

City Middletown, CT

Economic Development Committee

Minutes from the Economic Development Committee Meeting of December 12, 2011

Present:, G. Daley, R. Santangelo, T. Serra, J. Bibisi

Absent: L. Salafia

Present: Staff: W. Warner, R. Kearney

Present: Members of the Public: T. Berch, J. Pugliese, D. Sataline, P. Harding, P. Hughes, T. Coughlin

Minutes

- A Call to Order: Daley called the meeting to order at 7:00 PM.
- B Public Session: Todd Berch questioned item F 4, noting the proposed \$25 monthly cost per parking space versus the \$75 cost in other city lots. Pugliese stated the Middlesex County Chamber of Commerce support for item F 3 Middletown Small Business Development Center and item F 2 Mattabesett Canoe Club alarm and item F 5,
- C Minutes: Santangelo made a motion seconded by Bibisi to approve the September 12, 2011 and November 29, 2011 minutes. The committee voted unanimously to approve the motion with Serra abstaining from the September 12, 2011 portion of the motion.
 - 1) September 12, 2011
 - 2) November 29, 2011
- D Communications: none
- E **Old Business**
 - 1) 20 Portland Street: Proposed Resolution; Warner reviewed the proposed resolution. Bibisi made a motion seconded by Serra to recommend the proposed resolution to the Common Council. The committee voted unanimously to approve the motion.
 - 2) Parking Garage Construction –update: Warner stated Geen Thazhampallath will be working on the project and contract with URS.
 - 3) Parking Improvements-North End-update: Warner stated the site is remarkably clean. Warner noted the \$200,000 in EPA funding would not be available until spring 2012. Serra questioned the need for a loan. Warner stated the paving cost of \$45,000 and noted the need to use city funds to clean up and demo the site.
- F **New Business**
 - 1) Tax & Business Incentive Program: Joseph Mylchreest, Inc.: Warner stated he would discuss with Mylchreest and discuss at the next meeting.
 - 2) Mattabesett Canoe Club fire alarm box: Warner stated the resolution calls for the city to provide the alarm box. There are no boxes in stock, thus need to purchase one. The system is wired and needs to be connected to the box. Bibisi stated the need to get the project done. Serra made a motion seconded by Santangelo to recommend to the Common Council that the city pay for the alarm box from the Economic Development Fund. The committee voted unanimously to approve the motion.
 - 3) Middletown Small Business Development Center contract: Hughes reviewed his report on the business activity at the Center, the Middlesex County Revitalization Commission and the DECD Business Express Program. Hughes noted the positive interaction with city development officials.

Serra made a motion seconded by Bibisi to recommend to the Common Council a \$25,000 matching grant to fund the Middletown Small Business Development Center for calendar year 2012. The committee voted unanimously to approve the motion.

- 4) Hubbard Park Parking Lot Lease: Coughlin presented the proposal stating there would be no cash payment during the first 3 ½ years of the first 5 year term. This would allow for amortization of the paving costs to the lot and thereafter a \$750/mo lease payment. The proposed lease terms include a 5 year option to renew. Serra questioned the fairness of the price relative to the \$75/mo city parking fees. Daley questioned the number of spaces. Warner noted 30 spaces. Daley questioned whether the hospital had a long term parking plan. Coughlin stated the hospital is retrofitting the 1970's era garage. Serra questioned whether the Little League was benefiting from the lease income. Warner stated that is a Park & Rec issue. Santangelo stated he worked at the hospital from 1985-1990 and noted there has been no progress in parking while the hospital has expanded in staffing and physical size. Coughlin noted the hospital has moved services to Saybrook Road which has lessened the parking demand at the main campus. Warner stated the hospital rents parking space in the neighborhood and provides a shuttle for employees. Warner stated a 4 story garage on S. Main Street would not add one new space. Serra noted the fees are 1984 vintage and need to be fair. Santangelo suggested a monthly lease rate of \$1,250. Warner stated the lease expires 12/31/11 and could continue on a month-to-month. Harding was asked what the employee monthly rate is, he stated \$48.60. Serra made a motion seconded by Santangelo to renew the lease with two five year options to renew at \$48.60/stall yielding \$1,440 for the first five years with a credit for amortization of improvements. The option to renew would be reevaluated based on CPI after the first five years. The committee voted unanimously to approve the motion.
 - 5) Northend Job Retention Grants: due economic disruption associated with bridge construction: Harding stated It's Only Natural Market is an anchor to the Liberty Square Development and the Northend. Sataline stated the bridge construction is reducing customer traffic. Projecting 4 months of sales will yield a \$120,000 loss of business for the year. 43% of customers come from outside Middletown. The 4:00-6:00 PM time period is the most important time of the day and now there are no customers during that time. The potential for 3 layoffs. The store has added a deli and advertising which should have shown a 5% increase in business. Eastbound evening traffic is at a standstill. Harding stated Sataline employs two people from MARC. Serra questioned how the assistance would be structured with HUD guidelines. Warner stated the city had developed a business emergency assistance program after the collapse of 505 Main Street. Warner stated HUD funds would be reprogrammed in January 2012. Bibisi made a motion seconded by Serra to recommend the creation of the assistance program. The committee voted unanimously to approve the motion.
 - 6) Brownfields Assessment Grant: Warner stated Redevelopment was not going to meet and asked the committee to review the final Gateways Study presentation. Warner noted the gateways are experiencing development and the study could further development efforts. The committee agreed to view the presentation.
 - 7) Remington Rand: New Tenants: Warner discussed the new tenants.
 - a) All Purpose Flooring
 - b) Chop Shop, LLC-machine shop
 - c) Garofalo & Saraceno-winter storage
 - 8) Remington Rand-new windows, tank pull, boiler house demolition: Warner reviewed the progress.
 - 9) RT 9/17 intersection: General discussion of the article.
- B Status Reports
- 1) Economic Development Fund

- 2) REINVEST Loan Program, monthly summary report
 - 3) JOBS Loan Program, monthly summary report
- H. Other (from Addendum to the Agenda)
- 1) 645 Main Street: DECD Grant confirmation and approval and loan from general fund: Warner stated the city is working with DECD on the project for January 2012.
 - 2) OMO Manufacturing: Legal fees: Warner stated the city continues to negotiate with EPA. Warner stated the appropriated funds were returned to the general fund at the end of the fiscal year. \$68,000 is encumbered for environmental consultants and \$15,000 needs to be reappropriated for legal fees. Serra made a motion seconded by Santangelo to recommend appropriating the funds for the project.
- I. Adjournment