

CITY OF DERBY
REDEVELOPMENT AGENCY SPECIAL MEETING
SEPTEMBER 28, 2005

FORMER DERBY CITY HALL – ALDERMANIC CHAMBERS – 6:30 P.M.
(35 Fifth Street)

Mayor Marc J. Garofalo called the meeting to order at 6:34 p.m. All rose and pledged allegiance to the flag.

Roll Call

Present: The Honorable Mayor Marc J. Garofalo
John Oraziotti
Vincent J. Guardiano
Greg Russo
Glenn Stevens (arrived @ 6:43 p.m.)

Also Present: Alderwoman Sheri Pflugh
Dina Weissman, City of Derby – Chief of Staff
Richard J. Buturla, Esq.

ADDITIONS, DELETIONS, CORRECTIONS TO AGENDA

Mayor Garofalo stated that he would like to add Pending Litigation before the City to be held in Regular and Executive Sessions to the agenda.

A MOTION was made by Mr. Oraziotti with a second by Mr. Russo to add the one item to the agenda and adopt the agenda as amended. **Motion carried.**

PUBLIC PORTION

Brian Calvert, Calvert Safe & Lock, 40 Caroline Street and 37 Lewis Street, Derby, CT – Last October Mr. Buturla mentioned, and I agreed with him, that this is probably the most exciting project in last twenty-five years in Connecticut this downtown redevelopment – and it is. It is very exciting, a lot of stuff is going on and I think for the most part people are pleased with it. However, how much pre-planning went into it from the City? We know that you said you wanted a big box – no we don't want a big box – we want a lot of apartments – no we don't want a lot of apartments. So all that plan went on but nothing was ever addressed in the beginning as to what was going to happen to displaced people. Some rhetoric was mentioned – the attorney mentioned about we do have an option on the D.O.T. property – that was mentioned. Okay, but nothing was ever brought up about what are you going to do with the people who will not be there when this project is brought up? And we were told nothing about it. We've asked him many times. Mr. Ceruzzi, with present exceptions, has never really bothered to talk to us over the last year. They had an agent Gary Knauf who we got emails from – very little information. I spoke to him and I asked him to relay information

to Mr. Ceruzzi nobody ever got back to me from them. Very few people in town know about the project. Today I was in city hall getting something done and I asked the fellow there in the Assessor's Office – he didn't know anything about it. I ask people on the street – other people don't know. So you know we're concerned about they don't know who we are or what's going on downtown. Even less do these people know who will benefit and who will lose at the end of this project. And so what I want to do tonight is give to you a thing here for your records (**attached to minutes**) this will sort of tell you who we are. It will tell you the timeline of what's happened to us over the last year if for no other reason than just for your information. And just to let you know because we've had bad press – not necessarily press – but we've had people say Calvert and his people they're holding this project up. And we want you to know that we're not holding this project up – we never have. This is the timeline as to how they've contacted us and how quickly we've responded. And if you see it, it started off last October – almost to the day really. (Inaudible) and the City lawyer said that they would use eminent domain. I remember I was very upset – I had just gotten off the airplane, came up from New York to this meeting – and I was very upset about that. And not long thereafter we heard from Gary Knauf and you can see the first letters – if you turn it over you can see his first letters that the City had already said they're going to make you an offer and they're going to buy your property – that was the offer. I've given you a photograph and I've given you – that's all we've received from the Ceruzzi organization. We want to buy your place for \$235,000 and not only that but you have to do the environmental report on it – who knows what that can cost. So that was the only offer we received. I replied and I'm sure these other guys – I can't speak for them – immediately the next – you see where it says reply one thank you for your offer and we're not interested. But if you notice in the third paragraph however, we do recognize your dilemma and we know your client needs this property and I'm sure he has a desire to do right by the property owners and I would like to meet with him. We never said take your \$235,000 – whatever. We said we recognize your dilemma and we would like to meet with you. Never heard back from Ceruzzi. He never acknowledged that. Next thing we know is this one here that the environmental firm of Crane will be coming down to come into your property and look at it. Didn't even give us a courtesy of coming by and knocking on the door and saying this. Okay that's it and now we're still in February. So you go down and you can see now I had to contact Gary Knauf and when I speak of Gary Knauf I speak of Ceruzzi and it says here's my follow up and this is what I think we could do for you. I have some ideas on how you can move us and you can get on with your project and we'll get out of your way. And I said to him we have a lot of ideas would you speak to us? They never contacted me – never heard back from them. And there's another letter from Gary Knauf where it says answer to reply #1, which does say I'll pass it on. Where it went to we don't know. I then spoke to the Mayor and I said – he was very helpful and I will say that – he said Brian what you should do is write down what your specifications are, write down what you're looking for – building size and whatever – and give them that, which I did. I sent them that and nothing. As you can see I told them the specifications – never heard nothing back from them at all. So time went on – we're in a situation where we don't know where we're coming or going and we're very worried about it. As you can see the timeline here eventually it got to the point where we do get up to Mr. Skolnick but before him we have authorization to come on your property to do the environmental.

