



**Economic Development Commission  
Regular Meeting  
Monday, April 2, 2012  
Windham Town Hall  
Revised Meeting Minutes  
7:30 PM**

**Call to order:** Bill Hettinger called the meeting to order at approximately 7:30 PM. **Commission Members present:** Bill Hettinger, Bob Horrocks, Victor Funderburk, and John McCommas. **Commission Members absent:** Eric Crowley, Bill Anderson **Town Staff:** James Finger, Town Planner/Business Liaison

**Citizens & Delegations:**

Pam Viens spoke explaining that they recently bought a single family home, and that they Assessor’s office sent them a sales questionnaire form to fill out asking for very personal information, and that if she didn’t complete the form in 15 days, that they could completely inspect her home. Some of the questions are OK, but some are none of anyone’s business. These are those - such as: was the financing conventional or non-conventional, how much we paid, and if we borrowed the money - we don’t think we should have to answer these questions, and don’t think the Town should be sending this questionnaire out to people. She said that they had taken the property out of foreclosure, and this questionnaire seems like a threat. Another item is the increase in the assessment for 119 Carey. The prior assessment for 2010 was \$51,000, and the new assessment after they remodeled it was \$128,450 - that’s a huge hike and that’s 2005 values - not 2012.

Jeffrey Viens then spoke and said that they did improve the property, and they would be disappointed if the value went down; but one of the things they became aware of is the phase in on the taxes because its in the Enterprise zone, and this would be very helpful. He added that last year they bought four properties in Town and fixed them up - and totally re-habilitated three of them. This gets into a lot of money, and if the Town could help them out - it would be great. He continued to say that they are looking at several other buildings in a certain neighborhood in Town, in the hope of turning it around. So any help we can get would be greatly appreciated.

**Review/Approval of Minutes:**

The Chair asked if there was a motion to accept the minutes of the March 5<sup>th</sup> joint meeting. John McCommas made a motion to approve the minutes, Bob Horrocks seconded the motion, and all voted in favor to accept them as written. Victor Funderburk seconded the motion. Three members were in favor with one abstention, motion carried. (Original minutes of the last meeting were revised with the noted corrections.)

**New Business - TWB Properties - Windham Mills follow up from site walk** - The Chairman reported that the Commission had a joint tour with the Planning & Zoning Commission a few weeks earlier, and had an extensive walk through it. We saw what was there, what used to be there, and what is not there and heard from Tom Briggs on what they had done to get tenants, and what they were thinking about for future uses. The Chairman said he was impressed at the size of the property, and some of the ancillary features on the property - such as the (Hydro power) Generation plant and sluice way - it was nice to see it all. He then invited the representative from the Mills to speak.

Mr. Karl Nielsen representing Loch View (TWB Properties) referred to a packet that he handed out that showed the property floor plans. He explained that the cover letter is to the Town Council, and that this was put together because when they went to the Planning & Zoning Commission - they didn't want to take action on revising anything on revising the regulations until they received feedback from the Town Council.

The reasoning was that the Town and the State had put a lot of money into the Windham Mills property, and they wanted to make sure that there wasn't any restrictions after Mr. Briggs took it over. He added that they are currently trying to get the documentation that it (prior restrictions) has been cleared. He said they will be making a similar presentation to the Town Council on the following night (April 3, 2012). He added that without residential uses - it will be hard to complete the plan for development, so they are looking for the Town's help. He referred to the packet which contained the information on tenant spaces, finished but unoccupied space, and un-finished space. He explained that they have roughly 150,000 sq. ft. of vacant space (of which 127,765 sq. ft. is still unimproved). Only a third of the total rentable space is occupied, and another 26,920 sq. ft. that is finished is also vacant. The remaining 127,766 sq. ft. is unfinished (see attached table).

Victor Funderburk asked Mr. Nilsen what plan it is that he wants the EDC to support.

Mr. Nilsen referred to a report prepared for the Town entitled: 'Final Housing Market Analysis' which is in the packet distributed to the Commission this evening (part of the Incentive Housing Zone project - JF). Mr. Nilsen asserted that the first place they could start is with a dormitory type use as this was identified as a need in the market research. We have to get feet on the street, as we have virtually no traffic down there. Most of the current reports talk about revitalizing Downtown. If we can bring people down to - close proximity to the center, then we can bring in the ancillary uses for that (population). If we look at the expansion at the Hospital, and what is needed for the workers at the local colleges - there are a number of uses that could come to make the plan work (overall mixed use development). There is a large demand for off-campus housing, but most of what's available is run down; and we're also interested in attracting the high end market (for housing).

Victor Funderburk asked for clarification that this plan is intended to help attract people who work at the hospital and universities - instead of commuting twenty to thirty miles away?

Mr. Nilsen agreed and pointed to the Housing market analysis that shows that a large number of people are commuting to the area.

Victor Funderburk asked about the adequacy of the parking.

Mr. Nilsen answered that there is a limited amount of parking, but if they were to attract all commercial uses, they would be short of parking. Whereas if they had a mixture of uses they could share the parking because it would be used at different times. Mr. Briggs was working on converting the old office in front to a coffee shop. But the marketing people told him that there isn't enough demand to support it - there aren't enough people on a daily basis to make this successful.

