

**CHESHIRE ECONOMIC DEVELOPMENT COMMISSION
MINUTES OF THE REGULAR MEETING HELD ON
TUESDAY, MAY 15, 2012 AT 7:30 A.M.
CHESHIRE TOWN HALL – 84 SOUTH MAIN STREET
ROOMS 207 / 209**

Commissioners Present:

Chairman David Pelletier, Kathleen Gannon, Brian Miller, David Orsini (arrived at 7:35 a.m.) and William Stanley

Commissioner Absent:

Robert Formica and Robert Sepp

Staff Present:

Jerry Sitko, Economic Development Coordinator

Others Present:

Arthur Hostage, former Economic Development Commissioner; William Freitag, Liaison from the Cheshire Chamber of Commerce; John Hennessey, Vice President of Operations at The Music People (TMP) Pro Distribution (departed at 8:10 a.m.); Jim Mingo, National Account Manger for TMP Pro Distribution (departed at 8:10 a.m.)

I. CALL TO ORDER

Chairman Pelletier called the meeting to order at 7:30 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 – April 17, 2012

MOTION by Ms. Gannon that the minutes from the April 17, 2012 Regular Meeting of the Economic Development Commission be accepted as submitted. **SECONDED** by Mr. Stanley.

VOTE: In Favor –Gannon, Pelletier and Stanley
Opposed – None
Abstain – Miller

The motion passed 3 – 0 – 1.

VI. COMMUNICATIONS

There were no communications to the Economic Development Commission this month.

VII. BUSINESS

A) Discussion with Music People, Inc.

Mr. Sitko and Commissioners welcomed John Hennessey and Jim Mingo of The Music People (TMP) Pro Distribution to the Economic Development Commission meeting.

Mr. Hennessey noted that the Music People will be moving to McCausland Court by early July. He stated that their business was started in 1979 by his father and his father's business partner as a music accessory business. He explained that his business is an import business and is a very cash intensive business because they pay in advance, wait for their products to arrive and then sell them to customers. As an example, Music People sells 160 brands of microphones, in addition to the numerous guitar stands, mixing boards and public address systems.

Music People has 53 employees in their Berlin, CT headquarters and warehouse. They also have a distribution center in Carson, California as well as one in Kentucky. In addition, there is a 15,000 square foot research and development warehouse in Shanghai, China with 5 employees. Music People has continued to see steady growth of their business in Connecticut over the years. The move to Cheshire will be to relocate their warehouse space and will provide them 8 loading docks at the 43,000 square foot warehouse. With the move, 7 employees will be relocated to Cheshire from Berlin.

Mr. Mingo talked about Music People's customer base, which ranges from small "mom and pop" stores, like Acme Music at the Watch Factory in Cheshire to large chain stores, such as Sam Ash. They also supply their products to a lot of electrical contractors and commercial contractors for school P. A. system installations both in school buildings and for outside fields. Music People have seen a huge increase in mass communication systems at campuses for incident report to staff and students.

Mr. Sitko asked about the competition Music People faces in their lines of business. Mr. Hennessey replied that for the music accessory business some of their competitors are Command Music and Ultimate Support. With regards to their Pro Audio Distribution business, it is largely based on the actual product. Music People is the largest supplier of stands and accessories and with regards to Pro Audio, Music People is also one of the largest distributors for most of the products they offer.

Mr. Hostage asked how many of Music People's suppliers are not in the United States? Mr. Hennessey replied there are over 30 suppliers from China and one in Europe. He added that 80% of their products come from 2 suppliers. Music People exports to 40 countries, most of the products are made in China with some of them direct shipped from China.

Mr. Stanley asked if the new warehouse will be a good size for the future of Music People? Mr. Hennessey replied yes, it will be much bigger than where they are now so they can spread out and significantly grow the company. Currently though, there is not enough space available at the Cheshire facility to move all the office staff from Berlin so they have only signed a 2 year lease for the McCausland Court facility. Ideally, Mr. Hennessey would like to have both pieces of the business together, either in Cheshire or somewhere else.

Mr. Hostage asked if Music People distributes its products through the internet? Mr. Hennessey replied yes, but not directly.

