

CITY OF DERBY
REDEVELOPMENT AGENCY MEETING
JULY 11, 2006

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

Chair Glenn Stevens called the meeting to order at 6:34 p.m. All rose and pledged allegiance to the flag.

Roll Call

Present: Glenn Stevens
Greg Russo
John Oraziotti
Richard T. Dunne
Michael J. Kelleher

Also Present: The Honorable Mayor Anthony Staffieri
Joseph Coppola, Corporation Counsel
Philip Robertson, Chief Administrator, City of Derby
Ken Hughes, President, Board of Aldermen
Joseph Bomba, Board of Aldermen
Anthony Szewczyk, Board of Aldermen
Joseph Benanto, Board of Aldermen
Carol Senfield, Zoning Board of Appeals

ADDITIONS/DELETIONS/CORRECTIONS TO THE AGENDA

Mr. Stevens said due to an emergency report that the board will be receiving this evening the following corrections need to be made to the agenda:

- After approval of Minutes we will be adding an Emergency Update by Phil Robertson
- Item #9 will be moved to Item #8
- After Item #8 will be the Update from the Developer – discussion of DOT property will then follow

A MOTION was made by Mr. Russo with a second by Mr. Dunne to approve the changes to the agenda. **Motion carried.**

PUBLIC PORTION

Jeff Auerbach, Derby Garden Center, 4 Caroline Street, Derby, CT – First Mr. Chairman we were told that you would enable us to ask questions after the developer makes his presentation – if we have any questions at that time and I hopeful that you will continue with that policy. The next point that I would like to make is really addressing it to the board but especially to the Mayor. The Mayor had promised when he was running for office that he would try to have an open policy and a fair policy with every issue that he addresses as Mayor of the town. And I believe this has not happened; just the

opposite. My first issue is on public television he made reference to that some of the property owners were asking for \$2 million or he didn't think it was right for the property owners to get \$2 million when their property may only be worth \$500,000. I understand at a later meeting he corrected that but he must be come aware that when he speaks as Mayor and people hear it on public television it carries an opinion and in sense a tone that's really unfavorable to the property owners. And I have to think that they're trying to intimidate – the administration is trying to intimidate the property owners and turn public opinion against those property owners. I think it's most unfair and not having an open policy. The second thing is my understanding of the last several years was that the developer was buying the property from us. I don't really understand how the City gets involved. For years I've heard the developer is buying the property. Now I'm hearing the City is buying the property. I don't know why if the developer is buying the property I don't know why the City has gone out and hired an appraiser. No one has said that the developer and property owners cannot get together and come to an agreeable price. All the property owners that I've spoken to have agreed to move; there's nobody against this project, we are all in favor of moving. That is important that it be said at every meeting so the board understands this and the public understands this. All we ask for is the opportunity to negotiate with the developer and to do so on an even basis, which means that eminent domain is not hanging over our head. The Mayor makes a statement on the TV that it would only be used as a last resort. Well any businessman knows if you have something in the back that could be used as a last resort it's the same thing as the first resort. The developer knows that he's going to get it and therefore he could negotiate knowing that he can take the property and negotiate later on. I'll say the Mayor, or the administration through the Mayor, has started to indicate that we are holding up the project. That we are not trying to be fair on it. As far as I know nobody's even negotiated with the developer yet. I would like to get a clear understanding as to who is buying this property – the developer or the City. If the City is not buying this property (inaudible) issue. Then the City should set out and let the negotiator, and the developer and the property owners negotiate on their own. If need be my understanding was that the City at that point would come in and try to bring the two parties together. They don't have to talk about eminent domain as a last resort – it doesn't have to be brought to the table. This isn't like New London – as far as I know everyone is willing to go. We just want to be able to negotiate our future with the developer – I think that's only fair. The next issue is as far as the City appraiser I have a printout from the web page of (inaudible) – that was appointed – I believe appointed by the City to be an appraiser. Well they list right on their web page that Starwood Ceruzzi is one of their clients. How could they possibly be an independent, fair appraiser? I said to the Mayor several weeks ago when I was up here talking to him you want to be fair about this you pick five appraisers. Let the property owners pick one of those five, let the developer pick one of those five. Then those two appraisers get together. This is certainly not a fair appraisal. And I don't know what the numbers are but if he works and has as a client Starwood Ceruzzi I can't imagine he's totally independent. I'm surprised he even took it on knowing the conflict of interest. I would think from a professional ethics standpoint he wouldn't do that, but I don't know the company. And my last comment is I believe at the last meeting or (inaudible) two weeks ago that Rick Dunne made a statement that eminent domain would not even be discussed (inaudible) issue until there was a final project in place. It's my understanding that there is no final project in place – agreed to, proposals and so forth. I don't even know why the Mayor goes on TV talks about eminent domain – he should say it's a non-issue – hopeful that the developer and the populist get together and cut

a deal. I just feel that the City, especially through the Mayor, has really started to push this to one side and I don't know if any promises were made to the developer as far as eminent domain or to before the current I'll say the head of the development the prior Ceruzzi if promises were made by the other administration I would like to get a response if anyone on the board or anyone in the administration at anytime made promises to the developer about eminent domain. I think we're entitled to know that. Again, if you're going to have an open administration be open and be fair. Thank you.

Carl Yacobacci, 10 Lombardi Drive, Derby, CT – Mr. Chairman, Board Members – I would just like to address an issue that came up last month where Mr. Calvert asked to see any reports that made the D.O.T. property not viable for relocation and no one actually could or would answer Mr. Calvert as to where these reports or what these reports have in them to determine the City's and the developer's position. In a public meeting on August 10th last year Mr. Skolnick stated that we've commissioned an architect to help us study the viability of utilizing the D.O.T. piece as a potential relocation piece. The following month, September 2005, Mr. Skolnick stated that the D.O.T. parcel was not off the table as was reported – he said it just wasn't viable where their pre due diligence had shown him that it may not be a viable solution. Mr. Skolnick said before we have a meaningful dialogue it was his pledge to make sure the relocation parcel had merit and did not have issues to make it a poor choice for relocation. He stated I have begun that process of doing that together with the City to research both environmental and proximity obstacles to the D.O.T. piece. He also stated that he had not completed his financial analysis and all of his due diligence. I know these statements were made last year and the Mayor stated many times, including last month's meeting, that this administration has been in office basically six months and this is something that should have been done three to four years ago. I do appreciate that claim as to being new but this issue has gone on a long time and the Mayor had made a statement this June that there are too many obstacles to relocate the remaining merchants to the D.O.T. site including the costs of building an access road, sewer line improvements, and revamping the pump station. I address this commission and this administration as to what reports that you use to come up to this conclusion. I think it would have been in the best interest to the City and the business owners if you did a responsible study to back up your claims. I had to do an F.O.I. filing to find out where these reports were and what the costs were associated with the D.O.T. parcel. We wanted to look at the numbers to make our own determination to see what was really the cost of relocating us to the D.O.T. parcel. And what it turns out is there are no studies done by the City or the developer. And he said his report was a review of the environmental information on file, a personal visual inspection, a back of an envelope financial calculation. I don't consider these as due diligence. Certainly wasn't hiring an architect or looking out for us downtown businessmen. I say shame on this administration for determining our futures without even seeing one financial report or building study. I hope from now on you will do better and try to protect the property owners in Derby. We have been very patient and we want to work with the City so that development can move forward. However, we need to trust you to look at the objects in a professional manner with actual studies. We have not held up this project but as it stands (inaudible.) Please be more forthcoming with us and the public and we will be able to move forward and see the City grow. Thank you.

Mr. Stevens – We actually have that item on the agenda tonight per the request of the public at last month's meeting – we have that item for discussion on the agenda tonight.

Mr. Yacobacci – With the financial reports?

Mr. Stevens – The item of the D.O.T. property will be in discussion tonight.

Dan Waleski, 21 Elm Street, Derby, CT – I'm having a problem finding the information that's been submitted to your agency. I'm speaking in terms of the public record in regard to this downtown development. Could you help me in locating all the data that's been so far submitted in regard to this major City project?

Mr. Stevens – The City Clerk has not been able to help you with this matter? Did you go to the City Clerk – Town Clerk?

Mr. Waleski – I've been there; she doesn't have it all. I've talked to Patty Finn here and she doesn't have it all either. Maybe some of it's at the Mayor's office – I don't know.

Mr. Stevens – I'll certainly look into it but everything should be on file with the Town Clerk.

Mr. Waleski – I don't know of any one place where it's all together and being made available to the public.

Mr. Stevens – What is all that you're looking for? Are you looking for public documents?

Mr. Waleski – Yes. There's been reports submitted – there's plans submitted. Of course the renderings are available but there's been a lot of paperwork submitted to the agency in regard to this and I can't find it all or don't have the opportunity to see it all.

Atty. Coppola – There's no report submitted. There's no D.O.T. report submitted – they don't exist. There's a Redevelopment Plan down there, there's a Redevelopment Agreement down there. Anything that...

Mr. Waleski – Are you telling me that's all there is?

Atty. Coppola – It's all that I know of. You can ask any of the older members on the board.

Mr. Stevens – That's pretty much all there is. The Redevelopment Plan, the Agreement.

Mr. Dunne – There have been no submission of documents since we've been here as this board.

Mr. Stevens – Anyone else from the public.

Mr. Waleski – A multi-million dollar project here. There isn't much to show for it.

Atty. Coppola – We're getting there.

Mr. Waleski – May I suggest that you try to fill that void for we people in the public who would like to know in more detail just exactly what's what and dates and that sort of thing.

Mr. Stevens – We will. Thank you.

Anthony Szewczyk, 161 Mt. Pleasant Street, Derby, CT – We're kind of in a unique situation in this town you know with the redevelopment – I'm concerned about Brian here and all the other businesses that need relocating. And because we're in a unique position sometimes the answers to certain problems are extraordinary, okay. So I just got a question for you and it's something to kick around like one of the problems with the D.O.T. property – you know I'm not on the redevelopment commission so I don't know everything that happens but one of the problems with that is the cost for utilities, in particular the septic lines you have to get the Derby Treatment Plant. Well since there's – between all six businesses the nearest that I can tell just eyeballing it there's about twenty toilets involved that's the main septic thing – isn't it possible to use the fields as septic fields assuming they (inaudible) and just bypass the septic sewer. Has anyone looked into that?

Atty. Coppola – Not this board.

Mr. Szewczyk – I suggest you look into that at least temporarily to put a sanitary line in there.

Mr. Dunne – That's been ruled out. The water table is not very far below the surface.

Mr. Szewczyk – I agree but I at least had to give it a fighting chance. I mean it might work – it probably won't – but you never know. Miracles do happen.

Mr. Stevens – Anyone else from the public who wishes to address the agency?

Brian Calvert, Calvert Safe & Lock, 40 Caroline Street, Derby, CT – Will there be another public portion after the presentation?

Mr. Stevens – We do not have another public portion on the agenda. You can speak to any item on the agenda at this moment.

Mr. Calvert – (Inaudible) you had promised us that there would be a spot for us to respond. Because what will happen, you know we don't want this to happen, but whatever Mr. Skolnick says and sometimes he's long winded – you would have to read all of that in next month in order to rebut. Wouldn't it be better if we were to set aside limited spots so that we can at least question him – you could moderate it with time and such like that. Would you force us to read all the previous minutes in order to ask the question? Doesn't that seem rather laborious? When you could just set aside a bit of time for moderated period questions. We can ask – you say thank you – he answers or you answer and then we treat each other like what we are – we're family. Why would you want us to have to repeat everything he said next month? I don't want to do that. Quite often we have questions after this gentleman has spoken and then we have to hold them for a month. Isn't there anyway you can grant us that space as you did promise – as this board here did promise. Is there any reason we can't do it?

Mr. Orazietti – It wasn't a promise; it was just allowed to happen that one time.

Mr. Stevens – We had a presentation where we allowed questions – a specific presentation that we allowed questions on. The Agency doesn't want to enter into a debate or have it turn into a debate with anyone here. It's not a debate it's an informational gathering meeting and that's what it's for. I don't mind entertaining questions; however it doesn't want to turn into a debate. What's the pleasure of the agency?

Mr. Calvert – We don't want that – as I just said – we don't want that.

Mr. Dunne – We can consider adding it to the agenda at the end of the meeting – we'll see where it goes.

