

## **SUBJECT TO APPROVAL**

**MEETING DATE:** MONDAY, APRIL 18, 2016  
6:00 P.M.

**MEETING PLACE:** JAMES MADISON ROOM (ROOM A) - TOWN CAMPUS

### **BOARD OF SELECTMEN SPECIAL MEETING MINUTES**

#### **Special Session**

First Selectman Banisch called the Special Meeting of the Board of Selectmen of to order at 6:00 p.m. and led the Pledge of Allegiance.

Present were First Selectman Thomas Banisch, Selectman Goldberg, Selectman Hale, Selectwoman Walker and Selectman Wilson.

Also present were: Finance Director, Stacy Nobitz, Director of Public Work, Mike Ott; Alma Carroll, Director of Town Services; and Debra Milardo, Human Resources Director;

First Selectman Banisch recessed the meeting at 6:01 p.m. to allow the meeting to move to the Hammonasset Room as the number present exceeded the maximum occupancy of Town Campus, Room A.

First Selectman Banisch reconvened the meeting at 6:12 p.m.

#### 1. Public Comment

Loretta James of Waterbury Avenue questioned where this cost fell in the CNRE funds by Department. First Selectman Banisch stated that this project was not included in the CIP plan. Selectwoman Walker added that this was because the real fund numbers were unknown at the onset of the CIP process.

Gus Horvath of Aylesbury Circle stated that he sent the Board a copy of a letter that he had written in March 2015 when a similar meeting had been held. He stated that he feels the same today and he noted that three BOS members were incumbents on the board. He therefore stated for those new board members that this process has not been typical and since 1969 he has been on 7 building committees in the Town. He stated that he is concerned about the process so far. He was also on a committee that included a study for the Academy Street School and all prior studies showed that there would be a significant cost for the work needed in the building. There is extensive work that needs to be done. He read aloud part of his letter into the record. A copy of the full letter is attached to these minutes.

Eric Dillner of Cornish Woods and the Shoreline Arts Alliance stated that he wanted to thank the Town for the people who have worked so hard on the RFQ, prepared by Town Engineer, Mike Ott. He stated that the process was followed in a great manner and he noted the hard work of the Selectmen as well. Mr. Dillner stated that this

project started off, and continues to be, as two groups working together for a common goal.

Dianna Hartman of Blakeman Road stated that she has lived in Madison for five years and she is a business woman in the Town as a realtor and broker and as a stylist for Connecticut Coastal Magazine. She is committed to the work of the SAA but from a realtor's point of view it is quick money to sell the building. However, she stated that this is not the best option for the Town. The Town needs the arts center. She noted that residents of other shoreline towns would want the arts center in their town as well. Ms. Hartman also stated that there would be a great deal of fundraising for the funds to get the arts center up and running. She added that she is friendly with many retailers and they are tired of the Town not drawing in more businesses. Also, there were already interested tenants for the arts center.

Linda Ungerleider of Legend Hill Road supported what Ms. Hartman stated and noted that she was a professor of real estate at UConn for the last 10 years and was a realtor for longer than that. She noted that one of the biggest draws for new residents is culture and by bringing in the arts center, there would be a positive draw for new residents.

Brian Gillespie of 59 Wildcat Rd. stated that he has been a resident of Madison from 32 years and he is also an artist. He noted that there was a tremendous need for space in Madison for artists to showcase their work. The transformation that is potentially there in the Academy School is phenomenal. He stated that in any area where an arts community thrives, the general community thrives. The Town has a great opportunity with this project.

Bill McCullough of Liberty Street stated that he has been a resident for over 40 years and he has followed the process of the Academy School building and recognized the efforts and funds that Eric Dillner had put into the process already. He noted that the Shoreline Arts Alliance needs the Board of Selectmen to step up and say that if the SAA fulfills their initiatives then the project can move forward. He added that this type of facility will be significant for the Town and for this part of the state.

Catherine Donovan of Conesto St. stated that she had lived in Madison for most of her life and she referenced that the Town needs this arts center to go forward in a similar way that it needed the Surf Club. She noted that the location was perfect for the needs of the building and it would only add to the ways that Madison would entice new residents.