Victor Funderburk asked how long it would take to complete this if it were approved today. Mr. Nilsen explained that it would have to come in phases because they would need to establish the dormitory (or other residential type of use) first; and then they could determine what the demand is for the other ancillary uses.

Chairman Hettinger asked about the dormitory use, and referred to the on-campus housing in dormitories, whereas most students who live off-campus rent an apartment or a house and live there as they choose. So how do the Mills plan to use it as a dormitory? Is it contractual with the University?

Mr. Nilsen replied that it may happen with U-CONN, but it won't happen with Eastern (ECSU), as they have their own problem with vacancy; but they have 1,214 students living off-campus.

Victor Funderburk commented that most of the students who live off-campus - don't want to live in the dormitories; they'd rather live in an apartment.

Chairman Hettinger interjected that Mr. Nilsen is presenting a rationale for some other use at the Mills and mentioned a dormitory, but it may be some other form of residential use to accommodate the students.

James Finger offered the explanation that when they went to the Planning and Zoning Commission to discuss some zoning changes for a mixed use development, the PZC was reluctant to entertain a residential use in part because of all of the State and local money that went into the property, and had suggested that perhaps a Hotel use would work because the community wanted a Hotel. Then when he had discussed the potential for a Hotel use with Mr. Nilsen the thought of offering Hotel rooms to students for an extended stay with the notion that it may function as a dormitory use. Then gradually the term dormitory came in to the discussion more than the Hotel use; but the Hotel use was one that the PZC indicated that they could support along with some other commercial uses that should be explored - rather than the residential uses. He added that he understood what Mr. Briggs is trying to do - which is to create a destination; in fact a captive audience. If you have a population 24/7, then you can satisfy the other commercial needs - like the breakfast or coffee shop because people will be there and need services - maybe a laundry facility or a racquetball club, etc.

Victor Funderburk asked Mr. Nilsen what his vision was for the site.

Mr. Nilsen replied that they were looking for at least one restaurant if not maybe three. Also, there is a real need for some up-scale housing, and that's why Mr. Briggs has come back to what had been presented in the past - this is nothing new. It had started with the American Thread in the 1980's with the Windham Falls proposal, and then again in the early 1990's with ATC Partnerships plan. They all have residential in them, and you have to have that in order to make it work.

Mr. Nilsen explained that Mr. Briggs has been diligently trying to market the property to potential Commercial tenants. He has a number of properties throughout the State, and he's not one to sit back and wait until someone comes and says they're interested; he's been actively marketing the property since he purchased it. There just isn't enough industrial demand, and this is well documented in various reports

Victor Funderburk asked Mr. Nilsen if he was making the claim that putting residential downtown will create jobs, as he has heard this before.

Mr. Nilsen replied that it's all the service business that goes with the residential - such as hair dressers, barber shops, dentists, lawyers - an enormous amount of service businesses and they all feed off of each other. These would be the smaller service shops; and when you get these types of services, the money stays in Town - it doesn't go out. But they have to have the population to survive.

Victor Funderburk said it sounds like how the multiplier effect works.

Chairman Hettinger agreed that he felt it would be valuable to add this to the discussion, as the Commission has frequently talked about the multiplier effect, and getting feet on the street. He urged that Mr. Nilsen make this a part of what ever presentation they will make

Mr. Nilsen agreed, and said they have a Planning Consultant they are using, and will try to make sure that they include this point

Victor Funderburk emphasized the importance of tying the plan for the Mills to jobs in the community through the multiplier effect, as many people don't understand this.

Mr. Nilsen referred to the Windham Falls report in the packets handed out to the Commission this evening for a fuller description of the plans that the Mills would like to do now, but with fewer buildings - as some have been demolished.

James Finger explained that the American Thread had the Windham Falls report prepared for presentation to the Town on the potential for re-use in the early 1980's when they were leaving. That plan described a mixed use development that included residential uses. Unfortunately, it wasn't developed at that time as Mr. Dugan couldn't get financing for all the work that was needed. Mr. Dugan sold off parts of the property, and then sold the remaining portion to some investors out of New York City - the ATC Partnership. They came forward with a similar plan and got zoning approval, but the economy collapsed

and there was a slow recovery in the early 1990's. Then the Town took the property by eminent domain and sought State funding for a 'municipal development project' that focused on resurrecting the manufacturing and some commercial uses. (*The State then provided a lot of funding, and this came with the restriction that the property could not be used for residential uses.*)

Mr. Nilsen restated that this is where we are and its not anything new. This is something that has been presented to the Town, and for various reasons, has not been implemented.

Chairman Hettinger asked if there were any other comments.

John McCommas asked why the Planning & Zoning Commission wouldn't let them do what they wanted to do?

Mr. Nilsen answered that it's not permitted.

Mr. McCommas asked why not as they have it next door (at Art Space)?

Chairman Hettinger explained that it's zoned manufacturing and doesn't allow residential (James Finger concurred).

James Finger explained that the owner is interested in getting some changes to the zoning to allow the mixed use development with residential, but the PZC is reluctant because they feel that we have already made changes in other parts of Town to address the need for residential use - so we don't need it at this location. Their position is that we should maintain and keep the commercial use of the property because we may run out. They agree that maybe some uses could be added to complement the manufacturing and commercial uses that are already permitted - among which would be the Hotel, Banquet or perhaps some recreational uses or other commercial uses instead of residential.

