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MINUTES

MONTHLY MEETING, THURSDAY, November 15, 2012 ALDERMANIC CHAMBERS 7:00 PM

The Economic Development Commission held a Workshop on Thursday, November 15, 2012. The meeting began at 7:05 P.M.

Roll call:

Vincent Scarlata	present
Greg Seccombe	present
Daniel Bogen	absent
Terri Goldson	absent
Sal Hanaif	present
Dave Cassetti	present
Keith Murray	absent
Horace Behrle	absent
Bart Flaherty	present

5 present, 4 absent

Also present: Alderman John Marini

Mr. Scarlata declared the meeting open at 7:05. The meeting began with the pledge of allegiance to the flag. A quorum was present.

Mr. Scarlata asked if they could hold the public session to the end of the meeting so that they could allow Mr. Stoltz to speak and allow everyone to participate at that time.

Mr. Flaherty made a motion to deviate from the agenda and change the public session until after the strategic economic development plan. The motion was seconded by Mr. Seccombe. All were in favor of the motion.

Mr. Scarlata asked if there were any communications. He was told that there was nothing. He then moved on to Old Business.

Mr. Scarlata stated that Alderman Marini has some updates for the board. Alderman Marini stated that regarding the Small Business Low Interest Loan Program, the board has been working on this program for the past few months. There is \$50,000 that are reserved to finance this program. There is interest among the business owners for this program. There is a question as to what the interest rate should be. There is talk that it should be 1% per annum or a maximum of 2%. He would like to solidify the rate in question. Mr. Scarlata stated that he was aware that there had been some discussion regarding whether we keep this loan strictly business. There was also a residential added to the program. He asked if that was going to remain? Alderman Marini stated that the residential is not included in the program. He then explained that if there is a business on the first floor and residential on the upper floors, he could see the “store front” since the building shares the same façade. It’s really only supposed to be used for businesses.

It has to be used strictly for façades or storefronts. It is supposed to be a permanent upgrade to the building. So if a storeowner gets a fancy sign, and he takes it with him, it doesn’t apply. It has to improve the structure in a permanent way. It’s just not esthetic. Handicap accessibility upgrades can be made. Bringing the building up to code, Fire entrance is also allowed. It comes to the discretion of a subcommittee of Economic Development that will be setup for the purpose of reviewing applications and making decisions as to how well the proposal fits the spirit of the program.

Mr. Hanaif asked when it comes to the signs, can the board put constraints on them saying that they are similar as to size, shape, and color? He stated that in another town, all of the signs are uniform. Alderman Marini stated that that could be done. The board can put together guidelines that storeowners have to follow if they take part in this program. He then explained that some of the storeowners may not want new signage, they may want something totally different. The loans would only be for \$2,000. Mr. Flaherty stated that he feels that this is a good start. He then stated that the only place that you can really require any detail regarding signage is with this program. Zoning cannot determine size, color or anything else. He understands that there are issues regarding the signage downtown. People are saying that the signage is a “mismatch” in the downtown area. This board will have the ability to put guidelines in place so that there is some consistency from one end of the street to the other.

Mr. Flaherty then stated that he is concerned as to what percentage the interest would be. In the document that was presented to the Board of Aldermen, it is inconsistent. He then stated that there is a usage that is mentioned as an allowable use for the loan program fund. Graffiti removal is mentioned. He then stated that graffiti removal could be a “bottomless pit.” He stated that he would have a hard time supporting graffiti removal. However, he would not have a problem with

“graffiti proofing.” If someone wanted to spend money to put a coating on a wall to allow removal to be easier, he would not have a problem with that. There is one building in the immediate area that has been “tagged” three times in the past month. He feels that it would help for that building. It may be an idea to get a security camera to catch whoever is doing it. He doesn’t feel that graffiti removal would be a good use of the program funds. It shouldn’t be a continual thing. They agreed to remove the phrase “graffiti removal” and replace it with “graffiti-proofing.”