Terry Macguire of Maplewood Lane stated that she supported the arts center again as it keeps with the flavor of Madison. The center would improve property values and bring in new residents. She stated that she understood the costs involved but that funds could be sought through grants and fundraisers and she volunteered to help with this process.

Peter Baskin of Blakeman Road stated that he was not very artistic but he stated that one of the things he was proud of was to say that he was from Madison. He questioned then what the Town is doing with their funds that are levied through taxes.

He stated that the funds through taxes should be spent on something good like this venture. He cautioned that this process should not take as long as the Downtown Center project to come to fruition.

Sandy Brand of Windward Lane stated that she has been a long time resident of Madison and her children went to Academy School. Also, she taught there. She stated that children are not a throwaway society and they understand history. This building is a bookend in the history of Madison. She stated that she attended the third performance of VIBE and it is the second time that this group goes national. The Town owes it to their children to celebrate the history of Madison and send it into the future.

Richard Passero of Legend Hill stated that he hoped certain things would not get lost in translation. He stated that, for example, the possibility to run a small conference center in the building. This could connect to the Madison Beach Hotel for accommodations. There are other aspects to consider such as space for events like line dancing and a history room/museum for tours. This is something that will benefit the communities in many ways besides for the betterment of the arts.

Richard Malinsky of Grouse Lane stated that from a business perspective, every city in the country has sparked its growth by merchandising its culture. The Shoreline Arts Alliance has been the anchor of cultural growth in the shoreline area. This is an opportunity to bring another destination to the Town. Culture is good for business and the Board should consider what it would cost not to move forward with this project.

Eric Berg of Overbrook Road stated that the latest addition of The Source has an article about breathing new life into Clinton and he noted that this was basic common sense to move forward with the Academy School project; to breathe life into Madison.

Andrew Wood of Seaview Avenue stated that on behalf of the SAA he thanked the Board of Selectmen for the opportunity to confirm their commitment with the Academy School cultural center. The SAA has prepared a statement, of which copies were provided to the Selectmen, and are attached to these minutes.

Bill Stableford of Hampshire Road stated that the Shoreline Arts Alliance encompasses 24 towns, so at a minimum, 24 towns will be impacted by this cultural arts center. He also noted that for any arts program he attends in the area, he arrives early and has dinner in the community where the program is being held. This is the potential for restaurants in Madison. He noted that this project is the “icing on the cake” for Madison.

Paul Stonehart of Island Avenue stated that he also favored the arts center. He noted that the Town needs to choose what it wishes to become; either an arts hub or a dormitory. He noted that he hadn't heard any negative comments outside of those from Gus Horvath, regarding the cost. He noted that the Town has spent a lot of money on other projects, for instance, the Griswold airport, which did not bring in revenue to the Town. He stated that the Town would be remiss in not moving forward with this project.

Lori Heflin stated that she felt the Shoreline Arts Alliance center would be a valuable asset to the Town, but aside from that, she felt it was important to move forward in approving the contract with Centerbrook Architects so that the Board could make an informed decision.

Kathryn Hunter of the SAA stated that she wanted to include other items in the statement from the Shoreline Arts for the record. She stated that it is essential to remember that after more than a decade of studies, committee work, etc. the Board of Selectmen decided by unanimous vote to retain ownership of the building. The question today is not for retaining ownership of this building, or for moving forward with a cultural arts society. Following 10 years of study for this building, the Board decided to retain ownership to preserve the legacy of Daniel Hand who expressly conditioned that the bequest to the Town was for the building to be retained for educational purposes. The board also wanted to respect the plan of the Madison's founders for the center of the town. She stated that in 2011 an Ad-Hoc committee was appointed which sat for approximately one year and they reviewed all prior reports and studies. One of the things in their report to the BOS is that they noted that the benefit to the Town would be less than 1% of the Town Budget and it would be short-lived. The issue they felt was important was what this building meant to the Town and they made a recommendation that the Town retain ownership of this building.

Shoreline Arts Alliance has been working with the Town for three years and this process has been lengthy and open to the public. They put a lease before the Town last year with the understanding that they would put contingencies in the lease based on the Town's preference. They are still waiting on the lease agreement to be finalized with the Town and taken to the Town for a vote.

