

CITY OF DERBY
REDEVELOPMENT AGENCY MEETING
AUGUST 8, 2006

DERBY CITY HALL – ALDERMANIC CHAMBERS – 6:30 P.M.

Chair Glenn Stevens called the meeting to order at 6:30 p.m. All rose and pledged allegiance to the flag.

Roll Call

Present: Glenn Stevens
Greg Russo
Richard T. Dunne

Absent: John Oraziotti
Michael J. Kelleher

Also Present: The Honorable Mayor Anthony Staffieri
Joseph T. Coppola, Corporation Counsel

ADDITIONS/DELETIONS/CORRECTIONS TO THE AGENDA

Mr. Russo said he has one correction - Item #11 on the agenda reads "negations" – it should be "negotiations."

Mr. Dunne asked if the June 13th minutes were approved at the last meeting. Mr. Dunne was informed that the minutes of June 13th were approved at the last meeting. It was noted that the tape cassette of the May 9th minutes remain tabled; the cassette tape has been misplaced.

A MOTION was made by Mr. Russo with a second by Mr. Dunne to adopt the agenda with the one corrected item. **Motion carried.**

PUBLIC PORTION

Dan Waleski, 21 Elm Street, Derby, CT – I'm trying to pick up some information that the agency and Ceruzzi and company has been distributing to the agency and I'm having a little trouble trying to find everything. I did find this picture – it's of a rendering and it has designations on it – 3, 4, 5, 6, H, J, D, I...

Mr. Stevens – Is this the same one that is over there?

Mr. Waleski – Yeah – this is just another one only (inaudible.) And I can't find anywhere that tells me what these letters and numbers are.

Mr. Stevens – What the references are?

Mr. Waleski – Yeah. Is there a reference somewhere that I can find what they represent? What those buildings...

Mr. Stevens – David there's references to these numbers somewhere, right? The letters – like I think "C" was commercial and "J" was...

Mr. Small – There are a few plans – there's a plan for retail, there's a plan for commercial, there's a plan for residential. (Inaudible...)

Mr. Stevens – But I think the letter designation he's referring to is just identifying buildings themselves. The letters just designate individual buildings and the shading represents types of buildings. I think the yellow here is residential and David I don't know if you want to correct me if I'm wrong but this is retail the pink and the mixed use and the orange is professional.

THE BOARD MEMBERS AND DAVID SMALL FROM STONERIDGE PARTNERS REVIEWED THE RENDERING WITH MR. WALESKI

Mr. Stevens pointed out it was just a conceptual plan.

Mr. Waleski – Is there any detail information? Is this available that has been presented to the group.

Mr. Stevens – It's a conceptual plan at this point so there's not any real detail information that I'm aware of.

Mr. Waleski – You never received anything.

Mr. Stevens – Not detailed information.

Mr. Waleski – Today's the first time you found out and the first time I found out that in this commercial space there's going to be residential.

Mr. Stevens – No we knew that from the presentations that were previously done.

Mr. Dunne – It was presented at the High School in 2005.

Mr. Waleski – I was there but I don't quite recall them saying that but I would like to know if there is any additional information that I can pick up for my reference.

Mr. Stevens – Most of the information was given out at the informational seminars. Even in that rendering there you can see above the retail there is some residential tenants.

Mr. Waleski – But the information given out was given verbally – I'm hoping for...

Mr. Russo – Mr. Chairman I think it's important to understand that what we're dealing with here is conceptual drawings; nothing has been formalized. So while you're looking at something that is giving a conceptual idea of what's going to happen nothing's been formalized.

Mr. Waleski – Well let me say I'm a little bit aghast to think that you're approving something that...

Mr. Russo – We've haven't approved anything.

Mr. Dunne – There's nothing approved yet.

