

#### **MEMORANDUM**

TO: Ken Morgan, Acting City Manager

**Economic Development Housing and Zoning Committee** 

**Interested Parties** 

FROM: Juliet Burdelski, Director of Economic Development

RE: Update of Economic Development & Community Development Activities

April 17, 2018 through July 10, 2018

DATE:

Attached please find a report of activities conducted by the City of Meriden Economic Development Department for the period **April 17, 2018 through July 9, 2018.** 



# Update of Economic & Community Development Activities for the Period

# April 17, 2018 through July 10, 2018

Mission: The mission of the Economic Development Department is to sustain and grow the tax base, provide jobs, and create economic activity across numerous sectors within our community.

### Objectives:

- Collaborate with private, public and non-profit organizations that create jobs and economic activity in Meriden.
- **Support and champion community leaders** who work to make Meriden an attractive and economically viable place to live, work and recreate.
- Increase investment in Meriden's inner city, attract businesses to Meriden across numerous economic sectors, and retain existing businesses that have invested in our community.
- Pursue funding for and help implement critical infrastructure improvements that are necessary to support and sustain economic growth.
- Engage in long-term planning while at the same time recognizing the short-term needs of Meriden business owners, residents and workers.

# Marketing, Outreach and Strategic Planning

- Meriden 2020.com and Meridenbiz.com: 2500 users visited Meriden2020.com and Meridenbiz.com between April 15, 2018 and July 10, 2018. The most popular pages visited were "Events", "Downtown Redevelopment" and "Meriden Green". Updated www.Meriden2020.com/news and www.Meriden2020.com/events page with current events and news items.
- Lamar billboard: Contracted for the design and arranged for the broadcast of the following public service announcements on Lamar billboards in Meriden associated with the Lamar/City of Meriden agreement:
  - Race Hubbard Park 5K-April 2018
  - Daffodil Festival-April 2018
  - Fly in Festival April-May 2018
  - Memorial Mile Race-May 2018
  - Pet Fair-May 2018
  - Meriden Farmer's Market-June/July 2018
  - Summer Music at the Meriden Green-June/July 2018
- Making Meriden Center: Worked with MEDCO and Midstate Chamber to establish a downtown business center and office to help promote downtown development and incentive programs for downtown businesses. Part time consultants are under contract with MEDCO provide onsite staffing and consulting services. \$66,500 in MEDCO/private funds raised for year one.
  - Staff Meetings: City Economic Development staff meets weekly to discuss and follow up on new business leads. Potential new businesses in the pipeline include:
    - Beer Tap Room (Brothers in Ale, 24 Colony Street)
    - Breakfast/Lunch café (24 Colony Street)
    - Nail Salon (downtown)
    - Bookstore/coffee shop (downtown)
    - Seeking new owner for Café Dolce at 31 West Main Street.

- Seeking restaurant owner for 28 West Main Street.
- Cassidy's Diner. New owner seeking to undertake rehab and reuse.
- Special Events: City Economic Development staff worked with MMBC consultants to plan and hold special events to encourage new visitors to downtown. Events held:
  - June 15, 2018: Job Fair at 24 Colony Street in cooperation with CT Workforce Alliance.
  - June 16, 2018: Kick off -CT Rail Hartford Line service. City staff attended opening of CT rail service with MMBC, MEDCO and Chamber representatives. Promoted event on social media, including City of Meriden Facebook page.
  - June 22, 2018: Free music event at the Meriden Green amphitheater featuring "CJ West and the downtown train". City staff worked with MMBC consultants to cross-promote event using meriden2020.com and City Facebook page. Over 200 attendees participated. MMBC/MEDCO raised \$1500 in private funds to support event. Promoted event on social media, including City of Meriden Facebook page.
  - June 28, 2018: Entrepreneurial and networking event held at the Silver City Ballroom to promote entrepreneurial and investment opportunities downtown. City co-sponsored with MEDCO, MMBC, CT Main Street, Luchs Engineering and Guidicelli Real Estate. MMBC/MEDCO raised \$1200 in private funds to support event. City ED Department contributed \$590 for marketing materials and facility rental. Promoted event on social media, including City of Meriden Facebook page. A video of the event cap be downloaded here: <a href="https://tinyurl.com/mmbcentrepreneurs">https://tinyurl.com/mmbcentrepreneurs</a>
- City worked with MMBC, MEDCO and Chamber staff to prepare and submit application to CT Next/Connecticut Innovations to support continuation of MMBC and "Entrepreneur in Residence" in 2018 and 2019. Application submitted May 4, 2018. \$65,000 grant application is pending.
- TOD District/Downtown Business Survey: Working with MEDCO, Midstate Chamber and CERC to administer a downtown business survey. Survey results review in progress. City and MMBC will use results to update and maintain an inventory of downtown properties for lease/sale
- Small Business Development Center (SBDC): SCBD representative participated in June 28 Entrepreneurial event. SBDC advisor is following up with Tap Room é related to small business financing.
- **Opportunity Zones:** Federal program that allows for abatement of federal taxes related to investment in qualified investment zones known as "opportunity zones".
  - Applied to DECD to have qualifying Census Tracts in Meriden designated as "Opportunity Zones". The Governor's Office officially nominated three qualifying census tracts (1701, 1702, & 1709) in Meriden that cover a majority of downtown, the TOD district, and key brownfield redevelopment sites including Meriden Commons, 1 King Place and 116 Cook Ave.
  - The program, which provides a federal tax incentive for investors related to capital gains taxes, is still in its infancy while the IRS and Treasury create regulations at the federal level. The City will be working with DECD, other Cities, local developers, and other entities to ensure that Meriden realizes benefits from this program.
  - An informational forum regarding Opportunity Zones was attended by City staff on June 21, 2018.

