

**City of Middletown, CT**

**Economic Development Committee**

**Revised and Approved Minutes from the Economic Development Committee Meeting of March 9, 2009**

<u>Present</u>	<u>Absent</u>	<u>Also Present</u>
G. Daley, Chair		R. Klattenberg
R. Santangelo		W. Warner
H. Kasper		R. Kearney
J. Bibisi		
D. Bauer		
Public: E. McKeon, C. Johnson, J. Pugliese, M. Masselli, P. Harding, R. Santostefano, Guy Russo, J. Alexander, M. Kalita-Leary, B. Taptick, M. Flynn, W. Pinch, E. Harney and members of the public.		

**Minutes**

- A Call to Order:** Santangelo called the meeting to order at 6:04 PM.
- B Public Session:** Pugliese stated the Middlesex County Chamber of Commerce supports the Community Health Center proposal with no loss of parking, the Algonquin pipeline project and the Revised Sexually Oriented Business Ordinance.

Klattenberg discussed the renewable energy project at the landfill which would create significant jobs and renewable energy. The \$5 million project would use US manufactured solar panels and a local installer and would be an engine for job growth and creation in the North End.

Pinch stated the need for infrastructure projects including sidewalks to the High School and Stop & Shop along with bike racks at city hall and bike paths on city streets and tree replacement funds for Urban Forestry. Also placing utilities underground in the historic downtown, improving the city's gateways at North Main Street, Saybrook Road, Stop & Shop and the Route 17 & S. Main Streets to enhance the city's image.

McKeon questioned who has control over the stimulus funds and stated funds usually go the old method to who is connected.

**C Minutes:** Kasper made a motion seconded by Bauer to approve the amended minutes of January 12, 2009 and the minutes of February 9, 2009. The committee voted to approve the minutes, Bibisi abstained from the February 9, 2009 vote.

**D Communications:** Warner stated receipt of an email from Attorney Antin regarding postponing item E3.

**E Old Business**

**1) Sale of Remington Rand**

**a) TWB Properties, LLC**

b) Bauer questioned why the cleanup had not happened since the committee was told the cleanup needed to be done quickly. Warner stated the cleanup was completed and Bauer should revisit the site.

**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**

**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) Shovel Ready Projects:** Warner noted the Mayor's letter and Governor's letter which requires fully designed and permitted projects. Daley stated the web address: [www.recovery.ct.gov](http://www.recovery.ct.gov)

a) Projects List (\$ millions)

- |   |     |
|---|-----|
| (1) Wilcox Road Bridge Construction                               | 1.0 |
| (2) Bartholomew Road Pump Station                                 | 1.1 |
| (3) Water Service and Water Line for Westfield Area of Middletown | 3.3 |
| (4) Storage (Berlin ST)   | 1.5 |

(5) Cogninchaug River Protection Project and Palmer Field Parking Lot Reconstruction	0.5
(6) Hospital	5.625 (not included in the Mayor's letter)
(7) North End Homeownership and Health Renewal Project	10.0
(8) Reconstruction of Industrial Park Road/Westlake Drive/Westfield Street/Najako Drive	2.5
(9) Melilli Plaza Parking	0.5

Daley stated the State projects have an edge. Daley noted the review committee is on the website. Bauer stated the need to focus on getting funding for up keep on road projects since this is one area that residents require government to provide. This would provide a direct impact on the city and shift the burden of stimulus money to road maintenance. Daley stated the need to work with the CCM and the legislative delegation noting Lessor was at the EDC meeting and asked for a top 3 projects ranking. The committee agreed that projects: 1,3,4,5,7 and 8 are priorities with #8 having no funds bonded. Bauer recommended asking the legislative delegation to attend the EDC meeting. Bauer recommended advising city departments to be ready for a second round of stimulus funds. Santostefano stated the community center and a lot of seed funds for park & recreation projects with \$22 million of projects included in his handout. Bauer made a motion seconded by Kasper to send correspondence to the legislative delegation and lobbyists of the priorities of the EDC. The letter would contain no numbers, just bullets.