Mr. Flaherty then stated that he feels that the property owner should be required to sign the loan proposal. He was told that they were going to have to sign. He explained that on the document that the board is reviewing, there is no place for the property owner to sign. He was assured that there will be a place for them to sign.

Mr. Flaherty then asked how this was going to work. If someone were to apply for the loan, is the board just going to hand over a check for \$2, 000? Or is someone going to come in with a written estimate and then the board or committee makes a commitment to pay the bill as work is done? Or are you going to write out a check for \$2, 000 upon approval of the loan? Alderman Marini stated, “We don’t want to be a general contractor for the project.” We like to make this as close to a normal loan as possible. Mr. Flaherty then stated that what they are looking at is that the applicant will come in with an estimate and then a check will be written out for \$2,000 at this point. He was told that is exactly what is proposed. Alderman Marini then explained that there would be a procedure to make sure that the funds are used on the actual project that’s proposed and not on something else. There will be a site review by the sub-committee of Economic Development before the process even begins. Then the check will be written. Then at the end of the two years, the applicant will have to give the city a payment of \$2, 000 plus 1% or 2% which ever it may be. Alderman Marini added that the project must be completed within one year of the date of the issuance of the check. If they don’t repay the loan, there will be penalties. Mr. Scarlata then stated that we are not trying to be too heavy handed. We are trying to help the businesses. We are not trying to be a bank.

Mr. Flaherty then asked if they are going to require three estimates, which is normally required when you spend taxpayer dollars. If you don’t have to go out to bid, by keeping it under the \$5, 000 threshold in the Charter, then you usually have to go for three different prices from three different vendors so that it’s not just one price and you build it. Is that something that will be required? Alderman Marini stated that was not something that they had thought of. He will check to see if that is necessary. In other towns, only one estimate was required. Mr. Flaherty then brought up that the subcommittee would have to be careful not to issue more than one loan to the same person. Alderman Marini stated that the loan is limited to one per person, so that it is capped.

Mr. Scarlata asked about the one-year time limit to complete a project. He felt that it was a “long stretch.” He suggested that they bring it down to 90 or 60 days. He further explained that they would not be able to redo an entire storefront for the amount of the loan. He feels that it would have

to be a relatively small project. Mr. Flaherty stated that if the storeowners didn't want to make application in September through November and not get approval until December. He doesn't believe that anyone would be able to do any brickwork or pointing in the winter. He further explained that he didn't feel that a year is unreasonable. Some of the things that they may want to do would be seasonable. Mr. Hanaif stated that he would like the members to keep in mind and think about for the future. He suggests that we make all of the stores look more uniform. It will make the town look more cohesive. He would like to have all of the storefronts uniform in 10 years. Alderman Marini stated that the Board can make loans and grants include that signage must meet with the Economic Development Commission's guidelines.

Mr. Flaherty made a motion to approve the store front improvement loan program with the changes being that it will be a 1% interest per annum, that the specific goals be changed to bring store front of commercial buildings into compliance with the building codes, to add in the guidelines signage must be compatible with the Economic Development Commission guidelines, the interest rate shall be 1% instead of 2% interest on all pages of the document, change the estimated costs to have three estimates be submitted, that the example be for graffiti proofing instead of graffiti removal and the hold harmless agreement that the property owner signature be added to the agreement. The motion was seconded by Mr. Cassetti. All were in favor of the motion. The motion was approved.