Mr. Waleski – No - well you're approving a development plan and you don't even know what's going to go in the development plan. I'm a little bit surprised at that. I would like to think that you would have something a little more concrete than just a visual, a conceptual plan. And as a citizen I suggest that something more definite ought to be in the works soon to give the general public an idea of what you're really about to do. This is commercial down here and it raises the question here you are asking Yacobacci and the Garden Center and Calvert to move out and here I'm looking at all commercial space and these are commercial people and it raises the question why couldn't these people be incorporated in the commercial section – but we'll save that for another time. You can see where it raises a lot of questions where you have just a plan and I'm a little bit concerned about that and I'm a little bit chagrined you've gone as far as you have without anything more definite. I found, from a personal point of view, I find this somewhat unorthodox. Usually a plan is presented, maybe revised a few times, and then adopted and put out for referendum and so on. None of this has taken place so I'm a little bit concerned. Nice renderings but obviously they're really not telling us anything. And you're adopting something that is just an engineer's rendering of a possible project and plan. Thank you Mr. Chairman.

Mr. Stevens – Thank you.

Carl Yacobacci, 10 Lombardi Drive, Property owner downtown Derby, CT – I just have one issue that I'm going to bring up tonight we'll keep it quick. At the Board of Aldermen meeting on July 27, 2006 Rick Dunne, a member of the Redevelopment Agency, told the board and this was in regards to the Eminent Domain Ordinance that was brought up "If we pass an ordinance limiting Eminent Domain it will not affect either the South Side of Main Street Project or the HALO Project at all. You are already under contract and committed to using the power of Eminent Domain in the Agreements that were passed by the prior Board of Aldermen. We will be sued for Breach of Contract if we refuse to use it in the way it is contemplated under that Agreement. It's that simple." Joseph Coppola, Corporation Counsel for the City of Derby said the same thing. I received an email from the Institute for Justice saying that this is an incorrect statement. And they wrote – I'll summarize – "this is an incorrect statement of the law. For over a century the U.S. Supreme Court and every other court across this nation made it clear that Eminent Domain is a fundamental and sovereign power of government. This means no government whether it is the United States or the smallest City in Connecticut can be forced by contract to use Eminent Domain against its will. For example just last summer in a federal case in Hawaii a federal judge rejected a suit by a private developer who sued Honolulu to force the City to honor its contractual promise to use Eminent Domain for private redevelopment. The court ruled that Honolulu has an inherent authority as a sovereign government to renounce its promise to use Eminent Domain once it decided that seizing the property was no longer in the public interest. The name of the case is Hoosang v. City and County of Honolulu. The City of Derby has the same authority as Honolulu and is well within its bounds to

prohibit the use of Eminent Domain for private development. The developer would not be able to sue the City for money damages or force them to use Eminent Domain. Since the contract involved the implicit delegation of the City's sovereign power of Eminent Domain it is avoided and unenforceable. That's what we got just to refute the statements that were made at the Board of Aldermen meeting. Thank you.

Mr. Stevens – Thank you.

Mr. Dunne – Mr. Chairman just quickly. I said we'd be sued; that's what I said.

Mr. Stevens – Is there anyone else from the public who wishes to address the agency.

Anita Coscia, 10 Talmadge Street, Derby, CT - Just a taxpayer in Derby who read the Aldermen meeting minutes and happy that other taxpayers are being thought of and the City's best interests is still everyone's best (inaudible.) So I just want to say thank you.

Mr. Stevens – Anyone else?

Hearing no one else wishing to address the board...

PUBLIC PORTION CLOSED

APPROVAL OF MINUTES

A MOTION was made by Mr. Russo with a second by Mr. Dunne to **TABLE** the minutes of the July 11, 2006 meeting. **Motion carried.**

UPDATE FROM RELOCATION AGENT

Atty. Coppola informed the board members that he has invited Mr. Michalowski to attend the meeting this evening to update the members.