Victor Funderburk asked how much investment would this involve?

Mr. Nilsen said he couldn't answer that at this time, but that Mr. Briggs has invested over two million dollars during the past 2 ½ years and so far he's had some tenants that have just swapped space (move out after a short time, and as you know some of this finished space is still vacant); so we've gotten nothing out of it.

Chairman Hettinger commented that those who attended the tour of the site saw that he (Mr. Briggs) had completed some very nice space for Hampton International which is the former Keeper Corporation which has the empty industrial building across from Wal-Mart in North Windham. He then added that they also have some very nice space that Generations just vacated (also former Greywolf Offices). So they are correct that they get one tenant, and lose another. Earlier in the meeting (Mr. Nilsen) they said that

they are about a third occupied, and he (Mr. Briggs) said that it was 25% occupied when they first started; so he's increased it a little bit.

Chairman Hettinger then commented that we've finally been able to make a connection between the Mills, and U-CONN through- Mary Holz-Clause who is their Vice President for Economic Development. She's interested in seeing what's there. That's a connection that Tom (Mr. Briggs) said he's been trying to make, so that's the best that we can do - is put them in a room together.

In addition, the Chairman said that many in Town have considered this property (Mills) - Industrial Space. In looking at the article in the (Willimantic) Chronicle, it showed a picture (when the Commission toured the facility) of one floor that was like a couple of football fields long of empty space. If you're making thread, rope, or wire - that's great. It doesn't look like any (modern) industrial space that we've looked at recently. It doesn't have the loading dock space - it's just an old thread mill. It's not really applicable as good industrial space. Today, if someone wants industrial space, they're going to put up a metal building (on a slab) that's a lot more compact, but with a higher ceiling. So there is some limitation in our zoning for manufacturing and industrial uses for that property. It's not 1900 anymore; the manufacturing is different.

Another thing the Commission had discussed recently was a cross walk in that area (in front of the Mills) to allow people to get back and for the across the street, because the traffic is heavy.

Also, the Chairman explained that when he was looking into the potential demand for an Industrial Park at the South Windham site the Town owns, the various Real Estate Consultants advised him that there is a lot (excess supply) of office space at low rent available, and that's what they're (Mills) struggling to rent that out - and there is a lot of it closer to Hartford than we are.

The other thing that comes to mind is to examine what happens to old Mill space in other places - so that you're not trying to force someone into a box that doesn't fit. This may be helpful (in making the argument for changes). Our (the Economic Development Commission's) role is to support economic activity - or vitality in Town. So what can we (Commission) do to help (the Mills) create economic vitality?

Mr. Nilsen responded that they would look to answering the questions raised at this meeting. We know that once we have (economic) stimulation within (the Mills), that there will be a carryover effect for the rest of the Town - because that's (typically) what happens. We have to do our homework and make sure that the residential portion - whatever it might be called has to be addressed in the proper fashion that the market will buy. Then (both the Town (and the Mills) wins. But if we don't have this in place in the regulations, then no one is going to bother to look at it (the Mills); because they're not going to get it approved from the PZC.

Mr. Funderburk asked how many industrial tenants were in the building (property)?

Mr. Nilsen answered that there is only one - (Hawk Integrated Plastics). The rest are mostly non-profits.

Mr. Funderburk commented that he's heard from a few people who were in charge of the property in the past that we were trying to get manufacturing back in there. But two of them told him that manufacturing is gone! Now we've been sitting here - it's been decades later - and there's only ONE manufacturer there; when are we going to learn that fact?

Mr. Nilsen responded that the one manufacturer has 10,997 sq. ft. and if you talk with him - he doesn't want to be there either. It's just that he's got so much invested in his space that he can't afford to move.

Mr. Funderburk opined that we need to accept the 21<sup>st</sup> Century - creative economy. So how is your plan going to address the 21<sup>st</sup> Century economy - because what's worked in the past doesn't working anymore. In other communities that he has visited, they have accepted the 21<sup>st</sup> Century economy, and they are flourishing.

Mr. Nilsen replied that the multi-use thing is a relatively new concept where you have commercial industrial and residential all together within the same confines. Most of the current Planning literature talks about the multi-use as the wave of the future.

Mr. Funderburk agreed that he read recently that in New York City when people step out the door, they don't want to be surrounded by residential. They want to have a variety of things around them and choices that are within easy walking distance; and that those kinds of neighborhoods are drawing people back into the city.

Mr. Nilsen agreed, and asked how will it happen if you don't have people there? He added that in his work as a consultant, most Towns are looking for a developer to do this. Here you have one (Mill owner) who is willing to step out and to do this with a basic knowledge behind him and knows that he can be successful - but it's like he's facing a stone wall. He added that he is doing two Incentive Housing Zone (projects), with the latest one in Brookfield. He's working with the City Planner in Torrington where they have one in place - and he's helping them with this project.

Chairman Hettinger questioned whether we have overlaid this site with the Incentive Housing Zone.

Mr. Nilsen answered that it is not.

James Finger clarified that they asked for it, but the PZC said that not now, but maybe after we adopt the IHZ we could look at adding it later on - maybe next year.

