

MINUTES

ECONOMIC DEVELOPMENT COMMISSION VIRTUAL ON-LINE MEETING SOUTH WINDSOR TOWN HALL

REGULAR MEETING
WEDNESDAY, January 27, 2021
TIME: 7:00 P.M.

PRESENT: Chairperson Paul Burnham, Alternate Mindy Lewis (sat for Joseph Kennedy), Linda Jeski, Louise Neary, Bill Jodice, Vice Chairperson David Marsh, Scott Kelley, Edwina Futtner

ABSENT: Susan Burnham, Joseph Kennedy, James Murray, and Alternates Victor Dorobantu, Wayne Kilburn, and Shailesh Verma

ALSO PRESENT: Town Manager Michael Maniscalco, Asst Town Manager Scott Roberts, Deputy Mayor and Town Council liaison Liz Pendelton, and ED Consultant Matthew Galligan

1. **Call Meeting to Order:** Chairperson P. Burnham called the meeting to order at 7:04pm.

2. **Roll Call:** The above-mentioned members were introduced.

3. **Approval of Minutes**

Minutes from Regular Meeting on 10/28/2020: A **motion** to approve the minutes of October 28, 2020 with the following corrections was made by Commissioner Jeski and **seconded** by Commission Jodice.

Pg. 1. Item 3 should read "...provided background on Barry Equipment."

Pg. 2. Item 8 a. should read "...have been working to advance economic development."

Pg. 3. Item 8 b. New Activity should read "...12,000 sq ft storage..."

Commissioner Neary abstained. **Approved by majority. Motion passed.**

4. **Old Business**

(a) Mayor TV: Scott Roberts reported that he has been working with the script editor from Mayor TV and that they are reviewing the script now. Once it's proofread, a spring photo shoot will be scheduled to augment prior videos. Commissioner Jeski asked if the Commission would be able to view the finished product before it's released to the public and Mr. Roberts replied that the video could be shown to the commission. He added that it might be impossible to include all variations of the types of buildings (such as churches) and they will need to make decisions on what's included or not.

(b) Follow-up Discussion on Tax Abatements: Mr. Roberts reported that the new workflow is in use and applications are moving forward pretty well.

5. **Committee Report(s):** None.

6. **New Business**

(a) 2021 Meeting Schedule: Chairperson Burnham stated that everyone should have received the calendar of meetings. A **motion** to approve the 2021 Meeting Schedule was made by Commissioner Neary and **seconded** by Commissioner Jeski and was **unanimously approved. Motion passed.**

(b) Tax Abatement Discussion – Barry Equipment: Commissioner Neary asked how much equipment will be displayed on Rte 5 and Town Manager Michael Maniscalco replied that some equipment will be displayed but it will be short-term as equipment is moved from being for sale to delivered/picked up post-sale.

Mr. Maniscalco reviewed the request for a \$20,000 abatement for 3 years. The owners have been represented by an attorney throughout the process and did not ask for any additional abatement terms. Commissioner Neary asked if the abatement is just for the expansion and Mr. Maniscalco replied that it is. Commissioner Jeski asked if the amount of equipment on-site would be limited and Mr. Maniscalco replied that he is confident that P&Z has made it clear to keep it neat. Commissioner Jeski asked if the abatement will apply to personal equipment taxes and Mr. Maniscalco replied that it is more difficult for such an abatement when the equipment is being sold and not held onto for long term.

A **motion** to approve the abatement for 3 years at 50% abatement was made by Commissioner Jeski and **seconded** by Commissioner Jodice and was ***unanimously approved. Motion passed.***

ED Consultant Matthew Galligan stated that the abatement is very important for the expansion of an existing building and that the project will improve the area.

(c) EDC Website: Mr. Roberts is working with the town website vendor for an EDC dedicated site. They will leverage the southwindsor.org domain name and work within the allocated budget. Mock ups of the site will be brought before the EDC for consideration and he will send it out digitally once it's ready for input.

7. Economic Development Opportunities/Updates

(a) Matthew Galligan, Economic Development Consultant: Mr. Galligan suggests that EDC work on developing incentives for other locations, not just Evergreen Walk. Incentives could be used to assist other businesses that have to move to allow for development, to retain their businesses, while moving to a new location. For national businesses, some closures are made at the corporate level regardless of their success, and Mr. Galligan would like EDC to consider more boutique type stores and to work with restaurants that are already in town. In the current environment, supply of building materials is an issue, such as for refrigerators and furniture. It will take a while for these items to become available. Mr. Galligan has a list of CEOs to call that was curated by Buxton to invite them to consider coming to town. Some corporations are holding back on expanding due to COVID and others are reconsidering whether they need offices. Commissioner Neary asked about an issue with Home Depot and the railroad tracks. Mr. Galligan replied that he will be talking to the school superintendent about an issue that was raised regarding school buses. Commissioner Jeski asked if the expense of rents will be addressed in Evergreen Walk. Mr. Galligan believes the opportunity to discuss this issue is near. He is currently working with a company to build more residential housing.

