

ECONOMIC DEVELOPMENT COMMITTEE MINUTES
November 14, 1994

PRESENT

G. Daley, Chair
J. Milardo
S. Shapiro
R. Santangelo

ALSO PRESENT

W. Daley	J. L. Pizarro
C. Stannard	W. Kuehn, staff
S. Libby	L. Ozga, staff
G. Souto	C. Wilcox, staff

ABSENT

N. Conaway-Raczka

Chairman Daley called the meeting to order at 7:00 in Room 208 of the Municipal Building and opened the public session.

S. Libby said there was confusion about the guidelines for the JOBS Loan program, that he has a packet of HUD programs for 1992, and that there should be a ratio of 2.5 applicant dollars to every HUD dollar. He asked the Committee to look at this and further; and said the program was supposed to be geared to industry and manufacturing, but was being used for barrooms. He said the committee should look hard at this and give him an answer. G. Daley read aloud to Mr. Libby the letter from Dan Kolesar of HUD explaining that there was no suspicion of malfeasance and no violation of HUD Guidelines. Mr. Libby went on with a lengthy diatribe of accusations against members of the Committee and staff, including remarks which R. Santangelo stated were job threatening. G. Daley wished the record to show Mr. Libby had called him a "corrupt piece of shit," and refused to answer any of Mr. Libby's allegations.

Minutes

Upon a motion by J. Milardo, seconded by S. Shapiro, the minutes of October 24 were accepted unanimously.

Downtown Manager

J. L. Pizarro gave his report in person and divided it into two basic parts: significant achievements to date, and the action plan. The achievements included development of an organizational structure, an action plan, an operations plan, a first-year budget and mil rate, a growth strategy, a door-to-door communication system with owners, a brochure donated by the Middletown Press, portfolios of 71 service clients and 53 recruitment clients, and the successful placement of CarTunes in the district. On the action plan, he had completed the survey of owners on November 3, and was now reviewing the plan to make it more persuasive for owners who were opposing the district. A Draft Ordinance was in progress and due by mid-December. Mr. Pizzaro shared the preliminary results of the survey. Of 157 properties, 50 owners were in favor of the district; 19 opposed; 8 were "maybe"; and

80 were still pending. The last group included corporate entities which need to go through an approval process, non-downtown owners, some owners with questions, and some owners who did not respond. They need 31 additional approvals as well as approval of the ownership of a majority of the square feet. J. L. Pizarro indicated some difficulties with corporate entities, and expected to set up a meeting with owners soon. There was also a question of how to treat properties currently under abatement. G. Daley asked J. L. if the district was in trouble or, based on his experience, is this to be expected. Mr. Pizarro indicated that every community has its own character, and his experience is not necessarily applicable to Middletown. However, the action plan is based on our needs, and he will not know if it is in trouble for another 30 days. He was willing to organize a public information campaign and suggested a Council Workshop of the Draft Ordinance in January/February if there is enough support for the District.

G. Daley suggested in the approach to property owners, they would want to know what advantages were in it for them, and proof that districts like our proposal work in other communities. J. L. said he has an effective fact sheet, which describes a series of tasks, list of benefits to owners and merchants, and actual costs. The small owners are pleased at the low cost ratio, which is a bargain at .0033 mils.

Mr. Daley said the Committee would like to see the materials, and invited Mr. Pizarro back in January--before the Council Workshop.

Promotional Video

W. Kuehn reported that since there was no legal opinion yet, there was no action to take. There will be a meeting of staff, college, and the City Attorney next Wednesday.

EDF Ordinance Changes

There was a suggestion for changes to the Ordinance 8-61 in the packet which focused the uses of the fund more toward job development, new businesses, and business expansion/retention. The Committee agreed to the changes except they requested that the word "physical" not be deleted. Upon a motion by S. Shapiro, seconded by J. Milardo, the EDC voted unanimously to approve the proposed changes to Ordinance 8-61, as amended, and to send the revised ordinance on to the Ordinance Study Committee. EDF fund balance was reported as \$11,639.60.

REINVEST

L. Ozga pointed out an error in the report in the packet, i.e., the loan to Klekolo was \$10,000 more. Four private dollars had been leveraged for every one public dollar, and there were no delinquent payments. She further reported that the Tuscan Downtown Bistro would not be opening until January 15. The committee liked the format of the REINVEST report and asked that it be done quarterly.

Golf Course

W. Kuehn reported that he and Trina Solecki, City Attorney, were meeting with Phil Karpel of Dzialo, Pickett and Allen on Wednesday. Attorney Karpel represents both Mark Quattro and Bob Fusari. He will send out the results of the meeting. Actions at the last EDC meeting were enough to keep this moving forward.

Enterprise Zone

C. Wilcox reported that the revised goals and objectives as well as the boundaries had been approved. Next steps were to receive final approval by the state; to submit a packet of information including final maps and list of property owners in the 500' buffer area; and for the City to pass an Enterprise Zone Ordinance. The Committee acknowledged staff efforts on the application. The Committee noted there was a special Common Council meeting on November 21; however, the Ordinance needed approval of both the Ordinance Study Committee and the Department of Economic Development before going to Council. November 21 might be too soon. The Council also needs to appoint the Enterprise Zone Advisory Committee (EZAC). The Committee thought a description or definition of a manufacturer should be in the ordinance. Staff will get this from DED.

North End Industrial Area

W. Kuehn reported there will be a meeting before Thanksgiving with Father Ashe, the Mayor, Department of Transportation, himself, and any other EDC members interested in going.

Marino Manor

W. Kuehn reported funding was finally approved by the Department of Housing; and a meeting needs to be arranged with the Housing Authority, Affordable Housing Ventures, DOH, and himself. The grant is for 18 additional units of elderly housing at Marino Manor.

There being no further business, the meeting adjourned at 8:05.

Cynthia G. Wilcox

CGW/wg

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