

## ECONOMIC DEVELOPMENT COMMITTEE

MINUTES

MAY 13, 1996

**PRESENT**

G. Daley, Chair  
R. Santangelo  
J. Vinci

**ABSENT**

S. Shapiro  
J. Milardo

**ALSO PRESENT**

R. Sweet  
C. Rocque  
A. Lerner  
W. Kuehn, Staff  
C. Wilcox, Staff  
E. Weiss, Press

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J. Alexander  
J. Bianco  
C. Rodenhizer  
W. Daley, Press  
P. Simmons  
D. Sauer  
L. McHugh

D. Hopkins  
L. Nowlin  
A. Nowlin  
S. Dzialo  
S. Libby  
F. LoSacco  
G. Weitzman  
R. Szczypek  
S. Dzialo, Sr.

Chairman Daley called the meeting to order at 7:05 p.m. in Room 208 of the Municipal Building and opened the public session. V. Amato spoke to the proposal to move the St. Sebastian's Convent to the parking lot on Washington Street. He commented that it took forty years to accumulate the land for that parking lot; and if the City is serious about revitalizing downtown they will need the spaces. The City has already given away some spaces. He felt the proposal would also make the parking lot less accessible from Washington Street, and opposed it on the basis of using city dollars to take property off the tax rolls for social services. He also disagreed with using any city dollars toward moving the building or its rehab through the non-profit. He expected the sale of the lot would bring more money to buy more parking. Chairman Daley commented that the City did issue an RFP and in the RFP the price of the lot was negotiable. He clarified that the proposer must relocate the building, not the City. Mr. Amato further commented that the parking spaces were to be nine feet wide instead of ten; and he thinks that the trend in the malls is for the larger spaces. He opposed the proposal for its non-commercial, non-retail use. S. Dzialo spoke to the convent move proposal and indicated that nobody had discussed his parking with him. Chairman Daley indicated that parking in front of Mr. Dzialo's building was a separate issue, however, staff would meet with him on site to discuss it in the very near future. W. Kuehn commented on how the site plan was arrived at by staff in a meeting which included himself, the Planner, the architect and the Chief Engineer. Cars parking in front of Mr. Dzialo's building currently are crossing city land and sidewalks which is inappropriate and unsafe. Mr. Dzialo also asked if there was a possibility of redesigning the site plan and brought up the issue of ten-foot set backs from the sidelines. There is also the issue that the State needs to approve any change in a curb cut for S. Dzialo if he should redesign his parking. It was agreed that staff from the City, the State Traffic Commission, and potential developers of the convent move would meet on site to discuss a revised site plan.

L. McHugh spoke to four items on the agenda. First, on the convent move, he indicated that some people have difficulties in accepting this if the land is to be given free or less than \$40,000.00 to \$45,000.00 as first mentioned. He felt the project should be sent back to bid so that everyone would know about it in the private sector. He also felt that the City wants more parking especially for the library and recommended reissuing the RFP. Regarding the North End Industrial Area, the Chamber is supportive of the Committee's decision to move ahead. Thirdly, the Executive Committee is supporting the change to Brush Hill Road to create more industrial land and finally, regarding the loan to Touch of Class, he commented that they were an outstanding business willing to take a risk to move to the central block, and urged the Committee's support of the loan.

After an unprintable diatribe about city officials, employees and procedures S. Libby complained about confidential information regarding REINVEST loans being under separate cover and not in the packet of public information which he claimed to be criminal and corrupt. Regarding the North End, he said there was no mandate from the residents to go ahead. F. LoSacco spoke about the convent move and supported it. He was happy that the City would supply space for the building which should be saved. Regarding Mr. McHugh's mention of parking for the library he felt that there should be parking on both sides of Broad Street.

There being no further public comment the public session closed at 7:35.

Minutes were deferred to later in the meeting.

Communications from Dzialo, Pickett, & Allen will be handled under the appropriate agenda item.

Old Business/St. Sebastian's Convent - J. Bianco, C. Rodenhizer, and J. Alexander presented their proposal to the EDC. J. Bianco, architect and chair of the Preservation Board wished first to respond to comments in the public session. First of all, regarding the cost, he noted that the RFP went out with the dollar amount on the lot to be open and negotiable. Only one proposal came in; and the private sector people who considered the RFP knew exactly what the terms were. Secondly, the nature of the proposal is not for social services. The proposed tenant is a non-profit; but that does not preclude a for-profit tenant in the future. Mr. Bianco reviewed the concept of moving the building and its intended use, reminding those present that the initiative came from the Preservation Board and the actual idea came from the City Planner. Some of the intended benefits are to reduce curb cuts and to fill the gap on the south side of Washington Street, making it a better gateway to the downtown. There were also intentions of improving traffic safety. Both he and C. Wilcox, tried to solicit interest in the private retail sector; and worked carefully with several entities. However, none of these came forward with a proposal. They then turned to the non-profit development sector to see if there was any interest there. J. Bianco turned to C. Rodenhizer of The Connection Fund to continue the presentation. Mr. Rodenhizer commented that he and the Connection Fund were acting strictly as a developer in this case; and that taking on this project is not in their mission. They are simply stepping forward to help save a building and to do their part to improve another historic downtown building. They are the developers of Liberty Commons, which is about to be finished. He also noted that the plan is to pay taxes on the property; it will be a commercial venture and will