Robert Horrocks commented that right now the Mills have been zoned Manufacturing for the past twenty years or more; and for twenty years the place has not been successful with thirty percent occupancy. Yet we persist with Commercial/Industrial. We're hoping that all of a sudden that manufacturing will come back from Japan and China and we start making widgets again. But we're not going to make widgets again;

it's not going to be Commercial or Industrial. He asserted that he supported a mixed use. He said his only concern is that 560 Main (recently converted Mill) isn't completely rented out. So the young people are not flooding that place, and he asked about Art Space (JF responded that they are filled up). He added that if there was a grocery store, and a coffee shop in the basement of 560 Main, it would probably be much more appealing to people living there in a mixed use environment for whatever they need. Further, if the owner of the Mills wants to put in mixed use with residential, and offices with doctors and coffee shops - it's his money we should let him do it; we haven't done the market research.

Mr. Nilsen countered that you really have done the market research...

Chairman Hettinger concurred asserting that WINCOG did a housing study for us - it was done with the Incentive Housing Zone grant - and it said we need housing.

Robert Horrocks interjected - so its been done - we need housing! Mixed use is the wave of the future, and industrial and commercial is not working for us. Our (EDC's) job is to help people create jobs and to move the Town forward. It's not moving forward - we're lucky the cup cake store is moving in - but we don't know how long that will last. But another place where we can provide housing is as a mixed use development at the Mills. He asserted he is in favor of what they want to do - and has been for the past five years.

John McCommas commented that neighboring properties are residential so what harm would there be by allowing residential at this property?

Chairman Hettinger replied that the controversy comes in because - one it would involve a zoning change, and two because of the amount of money from the Town and the State that have intermittently put money in the property - at great cost proportionately along the promise that jobs would come from Commercial and Industrial development; that's the counter argument. It depends on whether you view the argument as water under the bridge or as an something to be recovered in some way through the industrial usage.

John McCommas argued that its private property now. It's not government property anymore, and we should let them do their thing.

Chairman Hettinger agreed that this is why he was trying to hook them up with U-CONN, but it would have been a much cleaner arrangement ten or fifteen years ago, when the Governor could have instructed both parties to work with one another. Rather than it might be today when you have U-CONN trying to cut a deal with a private property owner. But this is the case with most of the properties that are privately owned. We can't just say - why isn't this building filled as you have to agree on the rent.

The Chairman then concluded the discussion on this item as the Commission will be taking it up again at the next meeting.

**Chairman's Report** - Under Old Business - The Chairman indicated that in his report to Council on the following evening he was going to bring up the point that there is no one in the Town Hall who is designated to sign documents for Enterprise Zone & Entertainment District for tax deferral documents. In the past, Ted Montgomery of the Economic Development Department used to sign them, but now we don't have either him or the Department. One of the items on the Town Council's agenda for the following night is a recommendation from this (EDC) Commission that we assign that authority to the Town Manager or let him designate staff to do that. The second piece of that we had discussed was on making recommendations to the Council on changing our procedures or policies relating to tax deferrals.

When we met with the Planning & Zoning Commission they had suggested that we might want to exclude - or do we want to have special criteria for national chains or big box stores to restrict deferrals or discouraging them under our tax deferrals and abatement guidelines?

He then read from the approved policies the Commission had planned to present to the Council: The EDC will evaluate the tax abatement and tax deferral requests based on their value and contribution to the community. The proposed real property improvements will meet one of the following guidelines:

1. The proposed real property improvements will result in the rehabilitation of blighted buildings, unsafe buildings, or condemned buildings.
2. The proposed real property improvements will result in the rehabilitation of significant or contributing historical buildings.
3. The proposed development results in the creation of additional public goods (such as road improvements, sidewalk and streetscape improvements, water or sewer system improvements) in excess of the value of the abatement or deferral.
4. The property owner has provided an economic impact analysis, prepared by an independent third party, demonstrating economic value to the Town in excess of the value of the proposed abatement or deferral

The Chairman then asked if the Commission wanted to modify this to put any restrictions on who would qualify. He then mentioned a big box store (Lowes) that was approved a few years ago was thinking of applying for tax incentives; and any of those outfits could apply for this. So do we want our guidelines to encourage that, or discourage it.

John McCommas spoke and reviewed what he recalled from the joint meeting with the Planning & Zoning Commission. In his recollection, he remembered that the PZC Chair had commented that if a big box store wanted to come, that was fine, but we shouldn't offer them any tax incentives. In reflection, he said he disagreed with that, as he felt that we should encourage anyone who wants to come in and invest in our community. The big box stores typically employ a lot of people - who are poor. In contrast, he mentioned the Hospital who employs professionals and pay higher wages; but most of these people don't live in Town.

Robert Horrocks concurred, and remembered the comment that a lot of the big box stores hire people from out of Town, like their Attorney, their Business Planning people, Accountant, their Engineers – and a lot of the money that they take in – goes out of Town. But then big boxes hire people who (typically) live in Town or within 20-25 miles; and they pay taxes. So there's a trade off. Just because they hire their attorney from Chicago, isn't a reason we shouldn't give them a tax abatement. They do their market research and they know if this is a viable place to do business, mentioning Home Depot who has invested millions of dollars. They may have come with or without a tax break, but we shouldn't just rubber stamp – 'ineligible' because they're a big box.

Victor Funderburk commented that we have to be clear on our goals – so if we just say: 'jobs', then we let anyone come in. But we also talked about real economic development by focusing on real progress with promoting the local economy; so we need to focus on our goals.

