

**CITY OF BRIDGEPORT
ECONOMIC AND COMMUNITY DEVELOPMENT
AND ENVIRONMENT COMMITTEE
TUESDAY, JULY 16, 2013
6:00 PM**

ATTENDANCE: Co-chair Martinez; *Co-chair Brantley; Council members: Lyons, Marella, Banta, Stafstrom, dePara

*= arrived 6:50 pm

CITY STAFF: B. Coleman, Director, Neighborhood Development; M. Perez, Sr. Economic Dev., Assoc., S. Baillie, Consultant, O&G Department; D. Kooris, Director, OPED

OTHER(s): Attorney Gelderman; Associate City Attorney Pacacha

Co-chair Martinez called the meeting to order at 6:10 pm.

Co-chair Martinez stated that the agenda would be taken out of order.

Approval of Committee Minutes of June 18, 2013.

**** COUNCIL MEMBER MARELLA MOVED TO ACCEPT THE MINUTES**

**** COUNCIL MEMBER LYONS SECONDED**

**** MOTION PASSED UNANIMOUSLY**

111-12 Proposed Resolution requesting the Adoption and Authorization to Implement the Black Rock School Municipal Development Plan ("BRSM DP") also Ordering a Public Hearing relative to same.

Scott Baillie, O&G Industries stated that this item pertained to the authorization to move forward with eminent domain to acquire a final parcel for the Black Rock School Municipal Development Plan. He said that negotiations were far apart in the past, so they were now looking to move forward – *a map was displayed of the existing Black Rock Elementary School showing two parcels*. He pointed out the parcel they were looking to approve the eminent domain. He explained that the owner of the property

was asking for the city's assessed value and he can't pay more than the appraised value.

Co-chair Martinez asked what the price was. Mr. Baillie said the highest appraised value was \$80k and the assessed value was \$100k.

Mr. Baillie clarified that there's a small utility building on the property and the city filed for eminent domain through the court.

Mr. Kooris stated that there's a municipal development plan that covers the district. And when the plan is approved, it will allow them to take action for eminent domain. The action they were requesting is for approval of the municipal development plan that indicates intent for the purpose of developing Black Rock School and that approval of the plan will allow them to engage and pursue eminent domain and consolidate the properties.

Council member Stafstrom commented that the expansion of Black School has been planned by the city for years and it was grandfathered in under the old law. He explained that the situation involved the purchase of four (4) residential homes that will consist of the reconstruction of School Street. He stated that he and Council member Brannelly were in full support of the project.

**** COUNCIL MEMBER BANTA MOVED TO APPROVE**

**** COUNCIL MEMBER LYONS SECONDED**

**** MOTION PASSED UNANIMOUSLY**

***Consent calendar**

**** COUNCIL MEMBER STAFSTROM MOVED TO SCHEDULE A PUBLIC HEARING PRIOR TO THE NEXT CITY COUNCIL MEETING ON AUGUST 5, 2013**

**** COUNCIL MEMBER BANTA SECONDED**

**** MOTION PASSED UNANIMOUSLY**

114-12 Proposed Resolution regarding acquisition of the New Senior Center in 2013 and the Temporary Relocation of the Downtown Cabaret Theatre in 2014.

Attorney Pacacha stated that the city council authorized the transaction to develop the properties located on Golden Hill Street and Broad Street with Mr. Kuchma. The city will do certain work at the Eisenhower Center with the agreement that Mr. Kuchma will develop the new senior center. He went on to say that Mr. Kuchma carried through the first part of the Land Disposition Agreement to develop a 13-unit apartment building on Elm Street and Broad Street and another property development will be a park across from city hall. He explained that there was supposed to be a swap with the Eisenhower Center, but they found that the work was going to be complex and it would inconvenience the Cabaret Theatre, so they decided to delay the work until 2013 to allow for the relocation of the Cabaret Theatre to avoid too much disruption. They had to make adjustments under the LDA and Mr. Kuchma said he could have the senior center developed by August 2013. There will be a transfer of \$740k to Mr. Kuchma to fit the old building for the new senior center to move the senior in by August 3 and when they move in, they will be able to continue the use of the pool. He explained that the money advanced to Mr. Kuchma will be paid back when the new Eisenhower Center is transferred to him, however; if all is not complied to, the Eisenhower Center won't be transferred to him.

Co-chair Martinez asked who would construct the roof on the senior center. Attorney Pacacha said the city will construct the roof. Attorney Pacacha clarified that the \$740k is part of the \$1.8 million that will be allocated to the project by Mr. Kuchma.