Lot of nerve, lot of guts to say that when they haven't even contacted me or anybody. But as a courtesy the day after filled it in, sent it back. Never heard from him – never said we acknowledge and we thank you and we'll be by or we won't be by or anything about it. So what I'm saying is we had a year of non response from this company. And we're the people who got to be displaced. I don't know if they've spoken to you, I hope they have spoken to you. Now we have a new man in town. Mr. Skolnick is a partner with Ceruzzi and he's now saying that was yesterday we're going on from today. When I speak to Mr. Skolnick he's a little upset with me because I'm skeptical. I've heard these things – you're going to do this, you're going to do that – trust me – and I do trust him – and I said well fine we'll do what you want – but the bottom line is what are you going to do with us? He does not have an answer. He has some ideas, but he does not have an answer. And this project is years in the making right now. Definitely one year from this table. And nobody knows what's going to happen with us. So we're very concerned. Basically what I wanted to do tonight was to put a face and a name to who we are. We're not holding this project up. We're not digging our feet in. You've not heard from our lawyers. Nobody has come to you and said watch out. We've been cooperating and this board I think is doing the best they can I think in some ways maybe you're a little out of depth I don't know. Maybe you're down with a big company who is saying things and not following through. But my thing is we have cooperated downtown and I don't want anybody to say that Calvert and Derby Feed they're not responding, they're the people who are holding this project up. This is a true timeline and you have the letters that go along with it. We gentlemen are trying to cooperate. Our next thing is what's going to happen to us? And you, our city fathers, I am looking at the city father right here and we are your sons – don't cut us loose now. Don't let us just be taken away and sacrificed for the sake of this beautiful project. We need input – we need you to say this is what will happen, we think this is going to happen. I know there are a lot of variables in there and I appreciate when the Mayor tells me things and comforts me. I'm sure Mr. Skolnick can come up with some comforting words too. But we need direction – we need to know where we're going to go and what's going to happen to us. We're far enough into this project now for you to say this is your property. All I know right now is that we are out on the sidewalk. Everybody says no that's not going to happen. That's good. But at this point we don't know where we're going. But we do know that you're taking our property away from us at your earliest opportunity. Based upon the information I don't think you will. I don't think the Mayor would allow it – but then again it might go out of his hands, I don't know. Gentlemen what I'm saying is don't cut us loose now. You hold our future. This project is fantastic. Don't taint it with some nasty who knows what happened to those businesses downtown. We're quite a big business – we're not key cutters. Derby Feed doesn't just sell grass seed. We're very viable businesses so take care of us and we want to hear from you. Don't let another year go by without calling us and saying this is what we think. So let's have some dialogue gentlemen. Maybe even dialogue with the Mayor and Mr. Skolnick across the table and us here. Not an arguing dialogue – just the people involved so there would be some straight talk. That's all we're asking for – straight talk – where are we going, what are you going to do with us. Don't cut us loose guys, we're relying on you.

Mayor Garofalo – The record should reflect that Mr. Stevens came in. Anybody else from the public?

Leo Moscato, 34 Lewis Street (residence) 285 Main Street & corner where law firm is (property owned by Mr. Moscato) – I'm not sure if you realize that we have new tenants for the restaurant and if you take a look the building they invested quite a few dollars and bought new canopies and dressed up the building. And those of you that know my property know it's well kept. Now we've been living with this eyesore across the street now for two years. In the past I was told and promised that's water over the dam. My question to you now is Mr. Mayor what can you tell me how long do we have to put up with the eyesore across the street?

Mayor Garofalo – The law suit is in the process as being settled. As you know from being right there the asbestos and other environmental issues are being remediated and abated and they actually should be finished shortly. And thereafter, shortly thereafter the buildings will be coming down.

Mr. Moscato – The other question is who is responsible to remove the buildings that are already started? Is it the City or the developer?

Mayor Garofalo – That is subject to the negotiation between the developer and the City and as it relates to the – and also between the parties of Standard Demolition and the City.

Mr. Moscato – Okay I understand the procedure but I also understand...

