

JUNE 5, 2006 SPECIAL MEETING

The Wethersfield Town Council held a special meeting on June 5, 2006 at 6:00 p.m. in the Band Room of Wethersfield High School.

Present: Councilors Adil, Cascio, Drake, Forrest, Kirsche, Kotkin, Walsh, Deputy Mayor Fortunato and Chairperson Morin.

Also present: Bonnie Therrien, Town Manager; Attorney Doug Gillette; Dolores G. Sassano, Town Clerk; Economic Development and Improvement Commission (EDIC) members Betty Rosania, Doug Sacks, Joe Cornelio, Ralph Kelleher, Bill Knapp, Paul Montinieri, Howard Greenblatt, Brian Silver; Tourism Commission members Chris Traczyk and Charlie Forsdick; Planning and Zoning Commission member Philip Knecht; Peter Gillespie, Town Planner and Economic Development Manager; and Wethersfield citizens Leigh Standish and Julie Montinieri.

Town Manager Bonnie Therrien stated that the Redevelopment Authority stage is a big move for the Town; therefore it is a good idea to have this meeting to bring forward and answer any questions before the ordinance to create the Wethersfield Redevelopment Agency is introduced. She said that redevelopment is a positive move in increasing the Grand List since the Town is so built up already. She said that the Redevelopment Agency will be both a public and private enterprise. She said that some of the questions raised already have been the following:

- Who has the right to impose eminent domain if it is an issue; the Redevelopment Authority or the Council?
- Who can issue bonds or tax revenue bonds; the Authority or the Council, and if the Authority, can the Council overrule?
- What can a Redevelopment Authority do without the Council's approval?
- What is the difference between the Redevelopment Authority, the EDIC; and can members of the EDIC sit on the Authority board?

Attorney Gillette stated that the Redevelopment Agency has limited powers due to budgetary constraints, in that they cannot expend Town funds without the proper appropriation. He said that also, by statute, the Redevelopment Agency can initiate a project plan; however, the plan has to go before the Town Council for approval, similarly for general obligation debt, tax increment debt, or revenue debt. He said that eminent domain cannot be initiated by the Redevelopment Agency without the approval of the Town Council. Attorney Gillette said that the Agency can act to develop a Redevelopment Plan also subject to the Council's approval. He said that once a project has been approved and funds appropriated, the Agency will be the entity who will move forward and implement the plans. Attorney Gillette explained that part of the difference between the Redevelopment Authority and the EDIC are the enabling statutes and the ordinances establishing the EDIC. He said that the EDIC has a much broader scope over economic development whereas Redevelopment agencies tend to be more project oriented. Attorney Gillette said that another difference is that the EDIC could be the implementing agency for a development project, but could not be the implementing agency for a redevelopment project.

Councilor Kirsche left the meeting at this time (6:15 p.m.).

Attorney Gillette stated that there is no statute prohibiting members of the EDIC from being appointed to sit on the Redevelopment Agency. He said that one stipulation; however, is that Redevelopment Agency appointees must be registered electors, which would exclude some of the current members of the EDIC.

Councilor Drake asked if the discussion draft of the ordinance comes from State Statutes and was told by Attorney Gillette that portions of the ordinance track the Statutes and other items are consistent with the Town's establishment of other commissions. Councilor Drake questioned the power of eminent domain imposition and Attorney Gillette explained that a lot of controversy has been generated regarding this topic and the State General Assembly was expected to take this up in their last session; however, they did not. Councilor Drake asked if eminent domain should be addressed in the Town's ordinance. Attorney Gillette said that the Council already unanimously passed an ordinance

stating that the Town would not impose eminent domain for private purposes.

Chairperson Morin stated that the intent of the proposed ordinance is to look at larger parcels of property throughout Town for redevelopment rather than residents' personal property.

Councilor Drake said that the Town is now considering an agency that has the power to do this and that within the ordinance there should be wording addressing this. Attorney Gillette said that the Redevelopment Agency will not have that power on its own, but will need approval of the Council. Councilor Drake said that the Council could not authorize redevelopment without a Redevelopment Agency and that the ordinance should address very clearly the issues of eminent domain. Attorney Gillette again stated that the Town has an ordinance that addresses this; however, Town Manager Bonnie Therrien said that the ordinance addresses residential property only and not businesses.

Councilor Forrest said that there hasn't even been yet any discussion of the powers of eminent domain the Redevelopment Agency will have and he would like Attorney Gillette to provide some information on this.

Councilor Drake said that the ordinance clearly states that "The Agency shall have all the powers and duties now or hereafter provided for redevelopment agencies by the Connecticut General Statutes."

Attorney Gillette said that the ordinance does give the Agency the authority if there is in place a redevelopment plan approved by the Town Council and funded by an appropriation and any necessary bond authorization. He said that the actual action of eminent domain in the context of a redevelopment project that has already been approved would also have to be approved by the Council.

Councilor Cascio stated that the current ordinance addressing commercial eminent domain can be referred to; however, to keep things as simple as possible and not have to be referring to other documents, it may be wise to address residential eminent domain in the proposed ordinance.

Deputy Mayor Fortunato asked if there is a definition of what qualifies as a redevelopment project. Attorney Gillette said that there is a statutory definition of a redevelopment project, and he read some of the specifics from the statute. Deputy Mayor Fortunato asked if there will be an organizational meeting held and a mission statement that will be adopted by the group. Attorney Gillette said that a mission statement could be adopted and they are required to adopt rules and procedures.

Councilor Drake said that he agrees with a Redevelopment Agency stating that it is a good thing that the Town needs. He said that he would like the ordinance to include wording regarding eminent domain being used to take residential or business property for private development. Attorney Gillette said that it would make more sense for the Council to amend the already existing Town ordinance addressing this.

