

**ECONOMIC DEVELOPMENT COMMISSION
LINCOLN CENTER – DIRECTORS ROOM
MINUTES
MARCH 14, 2019**

MEMBERS PRESENT: Jack Sayre, Joy Dorin, Tom Phillips, Steve Carter, Norm DeLaura, Sean Lindsey, Peg Jacobson, Tom Deffenbaugh,

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

Minutes for Approval – December 13, 2018

Ms. Jacobson suggested the minutes be amended to include additional Town staff present at the meeting. Mr. Lindsey made a motion to approve the minutes as amended. Mr. Carter seconded and all voted in favor, with Ms. Jacobson abstaining.

Development Incentives Update

Mr. Anderson provided an update on recent development incentive initiatives. He said a series of Downtown incentives had expired but were recently reinstated by the Board of Directors (Board). He said these incentives were for Downtown properties and included tipping fee rebates and a property tax abatement incentive for information technology investments. He said he also presented to the Board the outline of a proposed tax abatement policy, as endorsed by the EDC. The policy would detail specific tax incentive guidelines based on the size and investment of a potential development. He said the Board did not choose to adopt a formal policy framework at this time, preferring instead to evaluate potential tax agreements on a case-by-case basis.

Ms. Dorin asked why the Board was not receptive to the concept of a formal policy. Mr. Anderson said some Board members were skeptical of the general concept, with some members believing a stated policy could unnecessarily limit the Town's negotiating leverage and potentially offer more tax benefit than necessary. He said the overall consensus was a lack of enthusiasm to adopt a formal policy at this time but, rather to use the document as an internal document as a place to start when the Town is approached about a potential agreement. He said the idea of a formal policy could be revisited in the future. Mr. Phillips asked if the Board's reluctance to adopt a formal policy would impact the Broad Street Redevelopment project's Request for Proposals (RFP). Mr. Anderson said it would not since the types of incentives the Town is willing to consider are listed in the RFP.

Mr. Sayre asked if there were any upcoming developments that may request tax abatement. Mr. Anderson replied he regularly receives inquiries about available incentives. Ms. Jacobson said additional public outreach could more effectively make the case for a formal tax incentive

policy. Mr. Phillips agreed, saying it may be helpful to explain the overall fiscal impact of a tax abatement policy.

Mr. DeLaura said a formal adopted policy may not be necessary, but a general set of guidelines could be desirable. Mr. Carter said in his view the lack of a formal policy is a detriment to business attraction since it introduces uncertainty. Ms. Jacobson said it may be an appropriate time to have a broader discussion about tax incentive policies due to the recent stories about Amazon's efforts to locate headquarters in New York and northern Virginia. Mr. Carter said the Broad Street Redevelopment project may offer an opportunity to tie that discussion to a specific project.

Mr. Lindsey asked if other towns in the region have similar policies. Mr. Anderson said it varies greatly depending on the town, but many do. Mr. Carter said business location decisions are not always about specific incentives and that factors such as amenities, location, school quality, infrastructure, and highway access more play a more important role. Ms. Jacobson asked if a majority of the Board was against adopting a formal policy. Mr. Anderson said it was difficult to say since no formal vote was taken. Generally, he said, there appeared to be a general lack of enthusiasm to pursue a formal policy at this time.

Report of the Greater Manchester Chamber of Commerce

Postponed until the next regular meeting.

Report of the Special Services District

Ms. Parseliti said the Special Services District (SSD) was relaunching its website, which includes a number of upgrades and new features, including self-directed real estate listings, event postings, and opportunities for blogging. She said the SSD, Planning and Zoning Commission and Town Staff are currently revising and modernizing the Downtown Architectural Guidelines. She said Fani's Kitchen has recently closed due to family issues, though the owner is working with realtors to fill the space, which she said is in a favorable location. She said the new CVS has officially opened and a smoke shop business has opened downtown as well.

