

Economic Development Committee

Minutes from the meeting of March 14, 2005

| <u>Present</u> | <u>Absent</u> | <u>Also Present</u> |
|--|---------------|---------------------|
| G. Daley, Chair | J. Robinson | R. Kearney, EDS |
| S. Gionfriddo | R. Santangelo | |
| J. Bibisi | | |
| Public: B. Bannerman, R. LaConche, M. Baldwin, T. McKinney, K Westrup, G. Frick, R. Reilly | | |

- A **Call to Order:** Daley called the meeting to order at 5:40 PM.
- B **Public Session**
- C **Minutes:** Gionfriddo made a motion seconded by Bibisi to approve the minutes of February 14, 2005. The committee approved the motion.
- D **Communications**
- E **Old Business**
- 1) **Middlesex YMCA Parking Lot**
 - a) Gionfriddo asked if the city had paid the YMCA, Warner affirmed stating the YMCA would have to submit plans on the proposal.
 - 2) **350 Main Street EXECUTIVE SESSION- discussion of the selection of a site or the lease, sale or purchase of real estate by a political subdivision of the state when publicity regarding such site, lease, sale, purchase or construction would cause a likelihood of increased price until such time as all of the property has been acquired or all proceedings or transactions concerning same have been terminated or abandoned, exempt from disclosure under Section 1-200(6)(D) of the Connecticut General Statutes.** Warner stated the city has the appraisals and is moving forward.
 - 3) **CBB Parking**
 - 4) **Potential lease of 180 Johnson Street EXECUTIVE SESSION- discussion of the selection of a site or the lease, sale or purchase of real estate by a political subdivision of the state when publicity regarding such site, lease, sale,**

purchase or construction would cause a likelihood of increased price until such time as all of the property has been acquired or all proceedings or transactions concerning same have been terminated or abandoned, exempt from disclosure under Section 1-200(6)(D) of the Connecticut General Statutes.

5) Harbor Park Restaurant, option to extend lease

6) Realtor/Developer Reception

F New Business

- 1) Tinny Corp:** LaConche described the project plans to move to Middletown and construct a new factory and the strong foreign competition the company faces. Warner reviewed the letter requesting assistance. Bannerman stated the cost of the sewage pump work would be \$40,000. Daley noted the letter requested funds for permitting and asked if this was permitted in the Tax & Business Incentive Ordinance. Warner affirmed that it was and also noted the company was asking for moving expenses. LaConche produced a quote of \$13,900 for moving expenses. Warner stated the committee could review the request at the next meeting in executive session. Warner stated the project was a good use and could be expanded to 60,000 square feet. Daley questioned what waste the company produced and whether there was any plating waste. LaConche stated all the fluids are reused. Daley stated the committee would review the request for assistance at the April 11, 2005 meeting.
- 2) Remington Rand-Baldwin Furniture lease renewal:** Baldwin stated his concern about renewing his lease in light of the potential sale of the building. Gionfriddo asked what term was being requested. Warner stated 15 year term and that companies interested in the building are supportive of keeping the anchor tenants. Baldwin stated his need for 5,000 square feet of production space and 25,000 square feet of storage. Baldwin stated the pergola business is expanding and he needs to have a shipping and receiving department. He is making upholstery (chair pads, etc.) and is interested in the former MC Hammer space. Baldwin stated that if he has to move he needs two years to move. Daley stated the city would make a decision within two months. Baldwin stated he would enter into a verbal agreement at that point and would then like to engage in further discussions with any new owner. Baldwin questioned whether the building could be broken up. Warner speculated that the property could be divided into condos. Baldwin liked the condo idea. Gionfriddo stated splitting the property up could maximize the city's proceeds.
- 3) 37 Rapallo Ave, corrected to #47 Rapallo Ave:** Warner stated that Broad Park has the contract to develop this site. General discussion ensued.

- 4) **Safe Harbour Energy, Inc.:** Members of the company described the project and the request for leasing space at 180 Johnson Street. Gionfriddo asked how much space was need, answered 5,000 sf. Bibisi asked if there would be materials stored outside, company responded there would be 2 rail cars for storage. Bibisi asked whether the materials are combustible, company responded that the materials are biodegradeable with a 300 degree flashpoint. The process is to blend the product with diesel fuel. Bibisi asked what hazards there might be to this environmentally sensitive area, company responded the facility would be skid mounted and have a containment structure. Warner questioned how the skid would fit given the columns in the building, company affirmed the skid would fit and they would prefer the southern end of the building near the railroad spur. Daley asked for an explanation of the manufacturing process and how many people the facility would employ, the company responded with a description of the process and would employ 12-24 people. The company stated this would be the first biodiesel facility in New England and only 17 in the continental US. Warner asked for financials, the company stated they would supply financial information to the leasing agent. Daley asked what term of lease was being requested, the company stated 5 years. Bibisi questioned the hours of operation and how much truck traffic there would be, the company responded that eventually the facility would operate 24 hours/day and that the majority of transport would be by 20 rail cars and 5 trucks. Bibisi questioned whether there would be fumes, the company said no. Daley asked what the next step would be. Warner suggested the company have further discussions with Tom Ford, Midfield Corp. and to be aware that there are competing demands on the site, the company stated they were looking at additional sites. General discussion of other sites near the railroad in Middletown including Primary Steel and Middlefield Street.

G Status Reports

- 1) **Economic Development Fund, monthly report**
- 2) **Economic Development Specialist Report**
- 3) **REINVEST Loan Program, monthly summary report**
- 4) **JOBS Loan Program, monthly summary report**
 - a) **Carta, Food Imports of Middletown**

H Other

- 1) **Jonah Center:** Daley stated there is much interest in the project. Warner stated the Public Works Commission was favorable only on the kayak launch site.
- 2) **Channel 3:** Warner stated they need 6 acres near I-91. General discussion of sites.

I Adjournment: There being no further business the meeting adjourned at 6:43 PM.