasing the property for condominiums. Those discussions are taking place and the property is still being made available to the URC to lease out for interim parking.” Chairman Osman said, “There is a market for building right now. There is not a market for rental but there is a market for building ... that project could go up and be a condominium very successfully ... so why should we give Archstone another extension? What’s the advantage of doing this?”

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Mr. Redniss responded, "This issue with the steel is turning out to be a major issue. The price of scrap steel has jumped from about \$65 a ton in 2002 and \$100 per ton last year to upward of \$300 a ton today, so this is a huge issue with the design of this building. Also, you have to remember what Archstone has done for the URC. They helped underwrite and get through the whole Mill River project process, rewriting the zoning, lobbying for approval of the Mill River Corridor Plan, etc. They helped foster this whole redevelopment and I don't think we want to do anything economically to them that would make it harder to produce housing here. Nor do I think we should penalize them for having worked through the process, having added costs to the building, and having tried their best to make something work."

Discussion continued. Commissioner Nixon asked, "Is there any concept of preference in the design of the inner city with respect to ownership versus rental?" Mr. Redniss responded, "In general, people and the City boards prefer home ownership." The Chairman asked, "What happens if we don't approve this extension?" Attorney Goldberg responded, "We find them in default of their agreement. We undo the agreement, which means that the land swap goes back, and we start over." It was noted that Archstone has already received one extension from the URC.

Following further discussion, Mr. Redniss emphasized that Archstone would like to do this project; that the project was not for sale, but the developer could not anticipate starting this building within the current timeframe. Attorney Goldberg asked, "If this project is not 'for sale,' what is their plan? Do they expect something to change in the marketplace that will enable this to be built a year from now? Do they have a projection? Archstone is not going to sit on the project for a year without an expectation that something is happening. Do they see something they want to tell us that can give us comfort that yes, they are going to build it?" Mr. Redniss responded, "They are hopeful that this project will be built but they need to have these extensions to decide what to do – whether they should be waiting." Commissioner Fuhrman said, "If there was an assurance that in 10 months they could start, or in 11½ months they could start – but what we would hate to have happen is that 12 months from now, they are back and looking for another extension." Mr. Redniss suggested that rather than denying the extension, the Commission send a very strong message back to the developer; i.e., that the Board was "very reluctant to grant this extension and that at this point, the Board would not be looking favorably on any other extensions." Commissioner Fuhrman and Commissioner Jewell noted that they would agree to the extension with some interim checkpoints. Commissioner Mellis said, "I would also like to add that we don't want to be in the same position we are now a year from now. In the planning process, if it becomes apparent early enough that the economics and the dynamics are not going to change, I think an alternate plan ought to be submitted." Chairman Osman asked, "Do you think we can get Diego Benites, Assistant Vice President of Archstone, here in three, six and nine months on a regular basis to report to us about what's going on?" Mr. Redniss responded, "Absolutely, that won't be a problem."

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Commissioner Jewell suggested that perhaps “a six month extension, with an additional six months pending a satisfactory progress report” might send a stronger message to the developer. Executive Director Papp responded, “Six months is a very short time for development to mature. Realistically, this project will be redesigned one way or another and I think a status report every three months is very reasonable.” Chairman Osman concluded, addressing Mr. Redniss, “It is not going to be easy to get an extension next time. Please convey to Mr. Benites that we are not happy about giving him the extension now because we want to see the site developed.”

Following further discussion, Commissioner Mellis made a motion to approve Archstone’s request for approximately one-year (June 12, 2004 to May 22, 2005) extension of time in which to commence construction, subject to a requirement that Mr. Diego Benites of Archstone personally appear before the Commission on a quarterly basis to provide a detailed status report on the status of the project and progress expectations. The motion was seconded by Commissioner Nixon and carried by unanimous vote.

Parking on Archstone Site: Executive Director Papp reported that the URC had rented to Target’s contractor slightly more than half of the space with the expectation that the rest of the site would be used by Tom Bellete (GB Parking). He said, “In the meantime, Target was overusing their space, which I photographed and documented. Consequently, we have received an increase of the rental fee and they are using the entire site until July 31st. Additional payments will also be received for two months prior.

Commissioner Mellis made a motion to address the remaining agenda items out of order. The motion was seconded by Commissioner Jewell and carried.

6. Southeast Quadrant

- (d) **Re-Use Parcel 36 (corner of Greyrock & Main)** – Land Use Consultant Rick Redniss, appearing on behalf of Milstein Properties Corp./National Realty, reported that as part of their study of the redevelopment of Re-Use Parcel 38, they had been asked by the Mayor to investigate the properties surrounding the site to see if a more comprehensive look at the block would yield an enhanced development. He said, “We have been meeting with property owners and this is a very slow process. However, since it is apparent that Parcel 36 could play an important role, I am asking that the acquisition process be initiated and appraisals be done to establish its fair market value.”