Ms. Parseliti said the SSD is looking to hire a new Downtown Manager coming soon. She said her last day working under the official umbrella of the SSD will be in mid-June, after which she would transition to working under the Planning and Economic Development Department. She said the Connecticut Main Street Center will host an upcoming tour spotlighting Manchester, which should provide good publicity for the district and the Town.

Mr. Phillips said when he recently heard several complaints regarding parking Downtown, especially parking for employees. Mr. DeLaura said he has also heard -complaints. Ms. Parseliti said she has also heard many similar complaints over the years and most downtowns of similar size do not have free parking. . Mr. DeLaura agreed that charging for customer parking was common elsewhere, but Manchester has a somewhat dated method of parking enforcement, which could be modernized to standards used by other towns. Mr. Anderson said there are

ongoing discussions among the SSD leadership and Downtown Parking Committee about parking and options will continue to be explored.

Report of the Planning and Economic Development Director

Mr. Anderson provided an update on the Downtown Loan Program, saying he has received multiple calls expressing strong interest in the program. He said the particular applications may take time to put together, but he will have a better sense of how many applications the EDC should expect to receive in a few months. He said a Request for Proposals for the Broad Street Parkade Redevelopment project was issued last month and there was recently a site visit attended by several interested parties. He said the JC Penny's operations in its Tolland Turnpike warehouse were recently consolidated into a smaller 600,000 square foot section of the building and the new owner, Winstanley Enterprises, is renovating the remainder of the building. Winstanley is seeking to engage larger distribution companies in need of 1 million sf or more of industrial space. He said Raymour & Flanigan is moving forward with its 200,000 sf expansion at Chapel Road and Tolland Turnpike. Mr. Carter provided an update on the automobile dealership he owns on Oakland Street, saying the corporate office is asking local dealers to update various aspects of their facilities.

Mr. Anderson said Urban Lodge is a new brewery coming downtown to Purnell Place and is currently engaged in building renovations. Mr. Sayre asked how many breweries were currently in operation in town. Mr. DeLaura said there were three, although one of the existing ones will soon be closing. He said the breweries often collaborate on various cross-promotions, which appear to be successful so far.

Mr. Anderson said the Downtown 2020 initiative includes a capital plan component, part of which calls for improved alleyway lighting and Purnell Place lot enhancements, which should help address perceptions regarding the municipal parking lot. He said the owner of the former Hanshaw Furniture building on Middle Turnpike East is planning to convert the property to elderly housing. He said he recently visited the Flex, a manufacturing company on Utopia Road, to observe their production facilities. He said the business is strong and expanding, with various manufacturing employment opportunities available. Flex currently occupies three buildings on Utopia, one of which is currently undergoing expansion. He said the former Central Connecticut Farmers Co-Op has a potential buyer seeking to convert the facility to wood pellet production. He concluded by saying the Chamber of Commerce and Goodwin College have partnered on an Open House for the College's mobile manufacturing lab, which is intended to showcase training opportunities. The mobile lab will be at the Manchester Chamber of Commerce on April 9 from 4-6 PM and promotion will be forthcoming.

Website Update

Mr. Shiel provided a brief overview of recent updates to various economic development-related pages on the Town website. He said various links on the Town page were consolidated and simplified, resulting in fewer necessary clicks to access commonly sought information. He said the major information includes the basic requirements for starting or expanding a business in Manchester, the most commonly required permits and the appropriate staff contacts, and a

reference page for economic development resources. He encouraged EDC members to review the changes at their leisure and provide any suggestions or potential changes.

Other Business

Mr. Phillips asked about the follow-up to the CERC economic study. Mr. Anderson said staff sent a survey to the focus group participants from last spring, but did not receive any responses. He said Town staff and the EDC are already implementing some of the suggestions, but he suggested the EDC have an internal discussion on prioritizing recommendations from the report at a future meeting.

Adjournment

Ms. Dorin made a motion to adjourn. Ms. Jacobson seconded and all voted in favor. The meeting adjourned at 9:10 am.