

**ECONOMIC DEVELOPMENT COMMISSION
VIRTUAL MEETING
MINUTES
OCTOBER 8, 2020**

MEMBERS PRESENT: Tom Phillips, Co-Chair; Norm DeLaura, Co-Chair, Shelly Koehler, Joy Dorin, Sean Lindsey

ALSO PRESENT: Gary Anderson, Director of Planning & Economic Development
Kyle Shiel, Senior Planner
April DiFalco, Greater Manchester Chamber of Commerce

Adoption of Minutes of September 10, 2020

Mr. DeLaura moved to approve the minutes as written. Ms. Koehler seconded and all members voted in favor.

Review of and Potential Action on Proposed Downtown 2020 Project Changes - The Firestone, 1115 Main Street

Mr. Anderson said the EDC had previously approved a loan for the Firestone, which has already completed a significant portion of the project. He said COVID-19 has had a negative impact on their business and Sophia Dzialo wanted to progress on the project and discuss possible modifications to the loan terms.

Ms. Dzialo said renovations began about a year ago, with two major phases planned. She said over the past year she has focused on Phase 1 projects such as upgrades to the sprinkler, alarm, and complying with ADA requirements for the bathroom. She said they have built a café and wet clay studio. She said prior to COVID the business was doing well, with multiple partnerships with local businesses and sold out events. She said once the pandemic hit, they pivoted to DIY To-Go kits and rebuilt their website to show their inventory. She said they have been holding virtual classes remotely via Zoom or free events through Facebook Live. She said they were not accepted for the 1st round of the Paycheck Protection Program, but were accepted for the 2nd round and were able to keep most people on staff.

She said community support remained strong and Firestone did a limited reopening in June and hosted “private quarantine events” where groups who were quarantining together could patronage the studio in person. She said a ramp entrance was recently constructed to comply with building codes and they are working to convert parking in front of building to a patio space and trying other ways to create additional outdoor space for hosting more events outside where social distancing can be maintained. She said Phase II projects will include code compliance for the elevator, upper floor egress, and ADA-accessible restrooms. She said some post-COVID Phase II have emerged, including Flexible Space, Walls on Wheels, and other responses to community needs.

She said according to the Loan Program parameters, the work is required to do completed within one year. She said she would like the EDC to provide one additional year to complete work while they reevaluate post COVID environment. Mr. Phillips asked how much business was down. Ms. Dzialo said the other studio in West Hartford was down 50%, while prior to COVID, the Manchester location was growing. Mr. Phillips asked if revenues were down. Ms. Dzialo said they were down about 60 percent. Mr. Phillips said their revenues would likely be worse if not for the adaption. He asked what industry sector identified in the state reopening guidelines covers the Firestone. She said there are two sets of guidelines, one for restaurant and one for retail. She said she has been going with more conservative approach due to group nature of their business model.

Mr. DeLaura asked if the pandemic continues, could the Firestone maintain their current business capacity. Ms. Dzialo said sales are increasing and they have rebuilt customer space. She said they would prefer to be at a higher smaller capacity, but feel hopeful their sales team can adapt. Ms. Koehler said she commended Ms. Dzialo and her team on pivoting. She asked if they have a sense of what proportion the restaurant portion of the business contributes to overall revenue. Ms. Dzialo said about 30 percent. She said more customers have been coming in for food and they are working to increase promotion of their offerings.

Mr. Anderson said about two-thirds of the initial loan was for Phase 1, with some portion of loan was held back for Phase 2. He asked Ms. Dzialo is there were still plan to upgrade the elevator. She replied in the affirmative, saying they have hired a new contractor with experience working on older buildings. Mr. Anderson said to clarify, the overall project has not changed, just the projected timeline. He asked Ms. Dzialo is another year would be sufficient. She said Phase II is less work, so it should be adequate.

Mr. Anderson said he could work with the appropriate Town staff on modifying the loan terms, but it would be helpful to have a formal statement of support from the EDC. Mr. Phillips moved to recognize the challenges faced by the Firestone during the pandemic and support an extension to their loan repayment terms. Mr. DeLaura seconded and all members voted in favor.

Report on Economic Conditions

Mr. Shiel said the most recent jobs reports showed a smaller than expected gain in employment, with only 660, 000 jobs gained, compared to projected of over 800,000. He said the unemployment rate fell to 7.9 percent, but nearly 700,000 people left the labor force. He said permanent job losses have continued to increase. He said in terms of a project recovery, the consensus at the moment appears to be that a swift, “V-shaped” recovery is unlikely. He said the recovery is likely to take longer to get to pre-pandemic levels and would ultimately be dependent on public health milestones and consumer confidence. He said an emerging trend in the data is a phenomenon called a “K-shaped” recovery, where post-pandemic employment rates are dependent on the specific economic sector where a worker is employed. In this scenario, he said higher income workers have been faring better than lower-income workers, in part due to the more widespread availability of remote working options for higher income occupations.

Overview of Roles/Responsibilities for Town Boards and Commissions

Mr. Phillips said at next month's meeting, the EDC would have guests from other boards and commissions to provide updates on what they're currently working on and to discuss potential areas of collaboration. Mr. Anderson briefly reviewed the relevant board and commissions, which included the Board of Directors, Economic Development Commission, Planning and Zoning Commission, Redevelopment Agency, various Town departments, WORK_SPACE, the Downtown Special Services District, and other partners such as the Manchester Public Schools, Greater Manchester Chamber of Commerce, and the Connecticut Small Business Development Center. Mr. Phillips asked if Manchester Community College was considered a partner. Mr. Anderson said yes, due to their significant role in workforce development. Mr. DeLaura asked how the meeting with the other commission members should be structured. Mr. Phillips said staff could provide the summary slides presented by Mr. Anderson beforehand and Ms. Koehler suggested they could introduce themselves and provide updates.

Mr. Anderson said members from the Planning and Zoning Commission, Redevelopment Agency, Downtown SSD would be in attendance. Mr. Phillips said it would be appropriate to discuss workforce development efforts with representatives from Manchester Public Schools until a future date.

Report of the Downtown Special Services District (SSD)

Mr. Anderson introduced Mr. Joe Lipner of Framed Dimensions, who is the new liaison to the EDC from the Downtown SSD. Mr. Lipner said he would have a formal update for the EDC next time.

Report of the Greater Manchester Chamber of Commerce

Postponed until next meeting.

Report of the Planning and Economic Development Director

Mr. Anderson said he is schedule to be on a Pulse of Region podcast about manufacturing. He said if EDC members have ideas for highlighting certain manufacturing firms or other suggestions to please let him know. He said the podcast should air later next week. He said the State is looking for purchase the former Sam's Club property for COVID-19 treatment related uses. He said the Town was working closely with a private developer to repurpose the property, and did receive much prior notice from the State regarding their plans. Mr. DeLaura said it may be an appropriate location for public health purposes. Mr. Anderson agreed and said hopefully it would eventually be returned to private development at some point in the future.

Other Business

None.

Adjournment

Mr. Phillips made a motion to adjourn. Mr. DeLaura seconded and all members voted in favor. The meeting adjourned at 9:14 am.

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