The Chairman then asked if there was any desire to modify the guidelines as discussed in February.

Victor Funderburk repeated that we need to be careful and clear on our goals, as the goals should determine what we do, and based on what we know...

The Chairman concluded asserting that – all we're asking for is based on scientific numbers with an economic impact (inaudible)...

Robert Horrocks agreed.

Chairman Hettinger asked if we (EDC) put this out – is it safe to say that – in polling the Commission, and that we re-visited the issues raised at the last meeting (held with the PZC), and that the guidelines that the Commission approved back in February are still those that we want to present to the Town Council. No further discussion ensued.

Next the Chairman reported that he had distributed in the packet a quick summary of the tax incentives that he prepared as a draft to review. He explained that it was not distributed to the Tax Assessor or anyone else for input, but he prepared it as a reference document for the Commission, so that if someone comes in (seeking economic incentives), that the Commission will be able to look at what we have- it may not be what we want, but it is what we have! He asked the other Commissioners to look it over for their review and comment. He added that it would be handy in any discussions with the Town Council as well when we go through the process. Basically, we have an Enterprise Zone – which goes from Jackson St. to the Natchaug River, and from Main St. to the Mansfield Town Line; this was designated in 1987. He then asked James Finger if we are suppose to re-certify the census tracts that were identified twenty-five years ago?

James Finger replied that we are supposed to be submitting annual reports; but the few people in Economic Development said they haven't done it in awhile. He added, that he had asked someone at the State (DECD) about it almost a year ago, and they too said that it hadn't been done in awhile. But they

will probably be asking for it at some point in the near future. The requirements do require quantification of the jobs created and the tax benefits ...

Chairman Hettinger interjected saying that there were two reasons for his question. First, as he understood it, the (Enterprise) Zone was created based on the income levels of the Census tracts - and those are twenty five year old numbers.

James replied that no one has questioned said to re-visit that (the income levels); so he said that question has not been raised.

Chairman Hettinger clarified that he wanted to know if more - or less things eligible? What have we got that could help - or hurt us? The second part of the question is whether there some re-imbusement (from the State) to the Town for lost taxes in the Enterprise Zone, and the Entertainment District (and the airport zone etc.)? He added that he wanted to know that if we are eligible for any re-imbusement from the State based on the 'Jobs Bill' that we fill out whatever paperwork is involved and get it. He explained that he looked through it, and the Bill was 169 pages long. He confessed that he did not read the whole document.

Next, the Chairman continued with the list of incentives turning to the Entertainment District. This is along Main St. from the Mills all the way up to Price Rite, and roughly from the Willimantic River up to Valley St. This was established in 1997 by resolution - and needs to be made part of the code of ordinances. The Entertainment piece is primarily production and support activities such as sound studios, movie studios, and things like that - which we are not doing here. It is not (businesses that sell) alcohol based - although it does give us (the local option of establishing) the deferral rights for any property in the District for real property improvements. So these are the major questions - and also if the Town is eligible for reimbursement for taxes from the State for the Entertainment District. He concluded that this is all that he had for presentation to the Town Council for the next month when he will be presenting the recommendations to them.

James Finger said that the Town Manager had asked if he could discuss these items at the Town Council meeting on the following night, as they are eager to hear this. Chairman Hettinger said he could, and the main point to clarify is the Entertainment District - as it doesn't include (alcoholic beverage) 'bars'. (some discussion from Victor Funderburk that was inaudible) Chairman Hettinger commented that the other issue is whether these programs are working (to promote economic development), because if you look at the Commercial buildings in the Enterprise Zone - there aren't very many of them and they are already occupied; and these are the ones that are getting filled with small industrial users instead of the Mills. This is because you can get a 10,000 or 20,000 sq. ft. building - or even 5,000 sq. ft. - that's the type of space that's being occupied. But there's not a lot of it (commercial or industrial buildings) because a lot of it is housing.

Business Calling - the Chairman asked for reports.

Robert Horrocks said he spoke with Bob Shallot(?) who used to be the pet grooming store who is an energetic and enterprising young man. It's a small shop across from Keri's studio on Main St Downtown. He added that he stopped in at the Cup Cake shop and congratulated the owners when they had their grand opening. He also spoke with Fred Sinclair (the owner of the new restaurant) The BBQ & Blues saying that he had dinner there a few times; and he also went into the Harp on Church St. a couple of times – an Irish Pub/restaurant – it's a fabulous place. These are all new (businesses) places, and the people are enthusiastic – and for some it's their first venture to have their own business and they're very up-beat. He added that he's been working with Thread City Development on forming a Downtown Advisory Group as they are encouraging that and trying to get businesses involved and to stimulate the business on Main St.

The Chairman asked if anyone else had anything to report, and explained to the new member that the Commission hasn't been able to get a formal visitation program going with all the members, so we use the informal means of asking individual members to stop in to ask local businesses how they're doing, and to report back to the rest of the Commission. He added that he also stopped at the Cup Cake shop and that they are doing well with the owner telling him that she sells out every day; and they are very good cup cakes. He mentioned that he visited Tractor Supply, and their business is booming

The Chairman asked about the façade grant (Main Street Investment Fund) program. James Finger replied that the State representative at OPM said that they had put out an RFP for consultant services to write the guidelines for them. So they don't have the program available yet. After some discussion the Commission agreed that they want to send a letter to merchants on Main St. in the Downtown to find out if any of them may be interested in this program whenever it becomes available – so we can gauge the level of need and interest.

