

Norwalk Developer On Library Deal: 'Too Many Attorneys Spoiled The Broth'

Nancy On Norwalk

By Nancy Chapman [2 : 07 am EDT September 7 017 12 Comments](#)



Norwalk developer Jason Milligan, left, participates in a June 2 press conference with former Mayor Alex Knopp, center, and Mayor Harry Rilling.

Milligan said Wednesday that the deal announced in the press conference, a legal settlement that would allow the city to buy an option to purchase 11 Belden Ave. at a cost of \$460,000, is on the verge of falling through. "If the mayor signs the document that we agreed on on Friday, everything is good," Milligan said. "I don't know that he has the authority... I do know that there's too many lawyers involved."

NORWALK, Conn. — Norwalk developer Jason Milligan is balking, saying "no deal" in the city's effort to lock in an option agreement for the property next to the Norwalk Public Library.

Milligan, owner of 11 Belden Ave., said Wednesday afternoon that he was "close to moving on" from the deal negotiated by former Mayor Alex Knopp in the lawsuit filed by the Norwalk Public Library Foundation against Milligan's company and the Zoning Commission's approval for apartments next to the library. On Wednesday evening, after the Common Council voted to amend the agreement and allow for further negotiation on one point, Milligan said that the Council voted on a document he hadn't agreed to, that the episode has been a "real shame, a lesson in frustration and bullying."

"No deal," he said.

Common Council members, including Mayor Harry Rilling, declined to comment. Corporation Counsel Mario Coppola was

circumspect after the Council meeting, saying that he needed to inform Milligan of the decision first. Later in the evening, after Milligan went public with extensive comments, Coppola said Milligan has not had an attorney representing him in this process and has not understood certain terms.

Coppola, while still in City Hall, showed reporters a thick folder of information that he had planned to provide. Given that the Council had not voted on a complete agreement, he couldn't do it, he said. But later, after Milligan's pointed remarks, Coppola said the thick folder of information would be available Thursday.

It will document every email exchange and draft of the deal, he said.

The Common Council in July agreed to pay Milligan \$460,000 for a six-year purchase option on 11 Belden Ave., where Milligan won Zoning approval for a 69-apartment building. The option would lock in a \$4.8 million price for the property, which includes People's Bank.

This stemmed from the library foundation's lawsuit, led by Knopp, an appeal of the Zoning approval. The deal would "put the city in the driver's seat regarding the development of the whole area around the library," Knopp said in July.

One thing Coppola and Milligan agreed on Wednesday: there have been revisions to the drafted agreement.

While Coppola said the agreement drafted to resolve the court case had been just that, a draft, with further refinement needed, Milligan said, "To me ... that was legit, that was what we were going to move on."

"As you know the Library Option Agreement was approved by 8 city boards and commissions, and was unanimously approved by the town council. There was a little noticed sentence that said subject to some additional protections for the city. Those additional protections for the city were supposed to be very narrow in scope," Milligan said in an email. Milligan said Wednesday afternoon that his team has been reasonable, and compared the process to a 1980s WWF wrestling match.

"It never stops. How many people, how many times are you going to steamroll me?" Milligan asked, commenting that he has been quiet while, "They have been beating the hell out of me."

He was ready to drop the deal on Friday, which was specified in the option agreement as the latest date he'd be paid the \$460,000; but Rilling called, the pair came to terms and he granted a one week extension, he said.

"I like the mayor, he's an OK guy. But I think that the way this has been handled, the way the advisors are running the show — they have one speed and it's 'Pitbull,'" Milligan said. "That's a problem."

The agreement presented him Wednesday was "a completely redrafted agreement," and, "The way it sits there's not going to be a deal," he said.

"Up until this morning at 10 o'clock everything was golden," Milligan said, complaining that the city hired a "very expensive" outside attorney, Marshall Goldberg, six or eight weeks ago. That makes eight attorneys who have been involved in the agreement, he said.

