



Town of Madison, CT

Economic Development Commission

Draft

Minutes of a regular meeting of the Economic Development Commission held on May 13, 2021 via Zoom Videoconferencing

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

Also present: Dave Anderson, Town Planner; Peggy Lyons, Bruce Wilson, Board of Selectman; Justin Murphy, Board of Finance; Barbara Malimberg, Ginny Kozlowski, REX; Gerry Davis, Ironworks, LLC

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

1. Approval of minutes of regular meeting April 8, 2021. On motion made by Ms. Foley and seconded by Ms. Miksis, the Commission voted unanimously to approve the minutes of the regular meeting of April 8, 2021 as submitted.
2. Public comment. There was no discussion under public comment.
3. Update: South Central Connecticut Comprehensive Economic Development Strategy (CEDS). Mr. Duques noted that Ginny Kozlowski and Barbara Malimberg were present from REX to provide an update on the South Central Connecticut Comprehensive Economic Development Strategy.

Ms. Kozlowski noted that the South Central region covers the area from Milford to the West, Meriden to the North and Madison to the East. As one of the economic development districts in the State, they are charged with developing an economic development strategy every five years. Given the recent pandemic they plan to focus the upcoming strategy on specific areas including:

- Equity
- Recovery and resilience
- Workforce Development
- Manufacturing
- Technology based economic development
- Environmental based economic development
- Exports and IDI

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They are meeting with representatives from the participating cities and town to gain their input on these strategy ideas and, in an attempt to obtain information on how to best prepare for any possible future emergency situation, are also asking for input on what towns would have done if they knew six months in advance that the pandemic was coming. The most recent focus was on opportunity zones, now the economic development strategy will focus on the seven areas highlighted above, which in many ways are interrelated. Town input on how to focus on these areas will be critical to the development of the strategy.

In response to a question, Ms. Malimberg noted that they are collecting data on the status of the region's current workforce. Original data estimates that the workforce is currently down approximately 50%. They understand the importance of this number because, if the workforce cannot be expanded, the regional will not be able to grow economically. There have been some challenges for employers to get people back in the workforce. They believe that issues related to this problem include child care, remote work uncertainty, the need to learn new skills, the permanent elimination of some jobs, and uncertainty about the vaccine. It is understood that this is a national trend but they want to focus on the local and state barriers for people returning to the workforce.

In response to a question by Mr. Murphy, Ms. Kozlowski noted that they are uncertain if the extended unemployment benefits are having an impact on individuals returning to the workforce. Because the minimum wage in Connecticut is higher than the national average this benefit is not as dramatic as in other areas. They believe one of the most important factors for people to return to work is for them to feel safe and confident.

First Selectwoman Lyons commented that overall, Madison's workforce was able to adapt to the last year primarily due to the socio-economic make-up of the community. There still remains some uncertainty about what people are expected to return to after the experience of the past year. Many workers became comfortable with flexibility and working remotely and the expectation of working in the workplace five days per week and interacting with the public again will be difficult for some. There is a need to figure out what will be considered the new norm.

Mr. Wilson suggested that it would be beneficial to provide outreach to small businesses on what the town or region could do to provide them with any assistance they might need to come back strong.

Mr. Duques noted that there will be discussion under Item 5 below about ways to utilize American Rescue Plan funds and one possible focus would be on assisting businesses with reopening and how these funds could be used to assist with this effort.

Mr. Duques highlighted some positives from the last year noting that the Town did a very good job of keeping resident and staff safe and of getting children back to school in the fall. He also

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noted that there has been a positive impact on housing prices in Madison noting that there has been a 19.8% increase in the median price of a home in Madison. There has been a general increase in the demand for housing in Connecticut.

Ms. Kozlowski noted that REX plans to present a draft copy of the plan to the Council of Governments on May 26 so she requested that the Madison EDC provide any input on their ideas as soon as possible.

Mr. Duques agreed to forward a copy of the REX presentation to the Commission members.

4. Tax Abatement Resources. Mr. Duques noted that Jerry Davis was present to discuss the Town of Madison Tax Incentive Policy Assessment Deferral Application for Ironworks, LLC. This project "The Bradley" is planned as a 30-unit multifamily three-story building offering one and two bedroom rental apartments with elevator service. Tenant amenities include bike storage, a fitness room and EV charging stations. Approvals for this project have been received from the Inland Wetlands Commission and Planning and Zoning Commission.

Mr. Anderson explained that Mr. Davis has been working to move this project forward for a while but it was a change in State rules regarding septic regulations that assisted this project since he was able to increase the number of bedrooms from 33 to 50. The other factor that provided encouragement for the project to move forward is the ability to apply for a tax abatement.

Mr. Duques noted that the application indicates that the estimated increase in assessed value after the project is completed will be from the current value of \$462,200 to an estimated \$4,000,000. This project is applicable to the policy as written since it adds to the grand list, creates jobs and is located in the downtown commercial district area.

Mr. Davis noted that this property was purchased in 2009 and the change in the State septic rules provided the ability for the project to begin to move forward and the addition of the ability to apply for a tax incentive making the project more economically feasible for the developer and a benefit to the Town. Another benefit to the Town is helping to meet the objective of having additional housing in the downtown area. Mr. Davis noted that the Tax Abatement Program will be especially helpful given the dramatic recent increase in construction costs. He believes this project will prove to be a great benefit to the Town of Madison.

