City of Derby
Board of Aldermen / Alderwomen

First Ward	Second Ward	Third Ward
Barbara L. DeGennaro	Joseph L. DiMartino	Jim DiMartino
Thomas J. Donofrio	Evelyn Browning	Louis Oliwa
Bev Moran	Ronald M. Sill	Charles Sampson

Board of Aldermen/Alderwomen Meeting Minutes
Derby City Hall
1 Elizabeth Street, Derby, CT
October 11, 2018

1. **Call to Order.**
   Mayor Dziekan called the meeting to order at 7:00 PM.

2. **Pledge of Allegiance.**
   Mayor Dziekan led the Pledge of Allegiance.

3. **Roll Call.**
   The Board of Aldermen / Alderwomen members present were Thomas Donofrio, Joseph DiMartino, Evelyn Browning, Jim DiMartino, and Charles Sampson. Bev Moran, Barbara DeGennaro, and Louis Oliwa were excused. Ronald Sill arrived at 7:10 PM.

4. **Adoption of the Agenda**
   Mr. Sampson motioned to add two New Business items: Item 9.4 Waiver for Jim DiMartino to perform work for the fire department and Item 9.5 Waiver for Barbara DeGennaro to perform legal services for the City of Derby. Mr. Joe DiMartino seconded and the motion carried.

5. **Public Portion**
   No one from the public spoke.

6. **Department Head Reports**

   6.1. Finance Director
   Mr. Coppola stated that the city now owns the Varca Building and they need to either heat it or winterize it.

   6.2. Board of Education
   Mayor Dziekan thanked Dr. Conway for going door to door regarding the recent storms.

   6.3. Cultural Commission
   No one was present.

   Mr. Baklik stated that he believes the current members are resigning.

   Mr. Sampson motioned to have the cultural commission members attend the next Operation and Procedures Sub-Committee meeting to state their intentions. Mr. Donofrio seconded and the motion carried.

   6.4. Public Works
   Mr. Donofrio spoke about Roosevelt Drive and the brush that is overgrown on the state road. Mr. Armeno said that it is state property and their department will notify the state tomorrow.

   6.5. Building Department
   Dr. Conway stated that a tree fell in the Irving parking lot and he thanked Mr. Armeno and his department for the

quick response.

6.6. Facilities Inspector
Mr. Cota stated that one RV has been moved and the other one is being moved.

6.7. Fire Marshal
The fire marshal was excused.

6.8. Fire Department
Nothing was discussed.

6.9. Office of Emergency Management
Nothing was discussed.

6.10. Parking Division
Nothing was discussed.

6.11. Police Department
No representative. Dr. Conway thanked the chief for coordinating the security guard training so quickly.

6.12. Water Pollution Control Authority
No representative.

6.13. Chief of Staff
Mr. Jim DiMartino thanked Mr. Baklik for information that he requested.

6.14. Corporation Counsel – Including Planning and Zoning, Labor Counsel, and Outside Counsel
Nothing was discussed.

6.15. Storm Ambulance Corps
Nothing was discussed.

6.16. Parks and Recreation
Nothing was discussed.

6.17. Revolving Loan Fund
Nothing significant to report.

6.18. Website Report of tickets for the month
Nothing was discussed.

6.19. Economic Development Liaison
Mayor Dziekan stated they attended the DOT RT 34 project meeting. Utility test fits will be conducted in the area in the next few weeks. The project should begin around June 2019.

6.20. Athletic Complex Building Committee
Nothing was discussed.

6.21. Field House and Baseball Field Building Committee
Mr. Joe DiMartino asked about a portable fence. Dr. Conway said that taking them up and down is not easy. Mr. DiMartino stated his concerns as it isn't fair for the softball teams. Mr. Jim DiMartino asked if he did any research for alternatives. Mr. Joe DiMartino stated that he will look into it.

Mayor Dziekan stated that out of 21 department heads only 14 are represented here. He doesn't understand why they are not coming to the meetings. The Board has ordered them to attend and he doesn't grasp the fact that they are not attending.

7. Administrative & Appointments

7.1. Approval of Minutes

7.1.1. Move to approve minutes from Regular Meeting – September 13, 2018

Motioned to approve by Mr. Jim DiMartino, seconded by Mr. Joe DiMartino and the motion carried. Mr. Sampson abstained.

7.1.2. Move to approve minutes from Special Meeting – September 18, 2018

Motioned by Mr. Sill, seconded by Mr. Joe DiMartino and the motion carried. Mr. Sampson abstained.

