

**Norwich Site Development Committee
For The
Former State Hospital**

Minutes of the September 29, 2009 Meeting

**5:30 pm
Norwich City Hall
Room 335**

Members Present: Alan Bergren - City Manager; Peter Desaulniers - Alderman; Robert Mills - Executive Director - NCDC; Tucker Braddock - Citizen Representative; Michael O'Neil - Citizen Representative; John Paul Mereen - Citizen Representative; Mayor - Benjamin Lathrop; Alderman - William Nash; Peter Davis - Director of Planning & Development

Members Absent: John Bilda - General Manager of NDPU; Kathleen Murphy - Citizen Representative

Others Present: Corporation Counsel - Michael Driscoll; Joseph Ruffo - Comptroller of the City of Norwich; Alderman Robert Zarnetske; John Wong - Chinese & American Cultural Assistance Association; Keith Ripley – Citizen; Ernie Cohen – Citizen; James Coleman – James Coleman Architecture Studio; Larry Kenney – AMS Consulting LLC; Humbert Sacco – TPA Design; Raymond Folino – Eagle Environmental; Megan Bard - The Day; James Mosher - Norwich Bulletin; various members of the public

Meeting was called to order by Moderator Robert Mills @ 5:30 p.m.

Roll call was taken and a determination was made that a quorum was achieved.

Minutes of the September 14, 2009 meeting were reviewed. Motion to approve by Mr. Tucker Braddock, seconded by Mr. John Paul Mereen, voted unanimously.

Mr. Mills thanked all in attendance for coming to this meeting, which is intended to allow information to be shared on the potential benefits to Norwich if it chooses to purchase the site. Mr. Mills also thanked the Preston committee for helping with advice on the various grants that are available.

Corporate Counsel report on the option to purchase the former Norwich Hospital site was presented.

Terms of the Option to Purchase – Corporation Counsel Michael Driscoll stated that, because of the July 31, 2006 purchase and sale agreement that was signed by

the State of Connecticut on January 24, 2007, the city must notify the State by January 24, 2010 whether it is indeed purchasing the site. With regard to personal property transfers, 90-day notice is required. The purchase price is \$1 (one dollar). If the city chooses to exercise the option to purchase, it is contractually bound to buy it; however, the closing is a little more flexible after the documentation approvals are in place. Therefore, taking into consideration best efforts within 120 days (four months) after receiving notice, the city could close on the property 10 to 21 days afterward, or in other words, between 90 to 135 days after receiving notice.

At the closing, the city is required to file all required environmental documents. There is a legal fee at closing of up to \$3500. The buyer is required to prepare a remedial action plan (RAP) and provide a performance bond guaranteed to do the RAP. Archaeologically significant sites have been explored and are non-burdensome. There are various stipulations that the site cannot be used for certain activities, including but not limited to casinos, gaming, airports, dumps, and Indian reservation annexation. In addition, proof of insurance must be provided.

Update reports were presented.

- Committee Progress to Date – Mr. Mills summarized recent activities regarding the former Norwich Hospital site: from the first committee’s inception, two requests for proposal (RFPs) in 2004 and 2009, a purchase and sale agreement in 2006, mayors forums in July and October 2008, to the second formation of a committee on July 6, 2009.

Current committee activities include:

- conducting basic “due diligence”
- defining costs to acquire it (approximately \$27,500), own it (approximately \$250,000 to protect it after purchase), and also costs to prepare the site for development that can vary as the actual work progresses
- ongoing identification of prospective grants for planning, lead/asbestos remediation, historic/cultural value; blight-demolition, environmental remediation, and infrastructure development.
- defining the benefits of the site to Norwich after development: land sales/leases, real estate taxes, personal property taxes, motor vehicle taxes, utility revenues (10% electric, gas and water)

Mr. Mills reiterated that the city does not own the site yet, but can apply for grants when it does, and pointed out that Preston is succeeding in securing many grants for its site; however, no promises are being made in this regard during the current economic climate.

He mentioned that Preston has a Phase I, Phase II and a RAP. Norwich has a Phase I and partial Phase II, but no RAP. \$100,000 will be needed to get the rest of the testing and consulting done for Norwich.

Mr. Mills indicated that the committee plans to complete the grant matrix, the benefits perspective, and present the findings to City Council.

Presentations were then given by Eagle Environmental, James Coleman Studios, TPA Design Group, and AMS Consulting.

- Environmental Conditions – Raymond Folino of Eagle Environmental stated he may potentially purchase the site and was involved in the original assessment of the property. The comprehensive cost of abating (but not demolishing) the on-site buildings of hazardous building materials has been estimated.

Mr. Folino stated that no comprehensive Phase II exists; therefore, subsurface investigation must be performed to determine the actual extent of contamination. Chlordane, a pesticide, is a main concern. Mr. Folino stated he recently walked the site and it appears the same as it did five years prior. The work is labor intensive to perform, but fortunately labor rates have remained constant. Unfortunately, however, oil and transportation costs have gone up.