Mr. Orazietti – I feel that I don't see any harm with the business owners asking questions after the presentation is made. I think that's just pure courtesy. I don't see why we have to let them go through this type of an inconvenience. Let the developer say what he has to say and let the people ask the questions. What's the big deal?

Mr. Dunne – It's not a discussion between the developer and the people Mr. Orazietti.

Mr. Orazietti – It's not a discussion – all I'm trying to say is they present their proposal and these gentlemen have an opportunity to hear what the proposal is and they don't have to ask them questions but at least they'll have a heads up prior to no heads up at all. That's all I'm saying. Give them an opportunity to think about what they want to say and what they want to do. I don't think we're giving them that opportunity – that's all.

Mr. Russo – Mr. Chairman I don't have a problem with questions after the presentation. But once again it's informational and it shouldn't be a debate. I think if the questions cannot be answered readily I think they should be postponed to the next meeting and once again if there's questions please understand that they might not be able to be answered readily at this time.

Mr. Calvert – We understand that and we thank you for bearing with us with this. And we're all gentlemen here – we're not about to upset this meeting. We just merely want a chance to say, and we will speak through the Chair, is this right or is that right – just get an answer – that's all.

Mr. Dunne – Through the Chair.

Mr. Calvert – Through the Chair of course.

A MOTION was made by Mr. Dunne with a second by Mr. Orazietti to add to the agenda a Public Portion following Old Business.

DISCUSSION ON MOTION

Atty. Coppola – The engineers might have to leave.

Mr. Stevens – The questions can be asked.

MOTION CARRIED.

Mr. Dunne – Mr. Chairman if there is no other public comment I would just like to note for the record that the comment attributed to me by Mr. Auerbach regarding eminent domain is inaccurate.

Mr. Stevens – Anyone else from the public who wishes to speak? Anyone else from the public who has not spoken yet? Mr. Auerbach.

Mr. Auerbach – My statement is inaccurate Mr. Dunne has a chance to correct me on it. But I thought I understood it at the meeting (inaudible) I would like to get an understanding as far as – you spoke about the project being in place and finalized – not before that point would eminent domain be an issue. Maybe I misunderstood if he can correct me on what I'm wrong about I would appreciate it.

Mr. Dunne – I'm not prepared right now – I don't even know what you're referring to so I'm not prepared to answer right now.

Mr. Stevens – No one else from the public wishes to speak...

A MOTION was made by Mr. Kelleher with a second by Mr. Oraziotti to close the public portion. **Motion carried.**

APPROVAL OF MINUTES

A MOTION was made by Mr. Oraziotti with a second by Mr. Russo to **TABLE** the minutes of the May 9, 2006 meeting. **Motion carried.**

A MOTION was made by Mr. Dunne with a second by Mr. Russo to approve the minutes of the June 13, 2006 meeting. **Mr. Kelleher abstained from voting since he was not a member of the agency at that time. Motion carried.**

EMERGENCY UPDATE ON SOUTH SIDE OF MAIN STREET BUILDINGS

Philip Robertson, Interim Finance Director – City of Derby – I have the honor of working for the City of Derby and specifically Mayor Staffieri. If I might I would like to give you some chronology of things that have gone on, which I'm sure you're aware of but I'll just review them very quickly.

June 10, 2006 – Wooden frame addition behind buildings 210-218 Main Street collapsed.

June 16, 2006 – State Building Inspector, Christopher Laux, inspects the site and submits report. Report requires immediate removal of remaining wooden frame structure at 210-218 Main Street. State Building Inspector also requires the City to engage the services of a structural engineer to evaluate the structural stability of the masonry portions of the wall. State Building Inspector also requires the City to engage the services of a structural engineer to evaluate the structural stability of the masonry portions of the City-owned buildings.

June 17, 2006 – Mayor contracted with C&L Construction to remove the wooden frame addition.

June 18, 2006 – Mayor retains Engineering Firm, Desimone Consulting Engineers, PLLC from New York City to evaluate the structural stability of the City-owned properties.

June 27, 2006 – Mayor retains Advanced Environmental Redevelopment to evaluate asbestos within the City-owned properties and to establish estimates of removal and demolition.

July 7, 2006 – Mayor receives engineering report from Desimone.

July 7, 2006 – Mayor calls for emergency meeting of the Board of Aldermen and the Board of Apportionment & Taxation.

July 7, 2006 – Mayor calls for the State Building Inspector to arrange a meeting with DESIMONE and the Mayor on Tuesday, July 11, 2006.

July 7, 2006 – Mayor orders the sidewalks closed in front of those structures in the Desimone report. Bricks loose with the potential of falling and creating a hazard and liability to the City with the main emphasis on safety – public safety.

I can go through the reports but I'm almost hesitant because the author of the report is sitting in the back of the room. So if you have specific questions certainly I would be more than happy to offer my opinion, but the author of the report is actually here so he can entertain specific questions – he could certainly answer them better than myself. The report that you have in the folder, specifically page three, second sentence from the top of the page "should be demolished in a controlled manner." Controlled manner, which the Mayor's desire was that the Building Inspector would allow a controlled manner allowing us to remove as much of the asbestos as conceivable to avoid the expense of removing the buildings in the industry it is referred to as "Hot." The cost of removal and carting away "hot" material is three to four times that cost if you do remove the asbestos. So for the benefit of the taxpayers in the City the Mayor was hoping that the Building Inspector would agree that the fashion would be a controlled manner and that was basically what was agreed upon today with the Building Inspector. If you have any specific questions of me I will try to answer them. If you have specific questions about the report I would certainly suggest that the author is here and I would assume ready to answer questions.

Mr. Dunne – Mr. Chairman question for Mr. Robertson. Phil all the reports you referenced are on file in the Town Clerk's office?

Mr. Robertson – I believe so, yes. Possibly not the last page, which is the Building Inspector. That may not be downstairs, I'm not certain, that was something that was done just within the last couple of hours.

Mr. Stevens – Any other questions from agency members?

Mr. Robertson – I will point out if I might Mr. Chairman you will look through the report, but I have not highlighted those so I don't want to take up your time reading the report,

but there were a couple of references by the structural engineers as to bricks that were loose. Upon reading that the Mayor called Ron Culmo and immediately ordered that the restraints be placed on Main Street. Bricks have not fallen prior to this and they may not fall but the simple fact is for public safety the Mayor felt it was important to stop any kind of foot traffic or parking traffic and specifically in front of the buildings, which are highlighted here where the (inaudible) report indicated that there were some (inaudible.)

Mr. Dunne – Mr. Chairman are they looking for any action from this board tonight?

Mr. Stevens – It's really I wanted to give this agency the information. I was sort of holding out in order to have all the pieces to the puzzle, especially our Building Official's report, which came today after he received all the other reports. But I felt it was important for this agency to be informed and be able to ask questions tonight, which is why I wanted to add that to the agenda.

Mr. Robertson – Excuse me Mr. Chairman if I might just point out to you (inaudible) that reads – the Advanced Environmental Redevelopment report you will see on the second page there the Mayor intends to bring the figures, the first three figures, to the Board of Aldermen and the Board of Apportionment & Taxation tomorrow night, that's why he called for the emergency meeting. And forgive me I'm a little bit uneasy speaking on behalf of the Mayor, but that's generally why he's called that emergency meeting, which in turn will require action on the Board of Aldermen and the Board of Apportionment & Taxation as well.

Mr. Dunne – The Building Official's notice to the City requires five days – that this be commenced within five days.

Mr. Robertson – Well understand we have retained the environmental individual. He is on vacation and will return on Monday and he is prepared to begin immediately.

Mr. Dunne – So the City of Derby is going to abate the unsafe buildings it owns...

Mr. Robertson – We hope that we can abate as much as possible. There will be some areas where the company brought in to do the removal may find those areas unsafe and that would require "hot" demolition.

Mr. Dunne – And the City will be dealing with the costs associated with the removal and whatever demolition is going to take place in this phase.

Mr. Robertson – That is the reason why we called the meeting of the Board of Aldermen and the Board of Apportionment & Taxation. I mean its something that should have been done some time ago – it was not. Mayor Staffieri is moving as necessary for public safety.

Mr. Dunne – I mean I can't imagine that any of the members of the board would oppose funding an Order that we're under.

Mr. Robertson – You would certainly hope not.

Mr. Dunne – The Building Official who reports to the State Building Official...

Mr. Robertson – Specifically if the building has to come down “hot” and it costs us three times the amount. I mean I’m not an expert but if you look at that figure and then that report there’s approximately \$1 million for demolition work. If the figure is three times or four times we’re talking \$3 to \$4 million. That’s a rather large price for the City of Derby and the (inaudible.)

Mr. Dunne – That number hasn’t been indicated though by the consultant, correct?

Mr. Robertson – That price there is from the consultant who has contacted – what’s the name of that construction firm...

Mr. Dunne – No what I’m saying is your characterization of that total number being – could be three to four times.

Mr. Robertson – If the total demolition had to be done “hot” we’re told that the “hot” material has to go to one of two sites – one in Ohio, one in Pennsylvania and they physically remove it there and it’s three to four times the cost as opposed to removing it here and then you take the demolition to where you normally take demolition at a straight price.

Mr. Dunne – We have consent from the State Building Official and the Local Building Official that most of this can be taken down in pieces. It can be remediated then demolished to the extent...

Mr. Robertson – Within the availability of it being a safe site for the (inaudible) to enter.

Mr. Stevens – Any other questions?

Mr. Russo – Obviously this is new information we received tonight so we appreciate your update. “Hot”, which you are talking about there is if the building is to be demolished with the asbestos still in. And this is a matter of public record at this point in time so what you’re saying is \$898,000 to remove and demolish this if it was “Hot.”

NUMEROUS VOICES – COULD NOT DISTINGUISH

Mr. Dunne – After it’s remediated...

Mr. Stevens – It says “any “hot” demolition wastes will be disposed of at prevailing rates.”

Mr. Russo – Again, I haven’t had an opportunity to read it so...

Atty. Coppola – What he’s referring to there is they can’t get into a basement. (Inaudible) except for the basement.

Mr. Russo – We have – correct me if I’m wrong – but you indicated that there is someone here that provided – from Desimone...

Mr. Robertson – The engineer report – the author of that report is present.

Mr. Russo – Can we ask a question of Desimone in regards to the status of the buildings as to whether or not in his opinion people can actually physically go into those buildings to remove the asbestos.

Borys I. Hayda, P.E., Desimone Consulting Engineers – In response to your question yes the buildings can be entered but there are areas of the buildings that cannot be accessed safely. At the time that we access it (inaudible.) It's pretty obvious where the unsafe areas are – there are holes in the floor – things of that nature so that you can see where you shouldn't proceed beyond.

Mr. Russo – Did you have an opportunity to review the New Haven Register article?

Mr. Hayda – No.

Mr. Russo – I read that article, but I haven't seen this. But one of the indications in the article was that these buildings are pretty much leaning onto themselves and supporting each other. And if a building was to be removed then that could upset the structural integrity of the buildings as a whole – and I'm paraphrasing. Can you comment as to – we have five days to comply with the Building Official saying that this has to come down as quickly as possible. We've got yellow tape saying that people can't walk on the sidewalks. We've got reports that say most of this stuff is structurally unsound and we've got a price tag that says if you can get the "hot" material out we can remove at maybe \$1 million. I'm asking a lot of questions and things to think about but on top of that I guess one of my questions is also can we remove some of the material or does the "hot" material taint this stuff that can't be removed does it taint the other building materials that will be removed and then at which point in time we can't estimate how much this is going to cost to be removed.

Mr. Hayda – I'm not qualified to make any statements regarding asbestos. I can speak to the structural integrity, structural conditions. If there's any questions in regard to that I would be happy to answer.

Mr. Russo – Okay then the question then becomes if someone goes in there and starts removing the asbestos and starts upsetting the apple cart so to speak – those buildings – is it a question that we have five days to start removing buildings – is that...

Mayor Staffieri – The starting date is within five days and within 30 to 45 days that the remediation company told us it would take to remove. And what they would remove is what can be removed. If something will cause structural damage that might cause something to fall they leave it in place. And anything that has to be carted away "hot" there will be a certain degree of "hot" removal that once it's demolished has to get sent out and that's where some additional costs come in.