Mayor Garofalo – We expect to be having an announcement on that shortly.

Mr. Moscato – But please understand Mr. Mayor that the eyesore was created by the City. Now if the developer doesn't get together with the City I really don't care who does it I will not in any way hold the developer responsible for it except for the City to take action. Because I pay pretty good dollars here on the corner. I'm not top taxpayer, but I'm pretty close to it and I would like to see it cleaned up as soon as possible. The City created it, and the City should take care of it. Thank you for your time.

Mayor Garofalo – Anybody else from the public.

Carl Yacobacci, 10 Lombardi Drive (residence) 174, 182 Main Street & 1 First Street (property owned by Mr. Yacobacci) – Mr. Mayor I have a few questions and comments to read. As we see our downtown crumble and fall before our very eyes, instead of being taken down as promised, I'd just like a few issues clarified. One is did the City receive Ceruzzi's second payment toward the PDA?

Mayor Garofalo – Yes.

Mr. Yacobacci – It did. Can you tell me how much was received?

Mayor Garofalo – No I can't tell you right today but I will get back to you tomorrow.

Mr. Yacobacci – Two in that PDA it also said that Ceruzzi was going to pay Standard Demolition \$336,000. Has that money gone to Standard Demolition?

Mayor Garofalo – That is a matter of pending litigation between the City and Standard Demolition...

Mr. Yacobacci – (Inaudible) were going to pay that within sixty days.

Mayor Garofalo – It's a matter of pending litigation that has not been settled yet between the City and Standard Demolition.

Mr. Yacobacci – Okay so it's not been paid.

Mayor Garofalo – It's a matter of pending litigation between the City and as soon as the...

Mr. Yacobacci – The last PDA it said sixty days so it's not been paid. Whether it's in litigation it still has not been paid.

Mayor Garofalo – It's not a question that I can answer for you this evening.

Mr. Yacobacci – And the other one as Mr. Moscato had (inaudible). The demolition I think it was in the paper that the City is paying also \$336,000 toward the demolition that it was approved by the Board of Aldermen to cut that check.

Mayor Garofalo – I don't believe that Mr. Moscato said that...

Mr. Yacobacci – No he was talking about the buildings coming down. That was on my list – I want to know if that is true if the Board of Aldermen did authorize payment of approximately \$336,000 to Standard Demolition.

Mayor Garofalo – Again, that's part of the lawsuit. I don't have the specifics of what...

Mr. Yacobacci – But you don't know if the Aldermen approved that and if the check was cut? It was reported in the newspaper that's why I'm just trying to get clarification.

Mayor Garofalo – Again I would be happy to answer that for you when I have a chance to research it.

Mr. Yacobacci – And that would be? A week, three days, five days that I can contact you on that?

Mayor Garofalo – Well what's your pleasure Mr. Yacobacci?

Mr. Yacobacci – Right now would be my pleasure but obviously you don't have the answer so I would just like to have that – because that's \$336,000 of our tax dollars that we were under the impression that Ceruzzi was going to be paying for demolition of the buildings. And if we're paying \$336,000 and Ceruzzi is paying \$336,000 and word on the street is the amount is \$700,000 then Standard Demolition is getting the full contact price of what they've done and we've spent two years in litigation for nothing.

Mayor Garofalo – The matter is litigation and as soon as the litigation is settled we'll be happy to release everything. And if there's anything that was adopted by the Board of Aldermen that would be in the minutes of the meeting and that would be on file with the Town Clerk...

Mr. Yacobacci – (Inaudible).

Mayor Garofalo – Let me finish, let me finish. It would be in the office of the Town Clerk that are on file and available for public inspection Monday through Friday between the hours of 9:00 a.m. to 5:00 p.m. I will be happy to do you the courtesy tomorrow of finding that out. But if it's a matter that's before the Superior Court as a pending litigation for the City obviously I can't release that information to you until the appropriate time.

Mr. Yacobacci – And my last comment when the demolition of the buildings at 280, 284, and 256 were actually going to start coming down as per the PDA it was supposed to be started July 19th. We've heard that demolition has been started. (Inaudible) started to make the phone calls to get the estimates, to get the surveys on the abatements. I kind of looked up the definition of demolition and it was "pulling down, knocking down, annihilation, devastations, flattening." That is the definition of demolition and we've been sitting there not only not getting our buildings demolished, but watching others just fall in on themselves from lack of planning for any other part on that. And a couple of more last one Mr. Skolnick addressed four business owners downtown in a meeting. As Brian said (inaudible) environmental surveys, ground surveys, geo – whatever that they do to test the ground to find out what kind of buildings...