Members thanked Mr. Hennessey and Mr. Mingo for coming to speak to the Economic Development Commission this morning. Mr. Hennessey invited the Commissioners to visit Music People either in Cheshire or Berlin, noting that they would be moving into the new warehouse during the week of 4th of July.

B) Speakers for Future Meetings

Mr. Sitko suggested inviting New York Graphic Society to a future Economic Development Commission meeting.

C) Work Plan for 2012 – 2013 - Priorities

Chairman Pelletier and Mr. Sitko worked together to prioritize the Economic Development Commission's Work Plan for 2012 – 2013, which was reviewed at this meeting by the Commissioners. Ms. Gannon commented that the list looked good to her and Mr. Miller agreed, adding that he liked the idea of a job fair. Mr. Sitko suggested that maybe the Commission could reach out to neighboring communities to participate adding that this would be organized with the help of the Cheshire Chamber of Commerce.

D) West Main Street Commercial Area Streetscape Improvement Project

Mr. Sitko stated that the bridgework, roadwork and island of refuge on West Main Street is being finished up and should be completed by the end of May. Once they are done, the streetscape improvements around the culvert will be completed by the Fall.

With regards to the expansion of the Linear Trail, the Town is responsible for the West Main Street to Jarvis Street section and the initial design work has begun. The

portions that the Connecticut Department of Transportation are responsible for will hopefully be started in 2015.

E) Pratt & Whitney Property

Mr. Sitko stated that there continues to be some interest in the former Pratt & Whitney property on Knotter Drive, one of which is an out of state company. The company is currently working with the Connecticut DECD regarding an incentive package to move to Connecticut. The same company is also considering a building in North Haven; Mr. Sitko hopes to know more soon.

F) Shop Local Committee

Ms. Gannon reported that the Shop Local Committee met recently with Town Councilwoman Nichols. Many of the local business owners are unhappy with the level of support for local businesses. They are encouraging the local businesses to support one another and to promote their businesses locally. There will be another meeting with this Committee this afternoon and Ms. Gannon noted that the Chamber of Commerce is taking the lead with this initiative but the Economic Development Commission will continue to support this project.

G) Election of Officers

Ms. Gannon stated that she and Mr. Sepp discussed the election of officers for the Economic Development Commission and have the following recommendations to the Commission.

MOTION by Ms. Gannon to re-elect David Pelletier as Chairman of the Economic Development Commission; to elect William Stanley as Vice Chairman of the Economic Development Commission and to elect Brian Miller as Secretary of the Economic Development Commission. **SECONDED** by Mr. Orsini.

VOTE: In Favor – Gannon, Miller, Orsini, Pelletier and Stanley
Opposed – None

The motion passed 5 - 0.

H) Liaison Reports

Mr. Freitag of the Cheshire Chamber of Commerce talked about the upcoming change in the recycling program in Town with the use of bigger bins and every 2 week pick up, which will generate a savings of hundreds of thousands of dollars for Cheshire. He also noted that the Water Pollution Control Authority is working with the Connecticut

Department of Corrections to negotiate the obligation the State will have to contribute to the plant upgrades.

I) Coordinator's Report

Mr. Sitko talked about the possible development of the former Ball & Socket property on West Main Street by a local group with a focus on the arts that has received a \$1.7 million loan from the State and has asked the Town to apply for \$500,000 Brownfield remediation funding. Mr. Sitko noted that no deal has been finalized between the group and owner of the property, Mr. Dalton.

Mr. Sitko stated that the new restaurant that is located on the former Brix Restaurant property, Luca, has recently opened. FroYoWorld is coming to Cheshire in the former Holly's Hallmark location in the Maplecroft Plaza. Also, Olympic Taekwondo Academy will be occupying the former Toyz location at the Watch Factory. A new hair salon, Cappola – Brokaw Art of Hair, will be opening soon in the former Ciao Bella location next to the Watch Factory.

J) Other

Mr. Hostage talked about the increased use of robots in China.

VIII. ADJOURNMENT

MOTION by Mr. Miller to adjourned the May 15th meeting of the Economic Development Commission at 8:40 a.m.; **SECONDED** by Mr. Orsini.

VOTE: In Favor – Gannon, Miller, Orsini, Pelletier and Stanley
Opposed – None

The motion passed 5 - 0.

Respectfully submitted:

Tracey M. Kozlowski
Recording Secretary