

ECONOMIC DEVELOPMENT Committee

MINUTES

FEBRUARY 13, 1996

PRESENT

G. Daley, Chair
S. Shapiro
R. Santangelo
J. Milardo (7:40 p.m.)

ABSENT

J. Vinci

ALSO PRESENT

W. Daley, Courant
W. Kuehn, Staff
C. Wilcox, Staff
S. Libby
R. Trowbridge
V. Szwez
R. Ostasiewski

Chairman Daley called the meeting to order at 7:10 p.m. in Room 208 of the Municipal Building and opened the public session. S. Libby from the public asked about the possibility of an executive session regarding the REINVEST Loan to VanDough's Restaurant. Chairman Daley replied that it was the position of the Economic Development Committee to do as much business in public as possible; and that it takes a vote of the Committee to go into executive session. The applicant may request an executive session and the Committee will respect that the applicant may have confidential, financial, or proprietary information in their application. He further noted that it was unlikely that an executive session would occur. Mr. Libby replied that the Committee would be better off to rule out an executive session.

Minutes - Upon a motion by S. Shapiro, seconded by R. Santangelo minutes of the previous meeting were accepted unanimously as written.

Communications

1. Chairman Daley noted that the architects for the Armory had requested that they do their presentation in March rather than February. They needed more time to gather financial data.
2. Shuck's Gas Station - This item will be deferred until later, after Joe Milardo arrived.

Item number four under New Business, RFP for Parking Lot and the Convent Building, was moved to the top of the agenda so that it could be discussed before the arrival of Mr. Milardo, who wishes to abstain from all discussion about this project. W. Kuehn handed out a revised page, labeled "Attachment C", which were the conditions of St. Sebastian's Church regarding the moving of the convent. After discussion of the RFP, and the Committee decided it would like the proposals due back on Thursday March 7th so that they would have time to read them before a presentation would be given at the March 11th meeting. The Committee also set the timelines for the building removal and completion. They asked that the developer complete the move of the building within ninety days of awarding the project; and completing the building renovation within one hundred and eighty days of the move of the building. Finally, they agreed that the lot valued at \$45,000. would be transferred for a price that would be negotiable.

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Upon a motion by S. Shapiro, seconded by R. Santangelo, the RFP was approved unanimously, as discussed above. The Committee wished the property to be advertised in the newspapers, and the RFP's to be sent out as soon as possible. J. Milardo arrived 7:40.

REINVEST - Three prospective owners of VanDough's Restaurant were at the meeting to present their request for a \$25,000 REINVEST Loan. The restaurant will feature gourmet ice creams for every kind of diet made on site as well as twenty kinds of chicken wings. One of the owners currently has a restaurant of similar type in Hamden which is very successful. They indicated that they look forward to hiring young people from Middletown for their staff; and they also noted that they will be offering a delivery service. After their presentation the Committee asked about collateral. S. Shapiro noted that the collateralization in the application was for the equipment; but the preference of the Committee would be to have it collateralized by real estate.

G. Daley also addressed the construction employment aspect, and urged the applicant to use local labor and local contractors in the improvements, as well as the high school's juniors and seniors in the operation. After more discussion of the menu and the restaurant, a motion was made by J. Milardo, seconded by R. Santangelo and voted unanimously to approve the \$25,000 REINVEST loan to VanDough's Restaurant subject to appropriate collateralization and review by Liberty Bank.

Economic Development Fund Status Report - W. Kuehn noted it was enclosed in the packet for the Committee's information.

Land Use Fees - G. Daley referred to the packet dated 1/31/96 and noted that the Planning Department had conducted a study of land use fees in several other towns where the fees were considerably higher than in Middletown. He thought that the intent of this study grew out of concern about the growth of residential subdivisions, the disruption these subdivisions have on people who already live in Middletown; and the fact that higher fees might weed out the more marginal developers. J. Milardo commented that it seems like a new tax; and that it will be penalizing the construction industry. S. Shapiro, who noted that he had served on Planning & Zoning for many years, said he wanted to see this increase in fee schedule for over ten years. After further discussion a motion was made by S. Shapiro, seconded by R. Santangelo to endorse this new fee schedule as proposed to the Common Council. All voted in favor except J. Milardo, who was opposed. The Committee further suggested getting comparable schedules of fees from neighboring towns of Middletown.

Shuck's Gas Station - The Committee returned to item D.2. W. Kuehn passed out copies of the lease. J. Milardo reported that he had gone to the Fire Commission meeting. That Shuck is required to clean up the gas leak spills. That the cost will be between \$100,000 and \$200,000. The property will then come to the City after the clean up. The City will require him to take down the structures and he must remove the gas tanks. W. Kuehn noted that the City does not have to foreclose on this property. Since the lease was up on October 24th, the City just needs to ask Mr. Shuck to remove his buildings, tanks, and any other kind of debris. The City will have the authority to order him to do so. W. Kuehn will be in contact with Tim Lynch, of the City's Attorney Office and Fire Chief John Cyrulik.

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North End Industrial Area - W. Kuehn reported that the demolition permit for the north building at Meech & Stoddard had been issued on February 8th. Mr. Sweet will come back at the next Economic Development Committee meeting to discuss his plans for the other building and the property. The body shop is vacating the premises, there having been a stipulated judgement through the courts. They have a strong prospect for use of most of the large building. Mr. Kuehn also indicated that there may be money in the grant, which could be used for incentives for this business. Regarding the Package Store, Mr. Kuehn reported that now that it is occupied again, the City will need new appraisals. He has bids of \$900. to \$1,000. and \$400. for these appraisals. Upon a motion by S. Shapiro, seconded by R. Santangelo it was approved unanimously to allocate up to \$1,500. for these new appraisals. Regarding the Phase II Study for the Remington Rand building, Mr. Kuehn reported that proposal are due back within a week.

Finally, enclosed in the packet is the report of the Rail Task Force which is now in the hands of two of the City's Legislators. Discussion ensued about the routes which all rail freight currently takes. The goal is to try to ship freight directly to Hartford, and thence to Selkirk, New York. Now freight must go westerly to the Amtrack rail, then down to New Haven, and then up to Hartford which adds considerable distance and expense.

"All America City" Application - The Committee made note of the application which will be submitted at the end of March. No action was taken on this item.

Connecticut Main Street Program - After some discussion of the Connecticut Main Street Program, as well as last year's attempts to pass a special taxing district, S. Shapiro supported the idea of having a Downtown Manager; but felt that the effort to bring in a Main Street program should go through the Chamber of Commerce. It needs to be "sold" to the merchants. W. Kuehn pointed out that he had budgeted \$10,000. from the City for next year; and that the Mayor was seeking other similar contributions over a five year period from the private sector. The Committee suggested that staff get a hold of a couple of successful applications from either the Connecticut Main Street Center or the National Trust and do a presentation for the Chamber and merchants.

There being no further business the meeting adjourned at 8:55 p.m.

Cynthia G. Wilcox

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