Mr. Scarlata then addressed the Tax Incentive Program. He stated that it is currently before the finance committee of the Board of Aldermen. Alderman Marini stated that state statutes allow municipalities to adopt a program to allow them to offer tax abatements to investors. They offer guidelines on what they can do. The state statutes state basically that if an investor is willing to invest x amount of money, for x amount of years, the town can offer up to x amount in tax abatement. Towns have implemented this in a pretty uniform way. The way it works is that it allows the Board of Alderman to offer x. There are no constraints for specific amounts of incentives. The Board of Aldermen can approach an investor and ask if they would like to talk with the city. It's flexible and it can be offered on a case-by-case basis. They can decide through the conversation on what if anything they can offer to bring them in. The way that he drafted this is that these are Ansonia's first incentives. This will allow the city to offer further incentives if the business is willing to employ Ansonia residents in either the set up or doing actual business and if that business is willing to use Ansonia services. Those tax incentives run the gambit from waiving building fees, from waiving assessments, from waiving hook ups, basically things of that sort. It is all optional. This allows the city to offer something if the situation arises. If the situation does not arise, they don't have to do anything at all. It's all up to the discretion of the city.

Mr. Scarlata asked where this proposal is at the moment. He was told that it is being looked at by the Finance committee of the Board of Aldermen. The plan is that they are looking for feedback from other municipalities that have this incentive in place. They are looking to speak to Kurt Miller, First Selectman of Seymour to come to attend a meeting. They also are looking to talk to towns that already have had a program like this. So that they can see how it has worked for them.

What would they change if they could? In this way, they could gain a good perspective. Mr. Scarlata stated that this incentive plan is above and beyond the enterprise corridor program that is currently in place.

Mr. Flaherty stated that he feels that we need to make this program more specific as to who is eligible, etc. If the board feels that they should allow this for developers of condominiums, then they should state it as such. In his experience, you need to be more specific because you really don't have discretion. The first time that you allow one person to do one thing and another person wants to do the same and they are rejected for whatever reason, you will wind up in court so fast, and then you lose the case. He further stated that the Commission needs to be as specific as they can. He stated if you want to incentivize condominiums in the City Center area, then you should state just that. When you put "Permanent Residential," it tells him, housing, or condominiums. He continued that they need to focus what they want. This is a shotgun approach. You're embracing everything. By zoning, housing is only allowed on the upper floors. If someone wanted to put in low-income housing, how could you discriminate against them? He was told that this would be an application process for the investors. Alderman Marini stated that the term "Permanent Housing" is a catchall phrase. It is so that the Board of Alderman's hands are not tied in terms of what they can do. Mr. Flaherty stated that what Alderman Marini is proposing is to try to incentivize the city of Ansonia. He wants to know why he should support this proposal. Alderman Marini stated that the main goal is to incentivize Main Street or downtown locations. We'd like them to buy the American Brass and Farrell Buildings and rehabilitate and renovating them. They don't want to box themselves out of being able to incentivize another property if the right proposal were to come about. It's not a strictly a "downtown" program. It covers all of the city. He agrees that he doesn't want it to be used for the wrong purposes. He isn't against boxing out certain types of uses for the program. Mr. Scarlata asked when this is going to be launched. He was told after the Board of Alderman concludes their investigation of the program. "Hopefully sooner rather than later." Mr. Scarlata then stated that they need to put together a committee for the Grant program. Mr. Hanaif, Mr. Flaherty, and Mr. Scarlata stated that they would volunteer to be members of the committee.

Mr. Scarlata stated that regarding the website, he has sent information to the web designer on the storefronts. He also sent an inventory of the open spaces that we have with photos of those locations.

Mr. Scarlata then addressed the ATP and Palmer Buildings. He informed the members that they have both been released and are now up for appraisals. The two buildings will go up for sale. There are at least two individuals that are interested in both of them.

Mr. Scarlata then addressed the newsletter. He said that it is moving forward. He wanted to get it published before Thanksgiving, but that isn't going to be possible. He needs to spend a little more time to complete it. He added that he is still getting articles in from the students to be added to the newsletter. He then stated that he was going to visit some of the new businesses (Koi's, Subway,

Sleepy's) that recently opened and do profiles on them to be included in the newsletter. In this way, the residents get to see which businesses are new in town. The cost to produce the newsletter is \$1,800 for distribution throughout Ansonia through the Valley Times.

