

MINUTES



**ECONOMIC DEVELOPMENT COMMISSION
MADDEN ROOM
SOUTH WINDSOR TOWN HALL**

**REGULAR MEETING
WEDNESDAY, May 24, 2023
TIME: 7:00 P.M.**

PRESENT: Susan Burnham, Secretary Linda Jeski, William Jodice, Daniel Kane, Scott Kelley, Louise Neary

Alternate Michael Buganski, Alternate Mindy Lewis (sat for Commissioner Joseph Kennedy) Alternate James Mitchell (sat for Vice Chairperson Paul Burnham, Liaison Andrew Paterna,

ABSENT: Chairperson David Marsh, Vice Chairperson Paul Burnham, Joseph Kennedy, James Murray Alternate Victor Dorobantu

ALSO PRESENT: Assistant Town Manager Scott Roberts
Recording Secretary Tersee Flores

1. **Call Meeting to Order:** Secretary Jeski called the meeting to order a 7:00 pm.
2. **Roll Call:** The above-mentioned members were introduced.
3. **Public Participation:** None
4. **Special Presentation:** Councilor Kozikowski to discuss tax abatement for historic properties.

Andrew Paterna, Commission Liaison, Town Council Member discussed the proposed Historic Structure Preservation Tax Abatement program on behalf of Marek Kozikowski Town Councilor who was not able to attend due to a work obligation. Andrew mentioned Councilor Kozikowski brought forward a new ordinance creating a tax abatement program with the intent to provide mitigation for the cost of renovating or restoring historic homes to property owners who own homes deemed eligible for the program. He mentioned it is allowed by the CT General Statutes for the towns to participate in, he explained further you can give a tax abatement if you find a developer who is willing to come in and restore an old historic house. It can be up to 10 years or it can only be 5 years, which would be based on the project or the cost.

Andrew shared the ordinance was drafted to afford the EDC Commission an opportunity to review proposals and make recommendations to the Council. It was discussed the proposal was presented to the Historic District Commission who were in general support of the program and agreed to assist with the drafting of the program by making recommendations of which structures should qualify and to identify what information they would need to make a recommendation.

Commissioners asked, and made questions regarding historic preservations, years of tax abatement, specific criteria that designates the building historic, guidelines and determination of eligibility.

Commissioner Neary confirmed Councilor Kozikowski being present at the HDC meeting presenting a tax abatement which she totally disagreed with. She was under the impression it will only be a onetime break on a property owner's taxes not developers, but an individual.

Council Paterna clarified he used the word developers but it can be an individual. If an individual person buys an old house and restores it they will be eligible to apply for the tax abatement. It will still be considered a tax abatement because it can be extended up to 10 years. HDC is willing to do a survey and advise where the historic homes and buildings are located.

Commissioner Sue Burnham requested the EDC to be a recipient of the list created by the HDC.

Council Paterna replied they can most certainly share the list with EDC. He explained EDC role is once they see the project progressing then they will determine what's the recommendation for some type of tax abatement, the years and percentage. The HDC will assist in the specific criteria that designates the building historic.

Commissioner Kelley and Lewis inquired house listing time frame, properties on the registry which is basically half of Main Street and application process.

Council Paterna responded it does not need to be on the list, he shared there are about 57 homes most of them not on Main Street whom have been designated as historic homes based on the year they were constructed. There is not an application process to get on a list to request a tax abatement.

Commissioner Jeski discussed having issues with tax abatement programs, and doesn't feel it's a good time to implement one. She mentioned the citizens of South Windsor are not happy with tax abatement and just recently they were just hit with a huge tax increase. She expressed if you buy property it is the property owner's responsibility to keep it up not the towns. Commissioner Jeski also mentioned the proposal doesn't give you outlines on times and percentages.

Mr. Roberts explained Councilor Kozikowski is bringing the new ordinance, proposal to the commission early enough to simply request the EDC for input and feedback, this is simply an outline to afford the commission an opportunity to review proposals and make recommendations to the Council. Council Paterna added this is not a resolution on a council level.

Commissioners asked, and made questions regarding guidelines set by the state of what we can do for abatement, reimbursement by the state, determination of eligibility, timeline, and why is this an EDC issue.

Mr. Roberts shared there is a State statute that says we are allowed to establish a tax abatement, but they don't tell you the process. In addition, he clarified this is just an outline and requested as a commission to collectively discuss and provide process feedback. He added hopefully HDC would provide guidance on properties worth saving and in turn EDC will provide the guidelines for the abatement and tax adjustments to help them preserve that property.

