



Town of Madison, CT

Economic Development Commission

Draft

Minutes of the regular meeting of the Economic Development Commission held on February 13, 2020, 7:00 p.m. at the Town Campus

Present: Commissioners Ryan Duques, Matt Bloom, Eric Dillner, Anne Foley, Lisa Miksis, Mark Steffen, Jonathan Stein

Also present: Dave Anderson, Town Planner; Bruce Wilson, Board of Selectmen Liaison; Justin Murphy, Board of Finance Liaison

Mr. Duques called the meeting to order at 7:00 p.m.

1. Approval of minutes of regular meeting, January 9, 2020. The following corrections were made to the minutes of the regular meeting of January 9, 2020:

Page 1, spelling of “Jonathan” was incorrect

Page 1, spelling of “Christine” was incorrect

On motion made by Mr. Bloom and seconded by Ms. Foley, the Commission voted unanimously to approve the minutes of the regular meeting of January 9, 2020 as corrected.

2. Public comment. There was no discussion under public comment.

3. Tax Incentive Policy. Mr. Duques provided background information on the Tax Incentive Program Policy, which was adopted by the Board of Selectmen in 2018. Last month the EDC was advised of two applications from developers for tax abatements for development projects that meet the criteria. The policy is a guideline for the Board of Selectmen to use when considering applications under the policy on a case by case basis. The Policy also provides for projects to be approved by the Board of Finance and Town Meeting as per the process required by State statute.

Mr. Duques noted that the Tax Incentive Program policy has been in place for approximately two years. Last month two applications under this policy were discussed and considered by the Commission. There has been discussion on consideration for possible changes to enhance this policy. While changes are being considered the existing policy would remain in effect.

Mr. Anderson noted that the policy provides for applications to apply directly to the Board of Selectmen. The role of the EDC is to assist by providing guidelines and direction.

2-Minutes of the regular meeting of the Economic Development Commission held on January 9, 2020

There was discussion on conducting a review of the policy to suggest changes that would provide improvements. Mr. Duques, Mr. Stein and Mr. Steffen had exchanged e-mail ideas for changes to the guidelines to the process, how it is implemented, the timeline, and details about the goals of the policy.

Mr. Stein commented that, with regard to the goal, it will be important to make sure that the developer is incentivized but not to a degree that the Town is negatively impacted or that the general taxpayers are greatly impacted. A key component is that the project will add vibrancy.

Mr. Anderson commented on Section V.g. which provides that construction shall be completed by the second anniversary of the effective date of the agreement. To provide more flexibility the Commission members suggested that this section specify that this deadline is at the discretion of the Board of Selectmen to allow for more flexibility.

Mr. Bloom provided input on Section IV., the Vibrancy Goal, and compared Madison's wording to North Branford's policy. Madison's goal focuses primarily on vibrancy and jobs.

Mr. Duques agreed that it is important that the goal not be worded in a way that is too restrictive but also does not encourage activity that would not be in the best interest of the Town.

Mr. Duques and Mr. Steffen commented on Section III, Eligibility Criteria. Mr. Steffen felt it was important to provide more flexibility to be able to accommodate a project that would be beneficial to the Town and the community, but might not create a substantial number of jobs. He provided an example of affordable housing, which would provide a benefit to the community but not necessarily create long term jobs. He also brought up an example of an apartment building which could need a larger abatement during the earlier years which could be phased out, because this type of project would generate revenue in the later years after it is able to fill with residents. Mr. Steffen noted that this example would be a reason to consider providing for a phased-in option which would provide for a bigger tax break early with a phase out in later years. After discussion, The Commission members agreed to recommend that the policy be adjusted to provide that proposals requesting a tax incentive meet either Criteria .a **OR** Criteria b.

Mr. Commission members discussed Item IV, Vibrancy. Mr. Anderson commented on the inclusion of the phrase "contribution to the community's aesthetics," as one of the measurements to determine a project's vibrancy. He noted that the PZC will have already considered aesthetics in the PZA application. Mr. Stein commented that he believes including "aesthetics" as a measure is beneficial to provide an additional incentive to the developer to improve the visual aspects of a project above and beyond what is required by PZC regulations. Mr. Duques agreed that this wording could be helpful for a developer to understand aspects of a project that would be viewed in a more positive light.

3-Minutes of the regular meeting of the Economic Development Commission held on January 9, 2020

The Commission recommended that consideration be given to amending the Tax Incentive Program Policy to require that PZC approval for the project be secured before submitting a Tax Incentive application.

The Commission members discussed another aspect of the policy included in Section IV, Vibrancy Goal. This section provides that the maximum duration for the incentive is five years. Mr. Duques and Mr. Steffen noted that there could be projects that would generate a low return that would need additional time to recoup their investment for a project that would still be a great benefit to the community. They suggested that consideration be given to extending the maximum duration to 10 years, which is the maximum allowed by the State Statute.

Mr. Stein commented that he agreed with the exclusion of projects already construction from consideration for the Tax Incentive Program.

The Commission members also discussed Item V.i. which states that the construction period ends and the deferral begins on the Grand List subsequent to the issuance of the property's Certificate of Occupancy or if the Assessor determines that the property is 100% complete. They requested that the Assessor be asked to clarify when the taxation actually begins and if the actual start date of the assessment is when the C of O is issued.

Mr. Anderson provided an update on the status of the two applications that the EDC had voted to support in concept at the January meeting. He noted that the applications will be considered at the March of April Board of Selectmen's meeting.

Mr. Duques suggested that members give further consideration to the ideas discussed this evening and if they come up with other examples or want to propose different options, they should bring their ideas to the next meeting.