Philip Michalowski, Relocation Consultant, Harrall-Michalowski, Associates, Inc. - I have an updated status report; I guess the commissioners have seen this previously through Atty. Coppola so I'll just pass this out again and just review it with the members. I also have a copy of the latest listings that have gone to all the businesses that are affected and raise some questions, which I'd like to talk about also. This commercial availability list I guess there's some questions as to whether the focus is exclusively on Derby. I think it's important to understand that a Relocation Program takes a broader view as to where businesses can go too. So it's kind of obligated to provide information on the larger world that's particularly important here in Derby given just its physical size that in and of itself limits the extent of availability that's ever going to be possible within its borders. So we've taken a look at the surrounding communities and you know have gone to (inaudible) as Bridgeport to the south and Naugatuck to the north. All the logical areas of similar locations where there's extensive business inventory – so that's the reason. The program will pay for moving costs up to 50 miles, okay, which is from here we're talking Stamford, Waterbury, past New Haven and that kind of radius. That's probably unrealistic for most of the businesses but just as a program capacity that's what is possible within the relocation program. So that's just kind of an update on that space listings. I will say that almost all the businesses expressed an interest to remain in the community. They've been Derby businesses for basically their business lives and they would like to you know retain that. But the reality is if there's going to be a

displacement in a given amount of time availability is something that we don't have control over. Availability is what the market will have at a period of time so we're looking at it within a certain timeframe and the market will provide space as it does. So that's a reality that everyone needs to live with. In terms of other activities we inspected the personal property of Derby Jewelers – reviewed their property list and quotes and related expenses and prepared a preliminary cost estimate for that and that was transmitted to Atty. Coppola for (inaudible) acquisition and negotiations. Also verified the personal property list for Calvert Safe & Lock. Calvert provided me with their inventory, which then I verified and we added certain items to it. Most businesses maintain a list of their personal property as part of their normal business records and so no sense reinventing the wheel – we work off of that. The purpose of the inventory is to provide a consistent list of items that a mover can then provide an estimate based upon so that it's not – most of these guys will do a walk through inspection but they certainly don't come and count every piece. This at least gives them a higher level of information than they typically have so that's a key piece of doing a cost estimate for each business. We've done the same thing – a personal property inventory was prepared for Derby Billiards and quotes have been requested from movers and it's my understanding that one of the movers may have done that today for both Calvert and Derby Billiards. I don't have verification but that was the way it was scheduled; I don't know for sure if in fact it happened. I certainly will get a call about that I'm sure tomorrow. And there's three additional businesses, which I'm waiting replies from the owners as to setting up a date to do the inventory and inspections. I just talked to Carl and we're good to go for probably for Friday. So we'll get Carl's inventory in place and solicit from there. So the objective is to get estimates of costs for each of these businesses for purposes of budgets. So that's basically where we are at this point. I would be happy to respond to any questions.

Mr. Dunne – The listing document that you passed out today is this the same as the document that Mr. Calvert would have gotten prior to our last meeting?

Mr. Michalowski – Yeah he should have – this should have been the third or fourth set that he received.

Mr. Dunne – He had indicated to us that a particular property that was listed for sale in town wasn't on the list. I see it on this list at Elizabeth and Fifth. Was it on the original list that he received?

Mr. Michalowski – No it was not. There's several Derby properties – I had understood that a couple of them that we were aware of were supposedly sold so I didn't put them on and now I find out that in fact that they have not been. So you know this list is obviously going to move around as properties are available depending on market conditions.

Mr. Dunne – I took the time to review your proposal today and the Relocation Plan that the City has, which I assume you've looked at. I just have a couple of questions – one is in your review of the Redevelopment Plan do you find that it generally conforms with the law in terms of what cities are typically required to do under the law or under statutes.

Mr. Michalowski – It's a typical Redevelopment Plan that's submitted as part of 132 and 130 projects in Connecticut. They're all fairly standard and conform to 135.

Mr. Dunne – And the work that you've done for the City up until this point is keeping us in compliance with the requirements of the statutes.

Mr. Michalowski – I believe so.

Mr. Dunne – Is there anything that we need to know about that you maybe have identified as being a problem? Not in the specific negotiations but in the process.

