

## Economic Development Committee

### Minutes

February 11, 2002

<u>Present</u>	<u>Absent</u>	<u>Also Present</u>
J. Daley	R. Santangelo	W. Warner, PCD, Director
R. Santangelo		R. Kearney, PCD, EDS
S. Gionfriddo		William Vasiliou, MHA
J. Bibisi		
P. Szewczyk		
Public: Bill Howard, Jennifer Alexander, Michael O'Brien		

- A Call to Order:** Daley called the meeting to order at 7:10 PM.
- B Public Session:** The public addressed new business items F2 & F3.
- C Minutes:** Szewczyk handed Kearney corrections to the minutes of 12/10/01. Kearney stated he would make the corrections. Gionfriddo made a motion to accept the minutes of 12/10/01, Szewczyk seconded, the committee approved the motion.
- D Communications:** none
- E Old Business**
- 1) **North End Industrial Area**
    - a) **Remington Rand;** Warner stated Unisys and the city have signed an access agreement. Unisys will clean up the site quickly enhancing the property value. Baldwin and Oxford Polymers/Deflice are interested in purchasing the property. An RFP might attract additional interest. The object should be to attract a buyer manufacturer rather than selling to a property management company to create jobs and achieve a more hands on management of the property. Daley stated the state funding under the Manufacturing Assistance Act favors manufacturing uses. Warner stated the city's financial input to the project has been \$300,000 in lost back taxes and \$200,000 in funds. Gionfriddo questioned the income. Warner stated annual income of \$190,000. Szewczyk questioned whether city loan funds might be part of the sellers RFP response. Gionfriddo questioned how many employees Oxford

would bring. Warner stated 50-60 employees. Gionfriddo questioned what Baldwin is planning with Formatron. Warner stated Baldwin has an option to purchase, but needs to show income to support an RFP. Gionfriddo questioned the income potential of \$.20 on the \$1.00 of investment. Warner reviewed the cost of renovation and suggested that warehousing is the least cost of producing income. Daley recommended an RFP to get a sense of interest and questioned whether responses would be available for the next committee meeting. Gionfriddo asked that the RFP be mailed to the committee. Warner stated the RFP would emphasize manufacturing useage. Gionfriddo questioned the fate of ID Mail and other tenants if the building was sold. Warner stated ID Mail has a ten year lease and Demers is negotiating their lease. Daley requested an RFP draft.

## **2) Industrial Park Area and Vicinity**

### **a) Lot 21 Middle ST/Timber Ridge RD**

**3) Brownfields-Riverfront Properties:** Warner requested a transfer of \$5,000 from the EDF for national advertising of the Riverfront renderings. Gionfriddo made a motion to transfer the funds, Szewczyk seconded the motion, and the committee approved the motion.

### **4) Armory**

### **5) 646-654 Main ST**

### **6) I-3 Development Plan**

### **7) Community Economic Development Fund (CEDF)**

**8) VERIZON Wireless Tower:** Warner stated negotiations are proceeding with 4 companies and that there is a federal mandate to fill in the cellular gaps. 6 carriers could generate \$2200,000 in annual income to the city. Daley questioned if one company would own the pole. Warner stated one company would construct the pole and the city would own the pole. Bibisi asked if the pole would be enclosed. Warner stated the enclosure would be 30'x30' and secured with a bond. Daley questioned the advantage to owning a pole. Warner stated the owner would determine position of companies on the pole. Daley questioned how cities are paid by volume. Waner stated Somers gets 20% of the gross licensing fee plus \$2,000/month. Additionally, Message Center is a new interested bidder. Whips can be added for on-board services. Szewczyk asked if the city would have access. Warner stated Jim Milardo could use the pole since the city would own it. Daley recommended proceeding with the negotiations. Warner stated carriers are looking at the water tower which is owned by the city not the Water & Sewer department.

### **9) 47 Rapallo Avenue Parking**

## **F New Business**

- 1) **A&A Office:** The applicants did not attend. Warner stated that the company was requesting that the city, Delta Building and A&A split the cost of the storm sewer.
- 2) **Forest City Commons:** O'Brien discussed the proposed office project on the former Forest City Nursery site, Coe Avenue. The project consisting of 2 buildings comprised of a 2 story, 44,000 square foot medical office condominium and a 2-story 18,000 square foot office building. Bibisi questioned if the buildings would face Saybrook Road. O'Brien stated wetland conditions prevented facing Saybrook Road. Osborne Design is planning an upscale brick structure with gambrel roof consisting of suites sold as condos to be sold to medical practices. The site will accommodate 200 parking spaces. They have hired an engineering firm and environmental work including a Phase II (required) is complete. Attorney Karpel will represent the developer. The developer will market simultaneous applications to Wetlands and P&Z on 3/1/02. Preliminary meetings have been held with city zoning, wetlands and development staff.