Mr. Russo – One of the indications was in the article also was the State Building Inspector Laux – this one is dated June 16th –

Mayor Staffieri – That was the very first report that was called in by someone that the wooden structure in the back fell and the City wasn't doing anything about it. The City

closed off the street and figured we had some time to do it but someone called the State Building Inspector who came down and said that it has to be removed right away – the part that was hanging down they wanted it removed and upon looking at the buildings he saw that there was loose brick, missing grout, the lentils that were missing, falling and that's why he ordered the City to hire an engineering firm to determine the structural part of these buildings. So upon being ordered to do that we did. We did both parts – the first part of removing and the second part by hiring Desimone.

Mr. Russo – So at this point in time there's going to be no more inspections by the State until maybe the buildings come down.

Mayor Staffieri – The State Building Inspector wants us to take these buildings down.

Mr. Russo – He wants them to come down – our Building Inspector wants them to come down.

Mayor Staffieri – Correct. Both Building Inspectors have concurred that they have to come down. And it says – they also go based on another report from the Governor's Office that was issued back in early May that this year they're expecting a bad hurricane season and that we're due to get hit. And this region is due to have one or two hurricanes. If we have one or two hurricanes we're in trouble. The City doesn't have enough liability to pay if something happens.

Mr. Russo – So at this point in time the objective is to keep the costs of demolition and remediation as low as possible by remediating the building as much as we can and controlling the costs and then taking the buildings down at a later date.

Mayor Staffieri – As soon as the remediation is done they want the buildings down.

Mr. Russo – Now how does that impact existing businesses that are within this zone of buildings?

Mayor Staffieri – Existing businesses...

Mr. Russo – I guess the Derby Jewelers and the Billiard Parlor.

Mayor Staffieri – Existing businesses will have to take action – they have to see wherever their problems exist and have to take action on taking care of what their problems are. The City has to be careful; we can't tell them you have to do this, you have to do that.

Mr. Russo – They own the properties – are they responsible for remediation of their buildings?

Mayor Staffieri – They're responsible – it's their problem, it's their responsibility. They own the property. City property we own the property it's our responsibility. So once we get to a certain point of demolition they have to make a decision that if they didn't take care of taking care of their property you know something – they have to vacate because we're being ordered to do this. It's not to our doing.

Mr. Russo – That was going to be my next question. Are the current businesses while the tape seems to go around them are these businesses habitable?

Mayor Staffieri – They're habitable up to a certain degree.

Mr. Dunne – If I could just point your attention back to Mr. Laux's letter of June 16th his statement "As I understand it the Town owns the multi-building structure with the exception of the buildings housing the Jewelry Store and the Pool Hall, which from a brief visual observation seem to be in acceptable structural condition." He did not require in his letter a study of those buildings. So I mean if there's an issue with structural integrity of the buildings that the City doesn't own that will take its normal course through the Local Building Official (inaudible.)

Mr. Russo – One of the issues I guess there's a common – when they were demolishing one of the buildings it appears that there are walls between some of these buildings. The indication is that one building holds up the other building...

Mr. Dunne – To the extent that that would be a legal issue for the City (inaudible) I would suggest that would be something that we discuss in executive session.

Mr. Russo – That's fine.

Mr. Kelleher – Mr. Chairman this is my first night tonight and I have a couple of questions. Mr. Robertson had told the Mayor the figure of \$898,000 he said that could be triple that amount of money if it comes out that it has to be taken down "hot."

Mayor Staffieri – Whatever – if it's just taken down "hot" let's say something happens and the circumstances change if it gets taken down "hot" everything gets carted away. Connecticut is not set up to do...

Mr. Kelleher – No I'm just wondering if it gets to be three times that amount do we have three times that amount?

Mayor Staffieri – The City's going to have to come up with it somehow...

Mr. Kelleher – In the next ninety days. And I guess in the other report from Desimone concerning the Derby Jewelers it does say in the last sentence "Adjacent demolition activities could easily destabilize this portion of the building and cause damage to the masonry wall." Here's where I would think that building would be damaged by taking down the building next to it, which is scheduled to come down therefore I think Derby Jewelers should be...

Mayor Staffieri – That's what the State Building Inspector and City Building Inspector said that these property owners would be informed if they have any kind of unsafe situation that they would be required to do whatever is necessary...

Mr. Kelleher – Make their building structurally sound.

Mayor Staffieri – Yes but we have to be careful what we can advise them.

Mr. Kelleher – But Derby Jewelers is aware of it.

Mayor Staffieri – They know – we've given notice to both their lawyers.

Mr. Stevens – Mr. Mayor do the property owners have a copy of the Desimone report?

Mayor Staffieri – Yes.

Mr. Stevens – In the last paragraph Desimone states "The occupied buildings are currently relying on the adjacent structures for their stability. Given their uncertain structural state, it may be more prudent to remove them as well. If the occupied buildings cannot be demolished, they should be vacated during demolition to maximize public safety. Prior to reopening, appropriate repairs should be made." So that's in the Desimone report – that's what it means – public safety issues. Any other questions.

Mr. Russo – The question that I do have in looking and once again not having an opportunity to read it and evaluate it but the \$898,000 that is indicated in the AER report is that a minimum?

Mayor Staffieri – It's an estimate.

Mr. Russo – (Inaudible) \$898,000 it almost seems like a perfect atmosphere in that you're able to remediate all the buildings. So \$898,000 would be almost the minimum. It can be substantially higher than that because of the instability of the buildings and the inability to remediate the asbestos.

Mayor Staffieri – It can be three times, four times more than that price.

Mr. Stevens – There will also be a meeting tomorrow night Mr. Mayor.

Mayor Staffieri – Yes that's the meeting informing the Board of Aldermen and the Tax Board. This is all happening events.

Mr. Kelleher – I'm sure they'll take it well.

Mr. Stevens – What time?

Mayor Staffieri – Tomorrow's meeting is at 7:00 p.m.

Mr. Stevens – Any other questions?

Atty. Coppola – If I just may before Mr. Skolnick speaks – the Mayor and myself a few weeks back were approached by a property owner to consider whether or not his particular property could be incorporated into the project. This board has a legal obligation to take that request and take the steps necessary to come up with a presentation as to whether or not property could be incorporated into the plan. We have an Agreement with the developer. The Mayor and myself requested that the developer retain their engineers to present discussion and evidence to this board as to whether or not the property as existing in the redevelopment zone can be incorporated

into the proposed plan. And you have conceptually up there behind Mr. Dunne's right shoulder and to provide us with some type of idea as to whether or not the existing property could be incorporated into the plan. I've asked the developer to come tonight with his engineers to make a presentation to provide the board with evidence as to whether or not that can take place. With that said because of what the law requires this board to do I'm going to open it up to Mr. Skolnick as the developer to make that presentation with his engineers.

Mr. Dunne – Can I just ask a question before we get started. I'm just confused – we've heard repeated statements that the businesses want to be relocated. They support the project; no one is trying to stay. That's what I heard unrefuted three times tonight in the public portion. And yet we're also had a request from the same people that they be incorporated into project zone.

Atty. Coppola – This started with one request, but we took it upon ourselves to ask the developer if you're going to have one property owner make that request we might as well discuss the rest of the property owners. It's not the business – don't get that confused with the property owners. It's the actual property and structures on them.

Mr. Dunne – Right. But I just want to be clear – it sounds to me like we have conflicting messages from the property owners. On the one hand we've heard them say they want to move; they don't want to be an obstacle and they support the project. On the other hand I'm hearing that we're trying to incorporate their existing footprint into the project.

Atty. Coppola – In my office and the Mayor requested that of one property owner. You have to comply with that.

Mr. Dunne – Just one point of clarification – you said earlier we have an agreement with the developer. You're referring to the Preferred Developer Agreement between the City and the...

Atty. Coppola – That's right. So therefore they are the proper party to come before this board to explain.

Mr. Russo – So what we're talking about Mr. Coppola is we're not talking about incorporating the business; we're talking about incorporating the land and buildings as they physically sit right now not being changed or moved.

Atty. Coppola – The status of our law is...

Mr. Russo – But that's what the request is.

Atty. Coppola – Deals with a property owner's request – not business.

Mr. Russo – The physical property – real estate.

Atty. Coppola – Not a tenant owned (inaudible.)

Mr. Russo – To build around the real estate that currently exists.

Atty. Coppola – Or incorporate it or whatever.

Atty. Coppola - So with that said I asked the developer for a presentation.

DISCUSSION AND PRESENTATION BY DEVELOPER REGARDING INCORPORATION OF EXISTING PROPERTIES INTO CURRENT PLAN

Mr. Skolnick – I would like to welcome Mr. Kelleher to the agency. In response to the request to come before this agency and discuss the possibility of including the existing properties within the Redevelopment Plan. We went out and invited our engineering team and our planning team to help give the agency more factual information than we as developers (inaudible.) But first I should say that one of the first exercises that we went through as a developer with our planners was to take a look at the existing condition of the properties and to consider the existing network of assets within Derby in general and then within the redevelopment district in particular. So I assure you one of the first things we did was assess can we incorporate existing buildings or existing properties into the plan. Tonight we've invited Lucy Wildrick from Street-Works, a partner in our planner at Street-Works, together with some of the civil engineers and structural engineers. But I'm going to invite Lucy up first to review some of the essential components that went into the planning of the current plan. And then perhaps some of the other engineers can come up and talk about other components to the redevelopment area. Tonight John Plant of Langan Engineering is here and also Borys Hayda of Desimone Consulting Engineers. Thank you.

Lucy Wildrick, Street-Works, LLC, 30 Glenn Street, White Plains, NY – Thank you. Let me start by talking a little bit about how we came to work with Stoneridge Partners. They came to us I believe because of our background in designing Main Street mixed-use developments and not just as planners and designers but also as developers. Because we understand not simply the design of a district, such as we're proposing here, but also what makes it financially viable for a developer. We understand all of those components so as we looked at this we had all of those things in our head. As Robert explained we came to Derby and we looked at the overall downtown of the City of Derby so that we could understand the site, the conditions of the site, but also we started to look at what role that site could play within the larger area of downtown Derby. We know that as a redevelopment district it was intended to be one that provided both economic benefits to the City as a whole but also would act as an engine for adding vitality to the downtown district. So those things were also in our head as we looked at this. As planners we needed to consider both the opportunities and the constraints of the site presented; there are many of both. It sits on the river, which is a wonderful asset but between the site and the river is a levee, which is a good number of feet higher than the site is in the center. The levee top is about thirty four feet in elevation. As we looked at what's going on with the front of the site along Main Street we recognized that Main Street also was rising. It's lower at Factory Street – it's about thirty feet in elevation at Caroline – it rises up to 50'+ at Elizabeth so there's a lot of slope there. Slope can work for you and it can work against you. We always like to see what we can do with it to make it most helpful. When we considered how we needed to invigorate this site we identified the river and Main Street and its connection to the existing downtown as its greatest assets. In order to capitalize on those assets our belief is that you have to connect it physically at a single grade. When you're developing, designing a retail environment having – being able to design it at a

relatively flat grade is a real plus. Here in Derby you have the other example, which is a pretty sloped Main Street, which poses its own issues for property owners. It limits the flexibility for tenancing those spaces, of being able to expand or change (inaudible) of where the entrances are it makes a little bit more challenging. What we like to do on our Main Street developments is to create as much flexibility as possible in the retail component so that there is more opportunity into the future to make sure that it is viable. Therefore a level – as level a Main Street as possible is one of our goals. It also creates a comfortable pedestrian environment, which is something that we wanted to create. We knew that we wanted to connect to the existing street network in Derby because that's a way of knitting the new into the old and of using the traffic that exists today and help bringing it into this development and sharing that with the existing development downtown. And we looked at what the opportunities would be in each of these streets in making those connections. As I said we focused on Caroline Street because of the grade opportunities connecting the grade of Main Street with the top of the levee. That's a nice flat slope there – actually no slope, which is perfect for retail. If we had connected either at Minerva or Elizabeth we're dealing with much more slope at that point to the top of the levee. So it was less than ideal. In addition a certain length of Main Street is optimum. If it's too short you don't get the critical mass you need to have enough retail to draw people on a regular basis. So we wanted to be able to get as long a Main Street as possible – another reason that we selected this location. In addition we wanted to have as long a parking structure here in the center of the project to increase its efficiency and make it as effective as possible for this development. All of these components are really essential to the success of the project. We needed to make it financially viable (inaudible) market driven. And those components all contribute to those characteristics in this development. You've seen this plan over and over but you may not have heard before kind of the intricacies of the development. A lot of thinking and many hours went into figuring out the best ways to utilize this site. As I said parking is a very important component and we've used it to fill in the gap between this level, kind of a deck, at elevation 30 or so and we've brought the parking below for the most part to make the most efficient use of the site. In addition we've looked at Main Street and how in a preliminary manner how we believe its going to need to function into the future to serve both our project and downtown and in our preliminary thinking we have set back our buildings from the building face today along Main Street. We've pushed it back so that we can add a turning lane on Main Street, which will help ease the traffic flow through that area and still maintain the on-street parking, which we believe is important. The details of that will have to be developed as we move forward but we believe it's important to be able to push that back and also to incorporate a sidewalk along that edge that is wide enough to be a pedestrian friendly environment. Caroline Street as we've proposed it is wider than the street that exists today. Again it allows two-way traffic with parking on both sides; a very important component of an active Main Street district and wide sidewalks that can accommodate outdoor dining, which is another way to activate a place and make it feel very comfortable. So those are some of the components that went into our thinking about designing this plan. With those components in place we recognized and actually as we were developing this it became evident to us that it was not going to be physically feasible to incorporate existing buildings into the project and we have a couple of diagrams that illustrate why that's so. At grade here what we've done is overlaid the building footprints on what exists there today. You can see here we've pushed back the line of buildings, which creates a great street wall on Main Street so it will replicate the kind of environment you have today but it will make a wider

