

**CITY OF BRIDGEPORT
ECONOMIC AND COMMUNITY DEVELOPMENT
AND ENVIRONMENT COMMITTEE
SPECIAL MEETING
JULY 22, 2014**

ATTENDANCE: Council Member J. Banta, Co-Chair; Council Member L. Martinez, Co-Chair; Council Member E. Martinez-Walker; Council Member R. DeJesus

ALSO: Council Member S. Brannelly; Council Member E. Torres

STAFF: Jorge Garcia; W. Coleman; G. Clay; K. duBay-Horton; A. Wood; C. Smith

OTHERS: A. Hersch, Riverbank Landing, LLC; P. Kraft, Riverbank Landing, LLC; J. Marshall Lee;

CALL TO ORDER

Co-Chair Banta called the meeting to order at 6:25 p.m. There was a quorum present.

MINUTES

The following correction was made: **Council Member Brannelly noted there was an error in the minutes.**

Page 2; 2nd paragraph, change “Mr. Coleman said that it could be part of the project” to “the Developers assured us this will not be a Senior Housing Project”.

**** CO-CHAIR MARTINEZ MOVED TO APPROVE THE MINUTES OF JULY 15, 2014 AS CORRECTED.**

**** COMMITTEE MEMBER MARTINEZ-WALKER SECONDED**

****MOTION PASSED UNANIMOUSLY**

128-13 Grant Submission: re State Department of Energy and Environmental Protection NPS 319 Grant for Blackham School LID Retrofit Project.

Ms. Renu Gupta introduced this grant submission. She said the money will be used to convert the Blackham School parking lot to a bio-retention basin. Mr. Jorge Garcia, public Facilities was available to answer questions.

Co-chair asked who will pay for it. Ms. Gupta said it is a grant for \$58,000 to pay for in-kind services. Mr. Garcia said Public Facilities will do all the excavation and site work using department employees with no expense to the City.

Mr. DeJesus asked how these city budget hours are allocated to the BOE budget and does the City get credit/compensation for these hours. Mr. Garcia said the City schedules this into their work schedule.

The City offers the BOE heavy, outdoor, road type services, and the City in turn can utilize a skilled work force, i.e. carpenters, from the BOE.

Mr. Banta asked if this project has been done at other existing city schools. Mr. Garcia said yes, Discovery School, Fairchild Wheeler, courtyard of Blackham, and the schools are using these in their curriculum for learning.

Mr. DeJesus said this is his point; the schools should be asking for this money, not the City. He wanted to make sure this in-kind use of City-BOE employees is fair and equitable. Mr. Garcia said they are tracking every dollar amount provided to the BOE, and will be able to report on this info in the future.

**** COUNCIL MEMBER MARTINEZ MOVED TO APPROVE 128-13 GRANT SUBMISSION: RE STATE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION NPS 319 GRANT FOR BLACKHAM SCHOOL LID RETROFIT PROJECT.**

**** COUNCIL MEMBER MARTINEZ-WALKER SECONDED**

**** THE MOTION PASSED UNANIMOUSLY**

129-13 Grant Submission: re FY2014 US EPA Brownfield Cleanup Grant Program for site located at 80 Hastings Street.

Ms. Renu Gupta introduced this grant submission. It is for \$200,000 for the clean-up of the property. The City will provide \$40,000 in in-kind services from OPED.

Mr. William Coleman, OPED, spoke and said this money will be used to supplement an improvement plan for property to make it more attractive to potential developers thru the RFP process.

Mr. Banta asked for a description of the property. Mr. Coleman said it is also known as Asylum Street, is a facility that caught fire and the city acquired the property. It is in need of environmental clean up to move forward. One of its neighbors is Unger Corporation.

Mr. DeJesus asked if they had a developer in mind. Mr. Coleman indicated they do not, and the total clean-up cost is expected to be no more than \$1 Million. The additional money required will be the responsibility of the developer.

Mr. Banta asked if the DEEP is involved. Mr. Coleman said that DEEP is not directly involved. Because this is an LEP site, the clean-up will be managed by an Environment Scientist with ultimate sign off by DEEP.

Mr. Torres asked the size of the lot. It is 37M square feet. Mr. Coleman added they did not get any successful bidders from the first RFP and they hope this grant money will make it more attractive in the future. Mr. Coleman said the EPA has awarded the grant, and they are asking for permission to enter into contract.

**** COUNCIL MEMBER MARTINEZ MOVED TO APPROVE 129-13 GRANT SUBMISSION: RE FY2014 US EPA BROWNSFIELD CLEANUP GRANT PROGRAM FOR SITE LOCATED AT 80 HASTINGS STREET.**

**** COUNCIL MEMBER MARTINEZ-WALKER SECONDED**

**** THE MOTION PASSED UNANIMOUSLY**

Co-chair Banta said the next item on the agenda, Item # 131-13, will be heard as the last item on the agenda tonight.