Currently, the process is waiting for the Board to vote on moving forward with the contract. She noted that this process was already decided on; it was already decided to keep the building and to move forward with addressing the necessary renovations. She stated that the SAA is going to keep on working to fundraise for the work to be completed and it may take a while, perhaps five years before the fully functioning arts center is complete.

A resident stated that he agreed with the sentiments already stated however he felt that since the burden of financing will be on the residents, the discussion needs to be had about what the ballpark figure is for the work to be done. He stated that this arts center will be an asset to the Town, but the residents need to know the cost.

2. Discuss and take action on the Academy Street School Contract as presented by the Ad-Hoc Academy Elementary School Architectural Services Contract Negotiation Committee.

**DISCUSSION:** Selectman Goldberg stated that he and Selectman Wilson were appointed to this study committee and on behalf of this committee he was bringing forward the recommendation to appoint Centerbrook Architects as the entity to which the Town will work with to move forward.

Selectman Wilson thanked all of the members of the public for their support for this project. He stated that he also feels this project is a wonderful “bookend” for the Town. Selectman Wilson stated that the Town is progressing in their discovery of what it will take to bring this building back to a stable state. The town also has to acknowledge some fiscal responsibilities. He noted as an example that the state has proposed to cut ECS funding and therefore impacted the budget as noted in agenda items 5 and 6, below.

Selectman Hale added that this reduction is of \$1.6 million from the state and there was a need for \$1.5 million in funding due to insurance costs. He stated that these are serious cuts and they pose a serious problem to the town. He added that the First Selectman has frozen the budget for all non-personnel expenditures. Also the state has cut another \$150,000 in grants. There is a potential for a significant shortfall of funding for next year.

Selectman Wilson added that the architect has estimated that this project through completion to a full arts center is \$13.5 million.

A resident stated if part of the money had to be spent regardless of whether the building is brought to an arts center. He added that residents don’t understand that some funds need to be expended regardless of what is done with the building.

Selectwoman Walker added that the contract has multiple steps and at any point in time, the Board can stop the progress of the work. She stated that the first phase was funded through reserve funds already available. A lot of the assessment in phase 1 needs to be done regardless of what the building becomes. She stated that the last step is to determine what needs to be done to bring the building into an arts center and then funds can be requested at the CIP level. She cautioned that the longer the building stays dormant, the longer it is allowed to deteriorate. She stated that the Board has to, in good conscious, get through the first step of the process. Until the actual figures are known and fund allocations are made, the Board cannot go to the Town. However, she voiced support for the Board to go to the town for a referendum vote. She stated that this process was started 3 years ago and the Board needs to bring something to the Town for a vote.

First Selectman Banisch stated that he has been dealing with the budget issues since last week. He stated that spending \$100,000 more is something that the Town should think twice about. He stated that he wanted to see the project move forward for the Academy School but the Board didn’t know what the appetite of Madison was for wanting to spend funds going forward. He noted that he did not have any projection from the Shoreline Arts Alliance as to what funding they could bring to the table.

Selectman Wilson stated that the first \$100,000 fee was for a study to describe what is needed to ‘button-up’ the building.

Selectwoman Walker added that this phase included HVAC and what is needed to bring the building up to code. She added that the Board needs to let the Town know what it will cost to bring the building to the end result. She stated that the Board should get through step 1. She stated that the Board should move forward, especially since the funding is already in place for this first phase.

First Selectman Banisch stated that his concern is that funds were already expended to study the building and as much as he wanted to move the project along, there needed to be more information for the public. He noted that there was \$100,000 earmarked for this

project, however, given the budget impact of state funding cuts, money may need to be spent elsewhere.

Selectman Hale stated that he remembered roughly 5 studies being done over the last ten years and it was voted on ten years ago not to go forward with a project that would cost roughly \$3million. The studies going forward showed an increase in project cost and the studies were not funded. The building needs a new roof, new heating system, new electrical system, new septic system, etc. The board could get a price for this work and it would button up the building without paying for another study at the cost of \$100,000. Selectman Hale added that the Town has also already spent funds for an environmental hazard study and it was determined that the building does have an asbestos problem. The Town knows what needs to be done to button-up the building and to stop the deterioration. He added that another study may not be necessary.

Selectwoman Walker stated that the RFQ which was approved by the Board stated that the first phase study would also include what was needed to be done to bring the building up to code for use, not just to button it up.