Mr. Anderson reviewed the process for a business to apply for the Madison Tax Incentive. After the submission of the application, the business can ask for a letter of support from the Economic Development Commission. The application must be approved by the Board of Finance and Board of Selectmen and if approved by these Boards the application then requires Town Meeting approval. Once all approvals are received the Town enters into an agreement with the developer.

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After discussion, on motion made by Mr. Stein, and seconded by Ms. Foley, the Commission voted unanimously to endorse the application by Ironworks LLC under the Town of Madison Tax Incentive Policy Assessment Deferral Program for “The Bradley”, a 30-unit multi-family three story building offering one and two bedroom rental apartments, located at 110 and 114 Bradley Road.

5. American Rescue Plan Funds: EDC Request. Mr. Duques again thanked the Town for its efforts during the past extraordinary year to keep Town staff and Town residents safe. He noted that the Town will be eligible for funds from the American Rescue Plan and he requested that Selectwoman Lyons provide some information on the program and also consider input from the Commission on possible uses that benefit the Town’s economic development, for some of the funds.

First Selectwoman Lyons noted that funds can be used for costs incurred by December 31, 2021. While the allocations are not finalized, initial estimates are that the Town would receive \$5,276,961 and the schools would receive \$892,000. The goal is to address Covid related issues and economic related issues that developed as a result of the pandemic. Projects that are eligible for funding include premium payments or grants to essential workers, services that were affected by a revenue reduction during the pandemic, initiatives in water, sewer and broadband and assistance to eligible non-profit organizations to use to set-up for the future. The funds cannot be utilized to provide a tax cut. The next step is to work with the Emergency Operations Team and Long-Term Recovery Committee to develop a preliminary plan for use of these funds and to present the plan to the Board of Selectmen. The funds will be direct payments to municipalities for the next two years. Municipalities have until 2026 to utilize the funds. They will be looking to highlight smaller projects that can move forward quickly.

Mr. Duques questioned if the Town could be looking at best practices to insure efficiency is the use of the funds. First Selectwoman Lyons noted that the Town will be receiving guidance and advice from CCM to assist with the process. Mr. Dillner suggested that the Town look at hiring an administrator to help manage the funds and projects.

Mr. Duques requested that the following projects be considered for funding under the American Rescue Plan which have an economic development impact including recovery and sustainability:

Regional Economic Development Coordinator Position

Guilford’s Economic Development Coordinator has retired and it might be beneficial to partner with Guilford and/or other towns in the region for a staff person to assist with economic development related activities. One important project would be the development of a long-term Economic Development Strategic Plan. He would propose funding for three years for an economic development and sustainability position with a focus on the development of a 10-year

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economic development sustainability and development strategy. There is not a cost estimate for this position available at this time.

On motion made by Ms. Foley, and seconded by Ms. Miksis, the Commission voted unanimously to recommend that consideration be given to funding a Regional Economic Development Coordinator Position under the American Rescue Plan funding to be provided to the Town of Madison.

Waste Water Study

Mr. Duques noted that the Water Pollution Control Authority is pursuing a study regarding waste water that is focusing on environment impact. The Economic Development Commission is recommending that a study that focuses on the economic implications and engineering aspects of a waste water facility in the downtown area be considered for funding. This study would be the first step for the EDC to pursue a technological resolution to waste water management in the downtown area and to demonstrate the benefits, from an economic perspective, of addressing this issue. A technological study would follow the completion of the economic development study. The estimated cost for an economic development impact study would be \$50,000 and the Commission believes a return on investment would follow in the long run. First Selectwoman Lyons noted that another source of funding for a Waste Water Study could be funds from the proposed Infrastructure Bill if this bill moves forward.

On motion made by Ms. Foley, and seconded by Mr. Stein, the Commission voted unanimously to recommend that consideration be given to funding an Economic Development Waste Water Study under the American Rescue Plan funding to be provided to the Town of Madison.

Harbor Management Plan

Mr. Duques recommended that consideration be given to funding a Harbor Management Plan for West Wharf. The plan would focus on the economic development and quality of life implications of harbor use.

On motion made by Mr. Duques, and seconded by Mr. Bloom, the Commission voted unanimously to recommend that consideration be given to funding a Harbor Management Plan to study economic development implications and quality of life uses related to West Wharf, under the American Rescue Plan funding to be provided to the Town of Madison.

First Selectwoman Lyons noted that the Board of Selectmen will take these recommendations under consideration when moving forward with the process.

6. Old business. Mr. Stein noted that he had contacted a representative from the Madison Land Trust about the idea of offering an opportunity to allow dogs to be off leash at specific times and locations as a way to attract dog owners to Town by using the multiple trails as

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an economic asset. They were interested in this idea and suggested that a proposal be drafted for presentation to the Land Trust.

7. New business. Mr. Duques suggested that the Commission consider making a recommendation to the Charter Revision Commission that the Charter be revised to provide for a four year, rather than a two-year, term for the members of the Board of Selectmen. This change would provide better continuity of leadership and also help reduce time spend with political campaigns.

On motion made by Mr. Duques, and seconded by Mr. Stein, the Commission voted unanimously to add to the agenda under new business, a recommendation to the Charter Revision Commission.

On motion made by Mr. Duques, and seconded by Mr. Stein, the Commission voted unanimously to recommend to the Charter Revision Commission that the Charter be revised to provide for a four-year term for the members of the Board of Selectmen.

9. Adjournment. On motion made by Ms. Foley, and seconded by Mr. Stein, the Commission voted unanimously to adjourn the meeting at 8:12 p.m.

Terry Holland-Buckley
Clerk