

**City of Middletown, CT**

**Economic Development Committee**

**Minutes from the Economic Development Committee Meeting of October 14, 2008**

<b><u>Present</u></b>	<b><u>Also Present</u></b>
Mayor Sebastian N. Giuliano	R. Klattenberg
G. Daley, Chair	W. Warner
R. Santangelo	R. Kearney
H. Kasper	
J. Bibisi	
D. Bauer	
Public: Atty. Corey, T. Davis, B. Emery , E. McKeon, M. Stone, A. Gernhard, J. Weymouth, Amici Restaurant, J. Pugliese	

**Minutes**

- A Call to Order:** Daley called the meeting to order at 6:03 PM.
  
- B Public Session:** Gernhard of Synthetic Cinema asked permission to film a monster movie at 180 Johnson Street on 11/14/08-11/16/08. Daley questioned if the tenants would be disrupted, if the city would be paid for the use of the site and how the city would be depicted in the movie. Gernhard stated the building would be depicted as abandoned and the city would not be mentioned. The company is shooting in Norwalk and the film is a low budget monster movie. The company has full liability insurance. Bibisi questioned how long the filming would take. Gernhard responded 3 nights and the company would have Wesleyan film interns. Daley questioned what funds the city would receive from the use. Gernhard stated there is no budget for site fees but the company would offer press coverage and the 8 person crew would be eating locally and renting from local companies. Daley questioned when the filming would take place. Gernhard stated the filming would run from 4:30 PM to midnight in the unoccupied back area of the property. The company would provide the liability insurance certificate to the city. Santangelo made a motion seconded by Bauer to allow Synthetic Cinema to film at 180 Johnson Street subject to meeting the city’s insurance requirements. The committee voted unanimously to approve the motion.
  
- C Minutes:** Santangelo made a motion seconded by Kasper to approve the minutes of the September 8, 2008 Economic Development Committee meeting. The committee voted unanimously to approve the motion.
  
- D Communications:** none

## **E Old Business**

### **1) Sale of Remington Rand:**

- a) **TWB Properties, LLC:** Warner discussed the proposed Purchase & Sales Agreement and Tax Fixing Agreement. Daley questioned whether TWB had any problems with DECD on any other projects. Warner stated no and suggested TWB meet with DECD since the decision to release the mortgage and participate in the proceeds of the sale would be decided by the Commissioner of DECD. The Mayor noted the documents are boiler plate and the important items are the sales price, the sale of the property “as is” holding the city harmless and the contingencies for opting out if DECD does not agree to release their claim to the sales proceeds. Bauer noted that TWB did not make the highest offer. The Mayor stated the future plans and improvements made the offer more acceptable. Warner stated that although the other price was higher the TWB improvements, job creation and timeliness of the offer made it the best choice. Warner stated the Tax Fixing Agreement will increase the taxes whether or not the improvements are made. Kasper made a motion seconded by Santangelo to proceed with the sale and submit the documents to the Common Council. The committee voted to approve the motion with Bauer voting nay.

Warner discussed the change order for completing the water & sewer project the budget for maintaining the property until the sale. Bauer questioned why the building would not be hooked up to the water & sewer. Warner stated DECD will not release their lien until water is hooked up to the building and that the sewer is extended to the site.

### **2) Harbor Park Restaurant lease**

- 3) **Request to purchase city land on Newfield Street: a portion of Map 10, Block 11-1, Lot 22A-24:** Warner stated the need to determine whether the 100 x 300’ strip is a developable piece of land noting the wetlands to the rear of the site. Bauer questioned granting a right of way to use the area for driveway access. Bauer noted the site would become much more valuable in the future once the bridge at the Cromwell town line was rebuilt. Warner stated he would update the committee on the issues at the next meeting.

## **F New Business**

- 1) **LEED Tax Abatement Ordinance:** Weymouth presented the proposal to amend the Tax & Business Incentive Program to include a 10% abatement to commercial properties that achieve a gold or platinum Leed rating. The Mayor noted the construction of the new Middletown High School and the city’s efforts to create

an energy efficient building. Weymouth noted Leed looks at the entire building from design, construction, management and operations. Klattenberg noted the high school did not achieve Leed certification. Warner stated for a building to qualify the CO must be accompanied by a Leed certification. Daley questioned if this proposal would be an amendment to the current ordinance. Bibisi noted this is a more costly project. Weymouth noted the costs run 1-6% more. Klattenberg stated Leed is a high standard the NOAH building is one of the few Leed certified in the country. Warner stated Middletown would “Leed the way” by adopting the proposal. Daley noted this is a fixed abatement and no loss with a property that would have increased value. Bauer asked for further explanation asking what factor would make Leed properties more valuable. Warner stated there are no statistics to back up this issue. Daley stated the higher costs would equal higher value. Bauer questioned how the city would publicize the program. Warner stated the Clean Energy Task Force and the APA would foster the program noting Harding and Orthopedic Associates were pursuing Leed certification. Warner noted a developer had approached the city asking if an office complex proposal that was considering Leed certification as a means of building a green complex. Santangelo made a motion seconded by Kasper to forward the proposed amendment to the ordinance to the Ordinance Committee. The committee voted unanimously to approve the motion.