Mayor Garofalo – Its Geotechnical.

Mr. Yacobacci – Geotechnical, thank you. At that time he said they wanted to test all the properties at one time and nothing has been tested. Since then I've was told that there were these kinds of studies – environmental and geotechnical – done in or around the year 2000 by the City. Were those tests done by the City in the year 2000?

Mayor Garofalo – Geotechnical – no.

Mr. Yacobacci – Just environmentals?

Mayor Garofalo – That's correct.

Mr. Yacobacci – And those were given to Ceruzzi Development?

Mayor Garofalo – I believe so.

Mr. Yacobacci – So then...

Mayor Garofalo – I believe so.

Mr. Yacobacci – So then basically they just want to get on our property and do our environmentals not the whole property.

Mayor Garofalo – The environmental testing that was done previously by the City was none were conducted specifically on properties, privately owned properties, it was all done in public domain areas. And no geotechnical testing was done by the City.

Mr. Yacobacci – Yeah I understand it was just on public property. But given that what's one foot away from my property is probably similar as to what's on my property.

Mayor Garofalo – Well that's not an assumption that you or I could make as – unless you're a licensed environmental professional – that's not something I would stipulate.

Mr. Yacobacci – I just wanted to know that because we were told that nothing was done so I just wanted to see if - again I'm just trying to clarify things that we've heard as whether they're true, false or hearsay. And the last thing it was told that this D.O.T. property will not be used for relocation now. How are you going to help us survive and stay in business because that's been promised to us for a while.

Mayor Garofalo – It's been our intention and clear intention all the way along to work with the existing business owners to have a smooth transition to relocate you from your current locations to a suitable location.

Mr. Yacobacci – Which has been taken off the table. I'll read my statement now:

Dear Mr. Mayor and Board Members:

I'm addressing you today not only as a downtown business owner but as a concerned husband and father. Over the past couple of years downtown revitalization has been a major topic in Derby. As we all know city owned property in downtown Derby has been an unsightly mess and frankly an embarrassment to the citizens of this town. There was a plan put forth years ago to change that and for us to see buildings completed by 2006. Well I don't see any. This modest but reasonable project has changed many times allowing the developer to put on hold many peoples lives and building plans of their own. And now we still see delays and tactics and no buildings in our foreseeable future. Throughout this time the business owners have been promised by you Mr. Mayor and Ceruzzi Development that we would be treated fair and be relocated to a spot where we could again expect tot continue business in Derby and prosper. In the forefront of the revitalization was the vision of a new industrial park on the old D.O.T.

property the City acquired from the state. We were told we would be moved there to a nice, new location. In March 2003 a new downtown, Starwood Ceruzzi gave city residents a first look at the concept and the last line in here is existing businesses in the area would be relocated to a 27 acre tract of land along the flood control walls on the Naugatuck River. Again in the Valley Gazette last year Ceruzzi Development and city officials have promised a cooperative and fair relocation process. The first of the new buildings could be finished in 2006. In a Redevelopment Meeting October 20th Mr. Ceruzzi stated we're going to deal with that talking about the business owners and the buildings. That's going to come in evaluation and we're going to hope that rather than pay somebody for what they have we can find another spot to put them in, pay for their move, help them fix it up and offer them a deal here to come back into something better than they had. That same meeting Mr. Buturla also acknowledged that the City property, the D.O.T. property, is also a relocation resource that the City would have. They talked about that. All along we have been told this D.O.T. property was going to be our savior. We're going to be moving over there and now it's not. Well Mr. Mayor this has now at the 11th hour been taken away from us by Ceruzzi Development and you. Last week Mr. Skolnick told Brian Calvert the D.O.T. property has been taken off the table because of the cost of infrastructure not to mention the cost of new buildings. Other commercial properties were also off the table as too expensive and we are told to find alternate solutions. Well Mr. Mayor the alternate solutions right now consist of bankruptcy, losing our businesses, losing our current and future gains on our property and nowhere affordable to go. We are told "like" properties are too expensive. Yes they are. If a multi million dollar company like Ceruzzi can't afford to buy them for our relocation while investing \$300 million in Derby how are the small business owners expected to buy them? Not on the offers Ceruzzi gave us under the threat of eminent domain. \$185,000 for my four properties - \$235,000 for Calvert Safe & Lock. What can this possibly buy? Not "like" property that's for sure. Probably not any commercial property in or around Derby. If we are forced out by eminent domain, which Mr. Mayor you have to approve, we will loose everything. Investment in our property, our retirement, or kids educations and quite possibly our homes. All this so millionaire developers can make millions more while putting Derby citizens out. This is not for the public good. If Ceruzzi cannot accommodate six to eight businesses let's find someone who can. Let's find someone who will live up to their promises and guarantee that their artists' conceptions can actually be built. We as Derby citizens have seen way too many conceptual drawings. Or better yet, let's find someone who will include property owners in a plan. The property owners in the redevelopment zone have paid over a century of taxes to this town. Don't let outsiders throw us out Mr. Mayor. Don't let this travesty be your legacy in this town. Finally back to the beginning, can you tell the people of Derby what you intent to do to help the downtown businesses and property owners so we can have confidence in you. Is this stealing of property also going to be what happens to the property owners in the HALO district? Are they the next property owners to fear the inequitable wrath of eminent domain? After that who's next? Cottage owners? Hilltop residences? Where will it end? At your doorstep? I'd like to hear your answer Mr. Mayor.