street to accommodate more of the amenities that we've talked about but it does encroach upon this row of buildings all along Main Street. On Caroline we've widened that street and run it this way but in addition that street is at a different level and we can look at a diagram illustrating that. It's above the Caroline Street that you know today. We also – one of the key components that I didn't touch on is how you (inaudible) a sense of place for this development from the beginning. This development needs an address and it needs an entrance that draws people. We need people to recognize that this is a new place – some place that you want to go. It's not part of a (inaudible) so you need to draw people in. There's not a place here that they're going to get to by going through the development. We knew that we needed to make a statement at our main entrance, which is this Caroline Street access point, so these two buildings were very important. When we looked at Water and Factory Streets the potential of using this as an access this potential went out the window right away because we didn't control either side of that entrance point; we did here and that was very, very important. So these two buildings are also essential to the success of the project. Again the key component on Caroline Street is not only are we kind of cutting through those properties but we're doing it at a different level. I have prepared a diagram here which shows you a photo montage of Caroline Street today with the businesses – many of which are viable on-going businesses today, but the proposed development is such that Caroline Street is going to be raised considerably and would essentially run right through the middle of these buildings – ten, twelve feet up. So there's not a way for us to preserve these properties as viable properties within this development district. It runs counter to our need to create that platform connecting Main Street with the levee.

Mr. Skolnick – The street wall and (inaudible) the new Main Street or new Caroline the (inaudible) the rendering here to the left.

Ms. Wildrick – What you can see in this rendering it's a view – it's elevated a little bit but you can see this important connection to the river beyond Caroline Street and as Robert said we've created a street wall on the new Caroline Street so that you have a real sense of enclosure and space – a comfortable place to be. It's similar to what we are going to be able to create along our side of Main Street. Replicating what's there today and what's on this side of the street as well. So you'll have a great Main Street feeling here as well as through the project establishing a street wall all the way along and the intention is to design buildings that have a lot of character, that are different – don't appear as a single development. Each one of them will have its own architecture and detail so that it rates as a series of buildings that may have developed over time.

Mr. Skolnick – I think what we could do now is call John Plant to talk about how we will get the road up here and what's necessary to do that.

John Plant, P.E., Langan Engineering Environmental Services, New Haven, CT – I think Lucy gave you the planning reasons why the elevations are the way they are and why the lay out is way they are from an engineering point of view that means a series of things have to happen on site. The first being the buildings that are there need to come down. Second based on what we know of the site and the soil on the site there needs to be soil preparation. It's very soft soil – it's in a flood plain – very soft soil so we're proposing some soil preparation on the site once the buildings are removed.

And then the site will be raised – whether it's an embankment, (inaudible) roadways, or structural as part of the building. So I think horizontally you see where the buildings are located on this plan – again green are the proposed buildings (inaudible) and the hashed area are the buildings that are remaining on site. As you can see those buildings don't align with Caroline Street – they're pushed off of Main Street – and in various locations within the site they're laid out. This entire parcel, redevelopment parcel, with the exception of probably the water (inaudible) at the top of the dyke we're proposing some kind of soil treatment to prepare it for loads that aren't out there today. You see that the heights of the buildings, although this is a rendering, but the heights of the buildings that are being proposed and what you see here in red is the elevation we're planning on raising the site to in this section that essentially runs along Caroline Street. Physically raising the site but also buildings of varying heights depending on what's going in – retail ground floor – different buildings have different things whether it is office or residential. The building heights will require (inaudible) on what we do now some treatment of the soil. But I think it's pretty straightforward to achieve the planning goals a significant amount of infrastructure, site preparation needs to take place within this redevelopment parcel.

Mr. Skolnick – You know John you made a very interesting point and we hadn't mentioned it which is once the buildings come down in order to prep the site there's a need for relocation of existing utilities and infrastructure and then distribution of new to accommodate the new plan. And I think that's essential also to the success of our redevelopment plan.

Mr. Plant – Several utilities that run through the site – sewer, gas, certainly have water, gas, sewer coming down to the treatment plant, storm water – all of that is going to require some intricate phasing, relocation prior to preparation of the site. Special treatment depending on which utility. But there's a significant amount of infrastructure that needs to take place on this site besides just prepping the soil and taking down the buildings. As you can see some of them are indicated on here on the survey crisscrossing the site are various utilities. Whether they are to stay or if they need to be moved because they are not longer needed there is quite a bit of phasing relative to the utility work.

Mr. Dunne – I just wanted – you used some terminology and I'm not an engineer but you kept referring to the treatment of the soil. I've looked at that cross section that you shown showing the grade up somewhere around the second story of those buildings. Now does that follow all the way through the site – that grade level?

Mr. Plant – Treatment of the soil is relative to geotechnical conditions not environmental. Just what we know of the site right now its very soft, flood plain, you wouldn't put buildings of this height or this weight on this soil so there needs to be some preparation. What we're proposing right now is called "Dynamic Compaction." We will bring in a machine, pound it down and pre-compact it before you load it and put a building down. So that's what we're proposing now based on what we know.

Mr. Dunne – So you're talking about after you raise the grade...

Mr. Plant – No after we take the buildings down we will prep the existing soil. Because any soil that we bring in we'll compact that so that will be compacted as part of the

construction costs. The existing soil on the site is loose, soft – we will pre-compact that and press that down so we'll start with a nice firm base to build up from.

Mr. Dunne – It is possible to leave any buildings in place (inaudible?)

Mr. Plant – Not from what we know of today – not within the redevelopment site based on soils that we're aware of today.

Mr. Dunne – And that buildings that are proposed couldn't be built without that process.

Mr. Plant – There's always an engineering solution. It depends on how much you want to spend. There's a number of different possibilities but we're looking to provide the most effective process. With any other solution you still need to take these buildings down. The other question grade wise – elevation 30 at Caroline runs to tying into the top of the dike, which is Rt. 34 so that's a pretty flat grade. Come back up along this – this is fairly flat (inaudible) then this raises up to meet at Elizabeth at approximately 50. The retail section is fairly flat, the residential section has a little bit steeper grades so (inaudible) to match the Main Street connections. So fill throughout the site 30', 20', 35' (inaudible) then the buildings.

Mr. Stevens announced that he has a family emergency and that he needs to leave the meeting. Mr. Stevens asked Mayor Staffieri to fill in and Chair the rest of the meeting.

Mr. Skolnick – Just to complete our presentation and to recap for many reasons and something that we heard earlier from the Mayor's assistant these buildings are coming down now because they're falling down. But regardless of that had they been in perfect shape this plan would require that we take them down to set our buildings back to deal with the site work. The important and essential components at the new Caroline entrance is the gateway where currently there exists no buildings on that property and site work and relocation of utilities have to occur. Along the new Caroline again it needs to be widened. Buildings will occupy access to the parking, the raising and distribution of utilities and the raising of the roadway. The road then cuts through the buildings that you see on Lot 187, 188, 189 and 190. Just talking about the particular properties on the map and why this plan cannot incorporate their existing properties into the Redevelopment Plan.

Mr. Dunne – If I understood all of them would be varied by twenty or thirty feet of soil anyway.

Mr. Skolnick – I don't know if all of them would be varied by that much but at certain levels, certain components certainly. I don't know John is this – I don't know how many feet this is in this drawing.

Mr. Plant – Yes they will be varied I don't know how many feet I guess I'm saying.

Mr. Skolnick – And part of that all started in the very beginning when we were trying to create a viable development within the redevelopment district. One that is

economically viable, physically viable and one that is an engine for economic growth in Derby for years to come.

Mayor Staffieri – After the buildings are taken down I've heard of prepping the site. What does prepping the site mean? Are there piles that are going to be driven into the ground? How is this soil going to be compacted?

Mr. Plant – Mr. Mayor we're certainly at a preliminary stage with investigations and completely understanding the site. But from what we know today our recommendation to avoid piles is to prep – to do the dynamic compaction of the existing soil to get into a certain capacity to handle the building and the fill on top of it. Each building will be looked at specifically when the final designs are done. But that's the soil preparation that we're proposing at this point. Various locations may have different treatments – we have the retaining wall along Main Street that's going to have to be maintained to maintain the integrity of Main Street. There may be other structural solutions relative to that – backfilling that – various ways to approach that. But in general the site proper, away from those constraints – the levee, Main Street, that's what we're seeing as prepping geotechnically preparing the site for all the work to come after that.

Mr. Skolnick – Isn't it also part of that plan would be for whatever environmental issues to be (inaudible) encapsulated within that process.

Mr. Plant – That could be a benefit of that process as opposed to disturbance.

Mayor Staffieri – Where I have a concern is if the soil is going to be compacted you have sewer line and a gas line that comes roughly from the Derby/Shelton Bridge that cuts across and follows along the dike. Now that's going to have to be raised – you're going to have to disconnect it, compact it – how are you going to handle it?

Mr. Plant – There's going to be challenges (inaudible) Mr. Mayor. And I will compliment our own planning and design team for having the foresight to see and provide this road here over the location of the existing sewer line. So we can hopefully phase that work very efficiently and effectively. This sewer we still have to evaluate the structural characteristics of this existing sewer line. We've had conversations with the W.P.C.A. about its capacity and its structural integrity. But what we're envisioning right now is that we'll maintain that sewer at probably an expense because of having to retain that, construct around it and install a new line from one end of the project to the other, get that activated and abandon the existing. That's the concept right now. There's a lot of engineering to be done; but that's the concept right now. We recognize there's significant infrastructure within the site – you know utility infrastructure. And we've had conversations with the gas company – we've talked to them and how they're going to approach it. They're feeling pretty comfortable about how they're going to approach it.

Mayor Staffieri – So the rest of the City won't be interfered with.

Mr. Plant – That would be the plan. We know the value of this sewer trunk line serves the rest of downtown and that's the design moving forward would be to retain that (inaudible.) One of the fun parts of my job.

Mr. Russo – Mr. Mayor a question – one of the concerns that we've had over recent months you indicated that the soil tests and things of that nature are at a preliminary state. Have all the properties been evaluated as to “perc” tests or whatever tests that you need? I mean have you been able to gain access because I know there was a question going back a couple of months ago where we sent letters to the property owners.

Mr. Skolnick – For the purpose of considering integrating the existing properties...

Mr. Russo – I understand it doesn't have anything to do with integrating the existing properties but as far as the structural needs and the infrastructure that has to be put into place have we been able to identify all the properties on the site?

Mr. Skolnick – I haven't gained access to some of the properties but we reasonably believe that this plan together with the engineering outline is viable.

Mr. Russo – So you've gained enough understanding of the property to know what your limitations are.

Mr. Skolnick – We still – I think John is it fair to say that there are still some tests that need to be performed as we gain access to a couple of properties within the new Caroline corridor. But we expect them to be in similar condition to what we have tested.

Mr. Plant – Yes. There's investigations to be done – geotechnical investigations need to be done. There's a number of holes that have been poked out here over the years. We have the detail design drawings of the levee – they did some work based on that information we developed our assessment how to approach it, what types of soils.

Mr. Russo – So based upon the letters that we sent there's still properties that access has not be allowed.

Mr. Skolnick – That's correct.