Mr. Scarlata then discussed the manufacturing TV spot that he spoke about last meeting for Looking up the Valley, Mark Weisman has limited access to the equipment. PBS will give him cameras and the video equipment that he needs to film anything that they want. However, his time is limited and the time that he can get the equipment is limited. Tuesdays are the only mornings he can get the equipment. The last few weeks, there were unforeseen obstacles. It will still happen, it just won't be in October. The school and businesses still want to participate in this project. The students will need a week's notice so that they can get parental permission. Mr. Scarlata feels that they should do a live shot at the school, one with the students at Spectrum Plastic and then they don't need the students after that. If this can be tied into the students, then PBS will "pick up the bill for this."

Mr. Scarlata then moved onto a bit of new business. He stated that there is a volunteer organization called SCORE. It is a group of retired professional businessmen that volunteer their time to mentor small business people that are trying to start their own businesses or try to enhance their businesses. He stated that we are trying to develop a partnership between them. Once the website is up, their information will be listed as well. We will hold business seminars with them as well.

Mr. Scarlata then mentioned that there is a business owner that is looking for a new location. She owns a bookstore that is combined with a yarn store and a coffee shop/wine bar. She is looking for 3500-4000 square feet or two or three storefronts. He took a walking tour of Main Street. She seemed to be interested. However, he can't guarantee the traffic. However, he is trying to generate interest in her businesses by talking to the seniors at the Senior Center. Mr. Seccombe and Mr. Flaherty informed Mr. Scarlata that there was an article in the Valley Independent Sentinel. Mr. Flaherty said that he was very disappointed in the article. (*Secretary's note: The article appeared under the title "Ansonia Development Consultant to Reveal Initial Findings Thursday" dated Nov. 14*) Mr. Seccombe stated that it looks like that there was no chance that she will ever come to Ansonia. Mr. Flaherty stated that a bookstore is a losing business. People are not really buying books any more.

Mr. Scarlata then stated that he forgot to ask for approval of the September and October minutes. Mr. Cassetti made a motion to approve the September and October minutes. The motion was seconded by Mr. Flaherty. All were in favor of the motion.

Mr. Scarlata then opened the meeting up to the public so they can comment on Mr. Stoltz's presentation. He asked Mr. Stoltz to present his findings. Mr. Stoltz stated that the members have received his report. This is a work in progress to date. This has already been sent to Tara Kolakowski, the government liaison for the city. He stated that he wanted to talk about the highest and best use analysis. He stated that this is the culmination of everything they have done to that

point. He explained that to come up with the highest and best use plan, they reviewed all of the existing documents that were Economic Development related. They also looked at the current status of Economic Development in Ansonia. They had information interviews with state, regional, and local contacts in both the public and private sectors. They had a Public Forum in October where they got feedback from the public. They did an inventory of businesses and categorized them into major sectors so that they would have a rough idea of what there is in the city. He then looked at the “market area” and found that it’s a 20-minute market area, roughly from Waterbury to Bridgeport. They looked at real estate trends. They did an analysis of downtown. They did a walk-through of all of the business areas, including Fountain Lake. They also analyzed demographic and economic factors and determined the market and customer segmentation for the city. That looks at what people are buying in Ansonia. They then combined that information. Then they looked at what people were buying, but had to go out of the area to purchase. They identified a retail gap and the amount of dollars that are going out of the area. This allowed them to figure out what businesses would most likely be successful in Ansonia. He then explained how many employment opportunities could be available if the suggested businesses were to open in the city.

Mr. Flaherty asked what kind of budget they would anticipate needing to generate this type of project? He was told that there would be a small budget for creating a brochure describing Ansonia, etc. Mr. Flaherty asked if his firm would do that. He was told that his firm would take care of that.

Mr. Stoltz stated that this report is a culmination of all of the information that they were able to gather together.