not be tax exempt. However, the RFP clearly stated that the land price is negotiable, and the dollars are very, very tight to make this a feasible project. The Connection Fund will take the risk and do full exterior renovation and retrofit of the building, including utilities. This is a commercial venture, not a non-profit or a social service. The Connection Fund also solicited retail tenants; however, KidCity is the one which will work the best. Mr. Rodenhizer reiterated that this is a business arrangement; it will improve the streetscape; add to the downtown; and, that it is irrelevant that both The Connection Fund and KidCity are non-profits.

J. Alexander then spoke for KidCity. She commented that a children's museum is an engine for economic development downtown. It will be an educational "hands on" experience. Families come for two hours or more - they pay to come to the museum, and their presence spills over to restaurants, stores, tourism and other family activities. The museum will help downtown compete with malls, and serves kids from six months to ten or eleven years old. This museum, KidCity, will be specific to Middletown, and its secondary mission is to promote downtown with specific businesses depicted in the museum. There are several hundred similar museums in the country and Niantic has more than 60,000 visitors per year at theirs. She envisions that KidCity would occupy all of the space in the Convent and expects close to 50,000 visitors in a couple of years. Mr. Bianco commented that KidCity has been looking for space near the downtown without taking prime retail space for almost a year. He noted that Mr. Amato was right in the fact that the parking lot would lose some spaces, however, if this museum is a real catalyst, it would be possible to deck the entire parking lot for more. Mr. Kuehn commented that from the view of the Community Development Block Grant, he would be happy to see KidCity find a home. Mr. Lerner, from the audience, commented that the parking lot had been paid for by special tax dollars of businesses and they did not pay to put a building on it. He did not think that public property should be sold for private reasons. He also commented on the loss of the crosswalk.

Mr. Bianco went on to discuss concerns about the Washington Street parking lot itself. He noted that now there are double accesses in and out, which will be reduced to a single access, in and out, based on other models such as West Hartford. There was further discussion on the numbers, sizes and angles of the parking spaces; the interconnection with the perceived problems of parking on the Dzialo property; the need for an on-site meeting with the City Planner, City Engineer and DOT to suggest any proposed modifications to the site plan. A motion was made by J. Vinci, seconded by R. Santangelo, to table this item to a special meeting to be held before the June 3rd Council meeting.

REINVEST - Loan to Touch of Class

L. Nowlin, A. Nowlin and D. Hopkins represented Touch of Class. Chairman Daley pointed out that the crucial issue is still the collateral investment in the new building as a match. The collateral in the form of equipment and fixtures and other personal property totaled less than the loan request. After some discussion of some of the projected rents versus financials, a motion was made by R. Santangelo, seconded by G. Dailey to recommend to the Council a REINVEST loan for Touch of Class to the extent of the collateral provided which is \$18,400. Both voted in favor, J. J. Vinci abstained.

Habitat for Humanity

P. Simmons and D. Sauer, representing the new Northern Middlesex Habitat for Humanity, spoke of their progress in planning for a year or more and for their official incorporation in Connecticut. Mr. Simmons is chair of the Site Selection Committee which had identified a City owned site on Hotchkiss Street which they felt suitable for a Habitat house. It is an approved building lot, has a playground nearby, is a remainder piece from an Urban Development project and one of the top priorities of his Committee. He was asking how the City would feel about donating this lot to Habitat. Mr. Kuehn corroborated that it was a Redevelopment remnant and the Committee had considered divesting this parcel earlier; however, the offer had not been released from Purchasing yet. Mr. Simmons indicated that, should Habitat be given the lot, the intent would be to build a single family, small and affordable house. It would become taxable and, for the owner, Habitat takes back a no interest mortgage. There is no real down side to this proposal. A motion was made by R. Santangelo, seconded by J. Vinci, and voted unanimously to assure Habitat for Humanity that they would consider this further in the future. Mr. Simmons will take the sense of approval back to his Board and come up with a more specific proposal.

