

Economic Development Committee

Minutes

April 12, 2004

<u>Present</u>		<u>Also Present</u>
G. Daley, Chair		W. Warner, Director, PCD
R. Santangelo		R. Kearney, EDS
J. Robinson		
S. Gionfriddo		
J. Bibisi		
Public: D. Bauer, K. Marotta, L. McMillan, B. Bannerman, R. Liva, M. Masselli, P. Fazzino, B. Friedman		

- A **Call to Order:** Daley called the meeting to order at 5:30 PM.
- B **Public Session**
- C **Minutes:** Robinson made a motion, seconded by Santangelo, to approve the March 8, 2004. The committee approved the motion, Gionfriddo abstained.
- D **Communications**
- E **Old Business**
 - 1) **North End Industrial Area**
 - a) **Remington Rand**
 - 2) **Industrial Park Area and Vicinity**
 - a) **Lot 21 Middle ST/Timber Ridge RD**
 - 3) **EXECUTIVE SESSION**- Discussion of documents, specifically confidential real estate evaluations and financial data submitted by prospective developers for

information from the City of Middletown as authorized by Sections 1-19(b)(5, 7,8) of the Connecticut General statutes.

a) **Brownfields-Riverfront Properties:** The committee approved a motion to approve the Preferred Developer Appointment Memorandum of Understanding.

4) **CBD Parking**

5) **Godfrey Library**

6) **North Cove Rentals**

7) **Middlesex YMCA Parking Lot**

8) **Dr Liva Parking**

9) **Rapallo Avenue Parking Lot:** Warner summarized the RFP responses. McMillan stated that Alderhouse would be seeking owners for 50-80% of the median income and would know about funding in the fall. Warner discussed Little Tibet's concerns about losing parking if the lot became housing. Warner discussed the potential of a crosswalk from the Grand Street parking lot to Rapallo Ave, subject to CT DOT approval. General discussion of parking and congestion. The committee asked Warner to research what the level of parking usage and demand is for the area. Gionfriddo made a motion, seconded by Santangelo to ask staff to look at the concerns of Little Tibet relative to the hours of parking demand. The committee approved the motion.

10) **Goodspeed Musicals**

11) **EXECUTIVE SESSION- Discussion of documents, specifically confidential real estate evaluations and financial data submitted by prospective developers for information from the City of Middletown as authorized by Sections 1-19(b) (5, 7,8) of the Connecticut General statutes.**

a) **Vital Nutrients:** Gionfriddo made a motion, seconded by Santangelo to enter executive session. The committee approved the motion. At the request of Bannerman, Gionfriddo made a motion, seconded by Santangelo to exit executive session. The committee approved the motion. Bannerman stated Delta Building Corp had had 10 test borings of the Kenneth Dooley Road site and found rock within 4-6 feet confirming the need for \$110,000 in site development costs. Gionfriddo made a motion, seconded by Santangelo to enter executive session. The committee approved the motion. Gionfriddo made a motion, seconded by Santangelo to exit executive session. The committee approved the motion.

Gionfriddo made a motion, seconded by Santangelo to grant Vital Nutrients \$55,000 for site development costs. The committee approved the motion

12) Mortgage Lenders Network USA

- 13) **ID Mail-IDS:** Warner stated the company would be receiving the new machine on 5/15/04. Warner is working with Finance to discuss the leasing and build out issues. A bid waiver may be requested at the 5/3/04 meeting of the Common Council.

F New Business

- 1) **Middletown Hotel Associates Limited Partnership:** Friedman stated the condition of the water & sewer and electrical services were misrepresented to his company resulting in additional costs (electric costs = \$49,877, water & sewer = \$13,038 in the construction of the Inn at Middletown. If these costs were known, the construction budget would have been changed to reflect these costs. Additionally, due to the severe winter weather of 2003-2004, construction of the Inn was delayed resulting in delayed opening. Since the Inn did not open prior to the October grand list, the Inn was considered under construction and could not qualify for the tax abatement resulting in higher tax bill. The combination of missing the Fall season business and opening in the slow winter season combined with higher taxes of \$72,000 caused strain on the Inn's finances. Friedman requested the city assist the hotel on these issues. General discussion ensued. Daley stated the committee couldn't adjust taxes, which are regulated by the Tax Review Board. Gionfriddo made a motion, seconded by Santangelo to ask staff to explore what assistance and funding sources (Jobs RLF) might be available to assist the Inn. The committee approved the motion. The committee will review these recommendations at a special meeting prior to the May 3, 2004 meeting of the Common Council. General discussion of granting a zero interest rate loan with a longer term, e.g. 20 years.
- 2) **Realtor/Developer Reception:** General discussion ensued. Gionfriddo made a motion, seconded by Santangelo to transfer \$1,000 from the INFORM line item 433-903-397 to the Developer Reception line item 433-903-410. The committee approved the motion.

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**

H Other

- I **Adjournment:** There being no further business, the committee adjourned at 6:35 PM.