Mayor Garofalo – My answer – well was there a question? What are we going to do...

Mr. Yacobacci – When are you going to tell the people of Derby with eminent domain? Where will it begin? There are other projects around here – are they not going to be taken by eminent domain? Is somebody going to come in after this and say we're going to negotiate with everybody?

Mayor Garofalo – First of all this is not a debate and clearly you have made your statement. And you've said that you were treated unfairly and so forth. And I'm just curious if you feel you were treated unfairly how have you been treated unfairly?

Mr. Yacobacci - \$185,000 is about half of my appraised value on my building. We were told that the D.O.T. property all along Mr. Mayor when you came down with Mr. Lutz to my property I guess it must have been about a year and a half ago the D.O.T. property was brought up – how we were going to have a nice industrial park over there. It's been a year and a half and now we're told it's not going to happen.

Mayor Garofalo – First of all did you have a conversation with Mr. Skolnick?

Mr. Yacobacci – No we were supposed to have a meeting yesterday, which he called up and postponed...

Mayor Garofalo – Okay.

Mr. Yacobacci – And we're going to meet with him tomorrow. He also told me that what he had to tell me is going to be no different than what he told Mr. Calvert. And I conferred with Mr. Calvert today what that discussion was.

Mayor Garofalo – I think perhaps Mr. Skolnick can clarify that – the statement, if that's the case.

Mr. Yacobacci – One question would be is the D.O.T. property off the table? Is that now not going to be where we're being relocated? If so who is going to help us find "like" property...

Mayor Garofalo – The City is committed – it has always been committed and will continue to be committed to help relocate the businesses that are there – in the City. And Mr. Skolnick, if you would like – and we remain committed to that and we are committed to that. We've never wavered on that and that's not a question in anybody's mind. We'll make sure of that. That's our responsibility as the City and we will fulfill our obligation.

Mr. Yacobacci – I would like to make one final comment. Up until this point we've given – I have been given no reason to really trust all that. Mr. Calvert may have had correspondence...

Mayor Garofalo – Mr. Calvert has come in and expressed his concerns and I have had dialogue with him. If you would like to do the same I would be happy to sit with you in the same way. But if Mr. Skolnick would like to respond to clarify this that's fine.

Mr. Yacobacci – I would just like to say that Mr. Knauf had never talked to me. The only time I had ever received anything from him was when he made our offer to us. One week before the last Redevelopment meeting he called to find out what my building requirements would be for the D.O.T. property. I never received a letter, which I stated last month to him, about any access to my property. I was told that would be forthcoming and now it's been six, seven weeks since then. So I really have not had much correspondence.

Mayor Garofalo – That's a question you should address to the developer.

Mr. Yacobacci – Thank you.

Mayor Garofalo – Is there anybody else from the public who would like to address the agency? (Asked three times.)

Hearing no one else wishing to address the committee, without objection the public portion was closed.

APPROVE MINUTES OF AUGUST 10, 2005 MEETING

A MOTION was made by Mr. Oraziotti with a second by Mr. Stevens to approve the Minutes of the August 10, 2005 meeting as presented. ***Motion carried.***

UPDATE ON SOUTH SIDE OF MAIN STREET REVITALIZATION PROJECT (REGULAR & EXECUTIVE SESSION)

