

## ECONOMIC DEVELOPMENT COMMITTEE

MINUTES

JUNE 10, 1996

**PRESENT**

G. Daley  
S. Shapiro  
J. Milardo  
R. Santangelo  
J. Vinci

**ABSENT**

None

**ALSO PRESENT**

S. Libby  
G. Weitzman  
R. Szczypek  
P. Simmons  
M. McCormack  
W. Kuehn, staff  
C. Wilcox, staff

Chairman Daley called the meeting to order at 7:12 p.m. in Room 208 of the Municipal Building. He opened the public session, and informed members who were present because of items on the agenda that they would have time to speak when their agenda item came up. Mr. Libby spoke in opposition to the Armory project stating there was absolutely no need for another cultural center in Middletown. He thought there were ample facilities now with Wesleyan University and their orchestra, art center and free cultural events. There also were churches, library, Buttonwood Tree, Oddfellows Playhouse and what he felt to be an abundance of cultural opportunities. He felt the Armory project to be "a boondoggle" which uses up CDBG money.

There being no further comment from the public the session was closed at 7:18 p.m.

Minutes - Upon a motion by S. Shapiro, seconded by R. Santangelo the minutes of April 25th were approved with the abstentions of J. Vinci and J. Milardo. Upon a motion by R. Santangelo, seconded by J. Vinci the minutes of May 13th were approved with the abstention of J. Milardo and S. Shapiro.

Upon a motion by J. Vinci, seconded by R. Santangelo the minutes of May 28th were approved with the abstention of S. Shapiro and J. Milardo.

The Armory - Chairman Daley then turned the meeting over to Gerry Weitzman, designated developer, and Ryszard Szczypek of Tai Soo Kim Architects, to update the Committee on the Armory project. Mr. Szczypek handed out revised proposals, dated for June, and indicated that the focus for phasing this project has changed. First priority now is to preserve the buildings on the front and the Main Street facade of the drill shed. In addition to these historic structures they would pull out the essential ingredients to make the buildings accessible in the courtyard, and to provide the link between the old houses through minimal renovation of the drill shed. There would be two temporary bathrooms, coat racks, stair egress; and the drill shed room would be made immediately available. At this point there would be no air conditioning, but an exhaust system would be in place. The minimal renovation would be enough to sponsor speakers, fairs, shows etc.. There would be handicapped access; and the work could be done before winter. W. Kuehn commented on the funding that \$240,000.00 of CDBG money had already been awarded this project; and that the Citizens Advisory Committee had recommended another \$100,000.00 from this year's entitlement to bring the total to \$340,000.00. This would recast the project as an historic preservation project which is eligible for CDBG. Mr. Szczypek commented that this would bring immediate results,

would improve the entire property from Main Street and offer opportunities for income producing uses in the two historic buildings as well as giving immediate access the drill shed as a performance or display hall. G. Daley asked about the consideration for display space for veterans and Mr. Szczypek replied that even in this temporary arrangement the vets will have space in the lobby. S. Shapiro reminded Mr. Weitzman that the City's commitment of \$500,000.00 to this project was close to being granted and that he needed to start looking for other sources of funding. Mr. Weitzman replied that his board had not voted on the change in the project yet but he did not see a problem. He felt that activity in the building made it easier to raise the rest of the money. A motion was made by S. Shapiro, seconded by R. Santangelo and voted unanimously to support the new phasing of the Armory project as presented, i.e. concentrating on the historic buildings and facade first - with handicap access to the drill shed and minimal renovation inside.

Habitat For Humanity - Peter Simmons, Chairman of the Site Selection Committee for the Northern Middlesex Habitat for Humanity spoke to their desire to acquire a parcel on Hotchkiss Street from the City on which to build their first house. His board had indorsed the proposal, has a typical site plan sketch and had met with Bill Warner to confirm that this was a lot of record. He also confirmed that typical plans will fit within the set backs and that the sketch plan shows a 1,050 square foot three bedroom house. He noted that the ultimate structure depended on the needs of the partner family. S. Shapiro asked what the requirements were for the host family; and Mr. Simmons replied that they must demonstrate that they could not get a mortgage through a conventional source. They must contribute 500 hours of sweat equity; and they receive back from Habitat a no-interest second mortgage on a fair market value and what the cost is to the family. Full title to the house is given to the family at the end of the mortgage. Discussion ensued about various scenarios of selling the house, of whether to build new houses verses rehabilitation of old houses, and whether or not the property is taxable. Mr. Simmons assured the committee that both the house and the lot would be taxable, that they had received approval from Planning & Zoning under Section 8-24 for the City to release this land, and that they were looking for it for a donation of \$1.00.

A motion was made by S. Shapiro, seconded by R. Santangelo to endorse the release of this Hotchkiss Street lot to Habitat for Humanity. J. Milardo noted that the City lot has a value and suggested building in some kind of recapture on a sliding scale based on the value of the lot over a period of seven to ten years. Maker and seconder of the motion agreed to include this as part of the motion which was then passed unanimously. The Economic Development Committee wished us to be on the Council agenda for July 1.