Attorney Goldberg noted that the URC had not participated in meetings with regard to Re-Use Parcel 38; further, that the Executive Director should be involved in future meetings pertaining to this parcel.

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Attorney Donald Gustafson, appearing on behalf of Thomas L. Rich/The F.D. Rich Company, said his client's sole focus is the 10,598 square foot parcel commonly referred to as Parcel 36. A check in the amount of \$3,000 was delivered to the URC on April 21, 2004 as a good faith deposit to be held in escrow for the cost to appraise the property. Attorney Gustafson said, "We would like to develop housing on the site in accordance with existing zoning regulations. There is a current market for for-sale units and, if we can come to terms and agree on a fair market value for the property, we would like to make something happen quickly."

Executive Director Papp, noting that Robert Wilson is also interested in developing the site for elderly housing, expressed concern about the appraisal cost being borne by one party and suggested "splitting the cost three ways might be more appropriate." Attorney Gustafson responded, "My client wants to enter into an agreement and pay for the appraisal on its own."

Discussion followed. It was the sense of the Board that the respective parties discuss sharing the cost of the appraisal with their clients; further, that said appraisal would be undertaken without any commitment from the Urban Redevelopment Commission. Messrs. Redniss and Gustafson agreed to pass along this recommendation to their clients. No action will be taken by the Commission for the next thirty days. It will be placed on the June regular meeting agenda.

At 7:20PM, Attorney Goldberg left the meeting to attend the Board of Finance meeting.

- (b) **Park Square West/Demolition** – Executive Director Papp reported, "The Lee Myles building has been demolished and we are in the process of finding out exactly how much contaminated or unsuitable soil there is. I am in negotiations with Standard Demolition to assign the proper industrial hygienist who will recommend the schedule and the process, but I believe we should have our own expert." Executive Director Papp presented a proposal from Haley & Aldrich for environmental services. The Chairman asked, "Why can't we, along with Standard Demolition, jointly hire the hygienist? Why should they have one and we have a different one?" Following discussion, it was the sense of the Board that the URC and Standard Demolition share one consultant, provided that the URC retains control of the hygienist. The Executive Director will explore this "shared" concept with the demolition company and send the Commission a proposal prior to the next monthly meeting.

Executive Director Papp also reported on what is happening currently:

- (i) The phone company is just receiving the permit to re-route the phone service that goes through our property to Curley's. It is going to be dug up and re-routed to the street in the next couple of weeks;
- (ii) Standard Demolition is receiving its permit to go back to the source of the water pipe and disconnect it at the street; and

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- (iii) We have received a commitment from the City that they will contribute \$250,000 up-front money toward the demolition.

The Executive Director continued, "Based on this information, I would like to request approval to instruct the demolition company to proceed with demolition of the two remaining buildings." Commissioner Nixon moved to authorize the Executive Director to execute a Notice to Proceed with Standard Demolition for the demolition of buildings at 56 West Park Place and 1017 Washington Boulevard. The motion was seconded by Commissioner Fuhrman and carried by unanimous vote.

Attorney Goldberg returned to the meeting at 7:44PM.

6. Southeast Quadrant

(a) **Approval of Urban Renewal Plan Amendment** – Commissioner Nixon made a motion to approve a resolution to extend the Southeast Quadrant Urban Renewal Plan from July 5, 2004 to July 5, 2011 (copy of resolution attached as part of these official minutes). The motion was seconded by Commissioner Mellis and carried by unanimous vote.


Action on the FY 04/05 Operating Budget and remaining agenda items was tabled.

10. Adjournment

The next regular meeting is scheduled for Thursday, June 10, 2004 at 6:00PM.

There being no further business before the Board, Commissioner Nixon made a motion to adjourn. The motion was carried by unanimous vote and the meeting was adjourned at 7:51PM.