7.2. Move to approve tax refunds in the amount of $5,760.57

Motioned by Mr. Sampson, seconded by Mr. Jim DiMartino and the motion carried.

8. Committee Reports

8.1. Blight Committee

8.1.1. Move to add 68 Seymour Avenue to the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Jim DiMartino and the motion carried.

8.1.2. Move to remove 210 Hawkins Street from the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Jim DiMartino and the motion carried.

8.1.3. Move to add 21 Hawkins Street to the Blight List.

Motioned by Mr. Joe DiMartino,

Mr. Cota stated that the property has been abandoned and they are working on getting it secured.

Motion was seconded by Mr. Jim DiMartino and the motion carried.

8.1.4. Move to add 16 Lafayette Street to the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Sill and the motion carried.

8.1.5. Move to add 44 Emmett Avenue to the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Donofrio and the motion carried.

8.1.6. Move to add 15 Tenth Street to the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Donofrio and the motion carried.

8.1.7. Move to add 25 Park Avenue to the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Sill and the motion carried.

8.1.8. Move to remove 370 David Humphreys Road from the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Sill and the motion carried.

8.1.9. Move to remove 170 Park Avenue from the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Sill and the motion carried.

8.1.10. Move to remove 67-72 Minerva Street from the Blight List.

Motioned by Mr. Joe DiMartino, seconded by Mr. Sill and the motion carried.

8.1.11. Move to initiate foreclosure proceeding on 6-8 Elm Street.

Motioned by Mr. Joe DiMartino, seconded by Mr. Donofrio and the motion carried.

8.2. Community Relations

8.2.1. Move to authorize Hotchkiss Hose Company Number 1 to erect a permanent sign on the Fire House property at 200 David Humphreys Road provided that it complies with existing Zoning Regulation.

Motioned by Mr. Sill, seconded by Mr. Sampson and the motion carried.

8.3. Operations and Procedures

8.3.1. Move to reduce the voting members on the Athletic Complex Building Committee by two as established at the Board of Aldermen/Alderwomen meeting held on November 17, 2016.
Motioned by Mr. Sampson, seconded by Mr. Joe DiMartino and the motion carried. Two members have routinely not been attending. (Mr. Hughes and Mr. Mancini have not been attending.)

8.3.2. Move to adopt Proposed Ordinance, City of Derby Code, entitled "Tax Incentive Ordinance" and proposed "Tax Incentive Application"
Motioned by Mr. Sampson, seconded by Ms. Browning and the motion carried.

TAX INCENTIVE ORDINANCE

Ordinance No.:_____

Tax and Business Incentive Program

A. Purpose

i. The purpose of the Tax Incentive Program is to attract, retain and expand businesses and industries in the City of Derby. It is the intent of the city to provide and create jobs for local and area residents; to create long term tax base growth through the replacement, reconstruction, expansion, adaptive reuse and remodeling of existing business and industrial facilities, where appropriate and environmentally sound; to encourage the construction of new facilities, when necessary, and to create the potential for generating new demands for existing local businesses through a "spin-off" effect of major employers' business decisions. It is further the intent of the City of Derby to encourage substantial investment in new equipment and other personal property subject to taxation within the City.

The City of Derby has adopted this tax incentive ordinance in accordance with Connecticut General Statute 12-65b and 12-127a. This ordinance establishes a tax incentive program for the City and allows the City to enter into written agreements with the owners and/or lessees of certain real property located within the City of Derby in order to fix tax assessments of real and/or personal property in the manner set forth by this ordinance.

B. Eligibility

i. Business Enterprise Tax Incentives

a. In accordance with the provisions of Conn. Gen. Stat. §12-65b, the Board of Aldermen / Alderwomen may enter into written tax agreements with owners and/or lessees of real property if the improvements are for one of the following:

i. Manufacturing use;
ii. Office Use;
iii. Retail Use;
iv. Storage, warehouse or distribution use;
v. Structured multilevel parking use necessary with a mass transit system;
vi. Information Technology;
vii. Recreation Facilities;
viii. Transportation Facilities;
ix. Permanent Residential Use; or,
x. Transient Residential Uses.

ii. Adaptive Reuse

a. In accordance with the provisions of Conn. Gen. Stat. §12-127a, the Board of Aldermen / Alderwomen may enter into written tax agreements with the owners and/or lessees of real property on which a structure of historical or architectural merit is located, provided that it is shown to the satisfaction of the Board of Aldermen / Alderwomen that the level of taxation is a material factor which threatens the continued existence of the structure, necessitating either its demolition or remodeling in a manner which destroys the historical or architectural value.