Town Engineer, Mike Ott, stated that the past studies were not comprehensive and in contrast the scope of the work for this study is comprehensive.

First Selectman Banisch stated that in addition to asking all Town Departments to cut their budget by 5% next year, departments were asked to freeze all spending for their departments. He noted that perhaps these funds would be needed elsewhere.

Ms. Nobitz stated that the funds held in the reserve can only be used for planning and engineering purposes.

Selectman Goldberg asked that the Board reminds itself of the Charter and the candor of the Charter. It is the job of the Board of Selectmen to bring the information to the Town and to ask them for their vote on what should be done. He stated that it was therefore the job of the Selectmen to bring this vote to the people.

First Selectman Banisch stated that he agreed and that he was worried about the cost for each of the stages going forward.

Selectwoman Walker suggested that the Board then only vote on the first phase of the contract and Selectman Wilson added that he too was cautious about the state funding cuts and worried that future cuts were inevitable at the state level. He noted that the project could be stopped with very short notice once the Town decides that the funding would not be available to move forward. He added that he felt the request to the SAA of how they could fundraise, and how much, for the arts center, was a reasonable one.

First Selectman Banisch stated that he asked for the SAA to meet with him prior to tonight's meeting to review some of these items with them. He then moved for the Board table the vote tonight.

Eric Dillner stated that the SAA met with the Board of Selectmen every Friday over the last two years, but that this meeting schedule was not resumed with the new First Selectman. First Selectman Banisch questioned what was accomplished in these meetings and Mr. Dillner responded that the SAA offered up their time to meet with the Board. He added that if the two groups are working together, then the final result can be

accomplished. He asked the Board to move back to the agenda and move forward with voting on the items presented. He added that the Letter of Intent is a statement that is a legal document which states that the two groups would work together to bring the project forward.

A discussion ensued regarding the motion to table the discussion and Ms. Carroll stated for the public that this was a Special Meeting for the BOS, not a public hearing, and therefore public comment also needed to be stopped.

Selectman Hale stated that Selectman Wilson noted that the cuts from the state were significant, so he wanted to amend the motion to table to put a timeline on the discussion resuming when a timeline of the state grants would be.

**MOVED** by Selectman Hale and seconded by Selectman Wilson to table this discussion pending state budget impacts.

The motion was not approved as Selectwoman Walker stated that she was opposed to tabling this discussion and she noted the history of the discussions with the SAA and she noted that tabling this item was another delay in the process. If the Board didn't want to go forward with the project, then they should make a vote to end the project and vote on it. The planning dollars are in place for, minimally, the first step and the contract brought forward could be ceased at any point in time during the phases. She stated again that the Board should move forward with voting on the contract, and therefore not tabling the discussion. She stated that if the discussion was to be tabled then the vote needs to, at a minimum, vote to extend the Letter of Intent.

Selectman Wilson and First Selectman Banisch argued that the necessity of one of these items does not dictate necessity of the other item. The Board discussed whether \$100,000 needs to be spent now to move forward.

Selectman Goldberg stated that he was supportive of the points brought forward by Selectwoman Walker. He stated that the Board was called to vote on the items specifically on the agenda, not to vote on whether the agreement with the SAA should be terminated.

Selectman Wilson stated that he sees the vote on the contract as fairly mechanical and he was comfortable with the Board voting on the contract, however, he was reluctant to authorize the release of funds on this contract until after the budget discussion was concluded for the upcoming fiscal year. He encouraged Selectman Hale to withdraw his motion to table and to allow the contract to be voted on. Selectman Hale clarified that the original motion to table the matter was made by First Selectman Banisch. Both First Selectman Banisch and Selectman Hale withdrew their support of tabling the agenda item.

**MOVED** by Selectman Goldberg and seconded by Selectman Hale to **APPROVE** the Academy Street School Contract as presented by the Ad-Hoc Academy Elementary School Architectural Services Contract Negotiation Committee.

**VOTE:** This motion was approved with four votes in favor and one opposed.

3. Discuss and take action on any resolution(s) for payment out of existing funds as they pertain to the Academy Street School Contract.

