

**City of Middletown, CT**

**Economic Development Committee**

**Minutes from the Economic Development Committee Meeting of February 9, 2009**

<b><u>Present</u></b>	<b><u>Absent</u></b>	<b><u>Also Present</u></b>
G. Daley, Chair	J. Bibisi	R. Kearney
R. Santangelo		
H. Kasper		
D. Bauer		
Public: T. Davis, E. McKeon, C. Johnson, G. Sherman, J. Moore, J. Pugliese		

**Minutes**

- A Call to Order:** Santangelo called the meeting to order at 6:03 PM.
- B Public Session:** none
- C Minutes:** Bauer made a motion seconded by Kasper to approve the minutes of 1/12/09. Bauer requested the minutes be corrected to include his statement for the committee to return to the shovel ready projects in future committee discussions. Daley stated Representative Lessor asked for a ranking of projects by priority. Daley noted the North End Housing Project was the highest cost. Bauer agreed stating the need for some record of the projects and prioritization. Daley requested the minutes be amended. Bauer stated that further discussion could be at this meeting or the next meeting. Daley stated the committee would take up the discussion at this meeting. The committee voted to approve the motion.
- D Communications:** NONE
- E Old Business**
  - 1) Sale of Remington Rand**
    - a) TWB Properties, LLC**
    - b) Bid waiver for property cleanup:** Daley stated the Purchase and Sales Agreement included a \$100,000 credit to the seller off the \$1.2 million sales price for clean up the property. The cleanup is needed in the area where Buddy's Moving and Storage. Kearney stated Buddy's had gone out of business and left the household goods in the space. Warner has worked with

Moore to arrange for the cleanup at a much lower cost. Moore produced photographs of the debris. Moore stated he had contacted Goodwill, NEAT and other organizations in his efforts to dispose of the property which was household goods from low end evictions. Daley noted Buddy's was defunct for a year. Moore stated there is 15,000 sf of space that needs the cleanup. Moore said he contacted 3-4 carting companies and Labor Ready to arrange to cart out the debris to limit liability and cost to the city. Moore estimated the costs at \$18-20,000. Moore would get 3 estimates. Public Works would not be cheaper than private companies. Moore stated the closing is planned for April and the cleanup would take several weeks and allow a comfort zone for completion. Moore state there is some debris on the outside left by Friends of the River. Daley stated Moore would hire the carting company. Bauer questioned whether this would be treated as an emergency like the River Road property which was in distress for many years and questioned if there where any unknown hazards. Moore stated he had been through the space and the debris is household furnishings and had not seen any hazardous materials. Bauer questioned if the furnishings could be put to some use. Moore stated Goodwill said there was too much to handle, a scrap metal dealer said there was too much manual labor costs. There is 15,000 sf of furniture and other items which cost labor, hauling and tipping fees. By removing the windows the bulky items can be dropped into the dumpsters. Santangelo made a motion seconded by Kasper to get quotes from carting companies and fees from Moore for the \$20,000 project versus giving a \$100,000 cleaning credit to the seller. The committee voted to approve the motion.

- 2) **Harbor Park Restaurant lease**
- 3) **Request to purchase city land on Newfield Street: a portion of Map 10, Block 11-1, Lot 22A-24:** Warner was not present to discuss the item so the item was postponed to a date specific.
- 4) **Midfield Corp:** Property at the corner of College and Broad Streets: **EXECUTIVE SESSION** CGS 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

## **F New Business**

- 1) **Becky Thatcher Riverboat: update:** Sherman stated she is in the process of securing grants. Financial institutions recommended pursuing grants as a way of reducing overhead. Small business loans have stopped being made. Sherman requested a letter of support from the city stating the city was looking forward to