- 2) Community Health Center (CHC) request to purchase 675 & 689 Main Street:** Masselli stated the project is included in the stimulus program list and stated the project would benefit Main Street. The new CHC would open up retail space on Main Street and increase economic vitality. The building would be 3 story, 44,000 square foot building with an entrance at the corner of Main & Grand Streets. It would be a green building with an 8,000 square foot green roof with class A office space comparable to Harding's building. It would increase foot traffic in the area. Masselli noted the Obama idea of doing more than one thing to create impact. The facility would provide health care and he asked EDC to be involved and participate. The project would stimulate parking in the North End. CHC is 37 years old and is a statewide organization with a home base in Middletown. CHC asks the city to turn over the parking lot for the development for the expansion of facilities and parking. Additionally, CHC would acquire the adjacent buildings to create a new city parking lot. The project would consolidate medical, dental and behavioral health services allowing existing first floor sites to

free up 7,000 square feet of retail space. CHC is talking with Saint Vincent DePaul to move to the rear medical space which would yield a third building for retail use. CHC is spending \$18,000 per year with 35 of the 54 spaces reserved parking in the city lot during the day. Eli Cannon's uses the lot during the evenings. CHC would build the lot first and open ½ of it for business use for Little Tibet and O'Rourke's. CHC is willing to discuss this with Eli Cannon's. CHC is looking to rent 40 spaces from the owners of the trolley barn along with creating parking in front of the barn or leasing space from Midfield and using the shuttle to take 35 cars out of the parking lot. The building would be similar to the Meriden and New Britain buildings. CHC serves 70,000 patients and this would be the corporate headquarters. CHC will appear before P&Z in March to meet the Governor's shovel ready criteria. The project would begin in June 2009 and stimulate the neighborhood and gateway area. The Chamber supports the parking issues. Bibisi questioned whether the committee was looking to issue an RFP or a waiver. Daley stated that is up to the committee. The ordinance provides for a waiver or RFP which could be accomplished in 30 days. Warner stated the Governor's letter requires fully designed and permitted projects that are ready to begin work. CHC will be before P&Z on 3/11/09 with a public hearing on 3/25/09. Staff can prepare an RFP, advertising in a short time. Bibisi questioned whether the meetings of April EDC and May Common Council were correct. Bauer asked how long has CHC been planning the project. Masselli stated 3 years. Bauer questioned how the process could be truncated to one month-a very abrupt process-glad to go through the motions. Daley stated the RFP is not refined to this degree. Someone comes in with a project that needs to be viewed when a longer time would jeopardize the project. Bauer stated the parking study screams for more parking in the North End and Main Street. Daley stated Masselli had heard plenty about the parking study from Alexander. Bauer stated there is a history of unfulfilled parking promises and they need to be in writing. Bauer questioned how the project would affect the grand list. Masselli stated the vacated properties would become retail space. Masselli questioned the occupancy of the parking lot. Warner stated the maximum daytime occupancy at 60%. Masselli stated the Harding project had added parking to the area. Masselli has hired Tighe & Bond to update the parking study numbers by factoring in the project plans. Kearney questioned the use of the upper floors and parking of the buildings to be vacated. Masselli stated the upper floors would continue to have CHC use and continue to use the 10 and 22 parking spaces assigned to those sites. Warner stated the Governor's letter received 2,000 project responses of traditional infrastructure projects. The Governor is looking for unique projects. Daley stated the state website is looking for 25% green projects. Masselli stated the roof would be green-an asset for the NEAT kids and the building would be LEED certified. Bauer questioned whether there are covenants on the lots. Warner stated there was a house on the lot and the legal process would research any issues. Bauer questioned if this is a permitted use noting there are a lot of

potential uses. Daley questioned the ownership of the trolley barn. Masselli stated the owners are a Maryland couple. Bauer noted an entrance from Clinton Ave. Masselli stated he is aware of this but it is a tight entrance. Bauer questioned covenants and the RFP and questioned why an independent analysis of the site on behalf of the city was not done noting that the city's demographics are going in the right direction-the gateway to the city and the transportation earmarks. Daley noted this is the first step along with P&Z. EDC is charged with evaluating what is good for the city. Bibisi stated the project would create jobs and retail space. Bauer stressed the need for an independent analysis-not sure that the city has one-noting that one step lines up to another. Daley stated Bauer could make a motion to request an independent consultant. Bibisi stated the city planner is a professional. Daley stated EDC is 5 people. Phil Oulette should be happy that he was the first REINVEST Loan Program recipient and he should be proud and satisfied in the project. Bauer noted that staff presents all pluses and lacks the competence to bring a balanced analysis. Daley stated Bauer's statement was disrespectful to staff which is open with people. Warner has had input and the project brings jobs and potential. Bauer questioned transferring city property with a lot of unknowns. Bibisi made a motion seconded by Kasper to begin the RFP process on the site. The committee voted to approve the motion with Bauer voting nay. Discussion of having a special meeting on 3/30 or 31 prior to the April Common Council meeting. Bauer stated he was glad there have been years of careful analysis and questioned why the city could not wait 1 month-too abrupt. Warner noted the potential of sharing in the stimulus package.

