

City of Middletown, CT

Economic Development Committee

Minutes from the meeting of July 10, 2006

<u>Present</u>	<u>Also Present</u>
G. Daley, Chair	W. Warner
J. Bibisi	R. Kearney
D. Bauer	E. Roberts
R. Santangelo	
P. Szewczyk	
Public: J. Pugliese, S. Brown, J. Hayes	

- A Call to Order:** Santangelo called the meeting to order at 5:35 PM.
- B Public Session:** Roberts stated that people had approached him about having more inclusive events at Harbor Park. Santangelo stated his wife voiced the same concerns and desired more events at the river. Roberts discussed the Jonah Center and that he had spoken with Brown & Hall about the grant work and his concerns that the expenditures were for expertise of the grant writer. Roberts stated he would look for a list of applications and amounts of money and the results be reported back. Roberts looks for the best spending of the funds for a grant writer conversant and connected in grant writing. Brown affirmed the concepts. Szewczyk stated concern over a large truck with a VIP ad being present at a family event. Warner stated a mobile ad is a loophole and does not require a permit. Santangelo asked how to stop inappropriate ads at family events. Bibisi questioned whether Harbor Park Restaurant had invited the advertiser. Warner stated that a newspaper article was being written about the restaurant lease issues. Warner questioned what kind of activity might go on until 2007. Daley stated the committee had made an exhaustive review and that there needed to be a finding of default. Bibisi questioned who held the lease. Warner stated the City Attorney. Daley stated the city has an obligation to respond. Warner questioned whether the operation would revert to the old ways of big crowds. Daley stated that a police presence would be necessary to monitor and dissuade unsavory activities not get out of hand. Bibisi stated the police would wait and see what develops. Daley stated the noise concerns were from Portland, Eastern Drive and Riversedge and that some people liked the music. Santangelo stated some coworkers liked the music but they leave town after work and are not residents.
- C Minutes:** Santangelo made a motion seconded by Szewczyk to approve the minutes of the June 12, 2006 meeting of the Economic Development Committee. The committee voted to approve the motion.
- D Communications**
- E Old Business**
- 1) CBB Parking**

- a) **\$18 million Federal Funding:** Warner stated the parking committee is reviewing the 8 RFQ responses to a list of 5 candidates to interview for the process based on quality not cost.
- b) **Acquisition of property for parking:** Warner presented a proposal to acquire the gas station and adjacent housing to create a parking lot with 79 spaces and a 6,000 sf building at the corner of Main and Liberty.

Santangelo made a motion seconded by Szewczyk for Warner to pursue the acquisition of the property. The committee voted unanimously to approve the motion.

- 2) **Landmark Development Group, LLC 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.**

**F New Business**

- 1) **180 Johnson Street: Friends of the River**
- 2) **South Cove Preferred Developer MOU:** Warner stated this business was added to the agenda by the request of Bauer. Hayes stated the DOT interchange time line indicated a target completion of 2012. Hayes received positive response from retailers that he approached at the ICSC even though this is a longer than normal time for projected future growth. Retailers indicated that they would open prior to the completion of the interchange as long as the highway work was committed to by the DOT. DOT planning calls for bidding in 2009 and construction from 2010-2012. Hayes would develop the west side of RT 9 first with anchor tenants. Site acquisition would be for 2 years and 3 years of construction.

Daley question what the status was for connecting to the Mattabassett treatment plant. Warner stated the construction in not complicated but the project needs to be funded.

Bauer questioned Article 2.1 of the MOU which calls for a period of 2 years of due diligence. Bauer stated he is enthused by the project but that the plans are not complete and the agreement might be in default suggesting that the terms of the MOU be modified to reflect current conditions. Daley stated that Article 1 as the governing clause that states a 4-year appointment and that the developer is working diligently on the project. Daley noted the modification of the Broad Park MOU as an example. Szewczyk noted several conceptual plans were presented to the committee. Bauer noted that a 6 year time line for the project. Daley stated the DOT began the interchange planning when Serra was mayor and Burns was commissioner of the DOT. Bauer stated it is important to reflect the realities of 2006 in going forward. Szewczyk stated the City Attorney could write the extension for the due diligence section.

