

City Middletown, CT

Economic Development Committee

Minutes from the Economic Development Committee Meeting of July 11, 2011

Present: G. Daley, R. Santangelo, D. Drew, D. Bauer,
Absent: J. Bibisi
Staff: W. Warner, R. Kearney
Public: A. D. Giordano, J. Pugliese, T. Cheeseman, S. Shapiro,

Minutes

- A Call to Order: Daley called the meeting to order at 6:07 PM.
- B Public Session: none
- C Minutes: Drew made a motion seconded by Santangelo to approve the minutes of 4/11/11 & 6/27/11. The committee voted unanimously to approve the motion. Bauer abstained from voting on the 6/27/11 minutes.
 - 1) April 11, 2011 Meeting Minutes
 - 2) June 27, 2011 Special Meeting Minutes
- D Communications: none
- E Old Business
 - 1) 20 Portland Street: Warner updated the committee on the project stating concrete blocks were in place to keep the property secure. He noted the use of CDBG funding for the project requires any use demonstrate a benefit for low to moderate income households. He discussed a sketch showing demonstrating the negative impact of the 25 foot width on creating a parking lot. A public parking lot would require city maintenance. He discussed the letter of interest from J. Salamone owner of the property to the east of the site and questioned how financing could be obtained to accomplish a long term plan to build housing units of affordable housing-80% of the median income-on the site. The other neighbor and Carta's old bakery-now a garage-were discussed along with the difficulty of building a house on this 25 foot wide piece of property. Warner stated the committee could vote to waive the requirements for sale of public property due to the cost and lengthy process. Bauer questioned the cost. Warner estimated the cost of \$500 which would include local and trade advertising along with a sign. Drew questioned the building of a house on a 25 foot wide lot. Warner stated the need to include a driveway would reduce the house size. Warner stated the site has non conforming rights. The proposal from Salamone would provide for a side yard and driveway and parking for 2 future housing units. Bauer questioned the other abutting property on St. Johns. General discussion of narrow lot and driveway issues. Daley questioned how to proceed. The committee agreed that a trade paper ad was a waste of money and that a sign requesting proposals should be erected. Bauer suggested keeping the process open to ideas from town residents and an article in the paper or local blogs. Daley stated an ad seeking proposals was

published prior to demolition. Warner stated the property would become an attractive nuisance noting the need to proceed quickly and waive the ordinance.

Santangelo made a motion seconded by Drew to waive the ordinance on sale of public property and make known to the surrounding neighbors and others for reuse proposals. The committee asked staff to proceed and put together proposals for the site from the responses received. The committee voted to approve the motion with Bauer voted nay.

Bauer stated a good plan would allow for waiving the ordinance. Santangelo stated the 25 foot width issue along with results from previous advertising calls for the city to consider how to dispose of the site relates to the neighboring properties. Warner described the difficulty in creating a parking lot due to the 25 foot wide lot. A representative from NEAT suggested that either neighbor or green space would be acceptable. Santangelo questioned who would own and maintain and be liable for the space. Adding the site to Salamone's property would create a 50 foot wide lot and could provide for greenspace if the liability could be shared. Drew recommended waving the ordinance and look for ideas to develop and solicit a purchase of the site. Bauer noted the structure of the ordinance and the need for many ideas. Warner noted the cost of advertising and allowing the Portland Street residents have a say in the disposition noting the site has been advertised. Warner noted any income from sale of the property would become CDBG program income. Warner stated the site has non conforming rights and reuse would be subject to zoning regulations.

- 2) Parking Garage Construction: Warner reviewed the project noting insurance claims for damage to six cars paint. Daley stated the Parking Advisory Committee should handle the issue. Bauer stated Economic Development Committee has kept up with the project and questioned the 9.5% cost to design a simple concrete cube. Warner reviewed the time frame and noted not to tear down the structure until FTA agrees that the cost of demolition is the city's match for the project.

F New Business

- 1) Panuzio & Giordano contract: Warner discussed the State Bond Commission and the states willingness to fund smaller projects. Bauer noted the city's need for financial help. Warner noted accessing federal funds is difficult due to the poverty and regional plan requirements. Bauer made a motion seconded by Santangelo to recommend retaining Panuzio & Giordano to represent the City of Middletown to the State of Connecticut and to inform the City of Middletown of opportunities for federal funds. The committee voted unanimously to approve the motion.
- 2) MAT Bus Station Development: Shapiro requested the city provide \$700,000 in matching funds for the proposed new MAT bus station noting the need to demolish the Capitol Theater building which could collapse and cause liability issues. He stated MAT cannot secure state funds for the match. He stated the current station is prone to flooding and the buses have to back up to turn. Cheeseman stated the station provides conference room meeting space for community groups. A new station would provide storage space. MAT is required to keep records for 10 years and the cost and time of retrieving documents stored in Mass. can take up to 3 weeks causing delays and inconvenience. Acquiring the theater and liquor store would eliminate liquor sales and clean up this central business block. Daley questioned what the city's obligation would be if the liquor store was bought. Warner stated there would be no obligation if the property was willingly sold. If the city took the property the city would be obligated to 100% of relocation and there are no sites in the downtown area. The property is under court ordered demolition. Warner stated the city can

do the demolition and place a lien estimated at \$150,000 on the property. If the property owner does not pay the lien, the city would acquire the property. Daley questioned zoning restrictions on placing a bus station on Main Street using the example of how the city built the Police Station with retail space. Warner stated the FTA wants the bus station to have the bus station entrance through the liquor store. Cheeseman disagreed saying the station would be unique for Main Street. Cheeseman stated the discussion with FTA is ongoing about having retail sales in the liquor store. Shapiro noted the September 1, 2011 deadline for securing the matching funds. Daley questioned the orientation of the new station and the parking lot. A proposed site plan was reviewed. The new station would be 5-5,500 square feet and would include space for the Parking Department, Police Substation and a community conference room. Bauer questioned the need for a Police Substation when the Police Department building is a block away. Santangelo stated this is a request by Tom Serra. Shapiro questioned the ownership of the alleyway. Warner stated it is part of the theater parcel. Santangelo described how the alleyway would be opened up by removing the theater building. Bauer stated the development add nothing to the grand list and remove a tax paying business. General discussion ensued. Giordano stated the match is calculated on the cost of the project. Daley stated MAT could move to the new garage and there were other options for bus turning in the Parking Study. Shapiro stated MAT brings 300,000 people downtown annually. Daley stated there is a need to find a way to take the property by eminent domain for public use and use the liquor store for retail use. Warner estimated the cost to do this at \$1.0 million. Daley proposed the city take and demolish the site and use the value as the city's match for the project. Warner stated FTA wants a Main Street entrance for the bus station. Bauer stated the FTA vision is not good for Middletown.

G Status Reports

- 1) Economic Development Fund
- 2) Middletown Statistics Report
- 3) Future Economic Development Projects report
- 4) Economic Development Specialist Report
- 5) REINVEST Loan Program, monthly summary report
- 6) JOBS Loan Program, monthly summary report

H. Other

- I. Adjournment: The committee adjourned at 7:50 PM.