- 3) **Algonquin Gas Transmission: Kleen Energy Lateral Project easements:** Harney described the project and the easements request. Bauer made a motion seconded by Daley to recommend the easements. The committee voted unanimously to approve the motion.
- 4) **Revised Sexually Oriented Business Ordinance:** Warner stated the language needs to be both in the zoning code and in the ordinances. Bibisi made a motion seconded by Kasper to recommend the language to ordinance Study. The committee voted to approve the motion. Bauer abstained stating not enough time to read the information.
- 5) **Government Reorganization Study for Parking Department:** Warner presented a financial analysis of the proposed department. Income was revised down from \$700,000 to 650,000. Daley stated the department would have a long term positive impact. Warner stated the ordinance would lock in the funds at \$346,000 which would stimulate the director to identify new revenue to improve parking and revenue. Kasper questioned the sliding scale of funding in the ordinance. Warner stated the scale would be wiped out. Kasper stated not favoring removing the function from the Police Department which offers 24 hour

service and access and noted the WIC space lease ends in 2011. Bibisi stated the Police Department is too cramped and needs the space. Bauer noted the cost ending in 2011 as a real expense. Bibisi stated the Police Department offers 24 hour access to the public. Warner stated downtown is the city's biggest taxpayer. Bauer questioned whether Middle Street area was the biggest. Warner stated treating downtown like a mall makes it the biggest. Bauer stated he would like to be educated on how this could be. Alexander stated raising out of its revenue to pay for rent and improvements. Warner stated Ordinance Study had tabled the ordinance and the Personnel Review Committee are the next steps if EDC approves this revision of the plan. Daley noted this would be a floor for the general fund and would be revisited if revenue went through the roof or a short fall or other revenues were obtained which is better than the phased in plans. Santangelo stated the current Parking Commission is paying for space. Warner stated the ordinance for the parking commission and the director would report to the Mayor and EDC. Bauer stated the proposal does not include the cost of benefits. The Parking Commission reports to Public Safety and the Chief for councilmatic oversight. Bauer questioned if there are any prohibitive practices issues with 466 and MMPA. Warner stated the personnel director has been involved in the process for 6 months. Bauer questioned creating the department immediately considering the current fiscal uncertainty. Daley stated the study includes the parking department as a recommendation. Bauer stated outsourcing the work for 2-3 years due to the concern over the uncertain economy. Alexander stated the director would be entrepreneurial and work with the commission to enhance revenue to pay for improvements with the goal of increasing property values. Daley stated outsourcing of some functions might be in the mix and there is too much on the chief of police mind now to be an effective parking manager. Santangelo made a motion seconded by Kasper to send the revised ordinance to Ordinance Study. The committee voted to approve the motion with Bauer voting nay.

## **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:**

- 1) Kasper discussed a letter from Ron Borelli to the Mayor requesting permission to remove a brownstone wall on a Bow Lane property that is to be demolished. The Mayor sent the letter to B. Warner & D. Warner. Kasper stated the request violates city ordinance of disposal of city property which requires the property to be administered by the purchasing department. Klattenberg stated the value depends on the quality of the stone. Daley stated the letter was sent to B. Warner. Warner stated the letter was sent to him and a certificate of insurance to D. Warner. Daley questioned if the Bow Lane property was part of the Buckeye pipeline project. Bauer noted this is city property and requested the letter be shared with the committee. Bauer suggested the city should reconsider buying the Wadsworth Street properties from DCF. Santangelo stated no process was followed and this brings up ethical issues. Daley requested the Borelli letter to the Mayor requesting permission to remove along with the certificate of insurance for his construction company and a copy of the Mayor's memo to Warner be given to the committee. Kasper stated she would provide a copy of the ordinance. Bauer stated the issue move to Finance & Government Operations Committee. Daley stated a letter to the Mayor regarding this. Klattenberg stated Long Hill Estate was looking for brownstone but it was too expensive. Borelli is elected to P&Z but P&Z has not voted on the pipeline. Daley stated he would send a letter to the Mayor regarding these issues.
  - 2) Bauer stated the city should reconsider purchasing the DCF Wadsworth Street properties to resell and put the proceeds into the general fund and return the properties to the grand list. The properties are in an outstanding location. Santangelo stated the properties are at a busy intersection with traffic stopping and going. Kasper stated that a property is not more valuable or desirable when it is across from a playing field. Warner stated he put the purchase into the budget and the Mayor removed it. The Common Council did not put the purchase back into the budget. Daley noted time had passed and Warner stated DCF would seek to sell the site to the Housing Authority. ***(Revised) Bauer stated Public Works has access to the property.*** The committee asked staff and M. Norwood to disclose where the offer had been sent to. Warner stated it went to Finance & Government Operations.
- I Adjournment:** Kasper made a motion seconded by Santangelo to adjourn. The committee voted to adjourn at 8:20 PM.