

City of Middletown, CT

Economic Development Committee

Approved-Revised-Minutes from the Economic Development Committee Meeting of August 10, 2009

<u>Present</u>	<u>Absent</u>	<u>Also Present</u>
G. Daley	H. Kasper	W. Warner
R. Santangelo		R. Kearney
J. Bibisi		E. Roberts
D. Bauer		
Public: J. Pugliese, J. Hall, T. Davis, E. McKeon, J. Moore, D. Wheeler		

Minutes

- A **Call to Order:** Santangelo called the meeting to order at 6:11 PM.
- B **Public Session:** Roberts asked about the status of item E1 the Harbor Park Restaurant lease questioning the paper trail of the 8-9 months of negotiations and the Building Department's issues be answered in public under the current lease. Warner stated the negotiations with Harbor Park Restaurant have ended and the city has retained counsel for the trial in the Fall. Roberts addressed item F1 Former CVH lands RFP and the site tour stating the land uses should be for all people since the State gave the land to the City in mitigation for the impact of CVH on the City.

Pugliese stated the Chamber of Commerce support for Lady Katharine Cruises.

C **Minutes**

- 1) **June 8, 2009 meeting minutes:** Bauer made a motion seconded by Bibisi to approve the minutes. The committee voted unanimously to approve the minutes. Daley was not present. Bauer asked that amended items on the amended agendas be highlighted.

D **Communications:** none

E **Old Business**

- 1) **Harbor Park Restaurant lease:** Warner stated the city is preparing to go to trial in the Fall.
- 2) **Midfield Corp: Property at the corner of College and Broad Streets: EXECUTIVE SESSION** CGS Chapter 14, Sec. 1-200, 6(B) strategy and negotiations with respect to pending claims or pending litigation to which the public agency or a member thereof, because of the member's conduct as a member of such agency, is a party until such litigation or claim has been finally adjudicated or otherwise settled.

Warner stated the City Attorney outside counsel funds had returned to the General Fund at the end of the fiscal year. The committee needs to decide whether to recommend the funds be

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appropriated from the General Fund or the Economic Development Fund. Warner noted Corey's budget of \$3-5,000. Bibisi asked for feedback on the situation. Warner stated a meeting with the parties and the Mayor is scheduled for September. Bauer stated the site is an important asset to the City. Santangelo stated the question is where the funding would come from. Bauer questioned why the funds had not been encumbered. Warner stated the City Attorney's outside counsel funds had lapsed back into the General Fund due to the coincidence of timing of the decision at the June EDC meeting, locking up of the new finance accounting system in early June due to the end of the fiscal year and Attorney Corey's letter to Middlesex Mutual Assurance Co. Bauer questioned the City's position and whether the Economic Development Fund would benefit. Bibisi stated this is good economic development property and would be a benefit to the grand list. Warner stated it would be cleaner to use EDF funds for the first \$5,000 and if it goes to trial then the General Fund would be used. Bauer mad a motion seconded by Bibisi to recommend the transfer of \$5,000 from the Economic Development Fund balance to a new line item for outside counsel with the proviso that a clear decision and evaluation of the process be had. The committee voted unanimously to approve the motion. Daley was not present.

- 3) **Lady Katharine Cruises lease:** Kearney updated the committee stating the company is working with a marine engineer and Guy Russo is coordinating the dock issues with Warner. The draft contract includes specific language from Russo to set up a timeline for performing the needed changes to the docking. Cacciola is involved in drafting language for the ADA and public access.
- 4) **Extension of Federal Transportation Funds:** Warner stated the extension request was placed into a Senate subcommittee bill. Transit funds are lost after 3 years. Senator Dodd placed the request in the bill. Bibisi questioned the matching funds. Warner stated URS Corp was selected to design the garage and it will take Conn DOT 6-8 months to negotiate a contract. The State may at some point release \$1.0 million in funding and a referendum on the 20% matching funds could be in 2010. Bauer questioned the 3 buckets of money. Warner stated \$2.0 million in transit funds and some of it would be used for the garage. Bauer stated the garage would be a big cube of concrete and discussed the need to encourage rail and mass transit which are more important than the garage. Warner stated DeLauro had put forth a \$6.0 million request for the streetcar project. Additionally, the Brownfields funds would look to identify sites to reconnect to transit. Bauer stated the Public Works Commission was approached by bikers seeking to widen streets to accommodate bikers. Warner noted a meeting with Lieberman where it was stated that Obama does not favor earmarks and maintaining the funding is an uphill battle. Warner stated we continue to push for maintaining the earmarks.

- a) **RFP for Riverview Arcade Garage**

F New Business

- 1) **RFP for former CVH lands:** Daley recommended the committee reserve discussion until the September 14, 2009 meeting when the responders would be present.
 - a) **Site visit:** After the committee adjourned, the site visit was conducted.
- 2) **Remington Rand Management Contract:** Warner stated City ordinances never envisioned the City owning an old factory building. When Midfield was the property manager, a blanket

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purchase order was in place to cover emergency repairs up to \$2,000. Warner handed out the proposed language on a Remington Rand Capitol Improvements line item for a resolution that would give the power to authorize emergency expenditures. For projects over \$2,000, Warner would get 3 bids and projects over \$7,500 would go follow the purchasing ordinance. Moore and Warner discussed examples of emergency repair issues. Warner stated it can take 3 weeks to establish a purchase order through finance, purchasing and legal. Santangelo questioned the process would be Moore requesting Warner to approve expenditures. Warner affirmed. Bauer stated let's try it and asked for a monthly report. Warner agreed. Bibisi made a motion seconded by Santangelo to recommend the establishment of a blanket purchase order for emergency repairs. The committee voted unanimously to approve the motion.

- 3) **REINVEST Loan Application: Cardinal's Nest, 129 Church Street:** postponed to the next meeting.
- 4) **Item added to the Agenda by approval of the committee: Brock Farm Property-Purchase of Development Rights:** Warner presented a handout with points about the 46 acre site stating the money is in place for the purchase. General discussion ensued. Bibisi made a motion seconded by Santangelo to recommend the purchase of the development rights. The committee voted unanimously to approve the motion.

G Status Reports

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

H Other

- I Adjournment:** The committee adjourned at 6:45 PM to attend the site visit.