Mr. Stoltz then presented the Commission with the branding recommendation that he was asked to do. He then said that the branding is what the eye of the beholder sees Ansonia as being. From the beginning, calling Ansonia “the Copper City” wouldn’t work today as it had in the past. They felt that they needed to find something that combined the community spirit of Ansonia, something that was energetic and something that tapped into historic authenticity. They came up with “Ansonia: the Spirit of Yankee Ingenuity.” He then stated that they have put together a short-term progress steps to be completed such as new branding signage along Main Street.

Mr. Hanaif stated that if we could get one of the larger firms into town it would bring more. Mr. Stoltz replied that the next step is to put together a brochure that identifies the attributes and opportunities within Ansonia. When it comes to the implementation of the marketing plan, then the individual categories will have specific target companies and businesses identify that we will actively pursue. They recommend a target marketing approach. We would do this by using the brochure and a cover letter, then follow up with a phone call to the CEO of the identified targets. He further stated that “destination restaurants” such as CRAVE are critical for success in a town like Ansonia. That draws people. Once people are there, other retail will want to come in. They had a similar situation in a city in Maine where they did the same study and created a brand for them and a brochure for them as well. They decided to hire his firm to implement the marketing plan for

them. The first thing that they did was to attract “an iconic Maine seafood restaurant” to the center point in town. A few months later, they were enormously successful and that triggered everything from then on.

Bill Luneski, owner of L2 Innovate stated that the data that was used to produce the report was not up to date. As a former Commissioner of Economic Development, he is aware that some of the businesses that were listed haven't been in the city for a number of years. Mr. Stoltz responded that the inventory was based on the best information that was available at the time. It was used simply to create the number of businesses in each of those categories. The rest of the information that was presented and used was extremely accurate. None of the conclusions that they reached were invalid due to that data. Mr. Luneski then mentioned businesses such as Home Depot or Lowes. If Ansonia targeted one of those would they just be defeating the purpose? Mr. Stoltz replied that they not necessarily talking about businesses of that size and category. They could be smaller builder supply types of businesses, such as a plumber supply type. We are also looking at unique businesses so there may be aspects of these businesses that aren't typical. One example is Whole Foods. This is very different than a typical grocery store. They bring in a different type of product. Boutique types of stores are more of what we are looking to attract. We need to have something that is unique rather than typical. He then suggested that we have a design review team to provide more continuity around the Main Street area.

Mr. Flaherty asked if he could make one suggestion regarding the branding statement. His suggestion was “Ansonia: Community Spirit and Yankee Ingenuity.” He stated that earlier in his presentation Mr. Stoltz used the phrase “Community Spirit” so why not use it in the statement. Mr. Stoltz said that he would take that under advisement.

Mr. Flaherty stated that he wanted to go over some things that were mentioned in the report. He first stated that according to the report that Zoning has been identified as a “stumbling block.” He stated that this was on page 5 of the Strategic Economic Development Plan. Mr. Stoltz stated that this was brought out in some of the interviews with business owners. Mr. Flaherty then addressed a statement that Zoning should be limiting things such as social clubs. He explained that Zoning does limit things such as that. He stated that this comment was found on page 7 of the same document. He explained that social clubs are disallowed in the City Center because they already have one located there. The comment that there are too many churches and that Zoning should do something about that. Mr. Flaherty stated that he went to an 8-hour seminar about just this. He found out that it's very, very tricky. He like to be able to find out what he could do to control that. Unfortunately, it's very difficult to do it. If Mr. Stoltz knows of what they could do that has stood up to court challenges, he'd love to find out what they did. The next statement was to combine Zoning and City Center Plan of Economic Development. Planning and Zoning is an agency of the state. They have very strict guidelines, state statutes what they can do and what they can't do. It then goes on to say that it is unclear for developers who is in charge where the process starts. Mr. Flaherty stated that the process begins with the Zoning Enforcement Officer. Another statement was that there