having the ship here. Energy grants were applied for to turn the project green by changing the diesel engines into natural gas powered and fuel cells and solar panels from CT Innovations. Daley asked what the grant sources are. Sherman stated Clean Energy and a few others that the project would fit into. Sherman has been meeting with the Harbor Improvement Agency to locate the vessel where utilities, water and the harbor pump station. The nearest Yankee Gas is on Union Street near the YMCA. Extension of gas to the site would cost \$30,000. Daley questioned the condition of the ship. Sherman stated the owner is maintaining the ship and will not secure the sale until a permanent mooring is arranged. Santangelo asked where the ship is. Sherman stated Ohio. Sherman has worked with the Coast Guard process and Homeland Security in the event that the ship is transported on a foreign cargo ship. The route could be down the Mississippi River to the Atlantic to Newport or through the Great Lakes depending on water heights. Sherman has had 3 meetings with DEP/EPA and they are not opposed to the project and do not want a permanent mooring but rather a quick release. Daley asked if a non permanent mooring was in conflict with the owner's desire for a permanent mooring. Sherman stated the owner wants a mooring. Daley summarized the request for a letter from the city of having interest in locating the ship moored in Middletown harbor and specific about the use as a private venture. Bauer stated the city would not commit any resources. Daley noted the division of labor between EDC and the Harbor Improvement Agency. Kearney noted his request from Harbor Improvement Agency for a copy of their letter of support and minutes of the HIA. Daley suggested staff draft a letter to be reviewed by the committee prior to his signing such. Bauer recommended catching up with HIA like Harbor Park to review the issues. Kasper made a motion seconded by Bauer to draft a letter of support for the project and the letter to be reviewed by the committee prior to being approved along with the HIA letter and minutes for review.

## **G Status Reports**

- 1) Economic Development Fund, monthly report**
- 2) Future Economic Development Projects, monthly report**
- 3) Economic Development Specialist Report**
- 4) REINVEST Loan Program, monthly summary report**
- 5) JOBS Loan Program, monthly summary report**

**H Other:** Discussion of shovel ready projects. Bauer listed the projects as #4 the need to address the North End project along with extending with water lines to Westfield, Melilli Parking Lot reconstruction (quickest), Wilcox Road Bridge and the West

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Street Bridge. Bauer asked for the list to be gotten. Kasper stated the need for the Water & Sewer projects. Bauer stated the absolute immediacy of the situation which is not going away and no other committee is stepping up to it. The committee would look to build up the number of projects and should seek input from Public Works Dept. where a lot of their projects match the shovel ready rules. Public Works should be invited to the committee to give input in compiling the list. 100% of public roads are paid for by the taxpayers and this is a worthwhile exercise. Santangelo recommended inviting Water & Sewer Dept. Bauer stated he is on the Public Works Commission and there should be back and forth about projects noting some old pumps are just for flood control. Water & Sewer and Public Works need to coordinate the Johnson Street \$3.5 million project. Daley requested staff keep the 3/9/09 agenda light to accommodate the shovel ready discussion. Daley stated the committee endorsed the North End project and suggested Parks & Rec be invited. Bauer stated that Tina Gomes has the LOCIP rules spreadsheet. Daley stated the support of the North End Homeowners & Housing Project and the Community Health Center's office consolidation plans. Bauer stated the Health Center has over 20 offices with 500 employees across the state. The proposed office building would consolidate administrative functions. Santangelo stated the Miller & Bridge Redevelopment Project is in front of the state legislature. Daley stated the new legislators have introduced more new bills than ever before but many would not make it through due to the overriding importance of the budget. Johnson stated the legislature had passed smart growth plans 7 months ago. Santangelo stated the IRS is looking at taxing bartering. Santangelo made a motion seconded by Kasper to recommend 1) the North End Housing and Health Center, 2) the Westfield Water Line to complete the loop via Country Club Road. Davis read the list of projects to the committee:

1. Coginchaug River Protection Project and Palmer Filed Park Lot Reconstruction \$500,000
2. Wilcox Road Bridge Construction \$1,000,000
3. Reconstruction of Industrial Park Road/Westlake Drive/Westfield Street/Nejako Drive \$2,500,000
4. Melilli Plaza Parking Lot Reconstruction \$500,000
5. Water Service & Water Line Installation for Westfield Area of Middletown \$3,300,000
6. North End Homeownership \$4,000,000 and Health Renewal Project \$6,000,000
7. Bartholomew Road Pump Station \$1,100,000

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8. Multiple Function Storage Facility \$1,500,000

Daley stated the need for further discussion.

- I Adjournment:** Bauer made a motion seconded by Santangelo to adjourn the meeting at 6:45 PM. The committee voted to approve the motion.