# City owned property transfers and sales approved

- 20 Elliot Street. To adjacent owners (\$1200)
- 69 Maple Avenue. To adjacent owners (\$1000)
- 468 Thorpe Avenue. To adjacent owners (\$2500)
- 194-198 Grove Street. To adjacent owner (\$5000)

# **Business Retention, Expansion and New Development**

- 55 West Main Street Associates LLC. Working with property owner and CT Main Street Center to complete adaptive reuse study of property to assess feasibility of converting property from commercial to housing. Based on cost of adaptive reuse, owner likely to retain as commercial for lease. 38,000 sf. available.
- **30 Pomeroy Ave.-FW Webb.** Retail plumbing supply and showroom completed construction July 2018.
- Broad Street-O'Reilly's Auto Parts. Construction nearing completion.
- East Main Street-Tiano's Prime. Construction nearing completion.
- **Bee Street**. Assisted Living facility. Development plan approved.
- **246 Pratt Street.** Demolition and lot available for commercial construction. Met with broker on potential development plans.
- **29 Pratt Street.** Mixed use building with market rate residential above and retail below. Construction nearing completion.
- **39 W. Main Street.** Flavorite Smoothie shop. New downtown business. Ribbon cutting scheduled July 18, 2018.
- **10 Cooper Street-Cziepega's.** Celebrated 100 years in business at ribbon cutting held on June 20, 2018.
- **51 Colony.** New owner. Potential for adaptive reuse of historic property.
- **55 Church Street.** Toured facility with owner. Former Catholic Church complex (school, church, rectory). Available for sale for potential reuse of historic property.

# **Brownfield Redevelopment and Transit Oriented Development (TOD) projects**

#### 1 King Place

- Continued discussions with Midstate Medical Center on future site cleanup cost sharing.
- Retained Licensed Environmental Professional/Engineer Fuss & O'Neill to oversee abatement of hazardous building materials at former hospital site (building and parking garage).
- Issued bid documents for haz mat abatement contractor. Selected American Environmental Inc. (AEI) as haz mat abatement contractor.
  - \$3.4 million abatement contract. Source of funds is DECD grant/loan awarded in 2018.
  - Project meetings held in June. AEI on-site as of July 9, 2018. Fencing to be installed. Bi-weekly job meetings to be held throughout project.
  - Cleanup to be completed in 170 working days per contract.

### Mills/144 Pratt Street

 MHA transferred site to City May 2018. City transferred 62 Cedar Street to MHA for Meriden Commons Phase 2 development.

- City retained AECOM to oversee demo and abatement project.
- City issued bid documents for haz mat abatement and demolition. City selected Bestech Inc. as abatement and demolition contractor.
  - \$2.2 million abatement and demolition contract. Source of funds is DECD grant awarded in 2016 (\$1.9 million) and City CIP funds (\$300,000).
  - Abatement/mobilization commenced June 2018.
  - Abatement begins July 2018. Fencing installed. Bi-weekly job meetings to be held throughout project.
  - Demo to begin September 2018. (Demo ceremony to be scheduled prior to demo in early September.)

### Meriden Commons/161-177 State Street

- Phase 1 completed May 2018. 75 units, 5500 sf retail space.
  - Residential lease up in progress. Onsite leasing office open. 15 market rate units,
     25 units set aside for Mills replacement units, 30 units set aside for residents at 60% AMI.
  - Commercial lease up in progress. Charter Realty brokers. 3 commercial units (1500sf, 2000sf, 2000sf).
  - Ribbon cutting scheduled July 24, 2018 at 1 PM.
- Phase 2 construction to commence in July 2018. 76 residential units and 1500 sf commercial.
   Mix of apartments and townhome style units at 177 State Street and 62 Cedar.
  - Groundbreaking to be held in conjunction with Phase I opening July 24.

### 11 Crown Street

- Awarded \$1.98 million for building demo and site remediation. Source of Funds is DECD grant awarded 2016 (\$1.98 million). Demo/abatement is substantially completed. Demo/abatement project close out is in progress.
- Coordinating meetings regarding utility relocation associated with site redevelopment. Final utility relocation plans in progress.
- Finalizing all documents associated with property transfer to the Michaels Organization (ground lease, tax abatements, parking agreement, utility easements, environmental reviews). Property transfer is pending.