132-13 Grant Submission: re State Department of Economic and Community Development Round 5 Brownfield Grant – 1564 Seaview Avenue, Bridgeport CT.

Ms. Gupta introduced this application. She said this \$4,000,000 will be used to clean up the site and allow an interested local manufacturer – Prime Resource Corporation – to expand in to this clean facility for manufacturing expansion. This will allow the company to stay in Bridgeport and expand their workforce from 200 to 320 employees, many of which are local residents.

Mr. Coleman said this is owned by the City, is a 107M square foot building, and is contaminated with PCB'S. He said Prime Resources is also applying to the state for assistance.

Mr. Torres asked if the City is going to clean its own building and then sell it to Prime? Mr. Coleman said Prime is interested at this point. In any case this is a sales opportunity for the City. Mr. Torres asked if \$4MM will complete the clean-up and Mr. Coleman said it is unclear at this point. Mr. Coleman said the existing building would be demolished.

**** COUNCIL MEMBER DEJESUS MOVED TO APPROVE 132-13GRANT SUBMISSION: RE STATE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT ROUND 5 BROWNFIELD GRANT – 1564 SEAVIEW AVENUE, BRIDGEPORT CT.
** COUNCIL MEMBER MARTINEZ-WALKER SECONDED
** THE MOTION PASSED UNANIMOUSLY**

133-13 Grant Submission: re State Office of Policy & Management – Youth Services Prevention Grant for the Office of Neighborhood Revitalization Mentoring Program.

Ms. Ginne-Ray Clay, OPED-Neighborhood Revitalization Program, appeared to present. She said the City received this grant last year, and worked with 3 organizations to assist 25 youth in the City with skills necessary to prevent violence. The 3 organizations last year were the Jr. Police Commissioners, YANA and Career Resources.

Ms. Martinez said there are other organizations in the City who might be interested this year, such as Ralphola Taylor and Hall Neighborhood House. Ms. Clay indicated they have not yet finalized the organizations they will contract with on this year's award. They plan on working with YANA, the Jr. Police Commissioners but will also be looking for other partners as well.

Mr. Banta asked about the \$ 6,105 for salary. Ms. Clay said they will need a coordinator for this year's program, an improvement over last year.

Mr. DeJesus asked how many children will benefit this year. Ms. Clay said last year they served 8 youth via Career Resources, and 15 youth in the Jr. Police Commissioners /YANA. The number of students this year will depend on the groups they partner with. The age of the participants will also vary depending upon final selection of partners.

**** COUNCIL MEMBER MARTINEZ MOVED TO APPROVE 133-13 GRANT SUBMISSION: RE STATE OFFICE OF POLICY & MANAGEMENT – YOUTH SERVICES PREVENTION**

GRANT FOR THE OFFICE OF NEIGHBORHOOD REVITALIZATION MENTORING PROGRAM.

**** COUNCIL MEMBER MARTINEZ-WALKER SECONDED**

**** THE MOTION PASSED UNANIMOUSLY**

134-13 Grant Submission: re US Department of Agriculture Farmers Market Promotion Program – Bridgeport Farmer’s Market Collaborative Incentive and Education Expansion.

Ms. duBay-Horton presented this grant application. She said they are looking for additional resources for the Bridgeport Farmers Market Collaborative, a group of 6 markets within the city. This need comes as a result of a change in how the federal government provides benefits which allow the farmers markets to double the purchase dollars. This is for \$100,000 over a two-year period and will support farmer market management, printing, doubling of coupons and Cooking Matters classes.

Ms. Martinez asked who will be doing the work. Ms. duBay Horton said a young woman currently funded through the Nutrition program will be losing the funding in the fall of this year. This money will allow the management to continue.

**** COUNCIL MEMBER MARTINEZ MOVED TO APPROVE 134-13 GRANT SUBMISSION: RE US DEPARTMENT OF AGRICULTURE FARMERS MARKET PROMOTION PROGRAM – BRIDGEPORT FARMER’S MARKET COLLABORATIVE INCENTIVE AND EDUCATION EXPANSION.**

**** COUNCIL MEMBER MARTINEZ-WALKER SECONDED**

**** THE MOTION PASSED UNANIMOUSLY**

131-13 Proposed Resolution authorizing a Tax Incentive Development Agreement for the New Construction of 56 Residential Units located at 3336 Fairfield Avenue.

Co-chair Banta allowed Council Member a Point of Privilege

Ms. Martinez-Walker asked that the committee members be given all paperwork relative to submissions in advance of the meetings to allow time for review.

Continued from last meeting. Mr. William Coleman, OPED, and Mr. Arthur Hersch and Mr. Philip Kraft of Riverbank Landing, LLC presented. Mr. Coleman distributed an amended resolution to the committee.

