

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

Minutes of the September 14, 2009 Meeting

Members Present: Alan Bergren - City Manager; Peter Desaulniers - Alderman; Robert Mills - Executive Director - NCDC; Tucker Braddock - Citizen Representative; Michael O'Neil - Citizen Representative; Kathleen Murphy - Citizen Representative; John Paul Mereen - Citizen Representative

Members Absent: Mayor - Benjamin Lathrop; Alderman - William Nash; Peter Davis - Director of Planning & Development; John Bilda - General Manager of NDPU

Others Present: Corporation Counsel - Michael Driscoll; Joseph Ruffo - Comptroller of the City of Norwich; Alderman Robert Zarnetske; Andy Depta - Citizen; John Wong - President of Chinese & American Cultural Assistance Association; Ernie Cohen – Citizen; Claire Bessette - The Day; Michael Gannon - Norwich Bulletin

Meeting was called to order by Moderator Robert Mills @ 5:33 p.m.

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

Minutes of the August 24, 2009 meeting were reviewed. Motion to approve by Tucker Braddock, second by Kathleen Murphy, voted unanimously.

Guest John Wong – President of Chinese & American Cultural Assistance Association was informed that this committee is not making decisions as to the nature of development for the site. He brought copies of a proposal and was asked to leave copies of his business plan with the Committee, and was also invited to attend the September 28th meeting to talk about his ideas.

Committee reports were presented.

- Environmental, Survey Title, Demolition and Historic Issues - It was brought to the attention of the committee that Mr. Davis has received a letter from David Poirier the State Historian with regard to the on-site structures. The gist of the letter was that it was suggested the Lippitt Building and the former Nurses' Residence be maintained for their historical value.

Discussion ensued regarding negotiation with the state in coordination with Preston regarding the entire site and retention of key buildings.

- Mike O’Neil reported that an electric-generating power plant owned by Kleen Energy Systems is being constructed in Middletown that might be a model for what we could also do here as an option for the site, especially since we have an already existing power company infrastructure here in Norwich.
- Maintenance, Security, Fire Protection & Insurance – Kathleen reported from City of Norwich Purchasing Agent Bill Block that an insurance policy would be approximately \$38,200, General - \$13,200 and Property - \$25,000. This policy would be a rider on the existing City of Norwich insurance policy. The deductible is \$5,000 per structure. The number quoted would be fairly consistent year to year, as long as property values did not change, and unless premiums are driven up. It includes Hazard Insurance, which falls under General & Liability.

It was asked whether the cost would go down if the number of buildings on the site was reduced. Kathleen responded that this estimate is only for the site as-is. She can ask for more information as buildings are demolished.

Alderman Desaulniers reported that the Laurel Hill Fire Department currently covers this area. They would like to see the area cleared of overgrowth so access is available in the event of an emergency. Under their current agreement with the City of Norwich, they could handle any situation at the site, and said they could adapt as the property is developed.

- Existing Data – no new data.
- Sourcing Grants and Funding – Bob Mills presented a Grant Matrix compiled by Jackie Roy in a format developed by Preston. It shows several sources and grants and includes timelines and other information. Bob will distribute this table to everyone.

Discussion ensued with regard to a meeting held two months prior with Jim Byrne of EPA. A \$200,000 grant is in place in Preston, but because Norwich only controls the property through an option, Norwich is unable to apply for this grant. Bob reported that the plan is to apply for two of the grants if Norwich acquires the property. The EPA Targeted Brownfields Assessment Grant would cover all assessments needed [Phase I, Phase II, as well as a Remedial Action Plan (RAP)]. Any leftover monies from assessments can be applied toward cleanup. Some other grants require a match, and others do not.

Bob reached out to some market analysis experts and Burt Saco regarding 900 acres of development in CT. The next step is to generate dialogue to develop an appropriate mix of uses.

