

TOWN OF CROMWELL
ECONOMIC DEVELOPMENT COMMISSION
SPECIAL MEETING
7:00 PM, WEDNESDAY, SEPTEMBER 26, 2018
ROOM 222, CROMWELL TOWN HALL 41 WEST STREET
MINUTES AND RECORD OF VOTES

Present: Chairman Richard Nobile, Robert Jahn, Jay Polke, Joe Fazekas, Marilyn Teitelbaum (arrived at 7:22 p.m. during New Business)

Absent: Stanley Stachura

Also Present: Director of Planning and Development Stuart Popper, Town Council Member Al Waters

1. Call to Order

The meeting was called to order by Chairman Nobile at 7:08 pm.

2. Roll Call / Seating Alternates.

The presence of the above members was noted.

3 Approval of Agenda

A **motion** to approve the agenda as presented was made by Joe Fazekas; Seconded by Robert Jahn. *All were in favor; the motion passed.*

4. Public Comments

NONE

5. Director of Planning and Development & Compliance Officer Reports:

Mr. Popper provided the members with a copy of his report. He said that the new Economic Development website was up and running and listed all of the town's businesses on it by category. It could be accessed on the town website, under "Board and Commissions" and then "Economic Development Commission." Jay Polke asked that it be listed under "News".

Mr. Popper said that the Business Expo will be on October 24, 2018, from 11 a.m. to 5 p.m. and he welcomed volunteers to help. He said that Business Visits were scheduled for October 11, 2018.

Mr. Popper mentioned that Covenant Village was proposing to construct a new access drive, 54 new units, and a "Main Street" area along its campus, as part of their \$23M project. He showed

a rendering of Marshal's proposed new façade and signage and mentioned that the Connecticut School of Massage would be moving into a new building in the area of the former K-Mart Garden Center. He said that Cromwell Growers was proposing an expansion to include new greenhouses and a new loading dock.

Mr. Popper said that Planning and Zoning had recently approved the marijuana dispensary, the Nike Site project, the resubdivision of the Quality Inn lot, and a new 125-room hotel next to Liberty Bank.

6. New Business:

Mr. Popper said that they had had a discussion during the Redevelopment Agency meeting regarding the general consensus from developers that any development in that area will need to be at a density of 20 units per acres and 4 to 5 stories in height. He said that he wanted to know what the town would support before continuing his discussions..

Mr. Popper said that they were finalizing the environmental reports at Cromwell Landing and hoping for a sign-off shortly so that construction can begin. Robert Jahn asked Mr. Popper to put together a layout of River Road to show what's for sale. Jay Polke asked if the town had options on any properties on River Road. Mr. Popper said that the Town Council had only authorized the Town Manager to begin discussions and to have appraisals done. Mr. Popper said that he had done an assessment valuing the entire area. He was of the opinion that developers, not the town, should take on the risks associated with the project, and that it be handled within the private sector.

Mr. Popper said that construction was moving forward at both the 120 County Line Drive and TPC Clubhouse projects.

a. Proposed Tax Abatement at 76 Berlin Road

Ajesh Patel, AVA Group, presented the request, saying that they were hospitality developers in New Jersey, specializing in Marriott and Hilton properties, which they build, own, and manage as franchisees. He said that they mostly develop in New Jersey and Pennsylvania, but had been incentivized to construct Marriott properties in Connecticut and Rhode Island. They had two other projects in Southington and Shelton. They had identified Rocky Hill as a market area because of the satellite offices for insurance markets, but decided to go to Cromwell because it offered better site location and a better timed and friendlier approval processes.

Mr. Patel reviewed the proposed hotel, which would be four stories, consist of suites, and include an expanded fitness center, swimming pool, and lobby bar just for hotel patrons, and offer a continental breakfast. He said that this site, located adjacent to other aged hotels, will force renovation among those other properties. Mr. Patel said that the challenges of developing in Connecticut are the high property taxes.