Robert Skolnick, Development Partner of Ceruzzi Derby Development, LLC – Good Evening. I guess first I should address some of the concerns that I've heard with regard to those owners within the redevelopment district that are potentially looking for relocation assistance. Before I do that I should express our firm's concern and understanding of the frustrations that these owners have been faced with. However, I should say that over the time of our firm's involvement in the redevelopment property it's clear to us that the plan has evolved and gotten better and better. In fact now it's in a condition that has received a groundswell of support by the community. It did take time to get to where we are today. However, we moving very quickly and in an organized way to get this development to the next stage and the next stage of processes. As it relates to a conversation I might have had with the Calvert family the fact is that I met with all of the potential relocation owners last month and pledged that I would do research specifically on the D.O.T. piece that the City now owns. Before we had meaningful dialogue it was my pledge to make sure that the relocation parcel had merit and didn't have issues that might make it a poor choice for relocation. And I have begun the process of doing that together with the City – to research both the environmental and proximity obstacles to the D.O.T. piece. To clear up what I discussed with the Calvert family it was the fact that in my opinion it didn't look good for the D.O.T. piece to be a realistic option at this time. That I had not completed by financial analysis and all of my due diligence. But if I were to guess I didn't believe that the D.O.T. parcel would be economically feasible at this time. And I pledged my support and my commitment to (inaudible) through both City-owned properties as well as other available properties in the City and that I would work together with the

Calvert's' in this instance to try to better understand their needs – to try to better understand their goals, and to work with them, their broker and other brokers if need be to try to find something suitable that although it wouldn't be their property – it wouldn't be their exact property – but it would have the same merits of their property. And so I did not say that the D.O.T. was off the table. I said it wasn't viable or that our pre due diligence had shown me that it may not be a viable alternative. And I specifically said because of the access concerns, some of the environmental remediation concerns, and because of the need for infrastructure to be brought into the relocation parcel and the costs of the above. However, I had made – in response to some of the concern I've heard also – our organization has been making efforts to contact all of the owners – not just the relocation owners, but all of the owners within the redevelopment zone – in hope that we can work together to come to an agreement both on value of the home and both on potential relocation parcels. And it is our hope still to avoid an eminent domain process and find something together in a private way that could satisfy their current needs. As it relates to other dates relative to the redevelopment process by tomorrow the remediation that our firm has undertaken within the Hubbell property and the adjacent property and 256 will be complete. And so the fact is the demolition process did begin, is well underway. The remediation is the precursor to actual demolition and we're hopeful that we're on tract with regard to the other details relative to the settlement between the City and the demolition contractor. In addition we did step in to help the City as it relates to the hazardous condition relative to the roof line and other property along Main Street.

Mayor Garofalo – And that was at your cost.

Mr. Skolnick – And that was at our cost. We do have other meetings set up with some of the owners – both relocation owners as well as outright sale owners. And we're negotiating on another property adjacent to the Calvert Safe & Lock building. In addition we have completed our title work and I expect on Monday to be reviewing the results of the title work on all of the properties and hope that our counsel will be in touch with the City's counsel with any concerns or issues relative to title. We additionally have been continuing to study the Concept Plan and building our engineering team to take those concept plans and create actual engineering documents and are hopeful that process will continue swiftly.

Mr. Oraziotti – Mr. Skolnick with all due respect the short time that I have known you, you appear to me to be a straight shooter. And you appear to me that you're looking out for the best interests of the City and for the people. But my only comment, again with all due respect, these people have families, they have businesses – they don't know what's happening. They don't know where they're going to go. They need to know. And they don't need any kind of language – you're not doing it – but anybody that's twisting and turning and shaking they don't need to hear that. They need to hear straight facts. What's going to happen to them, okay? These people have been here for 100 years – 50 to 100 years. They're our customers, they're our people. We have to look out for them and we're hoping and we're trusting you will look out for them. So, my point is if you would please concentrate and try to get things done for them. You

would not only make them happy, you would make us happy. Because they're looking at us for help and we need to give them that help and we have to rely on you.

Mr. Oraziotti left the meeting at this point (7:11 p.m.)

Mr. Guardiano – Not getting concerned with the timeline (inaudible) I just want to make sure that the area of communication is open. From what I'm reading – just the information I'm reading and this goes on well before you were involved – in one of the (inaudible) it says that Mr. Knauf is no longer involved. Is that...

Mr. Skolnick – I'm terribly sorry I should have – I didn't realize that was relative to this agency. Gary Knauf was a consultant hired by the Ceruzzi firm and we recently had decided that – we parted ways and he's not involved in the development process anymore.

Mr. Guardiano – It seems like a lot of communication seems to stop at his end. I'm not (inaudible) Mr. Ceruzzi – I'm not suggesting that Mr. Knauf wasn't adept at doing his job – I don't know about the situation and I don't want to. But from this point forward though will communications (inaudible) between you directly?

