

City of Middletown, CT

Economic Development Committee

Minutes from the meeting of October 10, 2006

<u>Present</u>	<u>Absent</u>	<u>Also Present</u>
G. Daley, Chair	R. Santangelo	W. Warner
J. Bibisi		R. Kearney
D. Bauer		M. Wackers
P. Szewczyk		
Public: J. Pugliese, T. Hibbard, G. Frick, K. Coley		

- A Call to Order:** Daley called the meeting to order at 5:34 PM.
- B Public Session:** none
- C Minutes:** Bauer made a motion seconded by Bibisi to approve the minutes of the 9/11/06 meeting of the Economic Development Committee. The committee voted to approve the motion. Szewczyk abstained.
- D Communications:** none
- E Old Business**
- 1) **CBB Parking**
 - a) **\$18 million Federal Funding:**

Warner discussed the negotiations to purchase 591 Main Street and the decision by the Mayor to acquire the property by eminent domain. Warner stated that appraisals would be needed for the process of acquiring the property by eminent domain.

Bauer made a motion seconded by Szewczyk to approve the ordering of appraisals and proceeding with the process of acquiring the property by eminent domain.

Warner, stated that negotiations for acquiring 9 & 13 Liberty Street are in progress.

Warner stated that he met with ConnDot and had discussed the contract procedures anticipating beginning the study in Jan. 2007. The winter traffic counts will be verified in March.
 - 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: none

F New Business

- 1) **Baldwin Lawn Furniture-DECD Urban Jobs Program Application:** Warner presented the application. General discussion ensued. Szewczyk made a motion seconded by Bauer to approve the application. The committee voted to approve the motion. Warner stated the resolution will be sent to the Common Council when Baldwin closes on the property.

- 2) **George Frick and Ron Howard - Presentation of Remington Rand area:** Hibbard presented the Three River Village (TRV) conceptual site plan and proposal for mixed use development including residential on the site and distributed a handout. Szewczyk questioned how the proposal fit with the Plan of Development. Howard stated the proposal included the landfill and recycling center, which would continue in use along with passive recreation and opening up the views of the rivers. Bibisi questioned whether TRV had discussed the proposal with other groups. Frick stated he had discussed the proposal with Chernoff at Wesleyan. Bibisi stated that a houseboat is sinking in the Mattabasset. Frick stated the boat tilts but won't sink and that there has been vandalism and there is another boat underwater. Howard stated the houseboat is there to get students out onto the water. Howard stated they are bringing in Wesleyan, NEAT and children to the site and want to give a voice to the city and have a vision for the waterfront. Howard expressed concern for the factory impact on the environment. Warner stated that the property has had extensive environmental studies including Phase I, II and III plus a Remedial Action Plan and that DEP has ordered Unisys to cleanup the property to industrial not residential standards. Frick questioned that the plan be amended to include residential. Warner stated that residential cleanup would double the cost of the cleanup. Frick stated the site should be cleaned up to the best use. Howard stated that the proposal would bring 300 jobs, increased taxes and would be a model for the 21st century energy conscious society. Szewczyk questioned what the time line was for the cleanup. Warner stated that the cleanup would begin in Spring 2007 and take 6 months. Warner asked the sources of funds for the proposal and the property is zoned industrial. Bauer asked if the cleanup could be done in 2 stages. Warner stated that all the soil would be removed and the area capped. Frick questioned the effect of capping on the watershed. Szewczyk questioned what the group was asking from the city. Frick stated they seek preferred developer status for the 80 acres including the Miller Street property and that Wesleyan was ready to assist. Szewczyk stated the process for sale of city land is by RFP and questioned whether the group would work with others. Daley stated the city was not looking to be a long term landlord and questioned what part the Jonah Center would play in the proposal. Daley stated the property was acquired by tax foreclosure and now breaks even and that the city has an obligation to work with existing tenants. Daley stated the grant is a lien on the property and several people have expressed interest in the property. Daley stated the city is open to discussion about what to do with the property. Daley stated the city is not in the financial position to cast aside the \$2.0 million DEP ordered Unisys cleanup. Howard stated that an economic study is needed to determine the value of the proposal. Bauer asked how the proposal fit into the Plan of Development along with Miller/Bridge Streets along with a vision of the waterfront. Frick stated that the city needs to look at the big picture of a 20-50 year plan with a competition of ideas were currently there are fragmented MOUS on Ferry/Rapallo, Landmark Development and SullivanHayes/South Cove. Frick stated that the DEP had offered \$1.0 million in funding for a pilot study and questioned how to approach the city with a plan to increase revenues by threefold to the city. Bibisi stated the city plan is not fragmented but is segmented to allow development of the areas. Frick stated the group needs to have status before divulging plans and questioned how to submit this to the city. Szewczyk questioned the liability of the environmental situation. Howard stated the property would be taken out of the city.

Szewczyk questioned whether the city could intervene and use the Unisys funds to remediate to a higher standard. Warner stated the plan called for industrial and office use. Hibbard questioned whether the 2nd floor with the narrow bays could accommodate modern industry and that an economic study could result in recycling the property for reuse. Daley stated that in the 8 years the city has looking for high quality use and that the city should be a short term and sell to a private concern. Daley questioned what the requirements to take over the property would be to satisfy the stated DECD funds as part of an RFP to stimulate discussion. Daley stated that there are large-scale plans for Ferry/Green, South Cove and Landmark. Daley stated the length study of Route 9 lead to a decision to split the project into 2 projects. Warner stated that a Reuse Study was completed and the DECD Manufacturing Assistance funds along with DEP ordered cleanup by Unisys and the lien with the Water & Sewer project and the sprinkler. Howard asked what the time line for the projects was. Frick stated DEP offered \$1.0 million to do a financial plan. Howard stated the Mayor was asked for permission to buy the building for \$1.0 million last fall. Daley stated the city would install the water & sewer line. Frick stated he would provide the DEP letter. Bauer stated the property would increase the grand list. Frick stated it would take 10 years to create tax generation. Szewczyk stated the ideas sounded fantastic and asked how the \$765,000 lien and the old sprinklers would be handled. Warner stated the state is motivated by the creation of jobs. Frick stated the proposal would create 300 jobs. Daley requested a copy of the DEP letter and that the committee would decide on a course of action and an RFP. Frick requested a confidentiality agreement.

Szewczyk made a motion seconded by Bauer to request staff to prepare for a future meeting an RFP including a list of requirements including liens, loans, plan of action. The committee voted to approve the motion.

Bauer stated concern over the unfriendly conditions of the Portland Street area. General discussion ensued.

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:

- 1) General discussion regarding the application for Bungalow Café.
- 2) General discussion regarding Harbor Park Restaurant. The committee asked staff for an update on the process from the City Attorney.

I Adjournment: The committee adjourned at 6:50 PM.