**DISCUSSION:** Selectman Wilson stated that this decision to spend money needs consideration given the status of funding cuts at the state level. He again encouraged those present tonight to attend the Public Hearing tomorrow.

Selectman Goldberg stated that since the funds for the first phase were in a reserve account and were not part of the discussion tomorrow night.

Selectman Wilson and Goldberg also discussed what would possibly change the candor of this conversation after tomorrow night's Public Hearing and Selectman Wilson stated that he wanted to hear from all residents of the Town.

**MOVED** by Selectman Wilson and seconded by Selectman Goldberg to **APPROVE** any resolution(s) for payment out of existing funds as they pertain to the Academy Street School Contract.

**VOTE:** This motion was not approved by three votes opposed and two in favor.

4. Discuss and take action to approve extending the Letter of Intent between the Town of Madison and the Shoreline Arts Alliance.

**DISCUSSION:** First Selectman Banisch stated that he would feel better about extending the Letter of Intent if it was known what the SAA could bring forward for funds for the Academy School project.

Selectwoman Walker noted that the Letter of Intent and funding approval, if not approved at this meeting, could be discussed at a future time.

**MOVED** by Selectwoman Walker and seconded by Selectman Goldberg to **APPROVE** extending the Letter of Intent between the Town of Madison and the Shoreline Arts Alliance until December 31, 2016.

**VOTE:** This motion was not approved by three votes opposed and two in favor.

**On a motion by Selectwoman Walker and second by Selectman Hale the board moved to recess for five minutes.**

5. Discuss and take action on moving the referendum date on the Town and School budgets set for Tuesday, May 10, 2016 to Tuesday, May 24, 2016 pending approval of dollar amounts from the Board of Finance.

**DISCUSSION:** First Selectman Banisch stated that the Board of Finance held a special meeting last Friday to discuss the issues brought forward with the funding cuts at the state level. He stated that the BOF requested that the BOS approve moving the referendum to allow for possible changes to the budget.

Peter Metz, Registrar, stated that in the interest of full disclosure he has booked a vacation for the new date of the referendum and he is not comfortable with leaving the process on everyone else's shoulders. He stated that he questioned what would be gained by postponing the vote by two weeks. He added that information available on the 24<sup>th</sup> of May would be available by the 10<sup>th</sup> of May. He stated that the likelihood of the funding cuts going forward was low. He added that although this may not carry weight, he again added that the information known for the 24<sup>th</sup> would be the same known for the 10<sup>th</sup>. It

would be prudent to cut the budget as needed but within 5 days of the referendum, the BOF must meet to set the mill rate and if things are still in flux at this point, then the BOF could meet and adjourn until a later date to set the numbers for the mill rate and the funds to be used from the fund balance.

First Selectman Banisch added that the legislature is set to adjourn on May 5<sup>th</sup> which is the impetus for moving the referendum date. He stated that he was not comfortable with moving the date originally but neither Representative Kokoruda nor Senator Kennedy could give an answer on what they thought the state would do. He stated that if the budget was printed and the BOF then changed it after the fact then the information to the public would be confusing.

Ms. Carroll and Ms. Nobitz stated that the reprint would only include the changes to the budget, not the budget as a whole. First Selectman Banisch stated that he felt it would be better to bring the information in the best form, to the public.

Mr. Metz stated that it wouldn't make a difference if the referendum was scheduled for the 10<sup>th</sup> and then it didn't pass at referendum. He stated that postponing action on this level would not change the state's process. He added that this current action by the Governor is unprecedented.

The Board discussed that the discussion held last week indicated that this was a political move because the Appropriations Committee did not balance their budget.

Selectwoman Walker questioned when the budget would need to be published in the newspaper. Ms. Nobitz stated that if the Referendum date remained May 10<sup>th</sup>, the budget needs to be sent to the newspaper this week in order to post on time, based on the timeline of the Charter.

The Board and Mr. Metz discussed the possible outcomes at the state level and whether this decision would not be made at the state level prior to May 5<sup>th</sup>. Ms. Nobitz added that the referendum on May 10<sup>th</sup> would be to vote on the budget, and if it passes, then the Town loses the chance to change the budget after the vote.