Mr. Michalowski – No I think the process – we've established the records, we've made contacts, we're proceeding with trying to develop budget estimates in keeping with what the statute provides. I think it's important to understand that the municipality doesn't assume the full obligation of moving a business. That's still a business prerogative. The only people who can make decisions for the business is the business itself. What needs to be provided is assistance in terms of identification of locations, information as to what items are eligible so they're able to budget as to what can be compensated and what the statute falls short on. Because we all know that the statute is inadequate to cover the full range of costs that are involved in a move. That's just the way – the statute was put in place in 1975 and it has a couple of caps that obviously over all these years have not been amended but the statute is the statute. There's not too much that we can do about that. So we're working within that parameter.

Mr. Dunne – I guess just one question – is it conceivable that in complying with the law dislocated businesses or property owners and businesses could not be made whole.

Mr. Michalowski – I guess it depends on what you mean by being made whole.

Mr. Dunne – Well in other words...

Mr. Michalowski – There will be categories of cost...

Mr. Dunne – Let me just stop you for a second. If I've looked at it for ever in one way, which is that the value of the property is the value of the property and to get the value for the property you should be able to buy a similarly situated, similarly valued, similarly sized property – in general. And that the costs of relocation, business interruption are compensated.

Mr. Michalowski – Let me stop you right there. Business interruption is not compensated. That's a category – that's a real cost. Somebody has to shut their operation down for a week to move there's no provision to compensate. There may be operational costs – maintaining staff and the like on the payroll – there's no real basis for that. We've tried to address that. For example if that staff is used to physically handle the move or a portion of the move then those costs can get recognized. But you need to be kind of creative in the process in order to try and minimize the pain for businesses.

Mr. Dunne – Have those been your instructions from the City.

Mr. Michalowski – The City should do what the statute provides. That's what I'm doing. We've been successful in a lot of other communities in these situations. Key to that on all sides – the City side and the business side – this is not a happy occurrence for these businesses but businesses exist and survive because they make decisions every single day. They're constantly adapting to situations and change and this is a major change. And if they approach it from the perspective that here's an opportunity to physically move but also to restructure a business for current conditions and the forecast of what they foresee down the line then in that kind of context good decisions can be made and the dollar resources that are available to them can be focused in on a positive direction so that their business lives go on and they can continue to be successful. That's the kind of focus I try and bring to the assignment so that everyone can continue on.

Mr. Dunne – Thank you.

Mr. Russo – The question that I have revolves around the records that you said that you're in the process or you that you've compiled. Are you available for executive session to review those documents?

Mr. Dunne – We have that on the agenda today.

Mr. Russo – I just wanted to make sure that you were available.

Mr. Michalowski – Yes.

UPDATE REGARDING J. ALLEN (DERBY JEWELERS)

Atty. Coppola – For those of you on the board that are not familiar with what has transpired in the last few weeks Mr. Allen's appraisals – two independent appraisals came in. And I asked Mr. Michalowski to finish his estimate, which he had done. The Mayor and myself and the representative for Mr. Allen negotiated some terms and the offer to Mr. Allen was \$180,000 for the real estate, which is the higher appraisal, and the relocation sum of \$50,000. At the same time the developer joined our negotiation and came up with another value to offer Mr. Allen. So today I have a draft of the Agreement – let me back up – the Board of Aldermen approved making an offer to Mr. Allen for \$180,000 plus the \$50,000, which resulted in \$230,000 – that was approved and the offer made was made by me in writing and today I have the draft Agreement and I'm in the process of going over with the Mayor and with some input from the developer because there is language in there on how the developer's part of the funds will be transferred in addition to what the City is going to offer. So that's the update on Mr. Allen and Derby Jewelers.

UPDATE REGARDING DEMOLITION

Atty. Coppola – With regards to demolition just to bring us up to date – because we had the situation regarding the buildings falling down and since we received some notices from the State Building Inspector and from our own Building Inspector the Board of Aldermen and the Board of Apportionment & Taxation met I believe three or four weeks ago – I could be wrong on the dates but some period ago – and waived the bidding requirements for the asbestos abatement. The contract was awarded to a group that has been in the buildings abating the asbestos. The push on Mr. Allen's property was so that we could also include that in the abatement once we signed the