Bauer asked Hayes for a report card of the project relative to Article 2.1. Hayes reviewed the project stating that conceptual plans and tenants are well underway. The feasibility, land and infrastructure plans are well along. The DOT plans are needed to create budgets and feasibility and land use. Time lines indicate 18 months for permitting and 18 month construction period. Project phasing indicates the west side first with conventional retail anchors and the waterfront secondly with specialty retail and dining. Relocation plans have not been made. Hayes indicated the need to get the downtown merchants to agree to the plans. The last meeting with DOT indicated a disconnect and it is important to help DOT sell the plan Hayes intends to make the

area streetscape with pedestrian and vehicle connections. Property Values-Appraisals: a budget with assessed values has been collected and Sterling Realtors is working on market values, business relocation costs and a rough acquisition budget. Soil: no work has been done. Infrastructure is dependent on DOT plans. Permit, Zoning: Hayes has always indicated that there will be a financial gap.

Bauer questioned whether the MOU requires communications between Landmark Development and Middletown Development Associates, LLC which are required in the Broad Park MOU. Szewczyk noted that project presentations were made at the Realtor Receptions. Daley stated there are no requirements for communications between the developers. Szewczyk noted the projects may have similar or competitive clients. Hayes stated he relies on staff and constituencies to communicate and develop agreement on the project planning. Hayes indicated there has been good response and since there is not much downtown retail the benefit of the interchange may not be understood. Santangelo stated the need to create transportation alternatives like trolleys to connect people through the area and allow them to park their car just once. Hayes stated that by creating a retail center people who usually travel by Middletown to shop elsewhere will be drawn to the city, which already has a reputation as the place to go for dining. Middletown has the history and position in the area as a center for trade.

Szewczyk made a motion seconded by Santangelo to have the City Attorney modify the MOU to extend the due diligence period by one year. The committee voted unanimously to approve the motion.

- 3) **Laurel Grove Road Pump House conveyance to State of Connecticut:** Warner stated that Deborah Moore had approach former Mayor Thornton who agreed to pursue conveying the pump house property to the State of Connecticut. The DEP has been working on this project and recently sent the proposed deed to the city to grant 1/3 acre parcel to the State of Connecticut. Discussion of historic nature of the property. Warner stated the property is an attractive nuisance and is surrounded by Wadsworth State Park. Szewczyk questioned whether the city might trade for other state owned property on Long Lane. Warner stated the state wants full market value for this property plus the cost of demolition. Warner stated the pump house site has no development value and the proposal would be reviewed by P&Z and the Common Council.

Bauer made a motion seconded by Szewczyk to convey the pump house property to the state as a gift. The committee voted unanimously to approve the motion.

- 4) **Jonah Center Grant Writing:** Brown stated the first quarter was spent seeking permission to apply for grants and that Hall was working on the energy project. From April-May were drafting months. Hall and Chernow met with Calvin Price, Liberty Bank Foundation. The grant application was submitted 6/30/06. A grant application was submitted to Citizens Bank. Rizzo stated that Pratt & Whitney required the application be made through the UTC cyber grant by 6/30/06. Part of the process requires reconfiguring information to conform to grant applications. ON 6/13 applications were submitted to the Hartford Courant and J. Walter Bissell. An application to CL&P was submitted on 7/10/06. If awarded, grants would offer funding for operational support. Brown noted that the church is paying for Hall's sabbatical. Many letters of inquiry are needed to find out which programs would accept an application. Answers to applications are expected in September.

Brown stated the need for multiyear funding to implement and formulate the organizational strategy. Met with Clean Energy Task Force and received list of Department of Energy web links. The information from the meeting with Bauer, Daley and Steve Lynch is being reviewed. Warner questioned the need for the second \$6,250 installment. Bauer noted the first installment lasted 6

months. Brown stated the funds should last 18 months. Daley questioned whether the initial funding was spent slower due to gearing up the work. Brown stated the transportation trails funding would help support the center since there are many volunteers. There is a need to find operational support. Driska and Carta had met with the center.

Szewczyk made a motion seconded by Santangelo to release the second \$6,250 installment to the Jonah Center. The committee voted unanimously to approve 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:** Bauer made a motion seconded by Szewczyk to adjourn. The committee voted unanimously to approve the motion. The committee adjourned at 6:51 PM.