Armory

A motion was made by J. Vinci, seconded by R. Santangelo, and voted unanimously to put the Armory on the agenda. R. Szczypek, G. Weitzman and D. Hopkins wished to give the Committee and up-date on where they are in the planning process since, at the last meeting, the cost estimates were not complete. Mr. Szczypek, from Tai Soo Kim Partners, handed out their preliminary planning up-date which still showed the project as a mixed use cultural center with up-dated cost estimates and phased strategy. Phase IA would be to accomplish enough work to start using the drill shed for performances. Phase IB would include the stage and would allow for more theatrical uses. Phase II is the rehabilitation of the two houses in front. The cost for Phase IA - drill shed, code work and support areas is \$1,408,000; Phase IB -staging, kitchen and lower level is \$1,127,000; and, Phase II - north and south wing interiors is \$416,000. The total being \$2,951,000. Chairman Dailey asked about the capital campaign and when it would begin; and J. Vinci asked, assuming Phase IA were done, what the building could do in terms of uses. Discussion ensued about community meetings, dances, restrooms, catering areas and handicapped accessibility. The developers emphasized the need to get the building usable which would make the marketability of the front houses better. The Committee congratulated them on their progress.

North End Industrial Area

R. Sweet and C. Rocque, of Red Wing Depot, spoke to the Committee and said they were there to carry forward the request for a narrative plan from last month's meeting. They also said they were confused because they received correspondence to their attorney that the Economic Development Committee had offered to take the property and were asking for direction. Chairman Daley noted that was a reasonable question, and that Attorney Karpel had advised them that the Economic

Development Committee voted to take the property. This was a logical way to get the project moving and they had asked the Council to move ahead with making an offer. He noted that eminent domain was an action of last resort; and that the intent was to move ahead with the project and get the physical improvements done. He said that, in truth, the Committee had no high expectation that progress would be made without acquiring the property. Mr. Rocque asked if this was in the original plan and noted that they had spent money on the property and brought in a new tenant.. Mr. Kuehn commented that it was no mystery that since 1994, the plan calls for acquisition of this property; and it had been approved by every level of government. The Economic Development Committee had offered opportunities to show what the current owners wanted to do; however, their plans were vague. Therefore, the City has put an offer on the table and the position of the owners is to come back with a counter proposal. He commented “the ball is in your court”. The position of the owners was that they felt that the building could look reasonable without tearing it down; that they would continue to clean it up; that the plans were the same as before but they had a new narrative for the north building.

Staff passed out the first draft for the railroad transloading facility which had been compiled by City Engineer, Tom Nigosanti. Chairman Daley asked that a meeting be arranged with Planning, Department of Public Works, and Department of Transportation to firm up the details on this part (i.e. access to the transloading facility). G. Daley also commented on the need for the Committee to make an effort with the neighboring businesses in the North End Industrial Area.

Mr. Rocque also spoke of their need to make an intelligent investment; that it was a waste of capital to tear down the building; and, that something should be able to be worked out. Mr. Daley commented that they needed to respond to the letter of May 8th, and either accept or discuss the offer and arrange a meeting. R. Santangelo commented that the building still looks terrible and that the exterior must be appealing as it is the gateway to the entire neighborhood. J. Vinci commented that the owners must have been fully aware that the City was going to buy the property when they bought it. However, Mr. Rocque commented that they didn’t know about the industrial plan until they were in the contract stage, and they do want to keep the property and not “throw in the towel”. They need time to attract a tenant to the north building and to build it out to suit them. G. Daley said the Committee would proceed in negotiations for acquisition, and that these meeting are a part of the process. They need to know what they (Red Wing Depot) want for value.

Westlake Open Space

A motion was made by J. Vinci, seconded by R. Santangelo, and voted unanimously to inform the parties at Westlake interested in donating their open space as a City park, that the City is not interested in following up on this option.

Appraisals

Staff asked for authorization to send a letter offering to acquire the Neighborhood Package Store

commenting that the owner had paid \$40,000 for the property in 1992. A motion was made by R. Santangelo, seconded by J. Vinci, and voted unanimously to make an offer based on the higher of the two appraisals received.

Invoices

A motion was made by J. Vinci, seconded by R. Santangelo, and voted unanimously to authorize payment of invoices for the North End Industrial Area as presented (for appraisals).

Project Area Sign

The City discussed having a competition for design and for names for the park. W. Kuehn suggested involving the business owners. A motion was made by R. Santangelo, seconded by J. Vinci, and voted unanimously to approve the location of the sign on the triangular island at the intersection of Main Street and North Main Street.

W. Kuehn mentioned a meeting at the Department of Environmental Protection regarding “brownfields” with Betsy Winfield, Tim Lynch, Attorney Carella and Mary Palladino.

Also, for the Committee’s information, was notice that the tax appeal on Depot Distributors had been dropped, thereby making the Phase II Environmental Study of urgent importance.

Brush Hill Road

A motion was made by J. Vinci, seconded by R. Santangelo, and voted unanimously to support the rezoning of the area of Brush Hill Road as proposed, commenting that it is consistently industrial space.

Minutes

Upon a motion by R. Santangelo, seconded by J. Vinci, the minutes of April 8, 1996 were approved unanimously.

Special Meeting

The Committee agreed to hold a special meeting on May 28th at 7:00 p.m. to make the final decision on the Convent proposal and developer.

There being no further business, the meeting adjourned at 10:05 p.m.

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Cynthia G. Wilcox