Mr. Dunne – But you have sufficient information about what was in filled – at least in the modern era.

Mr. Skolnick – Again historical.

Mr. Plant – We have nice maps showing where the shoreline was over the years. The raceways – there's a lot of geotechnical consideration (inaudible.)

Mr. Dunne – The existing underground utilities are the sewer and the gas, water.

Mr. Plant – Storm also.

Mr. Dunne – The aboveground utilities that I'm looking at these will be below ground in the redevelopment.

Mr. Plant – Yes.

Mr. Dunne – I have to correct one thing you said.

Mr. Skolnick – Okay.

Mr. Dunne – If the buildings (inaudible) in pristine condition none of us would be here today.

Mr. Skolnick – Again to finalize, recap – in responding to the RFP that was the catalyst to our entering into a Preferred Developer Agreement with this agency we were commissioned to create a mixed-use development plan to assure the economic success and revitalization of the downtown. We have worked with our planners to create a cohesive plan and essential to that plan is creating this place as you heard from our planners at Street-Works. In order to do that essentially there's not going to be a parcel, a piece of land that doesn't get untouched and treated prior to the development and during the development. And so we've gone through quite a bit of scrutiny both within the agency and publicly regarding the concept plan. And I believe to the best of our ability tonight we've addressed some, many, if not all of the issues relative to the possibility of including or incorporating current properties within this plan. I'm sure our team is available for questions – if you have any questions of me I would be glad to answer them.

Atty. Coppola – Any more questions from the board for the engineer? We need a motion.

A MOTION was made by Mr. Dunne with a second by Mr. Russo that this board reached a finding that existing properties cannot be incorporated into the Project Plan as presented by the Preferred Developer. **Motion carried.**

UPDATE FROM DEVELOPER /DISCUSSION REGARDING D.O.T. PROPERTY

Mr. Skolnick – With your approvals can we allow the engineers to make an early exit?

Mr. Dunne – You're paying them.

Mayor Staffieri – I don't see any reason for them to stay.

Mr. Skolnick – In no particular order, just general update. As many or all of you should know the sign has been erected announcing the new Redevelopment Agency members and a new image from the previous administration. Our engineering team, of which you met many tonight but not all are well underway in the costing effort and are progressing well and we're still on target to be complete with that engineering and costing exercise toward the middle end of this summer as had been previously stated. With all due respect to Mr. Auerbach relative to his comments about negotiating with the developer and what we all heard Mr. Auerbach make reference publicly I've been waiting – I've met with all of the owners in the district that are here tonight. I welcome – I think they have my telephone numbers – I welcome their calls and in particular I've been waiting for Mr. Auerbach's call and his promise and pledge to me was that he would call me with the value of his property and I welcome the opportunity to sit down with you and negotiate for your property any time. I hope you have my phone

numbers; I've left them at your office and I have handed them to you in person and I would say that for Mr. Calvert and Mr. Yacobacci that holds true. If there's information that comes up publicly at a session please feel free to call me. Whether or not there's a Redevelopment Agency meeting if there's information that you require or are unsure of I would be happy to sit down with you. I do – as many of you have heard are sometimes bothered by comments made that you're standing in the way of development. I feel similarly that comments are made that the developer is not talking to us. And the fact is I welcome it and I have talked to all of you in this room at one time or another and would like to continue that dialogue. I know that there's an item on the agenda tonight regarding the D.O.T. property. I don't know if I should sit down and come back for that discussion, but that essentially is my update for this evening.

Mayor Staffieri – I would say just go right into it.

Mr. Dunne – I just want to ask a couple of questions. By way of trying to address some of the concerns that were raised earlier tonight there's nothing in the agreement between the City and your partnership that would have required you to deliver anything new since say January.

Mr. Skolnick – Not that I know of.

Mr. Dunne – And beyond the PDA, the Agreement and the Redevelopment Plan there are no and obviously the work that your engineers are doing need more work until it's presented to the City, which (inaudible.) So I just want to clarify – there are no documents that we're unaware of that should be on file somewhere or things that you owe us that we don't have to your knowledge.

Mr. Skolnick – Again not that I'm aware of. The reference made to I guess reading – Mr. Yacobacci read some minutes I guess of Redevelopment meetings and I can hear my reference to back of a napkin I'm happy to share how I developed that but they're not admissible to the agency; it's my opinion. Now I did pledge to study the D.O.T. piece and I stand by that pledge and I know it's on the agenda tonight. So no I don't know of any other documents or reports, missing information and none that I have been neglectful in submitting.

Mr. Dunne – No we're not implying you were neglectful. If there any documents that you might have presented in the past that are not available in the City to your knowledge?

Mr. Skolnick – No.

Mr. Dunne – I'm sorry if I mis-phrased that.

Mr. Russo – While we're on the subject and I'm going to ask Mr. Coppola just to clarify – it's my understanding that it's the City that is responsible for negotiating with the property owners and not the developer per the Preferred Developer Agreement and the Plan of Relocation.

Atty. Coppola – It is our responsibility to discuss with the property owners.

Mr. Russo – Correct. And he is not our agent acting on our behalf to negotiate with the property owners.

Atty. Coppola – No but he's...

Mr. Dunne – The PDA – I think I know what Greg – the PDA that we have, that we inherited states that the City will assemble the property and turn it over to the developer.

Atty. Coppola – That is correct.

Mr. Dunne – Nothing prevents the developer from going out, as they have already on several sites, and purchasing individual properties where they can reach an agreement.

Atty. Coppola – Absolutely not.

Mr. Dunne – But in terms of the City being involved in the acquisition of properties that is the agreement that we are bound by. We are required to do that by a certain date if it's not otherwise done.

Mr. Russo – And we have actually not so much imposed upon the developer to aid in the negotiations with the property owners but its not his responsibility to do that. For the record I just want to make sure that's clear. It's the City's responsibility to negotiate with the property owners to take Title to the property.

Atty. Coppola – That is correct. That does not mean that we cannot...

Mr. Russo – I'm not saying that. It isn't his responsibility to negotiate with the owners.

Atty. Coppola – No the responsibility is our responsibility.

Mr. Russo – That's absolutely right. I just wanted that clarification.

Atty. Coppola – Does the board wish to consider requesting the developer to give some type of opinion regarding the D.O.T. property? Would the developer be interested in doing something like that?

Mr. Dunne – I think we need to have a discussion and then talk back and forth – because that's what I would like to do. Because I have some questions about the history of it first. And the reason why I'm confused is I've heard several different versions of how this parcel is dealt with. I recall and I apologize (inaudible) not having the facts straight, but I recall that there was a statement by the developer at some point and I'm going to say October of last year that the D.O.T. site was viable for relocation. And that was a statement from the developer to the City. That did occur or am I wrong?

Mr. Skolnick – I think the testimony you're referring to was that my opinion it's not viable but we hadn't completed all of the due diligence.

Mr. Dunne – So that's the same thing that Mr. Yacobacci was referring to earlier.

Mr. Skolnick – It sounds to me (inaudible.)

Mr. Dunne – And insofar as the agreements – question to corporation counsel – as far as the agreements between the developer and the City – my recollection of the PDA is pretty clear that the D.O.T. parcel could be used, may be used, is being made available by the City under that Agreement as a relocation resource if necessary and if feasible.

Atty. Coppola – If feasible, yes.

Mr. Dunne – And if it was not to be used any remainder property or all of it would stay – Title would remain with the City.

Atty. Coppola – It's always in the title of the City. The developer has an option to explore that as a possible relocation site.

Mr. Dunne – Now is there something that you want to talk to us about on the D.O.T. site? Have you done further investigation at this point?

Mayor Staffieri – Mr. Skolnick would you like to give us whatever update you have.

Mr. Skolnick – We've heard enough I think – this agency and the preferred developer on the topic publicly within these Redevelopment Agency meetings and outside and in the press relative to the D.O.T. parcel. I do think further study is warranted. The reason I felt to give you insight into my opinion that it wouldn't be viable on many different levels but one in particular in order as I understand it to development the D.O.T. parcel it would be necessary to negotiate either an easement or land swap with the private property owner to gain access to the land. In addition a roadway suitable for the public to enter and for private owners to enjoy the property would have to be built. In addition utilities and infrastructure much like we just talked about here relative to the downtown redevelopment district would have to be built and connected. And it's my understanding in order to do that utilities would have to run underneath the railroad tracks, which would require a whole different set of permitting issues. And as I understand it the D.O.T. parcel is within the – a portion of it is within the auspices of the Army Corps of Engineers since it is land adjacent to the levee. And so just from a timing perspective it would be my opinion that the design and permit locally would take at least six months. And then once approved by this jurisdiction would have to go to a number of agencies. I would ask that Mr. Dunne who deals with these agencies verify that and that could take another twelve months.

Mr. Dunne – There's flood plain and stream channel certifications from D.E.P. it took us eighteen months to get them.

Mr. Skolnick – So assuming it's not eighteen assuming its twelve because everyone puts pressure on these agencies and we've learned a little bit about (inaudible.) Six months of design approval/engineering, twelve months of permitting through the various other agencies – D.E.P. – that's eighteen months. Then it would take according to our professionals two to three months to do the site work necessary for the roadway – so now we're at twenty months – plus six months to build the road, infrastructure, sewer

hookups, storm drainage, bring in utilities – so now we're at twenty-six months. Then you would have to do site work to build buildings on that these owners from the redevelopment district – the site work for buildings to be built for their use – assuming it's one building that they share in condominium with each other. This site work would take an additional three months then you would have to build (inaudible) buildings sufficient for their use. I do that for a living – we build developments and buildings – twelve months would be an aggressive timeframe. So I just reviewed twenty months – twenty-six months plus twelve – thirty-eight months. Then if all of that – and forget about the financial implications, which are many, and this is why I say back of the napkin – then you could first relocate them over three years from now to start in earnest to demolish buildings and to do the site work you just heard intricately described it sets this redevelopment project back so far that I don't think that benefits the residents of Derby or this Redevelopment Agency's mission or the project developer's objectives. Now if we talk about and I think we should talk about the dollars and cents of everything I just discussed and we're happy to help the agency apply realistic dollars to that. But when I said on the back of a napkin I believe that you should concur with your relocation expert and he should tell you whether or not it's a viable resource on the surface that its thirty-eight months away from today.

Mr. Dunne – It's not a viable resource under relocation. It has to be available and a building has to be there. That's the standard of the law. He's certainly not going to turn it up in a list of available sites because it doesn't conform with the law.

Mayor Staffieri – Can I ask you – I hate to even ask it and don't answer if you don't feel like it – guesstimate on what that cost would be? We won't hold you to it.

Mr. Skolnick – You would hold me to it (inaudible) one of the effected parties would bring it back. But we're happy to apply – if you pass the threshold of 38 to 40 – and that's assuming nothing goes wrong – no construction delays, permitting issue, hitting rock on the site, environmental issues – it's a perfect scenario and I've never developed a site that it went perfect – if you feel that you need some assistance work we would be happy to meet with the City Engineer and apply an actual budget to the costs of building access, building infrastructure, pumping stations and the like to create access. We're happy to estimate the cost of doing site work and erecting buildings on the parcel and I would think that your agency could contact the relocation expert and get his advice and the City's environmental consultant, which I think is Arthur Bogen, and get his opinion on the environmental issues relative to the D.O.T. site. But I would say, at the risk of responding publicly, that you're looking at many millions of dollars; many millions of dollars.

Mayor Staffieri – You're not talking about one or two or three.

Mr. Skolnick – No.

Mayor Staffieri – Now correct me if I'm wrong – any of the board members and you Mr. Skolnick – who would be responsible for these millions of dollars that... Ms. Taxpayer? As a little scenario – I'm saying these numbers – say its \$3 million and that equates to 6 mills...

Mr. Skolnick – It can't be possible to do \$3 million.

Mayor Staffieri – Okay – I'm being conservative.

Mr. Skolnick – No it has to be more than that.

Mr. Dunne – You know what Mr. Mayor I wouldn't press the developer on this point. What I would tell you that I as a member of the Redevelopment Agency I would really be concerned about this for one reason. There's a liability for relocation costs. Those relocations costs are going to be determined not based upon what the D.O.T. site costs to occupy but what reasonable relocation costs are – what the current values of these properties are. And if we push the developer into this and my reading of the PDA we're basically going to trade off a loss of a number of millions of dollars. And if we do that it will be the taxpayers who will be responsible for this.