Mr. Metz stated that if that happened, the Board of Selectmen could take the position that the budget should be voted down and then could suggest that the voters do not pass the budget. The Board discussed and Ms. Carroll stated that if the budget fails, then the new fiscal year would then be funded by the budget of the current fiscal year.

Selectman Goldberg stated that he therefore felt the referendum should be put off until the 24<sup>th</sup>. Selectwoman Walker questioned what tax bills would be sent out to residents should the budget fail. Ms. Carroll stated that the plan she would recommend would be for the Board of Selectman to set the mill rate based on the prior year and then first installment bills would be sent out for personal property bills; and full installment for vehicle taxes. The Board also discussed the cost for mailing out the second, corrected bills.

Selectman Wilson stated that if the Board stayed with the current calendar, what the affect would be at the Board of Finance level. He cautioned what would be taken away from the Board of Finance's process should the referendum date remain May 10<sup>th</sup>.

Selectwoman Walker cautioned that if the cut does not come at the state level, then the base will be reduced and the next fiscal year will be started with a deficit. She stated that she felt the Board of Selectmen could take more funds out of fund balance to offset the mill rate instead. She said this in essence would take money from the “rainy day fund” and the balance could be brought up little by little.

Ms. Nobitz stated that this is a Board of Finance decision and the projected return was about \$1.2 million; so if \$750,000 was taken from these returns, it would mean an 11% return.

Selectwoman Walker stated the board shouldn't be diving deeply to cut \$1.5million when the worst case scenario was probably only a reduction in ECS funding of 50-60%, not 100%. Selectman Hale agreed and stated that he felt the reduction in ECS funding would be closer to \$500,000.

Selectwoman Walker stated that the 5% reserve in department budgets was unnecessary and instead, the postponement of the salary step increases would help with the offset of funds.

Ms. Nobitz stated that once the \$1.6 million is cut, then that becomes the new base.

Selectman Hale asked if moving the referendum to May 17<sup>th</sup> would solve the timing issues and Ms. Nobitz stated it would help some, but would not help if more changes were known on May 5<sup>th</sup>.

Selectwoman Walker asked if the public opinion after tomorrow's Public Hearing was to move forward with the budget as proposed with cuts, then what could happen with the referendum vote/date. She cautioned that she didn't feel that May 5<sup>th</sup> would bring any more clarification from the state.

Ms. Nobitz stated that the Board of Finance was asking both the Town and BOE to recommend their changes to the budget to offset cutting each budget. She stated that if the referendum stays May 10<sup>th</sup>, the notice needs to be sent to the paper this week. If the referendum is moved to the 24<sup>th</sup>, the Town would have until May 5<sup>th</sup> to give this information to the paper.

Mr. Metz stated that the BOS could put on the referendum vote that funding could be appropriated should not all of the cuts go through at the state level and the Board discussed that the budget to be voted on, sets the mill rate and therefore the tax to the residents. Ms. Nobitz also cautioned that the base would be affected if a budget cut by \$1.6 million was approved at referendum.

The Board discussed that it was necessary to support the request of the Board of Finance.

**MOVED** by Selectman Hale and seconded by Selectman Wilson to **APPROVE** moving the referendum date on the Town and School budgets set for Tuesday, May 10, 2016 to Tuesday, May 24, 2016 pending approval of dollar amounts from the Board of Finance

**VOTE:** This motion was approved unanimously.

6. Discuss and approve possible recommendations to the Board of Finance for revisions of the Town Budget

**DISCUSSION:** First Selectman Banisch stated that the Town was pulling together what the 5% reserve on department budgets would mean for funding and he noted that the discussion may need to be tabled.

Selectwoman Walker stated that a separate meeting should be held for a Budget Workshop on this topic. The Board reviewed that they could hold a Budget Workshop on Monday, April 25<sup>th</sup>.

**MOVED** by Selectwoman Walker and seconded by Selectman Wilson to **APPROVE** to table this vote to Monday, April 25, 2016 during a Budget Workshop to be called at 6:00 p.m.

**VOTE:** This motion was approved unanimously.

7. Public Comment

Loretta James of Waterbury Ave. stated that she appreciated the Board's being willing to hold the line against the support of the SAA project moving forward until dollar figures were known.