He estimated that the hazardous abatement would cost between \$7,000 to \$10,000 per cottage, and \$180,000 to \$500,000 per large building. He mentioned the pipe (steam) conduits currently underground at the site for which asbestos abatement is estimated to be \$160,000.

Mr. Folino explained that there is a multiplier used with regard to union work. Non-union work would be estimated at \$1,300,000 for remediation of hazardous building materials on the Norwich site as well as renovation. Union work costs 15% more and raises that figure to \$1,550,000.

He mentioned there would be additional consulting costs. The survey was 75% complete. Oversight during the course of the work is included in the original estimate of approximately \$140,000. Therefore, the grand total for non-union work would be approximately \$1,500,000 and for union work approximately \$1,700,000, and those include consulting where soil contamination is concerned.

Chlordane was probably used around all the buildings, so it remains to be seen just how deep and far out from those areas that contamination of this pesticide could extend. To dispose and remediate that soil will cost \$70 to \$250 per ton, because the costs to remove them increase proportionally to their depth. It is estimated there is approximately 36,000 tons of contaminated soil.

- Site Characteristics – James Coleman of James Coleman Architecture Studio presented a 50- to 70-year view of the site through a series of photographs and graphics. He indicated the site has tremendous value and it could be a

community-led rather than developer-led. He recommended organizing a team of stakeholders, market audits, architects, etc.

He also recommended coming up with a framework, a system of roads, and potential public places--thereby “setting the table” for development, keeping a vision of a master planning process that would benefit the region.

Mr. Coleman explained that traffic movement was more important in the old days, but not now. The new urbanism principals are walkability, hidden parking lots, and attractive facades on buildings. Connectivity should be kept in mind, as well as mixed use and diversity. The higher the density, the higher the tax base. He showed a computer topography model and indicated an opportunity for a cliff walk, cafes, and bike usage. Parks and a marina, and amenities at the end of the cliff walk are possibilities. The northern slopes offer potential hotel and entertainment areas. The southern slopes offer other development options.

Mr. Coleman advised keeping some of the limestone-detailed and brick buildings. Suggested development included townhouses near the existing water tower, buildings around the pond, and a golf course with public buildings, such as a country club. Newburg New York has many similarities to the Norwich Hospital site.

- Site Scale & Use – Humbert Sacco of TPA Design Group stated he had over 900 acres of Brownfields site experience. Mr. Sacco praised the committee for the way it has gone about exploring options for the site, by looking at the downside first, and then at the positive side.

Mr. Sacco commented on the steep areas of the site, which are somewhat undevelopable. Only 31 out of the 60 acres are developable with enough soils to accept utilities, etc. Like any piece of real estate, some parts don't yield benefits, such as truck turnarounds, parking, etc., so these must be kept in mind as the property is developed.

He pointed out potential costs such as \$2000 per parking space vs. \$25,000 per structured parking space. Manufacturing development is \$410,000 per square foot of floor space vs. the distributor and warehouse development cost of \$500,000 to \$550,000 per square foot of floor space, and provides less jobs. Retail is \$350,000 gross floor space. Residential is estimated at 2.5 spaces per unit, 270 units, 2,000 square feet.

Mr. Sacco was asked if parking could be located under a building. He replied that there is a question of groundwater, ventilation, etc, but it would cost about \$15,000 per space. He was asked to repeat the residential unit info; however Mr. Mills commented that mixed use is best, and Larry Kenney would explain more of that subject during his presentation.

Mr. Sacco was asked how big 400,000 square feet actually was. He answered that it is about 10 acres or about the size of four Home Depot stores which are approximately 100,000 square feet. He commented that the Crystal Mall is about 800,000 square feet, but because it is comprised of two levels only its outer footprint is an example of what 400,000 square feet looks like.

It was asked whether there were any advantages to multi-level buildings. Mr. Sacco replied that manufacturing is only allowed to be one level, and it is tough to get retail to go to a two-level unless it has excellent anchor stores. However, multi-levels are acceptable for housing and office developments.

Mr. Scaco was asked what the control on spaces would be and the reply was 4.5 spaces per 1000 square feet.

Mr. Mills then asked for a perspective on Brownfields and how Norwich should go forward. Mr. Sacco said that if Norwich purchases the land it should be very aggressive with the funding agencies to secure the needed money. A program should be put together to look at state and federal sources now to be ready in the coming months. He mentioned that the Economic Development Agency (Philadelphia) could help. Norwich should start early, because it all takes a while to process.

It was asked of Mr. Sacco that if the state is selling the property for only \$1, would the state be less likely to contribute? Mr. Mills responded that the exact opposite is happening with the Preston site.