Commissioner Horrocks asked if it was for the merchants or the property owners. James clarified that this is a program for Municipalities for municipally owned properties, but the Municipality may provide a portion of the funds for re-imbursement to property owners on a one to one match for up to \$50,000; and a three to one match or a quarter for each dollar of improvements in excess of \$50,001 up to \$150,000. He explained that the Town has a project ready to go for up to \$350,000 for sidewalks along Main St. – and we believe this would be eligible. The Chairman said that the Town Council told him that they are very much interested in doing a façade program; so there is a push for that type of activity. So the catch to that is that we need to find out who is interested and get them lined up for the program when it's available.

Commissioner Horrocks said it's with the property owners – not the businesses, so we need to get a commitment from them to participate in this.

Chairman Hettinger then referred to an article in the (Willimantic) Chronicle about the Casket Company in Town, and on the following page it referred to the variety of State programs. So it was good that the Chronicle gave out this information about these programs.

Next, the Chairman mentioned various correspondences:

The Eastern CT Workforce Investment Board on training programs that are available to employers who hire the unemployed, and returning veterans, as well as up-grade training for people who are already employed but need training for a higher job classification – and this is part of our marketing (tools).

An announcement about a training program for Economic Development training in Groton for April 3, 2012 sponsored by Northeast Utilities;

A notice from CERC (CT Economic Resource Center) Site Finder data base May 30<sup>th</sup> in Rocky Hill, and June 6<sup>th</sup> in New Haven – no specifics, but it’s just an alert to save the date – and we should probably attend as they will probably talk about how we can use their information in our marketing efforts.

U-CONN CLEAR programs – one on Economic Development on the (March) 28<sup>th</sup>, one on Growth and Community Character on April 18<sup>th</sup>, Planning the future of your Town, Win-Win Subdivision Design, and Clear Web Pools for Local Planning.

The Chairman then turned to item #6 on the Agenda - Goals and Objectives for the next year that were discussed at the February meeting.

Create economic development “marketing” materials to briefly explain the various state and local business and entrepreneurial assistance resources and provide contact information for programs. Resource categories should include entrepreneur training resources, business plan resources, loan programs, and tax incentives.

Create newsletter or use Fast Facts to get the information out – and we decided that we were going to use the Chronicle for the distribution.

Update the economic development section of the Town website to include current links to business and entrepreneurial assistance programs. This would be the links to the State’s Economic Assistance Programs, and to the CT Works (Linda Riquier), Northeastern CT Economic Alliance, and SAMA who is doing training on Quick Books and Business Planning, and they had hosted the meeting with U-CONN on the Innovation HUB. In any case the goal is that we want to get the word out about our programs through the Chronicle and maybe the Town’s newsletter. We also need to check the links on the Economic Development Commission’s web page and see where they go, and add new links. James said he would have to work on this, and said that we could add the information on the Enterprise Zone and Entertainment District – as many other communities who have these programs have this on their web site.

The Chairman said this leads into the next item on the need to get our data into CERC as he said he had been told that we don’t have to buy all of the services; but we do not have our information up correctly on

CERC or the State's data bases - and everyone (Business search teams) does their site searches on-line before they ever call you on the phone. He asked James to call CERC to see what we could get for free.

Next he turned to Thread City (Development), saying that they are taking the lead on the Main Street program - so we (EDC) will help them with whatever we can. Victor Funderburk asked what Thread City was, and Robert Horrocks explained that they are a non-profit agency. Many communities have these, and they tend to operate like an Economic Development Commission, but they can do things more pro-actively and they do things that the Town can't do or quickly. They may buy a property and turn it into shops, or they may renovate a property and sell it. In Brattleboro (Vermont), they've had a Development Agency for thirty years with an Executive Director and a couple of Assistants. They work with the Town, and work on shared goals, but work in different ways than we can. (more discussion ensued on the opportunities for grants marketing, and training, but some of the comments were inaudible). The Chairman concluded saying that the difference between us (EDC) and Thread City, is that we are focused on the (entire) Town, whereas Thread City is focused on the Downtown. So we decided that to avoid duplication, we would support Thread City because they have resources that we can't provide.

The Chairman then talked about the goal of reaching out to provide information to businesses, and to exchange information with other state and local organizations involved in economic development. These would include the CT-Works, Northeast Alliance, SBDC, the Chamber, SAMA, and the P&Z Commission. We need to work on this for the next year.

Also - outreach to existing and new businesses that require assistance in navigating town processes is our (EDC's) role.

The investigation of the feasibility of finding state or federal funds for downtown building and streetscape improvements - is the Main ST program that we discussed earlier. On the grants for arts and entertainment activities, we've talked about grants for this a number of times, and how this Commission can facilitate that process. The Governor put some money into that pot, and we need to help in any way we can to make it happen. Victor Funderburk commented that the Commission on Arts and Tourism has been merged with the Department of Community and Economic Development, and are now focused on promoting Economic Development. He mentioned the Theater Guild in applying for a grant that they do every year, but this time they had to demonstrate that they contribute to the local economy - and they do; so we (EDC) needs to support this. The Chairman agreed, and said that maybe we could provide a support letter if necessary.