Neil Lustig of Pheasant Lane stated that Connecticut is in dire straits and he has never seen anything like this at the state level. He stated that he didn't have a good feeling about the revenues from personal taxes at the state level; he cautioned that towns such as Madison are going to need to be prepared for a cut of all state funding in the future. He stated that this transfer of wealth was accelerating and he thought that the state would bring forward other initiatives to raise revenue i.e. by increasing the sales tax to 7%.

Leslie Connor of Sheep Pasture Road stated that she wanted to comment on the conversation regarding the SAA. She stated that she was a founding member of the SAA Tassy Walden Award. She has been following this discussion and she stated that Eric Dillner has never disappointed her; she hoped that the board would give him the opportunity to prove her right. She stated that she was worried that the Board was pushing for the agreement to expire and she was disappointed in the Board. She stated that she still wasn't sure why the vote for the phase 1 funding didn't go through. She noted that writers and artists need to rely on "collective effervescence" and she felt that Academy School has a rich history with a sentimental attachment for residents. She noted also that there was a possibility for revenue as well in this project. She wanted to know that the Board would need to discuss these items again. She noted that the current Board is the body of the Town, regardless of whether they voted on the original plans for this agreement.

Selectman Hale stated that he would love to see a cultural arts center in this building and it was a wonderful idea. He stated that he has been asking the SAA for answers on his concerns for three years, with no answer. Selectman Hale added that he has been asking for funding amounts from the original agreement as the numbers in this document are not real dollars. He stated that he was against spending public dollars for a project which may be above and beyond what is feasible to bring the building to occupancy. He also noted that the Board has been given different information on what the SAA can fundraise. He stated that the town has expended resources to conduct studies on the building already and he rejected the concept of spending more funds for more studies to tell the Town the same information.

Selectwoman Walker stated that because the numbers appear to be too low in the estimation brought forward by the SAA, the Town took over the oversight of the study(ies) and project. She stated that she felt strongly that real numbers need to be brought to the public. To this end, the studies proposed under the contract would move the project forward in the appropriate way. She again stated that the contract can be stop at each step, should the Board decide to stop the project.

Sheila Kinscherf of Twilight Drive stated that she felt there was an enormous group in favor of pursuing the arts center with the Shoreline Arts Alliance. She asked if the BOS wants to retain ownership of the building.

Selectman Wilson stated that individually every board member has said that the arts center is a good idea if it works; although no vote has been taken on whether the current Board wants to retain ownership of the building.

Ms. Kinscherf asked if the support of the Board was needed for the Town to also want to move forward with the arts center.

Ms. Connor stated that she felt the vote for extending the Letter of Intent was necessary at this meeting and she was disappointed in the Board for not approving that item.

8. Adjournment.

There being no objections, First Selectman Banisch adjourned the meeting at 8:32 p.m.

*Lauren Rhines*  
Executive Assistant

Attachment 1: Letter from Gus Horvath

To: Board of Selectmen  
From: Gus R. Horvath  
Subject: Academy School Building Lease

March 27, 2015

I cannot recall bring so apprehensive as to the high degree of potential that the Board of Selectmen is diving into a quagmire with the lease proposal for the Academy Street School building. The thought of the Board entering into a landlord/tenant relationship for so large of a facility for an extended period of time is fraught with significant continuing problems for future Boards.

The existing studies of the building are out of date and not particularly comprehensive. The building has been unoccupied and all systems inoperable for some 11 years. The 2010 Mechanical and Electrical systems study (\$3,646,125 in 2010 dollars) for mechanical/electrical, replacement/upgrades does not address structural issues or ADA compliance issues. Are there issues with asbestos, water infiltration, mold, septic pump/tank/field? When is the roof scheduled for replacement and on and on?

As the property owner, will the town/taxpayer be responsible for the several of millions of dollars for renovation/repairs/ code compliance? Does a review of the financial audit of the potential lessee show the ability to finance the project on their own?

It is regrettable, to me, that the Board did not issue a Request For Proposals (RFP) as many towns have done in similar situations. The current designated party may well have been the party of choice, but at least we would have had something to compare.

Please step back, take a deep breath, and re-evaluate your current position. Consider asking for RFP responses. Who knows what attractive offer may be submitted that would cost Madison taxpayers nothing and put the building on the tax rolls without headaches for all you guys and gals.

