

**CHESHIRE ECONOMIC DEVELOPMENT COMMISSION  
MINUTES OF THE REGULAR MEETING HELD ON  
TUESDAY, OCTOBER 20, 2009 AT 7:30 A.M.  
CHESHIRE TOWN HALL – 84 SOUTH MAIN STREET  
ROOMS 207 / 209**

Commissioners Present:

Chairman Brian Miller, Justin Adinolfi, Kathleen Gannon, Richard Kaplan and Thomas Scannell

Commissioners Absent:

Lelah Campo

Staff Present:

Jerry Sitko, Economic Development Coordinator

Others Present:

Bob DeJongh, Liaison for the Inland / Wetlands Commission; Arthur Hostage, former Economic Development Commissioner, John Lesky, Cheshire Chamber of Commerce Liaison (arrived at 7:45 a.m.); William Llewellyn, Vice President of Human Resources and Training for Housing Authority Insurance Group (departed at 7:50 a.m.)

**I. CALL TO ORDER**

Chairman Miller called the meeting to order at 7:31 a.m.

**II. ROLL CALL**

The roll was called.

**III. DETERMINATION OF QUORUM**

It was determined that a quorum was present.

**IV. PLEDGE OF ALLEGIANCE**

All present recited the Pledge of Allegiance.

**V. APPROVAL OF MINUTES – September 15, 2009 Regular Meeting**

**MOTION** by Mr. Adinolfi that the minutes from the September 15, 2009 Regular Meeting of the Economic Development Commission be accepted as presented. **SECONDED** by Mr. Kaplan.

VOTE: In Favor – Adinolfi, Gannon, Kaplan, Miller and Scannell  
Opposed – None

The motion passed 5 – 0.

## **VI. COMMUNICATIONS**

- a) Letter of resignation from Beatrice Fiorino

Commissioners reviewed the resignation letter from Beatrice Fiorino and unfortunately accepted it.

## **VII. BUSINESS**

- A) Presentation Re: Housing Authority Insurance Group

William Llewellyn, Vice President of Human Resources and Training for Housing Authority Insurance Group, was present to speak to the Commission this morning. He explained that Housing Authority Insurance Group is located on Commerce Court and has been there since 1994 but has been in business since 1987 in a few other Cheshire locations. There are currently 111 employees, with 3 vacant positions. There have been 11 positions added in the last year at Housing Authority Insurance Group and the budget for next year calls for an additional 12 to 14 positions. Mr. Llewellyn stated that approximately 15 employees live in Cheshire and 70 % of the employees live within 12 miles of the office.

Housing Authority Insurance Group consists of 8 companies, all formed for a different purpose. One of the companies is a liability risk retention group; the second is a mutual property insurance company and both are domiciled in Vermont. There are 3 Delaware corporations that run Housing Television Network. There is a whole production studio located in their Commerce Court building and they have the ability to stream web casts from the facility. Prior to web streaming, the broadcasts were done via satellite.

Housing Authority Insurance Group has been at their Commerce Court location for 16 years now. Originally the building was 30,000 square feet but then there was an expansion in 2004 to 41,000 square feet. Between 1997 and 2001, Housing Authority Insurance Group purchased an additional 6 acres which encompasses the whole end of cul-de-sac on Commerce Court, which makes up 3 lots, for future expansion options.

There are no products created at Housing Authority Insurance Group, other than insurance policies and financial services.

The annual gross written premium for Housing Authority Insurance Group is \$117 million and the current member surplus of the Group is \$ 203 million, which is net

income from the companies that is put aside, after dividends have been paid out to policyholders. These members or policyholders are housing authorities and redevelopment authorities across the country, located in 46 states. They insure approximately 62% of the housing authorities across the country.