Councilor Adil stated that he doesn't believe that eminent domain should be used as a first step; however, it has come to the point that if the Town wants to see some real development along the Silas Deane Highway, this needs to be an possible option. He said that the powers of eminent domain have been successfully used previously in Wethersfield and he does not support hindering this in any way.

Councilor Kotkin asked how many of the 169 Towns in Connecticut have active Redevelopment Agencies. He also asked what some of the good and bad things observed in Hartford's Redevelopment Agency have been over the past number of years. Attorney Gillette answered that approximately 15-20 Towns in Connecticut currently have a Redevelopment Agency with varying levels of activity. He said that he does not have experience with the positives and negatives of Redevelopment Agencies; however his real estate colleagues could probably address this. Councilor Kotkin said that he would like to be aware of any lessons learned from other Towns regarding Redevelopment Agency procedures and implementations.

Ms. Rosania stated that the proposed ordinance establishes a context from which to move forward. She said that the Council is always the decision maker and she reviewed some of the progress neighboring Towns have made due to them having a Redevelopment Agency. She said that eminent domain violates a lot of Wethersfield's principals; however, it is used as a red herring and as a last resort. Ms. Rosania said that she is concerned about committee

redundancy and excess approval requirements, and she suggested that this be kept in perspective.

Mr. Knecht stated that he agrees that the Redevelopment Agency is necessary for Wethersfield to go forward with development. He asked what happens when the Agency and the Council don't agree on approval of a project and who will then make the final decision. Attorney Gillette stated again that the Council has the final say on all decisions. He said that having the power of eminent domain does not mean that it has to be exercised.

Mr. Standish commented that if the commissions and agencies in Town to protect the public interest are superceded, he doesn't think that the public interest will be properly protected. Mr. Standish spoke of the Kelo case and its issue with eminent domain.

Councilor Cascio asked what the cost to the Town will be to proceed with the entire process of seizing a parcel of commercial property. Town Manager Bonnie Therrien said that a larger parcel could cost up to \$2 million plus possible demolition. Councilor Cascio said that the Council and the community need to gear up for this and he can't imagine the Town Council looking into a project that would remove someone's rights without really looking at the issues. Town Manager Bonnie Therrien stated that she has cautioned the Council to proceed slowly and begin with a small project. Councilor Cascio asked the Town Manager to provide information on the cost to the community of the Reservoir and the Moeller Home. The Town Manager said that she will obtain the information.

Attorney Gillette cautioned the Council not to assume that a redevelopment project requires land acquisition by the Town.

Deputy Mayor Fortunato addressed the staffing and the budget of the Agency, stating that there will be five volunteers, and she asked if there will be paid staff as well. Town Manager Bonnie Therrien answered that most Towns utilize the staff of their Economic Development Department. Deputy Mayor Fortunato asked if there will be a line item in the Town budget for funding of the Agency, and what the cost will be to get the operation up and running. Town Manager Bonnie Therrien explained that she does not have a cost figure since the Town is nowhere ready at this point to do a bond or anything else for an actual project. Mr. Gillespie explained that much of the work is typically done by additional legal counsel and engineering consulting firms. He said that it is premature to start talking numbers without an actual project. Deputy Mayor Fortunato said that it would be helpful to get start up cost, such as a secretary to take minutes, from other Towns that have had experience with a Redevelopment Agency.

Mr. Montinieri pointed out that the issue of eminent domain is the most dangerous component of potential risk; however he stated that the tone of those behind the Redevelopment Agency concept is very far away from this concept. He said that what is being stressed instead is an excitement to bring development to a number of areas, especially along the Silas Deane Highway. Mr. Montinieri stated that there is an obvious need for a public and private partnership for this to work.

Councilor Drake pointed out that if the eminent domain factor were part of the ordinance then there would be no need for fear that residents' property would be taken for private purposes. He said that he supports creating a Redevelopment Agency; however, he has a problem with the eminent domain issue.

Mr. Greenblatt said that he doesn't think that the Agency and eminent domain necessarily work hand in hand.

Ms. Rosania stated that the current discussion regarding eminent domain is focusing on the wrong element of the Agency, and the negative is being put before the many positives, since the Town will not be moving quickly to squash people's rights. She suggested that the proposed ordinance could include a short note to refer to the Town Ordinance regarding eminent domain.

Mr. Forsdick said that the judgment of the Council, those elected to represent the Town's interests, has to be trusted. He said that eminent domain has to be an option, even if never used, since it enables the Town to negotiate with property owners.

Mr. Kelleher stated that there are certain properties along the Silas Deane Highway that are bringing Wethersfield down and the property owners continue to enjoy the advantage of taking depreciation. He said that Wethersfield does

not have anything in its arsenal to be able to communicate with the property owners that Wethersfield wants to improve the Town. He said that eminent domain would give the Town another method to work with.

Mr. Knecht said that the Town needs the Redevelopment Agency first and then address the eminent domain issue.

Councilor Walsh clarified that the Council has the ultimate authority of eminent domain and the creation of the Redevelopment Agency does not alter this power.

Chairperson Morin thanked all for attending the special meeting and thanked the members of the EDIC for bringing the ordinance forward. He said that the Council appreciates the vision the EDIC has for Wethersfield and the Council, too, wants to move the Town forward in a positive, vibrant way. Chairperson Morin thanked Attorney Gillette for his legal guidance and said that the Council will move forward and will address what is necessary.

ADJOURNMENT

At 6:58 p.m., Councilor Adil moved "**TO ADJOURN THE MEETING**" seconded by Councilor Cascio. All Councilors present, including the Chairperson voted AYE. The motion passed 8-0-0.

Dolores G. Sassano
Town Clerk

Approved by vote of Council 6/19/2006