Mayor Staffieri – It would be the rest of the City...

Mr. Dunne – The rest of the City would end up subsidizing that. There's no other way to do it. The developer is not responsible for the cost beyond the law in terms of relocation, reimbursing us – the City – for the costs beyond the law in terms of relocation and Fair Market Value of property. And honestly the number in my head for dealing with that site and actually building buildings is well over \$5 million – probably \$6 million - \$7 million to deal with the whole thing because I looked at it when I worked for the City. I would be concerned that if we pushed the developer into this – I mean honestly as a member of this agency I don't want to waste any more time on this issue; it's a distraction. And it's clearly not viable for this redevelopment project as an option here.

Atty. Coppola – The Relocation Agent has been retained for about six months – not thirty-eight months. We can't keep him around for thirty-eight months. His job is to deal with property that's existing right now.

Mr. Dunne – I mean – at the risk of speaking publicly about something that should may be done privately if the City's Board of Aldermen were willing to entertain straight swaps of land and let the new owner's of the land figure how to get to it and build it and do all that...

Atty. Coppola – That's so beyond us.

Mr. Dunne – Yeah that's not us. But I don't see it happening any other way.

Mr. Skolnick – Mr. Dunne I believe that you're absolutely correct when you refer to the Preferred Developer Agreement in the reference to the private developer being obligated to reimburse the City for relocation - legitimate relocation expenses according to the Statute and the Market Value of the buildings in the district. And that does establish, even if we're prepared to pay a premium, which I've gone on record – forget about going on record (inaudible) – I've done it and closed on properties within the district and I would be prepared to do it with the private owners even now. But my point is that if those owners in order to get more land or some trade off were willing to accept land and develop themselves in equal or approximate value to their buildings today I guess then maybe that becomes viable.

Mr. Dunne – So long as they're off the site when the development needs them off the current site.

Mr. Skolnick – Correct, which is rather soon. So I mean I can't make that determination as the agency or as the City...

Mr. Dunne – We can't either – that's the Board of Aldermen that's not us.

Mr. Skolnick – So I mean that was why – that is why it has been my opinion that the D.O.T. parcel isn't viable. Now there isn't a report to that effect, however we could again create paper. But when I say a back of a napkin I don't have to do so much financial projection to know that it's an endeavor that would be costly, very costly, to the taxpayers of Derby.

Mr. Dunne – I think it's a waste of time and effort and money.

Mayor Staffieri – Its obvious that its going to take considerable amount of time and money and that the taxpayers of this town are not going to look for a 6 to 12 mill increase to raise their taxes for that purpose. I can't see how we would get an overwhelming vote on that. Does any of the board members have any input?

Mr. Russo – My only general comments are it was my understanding that that property was even considered initially because of the National School Studios property.

Mr. Dunne – National School Studios is the reason it was given to the City.

Mr. Russo – That's my understanding. And that's really the only reason and that was going to be because of an influx of jobs and that would have made the property a potentially viable alternative.

Mr. Dunne – It would have carried all the underlying infrastructure costs.

Mr. Kelleher – It still is though right? It still is in case we want to put some industry over there.

Mr. Dunne – Sure. The City of Derby can market that property anyway they wish. But it is despite its location relatively close to infrastructure in reality it has as little infrastructure and access as Fountain Lake – none.

Atty. Coppola – And you know you guys are glossing over the fact that there's a private property owner in the way.

Mr. Russo – Of all access.

Atty. Coppola – Of all access.

Mr. Dunne – We always assumed (inaudible.)

Mr. Russo – The only access, and correct me if I'm wrong, the only true access to that property is either through Water Street or through Division Street.

Mr. Dunne – The only – technically the parcel is landlocked. The D.O.T. landlocked the parcel when they owned it. They assumed all future development; they were going to keep it and they landlocked it. The last thing they did was institute a “no cut line” at Route 34 when they rebuilt the (inaudible) entrance ramp to Route 8.

Mr. Russo – So that is not a viable alternative.

Mr. Dunne – We will never be able to come in there. We're going to try to get an act of the legislature, the signature of the Governor and the Attorney General just to get pedestrian access for the trail off of Route 34. That's what it requires.

Mr. Russo – The reason why I even bring this up Rick is because you drive by that property and see the “driveway” and the fence there and you say what's so difficult about this. But I think really what it is is legislation that prohibits access to the property.

Mr. Dunne – It will never be a working entrance or exit to the proximity to the entrance ramp to Route 8 – the signals for Route 34 and the desire of everyone who ever comes out of there to try and go left anyway. There will never be access from there. There's only two ways to access it – one is over the private parcel to the north off of Division Street, the second way is at a cost of about \$4 million and sacrificing about half of the usable land to build an overpass from Ansonia Court Main Street where the train station is over to the other side and to get up 23' above the grade of the rail line and back down you waste virtually all the good buildable land; and it's a fortune. Those are the only two ways to get in and out of there. There's a potential eventually for an at-grade rail crossing but if it's a primary access the State will never (inaudible.)

Mr. Russo – My concern is as a member of the Agency what we have to be responsible for people bring it up and I wonder if they really realize that fiduciary responsibility I think that we're taking this seriously, but at the same time you've said it many times if you say it fast...

Mr. Skolnick – It sounds good when you say it fast.

Mr. Russo – But the reality is when you look at this piece of property whether it was done on a napkin by a person who has experience developing land and property and you come up with a figure that is well in excess of the estimated fair market values of all the properties that have to be relocated...

Mr. Skolnick – And a significant multiple.

Mr. Russo – A significant multiple – then the fiduciary responsibility that we have is also to the total citizens of the City of Derby and the taxpayers as a whole. And I think by having the discussion tonight, whether we leave it on or take it off, I believe what we have to do is move forward in one direction or another. I think we have to either eliminate it or keep it on as a viable alternative. In listening to what's happening tonight I don't believe that it's a viable alternative and I have to agree with Mr. Dunne and say if there are other properties we have discount this one because these properties will not be available for at least two to three years at which point in time none of this happens.

Mr. Skolnick – I agree. You also have the prospect of spending significant capital now on demolition, remediation – I'm sure you're going to want to be reimbursed as quickly as possible – not thirty-eight months from now. And we've been working as a public/private partnership to get this thing done and to work with the private property owners. We've been successful with some, not with all of you.

Mayor Staffieri – Any other questions for the developer.

Mr. Russo – I would like to entertain a motion to eliminate the D.O.T. property as a viable alternative for relocation as part of the Relocation Plan for the City of Derby.

A MOTION was made by Mr. Russo with a second by Mr. Dunne to eliminate the D.O.T. Property as a viable alternative for relocation as part of the Relocation Plan of the City of Derby.

DISCUSSION ON MOTION

Mr. Dunne – Given the context of the PDA is a Resolution of the board that we feel that it is not viable.

Atty. Coppola – Well if you want to add with regards to relocation for this project...

Mr. Kelleher – Let's not take it off the table completely.

Mr. Dunne – Right.

Mr. Skolnick – Well there's redevelopment on Phase II

Mr. Kelleher – Right – 1B

Mr. Russo – 1 A

Mayor Staffieri – With the amendment that it may be used in the future.

Mr. Dunne – The PDA says it can be used. That's what I just want to square – I want it to be very clear when we go on record for – I'm in favor of this because like I said I don't want to address the D.O.T. site at these meetings when we're trying to get this phase off the ground – I think it's a waste of time. So you know I would think a resolution of this body that we are at this time not considering the D.O.T. Parcel for relocation out of Phase 1 A and leave it at that for now. It doesn't affect the PDA it doesn't affect anything else. We can always revisit the issue in the future as a resolution. If that's acceptable.

Mr. Russo – I agree.

FRIENDLY AMENDMENT TO MOTION

Made by Mr. Russo, Second Mr. Dunne to add as a resolution of this board that we are at this time not considering the D.O.T. Parcel for relocation out of Phase 1A. **Motion carried.**

UPDATE REGARDING RELOCATION AGENT

Mayor Staffieri – I know Mr. Michalowski couldn't make it so Mr. Coppola do you have a report.

Atty. Coppola – Basically two topics. One is on behalf of the board we did retain the services of two appraisers – licensed appraisers. I chose them out of a list of approximately ten appraisers. I've never worked with either of them. I don't know if they have any connection with the City. And there was some discussion that they may have connections with a developer or a prior developer or a partner of the developer. I don't know if that's true or not; that's not how I made the selection. I made the selection based on pricing, which is very good pricing. And based on the fact that they can get the job done by July 15th – they have made the representation. Along the same lines of the appraisers going forward Mr. Michalowski has been going forward. He has I believe met with all of the businesses. I believe he has inventory. He is required to get inventory from all of the businesses as to what needs to be moved and so on. He did verify one party today. We had a discussion of that – I can't represent if he has succeeded with all of the others but he did inform me that for the August meeting he will be here with an update as to each of the businesses as far as success of getting in and coming up with a relocation value or not getting in. So for August we should have the appraiser's, we should have Mr. Michalowski's report and prior to that I will attempt to sit down with all of the property owners to discuss their appraisals and what the City can offer (inaudible.)

Mayor Staffieri – When will the appraisals be done?

Atty. Coppola – The representation, in writing, is July 15th.

Mayor Staffieri – So this coming Friday.

Atty. Coppola – In writing – Friday or Saturday, whichever...

Mr. Kelleher – Saturday.

Atty. Coppola – Saturday is the 15th so I would assume then by Monday. That was their representation.

Mr. Dunne – Those appraisals are not public information.

Atty. Coppola – At this point no. After indication to the property owner's then I would advise the board what those numbers are and they may be made public.

Mr. Dunne – I know that's one of the exclusions under the FOI law that was incorporated a couple of years ago. I just want to make sure that we do it appropriately.

Atty. Coppola – Right – it will not be public until I advise the board that it is ready.

Mr. Dunne – It's probably a good time to ask you about appraisals; there were some issues raised earlier. The process of appraisals entering into an acquisition by a governmental entity. Assuming that there's an impasse and the City opts to proceed to

acquire the properties under the law, through its rights under the law, what is – because I don't believe it's just one appraisal, right.

Atty. Coppola – Two appraisals.

Mr. Dunne – It's based on two appraisals.

Atty. Coppola – Two appraisals that are market value.

Mr. Dunne – That are ours – that the City solicits. Presumably the property owner goes out and gets another appraisal or two.

Atty. Coppola – I've heard from one or two that have apparently done that.

Mr. Dunne – And then if it has to be decided later.

Atty. Coppola – I mean we have to rely on the appraisers, that's their job. That's why we chose people that I've never done business with.

Mr. Dunne – No, no – there was a suggestion earlier that there's five – you know we get five appraisals or five appraisers – something like that. But I'm just trying to understand because I don't know the law on this one. If you go to court, God forbid, you have to go to court to acquire a property – how many appraisals are typically involved in that? How many are presented on both sides?

Atty. Coppola – I mean two. Well if we come in with two we're being very generous if it gets to that level. (Inaudible.)

Mr. Dunne – (Inaudible) the other side would be coming in with their own appraisal as well.

Atty. Coppola – And the problem is if these appraisers are licensed to do a certain job there can only be such a percentage of error. I mean for the private owner to get someone to be 50% greater you would have to question what's going on there. Because the comparables are the same apparently and I made sure all sales in this area were used as comparables. That's their job though.

Mr. Oraziotti – I hope I'm not out of order here Mr. Coppola but I'm just wondering about a request that Mr. Auerbach made earlier in the evening about the businessmen coming up with an appraiser and the City coming up with an appraiser. If you have two appraisers and you're going to get two appraisals of the property would it hurt if the businessmen also provided us with an appraiser of their own?

Atty. Coppola – No – we invited...

Mayor Staffieri – They were encouraged to get it appraised.

Mr. Oraziotti – Maybe that's something that should be clarified that they can go that route.

Mr. Dunne – John anybody can hire an appraiser to appraise the property.

Atty. Coppola – I don't demand any of the owners to incur any charge to get an appraisal. We have ours...

Mr. Oraziotti – I guess I was under the impression prior to when I listened to the business owner that the City (inaudible) and I could be wrong. The City was going to provide two appraisers and if they wanted the opportunity to apply get their own appraiser and the City get their own appraiser. If they had that opportunity maybe it should be clear to them that they have this opportunity to go ahead and do that now.

Atty. Coppola – That's fine. My clarification is I'm not forcing any of the property owners to go out and spend money.