# 116 Cook Avenue

- Selected One King LLC as preferred developer.
- Held conceptual development plan review meeting April 16, 2018.
- Developer submitted proposed development agreement for consideration. Terms under review by Economic Development staff.
- \$3.49 million in state funds awarded for Harbor Brook flood control channel work behind 116 Cook Ave./Factory H site. Flood control work expected to proceed in 2018/2019.

# Meriden Transit Center/CT Rail

- Commuter Rail Service commenced June 18, 2018. Www.HartfordLine.com
  - Free parking available at State Street commuter lot through August 2018.
  - Tickets available for purchase at the station.

 Two electric vehicle charging stations available on State St. Charge Point account required.

# Community wide brownfield assessments & planning

- USEPA brownfield assessment: Awarded \$200,000 USEPA funding for community wide environmental assessments, reuse planning, community outreach, and project management (covers % of designated city personnel costs, supplies, related travel and LEP consulting services). Work is ongoing. Assessment sites include: 53 Colony, 55 Colony and 664 W. Main Street (Moran's), 208-226 West Main Street (Crystal Grocery)124 Hanover Street, 48 Arch Parkway, 21 Colony Street, 69 East Main Street, 84 Grove Street and 88 Grove Street.
  - Phase III completed on 69 East Main Street. Future development of 69 East Main Street must incorporate site cleanup cost. Cleanup costs may make site development infeasible in short term.
  - A no-cost extension and budget amendment for this grant was sent to USEPA on May 30, 2018. If approved, the grant period would be extended to September 30, 2019.
- Brownfield Areawide Revitalization Planning Grant-Round 2. The City of Meriden was not selected for an award.

#### **Grants Administration**

- CDBG: The City was awarded \$934,701 in CDBG funds for FY 2018.
  - Five business proposals for "Meriden Match" forgivable loan program are in the spec writing stage. Façade improvement projects to be completed in 2018.
  - FY 2019 CDBG Annual Plan in public review. <u>Next public hearing at 5:30 PM on Tuesday, May 1, 2018 on proposed use of CDBG funds.</u>
- USEPA: The City of Meriden was awarded a \$200,000 USEPA grant for Underground Storage Tank (UST) and PCB abatement. Attended pre-award EPA grant orientation in June, 2018. Grant includes cost for % of City personnel costs directly related to the grant, related travel, supplies, cost of cleanup and LEP oversight. Grant funds available as of October 1, 2018.

#### **Grants Administration**

- Choice Neighborhood Grant: Submitted \$18 million grant application to HUD in cooperation with MHA on Nov 22, 2017. Meriden not selected for an award. Will continue to work with MHA on scheduling a debriefing on the City's application from HUD in July/August, 2018. Another round of Choice Neighborhood funding is available. Applications are due in September 2018.
- Neighborhood Assistance Act:
  - The City received 6 applications for the CT Neighborhood Assistance Act Program, which
    provides tax benefits to investors and businesses that make cash investments in qualifying
    community programs.
  - A Public Hearing regarding the applications was held on May 23, 2018.
  - Applications were submitted to the CT Department of Revenue Services for their review and approval on June 12, 2018.
- Meriden Match Forgivable Loan Program (City administered CDBG funded program):
  - Five business proposals for the forgivable loan program are progressing through the spec writing and procurement stages. Quotes for two projects were received on June 20, 2018. Façade improvement projects to be completed in 2018.

- Another funding round for pre-applications will be opened in late July 2018, as at least 7 additional business/property owners have expressed interest in the program.
- Additional funding will be provided by the FY 2019 CDBG program. Funding from CT DECD in the form of a \$200,000 Urban Act Grant is also being pursued.
- CDBG FY 2018:
  - The City was awarded \$934,701 in CDBG funds for FY 2018.
  - My City Kitchen received \$7,131 towards a facility buildout at 290 Pratt Street. Work on this buildout began in June and will continue through the summer of 2018.
  - The program year ended on June 30, 2018. End of year compliance and reporting activities will continue through September 2018 when the CAPER (year end report) is due.
- CDBG FY 2019 Annual Plan
  - Final Public Hearing occurred on Tuesday, May 1, 2018, with City Council Adoption occurring on May 7, 2018.
  - The City received notification on May 17, 2018 that the CDBG allocation for FY 2019 increased by approximately \$120,000 over FY 2018, for a total allocation of \$1,053,112.
  - Annual Action Plan was submitted and is awaiting HUD review and approval.

# Committees/Boards and other activities

- Making Meriden Business Center: Attended weekly meetings to discuss potential business leads and related business outreach activities.
- City/MHA Joint Planning Group meeting was held on May 14, 2018.
- Midstate Chamber meetings: Attended monthly board meetings.
- MEDCO: Attended quarterly board meetings and monthly Executive Committee meetings.
- Blight & Brownfields Committee: May 17, 2018. Next meeting fall 2018.
- Economic Development Task Force was held July 10, 2018.

#### Staffing/Administration

Paola Mantilla, Economic Development Specialist, was rehired by the City in June 2018. The Department is now fully staffed.

Report prepared by Juliet Burdelski, Matt Sarcione and Paola Mantilla, July 10, 2018.