(b) Scott Roberts, Assistant Town Manager: Mr. Roberts reminded commissioners that his report was sent out via email. In summary, 11 businesses are under construction, some projects have been approved but not entered into construction and he is watching 4 new projects going before various boards and commissions. Chairperson P. Burnham asked if 1060 Main Street, currently an elderly apartment site, is being sold. Mr. Roberts stated that the town has conceptual plans. Mr. Maniscalco stated that the site is known as the Paradigm Building, and that they are looking to work within its existing footprint. Commissioner Neary asked about an Amazon site next to Home Depot. Chairperson P. Burnham asked for information on target dates for occupancy and open dates to be included in the Mr. Roberts' report. Commissioner Lewis commented that there is an Amazon site located on Ellington Road and one in East Hartford. Mr. Roberts explained that these sites are not warehouses, but distribution centers in the 'last mile' which deliver to the doorstep of the recipients. These sites typically receive deliveries 5 or 6 times a day and employ smaller trucks to deliver to the end point. Amazon gave a presentation at a P&Z meeting and Mr. Roberts sent the link via email to members during the meeting.

- (c) Michael Maniscalco, Town Manager: Mr. Maniscalco had a meeting with the annual audit committee and reported that the town received a clean bill of health with no findings. South Windsor has done a great job in growing the general fund at approx 19% of the overall fund balance. Mr. Maniscalco also talked to Standard & Poors to request an updated bond rating, with a 3% annual growth rate over the last few years, but given the national economy and headwinds, S&P is not looking to increase anyone's credit rating. The town announced the availability of \$27 million in bonds and \$6 million in notes for schools. The Mayor is looking for a 0% tax increase in the upcoming fiscal year. Departments are submitting their budgets. Mr. Maniscalco has been having lots of conversations with Charter Realty & Development (taking over from POAG). POAG was not focused on CT but Charter Realty is based in CT and he has seen them step up and be actively trying to make Evergreen Walk into something special. Their parent company is Prudential and he will continue to work with them on a partnership that will allow the door to open to discuss rent figures. He recently had conversations about an abatement, but it hasn't moved forward yet, and it's still on the table if needed. Commissioner Jeski asked if it is a tax abatement and Mr. Maniscalco replied that it is part of a larger discussion, nothing specific and that they are focused on getting the redevelopment going. Chairperson P. Burnham asked if there are incentives for existing businesses and how would that be implemented. Mr. Maniscalco replied that incentives were originally just for Evergreen Walk and that due to the high vacancy rate, they could be tied to that metric.
- (d) Paul Burnham, Chairperson: Chairperson P. Burnham reported that he is waiting on what happens with applications and amendments coming before P&Z.

8. General Discussion

- (a) Purchase of 1645 Ellington Rd as new Town Hall. Town Manager's report attached. Chairperson P. Burnham stated that comments were received in the packet and asked for this item to be on the agenda so that EDC can hear about the project. Chairperson P. Burnham stated that he is not looking for a support letter and that he would like the commission to remain neutral on the project. Mr. Maniscalco began by expressing his appreciation for the opportunity to discuss the project. He went before P&Z last night but it wasn't favorably received. The Town Council decided to have a referendum with one question for the 1645 Ellington Road project and another for the renovation of the existing building. Mr. Maniscalco discussed the project and the uses and possible layout for both the proposed new town hall and the existing building. Due to the increase in school enrollment, the town anticipates that the Board of Education will need to expand into spaces currently occupied by Parks and Recreation and other offices. Chairperson P. Burnham asked if the revenue from the tax abatement will include personal property and Mr. Maniscalco replied that it is for just the real estate side of the tax abatement. Chairperson P. Burnham asked if there was a breakout of which abatements are coming off and requested a clearer breakout. Mr. Maniscalco will get something out to commission members. Commissioner Neary asked how much would be lost in current tax revenue by purchasing this building since \$100,000 is currently made and Mr. Maniscalco replied that the purchase will help to avoid paying \$7 million in renovations to the current building. The vault in the Rockville Bank building would still be used but the town clerk needs a bigger sized vault due to the increase in population size. Due to the location of the wetlands along one side there would be no access road but one could be put in on the other side on Ellington Road but CT DOT would not approve it unless it was needed. Commissioner Neary noted that there are no sidewalks and Mr. Maniscalco replied that the town would want to continue them from their current locations, it would cost about \$500,000, and would be done over time. Commissioner Jeski stated that she was disappointed at the response during the P&Z meeting and believes that the tax payers need to decide. She is also disappointed in the response on social media. Commissioner Neary asked if there is a location for council chambers and Mr. Maniscalco replied by locating it on the proposed floor plans. Mr. Maniscalco stated that there would be more available

parking 125 spaces versus 94. Commissioner Jeski asked how many events would require the use of all of the parking spaces and Mr. Maniscalco replied that in his time in South Windsor, only one event required additional spaces. He also stated that in moving town hall to a new location, it could prompt the redevelopment of the area.