Copy to: Board of Finance  
Town Planner

**THE ACADEMY SCHOOL  
AND SHORELINE ARTS ALLIANCE**

**Context**

Following the decision by the Town in 2012 to retain ownership of the former Academy School building and property, the Town and Shoreline Arts Alliance ("SAA") entered into a Letter of Intent to negotiate the terms of a lease for SAA's creation of a regional cultural arts center.

From the outset all discussions and negotiations have been on the basis that the Town will deliver the building in a "habitable" condition and SAA will be responsible for funding and developing its conversion into a cultural arts center.

For over three years SAA has spent considerable time and resources in developing plans and concepts for the project. In 2013 SAA was awarded a State of CT Historic Preservation matching grant to study the feasibility of converting and developing Academy School into a cultural arts center, which the Town agreed to (and did) match. SAA has also laid the foundations for a capital campaign to establish support and funding sources. In the past year SAA has expanded its own organization in anticipation and furtherance of the project.

**Current Process/Status**

Late last year the Town decided that it would take responsibility for obtaining an updated building assessment and reliable cost estimates for bringing the Academy School building back into "habitable" condition and renovating it into a cultural arts center. The intention and purpose is to permit both sides to better understand the costs of the project and their respective obligations. The Town appointed two committees: the first to select and appoint a firm of architects to undertake this work and the second to negotiate a contract with the selected firm, Centerbrook Architects. The unanimous recommendations of these committees are now before the Board of Selectmen for their consideration.

SAA remains committed to its agreement with the Town to enter into a long-term lease for the Academy School building, with SAA funding renovations that respect and preserve the architectural and historical significance of the building. It is SAA's goal to create a cultural arts center that serves the residents of Madison, consistent with the educational and community purposes for which this property was bequeathed to the Town, and brings economic benefit to the downtown commercial center and the shoreline communities. In order to realize this, SAA requires a signed lease from the Town of Madison.

**SAA Funding**

For over two years now, while working with the Town of Madison to finalize a lease agreement (which would include broad contingencies and time for both sides to obtain required approvals, votes and funding for the project), SAA has built the foundations of a capital raising campaign by increasing awareness of its goal of developing a cultural arts center and establishing public support. During this time SAA has had contact with multiple state and federal agencies, foundations and corporations who have expressed interest in supporting the

project. SAA has also been cultivating a number of potential partners who would share occupancy of the building and the costs of its development.

SAA is planning a long-term comprehensive capital campaign and is poised to retain a capital campaign manager. This campaign will raise millions of dollars to cover:

- Cost of renovations and improvements to the Academy School building;
- An operating fund for the cultural arts center; and
- An endowment to underwrite the ongoing maintenance and improvement of the building.

SAA is planning to source these funds from a variety of channels that have already been identified. These include:

- 1.) Private donors;
- 2.) Numerous private foundations;
- 3.) Regionally based corporations, such as Sennheiser and IKEA;
- 4.) Significant partner users, such as Long Wharf Theater, the Neighborhood Music School and Yale Smilow Cancer Center;
- 5.) Numerous State of Connecticut grant and loan programs, such as State Historic Preservation grants, the State DECO Express Program and dedicated State bonding programs;
- 6.) Federal programs, such as the National Endowment for the Arts, National Endowment for the Humanities and America for the Arts, and;
- 7.) Local, National and International Granting Agencies.

In addition, SAA is preparing to commence a public donor initiative.

### **SAA Statement to Town and Request to BOS**

SAA would like to restate to the BOS and the residents of the Town of Madison:

SAA remains committed to its agreement with the Town to enter into a long-term lease for the Academy School building, with SAA funding renovations that respect and preserve the architectural, educational and historical significance of the building, for the purpose of creating a cultural arts center that serves the shoreline community and brings economic benefit to the downtown commercial center and all residents of Madison.

SAA is prepared and committed to launch its planned fund raising efforts immediately upon execution of the agreed lease with the Town and requests that the BOS approve the Centerbrook Architects contract. SAA also requests that the BOS extend the Letter of Intent with SAA until the end of this calendar year to allow sufficient time for the Academy building assessment and estimates to be reported and reviewed by the Town and SAA.

Sincerely,

Board of Directors  
Shoreline Arts Alliance