- Preliminary Market Analysis – Larry Kenney of AMS Consulting presented a market analysis and went over the disclaimers of the report, the two core disclaimers being that this information is preliminary and general in nature, and is intended only to broadly identify potential market opportunities and any constraints and site issues. Also he stated that the analysis was targeting only the Norwich side of the Norwich Hospital site.

Mr. Kenney went over the various locational factors of the site, such as population, income base, business growth areas, proximity to employment centers, traffic access, site amenities, etc.

He then showed tables that outlined all the potential market values of the following types of developments: residential, retail, office, industrial, hotel, and institutional.

Mr. Mills then asked if there were any questions for Mr. Kenney. Hearing none, he stated that the Norwich community could learn a great deal from Preston as it continues to develop its site. He announced that some of this evening's presentations are already available, and Norwich Community Development Corp (NCDC) will try to get the rest so they can be distributed after the meeting.

Mr. Mills opened up the meeting for further discussion from the public.

A question was asked by a Preston landowner who had not heard much about the amount of funding money available whether the only reasonable development is housing, what the cost for maintenance, etc. would be, and is the cost for security known. Mr. Mills responded that we cannot define costs in exact amounts at this time; however, we can get them into a cost range. Mr. Mills added that with regard to grants experience in Preston, Mr. James Bell is in charge of the redevelopment agency grants. He procured \$200,000 for Brownfields, \$70,000 for cultural and tourism restoration possibilities, and \$50,000 from United States Department of Agriculture (USDA) to use for planning purposes. A deadline of October 16 was mentioned for three \$600,000 Brownfields grants.

It was asked whether ground remediation costs are known. Mr. Mills responded that assessment grants will help determine that figure.

Mr. Mills explained that a parcel must be bonded if a developer is involved. In addition, Preston has 8 to 10 different parcels on their Norwich Hospital site but it is only doing one parcel at a time. That is because after one parcel is cleaned up, Preston gets a tax return and proceeds from that parcel which can then be used to invest into developing the next parcel. Therefore, concerns about total costs are somewhat irrelevant if Norwich follows the same procedure that Preston is using.

Norwich citizen Keith Ripley took the podium to comment on zoning of the former State Hospital site as a Planned Development Design (PDD) District and stated that it is one of the twelve (12) economic development opportunity areas in the entire city. He explained that understanding what is allowed in this district and how site plans and special permits for the PDD are currently regulated is very important. Mr. Ripley suggested that the City Council carefully review that process and take into consideration what changes, if any, should be made to the process at this time. Mr. Ripley provided to the committee the section of the Zoning Regulations that describes the PDD and the part of the 2002 Plan of Conservation and Development that mentions the Norwich Hospital. He recommended that the easing of the current restrictions be further discussed with the State in order to expand the marketing of the site. He also recommended asking the State for any available stimulus funding for remediation and other site costs.

Mr. Mills commented that stimulus money can be difficult to get.

Norwich citizen Ernie Cohen then took the podium and stated he has been an environmental engineer in Norwich since 1972. He commented that the current issue is green parks and energy parks, and business parks with energy efficiency as a theme. Mr. Cohen used the underground tunnels at the site as an example, as they can be used to conduct steam.

Mr. John Wong of the Chinese & American Cultural Assistance Association took the podium and stated that several weeks ago he had given a proposal to the town of Preston regarding a university. Mr. Wong recommends that Norwich consider the site for that purpose also. He had recently met with a consultant from a school of medicine in another country and the idea is to have Chinese students come here to learn medicine. Mr. Wong felt that a K through College school would be beneficial because Chinese would be spoken there.

Mr. Sacco added that Brownfields that have been cleaned up were driven by the existence of an end user. Mr. Sacco also explained that “green” is no longer voluntary, as State law in the next 18 months will give authorities power to enforce heating, ventilation and air controls. In addition, it was important to note that combining Brownfields with the actual building phase of development cuts half the cost because any soil contamination can often be capped instead of paying the high cost of transporting it off the property.

Mr. Mills stated he had received a call from Betty Bruhn, who suggested the site be used for a senior housing complex and medical complex, and also Mr. Andrew Harvey reminded the committee to visit other sites, such as North Hampton Massachusetts, which is a good example of the various phases/processes utilized.

Mr. Mills stated that the committee will continue to take other suggestions regarding the site. In the meantime the next step for Norwich is to work with Preston, look for joint opportunities, and pursue funding. A regional joint venture with Preston is a good idea, as well as community centers, river walks, etc. If people in Norwich are interested, Preston has meetings set in October that can be attended.

Mr. John Paul Mereen thanked all who made presentations, and also the public for showing interest by attending the meeting.

Mr. Mills explained that the Norwich Hospital Committee usually meets every second and fourth Monday of the month in Room 210 or 319.

Motion to adjourn by Mr. Mereen, seconded by Mr. Desaulniers, voted unanimously @ 7:25 p.m.

Respectfully submitted,

Shelley Chenonceau