Council Paterna expressed Councilor Kozikowski wanted to make the EDC aware of the tax abatement proposal since EDC has been involved in tax abatements and recommendations in the past.

Commissioner Sue Burnham expressed it's a wonderful idea, preserving some of these properties rather than tearing the properties down.

Commissioner Kane asked on the state level CHIPO designates what historical properties, streets and areas. Are we able to use their list as our definition of historic properties?

Mr. Robert prefer allowing the HDC to determine the properties that are eligible under historic criteria and that are significant to South Windsor. He recommended separation of government duties and we focus on the abatement on whether or not it should happen, the duration and at what percentage. He recommends letting HDC determine whether or not that is a significant historic property worth preserving. He shared traditionally abatements are for new commercial developments, an abatement can be used for multiple things.

Mr. Robert expressed he will do some research on other abatements programs and report back to the Commission in June.

Council Paterna expressed there is not a timeline. Councilor Kozikowski is working on it, upon getting feedback he will refine, and come back another month for more feedback before it goes to Town Council.

5. **Approval of Minutes**

Minutes from Regular Meeting on 04/26/23: A **motion** was made by Commissioner Sue Burnham and **seconded** by Commissioner Jodice to approve the minutes with the following corrections:

Page 2. Second paragraph should read: "third line Doctor Alkadry noted that they received 2700 responses to the survey

Page 3. Mr. Roberts updates: spelling of "Joann Fabrics; "there is an interest in a large track of land behind Joann Fabrics".

Page 3. Correction "Cusson Automotive" not Custom Automotive

Page 3. Commissioner Sue Burnham inquired the state on the convalescent home on "Main Street"

Motion approved unanimously. Motion passed.

6. **Old Business:** POCD Board and Commission Questionnaires

Tersee Flores, Recording Secretary only received a questionnaire from Vice Chairperson Paul Burnham.

7. **Committee Report(s)**

- Strategic Planning Committee
- Quad Board Sub-Committee

Commissioner Lewis reported the Strategic Planning committee had their retreat last weekend and put together a draft of the plan which is still being worked on. The next council meeting is on June 5th, where they will present it to the council, and there will be two public hearings. She mentioned if they watch the meeting on June 5th they will see the presentation and get idea of what's going to be discussed.

Commissioner Lewis discussed the various next steps is to meet with Town Council to review and approve a strategic plan with the following dates:

June 5th Presentation to the Council.

June 6th - July 5th the final draft will be upload to the Town website.

June 19th Public hearing on final draft.

July 3rd Additional Public hearing on final draft.

July 17th Town Council will vote on the final strategic plan.

Commissioner Lewis did not have any updates for the Quad Board meeting.

8. New Business

Resolution approving the Town Managers Proposed Tax Abatement for 68 Nutmeg Road Peter Blume.

Be it resolved, the Economic Development Commission here by approves the Town Manager's proposed Tax Abatement to 68 Nutmeg Road Peter Blume and forwards the application to the Town Council for consideration and approval.

Mr. Roberts mentioned the application name is Peter Blume the business is called Blume's. Mr. Blume was headquartered originally in Windsor. He moved to South Windsor and established his headquarters and combined his businesses from a couple of other areas. He is looking for an abatement for a building he invested 600K. The TM proposal was a 3-yr. abatement at 40% his assessed renovation value of 420K.

Commissioners asked, and made questions regarding relocation, renovation and the request of the abatement.

Commissioner Jeski requested to table the approval of the resolution to the next meeting with the request of additional information from the Manager which consist of the following:

1. Was it purchased in 2020?
2. What was the actual purchase date?
3. When did he complete his renovation?
4. When did he apply for the tax abatement?
5. What personal property dollars are we receiving?
6. Cost by Permit?

Mr. Roberts mentioned to the commission at the next meeting there will be another tax abatement application, it's coming prior to building permit, but received initial approving from PZC at Evergreen Walk they are looking to put additional units and they are looking for another tax fixing agreement like they received approximately five years ago.

9. Economic Development Opportunities/Updates: None

10. General Discussion: None

11. Executive Session: None

12. Adjournment:

A **motion** was made by Commissioner Louise and **seconded** by Commissioner Sue Burnham to adjourn at 8:23 pm and was ***unanimously approved. Motion passed.***

Next meeting is scheduled for 06/28/23

Respectfully submitted,

Tersee Flores
Recording Secretary