(b) Evergreen Walk's new development plan proposed by Charter Realty & Development: Karen Johnson introduced herself and explained that Charter Realty & Development is a leasing, management and development company that's been in business for more than 25 years with projects throughout the East coast. They are taking over management of Evergreen Walk. Although vacancies existed prior to COVID, the site is a valuable asset to the community, and they have been working to secure new tenants. Ms. Johnson shared a market overview that gives a sense of what's happening and where and has already been meeting with town staff. She shared a map of the status of the existing buildings, projects that are in progress, and the proposed development area. She also shared a map that showed current vacant storefronts and future development areas. Charter Realty & Development has an application pending before P&Z to amend the zoning to remove some of the limitations in the placement of grocery stores within Evergreen Walk. Ms. Johnson explained that shopping habits have changed over the years from shopping weekly to shopping more frequently or going to certain stores to purchase particular items. She is currently working with a grocer and they are in the preliminary stages and have reviewed plans with some town staff. They are asking to have the wording that restricts a grocery store at Evergreen Walk changed. The grocer will be proposing something different than Aldi and Costco. Chairperson P. Burnham asked how large the store will be and Ms. Johnson replied that it is planned to be midsize about 40,000 sq ft. Commissioner Neary asked if the existing sq. footage of the former grocery store would be used and Ms. Johnson explained that there would be two buildings but that the existing structures can't be reused. Commissioner Lewis asked if it would be a high-end experience and Ms. Johnson replied that yes, it would be different and that the store would meet a valuable niche in the market with more of a focus on fresh foods and a higher level of service. Chairperson P. Burnham asked if the commission should wait to learn more or offer support now. Mr. Maniscalco replied that this is just step one in a much larger renaissance of Evergreen Walk and with it, other projects could transpire, but that something needs to happen. The proposal will require the town to take some chances but he believes that a number of residents would be very pleased by the proposed development.

(c) Consideration by commissioners to offer a letter of support for the development: Ms. Johnson stated that step one is supporting the zoning text amendment which would remove the prohibition of having a grocery store within 1,500 ft of another. Ms. Johnson stated that step 2 would include coming before P&Z for an actual proposal which they could also present to the EDC. It's an incremental approach but the project is consistent with the plan of conservation and development. Commissioner Neary asked if the building size would be 40,000 sq ft and Ms. Johnson replied that yes, approximately and it would include the removal of 2 existing buildings to construct a new building in place of them. The new structure would have the same general orientation and parking field with no changes to Hemlock coming in nor to the traffic circle. The edge of the pavement will not go any further than it does today. Chairperson P. Burnham asked about the tenants of current stores and Ms. Johnson will be working to relocate them. She has reached out to all of the tenants and has had frank conversations including asking them to hold off on leaving Evergreen Walk. Mr. Maniscalco stated that this is a beginning step and that developments of this type feed off of each other and could be the impetus to create a synergy and different environment for Evergreen Walk. Mr. Maniscalco supports the change. Commissioner Neary asked if there are other businesses that will be asked to relocate and Mr. Maniscalco replied that just 3 and that they will have a chance to move within Evergreen Walk. Commissioner Marsh stated that commissioners are being asked to support something somewhat blindly but that it could result in astronomical benefits in the future. It could also cause the closure of some existing businesses and Commissioner Marsh questioned whether the town is prepared to offer any incentives for businesses to encourage them to move within South Windsor. Ms. Johnson replied

that the 2 tenants are Old Navy and Sakura and that they are committed to making sure to find them new spaces. Commissioner Neary asked if there's been any pushback from Aldi since the zoning requirements were in effect when they chose to build and Mr. Maniscalco replied that a grocery store already existed on the development site. Commissioner Neary responded that Aldi's first location choice was closer to Stop n' Shop but that it was too close. A **motion** to approve sending a letter to P&Z to support the change to the text amendment to remove the restriction of 1,500 feet between grocery stores was made by Commissioner Jeski and **seconded** by Commissioner Lewis and was ***unanimously approved. Motion passed.***

9. Executive Session

10. Adjournment: A **motion** to adjourn at 9:22pm was made by Commissioner Jeski and **seconded** by Commissioner Futtner and was ***unanimously approved. Motion approved.***

Next meeting is to be determined.

**Respectfully submitted,
Catherine Potter
Clerk**

Approved as amended: March 24, 2021