Mr. Oraziotti – Well maybe they want to spend money.

Atty. Coppola – The City will do ours.

Mr. Oraziotti – Maybe they want to go forward and spend the money.

Mayor Staffieri – That's good – they should have that alternative if they want to do that. What we have – part of the pre-requisite of the appraisals that they had to be AMI Certified, correct?

Atty. Coppola – They are. They are true appraisers with licenses. I mean I can't go anywhere else.

Mayor Staffieri – We're not asking a real estate agent to write something down.

Atty. Coppola – I chose people that I have never done business with.

Mayor Staffieri – So you know it's unquestionable.

Mr. Russo – The concern that I have is items that have been brought up in various meetings in regards to relocation addresses within the City, within the area. Is it possible to have Mr. Michalowski to provide us with a list of the properties that have been presented to the property owners?

Atty. Coppola – There are properties in Derby, Ansonia, Shelton, all up and down (inaudible.)

Mr. Russo – We haven't seen any of that information yet.

Atty. Coppola – No – that will be appropriate when it all the compilations are together then it's appropriate to bring in that piece.

Mr. Russo – That's fine. I just want to make sure that when the property owners are given an opportunity to make a decision that all the properties have been given to them.

Mayor Staffieri – Mr. Coppola could you make sure that when we get that list that a week prior to that meeting that the board gets it so this way they won't get it that day and try to digest. It's important information to make sure that these business owners were being treated correctly.

Atty. Coppola – Just so you know that one business requires one set of property layout.

Mr. Russo – That's fine.

Atty. Coppola – Completely different than...

Mr. Russo – I'm not disputing that.

Atty. Coppola – So that list might be slightly different than another. I can get a list of all...

Mr. Dunne – I think we need to see what the Relocation Agent is preparing and presenting.

Mr. Russo – That's right.

Atty. Coppola – Per property.

Mr. Russo – By property.

Mr. Dunne – I have to confess I think I share the same confusion with Greg. I was expecting that that was what this month's report was – I thought we were going to see that in July.

Atty. Coppola – Well – some of the owners did not give inventories. I discussed it with one owner today and they did the proper thing – they gave an inventory, they put numbers to it. They gave a list of (inaudible) they wanted to move and we went over the list on the phone. They chose one party to move at a cost and we both seemed that's reasonable and that's how you do it. So if not everyone has provided that, which I can't make that representation, there's really nothing to discuss. So that's the update on relocation.

Mayor Staffieri – Any other questions of Mr. Coppola. No one raised any questions.

OLD BUSINESS

Mr. Russo – In the last meeting we discussed the Special Taxing District. I made a request of Atty. Fallon to provide us with a summary outline of her presentation; I don't know if that has been received.

Atty. Coppola – I haven't received it. I do recall her saying it but I haven't received it.

Mr. Skolnick – I thought there was an issue relative to the Developer's Bond Counsel giving an opinion.

Mr. Russo – That was going to be my next question.

Mr. Skolnick – It was going to be the City's Bond Counsel and I think they did...

Mayor Staffieri – The City Treasurer I know went up to Hartford to discuss – and Bond Counsel – went...

Mr. Skolnick – I thought the report was coming from the City's Bond Counsel.

Mr. Dunne – I believe that's correct. We met with the City's Bond Counsel, the developer's Counsel, and City Treasurer and I believe that Atty. Gillette, who represents the City, is preparing a position paper or a review for the City...

Atty. Coppola – We discussed it I know.

Mr. Dunne – He'll deliver it to the City Treasurer because that's who he answers to.

Mr. Russo – That's fine – but what I would like to know though, being that this came before the board, is one of the questions that I would like answered in regards to this Special Taxing District would be how does the issuance of a Special Tax District impact the issuance of future bonds by the City.

Mr. Dunne – That is going to be addressed in that letter.

Mr. Russo – Because once again one of the bigger issues that we have here is we keep coming before the City for a new school but that would actually be a bonded project.

Mr. Dunne – The quick answer was that it doesn't affect us because it's in the exempt category. But Atty. Gillette is supposing to be preparing that for the City, separate from the developer. We wanted our own attorney to look at it.

Mr. Russo – Absolutely – and that was next (inaudible) business. Thank you Rick.

Mayor Staffieri – Do we need to go into Executive Session for any reason Mr. Skolnick.

Mr. Skolnick – Just I would ask respectfully that the next agency meeting, which is scheduled for I believe the second week in August I'm going to be away that week on a pre-arranged summer holiday. My partner is perfectly happy to come but we would request if possible a week later that the meeting be held if that works with the schedule of the Redevelopment Agency members.

Mayor Staffieri – What would the board like to entertain?

Mr. Russo – That would have to be a special meeting – that would be the only difference.

Mr. Dunne – We can't deviate from the public agenda if we do that once it becomes a special meeting.

Mr. Skolnick – So be aware that my partner will be here and he'll speak for us.

THE BOARD MEMBERS DECIDED TO STAY WITH THE REGULARLY SCHEDULED MEETING TO BE HELD AUGUST 8, 2006.

QUESTIONS FROM THE PUBLIC THROUGH THE CHAIR

Anthony Szewczyk, 166 Mt. Pleasant Street, Derby, CT – The D.O.T. property I kept hearing that there's a private property that there's a private property that's isolating it.

Mayor Staffieri – Correct.

Mr. Szewczyk – Who exactly is the private property owner?

Mr. Dunne – It's held in trustee by an attorney. We don't know who the actual owner is.

Mr. Szewczyk – The second question would be and I already know the answer of that case that that property owner wasn't asked then if an easement would be granted through his property.

Mr. Dunne – The City purchased an easement previously for the Greenway Trail over that parcel through the attorney that represents the owner.

Mr. Szewczyk – So there actually is an access?

Mr. Dunne – On the top of the dike we've got an easement for the trail.

Mr. Szewczyk – From the top of the dike.

Mr. Dunne – On the top – 11' wide.

Mr. Szewczyk – But the property owner himself, whoever he is, wasn't asked if an easement could be...

Mr. Dunne – We have no idea who the property owner is; we only know the attorney who holds it in trust. It's held as a trustee.

Atty. Coppola – Have they been asked? Whether they've been asked the question is are they going to give the City the right?

Mr. Szewczyk – I mean you can't find out the answers if you never ask them.

Atty. Coppola – Good point.

Brian Calvert, Calvert Safe & Lock, 40 Caroline Street, Derby, CT – In the absence of Mr. Michalowski I would be happy to give you a copy of what he sent to us (inaudible.) There are four properties in Derby – all of them square foot rentals. Seven in Shelton, four in Ansonia, four in Seymour, seven in Naugatuck, eight in Oxford, twelve in Bridgeport. This is a very interesting one in Bridgeport – it's about the same size of my property on a well-traveled road \$750,000 – for me to go south – that's one of the suggestions here. All of these are pretty much prefaced with 3,000 ft.² at \$2,500.00 a month rental – all rental. There's about three or four properties in there for sale. One of

them is the old Midas Muffler; we pretty well know that there's some problems there or somebody would have been in there a long, long time ago. We even looked at it some time ago. So other than that he's really presented nothing. I think he's just gone on the Internet and gotten these things off of there. And I think it's kind of an insult to me and I think to this board. And I would be happy to give you this and you can copy it. And when you see it for yourself you'll see that it is not viable for personally owned properties and (inaudible) and go and lease this property. Why don't you go and lease this 3,000 ft.² in Bridgeport or even in the back side of Oxford up near the airport. What kind of offer is that to say to somebody us who have retail stores here? That this is what we can offer you. And I just want to let you know the caliber of the person that you're dealing with. And I call him quite regularly to ask if you've got anymore. I suggested to him did you call Elsie down at the old Santangelo's down next to the bowling alley. I said I would be happy to go there – give them a call. And I never heard back from him. And I called him and I said did you call and he said I couldn't get her, whatever. We've given him quite a few leads as to where to go. We don't want to run the guy down because he's just doing a job. But I'm really quite disappointed in this list. And I'm sure – have you seen this list?

Mayor Staffieri – No.

Mr. Calvert – I'm sure you're going to say what kind of insult is this? So I just wanted to bring that to your attention.

Atty. Coppola – I think that's appropriate for Mr. Michalowski to be here and he could address...

Mr. Calvert – I'm just speaking on his behalf because this is his correspondence.

Mr. Oraziotti – He gave you no list of properties for sale in Derby?

Atty. Coppola – Well maybe there are none that meet his requirements.

Mr. Calvert – Just one – the old Midas Muffler. The other stuff is free standing retail space located in the old Wal-Mart Shopping Plaza – 2,400 ft.². What is that? So there's four in Derby – there they are right there and one of them is for sale. No, I beg your pardon, two-story, three bay building near junction of route – oh, even that's not for sale. Just one – no big deal, I have no ax to grind. I'm a big boy and I know which route that I'm going to be going.

Mayor Staffieri – What happened to the Cerritelli garage? I heard mention that that was for sale.

Mr. Calvert – Which is that?

Mayor Staffieri – Cerritelli's Garage up the road.

Mr. Calvert – Well the Calvert family may or may not be talking to him but there you ask Mr. Dunne about his report from back there and then duplicate it up here we've got the same kind of problems. You dig two feet in the ground you've got problems. Every

time you look it's a \$1,000. Every time you look over there it's another \$15,000. Of course we're looking; we're not foolish. Of course we're looking.

Mr. Dunne – I think the Mayor's question was that that property is not on the list.

Mayor Staffieri – That's what I mean – he doesn't have that listed?

Mr. Dunne – Because it's not listed for sale.

Mr. Calvert – It is.

Mayor Staffieri – Yeah, it is listed for sale.

Mr. Dunne – It is not currently listed for sale.

Mr. Calvert – You could call the people...

Mr. Dunne – I understand but if it's not listed for sale with a broker it's not going to show up on the list. If it's not on the Multiple Listing Service it's not going to show up as available anywhere.

Mr. Calvert – Well what do you call a broker – his sign is there.

Mr. Dunne – I don't think there's an active listing on that property sir.

Mr. Calvert – You should go call them Rick and if you have a problem give me a call and I'll put you on him. Of course it's for sale – there's a sign there and you can call the guy tomorrow – he would be happy to quote you on it. So you know what you're saying goes on record and what I'm saying goes on record too. But look at the sign...

Mr. Dunne – What I said to you was that it was not on the Multiple Listing Service.

Mr. Calvert – Well I don't know anything about Multiple Listing – all I know is...

Mr. Dunne – That's the only place that he's going to get his listing.

Mr. Calvert – Well I called him and I was made an offer and like I say the Calvert Family may or may not be in negotiations for that. But it's not on here – and there's nothing on here. I just bring to your point that this is not good.

Mayor Staffieri – I can give you a little update on the Midas Muffler building there. Someone was supposed to purchase it and the deal fell through.

Mr. Calvert – Well we looked at it some time back and there's all kinds of problems there. So please I don't want you to think that we have never looked around; we've looked at a lot of stuff. We did back off of course over the last year and a half when Mr. Skolnick and people indicated originally (inaudible) so we backed off. But that's another story. But if you're going to employ somebody I would urge that whoever signed a contract with him have a weekly report from him. Say what is it that you're

doing? It's a little disturbing that I can come before the board that has just paid this guy \$40,000 and you don't know what he's doing. That's a little disturbing.

Mr. Dunne – I don't think that's quite fair Mr. Calvert.

Mr. Calvert – Well I mean...

Mr. Dunne – No, no, hold on.

Mr. Calvert – I've got the floor for a second. If you don't have this then you're not keeping a track of it. You're not getting a weekly report or even a monthly report as to what he is doing. Do you know if he's even called us? Do you ever ask have you called Calvert, have you called Yacobacci – do you ever ask for this? What kind of report do you get?

Mayor Staffieri – That's corporation counsel's job to track.

Mr. Calvert – Listen – I've always tried to keep this on a friendly basis. Please let's stop right there Mr. Dunne. I respect you, you respect me – let's stop right there; I think I've made my point.

Mayor Staffieri – Anyone else from the public like to speak?