contract we're going to go in and do some environmental abatement at a savings for the City rather than having to come back so Mr. Allen was appreciative in doing that for us. So once that was done we started to work on the bid process for demolition of the buildings. And in doing so we discovered that they could not get in to do specs until after the environmental remediation took place and that was going to push us four weeks out. The contractor then informed us and the engineers informed us that to do the specs might take another four to six weeks and then to add the bidding process on that we were talking four to six months after bidding and contracting and so on. So the Board of Aldermen and the Board of Apportionment & Taxation had a special meeting, I believe last Thursday, where this was presented and the bid waiving was accepted for the demolition. The demolition now has been quoted to include Mr. Allen's building. They're in the process of doing whatever they have to do; the developer is here and they can give an explanation as to that. The bid process – another reason for the bid process was that because we have a Preferred Developer Agreement there are some controls on the contractor. The language talks about reasonable costs for demolition. So in that presentation to the Board of Aldermen and the Board of Apportionment & Taxation the developer basically explained how the demolition crew was more than qualified. That they have worked with them and in essence the work that they're doing the Preferred Developer will monitor again in essence that seems to be reasonable costs so that if there are surprises it's really going to be between the developer even though the contractor is acting on our behalf the developer will have to true sense on what's going on. So the Board of Aldermen and the Board of Apportionment & Taxation approved the waiving of the bid and that process is underway. So we should see some real activity in October if all goes well.

Mr. Dunne – Just a question – and I might have missed this I apologize – the current estimate does not include the billiard building.

Atty. Coppola – Does not include that – no. But my understanding is that there's not that much more for the billiards but we'll have to deal with that...

Mr. Dunne – But it's those two buildings and what's left of the other demolition project – if nothing else happens with those that will remain following the demolition.

Atty. Coppola – Right – I think Derby Jewelers was like \$25,000 more. It wasn't that much more.

Mr. Dunne – Would it be appropriate to ask about the inherited demolition project or is that something that we should discuss in executive session.

Atty. Coppola – The other part – I can fill you in. The developer – I think Alan did this – he really went through the contract and we were trying to just see because we have this situation with the rest of the buildings to come up with the final bill to pay Standard Demolition whatever is due and just throw that whole pile together. And the developer's representative went through the contract and I think might have some issues with what Standard Demolition did and what they were supposed to contractually do so that – I don't know right now I guess we have professionals dealing with what kind of money might be owed if anything.

Mr. Dunne – Are there funds reserved to pay.

Atty. Coppola – We have funds reserved and it's just a matter of how much. Right now that's in the hands of the developer. I attempted to do that and I think we were – I think Standard Demolition was at \$8,000 and I think I was starting at \$38,000 – so we were way off. And that's why we decided let's get some professionals in there to decide what's supposed to happen back then. So that's kind of where we are.

Mr. Dunne – Just for clarification - \$8,000 and \$38,000 – you didn't mean to say they were at \$8,000 and we were at \$38,000?

Atty. Coppola – No – in other words they would allow us to keep \$8,000 to finish...

Mr. Dunne – And we wanted \$38,000.

Atty. Coppola – And they were to keep \$70,000. And I think it's supposed to be flipped from what I hear – but we'll see.

UPDATE FROM DEVELOPER

David Small, Stoneridge Partners/Ceruzzi Derby Redevelopment – Robert Skolnick my partner is usually the public voice but he's taking a long deserved vacation. It sounds like we institutionalized him but he's actually taking a vacation. Unfortunately Corporation Counsel has stolen some of my thunder with regard to items as it relates to progress with property owners as well as demolition, but I can certainly speak or just enumerate on some of the things that you had mentioned. I just wanted to make a point that this weekend in the New York Times real estate section there was an article – every week there's a "Living In" and this week there was "Living In Derby" – "A Little Town that High Prices Forgot." And basically "it has been a century since Derby's industrial manufacturing heyday town officials point out (inaudible) with the crumbling brick structures and abandoned factories are cleared out" and it was a very positive article about the value that people would find here in Derby with the improving school system as well as what's ahead here for the downtown Derby redevelopment. So it is on the web – I made a copy for both Corporation Counsel and the Mayor – and to the extent that you want to distribute it that's your prerogative. As far as the abatement and the demolition is concerned again I was at that meeting with the Board of Apportionment & Taxation and the Board of Aldermen and I think they acted properly based on the direction from the State Building Inspector as well as the City's Engineer along with David Kopjanski, the City's Building Inspector, and waiving the bids for the demolition portion of the process. Frankly as the developer we continue to assist the City by way of providing (inaudible) property that we own on the site – the Scarpa Electric building that we currently own – and basically overseeing or assisting the City with oversight and coordination of the abatement and demolition. And Alan Biech is with me, again from my organization, and he can answer any questions and give you a quick overview as to where we are in this process.