Milligan provided multiple documents, including a Word file showing Goldberg's edits. There are many formatting changes; in one more significant passage, the phrase, "Upon the expiration of the Option, this Agreement shall automatically terminate without further action by any party" was changed to, "If not exercised during the Option Period, the Option shall expire and be of no further force or effect upon expiration of the Option Period."

[Option Agreement \(MG draft 1\)](#)

(Goldberg's version, according to Milligan)

"Who knows how much money was spent," Milligan said in an email. The outside law firm completely rewrote the option agreement. ... The rewrite was promptly rejected. Over the course of several weeks we have hammered out an addendum to the option agreement that has 14 clauses."

On Wednesday, Milligan emailed Council members to say, "There is not a chance in HELL that what you just sent me is acceptable!"

[11 Belden Addendum for Council Vote](#)

(Coppola's version, according to Milligan)

It's not the agreement he worked out with Rilling and Assistant to the Mayor Laoise King, he explained to NancyOnNorwalk.

[ADDENDUM TO OPTION AGREEMENT-Final Clean Laoise Version\[1\]](#)

The subject line of Milligan's email to the Council was, "Too many attorneys spoiled the broth."
"We had reached agreement on numerous occasions over the last year and a half, only to have someone within the city materially change the agreement later," Milligan said in the email. "I have had to negotiate with Mario Coppola esq., Alex Knopp esq., Marshall Goldberg Esq., John Igneri, Harry Rilling, Laoise King, Diane Beltz-Jacobson Esq., Gregory Cava Esq. I was told that Tom Livingston on the council was the person behind the most recent changes, but I am not sure I believe that."

Livingston, Land Use and Building Management Committee Chairman and an attorney, did not reply to an email from NancyOnNorwalk.

Milligan said Wednesday afternoon that he had not shown the latest agreement to a lawyer because he didn't need to.

The Council meeting, behind closed doors

Rilling on Tuesday evening said the Council's Wednesday special meeting was about "a couple of minor changes," that were best to bring back to the Council for a vote.

The meeting's agenda stated that there would be an executive session, "To consider a recent development in the 11 Belden Avenue Agreement before Friday September 8th, when it is scheduled to close.

The Council spent about 80 minutes in executive session and then unanimously approved a motion made by Livingston (D -District E). That approved an addendum to the agreement "with the caveat that we give Corporation Counsel authority to further negotiate Section 8 to provide that it be more equitable to all parties."

Section 8 regards "the required insurance on the building during the option period," Coppola explained after the meeting. Continued negotiations would allow him "to make some further revisions to one section to beef it up, to further provide appropriate protections to the city with regard to the requirement to maintain proper insurance on the building," he said.

The Sept. 8 date was a deadline set by Milligan, he said. Asked why Milligan had mentioned Aug. 31, Coppola said there was no court order that the deal conclude by that date.

The revision he is seeking would mandate that if there were a fire at the People's Bank "the buildings would be fully restored to their previous condition or that the city have the option to get their money back," he said.

"I don't want to make any further comment as to this deal, because we have to, as a courtesy to Mr. Milligan, I think, inform him as to what the Council's decision was. I think at a later date the mayor will give a statement. At some point in in time, I think we will make a statement as well."

Reactions to the vote

After the Council meeting, Knopp released a statement.

"Tonight the Common Council moved the Option Agreement down to the one-yard line but we're not in the end zone yet and I hope all parties can quickly finish the job without letting the Agreement break apart and dashing the high hopes of library patrons," Knopp said in an email.

"A more accurate football analogy is that former Mayor Knopp was able to get the parties to the 1 yard line and Mayor Rilling and I were able to push it into the end zone last Friday as time ran out," Milligan said in an email. "However, an unexpected flag was thrown by Mario Coppola. He then proceeded to take over the play calling, called an audible and cost the City the game."

The Council did not vote on the agreement from Friday, he said.

