

ECONOMIC DEVELOPMENT COMMITTEE

MINUTES

December 13, 1999

Present

Mayor Dominique S. Thornton
G. Daley, Chair
R. Santangelo
S. Gionfriddo
S. Shapiro

Absent

J. Robinson

Also Present

W. Warner, Director PCD

R. Kearney, EDS

Public: Robert Hill, Tom Ford, Sid Libey, Daley, Mark Christie

A. Call to order: Daley called the meeting to order at 7:05 PM

B. Public Session:

1. Mayor Dominique S. Thornton presented the Interlocal Agreement from the State Workforce Investment Board. The Mayor asked that the discussion be tabled and discussed at the January 10, 2000 Economic Development Committee meeting. Shapiro asked how the organization would distribute the funds. Daley asked if this organization is replacing PIC. The Mayor said that the organization would distribute the moneys. Shapiro stated that the nursing shortage needs addressing. The Mayor stated that there is a potential teachers shortage. The Mayor stated that she would like to work with the Common Council. This proposed organization would administer job development for our economic base.
2. Remington Rand: Discussion with Tom Ford, Midfield Corp., regarding who would be responsible for signing leases. Midfield will advertise the property in its regular advertising. Midfield requests that the City pay for advertising beyond Midfield's regular advertising. Warner questioned what the leasing compensation agreement would be. Gionfriddo questioned whether there would be commissions on tenants brought by City offices. Ford stated he would work to negotiate business transactions. Warner stated that Midfield would be the City's exclusive agent. Warner further stated that environmental contamination issues be addressed by the City Attorney. Shapiro asked what the best use of the building is and how would these goals be achieved. Ford stated that he envisions two separate buildings with the second floor as storage. Ford stated that the Enterprise Zone benefits favoring small manufacturing concerns. The building would work as an incubator site and allow INFORM to work to help companies grow and expand in the City. Ford stated that the immediate short-term goal is to keep the good companies and get rid of the less desirable tenants. Warner stated that there are 4-5 good companies in the building. Daley stated that at the December 22, 1999 meeting the Economic Development Committee extended the INFORM budget with the intention that INFORM and Midfield would work together. The consulting fee paid by the City would be phased out with an arrangement for payment of services between INFORM and Midfield reducing City expenses. Ford stated that in the bidding process he represented Midfield only and his bid was made with the intention of being competitive and did not include a budget for INFORM marketing expenses. He questioned the legality of working with INFORM in the bidding process. Shapiro questioned what would be done to inform prospects of the Enterprise Zone benefits. Ford stated that his mailings would include this information. Daley suggested that INFORM would concentrate on marketing consulting for the Remington Rand building over this six-month period. Ford suggested that INFORM be considered the marketing arm of Remington Rand. Hill stated that INFORM would save the City expenses by creating a measurable productivity of INFORM's services. Daley stated that an INFORM/Midfield management marketing team is desirable. Gionfriddo questioned what would happen after the six month extension of INFORM's budget ended. How would INFORM continue, would there be a splitting of commissions to give INFORM revenue? Hill stated that a credit could be issued to the City on commissions incurred. Santangelo stated that INFORM and Midfield act as two independent agents so that INFORM would get credit for their work. Daley questioned why the structure of the management agreement does not show INFORM as a part of the agreement or budget. Ford stated that the agreement is strictly a Midfield management agreement and saw the potential conflict of involving other parties. Shapiro stated that Remington Rand is not the only

building in town and there is plenty of room to compete. Daley recommended crafting INFORM into the agreement. Warner recommended budgeting in INFORM as a marketer with a consultant fee. Gionfriddo questioned whether there would be two advertising campaigns running versus the merits of running combined advertisements. Daley questioned if the City would reimburse these ads. Gionfriddo cautioned against duplicating advertising efforts. Warner stated that INFORM would work on properties other than just Remington Rand. Gionfriddo questioned whether Midfield would have a conflict in representing Remington Rand relative to their other listings. Ford stated that this is the only industrial property that Midfield represents. Daley stated that Midfield give INFORM assistance in arranging a marketing agreement over the next six months. Hill requested that this be added to the management agreement.

Shapiro made a motion to accept the agreement and Gionfriddo seconded. Gionfriddo stated that financial matters of this nature be forwarded to the Common Council for approval. Daley stated that this creates a financial obligation for the City and asked Warner to consult with the City Attorney regarding procedure on contracting for professional services.

Ford stated that expediency is important and that he needs to proceed with plans for snow removal, heating and plumbing. Gionfriddo stated that an emergency meeting of the Common Council could be held if necessary. Ford stated he is working on capital improvements including a gate with card access, master keys, exterior lighting, bathroom heat, additional bathrooms, sub metering. Daley recommended that a budget for improvements be made. Warner stated that there are funds in the budget, and that DEP is not rushing the cleanup requirements. Daley stated that a monthly budget report would be acceptable in monitoring expenses suggesting a maximum unauthorized expenditure of \$5,000. Ford stated that keys might cost \$5-6,000. Warner stated that a survey and architectural study would bring forth code issues. VHB is working with DEP on remedial action plan. Other issues include inactive storage tanks, demolition, capping, parking, and extension of the railroad spur. Survey site plan is the first need followed by an RFP for architectural services. Daley recommended that Ford continue routine maintenance. Daley questioned connection of Bridge Street to the site. Warner stated that floodplain is an issue. Ford state that current rent collection delinquency rate is 30% with a goal is of less than 20%

C. Minutes: November 22, 1999

D. Communications: No communications received.

E. Old Business

1. **North End Industrial Area**
 - a. Remington Rand: (see public session)
 - b. Leibman property: (no discussion)
 - c. Package Store: (no discussion)
2. **Industrial Park area and vicinity:** (no discussion)
3. **Brownfields-Riverfront Properties:** (no discussion)
4. **Armory:** (no discussion)
5. **Brickyard Industrial Park:** (no discussion)
6. **Sumner Brook Realty:** (no discussion)
7. **JOBS Loan Program Guidelines:** (no discussion)
8. **Reuse of Old Police Station:** (no discussion)
9. **Town wide vernal pools:** (no discussion)
10. **REINVEST Loan: Touch of Class, Bankruptcy discharge:** (no discussion)
11. **Main Street BID Ordinance:** (no discussion)

F. New Business

1. **Business Recruitment Marketing Brochure:** to be discussed at January 10, 2000 meeting
2. **Wal-Mart Economic Development Program:** Kearney described the program suggesting that NEAT might be a good prospect for this program. Warner stated that NEAT could administer this program well.
3. **JOBS Loan Program**
 - a. **Commercial Communications:** Kearney reported that the JOBS Loan Advisory Committee rejected this loan application.