Council member Lyons stated that she visited the Cabaret Theatre and she concurred that the amount stated of \$740k vs. \$700k that was outlined in the resolution was a discrepancy. She emphasized that the amount should have been revised before the resolution was presented. Attorney Pacacha said the amount could be amended. He clarified that there was no intent to change anything and the commitment was always there. He noted that the resolution was submitted on April 30, 2013.

**** COUNCIL MEMBER STAFSTROM MOVED TO ENTER INTO THE RECORD
EXHIBIT-1-114-12-7-16-13 RE: RESOLUTION KUCHMA CORPORATION
PROJECT
** COUNCIL MEMBER MARELLA SECONDED
** MOTION PASSED UNANIMOUSLY**

Mr. Kuchma stated that he understood the cost the city intended to spend was for asbestos clean up on the building, but that can't be done until the Eisenhower Center is transferred to him.

Attorney Pacacha stated that the money has already been authorized in the capital budget for fiscal year 2013.

Council member Lyons recalled that the project was discussed in length last year. She questioned why the asbestos problem wasn't taken care of before. Mr. Kooris said the asbestos had nothing to do with the commitment to the Cabaret Theatre to extend their lease and until they scoped out timing of the work. The proposed timeline was discussed with the Cabaret Theatre and as a mitigating strategy, the agreement was to not impact their operations this summer and postpone the interventions until next summer.

Council member Lyons further questioned why it has taken a year to address the building inspections. Mr. Kooris replied that someone from Public Facilities could answer that question.

Attorney Pacacha said they went out to bid and received the proposals and spent two months to get the contractor to comply with the MBE Ordinance. However, the lowest bidder had some difficulty understanding and complying with the ordinance. So they decided to delay the asbestos issue and this resulted in a short time line to move the Cabaret Theatre back in by September and now they will help move the Cabaret Theatre next year without any disruptions.

Council member Stafstrom thanked Mr. Kuchma for this investment. He reminded the committee that the seniors have been displaced and it's a priority to get them into the new center. He agreed that they need to know where the funds were coming from and the exact amount. Mr. Kuchma clarified that \$1.860 million will be provided in return for two (2) pieces of property valued at a lower amount. He stated that after he receives the \$740k, he will still have invested \$600k.

Co-chair Martinez asked again where the \$740k was coming from. Mr. Kooris said he understood that there was a previous city council authorization from the capital budget.

Council member Stafstrom stated that they couldn't approve the item without knowing exactly where the dollars were coming from. Mr. Coleman suggested that they amend the amount with the proviso that the item won't be voted on until it comes before the full city council.

**** COUNCIL MEMBER STATSTROM MOVED TO AMEND 114-12; PAGE 3, WHERE IT READS THE AMOUNT OF \$700,000.00 TO READ \$741,709.00**

**** COUNCIL MEMBER LYONS SECONDED
** MOTION PASSED UNANIMOUSLY**

**** COUNCIL MEMBER STAFSTROM MOVED TO APPROVE AS AMENDED WITH THE UNDERSTANDING THAT ITEM 114-12 WILL NOT GO ON THE CONSENT CALENDAR UNTIL THE FULL CITY COUNCIL VOTES ON THE ITEM AT THE NEXT SCHEDULED MEETING ON AUGUST 5, 2013. AND THAT THE CITY ATTORNEY MUST PROVIDE THE EXACT SOURCE OF WHERE THE FUNDS HAVE BEEN ALLOCATED FOR THE PROJECT**

****It was stated that the above information will be emailed to the entire city council prior to the meeting***

Council member dePara stated that he had a concern of where the money was coming from, noting that item 114-12 reads the incorrect dollar amount. He questioned why the city isn't doing the remediation work instead of passing it on to someone else. Attorney Pacacha said the city is doing the work. The funds are only going to Mr. Kuchma for the transfer of the building.

Council member dePara stated that a lot of misunderstanding could have been avoided with a better understanding of the realistic timeline. He noted that some aspects of the project should have been addressed by the Budget & Appropriations Committee and the Contracts Committee. Attorney Pacacha responded that those aspects of the project don't affect the Cabaret lease.

Council member Brantley stated that she had a concern of where the funds were coming from for the project. Council member Lyons stated that the funds were possibly allocated in the capital budget earmarked for the senior center, but it needs to be confirmed and the item won't be added to the consent calendar until that information is verified.