Coppola had declined to show the press what had been considered during the executive session, because it was still an open issue.

The agreement had been ripped to shreds by an "asinine lawyer" hired to add commas and other punctuation marks, and that was the "biggest start of the downfall," he said.

The Aug. 31 deadline in the option agreement, signed in court, "was serious," he said, pointing out that although Rilling couldn't sign the document without authorization from the Council, the library foundation withdrew its lawsuit based on the document.

"If that was a draft, they really stuck their neck out," Milligan said.

[Option agreement executed by Knopp and Milligan 5-31-17](#)

"I like and respect the mayor, so I not going to hammer him over this," he said. "I am just very disappointed in him. But I think he was very fair and reasonable. Understandably, he is not into the minutia of every single thing that happens in the city. But on Friday we came to an agreement."

The 14 clauses in the addendum show that, "We gave and gave and negotiated and negotiated," Milligan said.

"Each time an attorney grabs it, they tend to put their own little spin on it. It gets too cute and too fancy. At some point, you work your way out of an agreement," Milligan said. "...I don't think this is possibly going to happen on Friday because I have been told they presented the format that was presented by Mario and that's unacceptable.

Coppola, learning that Milligan had said, "No deal," offered a short version of the city's side of the story, in advance of the folder of information available Thursday.

Because of the city's structure of Boards and Commissions, a summary of terms is what's generally voted upon, he explained. In this case, there were three parties involved in the legal settlement, but the mayor couldn't sign it.

There was a rush to create a draft because Milligan has emphasized that time is of the essence, Coppola said.

"We always considered it to be a draft. It was missing many of the general provisions that would be included in an option agreement, particularly those provisions that would protect the option holder," Coppola said.

Coppola said that he spoke with Milligan's attorney, Peter Nolin, as the court case concluded and they agreed to add additional safeguard provisions that would be included in general option agreements as the city process continued, at an expedited pace.

Goldberg was hired in a "very limited role," because, "I thought it was important for third party to propose what provisions would be in a general option agreement," Coppola said. "...I still was significantly involved in the process of the revisions."

"Jason absolutely refused to have an attorney represent him. He insisted on doing it himself," Coppola said.

"Unfortunately, I think he didn't understand the significance of certain terms that we needed in the agreement to protect the city's option. Or, he just chose to ignore the significance of why we needed those provisions to protect the city."

Milligan said in the earlier conversation that he had no attorney formally representing him in the revisions to the draft agreement but had many attorneys that he consulted.

Coppola's story continued, "At some point, later in the process, Jason requested a few substantive concessions in his favor. He decided that he no longer wanted to complete the improvements to the site plan that he had presented to us, whereby he was going to stripe the lot, make small changes in order to (add) additional parking spaces. So, he wanted the city to agree somehow to allow him during the option period to potentially be in violation with regard to the parking requirements. We said that was improper, that we had an obligation to apply Zoning regulations in a uniform manner to all the property owners in the city."

The city offered Milligan three to five spaces in the Yankee Doodle Garage but Milligan insisted on 11 spaces, and the city agreed, Coppola said.

"That was a significant concession that Jason asked us to make after already approval by the Boards and Commissions," Coppola said. "A week ago, he asked for a further concession to potentially eliminate an easement that the subject property has over a neighboring property at 15 Belden. We provided him with draft to agreement that we feel accepts some of the later concessions that he asked for, to try to help him, but that protects the city. That's where we stand."

delivery and performance of this Agreement by CT AVE LLC have been duly authorized by all necessary action on the part of CT AVE LLC and all required consents or approvals have been obtained. This Agreement is a legal, valid and binding obligation of CT AVE LLC, enforceable against CT AVE LLC in accordance with its terms, subject to the effect of applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws affecting the rights of creditors generally.

2. The only leases to which the Premises are subject are [] (the "Leases"). There are no other occupants at the Premises.
3. CT AVE LLC is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and the Income Tax Regulations thereunder.