Mr. Skolnick – Yes.

Mr. Guardiano – Okay. That's a good start. My second point is – I'm a little taken aback that the D.O.T. parcel – this is the first I've heard about this – is not a viable solution at this point. I know you...

Mr. Skolnick – Wait I said that we hadn't completed our due diligence but that the early indications are that the D.O.T. parcel would be a very difficult relocation parcel because of the expense it would require to develop it into a suitable relocation property.

Mr. Guardiano – Can you tell us what the specific items that you think would not make the project financially feasible. The costs for the road – are you talking about environmental clean up of the area? Existing contamination on the site? What are some of the obstacles that you feel that make that D.O.T. piece not viable at this point?

Mr. Skolnick – Okay again we haven't received all of the information back but the – I'm not going to say that the contamination is a serious problem on the parcel but there are contaminants on the surface that have to be dealt with. The infrastructure required to bring utilities into the land sufficient to satisfy the needs of the four tenants or owners, as the case may be, the roadways necessary to get over the adjacent property to the D.O.T. parcel – when you add up the cost in our estimation of bringing in infrastructure, bringing in roadway, remediating/abating the contaminants that we're aware of, adding some contingency, then building structures sufficient to satisfy their requirements as we've grown to understand them the dollars are very out of whack – dramatically out of whack. So our early analysis is that the D.O.T. piece, while may be exciting to some, has tremendous development impediments.

Mr. Guardiano – Was the source of funds for some of these possible impediments considered? I mean like (inaudible.)

Mr. Skolnick – Again, part of our due diligence that hasn't been completed is whether or not there are significant funds available, and available now, from the City and State and Federal.

Mr. Guardiano – Right – that was my point. I wanted to make sure...

Mayor Garofalo – And the City also – when we were made aware of this conversation, Mr. Calvert promptly made us aware of it the day after his conversation with Mr. Skolnick, you know we had begun to look into various options as part of the due diligence process and the several options that could be available, which frankly are – part of them are just negotiations between the Calvert's organization – the business – and the developer and there may be nuances and suffice it to say we're looking at the various infrastructure investment that might be available either through state or federal sources. And the issues of timing are an issue that would be between any of the businesses and the developer. But suffice it to say some of it would be just pending negotiation and strategy and negotiations for us that we can talk about in executive session so as not to compromise any of the individual's positions, which I wouldn't feel comfortable talking about in public.

Mr. Guardiano – But at this point I just want to emphasize that the D.O.T. parcel is not off the table. Not totally off the table. You have not completed your studies at this time. (Inaudible.) This I want to know – this is the one point I want to make sure. It's either still on the table or it's not on the table.

Mr. Skolnick – We haven't completed our due diligence on it.

Mr. Guardiano – Okay, fine. That answers my question. It hasn't been taken off the table totally.

Mr. Skolnick – No, but frankly again it's our opinion that without some magic wand we should be focusing our energies on other suitable location parcels and other options that may be more viable than the D.O.T. parcel.

Mr. Guardiano – That's fine – but again you still haven't completed your study on potential source of funds (inaudible.) There's a million industrial parks – not a million – but I could probably count five or six industrial parks from Bridgeport to Waterbury that were never financially feasible to be built from a direct economic point of view. They were built with City money, State money – things like that.

Mr. Skolnick – Over time.

Mr. Guardiano – Over time. We have a one in Seymour. (Inaudible.) I just want to make sure at this point you haven't exhausted your possibility of resource of funds.

Mr. Skolnick – I would like to say that I know one of the orders of business tonight has to do with the Redevelopment Plan and if I could I think it's appropriate to break into private session I have a concern that I would like to share with you.

Mayor Garofalo – That's our intention.

Mr. Russo – One of the concerns that I have just as a general comment is you indicated that you weren't aware that the Agency needed to know this information or had to know this information. But as part of the relocation plan, which I understand is not adopted yet, but we've been operating under some mode of whatever – responsibilities – but one of the most important aspects of this is that in the document itself it specifically states that the Agency retains jurisdiction and oversight over all aspects of the Redevelopment Plan, of which all of the things that we're talking about tonight fall under. And I understand that we're not going to be talking about negotiating factors, but if there are things like that that impact discussions with the property owners as a member of the Agency I would like to be aware of that and not find out about second or third hand. That's really what it comes down to. I think the other members of the Agency probably feel the same way. Because we're looking at each other...

