

**ECONOMIC DEVELOPMENT COMMISSION
LINCOLN CENTER – DIRECTORS ROOM
MINUTES
JULY 11, 2019**

MEMBERS PRESENT: Jack Sayre, Chair; Joy Dorin, Tom Phillips, Steve Carter, Norm DeLaura, and Tom Deffenbaugh

ALSO PRESENT: Gary Anderson, Director of Planning and Economic Development; Tana Parseliti, Downtown Development Specialist; and Kyle Shiel, Senior Planner

Minutes for Approval – June 13, 2019

Mr. Phillips made a motion to approve the minutes as written. Mr. DeLaura seconded and all voted in favor.

Discussion: Application for Downtown Loan Program

Sophia Dzialo and Tom Dzialo presented an application for the Downtown Loan Program. Ms. Dzialo owns The Claypen, a pottery and art studio in West Hartford. Her staff numbers 15 employees. The business is a DIY walk-in art studio where customers are able to use the facility's equipment to make art. It has been in operation for over twenty years and customers come from all parts of Connecticut. The current West Hartford business has been limited due to space limitation. Class size is limited to 30 people and she often has to turn away customers due to the limit of class size.

A Manchester location at 1115 Main Street would include 5,000 square feet on the first floor, which will allow them to expand their class offerings, the number of students per class, and allow for corporate clients with large groups. The additional space of the building will accommodate other events which should draw more people to the downtown.

The Downtown Loan Program would help fund necessary code improvements required to comply with the Americans with Disabilities Act, fire code, asbestos remediation, and complete accessible restroom expansion. In response to a question from Mr. Sayre, Ms. Dzialo said the lease begins in the fall, and so she would like to begin renovations as soon as possible.

Ms. Dorin asked why the Manchester location will be branded The Firestone Art Studio & Café rather than Claypen. Ms. Dzialo said she appreciated the Firestone family's commitment to the community and wanted to recognize that as part of the related brand. Mr. DeLaura asked if there will be sufficient parking for customers. Ms. Dzialo replied in the affirmative, saying there was enough available parking in the area, particularly since most customer activity takes place on weekends and after 5:00 p.m. She added their current clientele has to walk a few blocks to get from available parking to the West Hartford location, so she does not expect parking to be an issue.

In response to questions from Ms. Dorin, Ms. Dzialo said having an east of the river presence was an important consideration in order to provide better accessibility to their expanding clientele. Ms. Dzialo said she was a Claypen employee throughout high school and after graduating college with a business degree the opportunity to purchase the Claypen from the previous owner arose.

In response to a question from Mr. Philips, Ms. Dzialo said approximately twenty employees will be housed at the new location. Some existing staff members will assume new roles and new staff will fill other roles. Mr. DeLaura asked how long of a repayment period she anticipated. Ms. Dzialo said she plans for the loan to be paid off in five years. The Commission thanked Ms. Dzialo for her presentation and said they would discuss the application internally.

The applicants departed the meeting so the Commission could discuss the application.

Mr. Deffenbaugh said based on his experience with his own business, there is a strong enough existing customer base east of the river to sustain arts-related businesses here. He asked about the fire code requirements for the pottery kiln. Ms. Parseliti said the applicant has already worked with Town Fire officials to determine the code requirements for the kiln.

Mr. Deffenbaugh said in his view the application meets the requirements of the loan program and he believes its relationship to existing downtown arts initiatives is strong. Mr. DeLaura agreed. Mr. Carter said regardless of the underlying business model, at minimum the downtown would benefit from a modernized, upgraded building which would improve its marketability in the long-term.

Mr. Anderson asked the EDC if members felt the application aligns with the goals of the downtown loan program. Ms. Dorin and Mr. Carter agreed that it aligns with the goals of the loan program. Mr. DeLaura made a motion to support the loan application and submit it to further vetting by Town finance and building staff. Mr. Carter seconded and all members voted in favor. Mr. Anderson said he would work with the applicant and staff towards the goal of the Commission taking final action at its August meeting.

Update – Broad Street Parkade

Mr. Anderson handed out slides from a recent Board of Directors presentation relating to the Broad Street redevelopment project. He said the Town has signed a memorandum of understanding with a group called Manchester Parkade I LLC and are pursuing a development agreement. The proposed development is mixed-use, calling for office and commercial uses, market-rate residential and civic/entertainment uses. The site is located within a federally-designated Opportunity Zone, which provides potentially significant tax incentives for the developers. The development team has a letter of intent from a hedge fund outlining a financing commitment and they are exploring obtaining designation as foreign-trade subzone, which would provide further incentives relating to tariffs and excise taxes under certain conditions.

Mr. Anderson said the proposal also includes a microgrid, which would generate energy for the entire site, as well as the possibility of selling surplus energy to adjacent properties in the district. The developer is aiming for the site to ultimately be as carbon-neutral as possible. Mr. Phillips asked about the development team's background. Mr. Anderson said Michael Licamele is the principal, with experience developing housing throughout the state as well as recently purchasing the former Central Connecticut Cooperative on Apel Place for redevelopment. Harry Freeman, formerly an economic development professional in Windsor and Hartford, is another principal team member.

Mr. Sayre asked about the status of Green Manor Boulevard. Mr. Anderson said the Town purchased a portion of Green Manor, but the bank has not yet released the mortgage allowing the Town to officially take possession. Ultimately, it may be helpful to maintain Green Manor as a private road in order to allow the developers to sell energy from the microgrid to surrounding owners. The proposed development timeline is aggressive, but the Town will work with the developer to expedite the process.

as much as possible. In answer to a question from Mr. DeLaura, Mr. Anderson said Town leadership has indicated it prefers housing on the site to be market-rate.

Ms. Dorin asked if the project now goes from the Redevelopment Agency (Agency) to the Board of Directors (BOD). Mr. Carter said the BOD will ultimately approve a development agreement and any tax assessment agreements, but the Agency is likely to continue to be involved.

Discussion of Economic Development Priorities

Mr. Shiel said he sent a survey over the winter to attendees of last spring's economic development focus group coordinated by CERC. Staff did not receive any responses and Mr. Shiel said he thought EDC members would be in the best position to evaluate and rank priority projects going forward. Mr. Carter suggested that members would benefit from having additional time to review the strategies again and perhaps the item could be moved to next month's meeting. Mr. Sayre agreed and asked Mr. Shiel to send the online survey directly to EDC members.

Report of the Greater Manchester Chamber of Commerce

Ms. DiFalco was not present to report on the Chamber of Commerce.

Report of the Special Services District

Postponed until next meeting.

Report of the Planning and Economic Development Director

In response to a question from Mr. Philips, Mr. Anderson said Mr. Shiel is working with the developer of the JC Penney warehouse on a video of the site to highlight proposed renovations. The renovations are ongoing as they consolidate JC Penny into a smaller subsection of the warehouse and continue to look for tenants.

Other Business

No other business was presented.

Adjournment

Mr. Sayre made a motion to adjourn. Mr. DeLaura seconded and all voted in favor. The meeting adjourned at 9:06 am.