- 2) **Amici Italian Grill, 280 Main Street, outdoor dining proposal:** Amici presented a drawing of the proposal. Warner stated sidewalk dining is allowed on Main Street and noted the plans were for a retractable awning and dining along the city owned plaza area. Discussion ensued regarding the plans to use the city owned plaza area for dining. Bibisi questioned how far out into the plaza the seating area would be. Amici responded the seating is currently 11’ 6” and would be reduced to 10’ with 20 seats and smaller tables. Bibisi questioned the length of the dining area. Amici stated the plaza dining area would be adjacent to the building and stop 3 feet before the pilaster. Warner noted the downtown plan encourages sidewalk dining. Daley questioned if the Main Street sidewalk dining area would be larger. Amici responded it would not be larger and the tables would be arranged in many different ways. Santangelo noted the awning. Warner stated restaurants are required to provide an insurance certificate to the city. Bauer stated when he saw the original proposal on the website he researched the issues noting Public Works is responsible for controlling the sidewalks and questioned the PW Director who affirmed that this was in PW jurisdiction. Bauer noted the ordinance had an elaborate description of news rack controls. Bauer noted there is a positive effect in the escalation of sidewalk dining and questioned whether the city has a sense of rules and priorities and what the city’s priorities should be. Daley noted the city never loses title to property occupied by such use. Bauer stated he likes the idea and encourages the use and recommended the city prepare for success in a balanced manner. Daley noted to look at West

Hartford sidewalk dining as a guide to what the city may do in the future and the necessity to give Amici an answer. Discussion of setting precedence and that the site is a unique corner noting the positive use of the space. Pugliese noted the Chamber of Commerce support for the proposal. Santangelo made a motion seconded by Bibisi and Kasper to approve the proposal by Amici for sidewalk dining. The committee voted unanimously to approve the motion. Bauer noted the right regulations to encourage sidewalk dining and bike racks would yield a great success. Santangelo asked staff to provide more information on future uses. Warner noted the downtown plan wants these uses. Discussion of the need to regulate for issues like the litter produced by bars. The Mayor noted the bar litter issue and that dining does not produce litter. Daley noted the need for a certificate of insurance. Daley asked that outside of a specific proposal there is support for the sidewalk dining and asked staff to report back on recommendations and suggestions. Warner stated he would respond noting Woodbury has the most restrictive regulations.

- 3) **EXECUTIVE SESSION** CGS 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. Property at the corner of College and Broad Streets

Santangelo made a motion seconded by Bibisi to enter executive session. The committee voted unanimously to approve the motion and entered executive session at 6:08 PM. Bauer made a motion seconded by Santangelo to exit executive session. The committee voted unanimously to approve the motion and exited executive session at 6:28 PM. Bauer made a motion seconded by Santangelo to allot \$1,000 from the Economic Development Fund for Attorney fees to negotiate the matter in question. The committee voted unanimously to approve the motion.

- 4) **Cucia Park RFP:** Warner described the document. Bibisi questioned if the Army had walked the site. Warner stated the Army had walked all the sites under consideration and that the Army would make their recommendation to the General in charge of the project. Warner noted the NEPA process is ongoing and would probably not derail the process since the Army does a good job in prescreening sites. Daley questioned whether there was any downside with the Army by issuing the RFP. Warner noted the Army always pays fair market value. Bauer questioned the downside issue. Warner noted the RFP prohibits speculators, follows the ordinance process and may bring forward other interested companies. Daley saw no need for a waiver which is an option in the ordinance. Bauer made a motion seconded by Bibisi to issue the RFP. The committee voted unanimously to approve the motion.

**5) Parking Garage Resolution:** Warner stated DOT is reviewing the design proposal and requested a loan from the General Fund for the \$480,000 which would be reimbursed by the grant funds. Daley asked if Carl Erlacher was in concurrence with the LOCIP grant funds. Kasper questioned if after the design is completed and if the referendum fails would the city be reimbursed. Warner stated there is no clear answer but the city would have a design for a new garage. The Mayor stated that there would be a need to find a non Federal source of matching funds or other grant funds. Kasper made a motion seconded by Santangelo to move the proposed resolution to the Common Council. The committee voted to approve the motion with Bauer voting nay. Bauer stated the garage solves problems from the past and there is a need to put these funds to future problems.

**6) Government Reorganization Study for Parking Department:** no discussion

#### **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:** Bauer made a motion seconded by Kasper to adjourn. The committee voted unanimously to approve the motion.