Mr. Anderson agreed to consider the Commission member's comments and come back to the next meeting with clarifying language and a recommendation to move forward. Input from the commission members for wording to allow for the incentives for a project to be phased in would be especially helpful as well as improvements to clarify the language under Vibrancy Goal.

4. CERC Facility Utilization Research. Mr. Duques noted that CERC had been asked to submit a proposal to provide an assessment on how Madison's community spaces are currently being utilized. In a discussion with the Selectmen's Office he was advised that the First Selectwoman agrees that the information that could be provided in the study would be helpful and they would also like to be involved and included in the study's scope and would be interested in possibly covering half of the cost. The Selectmen's Office would like to provide input on the scope and Mr. Duques will coordinate with the Selectmen's Office and CERC to finalize the

4-Minutes of the regular meeting of the Economic Development Commission held on January 9, 2020

scope. He anticipates they can have an update in the next two weeks. The new goal will be to not only assist the Economic Development Commission but also the Town as a whole.

Mr. Anderson noted that currently the policies for use of community spaces in Madison vary from location to location and this study will assist with coordinating policies and moving toward making them more consistent. There has been some discussion about obtaining software to assist with this effort. He noted that Art Sickle, Director, Technology Department, has begun the process of collecting data on room use and purpose. Mr. Anderson also noted that Bill McMinn, Facilities, is conducting a generic building study about the condition of Town buildings, their uses and information on energy use. Duques suggested that it would be helpful to first identify the policies and get them more consistent before implementing any software for actual use of facilities. He noted that a study was conducted approximately 10 years ago and he will forward a copy of this study to Commission members.

5. 2020 Priorities Update. Mr. Duques noted that, as follow-up to the 2020 Priorities Update discussed at the January meeting, he and Mr. Steffen had a discussion on the waste water issue and discussed aspects including background, location and capacity. They will continue to dialogue on this topic.

Mr. Anderson noted that the Water Pollution Control Authority has requested an appropriation of \$100,000 for a waste water study.

In response to a question by Mr. Bloom, Mr. Anderson noted that he has no update on the train platform. He noted the Senator Cohen was planning to discuss this issue with the DOT and he will follow-up with her.

Mr. Bloom commented that he believes it would be helpful to have a dashboard of data points that could provide a means to measure results of various projects. It should include items such as grand list, population, number of jobs in Town, new housing starts, houses on the market, real estate prices and other measures. The Commission members agreed this would be a helpful tool and Mr. Bloom and Mr. Duques agreed to work together to draft a dashboard.

6. Board Reports (BOS, BOF, Planning and Zoning)

Planning and Zoning Report- Mr. Anderson provided an update on the proposal for #4 Boston Post Road. PZC has held two hearings on this project and a third hearing will also be scheduled. There has been some opposition by the Inland Wetlands Commission expressed based on the amount of fill needed. They are not opposed to the project as a whole.

5-Minutes of the regular meeting of the Economic Development Commission held on January 9, 2020

Mr. Anderson noted that an application has been submitted for the General's Residence property for an amendment to the small cluster housing regulation. The current regulation calls for the structure to be 40' from the street line and they are requesting a 25' setback from the street line. This could be a benefit for future projects. In response to a question, Mr. Anderson noted that the regulation allows for a higher diversity for single family and two family units near the commercial district. The goal of the developer is to save the historic General's Residence.

Board of Selectmen's Report – Selectman Wilson noted that the Board of Selectmen is deep in the budget season. Mr. Wilson also noted that an individual interested in initiating a new project in Madison was referred to Mr. Anderson and Mr. Duques. This business has created a wifi technology that can scale to a larger area. They are located in Virginia and their new technology is an alternative to 5G. Applications can include a school system, emergency services, downtown or Hammonasset Park type facility. They are interested in a shared model where the municipality would invest in hardware and utilize the services of this company for support under a revenue sharing agreement. This would work by collecting a fee to have this new wifi available in areas like downtown or Hammonasset, providing visitors with the opportunity to have access to the internet to search for places to go and possibly utilize businesses in Town. They are pursuing large and small municipalities as well as college campuses. There is a precedent for the idea of participating in this type agreement whereby the Town could become a type of utility for high speed internet. This business is putting together a presentation and he believes this is a natural topic for the EDC at its March meeting.

Board of Finance Report – Mr. Murphy noted that the Board of Finance is currently very involved with the budget process. He found the discussion on the tax incentive policy helpful. He understands that economic development is important but also can be complex in a primarily suburban community. He noted that tax incentives are not necessarily enough noting that any commercial development also needs to be a viable project. There needs to be a focus on how much opportunity is available for economic development in a community that is 95% residential. Mr. Steffen commented that the challenge is encouraging and obtaining diversity.

Mr. Duques noted that economic development projects can also include enhancements to existing structures. Mr. Anderson stressed that any development activity needs to be consistent with the Comprehensive Plan of Conservation and Development.

Mr. Steffen commented that, as a very attractive community, Madison should focus on projects that enhance this attractiveness. This could begin with an understanding of the many existing assets in Town and offering suggestions to build on these assets. He agrees that having a dashboard to use as a guide will be helpful and he will work with Mr. Duques to complete this guideline.

6-Minutes of the regular meeting of the Economic Development Commission held on January 9, 2020

7. Old Business. There was no discussion under old business.
8. New Business. There was no discussion under new business
9. Adjournment. On motion made by Mr. Stein, and seconded by Mr. Steffen, the Commission voted unanimously to adjourn the meeting at 8:11 p.m.

Terry Holland-Buckley
Clerk