The other item we still have on our list is to investigate the feasibility an industrial park on the Town owned land in South Windham. James said he has had some conversations with the Town Manager about some prospective development, but it's not ready for public discussion yet.

Next the Business Liaison mentioned that he had met with a property owner about a vacant property that is now on the market that they hope to lease, and alluded to a floor plan of the undisclosed site

comprising roughly 16,000 sq. ft. with a lease rate of \$16.50 and includes utilities as they haven't broken it out for this space. This amounts to a total about \$265,000 a year in rent that they no longer collect. This is the same for the Mills where they have finished space - that is empty, but don't have enough tenants paying rent. This is roughly 15% of their total floor area. Next he informed the Commission that he has been attending the training programs offered through the Northeast Alliance and the Savings Institute Bank. He said that these sessions have been very informative with a packed room - so there's a lot of good questions and responses. He added that this has made it possible to meet people interested in starting or possibly expanding their business, and he provides them with information that may be useful to them as well as his contact information, and that the EDC is interested in helping them make their business successful. The last workshop was on Quick Books, and the next one will be on marketing on a shoestring with Linda Riquier.

He reported attending an Art gallery display at Keri's Place for Barbara McClintock and David Johnson, and it was also packed with people, and they had wine and cheese. It was an amazing display of artwork displaying an incredible imagination with intricate detail. It was a wonderful event that demonstrated that we have local talent here, and that people will come downtown to patronize these activities.

Next he informed the Commission that each community was required to respond to the State Office of Policy and Management regarding the update of the State Plan of Conservation and Development. Towns were asked to compare and report our compliance of the local plans with the State's Plan for a 'cross acceptance'. He said he responded, but not in the form they were looking. He simply provided a narrative that discussed the concerns of the Town (as discussed at the joint meeting of the EDC and PZC)

He explained that he is the Town's representative to the Rail Consortium that is trying to re-establish passenger rail service from New London to Palmer MA that connects to Brattleboro VT. He mentioned that the Town provided a letter of support to Rail America for a federal transportation (TIGER) grant application seeking \$10 million in funding in an effort to upgrade the rail service from 263,000 lbs. to handle heavy freight of 286,000 lbs., which is the national standard for double stack freight rail cars. If they are successful in getting this funding, they will be able to more freight service to our area, and we could take advantage of the improved track with higher speeds up to 60 mph that passenger rail needs to make it viable. Right now they are limited to about 25 mph for freight, which would limit passenger rail to 40 mph.

This is a long term strategy that is projected for implementation over the next twenty years as we need to develop an alternative transportation system due to the increasing costs for using and maintain our existing transportation system. They are hoping to have a couple of excursion trips - one of which is for the Op-Sail event in New London. There will be a transportation Symposium at U-CONN on April 10<sup>th</sup>, and he said that he will attend to staff an information table for the Consortium. We're trying to get the word out especially to Legislators. We don't have the numbers for a passenger service now, but we are looking ahead twenty years because of the ever increasing costs for transportation and its maintenance.

We don't have many transportation options, and he said he had heard that we lost the Peter Pan bus service, as it supposedly doesn't stop in Willimantic anymore.

The Chairman said he knew that Representative Susan Johnson supports rail service.

The Chairman then reported that he and James had attended a meeting the previous week with Mary Holz-Clause the Vice President for Economic Development at U-CONN. There were a number of non-profit agencies present such as SAMA, WRCC, the Food Coop, the ACCESS Agency, and other organizations in Town. It was an initial meeting to ask how we can bring Economic Development in Town. We had a good conversation about opening up the door with U-CONN, and assisting with Economic Development possibly with student interns- in business incubators. What do they need, what can we provide, and how can we develop the partnership to get the feet on the street. At the conclusion, they agreed to have a follow up meeting at the Mills to see what we have, and possible to see some other properties.

### **Citizens & Delegations:**

John Walker addressed the Commission, and endorsed the idea of changing the zoning for the Mills, as it won't go anywhere unless they change it, or it will be the same problem for the next twenty years. He also agreed with Pam Viens comments about the questionnaire that the Assessor's office sends out, and that they should change some of the questions...(Chairman - not sure we have control over that)JW -but you do have some influence and it does relate to Economic Development - at least they could change the tone of the questionnaire. He added that he is interested in the Façade Grant, as he has several buildings, and needs some windows that would cost about \$7,000. On the topic of sidewalks, he reported that he also owns property on Ash and Jackson and it's the only property at that intersection without sidewalks. It has a cross-walk signal and it's the gateway to Lauter Park.

Jeffrey Viens, thanked the Commission for its work, and agreed that - with the Mills here - we are not going to see large manufacturing jobs here - it's not coming back; we might get some small operations, but not. He also agreed that we need the jobs that big box stores provide. It may be temporary, but when it fades, then we'll do something else.

He asserted that the biggest barrier to economic development is the zoning board - or the PZC in trying to tell an independent business man what's best for his Mill buildings. We can't allow an independent business man to fail - they've got to get support; and he urged the (ED)Commission to go to their (PZC) meetings and advocate for the support of these business people and to make the changes.

Chris Brechlin works with a lot of volunteer boards, and mentioned the Housing Analysis for the Incentive Housing Project actually supports 'affordable housing'. It's not going to make a lot of sense in promoting 'up-scale' housing if no one can afford it.