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July 13, 2017

Deleted: City does not make any representations whatsoever that it will be able to obtain the necessary City agency approvals and funding in order to execute this Agreement and tender the Option Payment to CT AVE LLC prior to August 31, 2017. However, at the insistent request of CT AVE LLC, the City shall endeavor, but will not be obligated in any whatsoever, to obtain all of the necessary City agency approvals by June 27, 2017 and to have this Agreement executed by the Mayor and the Option Payment tendered to CT AVE LLC by July 14, 2017. If the City is not able to obtain all of the necessary City agency approvals by June 27, 2017, the City shall endeavor, but will not be obligated in any whatsoever, to obtain all of the necessary City agency approvals by July 11, 2017 and to have this Agreement executed by the Mayor and the Option Payment tendered to CT AVE LLC by July 28, 2017. If the City fails to make the Option Payment by August 31, 2017, it shall have no further interests or rights of any kind in the Belden Avenue Property, unless otherwise extended by mutual written agreement of the parties

A screen capture of a change drafted by Attorney Marshall Goldberg to the option agreement for 11 Belden Ave.

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12 Comments

Dawn [September 7, 2017 at 7:15 am](#)

Call me crazy. But I still don't understand how they keep saying we hope to never use city money to make the actual purchase down the line. Are they hoping Milligan just gives up and walks away without being paid? If not someone has to pay. Who then?

Concerned [September 7, 2017 at 7:50 am](#)

I called it! Months and months ago. This is how he conducts business. In fact, he called me out on this very site for saying this would happen, and now look.

Norwalk, do your due diligence before getting into bed with another dud of a deal. When will we learn!

Jason Milligan [September 7, 2017 at 7:51 am](#)

Dawn,

The concept is that there are numerous ways that additional parking could be added to the area, the library could expand, and we could develop some apartments on the site all without the need for the city to buy our entire parcel. It would require collaboration, and creativity for sure. If we had been able to complete the option agreement the city would have had up to 6 years to explore all those options. If a collaborative project were not created within 6 years then the city would have had the ability to buy the entire parcel as a backup plan.

Believe it or not there are some smart competent people within city government, unfortunately they often aren't the loudest or bravest.

Jason Milligan

Concerned [September 7, 2017 at 7:57 am](#)

Jason conducts business like this all the time. He thinks he is better than everyone else and is extremely greedy. Oh the stories I could tell, he is famous for his last minute changes and always refuses a lawyer, thinking he is smarter than everyone else including the law. Go bother another town Jason, oh wait, they won't put up with your shady business dealings.

These are my comments from a previous article predicting this would happen.

<https://www.nancyonnorwalk.com/2017/05/norwalk-council-to-consider-win-win-library-lot-purchase-agreement/>

Sarasikes [September 7, 2017 at 8:37 am](#)

460k for 6 years for how many parking spaces?

Lisa Brinton Thomson [September 7, 2017 at 9:13 am](#)

A few things in this story stand out..

Did Mr. Coppola really say... "We said that was improper, that we had an obligation to apply Zoning regulations in a uniform manner to all the property owners in the city." Uniform zoning regulations in the land of special permits? Really? That's the reason for this "Abbot and Costello deal" going south?

Also, I couldn't help but notice Mr. Goldberg's deleted passage, where the phrase, "necessary city agency approvals" is written in four places in the space of 3-4 sentences. Is Norwalk's approach to planning and zoning collapsing under the weight of its distributed governance structure, with too many lawyers and not enough leadership or vision for our downtown core? Put Planning and Zoning and ReDevelopment back together and get on the same page. Please! City acquisition of this critical parcel or partial portion of land is beyond ridiculous.

Lastly, who ultimately was in charge of this deal? Mayor Rilling, Former Mayor Knopp, Mario Coppola or Mr. Goldberg?

Comments continued.