should be an opportunity for “mixed use development okay to include residential as part of the zone.” Mr. Flaherty stated that it already is. It has been included in the City Center, which allows residential and commercial, but residential has to be on the upper floors. Mr. Flaherty said that the report states, “however, currently uses only appears reasonable.” He then stated that we do have artists’ lofts allowed. Mr. Flaherty then read from the document “Initial development of Fountain Lake Commerce Park, need to get buildings occupied.” He stated that there are no unoccupied buildings up there. This was located on page 10. The only unoccupied space is owned by Sinto. Mr. Stoltz explained that this was taken from the interviews that they conducted. Mr. Flaherty stated that the document shouldn’t state this if there are no unoccupied buildings. That perception should be corrected. Mr. Flaherty then moved on to page 12, it states that “When one walks downtown there’s still a perception that religious non-profit or related uses are more prevalent than what would be expected in a vigorous and expanding economic environment.” Mr. Flaherty stated that he agrees with this statement. He then stated that if someone could come up with a way that they can disallow churches and nonprofits that could stand the test of court challenges. Please let him know. Mr. Flaherty then asked if he could get copies of the retail marketing chart that are larger in size. It’s very difficult to read as is. He was told that they were trying to fit it all on a single page.

Mr. Flaherty then stated regarding the Ansonia Strategic Economic Development Plan, Public meetings, he explained that it would be good if he fleshed it out a little bit. It states, “Currently a disconnect exists between government and business.” Mr. Flaherty questioned how that be. You can’t make a statement without understanding the basis for the statement. “No loitering signs” Mr. Flaherty stated that he doesn’t believe that it is legal to do. The report further states, “Ansonia is not perceived as welcoming to newcomers.” Mr. Flaherty stated that it would have been nice if someone had fleshed that out. Why did this person state that emotion. What was their experience to make them feel that way? Mr. Stoltz explained that they were just trying to capture the essence of their feelings and perceptions. Mr. Flaherty would have loved to have heard what the context of that feeling was. Page 2 it is suggesting having a creative pedestrian mall on Main Street. Mr. Flaherty stated that it’s a public highway, it’s a state highway, and it’s difficult to do those types of things. He explained that you can shut it down for certain times like the Heritage Festival but that’s about the best that you can do. Mr. Flaherty then addressed the statement that we need to have residences on upper floors along Main Street. He stated that this is already in zoning regulations. He then stated that the list of businesses and they need to be updated to include only the ones that currently exist. We need to have an accurate up to date list of businesses. There was nothing else that he wanted to review. Mr. Scarlata then stated that he had a quick question regarding the statistics of the information. He stated that many of the statistics are from census that was done back in 2000. He then asked how relevant this information would be presently. He was told that the majority of the information was from 2010 census information. This was the best information that was available. Mr. Scarlata then stated that recently, we have just displaced many of the families coming out of the Olsen Drive area. As a result, the numbers have changed by 50 to 100 families and that isn’t accounted for in the report. Is that relevant? Does that change any of the

information that is in the report? Mr. Stoltz asked which figures he was talking about. He was told that the mean income for the town at large would be affected. Mr. Scarlata then asked since the data is old, will this affect the report? Mr. Stoltz stated that the information that they used shouldn't influence the final results of the report. No one else had any questions or comments for Mr. Stoltz.

Mr. Scarlata asked if anyone else had anything that they wanted to address. Mr. Flaherty asked if there were any bills that needed to be paid. He was told that we didn't have any. He suggested that we add payment of bills (if any) to the agenda. He was told that this would be taken care of.

Mr. Scarlata had nothing more to discuss with the members and entertained a motion to adjourn.

Mr. Cassetti made a motion to adjourn. The motion was seconded by Mr. Flaherty. All were in favor of the motion.

The meeting ended at 9:20.

Respectfully submitted,

Carol Sardinha
Secretary