Bernie d'Autil said he thinks development is fantastic; but these businesses have to pay taxes too. Willimantic has a lot of civil (social) services here with half-way houses, substance abuse (treatment facilities) from one end of Town to the other. We're giving up too much money to the College through the PILOT money (program) - the Hospital's growing. Also we've got a non-profit agency that owns a huge parcel in Town - the old Stop & Shop where Generations just left, and they're sitting on Blimpies, the Fish Market, the d'Angelo's property, and now the Salvation Army is in there. They're just getting away with too much. The College is growing, and the Technical colleges are getting pretty sizable amounts of money, but Windham Tech has not. The College had discussed a plan about a year ago to put graduate students in dormitory housing on Valley St to Prospect. Those kids want to party - it's a dry campus, so they want to be off-campus. That's why you have the vacancies (in the dormitories?). He expressed concern that the College will take over the (Windham) Tech School, and there won't be anywhere for them to go. There are about 200 kids who want to go to (Windham) Tech, but can't get in because they (State) doesn't have the money for it.

We need to push for keeping and expanding the Tech School for electricians, mechanics, and carpenters. Plus we don't know what's going into the Hooker, the Nathan Hale, the YMCA, and the Tin Tsin lot; everybody's waiting for the Parking Garage to go up - and it's a few years away. So there's a lot to be concerned about. Tax abatement is ok, but don't give away the farm. He asserted that 560 on Main was given an 18 year graduated tax abatement - something to that effect...(James corrected him saying it was Art Space did get a 17 year...) d'Autil continued asserting - let him (Mills owner) go ahead and develop his property, but the Town shouldn't get (stuck) with paying for the bridge over the waterway to take care of parking lot. He declared that the American Thread walked away from the mess they made, and they shouldn't be allowed to get away with it. We get stuck holding the bag - that's 42+ million that was spent at the Mills - whatever was spent, and who ever got it - just forget about it - it's gone. Now - let the guy develop - he bought the land; but he didn't want to see the Town get ripped off for bridge. He made a pretty good deal when he didn't want that piece of land back there that was contaminated.

James asked for an opportunity to clarify the information relating to the comments made. We do get property taxes from the ACCESS Agency for those private uses. Their only exemption is for their own use - not for any of the out parcels. The restaurants and the rented spaces have to pay taxes. With respect to the money invested in the Mills, he said that as he understood the details it was approximately 17.5 to 18 million of state money, and another 2 ½ of Town Bond funds. This was the only money he was aware of, unless it was from various bank loans and some of these were likely discharged through the Bankruptcy.

With respect to the Non-profits we do have a large burden because we have all of the facilities that they need; and this was due in part to when the State got out of the business of having State Hospitals - they abandoned their own property up in Mansfield, and Norwich and it's a shame that they let it go - it's incredible that we would waste that resource. But they had to put the people somewhere, so they contracted out for these services to private vendors. The private vendors do pay taxes on their properties. It's just that they bring in a lot of people who can't afford to buy much (for themselves).

So that's part of the problem, as we have a large population of people who need things, but they don't have resources to buy things. With respect to the issue of affordable housing (in the Housing Needs study), it did report the need for market rate housing or higher end housing – which is surprising; but we also need workforce housing. With respect to the Planning & Zoning Commission, the Planning & Zoning Commission was actually combined starting in 2010. So it's not ten years that they've been involved; it was a different Board. It's a different group of people now, and their view is that they are trying to implement the Town Plan (of Conservation and Development) as it was written and adopted in 2007; and that (document) is more directory in trying to guide development in order to get the things that we want as a community, instead of letting things just happen spontaneously.

So – in their defense, they're trying to take action and move forward in a direction of implementing the Plan. They have made a number of (zoning and Subdivision regulation) changes that he said believed that the Mills (owner) would find to their advantage. They've changed the parking requirements; they've reduced the requirement to meet the peak demand (for holidays) when its not warranted. They also allow shared parking. There are a number of changes in the regs that we did last summer, that he felt were beneficial. One of the changes was to streamline the process for putting apartments in the Downtown area. Before it required a Special Permit (public hearing for any new apartment), with only one standard for a minimum floor area – which was a cookie cutter of 500 sq. ft. per unit. Now they allow a range with a lower minimum standard. The Incentive Housing Zone is to address State Statutes for a 25% increase in the density or number of units, or reduce the size of the units down to about 450 sq.ft. They also changed the zoning for the North Windham (Northridge Drive) area that was zoned manufacturing with a Special Permit for any retail use.

Now it's zoned a Commercial classification and allows retail by right – so they don't have to go through a Special Permit process. They are also looking at other Commercial areas to steam line the process and make it simpler to develop and do the right thing. So although there may be complaints about the Planning & Zoning Commission, they are trying to make strides in improving the system and to promote economic development. You may not agree with their strategy or their philosophy – but they feel that they are trying to uphold the Town's goals and objectives. With respect to the Mills, they (PZC) felt that housing was already addressed in other parts of Town, so they didn't feel that there was a need for more housing. That's a philosophical question, and he said he wasn't going to go there.

**Adjournment:** The Chairman adjourned the meeting at approximately 10:00 pm.

*Minutes respectfully submitted by James Finger*