Gionfriddo questioned the involvement of the Army Corps of Engineers. Warner stated a letter of support for needed medical office space would be very important in the Corps review of the developer's application. Szewczyk questioned the vacancy rates of medical office space on Saybrook Road. O'Brien stated vacancies are very low. Warner reviewed the expansion of the Hospital and Outpatient Center. Bibisi questioned other proposed projects. Warner stated developers are proposing medical office projects at the Elks field and the Outpatient Center. Gionfriddo questioned the impact on existing office facilities would be and the need for new buildings. Kearney referred to market supply and demand information sent to the committee. Daley recommended a committee letter of support for the project. Bibisi recommended police analysis of traffic regarding the proposal. Szewczyk questioned the impact on Coe Avenue traffic and whether the project would include any other uses like coffee shop, etc. O'Brien stated the condo documents would be restrictive to use. Bibisi stated Location Realty has a good reputation and the project would enhance and clean up the area. O'Brien stated wetlands are already disturbed and the land is properly zoned. Szewczyk and Bibisi questioned how the half way house factored into the project's plans. O'Brien stated the half way house was staying. Warner stated that any expansion of the half way house would require zoning changes. O'Brien stated the project would afford the same views as the Village at South Farms. Szewczyk questioned what the view from RT 9 would be. O'Brien stated the project would be localized with best views from Saybrook Road & Coe Avenue. Bibisi questioned what feedback the neighbors might have. Warner stated the Coe Avenue & Saybrook Road intersection is important to review for redesign. O'Brien stated the entrance was designed as far away from the intersection as possible. Szewczyk questioned the impact of the 3 houses on Coe Avenue. O'Brien stated one is on the site, another is a mason contractor, but they are not envisioning any changes. Szewczyk questioned the area across the street and the affect on 2 houses. Bibisi stated the demand appeared to be a good. The committee agreed to have a letter from Daley supporting the project.

- 3) **KidCity Parking:** Howard presented a description of the proposed expansion of KidCity Children's Museum. He described the financing of the purchase (completed) of the parcel (# 113 Washington ST) with institutional and 2<sup>nd</sup>

mortgage funding. Project funding will be comprised of a \$2.0 million state bond grant with additional funds coming from \$1.0 million in fund raising.

The museum is requesting the city convey a 165X5' piece of land to the south of the museum which is currently 9 parking spaces in the adjacent municipal parking lot. The land in question would provide enhance access to the museum. Three units of parking space for museum staff would park in the proposed loading dock area. The Parking Authority approved the request. Howard proposed a calculation of worth as @425/mox9spacesx10years= \$27,000. Alexander stated the state application requests information on the city contribution to the project. Daley remarked the state application should note the city's contribution of CDBG grant funds. Alexander stated the city's contribution would be in the new budget and project budget submitted to the state. Daley stated it would be good to note the city's contribution and that local funding originated the project. Howard stated the access and parking to the museum would be through the parking lot and the parcel under discussion. Daley stated his understanding that there would be only access from the parking lot and the current side entrance would be closed. Bibisi questioned the entrance and fire exit issue. Gionfriddo questioned whether P&Z had reviewed the proposed project. Daley suggested the Common Council review the proposal after P&Z reviews the project. Gionfriddo made a motion to recommending approval of the conveyance of the parcel to KidCity. Gionfriddo questioned whether the issue would go to the March Common Council meeting. Daley stated a P&Z 8-24 review to grant the land be requested. Bibisi seconded the motion and the committee voted to approve the motion. Szewczyk abstained citing conflict of interest due to working with a bidder to the project. Daley questioned determination of the city's in kind value contribution of the proposed \$27,000. Warner recommended the Tax Assessor calculate the value. The committee members engaged in a general discussion of parking costs. Daley stated the need to document the property value for the application to the state.

- 4) **The Connection Fund Housing Development:** The applicants did not attend the meeting. Warner described the property zoned single family but questioned the potential development opportunities relative to the property location next to CVH. Gionfriddo questioned what the zoning should be in addition to the interest of the Connection. Warner described developer interest like Home Depot and the negative effect of traffic on Bow Lane. Gionfriddo described the idea of exploring the options and brought up the veterans and soccer fields interests. Gionfriddo suggested and RFP. Daley suggested seeking proposals that would require the respondents to pursue zoning changes and support.
- 5) **Foreclosure of Westfield Properties, LLC re Stantack Road:** Warner described the 1 parcel as 12-15 acres. The city is acquiring the surrounding parcel for open space. In 1994 the owner outbid the city for the parcel and paid \$55,000. No taxes have been paid; the tax bill is \$10,000. Owner is willing to sell the 15-acre to pay the taxes on the other. The property is appraised at \$120,000 and \$130,000.

Szewczyk questioned whether matching state open space funds could pay for the purchase. Warner stated the state process would take too long. Szewczyk questioned how the city could be assured that the taxes would be paid with the proceeds of the purchase. Warner stated Attorney Dowley would conduct the

closing and be so instructed. Daley questioned the use of the property. Warner stated the owner would have to improve the road to build a house on the property.

- 6) **Targeted Investment Community Legislation:** general discussion of correspondence, the committee took no action.
- 7) **Realtor Reception:** Kearney described the marketing success of prior receptions and requested \$500 be transferred into line item 433-903-410. Location: First & Last banquet room, date to be determined. Staff will ask Chamber to pay for alcohol. Gionfriddo made a motion to transfer the funds, Szewczyk seconded the motion, the committee approved the motion.
- 8) **CDBG Initiatives:**
  - a) **Middletown Planning Website:** Warner described the need to develop and maintain a new [www.middletownplanning.com](http://www.middletownplanning.com) website. The mapping is almost ready. Newton, Mass website <http://www.ci.newton.ma.us/main.htm> is a good example of how Middletown planning/mapping website could look. Szewczyk asked if the website would reduce staffing needs in the PCD. Warner stated the site would allow people to view maps and cut down on the amount of time he and Sipperly spent answering mapping questions.

## G Status Reports

- 1) **Economic Development Fund, monthly report**
- 2) **Economic Development Specialist Report:**
  - a) **Kleen Energy Systems:** Warner described that .37 acres of wetlands are disturbed, report to Siting Council. Daley recommended a physical presence at the P&Z meeting. Warner stated P&Z is concerned about the fuel backup issue.
- 3) **REINVEST Loan Program, monthly summary report**
- 4) **JOBS Loan Program, monthly summary report**

## H Other

- I **Adjournment:** There being no further business, Daley adjourned the committee meeting at 8:27 PM.