Alan Biech, Stoneridge Partners (Project Manager) – Update on the demolition – the asbestos abatement is going on schedule. We don't have any bumps in the road at this point so we're anticipating that everything is going fine; we're more than half way done with the process. As far as the demolition we had a meeting with Chris Copley from ARE and C&L Demolition Friday morning after the (inaudible) just to try to coordinate the game plan on how we have to handle the utility disconnects for all

these buildings. They're old buildings – I'm sure there's address issues with the utility companies but part of the process to get the demolition permit and the demolition process underway is to coordinate all the utility signoffs and that's already been started. The Mayor's Office, the Building Inspector – everyone is putting documentation forward to the utility companies and Chris Copley is spearheading that to get that done. It could take up to a month so we're jumping right on it so we can get progress going on as soon as we get the signoffs and we're able to go in and start doing demolition. (Inaudible) on the demolition price – we did leave a contingency - an up to amount with the board for the demolition price. That should cover the Derby Jewelers issue. We did have a little foresight to understand that we didn't want to have to go back and ask for another number so we left a contingency in there. We're more than confident that should be enough to deal with the issues that we still have to deal with over there on some of those remaining properties.

Mr. Small – When Alan speaks of the board he means both the Board of Aldermen and the Board of Apportionment & Taxation. We both apprised them of that part of the process and the contingency factor. Are there any questions for Alan related to demo and abatement. I would only comment that obviously they acted on a safety perspective but certainly from a practical perspective to the extent that these buildings came down or in a natural fashion or we had to go through the process – (inaudible) there are other things for you know contractors to take it down and being carted away "hot" you're looking at a different price point than buildings coming down methodically where first abating the asbestos and contaminants and what have you and of course taking down buildings relatively clean. A progress report – again we continue to meet with our design team, our town planner, our engineers, our outside construction manager and hope to be before the City on schedule as discussed or before your board as it relates to our studies and what have you. On the owner's front again I want to thank the Corporation Counsel as it relates to an update on Derby Jewelers. We've had some further positive dialogue with business owners within the designated redevelopment site and we continue to have that dialogue and hope that at the next meeting we can update this agency with some resolve on a few fronts as it relates to existing owners within the designated development – and that's it. Thank you very much for the opportunity.

Mr. Stevens – Any questions?

Atty. Coppola – Mr. Chairman I have a question – have any of the owners not contacted you yet?

Mr. Small – Have any of the owners not contacted us...

Atty. Coppola – To negotiate.

Mr. Small – Yes.

Atty. Coppola – Who hasn't contacted you?

Mr. Small – We have not heard from Calvert Safe & Lock and we have not heard from Derby Feed.

Atty. Coppola – Okay – New England Steel, Thompson – how's that coming?
Mr. Small – I had the opportunity to meet with both Wally Thompson and Sandra Thompson last week and they seemed motivated to – again I don't want to speak for them – but it was a productive meeting and I think they appreciate what opportunities are available to them beyond this Derby downtown redevelopment site. So I'm hoping for again to provide you with something that resembles a positive update at the next meeting.

Atty. Coppola – Excellent.

Mr. Dunne – I just have one question – incredible as this seems I think a number of us, if not all of us, are constantly approached by people in the City questioning the developer's commitment to this project. You hear “well you know they're getting a lot for nothing...” I was just wondering – and if you don't care to share it with us it's fine, I understand you're private business people, but could you tell us what it is that your group is spending just on professionals on a monthly basis. Don't tell us about the money that you've spent to acquire buildings or participate in relocations or pay over to the City for reimbursement but just on professionals.