Ernie DesRochers [September 7, 2017 at 9:43 am](#)

Not surprised by this outcome at all. The list of lawyers involved in this reads like a law firm. If the business deal was truly worked out why did the Mayor and Ms. King not sit on their legal team to make sure the final option agreement happened as agreed to by the parties? Opening it up to further negotiations sends a bad message to the business community because with Norwalk a deal is apparently never a deal until it's too late. Don't forget it is the taxpayers who pay the city's legal bills. That will add at least 10% more to the cost of the option.

Jeff [September 7, 2017 at 9:54 am](#)

I wonder if the city would be better served taking the \$5.26 million in this deal and instead using it towards a redo of the existing library space. Perhaps rebuild on the current site with a level or two of parking below the library? I would think the overall cost would be more (and the city wouldn't control the development of the land around the library), but at the end of the day we would have a modern library to serve the community for years.

Sara Sikes [September 7, 2017 at 10:19 am](#)

I just read that the lot provides 28 parking spaces. It looks like the cost, using the \$460K amount, plus \$200K for improvements, amounts to \$10K per parking space. This is prior to the City taking [possession of the lot. If I am wrong, please correct me, but \$10K per parking space for 6 years may not be the best solution for this problem.

Ernie DesRochers [September 7, 2017 at 10:36 am](#)

Memo to the City – When the renowned real estate investor Sam Szell was asked why was his negotiating secret? He said “You start every negotiation by trying to figure out what the deal breakers are for the other side. What does the other guy really need? If you can't overcome that, you're wasting everyone's time.”

Donna Smirniotopoulos [September 7, 2017 at 10:38 am](#)

What struck me about this article is the way in which attorneys back up the idea that you can't do anything without attorneys. Mario Coppola said Milligan refused to have an attorney advise him, which contributed to Milligan's inability to understand the draft revisions. What kind of a world do we live in when you cannot possibly negotiate your own deal without the help of an attorney? I'm inclined to agree with Jason Milligan here. The revisions, additions and emendations by attorneys, including a new one the City hired (because there aren't enough already on the payroll apparently), poisoned the well. The City made it impossible for Milligan to close on the deal without hiring his own attorney. There is something deeply wrong and disturbing about these assumptions. Adding protections to the City's deal resulted in unintelligible jargon. One of Marshall Goldberg's edits quoted above turns an already byzantine provision regarding expiration into word salad. And the taxpayers have to pay for this.

Laoise King is also an attorney by the way.

Donna Smirniotopoulos [September 7, 2017 at 12:08 pm](#)

@Concerned, your comments on the previous thread do not flesh out your story or in any way convince anyone that Milligan is the problem. If you were so @Concerned, you'd provide specifics, starting with your full name. To your point that Milligan just wants to make money, the answer is of course. A good deal is one in which Milligan comes out whole and the City gets something it needs. This deal was doomed from the get-go. Then again, in the previous thread I too expressed misgivings, only mine were directed at Mayor Rilling and former mayor Knopp, who was suing the Zoning Commission in his capacity as Library Board Chair. The entire deal was mired in cronyism and back room negotiations. For all anyone knows, the mayor and the former mayor, also a lawyer, dreamed up the lawsuit idea after the Zoning Commission, filled with mayoral appointees, granted the permit to Milligan. Anything is possible when there is so little transparency and deals are made behind closed doors. And no one's ever really understood how this deal was supposed to work, including the negotiators

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[Rick September 7, 2017 at 3:57 pm](#)

Knopp Knopp who was there?

Yep the arrogance flowed in city hall the night Quintrad ave was fighting for its life and who shows up at city hall?

Those lackeys that call themselves politicians blew right down the corridor on the third floor opposite where they were needed.

Forget the train station on wall st the city needs much more to right its ship.

Yes it was great to see who was working for the city and who wasn't.

Use this next election to send some of these idiots walking.