Mr. Llewellyn explained that Housing Authority Insurance Group has gone to the Housing and Urban Development Agency and secured a bid waiver for any housing authority that wishes to purchase its insurance through them, therefore bypassing the federal procurement bidding process. The policy renewal rates are between 95 and 96%, which have really fueled the success of Housing Authority Insurance Group. A normal commercial insurance company with 80 to 85% renewal rates is considered very, very good.

Mr. Adinolfi asked what is driving the growth of Housing Authority Insurance Group. Mr. Llewellyn replied that it is the other affiliated programs, like tax credit financing, mixed income financing, Hope 6 projects for new housing projects and upgrading properties thanks to the Federal Stimulus Project.

When asked who Housing Authority Insurance Group's biggest competitor is, Mr. Llewellyn replied, Arthur Gallagher, which is a brokerage firm that runs a lot of the state insurance pools.

Mr. DeJongh asked what made Housing Authority Insurance Group pick Cheshire for a location. Mr. Llewellyn replied that the first CEO, John Salisbury, lived in Cheshire when the companies were formed. In addition, for financial and insurance services, Connecticut was an ideal location. Also, the employees attracted in this area have been of an extremely good caliber; this year's turnover rate is 2%. Mr. Llewellyn noted that recently with the downsizing of Webster Insurance and USI, Housing Authority Insurance Group picked up 7 employees that had been laid off from those firms.

At the current Commerce Court location and building size, Housing Authority Insurance Group can go up to about 140 employees. At approximately 130 employees they will have to consider another expansion of the building or another location (separate building).

Chairman Miller commented that the strength of Connecticut has been the insurance industry, which seems to be a real advantage for Housing Authority Insurance Group.

Mr. Llewellyn commented that it has been a tough year for a lot of companies, but Housing Authority Insurance Group has been the exception. It has been a great year for them, which is good for the employees and good for the Town.

Chairman Miller thanked Mr. Llewellyn for attending this morning's Economic Development Commission meeting.

#### B) Meetings with Cheshire companies

Chairman Miller suggested inviting the Commissioner of Economic Development for the State of Connecticut to a future Economic Development Commission meeting, or

perhaps special meeting, to talk about the State's Strategic Plan. Mr. Sitko suggested invited the new Headmaster of Cheshire Academy to an Economic Development Commission.

#### C) Pratt & Whitney

Mr. Sitko stated that the Hartford U.S. District Court will take up the lawsuit to stop Pratt & Whitney's move out of Connecticut on December 14<sup>th</sup>. Mr. Sitko has contacted the Department of Labor to offer to assist with job searches / fairs, as has Chamber of Commerce Executive Director Sheldon Dill.

Mr. Sitko also stated that he has talked to a couple of Legislators about revisiting the Enterprise Zone or Nutmeg Zone for Cheshire because of the impact that Pratt & Whitney's departure will have.

#### D) Focus Group Meetings

Ms. Gannon talked about the latest Focus Group meeting, which was held on October 13<sup>th</sup> and included retailers and restaurant owners. Some of the items discussed were the impact of the economy and how to become a Town bidder. She felt it was very well received and commented that it was a good mix of businesses in Town.

Chairman Miller commented that in reviewing the notes of the meeting, many had concern with bringing people to Cheshire and highlighting its assets. Ms. Gannon stated that there was talk about attracting local residents to shop locally and encouraging the consumers to frequent multiple local businesses.

Mr. Sitko stated that there was also discussion about the need for more Town events to draw people into Cheshire and suggesting perhaps "Trail Days" or "Shop Cheshire Days". Mr. DeJongh questioned if the Town doesn't commit the resources for such events, who will? Chairman Miller commented that he agreed and talked about the organization, "Main Street".

The next focus group will include the local growers and will hopefully be held in November.