Mr. Small – I'm not sure I can sit down for this one – frankly we're spending an awful lot, I mean from our perspective, an awful lot of money – maybe other people wouldn't see it that way – but we had to hire again our town planner is Street Works and they've gone through the initial vision for downtown Derby and as we're going to the costing process (inaudible) to come before this board with something (inaudible) as to what we can ultimately achieve on the site. Plus we have a structural engineer, a civil engineer, construction manager, and we have a traffic consultant as well. And I would have to say that clearly beyond what we've paid – and I'm not quite sure if we needed to be a stakeholder and get on the site but we thought it would be important for us to put a positive foot forward and ultimately you know buy a couple of buildings and say that we're thoroughly engaged, but to answer your question specifically what we pay on a monthly basis I couldn't say. Although when you've spent hundreds and hundreds of thousands of dollars beyond the purchase of these individual buildings to come up with what we believe to be a plan and this is speculative money. Of course at the beginning of these processes you know you spend the money and you hope these deals come to fruition. And you know it's not like buying a building where you know you see a building, you negotiate a building, you have a contract and you ultimately buy a building. Here where it's speculative – it had been speculative you know spending the money, costing analysis, etc... to see if we could ultimately grow our vision on this site. Plus you know consultants – we had to go through you know a lobbyist as it relates on the State and Federal level – so there are several trades that are thoroughly engaged in this process and indeed we have spent money. And if I said hundreds and hundreds and hundreds of thousands of dollars I don't think that I would be underestimating at all. And it's painfully aware to us that we're engaged and we want something to grow here. And we've spent both financial time and individual time you know we're trying to bring this to fruition. So to be more specific...

Mr. Dunne – No that's fine. I just wanted to hear it in a public setting.

Mr. Russo – I guess one of the other concerns is the GAP Analysis. Where do you stand on it?

Mr. Small – To answer your question we are on schedule. We had discussed appearing before your board in September and that is still our plan. As a matter of fact Alan and I both have (inaudible) in our partner's absence but Alan and I are meeting with our planners, our engineers, our consultants, our construction manager tomorrow as we further our costing analysis. So I would say to answer your question we are on schedule to meet sometime in September with regard to what we ultimately vision for the site and the costs associated this (inaudible.)

Mr. Russo – Is it possible to obtain, and I'm putting you on the spot a little bit, some information whether it be in summary form or something prior to the meeting so that when we come in here we're not being hit with it for the first time.

Mr. Small – I can take that under advisement – I appreciate that. Again, we're still going through the process...

Mr. Russo – I understand that and many times you're not finished until four minutes before the meeting I understand that.

Mr. Small – (Inaudible) sometimes ten minutes. But I will mention it.

Mr. Dunne – There were questions earlier in the public portion about when we will be beyond conceptual to more concrete plans – I think we kind of understand the timing of the process here – but we're going to go to presentation in September from your team regarding the Analysis – the GAP – the costing of utilities, the costing of – would you think at that point we would see preliminary parts of your proposal that would ultimately go to the Planning & Zoning Commission for construction of actual buildings and (inaudible.)

Mr. Small – I'm not sure.

Mr. Biech – I think you'll have a better idea on the overall plan view. But as far as foundation, designs have already begun on several different scenarios. So part of the GAP Analysis we have to make the decisions on what kind of foundation (inaudible)...

Mr. Small – The value analysis...

Mr. Biech – And that will evolve in September. I'm sure that the plan will be both a little more detailed or in its final stages as far as infrastructure work and stuff like that but I don't think you would have the plans that are zoning ready.