Patrick Cooper [September 7, 2017 at 4:22 pm](#)

And the beat goes on. Love the language – “this deal”. Just another one-off, back-door nonsensical zig-zag back & forth between a developer who knows the weaknesses of our city systems, and a mayor who has zero experience negotiating anything – thus the parade of \$400 an hour attorneys.

@Lisa Brinton Thomson – yes kind of surreal to hear “apply zoning regulations in a uniform manor”. In what Norwalk world?

What stands out to me is – of all the names, including city departments, city lawyers, common council members, mayor's office, and library stakeholders – one name is missing: Steve Kleppin. How is this man not part of this issue? He certainly knows Jason – they have had zoning dealings in New Canaan.

Also – how are any of the developments here, this agreement – tied to any long-term use and development plan for this area? We need to protect parking and potential expansion for our library? We failed to think about it – and plan for it – so now we are scrambling. Couldn't negotiate relocating this facility into the absurd mall deal? Who's driving this city, Ray Charles?

No – we're going to allow any & every developer to build 100's of apartments within 1 square mile, because they can. Days ago – we were speculating on a possible train stop on a single rail track. And arguing this area has had a ton of infrastructure built into supporting this expansion. Now from Wall & Mott, Waypoint is about a driver and a pitching wedge away – which perhaps is a trip too far when you have had multiple unsolved shootings on Chapel Street (a triple – April 14th), and Orchard Street (May 19th). The “let's not talk about it” POKO failure is all but 200 feet away? I guess no 36% section 8 for this development, no sir. Oh, almost forgot another 300 yards away DiScalla needs a \$1 parking lot because they too want to add 100's of apartments? WHAT IS THE PLAN? Answer: there is none.

Folks, we need a new approach. How about leadership, and a plan? City manager, please.

[Rick September 7, 2017 at 4:38 pm](#)

A shame no one on Quintard ave can boast a legal team, our fight was over the moment Firetree saw what kind of city they were dealing with.

A failed mall before it was built and the slight by hand by Rich will go down in Norwalk's history books as a game changer in Sono.

Those who spoke in favor of this parking lot have no clue how this city works or what goes on at city hall. But when you're as old as dirt you have a voice in Norwalk.

Tough time for Democrats in Ct but even more so if you're in Norwalk.

Maybe Alfred Newman is available to serve the city we know Duff is busy.

Mitch Adis [September 7, 2017 at 10:05 pm](#)

Why does the city believe this parking lot is worth \$5,000,000 BUT the parking lots on Wall St are only worth \$1 each? How is this possible?

Donald [September 8, 2017 at 12:14 am](#)

I love that look Rilling has for his many many photo ops. That look of being so regal looking off into the sunset. {...}

Editor's note: This comment has been edited in compliance with the comments policy, which was written to keep the discussion within the boundaries of civility and good taste.

Jill St. John [September 8, 2017 at 7:09 am](#)

The city and their basket of lawyers each trying to prove one is smarter than the other to the detriment of this “deal” Don't underestimate Milligan, he may not “understand” your changes, but he understands his property value. And as is his right, he can just say no.

Dawn [September 8, 2017 at 11:06 pm](#)

So part of the complaint was the street cannot sustain more cars parking. And heaven forbid you want to visit the library. You'll park a mile away.

So. The “deal” does not rule out a building going up. It's just a matter of negotiating how many parking spots you will be gifted to the library.

Or we buy the property with money that was not supposed to be spent.

I thought we were trying to stop a building. Take over the site and do something for the community.

And not break the bank for millions.

Mitch Adis [September 9, 2017 at 7:38 am](#)

I have an idea. The city allows Milligan to build his development PLUS gives him ~\$700k (here is the reason for the \$700k – \$500k the city was going to pay for the right to buy plus \$200k the city was going to spend on reworking the parking lot) In exchange Milligan includes an additional parking level in the parking garage he plans on constructing that has deeded library rights. He gets his building, library gets parking and the taxpayer saves \$4.3M. Win-win.

Or the city takes the property by eminent domain