iii. Only legally existing uses, businesses relocating to the City, new business development and business expansion listed in section B.(i.) or businesses seeking to renovate a qualifying structure for its business purposes in accordance with section B.(ii.) will be considered under the following circumstances:

a. The proposed project is located within a district zoned for such purposes by the Planning and Zoning Commission;

b. If the applicant is a tenant, the tax benefits must be reflected in the lease between the applicant and the owner of the subject real property where the business is locating and the lease must be for at least the term of the tax abatement period;

c. There is no delinquency in any taxes or service charges due to the City of Derby from the applicant or the owner of the subject property;

d. The project should have a clear benefit to the City of Derby; and,

e. Home occupations (as defined by the Derby Zoning Regulations), and all other land uses are not eligible to participate in the tax incentive program under this ordinance.

C. <u>Application Procedure</u>

i. All tax abatement requests shall be made in writing on a form prescribed by the Economic Development liaison for the City of Derby. The applicant must indicate that the new investment would not occur within the City of Derby without the tax incentive requested and/or, for properties on which historical or architectural structures are located, that the level of taxation is a material factor which threatens the continued existence of the structure, necessitating either its demolition or remodeling in a manner which destroys the historical or architectural value. The applicant shall provide all required information in sufficient detail to allow the City to determine the costs and benefits associated with the implementation of the requested tax agreement. Two copies of the application must be submitted simultaneously - one to the Mayor and the other to the Economic Development liaison.

ii. The application for tax abatement shall first be referred to the Economic Development liaison for review. The Economic Development liaison shall review the application to determine if the application conforms to and complies with the City's requirements. Each complete application shall be reviewed on a case-by-case basis. Within 30 days of receipt of the proposed tax incentive package, the Economic Development liaison shall report his or her findings to the Board of Aldermen / Alderwomen.

iii. All final approvals shall be granted by the Board of Aldermen / Alderwomen, which final approval shall not be subject to appeal. The Board of Aldermen / Alderwomen, in its sole discretion, shall either approve, approve with modifications or conditions, or deny the application within 35 days from the date of the first regularly scheduled meeting at which the Economic Development liaison's report appears on its agenda. Granting of the tax abatement shall be subject to the affirmative vote of five members of the Board of Aldermen / Alderwomen, exclusive of the Mayor. The decision of the Board of Aldermen / Alderwomen shall be based upon the information provided by the applicant, the report of the Economic Development liaison, the criteria stated within this ordinance, and the Connecticut General Statutes.

In the event of unusual or extraordinary circumstances, the Board of Aldermen / Alderwomen may alter or waive any requirements contained herein.

D. <u>Abatement Schedule</u>

i. <u>Business Enterprise Tax Incentive Abatement Schedules</u>

a. The Board of Aldermen / Alderwomen may, through the affirmative vote of five members of said Board, exclusive of the Mayor, authorize the City to enter into a written tax agreement with any party owning or proposing to acquire an interest in real property in the City of Derby fixing the assessment of the real property which is the subject of the Agreement and all improvement thereon or therein, subject to the cost of the project improvements exceeding the following thresholds:

Cost of such improvement to be constructed	***Abatement Period***
$5,000,000.00	*Seven (7) years*
$1,500,000.00	*Five (5) years*
$750,000.00	*Three (3) years*

b. *If the increased assessment resulting from the cost of such improvement to be constructed is at least $5,000,000.00, the City of Derby will consider entering into a seven (7) year written tax abatement agreement with such applicant, such that real estate taxes on the increase in gross taxable assessment from the improvements to real property will be abated by:*

- *70% in the first year;*
- *60% in the second year;*
- *50% in the third year;*
- *40% in the fourth year;*
- *30% in the fifth year;*
- *20% in the sixth year;*
- *10% in the seventh year;*

There shall be no abatement of taxation on any personal property owned by the applicant. Any tax abatement shall commence with the Grand List of October immediately following the issuance of the final certificate of occupancy for the subject property.

c. *If increase assessment resulting from the cost of such improvement to be constructed is at least $1,500,000.00, the City of Derby will consider entering into a five (5) year written tax abatement agreement with such applicant, such that real estate taxes on the increase in gross taxable assessment from the improvements to real property will be abated by:*