Mr. Dunne – Not zoning ready – but let me just be a little bit clearer. You're going to come in with a GAP Analysis. Our team is going to review that, including our consultants who work for the City, to value your analysis and make certain that we are agreeing that a sidewalk costs the same, that a street costs the same – on your side of the ledger and on our side of the ledger. And we're going to determine public investment, if you will, from that. But we're also, I'm assuming, that you're also going to be increasing or decreasing the scale of your project and the construction types within that project based upon where the gaps start to fall and where it makes more sense economically to change things. Not talking about your Site Plan application to P&Z,

but will the public have a better understanding of specifically what you're proposing in terms of types as opposed to just the conceptual that we have now? Will they know for instance how many residential units are within some order of magnitude will be in the plan? How much commercial space? Do you anticipate that or do you think we have to have an additional negotiation after the GAP Analysis and our review of it to then sort of focus in on the plan that you're going to submit to P&Z?

Mr. Small – I hear what you're saying but again it all depends on how you receive what we come to you with in September. At that point we do believe that we're going to have a pretty good idea as to what is applicable or ultimately applicable on this site. But I think we're going to have to have further discussion with you all to see where those chips ultimately fall and we have to do to peel off or add on if you will but that site (inaudible.)

Mr. Biech – I think David the important thing for all of us to remember, and that's what the design team has been working on diligently for the last several weeks, is the parking components of this. Certain angles, structures, are not cost effective for building parking garages. We've been out all over the East coast talking to parking lot manufactures or pre-cast manufacturers floating ideas by different designers and we're trying to come up with the most cost efficient parking footprint and this way we might be able to add more spaces. Hopefully we'll have that shortly – grasp the concept of this parking garage – numbers, spaces, and that helps dictate the other things. But we've really been wrestling with that; we meet weekly with the design team and the construction manager and that process – the book is growing like yours every week.

Mr. Small – Actually with that said I know the Mayor quoted on several occasions in publication that the parking really dictates...

Mr. Stevens – The parking will drive Planning & Zoning.

Mr. Dunne – And just to be clear for the record the regular Planning & Zoning process will take place once we move the project along out of here. That's when, as with any other project, the public will become aware and have an opportunity to speak on uses and types and so forth. Now I do have one question for Corporation Counsel – do we actually have so to speak an overlay regulation that's been adopted as part of the Redevelopment Plan?

Atty. Coppola – It's not been adopted yet.

Mr. Dunne – It's not adopted. So that is something that we're going to adopt...

Atty. Coppola – When the City owns the property we'll do it.

Mr. Dunne – And we're going to adopt that prior to any Site Plan Application being filed with P&Z.

Atty. Coppola – Absolutely – we got to make sure everything works.

Mr. Dunne – So that should be hopefully some time soon after we get this GAP Analysis.

Atty. Coppola – The general outlay of the Zoning language is there; we just have to see what happens with the GAP Analysis if we have to tweak it. But it's generally there – it's a draft.

Mr. Russo – Just something small – one of the things that you indicated was that you're going through various footprints and things of that nature in your studies with the developers, planners and things of that nature. When you're coming to us in September are you coming to us with one plan or...

Mr. Small – I think ultimately we're coming to you with what we believe to be the plan that we advocate...

Mr. Russo – The best plan with options...

Mr. Small – The plan that we advocate and hopefully you'll wholeheartedly support. I'm not quite sure – I don't think we're creating it as like a menu where you have Option A with column a, column b. I really think this is what we envision for the site and our team is you know behind for all practical reasons and hopefully the City and the Redevelopment Agency will (inaudible.)

Mr. Russo – So it's a single scenario.

Mr. Small – I believe so.

THERE WERE NO FURTHER QUESTIONS ASKED OF THE DEVELOPER.

EXECUTIVE SESSION (Real Estate Appraisals, Negotiations to Commence, etc...)

A MOTION was made by Mr. Dunne with a second by Mr. Russo to go into executive session at 7:22 p.m. subject to adjournment to discuss real estate appraisals and negotiations. Invited to attend Executive Session were Mayor Staffieri, Corporation Counsel, and the relocation agent, Mr. Michalowski. **Motion carried.**

Respectfully submitted,

Patricia Finn
Recording Secretary

A TAPE RECORDING OF THIS MEETING IS ON FILE IN THE TOWN & CITY CLERK'S OFFICE.