Respectfully submitted,


Joel P. Mellis
Secretary/Treasurer

RESOLUTION NO. 429

RESOLUTION OF THE URBAN REDEVELOPMENT COMMISSION OF THE CITY OF STAMFORD

Regarding Further Extension of the Southeast Quadrant Plan

WHEREAS, the City of Stamford, Connecticut, Urban Redevelopment Commission (the "Commission") has been empowered by the City of Stamford, pursuant to the Code of Ordinances of the City of Stamford, and by Chapter 130 of the General Statutes of the State of Connecticut to prepare, propose, approve and carry out redevelopment and renewal plans with the City of Stamford; and

WHEREAS, acting pursuant to such authority the Commission on February 20, 1963 approved the Urban Renewal Plan for the Southeast Quadrant (Extended) Urban Renewal Project, Conn. R-43, and at various times since said date has approved amendments to and minor modifications of said Plan; and

WHEREAS, on March 4, 1963, the Board of Representatives approved an Urban Renewal Plan for the Southeast Quadrant Urban Renewal Project Connecticut, R-43 (the "Southeast Quadrant Plan"); and

WHEREAS, simultaneously therewith, the Board of Representatives provided the Urban Redevelopment Commission with certain land regulation authority over the Southeast Quadrant; and

WHEREAS, in March 1993, the Board of Representatives approved the extension of the Urban Renewal Plan for the Southeast Quadrant until March 4, 2000, and acknowledged the Urban Redevelopment Commission's land regulation authority over remaining parts of the Southeast Quadrant; and

WHEREAS, on March 6, 2000, the Board of Representatives voted in favor of a resolution extending the Southeast Quadrant Plan until July 5, 2000; and

WHEREAS, on June 5, 2000, the Board of Representatives voted in favor of a resolution extending the Southeast Quadrant Plan until July 5, 2004; and

WHEREAS, all affected redevelopers of the proposed modification of the Urban Renewal Plan for the Southeast Quadrant, set forth herein, have consented to these modifications as required by §8-136 of the Connecticut General Statutes; and

WHEREAS, members of this Commission have personal knowledge of the Urban Renewal Project Area and particularly the portions thereof affected by the changes included in the Proposed Amendments; and

WHEREAS, it is in the best interest of the City of Stamford to extend the Southeast Quadrant Plan.

NOW, THEREFORE, on the basis of the evidence in its possession and personal knowledge, the City of Stamford, Connecticut, Urban Redevelopment Commission, does hereby find, declare and resolve that:

1. Subject to the approval of the Board of Representatives of the City of Stamford, Connecticut, the Urban Renewal Plan for the Southeast Quadrant is extended until July 5, 2011.
2. The Urban Redevelopment Commission shall retain its current land regulation authority for the project until the end of this extended term.
3. This Resolution shall be in full force and effect subject to authorization by the Board of Representatives.
4. It is hereby found and determined that:
 - a) The Urban Renewal Plan, as modified by the Proposed amendments, will continue to meet all of the requirements of Chapter 130 of the General Statutes of the State of Connecticut relative to redevelopment and urban renewal plans and includes sufficient details to give this Board adequate information.
 - b) The area to which the Proposed Amendments refer is located in a redevelopment area as defined in Chapter 130 of the General Statutes of the State of Connecticut. Specifically, the as yet undeveloped portions of the Project Area (Re-Use Parcels 19, 19B, 36 and 38) are deteriorated, deteriorating, substandard and detrimental to the safety, health, morals and welfare of the community.
 - c) The carrying out of the Proposed Amendments will result in materially improving conditions in the Southeast Quadrant (Extended) Urban Renewal Area.
 - d) The Proposed Amendments are satisfactory as to site planning and relation to the comprehensive or general plan (Master Plan) of the City of Stamford.
 - e) The Proposed Amendments, to the greatest extent feasible, afford maximum opportunity consistent with the sound needs of the City of Stamford as a whole to redevelop the Southeast Quadrant (Extended) Urban Renewal Project by private enterprise.
 - f) The Proposed Amendments do not change the general purposes or objectives of the Plan as previously adopted by this Board.

- g) Federal financial aid previously provided pursuant to the Loan and Grant Contract, as amended, and now being provided pursuant to the Close-Out Agreement, both with the United States Department of Housing and Urban Development, is necessary to carry out the project in accordance with the Proposed Amendments.

NOW, THEREFORE, be it resolved by the City of Stamford, Connecticut Urban Redevelopment Commission, that:

1. All findings, declarations and resolutions as set forth in previous resolutions of this Commission adopting and approving the Urban Renewal Plan for the Southeast Quadrant (Extended) Urban Renewal Project, including all previous amendments and modifications thereto, are hereby affirmed, ratified and incorporated herein by reference as if set forth herein at length except in so far as they are inconsistent with the provisions of the Proposed Amendments.
2. The Proposed Amendments to the Urban Renewal Plan as set forth herein are hereby approved.
3. The "Urban Renewal Plan for the Southeast Quadrant (Extended Urban Renewal Project Conn. R-43" as modified by the "Proposed Amendments," hereinabove approved, is in all respects approved.

Stephen C. Osman, Chairman
URBAN REDEVELOPMENT COMMISSION

Dated: _____