Mr. Kooris stated that he received confirmation from the CAO and the Finance Director that the funds would come exclusively from the capital budget allocation for fiscal year 2012; the authorized amount was \$2 million.

**** COUNCIL MEMBER MARELLA SECONDED
** MOTION PASSED UNANIMOUSLY**

109-12 Proposed Resolution releasing the City's Right of Reversion over certain properties and authorizing the City to accept a Donation of Property to further Redevelopment of the East End.

Mr. Coleman distributed copies of the resolution.

**** COUNCIL MEMBER STATSTROM MOVED TO ENTER INTO THE RECORD
EXHIBIT-I-109-12-7-16-13 RE: RESOLUTION
** COUNCIL MEMBER MARELLA SECONDED
** MOTION PASSED UNANIMOUSLY**

**** COUNCIL MEMBER STAFSTROM MOVED TO AMEND THE RESOLUTION
EXHIBIT-109-12 BY SUBSTITUTION
** COUNCIL MEMBER BRANTLEY SECONDED
** MOTION PASSED UNANIMOUSLY**

Mr. Coleman continued with the visual slides presentation. He showed slides of the site; the area surrounding Stratford Avenue near Freeman Street; the lot where the houses were torn down; the mixed use area with buildings and the three(3) pieces of real estate that were being considered. Max Perez noted those (3) buildings were located at:

- 25 Revere Street
- 1815 Stratford Avenue
- 1823 Stratford Avenue

Mr. Coleman pointed out 25 Revere Street on the map. He explained they were asking to release the rights of reversion that was supposed to be developed in August 2007, noting that the property deeds have been received.

Council member dePara questioned why the property was being donated. Elizabeth Torres was present to answer the question. She said they were working with Capital Restoration who acquired three-parcels in the hope of transforming the east end. However, the plan was abandoned and no work was being done in Bridgeport, but they held onto the properties and paid taxes through the years. She explained that they would rather take the tax benefit than a write off and they were advised that it was a better choice to donate the properties.

Co-chair Brantley asked the value of the properties and what they were looking to do with them. She stated her concern was that something nice would be built, but in the midst of blight. She asked the number of properties that were blighted. Mr. Kooris said

he wasn't sure, but he said he could obtain the information and report back to the committee.

Mr. Coleman continued and pointed out on the map, the approximately five buildings that were planned to come down. He noted that there was money in the budget to tear them down.

Ms. Torres stated that the appraised value was approximately \$20k for each parcel. She explained that the trees were removed and they will construct an aluminum black fence for a better aesthetic – *he displayed the rendering of the proposed project **Plan-A** which will be mixed-use of 30-units for the elderly.* He said the units will be 1-bedroom with ground floor retail space and they hope to attract a grocery/farmers market component. He further pointed out other features and amenities proposed. He added that **Plan-B** *will be market affordable housing.* Ms. Torres stated that Bridgeport Neighborhood Trust will manage the project.

Co-chair Brantley asked what was currently on the property. Ms. Torres said the lots were vacant on Freeman Street and Bishop Avenue.

Co-chair Brantley asked if taxes would be paid to the city. Ms. Torres said yes. She stated that they were in the early stages of development and they plan to compete for funding this year with the hope of going forward early 2014.

Ms. Torres stated that the back and current taxes have been paid on the Revere Street property.

**** COUNCIL MEMBER MARELLA MOVED TO APPROVE**

**** CO-CHAIR BRANTLEY SECONDED**

**** MOTION PASSED UNANIMOUSLY**

***Consent calendar**

82-12 Proposed Resolution Accepting the Donation of 316 Central Avenue.

Mr. Coleman stated that the site was located on the east end. He updated that they were working to recapture the waterfront and they were working with Boz Brothers who bought the property at 316 Central Avenue that included the Mt. Trashmore property. However, they found that they didn't own the water edge, which is owned by the city. He stated that the property at 316 Central Avenue is consistently on the blight list, so they

were looking for approval to accept their donation by means of a swap. He continued and said they plan to provide visual access back to the beach by constructing a boardwalk. The building will be demolished and the property will be landscaped. He updated that even though there are environmental issues on the site, restoration can be achieved according to the consultants that said it can become visually clean if not environmentally clean. He clarified that they were only looking for approval to accept the donation.

Council member dePara stated that technically the city doesn't receive the donation until the party involved gets something else. Mr. Kooris clarified they would like authorization to accept the donation, so they can then decide what the city is offering to them.