Mayor Garofalo – Yeah we all would. I think we all – the Agency needs to be aware of that. I for myself I don't feel comfortable talking about anybody's personal situation in a public session. Just my own personal thought. If people – my door is open and if any of the people who are in the relocation area and Mr. Calvert knows this, my door is open at your convenience – and this is for everybody. But I would not talk about somebody individually, specific situation in a public session. I subject to more discussion because of my day-to-day point here but as we go forward those discussions I would prefer in order to protect everybody's situation that we be updated in executive session. And that was intended to update you on some of the stuff that was already discussed in public session. If somebody wants to talk about their own personal business in public that's their business. But I would respectfully – I don't know legally wise but certainly as a moral obligation – I would not violate that code. If there are issues I would respectfully report them to you in executive session.

Mr. Stevens – Again, and I feel I came to the meeting tonight totally unprepared along these lines, is there anyway to get us some kind of update? For example the repair of the building. We had no idea that it was being done by Ceruzzi. I'm getting all these questions why are we fixing the building if the building is coming down? I could have easily answered these questions the past few days if I had a minor update. A little update or email saying the building is being repaired – or even this issue here. I just feel like tonight we come and hear all these things...

Mayor Garofalo – Right – but I'm just telling you that I would not have brought this issue up in public session.

Mr. Stevens – Well the repair of the building is not – that's something we could have got a little update on so we would be prepared to know so we could answer the question. We get these questions, and I can't speak for the members, but I know I get questions all the time and if we could just get a simple update I could easily answer the questions. I just want to answer the questions as best I can.

A MOTION was made by Mr. Russo with a second by Mr. Stevens to go into Executive Session at 7:25 p.m. to discuss pending litigation before the City and the issues of acquisition of property as it relates to the Redevelopment Plan and the South Side of Main Street Revitalization Project inviting Corporation Counsel, Alderwoman Pflugh, Chief of Staff Weissman. **Motion carried.**

MEETING CALLED BACK TO ORDER AT 8:39 P.M.

A MOTION was made by Mr. Guardiano with a second by Mr. Stevens to authorize the Mayor to execute an amendment to the Preferred Development Agreement between the City of Derby and Ceruzzi Derby Redevelopment regarding the South Side of Main Street regarding the repayment of certain funds. **Motion carried.**

A MOTION was made by Mr. Stevens with a second by Mr. Guardiano to adopt the Redevelopment Plan for the South Side of Main Street Revitalization Project with the amendment to the document under Exhibit VII, Page IV – third to the bottom line, which says Restaurant it should say one space per 40ft² of serving area instead of one space per 35ft² of serving area. **Motion carried.**

A MOTION was made by Mr. Guardiano with a second by Mr. Stevens to waive the reading of the Resolution and incorporate the entire text into the minutes of the meeting. **Motion carried.**

RESOLUTION

WHEREAS, the Redevelopment Agency of the City of Derby duly formed by the City pursuant to Section 8-124 et seq. of the Connecticut General Statutes has prepared a Redevelopment Plan for Phase 1A of the Downtown Redevelopment Project; and

WHEREAS, the Redevelopment Plan has been approved by the Derby Housing Authority; and

WHEREAS, the Derby Planning & Zoning Commission has reviewed the Redevelopment Plan and provided a written opinion approving the Redevelopment Plan; and

WHEREAS, the Redevelopment Agency has conducted a public hearing in accordance with Section 8-127 of the Connecticut General Statutes; and

WHEREAS, the Redevelopment Agency believes the enactment of a Redevelopment Plan will prove beneficial to the City of Derby;

NOW, THEREFORE, BE IT RESOLVED:

1. The Redevelopment Agency finds the following:
 - a) the area comprising Phase 1A is a redevelopment area;
 - b) the carrying out of the Redevelopment Plan will result in materially improving conditions in such area;
 - c) there are no families displaced by the proposed improvement;
 - d) the redevelopment plan is satisfactory as to site planning and comprehensive plan of development;
2. The Redevelopment Plan for Phase 1A of the City of Derby Business Revitalization District is hereby adopted, approved and enacted.

A MOTION was made by Mr. Guardiano with a second by Mr. Russo to adopt, approve and enact the Resolution regarding the Redevelopment Plan for Phase 1A of the City of Derby's Business Revitalization District. **Motion carried.**

REMINDER OF NEXT REDEVELOPMENT AGENCY MEETING ON OCTOBER 12, 2005

Mayor Garofalo reminded everyone that the next meeting would be held on Wednesday, October 12, 2005 at 6:30 p.m.

ADJOURNMENT

Without objection the meeting adjourned at 8:42 p.m.

Respectfully submitted,

Patricia Finn
Recording Secretary

/paf
Attachments

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