Carl Yacobacci, 10 Lombardi Drive, Derby, CT – I'll just speak for one second in regards to relocation. I spoke to Phil yesterday on the phone because I've never received any reports other than the initial pages. After speaking with Brian and also Derby Jewelers and they've received a couple of listings and I made a phone call to them and they failed to mail me anything else out besides that initial piece of paper and they faxed me over the same thing. This was yesterday afternoon at my request because I kept waiting and when I heard other people were getting stuff I got concerned that they possible had a wrong address or that I was missing something. So if somebody says that I'm not paying attention I am and I called up and I was never mailed anything except for a listing from our first meeting so we have been trying to keep in contact with them and trying to get the properties. Mr. Russo I think we were talking about City property and the City getting involved with negotiating for property and in the PDA it has in 2.3 "The City hereby agrees to use it's best efforts but at not cost to the City to assist the developer in acquiring Fee Title to private property from the owners thereof." So I would just assume from that that it was the developer's – we should be negotiating with the developer and it goes on to state that if we cannot negotiate with the developer – all the legal jargon – ninety days after the permits and approvals if nothing (inaudible) that this City shall exercise power of eminent domain to acquire Fee Title and on and on. So by reading this we were also to (inaudible) public meetings looking at the developer and not at the City. So when we got these notices from appraisal companies from the City we had to question that. And the second thing is I did get a letter from the appraisal company – the Karon and Fazzio – which came to my place today and I hear tonight that the City hired two appraisers – I don't know who the second one is but I have not gotten any phone call or a letter from a second appraiser to come visit my shop. I said they have to contact me so I know I'm there – I met with a guy this morning and he took a walk around my property. So if there is another appraiser please let them know to get a hold of me.

Mr. Yacobacci supplied Atty. Coppola with his phone number.

Mr. Yacobacci – I have a million other questions but I will wait until next month because we did promise to keep this short. Thank you.

Mayor Staffieri – Any other questions.

Mr. Skolnick – Just in response to Mr. Yacobacci and what I hear is a general comment from the three owners that are present here today. I did meet with you – I suggested that we work together. I urged you to call me back and make a meeting or an appointment to discuss value and how we can work together to find a relocation property. I still welcome that call. Please, and I said it earlier, you all have my phone numbers – I've stopped by and I've shaken your hands at your places of business and see you each month here. I'm not unavailable. And I would welcome sitting down with any one of you or all of you.

Mr. Yacobacci – (Inaudible) you also have our phone numbers. We've never received a phone call. You've never stopped at my business to shake my hand; you've seen it here. And if you have a list of (inaudible) properties that you think I can be relocated in in comparable property I would be more than willing to listen to your offer also.

Mr. Skolnick – And my offer to you in person at a meeting (inaudible) was that we could either use a broker that you can select or we can use a broker that I can recommend – I think we have to work together.

Mr. Yacobacci – I called Fisher Real Estate and he said without...

Mayor Staffieri – Okay – you can have this discussion later. It's going – what we said no debating back and forth, okay. So if Mr. Skolnick and Mr. Yacobacci would like to continue your conversation afterwards please do because it sounds like a repartee is establishing.

Rodger Birtwell, 8 Third Street, Derby, CT – I have a quick question – a couple of questions concerning the development. Number one if there's any kind of a timeframe? I keep hearing about the development but I never hear a timeframe. Is it going to be within two years, five years – how long is this development going to take? Is there any kind of a step sheet on the progress – how it should proceed. Number two – when you're looking at Caroline Street going down and they're going to raise it twelve to sixteen feet its going to be buildings on both sides? And if so that means the back of the building is going to be on Atwater Street and there will be a drop off there. I don't understand how that is going to be done.

Mr. Skolnick – The current plan is that there would be parking below that building so that they could be on grade below.

Mr. Birtwell – The grade below – in other words where Atwater goes into Housatonic Lumber that would be a parking area again.

Mr. Skolnick – Below building.

Mr. Birtwell – I see. Okay the other thing is I thought that the redevelopment was going to be sort of a center for recreation for the whole Valley and really for the State of Connecticut because there is no recreational area with boathouses and so forth. Is that still part of the plan? Or is it just going to be condominiums and shops?

Mr. Skolnick – I believe there's plenty of outdoor recreation and public areas. But I never thought....

Mayor Staffieri – What was made mention – O'Sullivan Island and Hog Island to look to establish as marina there and I know that I'm actively trying to turn O'Sullivan Island into a park. We just had it cleaned up and we just put in for a grant. Hopefully I will hear soon on knocking down the fire...

Mr. Birtwell – So that's supplementary to the development.

Mayor Staffieri – That's separate from the development.

Mr. Birtwell – Okay the final question – I come from Chicago and in Chicago when the super highways go through they're like 300' wide and they go right through the center of the City. And public domain was never an issue because the federal government or the state government would come in and take over the properties and because it was a common thoroughfare and a common cause there was no question about common – ever since Kelo its become contentious public domain. But it seems to me that if 34 is going to be widened that is a thoroughfare to the state and part of that costs of widening the street and taking those buildings down and moving them back that should be part of the State costs – that shouldn't just be Derby's costs.

Mr. Dunne – That's not Derby's costs.

Mayor Staffieri – It's the developer's costs.

Mr. Birtwell – But the developer – they build the highways now? I don't understand.

Mr. Dunne – The developer will be required by the State Traffic Commission to make any improvements to the roadways that the State Police have required. The federal government has separately appropriated \$5.4 million for improvements to Route 34/Main Street through the State.

Mr. Birtwell – So there's \$5 million from the federal government for widening Rt. 34 as part of the development.

Mr. Dunne – No – for making improvements to Route 34.

Mr. Birtwell – In Derby or in Seymour...

Mr. Dunne – Just between Route 8 and the downtown bridge. It was appropriated by the Congress last year.

Mr. Birtwell – That's how much?

Mr. Dunne - \$5.4 million.

Mr. Birtwell - \$5.4 million and how does that dovetail with the efforts of the developer?

Mr. Dunne – We don't know yet. We don't have any physical design.

Mr. Birtwell – So those costs will be to some degree picked up by the federal government – or the state government.

Mr. Dunne – No. The federal government, separate from this project, my agency the Council of Governments conducted a study with \$2 million of federal money, which was appropriated back in – don't quote me on the year – 1999, I think – to study and design improvements to Route 8 from Exit 15 to Exit 18 and to study Route 34, the conditions on Route 34, from the traffic signal over by Deerfield Meat all the way through to crossing over into downtown Shelton. Out of that report there are recommendations for improvements along the existing Main Street in Derby basically from this signal to the downtown bridge signal. We have not gone to the next step. The money is technically not available – its \$5.4 million and only about 40% of it is available today as we speak. The Congress is releasing all transportation funds incrementally.

Mr. Birtwell – I mean those funds they can't be used for taking those buildings down or for widening the street?

Mr. Dunne – No.

Mr. Birtwell – Why not? I don't understand – in Chicago when the highways went through – if you go to Providence 95 went through...

Mr. Dunne – The same thing in Connecticut when the Eisenhower Administration threw billions of dollars at interstate highways and stuff. It just doesn't work that way anymore.

Mr. Birtwell – I mean Derby's got to pay for this?

Mr. Dunne – Derby is not paying for any of it. State and federal government...

Mr. Birtwell – I'm not hearing something then. It seems to me that we have Environmental Protection, we've got asbestos, we're talking about "hot" houses, we're talking about the highway is so bad that the vibration is knocking the buildings down and we're going to be held responsible for that. I just don't understand - \$5.5 million and we don't know when we're going to get it. I'm just trying to figure out the procedures.

Mr. Dunne – The highway is not knocking down the buildings.

Mr. Birtwell – One of them just fell down last month.

Mr. Dunne – The highway didn't knock it down. And the situation with the buildings is that the City of Derby is the Fee Simple Owner of those properties. Just as you're the owner of a property on Third Street. It has nothing to do with the government; they're

the property owner and they're responsible to keep those buildings in check if they're falling over the way they are.

Mr. Birtwell – But the State has to keep the highway properly constructed.

Mr. Dunne – Right now there is no structural issue with that roadway. It's sitting on the ground – it's built on the ground Rod.

Mr. Birtwell – I think we need a contentious attorney who is going to go to bat for us (inaudible) because Route 34 is a State highway and if it's going to be widened it should be the responsibility of the D.O.T. – it shouldn't be Derby's responsibility.

Mr. Russo – It is – that's what the grant is.

Mr. Birtwell – We don't know when we're going to get that – so that's another issue.

Mr. Yacobacci – Excuse me Rick isn't any of that infrastructure being paid for out of the \$45 million in Special Taxing District floated bonds.

Mr. Dunne – It may be.

Mr. Yacobacci – So it wouldn't be coming out of the State – it would be coming out of...

Mr. Dunne – It may be – it's not certain its \$45 million first of all.

Mr. Yacobacci – That's what (inaudible) up to \$45 million.

Mr. Dunne – Up to \$45 million – not \$45 million; up to \$45 million. It could be \$20 million.

Arlene Yacobacci, 10 Lombardi Drive, Derby, CT – Rick you had stated that there was a timeline for the City to acquire the properties. Can you tell us what that is?

Mr. Dunne – I believe the outside date in the PDA is December...

Atty. Coppola – December 31st.

Mr. Dunne – December 31 in the PDA, right.

Atty. Coppola – That's what it says.

Mrs. Yacobacci – Of this year.

Mr. Dunne – Yes.

Mrs. Yacobacci – Well when I said that in a meeting the last time and I said I read it in the paper you said “don't believe everything you read in the paper.”

Mr. Dunne – No. I said if it was in the paper it must be true.

Mr. Yacobacci – You sarcastically indicated that it's not true.

Mrs. Yacobacci – So and then I said so we don't have to worry about a December 31st date.

Mr. Dunne – The date in the document may be changed. If the deal's not ready to go it may be changed. If the City doesn't acquire the property it can't deliver it.

Mrs. Yacobacci – Okay and are we going to have enough time to find properties? As you heard the list is showing Bridgeport and Waterbury. We don't want to go there. Our first choice was to stay here and if we couldn't we wanted to stay in Derby. And that's what we've said all along. So I think you know you need to do your due diligence too and find us those properties.

Mr. Dunne – That's what we're doing. That's what Mr. Michalowski is doing on our behalf.

Dr. Anita Dugatto Coscia, Elizabeth Street, Derby, CT – I just have to say something as a business owner in Derby. I was relocated as a business owner in Derby – I rented from the Mayor. He wanted to expand his restaurant and if I was interested in my business you relocate your business, your property is a whole other story. Are you waiting for Derby to help your business – that's what I'm wondering. You can't put the responsibility on your business on us taxpayers.

Mrs. Yacobacci – Okay can I also say. The developer is coming in and inconveniencing us...

Dr. Coscia – It's my floor. And listen you had a business. If you're really interested in your business you relocate your business; you deal with your property at another time. Don't mix them up. I had to relocate my business and we found a property to do our business. Stop the whining – that's all I have to say.

Mayor Staffieri – Okay. Someone else.

Dan Waleski, 21 Elm Street, Derby, CT – I'm not sure I altogether agree with this lady here. There's a question here of possibly using eminent domain that you're not using eminent domain you're telling these people you've got to go. Now if that's the case you have some responsibility here of seeing that these people are taken care of. However they're taken care of is between you people and the owners – but they've got to be taken care of. What I really stood up for and wanted to say is that I think this project as a whole is a huge and almost insurmountable – I think it is extremely costly. And I think before any final decisions are made I think some alternatives in the configuration of the downtown development ought to be considered. Am I clear?

Mayor Staffieri – I would like to correct you on one thing Mr. Waleski. Since you're a soldier like how I was nothing was insurmountable.

Mr. Waleski – I said almost insurmountable Mr. Mayor. This is a tremendous undertaking for the smallest City in the State. It is extremely costly. It is a very difficult project because of the two rivers and so on. And I'm firmly of the opinion since I have some

knowledge in city planning I think that's a very, very unique site and I think looking at alternative plans may be put that extraordinary site under a new light that may make it more favorable for the City as a whole. And before as I said before any final decision is made I just feel it's a good idea. I know that we could come up with a different configuration that might make it easier all the way around.

Mayor Staffieri – Thank you Mr. Waleski. But just like our space shuttle is in outer space, nothing is insurmountable. We can achieve anything; anything can be worked out.

Mr. Waleski – But they have made changes all along the line anyway – and adjustments.

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

QUESTIONS FROM THE PUBLIC THROUGH THE CHAIR WAS CLOSED

ADJOURNMENT

A MOTION was made by Mr. Kelleher with a second by Mr. Russo to adjourn the meeting at 9:11 p.m. **Motion carried.**

Respectfully submitted,

Patricia Finn
Recording Secretary

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