Council member Lyons questioned where it read in the contract, the condition of switching the properties. Mr. Coleman said the condition hasn't been negotiated yet. He reiterated that they were only looking for the committee to accept the donation right now.

Council member dePara stated that he would like more information regarding the ongoing negotiations; the pro-forma implications of the land swap and the funds needed to clean up the site. Mr. Coleman said he shared all the information he had to date. He clarified that there was no pro-forma analysis and the matter really equates to a capital exchange.

Co-chair Brantley questioned if the deal doesn't go through, are they still committed to tearing down the buildings. Mr. Coleman said if the deal doesn't go through, they will be hit with anti-blight violations.

**** CO-CHAIR MEMBER BRANTLEY MOVED TO APPROVE**

**** COUNCIL MEMBER MARELLA SECONDED**

**** MOTION PASSED UNANIMOUSLY**

***Consent calendar**

81-12 Proposed Resolution adopting the South Avenue Project Development Plan and authorizing the Bridgeport Port Authority to acquire, including by eminent domain, certain real properties within the plan area.

Mr. Coleman stated they were asking to authorize the Bridgeport Port Authority to acquire four (4) properties in the south end by power of eminent domain – *he did a brief*

visual presentation showing slides of the area, the warehouse and industrial building. He said they were looking to clear out the trees in the wooded area and improve the sidewalks.

Co-chair Brantley commented that she would like to see a commitment such as youth involvement that will allow them to develop some related skills.

Mr. Kooris stated that they were looking for approval for the Municipal Development Plan for the purpose of eminent domain; although that may not be necessary. He explained that the plan retains the ability to create a connecting road between South Avenue and Atlantic Avenue and if it's deemed appropriate, they may be able to close down Barnum Pike to allow another roadway. He noted they were also exploring parking. And there have been discussions with Sikorsky to link the sites. He noted that it was crucial to take into consideration the long term value of the property. He clarified that the exact uses of the site aren't definite yet. He noted that two (2) properties were owned by Mr. Dinardo and one (1) property was owned by Sikorsy and there are four (4) oddly shaped properties with no buildings for proposed use.

Mr. Kooris added that there are two potential routes for a future street.

Council member Banta stated there was a big problem with flooding in the area. He said he hoped that new storm drainage could be included in the project.

Mr. Coleman stated that negotiations were in progress and per Mr. Kooris, he felt that approval tonight would help advance those negotiations. He clarified that they weren't asking the city to fund the acquisition and Mr. Dinardo will write the check for the acquisition.

Attorney Gelderman stated that the Port Authority retained him to draft the agreement with Mr. Dinardo. He explained that case law reads that economic development is a valid use for eminent domain. He further explained that the property is considered to be a Port Authority facility and Mr. Dinardo will be responsible for the acquisition costs.

Council member Stafstrom questioned the timeline, ownership and where the money is coming from. He noted that once approval for the Municipal Development Plan is given, he questioned what the highest appraisal value will be. Attorney Gelderman responded that no city money or Port Authority money is being used and the attorney fees will be picked up by Mr. Dinardo.

Council member Stafstrom asked who will take title to the property. Attorney Gelderman said title will ultimately be transferred to Mr. Dinardo, but initially title will go to the Port Authority.

Council member Stafstrom asked what the out clauses were in the LDA. Mr. Coleman said there's a stop clause with respect to environmental. However, once eminent domain is drawn up, there's no out clause.

Co-chair Martinez asked what measures can be taken to help with flooding in the area per Council member Banta's concern. Mr. Kooris stated that in terms of storm water, there's nothing in the agreement to address that right now. He emphasized that he wasn't aware of any specific issue that needed to be addressed pertaining to flooding for this project item. However, he noted that funds have been earmarked to address flooding problems in other areas throughout the city.

Co-chair Brantley stated that the environmental consequences should be looked at during negotiations to address drainage issues per Council member Banta's concern. Mr. Kooris acknowledged the comment.

**** COUNCIL MEMBER STAFSTROM MOVED TO APPROVE
** COUNCIL MEMBER MARELLA SECONDED
** MOTION PASSED UNANIMOUSLY**

***Consent calendar**

ADJOURNED

**** CO-CHAIR BRANTLEY MOVED TO ADJOURN
** COUNCIL MEMBER MARELLA SECONDED
** MOTION PASSED UNANIMOUSLY**

The meeting was recessed at 8:35 pm.

Respectfully submitted,

Diane Graham
Telesco Secretarial Services