- *50% in the first year;*
- *40% in the second year;*
- *30% in the third year;*
- *20% in the fourth year;*
- *10% in the fifth year;*

There shall be no abatement of taxation on any personal property owned by the applicant. Any tax abatement shall commence with the Grand List of October immediately following the issuance of the final certificate of occupancy for the subject property.

d. *If the increased assessment resulting from the cost of such improvement to be constructed is at least $750,000.00, the City of Derby will consider entering into a three (3) year written tax abatement agreement with such applicant, such that real estate taxes on the increase in gross taxable assessment from the improvements to real property will be abated by:*

- *30% in the first year;*
- *20% in the second year;*
- *10% in the third year;*

There shall be no abatement of taxation on any personal property owned by the applicant. Any tax abatement shall commence with the Grand List of October immediately following the issuance of the final certificate of occupancy for the subject property.

ii. *<u>Adaptive Reuse Abatement Schedule</u>*

a. *The Board of Aldermen / Alderwomen may, through the affirmative vote of five members of said Board, exclusive of the Mayor, authorize the City to enter into a written tax agreement with any party owning or proposing to acquire an interest in real property in the City of Derby on which there is located a structure(s) of historical or architectural merit, subject to the cost of the project improvements equal to or exceeding the sum of $500,000.00.*

b. *Real estate taxes on real improvements associated with the historic redevelopment and adaptive reuse of any structure deemed to have historic or architectural merit that qualify under this section shall be abated for a period of three (3) years in accordance with the following schedule, commencing with the Grand List of October immediately following the issuance of the first certificate of occupancy for the subject property.*

- *30% in the first year;*
- *20% in the second year;*
- *10% in the third year;*

c. *If, after taxes on such structure have been abated in accordance with the terms of this ordinance, such structure is demolished or remodeled in a way which destroys its architectural or historical value, the then owner shall pay to the City an amount equal to the total amount of the taxes which had been abated under this ordinance.*

E. *Agreement*

i. *Pursuant to the Aldermen's decision, the City will enter into a written agreement with the owner or lessee of real property for the terms of the agreement.*

a. *After approval of any such tax agreement, construction shall commence within twelve (12) months and shall be completed within twenty-four (24) months said approval. In the event that construction is not commenced and/or completed within the specified time frame, then any agreement entered into pursuant to this policy shall immediately terminate and the full amount of the tax (including accrued interest) that would otherwise be due shall immediately become due and payable, unless alternative arrangements are authorized by the Board of Aldermen / Alderwomen.*

b. *If an applicant fails to comply with the payment of taxes upon the due date required, then any agreement entered into pursuant to this program may be terminated by action of the Board of Alderman / Alderwomen and, in such event, the full amount of the tax including accrued interest that would otherwise be due shall immediately become due and payable.*

F. *Transferability*

i. *Any tax agreement entered into pursuant to this ordinance shall not be subject to assignment, transfer or sale without the consent of the Board of Aldermen / Alderwomen. In the event that any such agreement is assigned, transferred or sold without the Board's consent, then the agreement shall terminate, as of the effective date of assignment, transfer or sale and the full amount of the tax that would otherwise be due to the City of Derby, including accrued interest and lien fees, shall immediately become due and payable*

G. *Authority of Board of Aldermen / Alderwomen*

i. *Nothing in this ordinance shall require the Board of Aldermen / Alderwomen to enter into a tax abatement agreement.*

H. *Retroactivity*

This Ordinance is not retroactive.

8.3.3. Move the approve Proposal and Contract from WSP USA dated September 13, 2018 for monitoring and reporting services for fiscal year 2019 at the City of Derby Solid Waste Landfill, Pine Street and to empower Mayor Dziekan to execute said contract.
Motioned by Mr. Sampson, seconded by Mr. Sill and the motion carried.

8.3.4. Move to approve Food Service Truck Memorandum of Agreement between the cities and Board of Education of Derby and Ansonia and empower Mayor Dziekan to execute all documents related thereto.
Motioned by Mr. Sampson, seconded by Mr. Joe DiMartino and the motion carried.

8.3.4

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT (the "Agreement") is made by and between the Cities and Boards of Education ("BOE") of the City of Derby ("Derby") and the City of Ansonia ("Ansonia"). Derby and Ansonia are sometimes referred to herein collectively as the "Parties" or individually as a "Party".