Youth Conservation Corps. - The Committee looked over the proposed projects for the YCC and approved the list as written in the memo.

North End Industrial Area - Red Wing Depot - W. Kuehn passed out a memo on Red Wing Depot and reported he had met with the Department of Economic and Community Development staff this morning and with the principals Friday. The only change is that the City cannot guarantee that Red Wing be the developer of the northern section that part of the property must go through competitive request for proposals and bidding. Mr. Kuehn needs authorization for the appraisals from the

Committee. S. Shapiro was not pleased with the proposal from Red Wing. He said that basically it's only paint on the building with the City's architectural review, that negotiations could go on forever, that this proposal is not what it envisioned in the plan, that there are no timelines and that we need a decent gateway to the North End Industrial Area. W. Kuehn referred to the Auburn Manufacturing building as a model of good rehabilitation with new windows and major exterior rehab. G. Daley agreed that the City must insist on good exterior rehabilitation if they are going to compromise on the basic issue of whether or not to leave the building standing. J. Milardo agreed in the need for an RFP on the northern parcel. He also agreed with Mr. Shapiro on the southern building but noted the need of a timetable for the rehabilitation which, if not submitted would, indicate to the Committee that it's time to "pull the rug". R. Santangelo and J. Vinci both agreed for the need for timetable but saw no full faith effort on the part of the principals to make major positive changes in the area. G. Daley saw no reason for the City to back off on the acquisition of the northern piece and the whole Committee suggested holding a special meeting.

A motion was made by J. Milardo, seconded by R. Santangelo and voted unanimously to table action on the Red Wing Depot proposal for a special meeting at which a timetable from the owners would be required.

A motion was made by J. Vinci, seconded by J. Milardo and voted unanimously to authorize new appraisals for the northern parcel.

North End Industrial Area - "Under the Bridge" - W. Kuehn had met with the Department of Transportation, the Department of Public Works and Representative Joe Serra regarding the easement to the City for the area currently owned by the State under the Arrigoni Bridge. Two options for linking North Main Street with St. John's Street had been proposed in the packet. Option A was not feasible, but Option B maybe feasible by moving some poles. On the south side of the area the City can repave, curb, place guardrail and seed grass. The northern side of this link is open for discussion. Dollars can come from the line item of St. John's safety/playground. Father Ashe had informed Richard Bergan that this would be acceptable instead of a playground. The City also received approval from the Department of Economic and Community Development for change orders to the contracts for Cardinal Engineering and Mark IV for designers and contractors of the CSO work already being done in the area. The work could be done in the next 1½ months and will not cost more than the \$25,000.00 in the line item. R. Santangelo suggested under ground wires. W. Kuehn replied that the Department of Public Works is currently applying for easements for this and the approvals are pretty much in hand. In digging for the wires there is a need to protect one of the bridge abutments.

A motion was made by J. Vinci, seconded by J. Milardo and voted unanimously to authorize W. Kuehn to negotiate with Cardinal Engineering and Mark IV contractors after receiving approval from St. John's to pursue the link of North Main Street to St. John's Street and improve the area under the bridge.

North End Industrial Area - Name - W. Kuehn reported that a consortium of business owners in the area had agreed on the name "Three Rivers Commerce Park". The Committee also suggested Tri-River or North End Commerce Park. Mike McCormack spoke to the Committee regarding his property in the area, indicating the offer from the City was less than what he had paid for his business; and he sited the Mazzotta restaurant scenario as a case where the business was worth more than the property. J. Milardo suggested that this was a place to start negotiations, that Mr. McCormack can hire an appraiser and make a counter proposal. R. Santangelo asked about whether or not Mr. McCormack had considered relocating his business; and Mr. Kuehn reported that there were no funds to buy a business, but there would be dollars to help relocate. The Committee suggested that Mr. McCormack come back with a counter offer.

Wesleyan Roundtable Report - S. Shapiro noted that the representation of the roundtable was missing some segments and that report was top heavy with Wesleyan people. Discussion ensued regarding who was invited to participate in the roundtable and who was not. J. Vinci, however, suggested looking at the ideas, instead of who they came from, and thanked the group for putting together a lot of very good ideas. However, several members of the Committee felt these ideas had been around a long time, some as much as twenty to thirty years ago. There was no consensus as to the value of the report.

REINVEST Guidelines - There was discussion among the Committee about the word "fixed" in the context of REINVEST paying only for "fixed" improvements which would be taxable. J. Milardo felt it was over managing on the part of government since the loans were already matched and collateralized. After further discussion of proper forms of collateral, a motion was made by R. Santangelo, seconded by S. Shapiro and voted unanimously to delete the word "fixed" in the guidelines and to add the language under number five as proposed. This recommendation will be passed on to the Common Council for their approval.

There being no further business the meeting adjourned at 8:58 p.m.

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Cynthia G. Wilcox

CGW/sh

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