Joe Fazekas pointed out the typographical error in the requested tax abatement schedule, as it should read that Years 3 and 4 are requesting a 75% abatement, and Mr. Patel agreed. He said

that they would resume paying full taxes after year 7. He said that the money saved via the abatement would be used to reinvest in marketing and sales, with the goal of pulling from Middletown.

Mr. Popper said that, if approved, he would prepare valuations for presentation to the Town Council, with information from the applicant regarding construction and personal property values. Mr. Patel said that they have that information from their recent projects. Mr. Popper said that the Town Council had agreed with the Commission in regards to their two previous recommendations for tax abatements.

Mr. Patel said that they had their financing in place.

Joe Fazakas made a motion to accept the tax abatement program as presented by the applicant; that being 100% abatement during years 1 and 2, 75% abatement during years 3 and 4, 50% abatement during years 5 and 6, and 25% during year 7; Seconded by Jay Polke.

Jay Polke asked what the abatement applies to and was told that it only applied to the building taxes, and not the land or personal property taxes.

Mr. Popper said he believed this was a good use and good business for the town, on a parcel that's been vacant for too long. He said that Route 372 was slowly being rebuilt and that was a good indicator of the economic climate in town.

Chairman Nobile said this would be an aesthetic improvement and fit in with the other two buildings in the plaza.

Robert Jahn asked how this proposal compared to other seven year abatements approved in the past. Mr. Popper said that the abatement for Two Men and a Truck was similar and that the County Line Drive project was at the maximum of full abatement for seven years.

Chairman Nobile, Joe Fazekas, Jay Polke and Marilyn Teitelbaum voted in favor; Robert Jahn abstained. *Motion passed.*

Mr. Popper said the applicant would make a presentation at the next Town Council meeting, that being October 10, 2018, and he would present the Commission's approval. The Tax Assessor and Finance Director would both provide input and the Town Council would get the final vote. He asked that the Commission members show their support via letters or by attending the meeting. Chairman Nobile asked for full attendance if possible.

7. Chairman's Comments/ Commissioner's Comments:

Robert Jahn said he wanted to see a first class restaurant in Cromwell. Mr. Popper said that Luna Café, an Italian restaurant, was going in the former Franco's, and that a new Japanese restaurant would be at the former Oyama location.

8. Communications: see attached P&Z Minutes

9. Approval of Minutes:

a., 2018: Joe Fazakes made a motion to approve the minutes; Seconded by Jay Polke.
All in favor; motion passed.

10. Good & Welfare:

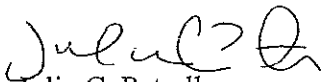
Town Councilman Waters complimented Stuart Popper, saying that Mr. Popper continued to impress everyone in Town with his work. Joe Fazakes and Chairman Nobile reiterated those sentiments. Mr. Popper complimented his support staff.

11. Adjourn

Robert Jahn made a motion to adjourn the meeting; Seconded by Joe Fazekas. *All were in favor; the motion passed.*

The meeting was adjourned at 7:54 p.m.

Respectfully Submitted,


Julie C. Petrella
Recording Clerk

TOWN OF CROMWELL
ECONOMIC DEVELOPMENT COMMISSION



Special Meeting
7:00 P.M. Wednesday, September 26, 2018
Room 224 Cromwell Town Hall

AGENDA

RECEIVED FOR RECORD
Sep 18, 2018 01:00P
JOAN AHLQUIST
TOWN CLERK
CROMWELL, CT

A handwritten signature in black ink, appearing to be "J. Ahlquist", is written over the printed name of the Town Clerk.

1. Call to Order
2. Roll Call/Seating of Alternates
3. Approval of Agenda
4. Public Comments
5. Director of Planning and Development & Compliance Officer Reports
6. New Business:
 - a. Proposed Tax Abatement for 76 Berlin Road
7. Chairman's Comments/Commissioners' Comments
8. Communications: see attached P & Z Minutes
9. Approval of Minutes:
 - a. July 25, 2018
10. Good & Welfare
11. Adjourn