WHEREAS, Derby and Ansonia are parties to an Agreement For Shared Services – Food Service Truck, that was effective on or about November 25, 2015 (the "Shared Services Agreement"), pursuant to which (i) the Parties purchased a food service truck (the "Truck") to be used for food service operations in both Derby and Ansonia, and (ii) agreed to share the ongoing expenses related to the Truck pursuant to the Shared Services Agreement; and

WHEREAS, the Food Service Programs for both Derby and Ansonia have been managed by the Ansonia Director of Food Services pursuant to an Agreement dated on or about August 14, 2014 (the "Food Services Agreement"), pursuant to which Derby has paid to Ansonia a Management Fee equal to 10% of the annual budget surplus for the Derby Food Services (the "Management Fee"); and

WHEREAS, the Parties now desire to (i) transfer ownership of the Truck to Derby, (ii) terminate the Shared Services Agreement, and (iii) terminate the Food Services Agreement, all pursuant to the terms and conditions of this Agreement.

NOW THEREFORE, the Parties agree as follows:

1. Simultaneously with the execution of this Agreement Ansonia shall cause ownership and title to the Truck to be transferred to Derby in exchange for the payment by Derby Food Services to Ansonia Food Services of the sum of $15,000.00.

2. The Parties hereby agree that the Shared Services Agreement is terminated and of no further force or effect as of the date of execution indicated below.

3. The Parties hereby agree that the Food Services Agreement is terminated and of no further force or effect, and Derby shall have no further obligation to pay the Management Fee to Ansonia as of the date of execution indicated below.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of this ___ day of August, 2018.

City of Derby

By:_____
Name: Richard Dziekan
Title: Mayor

City of Ansonia

By:_____
Name: David Cassetti
Title: Mayor

Derby Board of Education

By:_____
Name: Mr. James Gildea
Title: Chairman - BOE

Ansonia Board of Education

By:_____
Name: William Nimons
Title: Chairman - BOE

9. New Business

9.1. Move to terminate agreement between the City of Derby and DPZ Partners LLC dated June 24, 2016 and to authorize the Mayor of the City of Derby to send written notice of termination to DPZ Partners, LLC in accordance with Article 4, Section 4.02 of the contract.
Motioned by Mr. Sampson, seconded by Ms. Browning and the motion carried.

9.2. Move to waive building permit fees for new lighting at Derby Parking Garage in application from DC Electric.
Motioned by Mr. Sampson, seconded by Mr. Sill and the motion carried.

9.3. Move to authorize Derby High School to host and conduct a bonfire at the Derby Picnic Grove on Wednesday, November 21, 2018 provided that the necessary burning permits are obtained.
Motioned by Mr. Sampson and seconded by Mr. Jim DiMartino.

Mr. Donofrio asked if they should add a rain date. Mr. Garofalo said there will not be a rain date.

The motion carried.

9.4. Move to approve waiver for Mr. Jim DiMartino do work for the fire department.
Motioned by Mr. Sampson, seconded by Mr. Donofrio and the motion carried. Mr. Joe DiMartino recused.

9.5. Move to approve waiver for Ms. DeGennaro to do legal work for the City of Derby.
Motioned by Mr. Sampson, seconded by Mr. Jim DiMartino and the motion carried.

10. Old Business

10.1. No action items.

11. Executive Session

11.1. Collective Bargaining Agreement with Public Works and WPCA – Strategy &Negotiations

11.2. Shakir v. City of Derby, et al – Pending Litigation

Mr. Sampson motioned to enter into executive session at 7:31 PM and invite Corporation Counsel Marino, Mr. Baklik and Attorney Courtney George. Seconded by Mr. Sill and the motion carried. Mr. Joe DiMartino will be excused for discussion of Item 11. 1.

At 8:12 PM the meeting reopened to the public.

12. Regular Session Action from Executive Session

12.1. Collective Bargaining Agreement with Public Works and WPCA – Discussion & Possible Action
Mr. Sampson motioned to approve the agreement, Mr. Jim DiMartino seconded and the motion carried. Mr. Joe DiMartino recused.

12.2. Shakir v. City of Derby, et al – Discussion & Possible Action
Mr. Sampson moved to approve the insurance recommendation and have Corporation Counsel present an offer of judgement in the amount of $75, 000. Mr. Jim DiMartino seconded and the motion carried.

13. Adjournment

Mr. Sill motioned to adjourn, seconded by Mr. Jim DiMartino and the motion carried at 8:13 PM.

Respectfully submitted,

Terri Kuskowski

These minutes are subject to the Board's approval at their next scheduled meeting.