

City of Middletown, CT

Economic Development Committee

Approved Minutes from the Economic Development Committee Meeting of January 11, 2010

<u>Present</u>	<u>Also Present</u>
G. Daley	W. Warner
R. Santangelo	R. Kearney
J. Bibisi	
D. Bauer	
V. Loffredo	
Public: L. McHugh, J. Pugliese, M. Bellobuono, A. Pioppi, C. Johnson, A. Rich, E. McKeon, E. Emery and members of the public	

Minutes

- A Call to Order: Daley called the meeting to order at 6:06 PM.
- B Public Session: Barry Robison asked that the committee consider a long term vision when considering development of the former CVH lands.
- C Minutes
 - 1) December 14, 2009 meeting minutes: Tabled, the mailed copies were not delivered by the USPS to the committee.
- D Communications: none
- E Old Business
 - 1) Harbor Park Restaurant lease: no discussion
 - 2) Midfield Corp: Property at the corner of College and Broad Streets: EXECUTIVE SESSION CGS Chapter 14, Sec. 1-200, 6(B) strategy and negotiations with respect to pending claims or pending litigation to which the public agency or a member thereof, because of the member's conduct as a member of such agency, is a party until such litigation or claim has been finally adjudicated or otherwise settled. No discussion
 - 3) Lady Katharine Cruises lease: no discussion
 - 4) Extension of Federal Transportation Funds: no discussion
 - 5) RFP for Riverview Arcade Garage: no discussion
 - 6) RFP for former CVH lands

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- a) Connecticut Forest & Park Association
 - b) Artfarm: Warner stated the Attorney General has asked the city attorney to call the AG's attorneys to discuss the issues.
 - c) Arawana Golf Course: lease template: Warner stated he marked up the Pinoaks lease. The assessor would only tax the buildings and personal property (estimated at \$300,000). Daley asked where the proposal would go to. Warner stated the proposed lease would go to the Common Council. This would allow the company to prepare plans and designs for the city to evaluate a complete proposal. Daley spoke to the public noting the committee has received the notes from the Maromas Land Use Workshops. Loffredo asked for information and comparisons to other golf courses. Warner stated there is no information on privately operated golf courses on municipally owned land. Bloomfield owns and operates a municipally owned golf course. Pioppi stated Red Tail Course in Massachusetts was created by a development authority. Loffredo asked how other municipalities tax golf courses. Warner stated they tax privately owned golf course buildings and greens. Loffredo asked for a comprehensive analysis of golf courses including the economic impact and the success and failures relative to the current economic conditions. Warner stated was not done. Loffredo requested the city perform due diligence on the proposal. Daley noted the discussion should be continued since the lease information sent to the committee was lost in the mail. General discussion on how the city would benefit relative to operations on city land. Loffredo asked what kind of bonding would protect the city. Warner stated a performance bond would be required and the company would show the construction and permanent financing from the banks which would take over the project if the company failed to perform. Loffredo asked for a time line of the project. Warner stated 2 years to obtain approvals and 3 years to complete the project. Daley asked for the economic benefits and to get data on the project asking Pioppi to detail the residual economic benefits of the project. Pioppi stated he could get information from the National Golf Association and noted the plans are to have golfers dine in Middletown which has a strong dining infrastructure. Daley recommended putting off further discussion until more information is obtained. Loffredo stated the need to look at the pluses and negatives, the economy, balance to the community, cost benefits and the long term issue of open space. The lease would be in 10 year increments and total 80 years. Warner noted the Bloomfield golf course is doing well and the real economic analysis is whether the project can be financed. The assessor will do the tax analysis. Daley recommended continuing the discussion next month. A clear understanding of the state's position on Artfarm and the potential of working the projects together. Bauer asked the chair to recognize the members of the public in attendance who wished to comment on the proposal. Daley asked the public's indulgence to return next month. Warner noted the tree farm pays \$125 per acre in rent. Daley questioned if Water & Sewer would be at the February 12, 2010 meeting to discuss the treatment plant. Kearney affirmed.
- 7) First & Last Tavern lease: Executive Session: CGS 1-210 (b) (5) (B) Commercial or financial information given in confidence, not required by statute. Loffredo made a motion seconded by Bibisi to enter executive session. The committee voted to enter executive session at 6:08 PM. The executive session included the committee, the applicant and L. McHugh. Santangelo made a motion seconded by Bibisi to exit executive session. The committee voted to enter executive session at 6:30 PM. Loffredo made a motion seconded by Bibisi to recommend amending the lease with a 10 year renewal with a 1.5% increase in rent per year and 2 successive 5 year options to renew. The committee voted unanimously to approve the motion.

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8) Remington Rand

- a) EPA Cleanup Grant Application: archeological study with Economic Development Funds: Warner stated the grant would allow the city to remove 6 underground tanks. A condition of the grant is a historic study which the city has obtained 5 responses ranging from \$3,500 to \$17,000 from an RFP. E. Emery stated the RFP was posted for responses from 1/4/10-1/8/10 and she knows someone in Vermont that has done extensive research on the building which is important in the bicycle industry history. Daley suggested the information be given to staff to coordinate with and to potentially take part in the study. Bauer stated inclination to the \$3,500 response. City ordinance requires choosing the lowest bid. Warner stated the contract would be a professional services agreement and needed to be funded by the Economic Development Fund. Santangelo made a motion seconded by Bibisi to recommend contracting with the low bidder. The committee voted unanimously to approve the motion.
- b) \$200,000 Stimulus Grant: windows

F New Business

- 1) Middlesex County Community Foundation: "Live Local Give Local" Campaign: no discussion
- 2) 131 and 155 Wadsworth Street: Public Act 2009-4, purchase of homes: Warner stated the property price of \$143,000 less demolition costs (\$50,000 est.) and recommended asking the state for a new appraisal since the building conditions have deteriorated. One building has water and another has many cats which a rescue organization is working on. Bauer stated the property should be considered as cheap as possible and questioned the recommended the health department and building department look into blight and health issues. Warner noted he had put the proposed purchase in a previous budget but it had been removed. Daley recommended Warner put the proposal in the budget for consideration.

G Status Reports

- 1) Economic Development Fund, 12/31/09
- 2) Middletown Statistics Report, 12/09
- 3) Future Economic Development Projects report
- 4) Economic Development Specialist Report
- 5) REINVEST Loan Program, monthly summary report
- 6) JOBS Loan Program, monthly summary report

H Other

- I Adjournment: Bauer made a motion seconded by Santangelo to adjourn. The committee voted unanimously to adjourn at 7:00 PM.