Mr. Coleman spoke to revisit issues/questions raised at the last meeting. He said they focused on 3 areas: rental rates and achieving those rates, occupancy/vacancy rates and the auditing process.

He felt they were initially somewhat conservative on occupancy rates and rental rates. They met with Kevin Gremse, National Development Council, and revised the numbers. These revisions have raised the initial tax payment in year one from \$120,000 to \$140,000. This number will escalate annually at a rate of 3 %.

In addition, an audit will be conducted at the end of year 5 or after the tenth installment payment, to assure the rate meets the 10.21% EGI (Effective Gross Income). If the EGI is less than 10.21% the remaining payments will be adjusted upward in an amount equal to the difference, with a 3% annual escalation until the end of the agreement.

Ms. Martinez left the meeting at 7:10 PM

Mr. Torres said by increasing the rents it seems as if they are stacking the audit in the 5th year. He felt the initial numbers were accurate. He also asked what the remedy is if the EGI is different than the 10.21%. Mr. Coleman further explained the 5 year audit and allowable adjustments.

Mr. Torres, representative from this district, said he wants this project to work, wants the building built, but his concern is they are asking the residents of Bridgeport to shoulder the tax burden allowing the developers to earn a reasonable rate of return. He said the market dictates the rate of return; this lot has not been developed because the market does not require it. He said he is slightly happier with the lesser break against the City.

Ms. Sue Brannelly, representative from this district, spoke. She said this lot has been empty and paying \$20,000 year in taxes. She said the City is looking for projects to stimulate this area and this project will do that. The potential residents will be spending money in this neighborhood, going to restaurants, markets, etc. This project will bring in a total of \$1.6 Million dollars in taxes during this 10 year agreement. She acknowledged other projects will be looking for a similar agreement but felt it is short sighted not to get this moving, does not want to see this lot empty for another 20 years.

Ms. Martinez-Walker asked where in the revised resolution it addresses the 5th year audit. Mr. Coleman showed her the location of this addition. Ms. Martinez-Walker asked why this is coming to this committee if the City Attorney's language indicates the Mayor has the authority to execute the agreements.

Mr. Coleman said the Mayor requires approval of the City Council in order to authorize agreements like this. It does say the agreements must be "consistent with this resolution in the best interests of the City".

Ms. Martinez returned to the meeting at 7:30 PM

Mr. Torres said this discussion is important because the City operates on a budget divided by the number of people in the City to understand how much each person must pay in taxes. The residents of this building will be paying less, yet still getting the benefit of the same services that full paying residents pay. WE must understand that giving breaks does affect everyone.

Ms. Brannelly added that these same people living in this building will be contributing to the city's economy by paying car taxes, spending in this neighborhood. This can create a groundswell.

Ms. Martinez left the meeting at 7:35 PM

Mr. A. Wood spoke and said comments made during this discussion all have merit. The overall concept is to convert properties into tax paying entities which is very difficult to do in this economy. He stated OPED and the City will be drafting criteria for the council to use when evaluating agreements of this nature.

Ms. Martinez returned to the meeting at 7:36 PM

Mr. Arthur Hersch spoke and reminded the committee that additional money, in the form of building and subcontractor permits, as well as car taxes and general spending in the neighborhood, will be added to the City.

Mr. Torres said any development in the City of Bridgeport benefits the City. The City government receives its greatest benefit when all residents participate equally. Broad based tax relief is much better for the city as a whole than project related tax relief.

Ms. Martinez-Walker left the meeting at 7:41 PM.

Mr. Coleman stated the developers have provided a commitment letter from their bank dated June 10, 2014 with a limit up to \$9,000,000.

Ms. Martinez-Walker returned to the meeting at 7:45 PM.

Attendee J. Marshall Lee requested a chance to speak. Co-chair Banta indicated there is no public speaking at this meeting. Per Co-chair Banta it is at the discretion of the Chair to allow/not allow public comments.

**** COUNCIL MEMBER MARTINEZ-WALKER MOVED TO APPROVE 131-13 PROPOSED RESOLUTION AUTHORIZING A TAX INCENTIVE DEVELOPMENT AGREEMENT FOR THE NEW CONSTRUCTION OF 56 RESIDENTIAL UNITS LOCATED AT 3336 FAIRFIELD AVENUE.**

**** COUNCIL MEMBER DEJESUS SECONDED**

**** THE MOTION PASSED UNANIMOUSLY**

Meeting was adjourned at 7:47 p.m.

Subsequent to the end of the meeting Mr. Coleman indicated the committee should have moved to accept/not accept the amended resolution for # 131-13, then moved to approve/not approve the motion as amended. This did not happen.

Jill Kuzmich
Telesco Secretarial Services