#### E) West Main Street Commercial Area Streetscape Improvements Project Update

Mr. Sitko reported that the West Main Street Commercial Area Streetscape Subcommittee will be going out to bid on the work that is needed west of the culvert to Deepwood Drive, after some minor re-design work is completed. A contractor was lined up for the disturbed area of Strollo's property but Victor Strollo has decided that he does not want to pave this year after the business losses sustained during the remediation shutdown this Summer. This section of Strollo's will now be included in the west side bids for the project, with work hopefully beginning in the Spring. The remaining work will not begin until after the culvert is replaced, which is scheduled for the Summer of 2011.

Mr. Lesky asked if there has been any talk of any of the businesses in this area changing and Mr. Sitko replied no. Mr. Sitko added that with the streetscape improvements to the area, he feels that many of the businesses in the area will undergo some façade improvements as well, which we have already seen happening. Mr. DeJongh suggested possible expanding the roadway area to Furniture Barn with shops to expand the area.

Chairman suggested adding a revitalization discussion to the next Economic Development Commission meeting agenda for this area of Town.

#### F) EDC Representative to Town Beautification Committee

Chairman asked for anyone interested in representing the Economic Development Commission at the Town Beautification Committee to please notify himself or Mr. Sitko.

#### G) Connecticut Economic Strategic Plan

H) Mr. Sitko commented that the Connecticut Economic Strategic Plan has been in the makings for a long time, adding that Former Economic Development Commission Chairman, Dave Pelletier, had testified at one of these hearings. Chairman Miller commented that he saw very little new items in this report and little expansion of ideas that have been discussed previously.

Mr. Hostage talked about “act locally, think globally” and encouraged the Economic Development Commission to send a letter to the Superintendent of Schools asking him to reconsider his removal of Advanced Placement Physics classes at Cheshire High School. Chairman Miller asked if the class was cut due to funding problems or if there was just no one taking the course? Mr. Hostage stated that he was not sure and Chairman Miller asked if he would investigate the situation and report back to the Commission.

#### I) Small Business Forum of Cheshire Chamber of Commerce

The Chamber of Commerce is running a “Small Business Forum” on October 22<sup>nd</sup> at Cheshire Academy from 9:00 a.m. until 11:30 a.m., in an effort to bring the Chamber, the Town and small business owners together. Chairman Miller will be speaking at the event.

#### J) Liaison Reports

Mr. DeJongh, Liaison for the Inland / Wetlands Commission, stated that his commission continues to be quiet. He asked Mr. Sitko to include him with any discussion with Housing Authority Insurance Group, regarding any future expansions on their property, so that the wetlands can be considered in their planning.

Mr. Lesky, Liaison from the Cheshire Chamber of Commerce, commented that in addition to the items already discussed during this meeting, with regards to the Chamber of Commerce, the annual Oktoberfest was held last night at the Watch Factory and was sold out. There is a ribbon cutting ceremony at Mid State Medical Center in Meriden that Sheldon Dill has been invited to. The Women in Business breakfast will be held on October 27<sup>th</sup> at 8:30 a.m. and next Wednesday there will be a Business After Hours event.

#### J) Coordinator's Report

Mr. Sitko reported that there is an article in the packet regarding Alexion Pharmaceuticals. The McDonalds renovations were approved and the existing building will likely be knocked down in March 2010. Pizzeria Davinci, a small chain, is going to open a shop in the south end of Town, where Pizzeria Fresco was located.

Old Castle Glass, formerly Floral Glass, is cutting back and closing their Cheshire facility.

Consolidated Industries, on Mixville Road, is expanding and has recently added 10 jobs. They do a lot of Defense Department jobs and have been in business for a long time. The manager has told Mr. Sitko that they are looking into some sound mitigation options for their plant.

Mr. Sitko has started to gather incentive information from other Connecticut communities.

The Town Beautification Committee has awarded Dietrich Gardens for the Adopt a Spot of the year location.

#### K) Other

None.

### **VIII. ADJOURNMENT**

Chairman Miller adjourned the meeting at 8:55 a.m.

Respectfully submitted:

Tracey M. Kozlowski  
Recording Secretary