



Land Use-Urban Redevelopment Committee – Board of Representatives

Virgil de la Cruz, Co-Chair

Bradley Michelson, Co-Chair

Committee Report

Date: Wednesday, March 24, 2021

Time: 7:00 p.m.

Place: *This meeting was held remotely.*

The Land Use/Urban Redevelopment Committee met as indicated above. In attendance were Co-Chairs de la Cruz and Michelson and Committee Member Reps. Cottrell, Florio, Graziosi, Lee, Lion, Sherwood, and Summerville. Also present were Rep. Zelinsky; Thomas Madden, Director of Economic Development; Burt Rosenberg and Cynthia Anger, Law Department; David Kooris, OTHRA; John Leydon, Esq.; Michael J. Andreana, Esq., Pullman and Comley; Lou Casolo, City Engineer; Ralph Blessing, Land Use Bureau Chief; and Nydia Brown, Stamford Neighborhood Housing Services.

Co-Chair de la Cruz called the meeting to order at 7:00 p.m.

Item No.	Description	Committee Action
1. LU30.052	RESOLUTION <u>and public hearing</u> ; Accepting Title to the Old Town Hall Property at 175 Atlantic Street and Assignments of Related Notes and Mortgages in Satisfaction of Debt of Certain Notes and Release of Mortgages on That Same Property Pursuant to the Old Town Hall Financing Plan. 03/02/21 – Submitted by Thomas Madden 03/09/21 – Approved by Planning Board 03/11/21 – Approved by Board of Finance 6-0-0	Approved 9-0-0

Co-Chair de la Cruz opened the public hearing. There being no members of the public present wishing to speak, the public hearing was closed. Mr. Madden explained that:

- The Old Town Hall had been empty for 20 years.
- OTHRA was created by the Board of Representatives in 2006 to implement the redevelopment of the historic, city-owned building and the City transferred title of the Old Town Hall to OTHRA for the rehabilitation of the property. By transferring title of the building to an agency, New Market Tax Credits could be used. Rehabilitation of the building was completed in 2009. \$3,000,000 of additional contributions were raised.
- Rehabilitation of Old Town Hall completed in December 2009. At the completion of construction, an additional private investment vehicle - Historic Tax Credits resulted in an additional equity contribution to the project of \$3.0 million.
- The approximate cost of the rehabilitation project was \$18.2 million with a required additional \$2.5 million reserve. The total City funds for construction were \$11.8 million (this source funded the \$2.5 million reserve account held by Morgan Stanley (currently valued at \$2.74 million due to interest accrued). Total State funds for construction were \$6.4 million. The total net cost to the City for Old Town Hall rehabilitation project is approximately \$6.25 million (\$11.8 million initial contribution, \$2.85 million returned to the city in 2009 from Historic Tax Credit proceeds, and the \$2.74 million to be returned

to the City in 2020 from the Morgan Stanley reserve account once the title is transferred back to the City)

- While OTHRA was running the building, it was set up as the Stamford Innovation Center and the State put additional money in as a way to start incubating small businesses. That tenant had problems paying the rent; the building is now stabilized and the City is now paying for maintenance costs for the building (property taxes and maintenance). That tenant has been removed and the building has been taken back. OTHRA has recently stabilized the building at functionally full occupancy, generating revenue to nearly cover the building's annual operating expenses. The volunteer board has been running everything with City support.
- The idea is that City would take back ownership of the building as of July 1st. For FY21, the rent revenue is projected to be \$427,000 and operating expenses are projected at \$548,000 (excluding property taxes; including \$77,000 Covid costs). Security and maintenance contracts would be continued. If current tenants are retained, the deficit should be about \$45,000. If they achieve full tenancy, the deficit should go to zero.
- The intention was always that the City would take this building back. The OTHRA board approved the transfer of title and the leases back to the City on 6/12/2020, Old Town Hall Inc. board approved the transfer on 6/12/2020; the Planning Board approved it last month, and the Board of Finance approved it on 3/11/2021.
- The next step is approval of the transfer of the title by the Board of Reps in full satisfaction of the City loans and then, after the transfer of the leases and subleases, the special tax credit entity will be dissolved and the Board will dissolve OTHRA. Upon completion, the assets will be transferred to the City, title to the building and all tenant leases in full satisfaction of City construction and operating "loans", and the \$2.74 million in the Morgan Stanley reserve account will be released to City.

Mr. Andreana explained that the understanding was always that the building would go back to the City. The reason the City gave "loans" was because it was a requirement of the tax credit that the City contribution be done that way.

Reps. Summerville and Watkins both serve on the OTHRA Board.

A motion to approve Item No. 1 was made, seconded and approved by unanimous voice vote (Reps de la Cruz, Michelson, Cottrell, Florio, Graziosi, Lee, Lion, Sherwood, and Summerville in favor).

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| 2. LU30.051 | REVIEW; Commons Park South Extension.
12/09/20 – Submitted by Rep. Sherwood
12/30/20 – NO ACTION TAKEN
01/04/21 – Held by Committee, 7-0-0
01/27/21 – Held by Committee
02/24/21 – Held by Committee 5-0-0 | Held 7-0-1 |
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Rep. Sherwood explained that she had several questions regarding the Commons Park South extension and how it has affected adjacent properties. Mr. Casolo reviewed the [drawings and photos provided to the Committee](#). He noted that there was existing drainage on the property, which may or may not still be there. He does not know its status because it is private property. If there are concerns about drainage issues concerning property owners still there, he does not know what their concerns are, but these issues may be the result of issues between abutting property owners and not a City matter. The drainage issues need to be resolved by the property owners

Mr. Blessing explained that there are similar large driveways on other private properties in the City, that contain lights, crosswalks and stop signs, such as Home Depot or shopping centers. A

permit is only needed to connect a driveway to a City street. Typically, a driveway would be built in connection with buildings, but these buildings are currently on hold due to the lawsuit.

Ms. Brown explained that they have had drainage problems before but they have gotten worse. BLT was asked to investigate in 2019 and did come out and removed debris

Mr. Casolo explained that the water accumulating on Woodland Place preexisted the Commons Park South extension. BLT has submitted a proposal which Mr. Casolo has commented upon. These improvements tie into other improvements which are in development to improve the Woodland drainage issues.

Mr. Casolo noted that for Ms. Brown's property, if the City has an easement, he could go in and inspect; the drainage may only be a drywell that doesn't go anywhere; he has no authority to go onto private property.

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| 3. LU30.022 | REVIEW; Feasibility of Enacting an Ordinance to Regulate Short-Term Rentals of Private Dwellings.
12/04/18 – Submitted by Reps. Pratt and Zelinsky
01/02/19 – Report Made & Held in Committee
01/14/19 – Moved to Pending
01/27/21 – Held by Committee
02/24/21 – Report Made & Held by Committee 5-0-0 | Held 8-0-0 |
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Rep. Zelinsky noted that the Zoning Board will be holding a public hearing on this item and that there is new language which has been submitted to the Zoning Board. A motion to hold Item No. 3 was made, seconded, and approved by unanimous voice vote (Reps de la Cruz, Michelson, Cottrell, Florio, Graziosi, Lee, Sherwood, and Summerville in favor).

Rep. de la Cruz adjourned the meeting at 9:11 p.m.

Respectfully submitted,
Virgil de la Cruz, Co-Chair

This meeting is on [video](#)