Joe Ruffo went over a handout he had prepared: the Fiscal Impact Analysis of the Norwich Hospital Property Development. He commented that there is an approximate time line of 25 to 30 years for recovery of municipal investments,

consistent with the term of bonds used to cover costs. Mr. Ruffo indicated the tax returns generated from development of the site will depend on whether residential or commercial development. Also, Mr. Ruffo encouraged the committee to recognize federal and state grants to help offset costs.

Alderman Desaulniers asked how to frame any questions to the public as to what they want done with the property. John Paul Mereen suggested we do as Preston did when they presented their 11-part plan. All options such as commercial, residential, electric-generating plants, etc. should be explored and presented. Bob suggested “profiling” the parcels, describing their resources as they pertain to their location so that the public will be better able to weigh the amount and type of development is more feasible to a given area.

It was commented that the level land is more likely to be archeologically rich. Joe Ruffo suggested making the land look attractive to developers. Bob pointed out that it was most likely the potential remediation costs that have probably held developers back from this property for the last 15 years.

- Infrastructure & Utilities – Bob reported that he and John Bilda had talked. They are working up numbers for developing the Norwich and Preston parcels separately.
- Report on Preston RDA - Tucker Braddock reported that Preston has one Targeted Brownfield Assessment grant in place and is looking to do more, up to one per individual parcel.

Bob Mills mentioned that there is a meeting tomorrow with Preston and on Wednesday the regional Economic Development Administration (EDA) representative will do a site assessment of the property. For the EDA grant, a joint application by Preston and Norwich can be made for planning purposes. Norwich need not own the property to apply for this grant. Discussion ensued and it was recommended that Preston be made aware that Norwich intends to be a co-applicant to EDA and that care will be taken to assure it does not endanger Preston’s status with EDA if Norwich does not advance the option of buying the site.

Bob Mills then asked the attendees if there were any other related topics to discuss. He mentioned that two marketing analysis consultants, possibly three (all pro bono), are meeting on September 21st at 10:30 a.m. to discuss development options and will perform a preliminary market analysis.

Bob also mentioned that through Tucker Braddock, architects will be consulted pro bono to draw pictures from the air to help us visualize concepts for the property. This meeting with the architects will be held Friday the 25th at 9:00 am and is open to all.

Discussion was then held with regard to the planned September 28th meeting possibly conflicting with Yom Kippur. Ernie Cohen offered to find out exactly when the Yom Kippur observance ends and get back to Bob. Subsequently it was determined that the meeting should be held on Tuesday the 29th.

Shelley Chenonceau was introduced as Bob's new Executive Assistant at NCDC.

Bob Mills then opened the meeting to the public.

Robert Zarnetske congratulated the committee on its progress. He commented on his concern with regard to the fact that a higher education development proposal had been received, yet the proposed matrix didn't seem to allow for non-tax based values. Mr. Zarnetske stated he would like to see more focus placed on development that will bring more economic activity and results for Norwich, even if it does not create real estate taxes. He explained that a higher education facility would generate a pilot fee from the state and would bring students to the city that would patronize local businesses.

Discussion ensued on also keeping the "larger picture" in mind and trying to avoid decisions that could inadvertently send "downtown" business elsewhere. Bob Mills suggested that offices, residences, and retail all be figured into the matrix--jobs, cash, etc should also be factored in to a particular development proposal. It was mentioned that Mohegan Sun has generated a lot of money, but little of it comes to Norwich because their high-paid employees live in other towns. It was asked that this be kept in mind in the early planning stages with regard to economic benefits for Norwich.

Ernie Cohen commented also that the casinos didn't bring in as much revenue to Norwich as previously expected, and made some "theme" suggestions such as energy, "incubators" (that could possibly develop into larger companies), higher education, and medical.

Andy Depta suggested that successful "benchmarks" such as Portsmouth New Hampshire, Pease Air Force Base, etc be used as a guide when looking for ways to develop the site. He cautioned that economic development be planned such that it does not inadvertently create an infrastructure which can result in added "maintenance costs."

Motion to adjourn by Mr. Mereen, seconded by Mr. Braddock, voted unanimously @ 6:38 p.m.