

ECONOMIC DEVELOPMENT COMMITTEE
MINUTES: May 25, 1993

PRESENT

S. Shapiro, Chairman
E. Pattavina
G. Souto
W. Corvo

ABSENT

N. Conaway-Raczka

ALSO PRESENT

V. Amato
D. Gervais
S. Libby
T. Stein, Press
C. Wilcox
L. Ozga
W. Kuehn

The meeting was called to order at 7:02 p.m. by S. Shapiro in the Council Chambers of the Municipal Building.

PUBLIC SESSION

D. Gervais, representing the Central Business Bureau, spoke to the Downtown Manager job description. She was very supportive of the idea and suggested that the City try to find someone who has experience from a successful program. Regarding real estate skills, she suggested that the job needs to work with the real estate community already here. She also suggested that the person be very active "on the street" in promotional affairs. Regarding the downtown manager concept, there is no negative word from the Central Business Bureau. She personally feels that the funding must evolve into a separate taxing district. She acknowledged that the program funding must start from the public sector. S. Shapiro asked about the support of the landlords. D. Gervais responded that she did not know; value has to be shown in order to sell additional taxes. W. Corvo asked what the problem is in getting a downtown taxing district up and running. He said that Middletown is not like other towns that are moribund. D. Gervais the building owners are the key, they are not the CBB, which are mostly stores that rent. W. Corvo encouraged commitments from downtown property owners. D. Gervais said that getting a person with experience is more important than on the job training. W. Kuehn said the salary assigned to the job will define the level of experience requested. He suggested appearing before the CBB on their July agenda. S. Shapiro recommended that staff be at the CBB meeting and copies of the job description be made available to CBB members. W. Corvo said a participation list should be secured from the Chamber so that a formal invitation may be sent for a special meeting in order to formulate the district. He felt that imposing a manager without a structure, would not be constructive. D. Gervais said there is a need for taxing district because funds will be needed over and above salary and office expenses.

V. Amato said that he has been down this road several times. The parking district took a year a half to put together. In New Britain, their downtown district took about two years. To pass a district, you need to convince 51% of both the property owners and those representatives more than 1/2 of the assessed valuation to pay extra taxes. He said three years ago, the Preservation Trust brought in some people who conducted 12 public meetings involving over one hundred people in focus groups. Almost unanimously, the idea was endorsed; however, the downtown property owners were still not happy. He said that the downtown is the focal point for one's perception of the City. He noted there is a downtown grand list of about \$60,000,000; however, property is selling lower than 1/3 of the assessment. Therefore, it is imperative to do something by 1997.

Concerning the job description, V. Amato said there should not be a training component. Over 2,000 cities in the country have done this and Middletown should be able to find a Main Street Manager. The community has to buy into the concept so that it is a resource for everyone. He called for finding a person who has had a successful experience in this kind of job. A budget should be structured to provide \$100 - \$120,000 per year for a three (3) year period. S. Shapiro said the City will fully fund the position the first year and divest itself by the fourth year. V. Amato said the City needs to get the property owners to agree up front to take this on in the future. A vote must be approved by 50% of the property owners who represent 50% of the assessment. Once the district is approved, a yearly budget is presented to the district taxpayers who vote on it. Money must be on hand to spend, it cannot be bonded. He encouraged a good working environment with government. In New Britain, the bylaws cap the special tax at 10% of the City tax. V. Amato visualized a person on board in about one year who should be an employee of the district and not of the City. In New Britain, a similar position is paid \$42,000 a year. There is a separate contract with the Municipal Action Council for staff services. He said that marketing of property is not really a real estate job but a recruiting job.

S. Libby, Court Street, said that the downtown manager description is flawed, that it is socialism for the rich and a reverse Robin Hood. He strongly recommended "cutting out the crap". He alluded to the Sicilian elite connections and recommended the City "cut out the secret shadow criminal crap". He asked about Mr. Belair's final report. S. Shapiro and W. Kuehn said it is forthcoming. S. Shapiro suggested to Mr. Libby, if downtown businesses fail, then taxpayers will have to pay for the diminished tax base of the downtown. S. Libby responded that the way to handle this is to do away with the secret shadow robbing government. Then the merchants will prosper. He said that subsidies don't do any good.

MINUTES

Upon a motion by W. Corvo, seconded by E. Pattavina, the minutes of May 10, 1993 were unanimously approved with G. Souto abstaining.

KUHN EMPLOYMENT OPPORTUNITIES, INC.

The Kuhn Center was requesting funding for \$18,000. W. Corvo asked if an application was sent to the Citizens Advisory Committee. L. Ozga said that they did not make the deadline; however, they can apply to PIC for JPTA funds. They will know if they were approved by July 1st. Kuhn has \$7,800 left as of April 30th and the program was described as excellent. They need to be encouraged to apply to PIC. G. Souto said that there is about \$141,000 in Economic Development Fund. Upon a motion by E. Pattavina, seconded by W. Corvo, the Committee unanimously voted to send a recommendation of \$18,000 funding to the Common Council. W. Corvo expressed his disappointment that they did not apply in time to the Citizens Advisory Committee. S. Shapiro said it was a win-win program. The vote on the motion was unanimous.

REINVEST PROGRAM

Staff reported that there was no application to act upon.

YCC PROGRAM

W. Kuehn reported that two work groups would be established as in the past: one for the downtown; and the other for outlying projects. L. Ozga said every City property in the North End needs tending. A final list of projects would be prepared for the June meeting.

MARINO MANOR

W. Kuehn explained the need for a resolution approving the City's signing a Standard Cooperation Agreement with Affordable Housing Ventures. W. Kuehn said for the City's part, they would be waiving the building permit fee and guaranteeing normal City services such as police and fire, to be available to the project area.

Upon a motion by E. Pattavina, seconded by G. Souto, the Committee unanimously voted to recommend passage by the Common Council.

COOPERATIVE ADVERTISING

L. Ozga reported that there was no news to give. The teaser ads would be placed and by the next meeting, she would have more information on Phase II and the use of radio. She is looking for a 1/3, 2/3 participation for the next Phase. Booklets will be placed in the papers on June 10th and June 12th.

TAX ABATEMENT POLICY

W. Kuehn distributed copies of a draft tax abatement policy and asked for feed-back. The language is based on several communities; staff is open to comments.

DOWNTOWN MANAGER

The Committee agreed to take it under advisement.

NORTH END INDUSTRIAL AREA

W. Kuehn said that the contract with HMA calls for three copies of the final report. However, twenty copies are needed, which would cost an additional \$400. Upon a motion by W. Corvo, seconded by E. Pattavina, the Committee unanimously agreed to authorize an additional \$400 expenditure for printing.

The Committee also discussed the need for engineering the St. John's Square area. W. Corvo felt the City shouldn't wait but rather should pay \$60,000 for the design. The Committee agreed to move expeditiously on the design funds.

There being no further business, the meeting was adjourned at 8:30 p.m.

William M. Kuehn, Jr.

WMK/lmk

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