

**CHESHIRE ECONOMIC DEVELOPMENT COMMISSION
MINUTES OF THE SPECIAL MEETING HELD ON
TUESDAY, SEPTEMBER 30, 2014 AT 7:30 A.M.
CHESHIRE TOWN HALL – 84 SOUTH MAIN STREET
ROOM 207/209**

Commissioners Present:

Chairman David Pelletier, Dan O’Connell, Steve Sidoruk, William Stanley and Ray Voelker

Commissioner Absent:

Michael Ecke and Lori Rusnack,

Staff Present:

Jerry Sitko, Economic Development Coordinator; Michael Milone, Town Manager

Others Present:

Arthur Hostage, former Economic Development Commissioner; David Schrumm, Town Council Liaison; Matt D’Amour of Big Y (departed at 8:00 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 – Regular Meeting June 17, 2014

MOTION by Mr. Sidoruk that the minutes from the June 17, 2014 Regular Meeting of the Economic Development Commission be accepted with the following corrections: Page 1 Commissioners Present the correct name is Vice Chairman Stanley, Chairman Pelletier was absent. **SECONDED** by Mr. Stanley.

The motion passed unanimously by all present.

VI. COMMUNICATIONS

Mr. Sitko stated that articles and communications are embedded within this meeting's packet.

VII. BUSINESS

A) Discussion with Representatives of Big Y

Chairman Pelletier and Commissioners welcomed Matt D'Amour of Big Y to the Economic Development Commission.

Mr. D'Amour stated that Big Y is a family owned and operated company. His grandfather founded the company in 1936 in Massachusetts. In the 1980's his father took over the company, which at that time had 22 stores to about 40 stores relatively quickly. Currently Mr. D'Amour, his brother and sister are involved in the family business and there are 64 Big Y's, with the latest store in Old Saybrook. Typically, Big Y stores average store size is between 6500-7500 square feet but Big Y is exploring some smaller format stores in order to expanded into new areas.

Big Y also has Fresh Acre Markets, which is similar to a Trader Joe's / Whole Foods format. They feel this is a great vehicle for the higher demographic community, smaller secondary markets. They also have a table and vine format, which is a wholesale liquor, beer and fine wine business of which there are 3 locations in Massachusetts – 2 of which are in-store.

Mr. D'Amour stated that the Cheshire location was pure luck – they were very excited to go forward with the opportunity to expand into Cheshire as they had looked in Cheshire about 20 times before. The initial plan was just to get into the store and provide as the supermarket was a need of the community and they didn't want to interrupt that. Big Y didn't have a lot of data on what Cheshire consumers are looking for so initially they are sticking with their flyer and gathering data. Their intentions are to look at the data of what sells and what doesn't as well as what customers are still looking for to make intelligent business decisions for the Cheshire store – what to modify, what commodities to bring in and what commodities to take out. Big Y does have an addition 5 – 6,000 adjacent to the store for potential expansion. Mr. D'Amour stated that his initial inclination is to bring in some fine wines and good pairings for an upper scale "package store". The other alternative is just to expand the store into that space. Overall they are trying to find the highest and best use for the space based on what is best for the community.

Mr. D'Amour stated that he is 3rd generation with Big Y; he started out at 12 or 13 years old cleaning bathrooms in stores, then bagger, stock boy, etc. He took a short break after college but was asked to come back to the business but went through the ranks of stocking shelves to grocery manager, assistant store manager and store manager to corporate facilities division and now today Mr. D'Amour designs all of the Big Y stores and he is in charge of capital expenditures and commercial real estate transactions for Big Y.

When asked if the D'Amour family purchased the whole "Everybody's" plaza, Mr. D'Amour replied no, Sam Irving still owns it but Big Y has a 20 year lease as an anchor tenant. He did say that Mr. Irving had received an offer recently to purchase the plaza for \$13 million, which he turned down stating that he was insulted by the offer, as Mr. Irving has stated that he wants \$16-18 million to sell the plaza.

Chairman Pelletier asked how the Big Y store has been doing since opening in Cheshire and Mr. D'Amour replied that it has been exactly as expected. He added that it has not been a "barn burner" in sales but Mr. D'Amour thinks that some of the problem is the lot design, which he thinks is worth re-evaluating when Big Y goes before Planning & Zoning in the future for the parking lot and building orientation.

Chairman Pelletier mentioned the organic / specialty market that Big Y has and asked if Big Y has talked to W/S Development about the retail center they are creating on the north end of Cheshire? Mr. D'Amour replied that they have and he understands their desire for the project but he is not sure there is going to be the critical mass to make it all work, or who they have committed to the center yet.

Mr. Stanley asked what the focus group information shows for Stop and Shop consumers vs. their Big Y consumers in Cheshire as a lot of people he talked to state that with Big Y's smaller size it's more convenient. Mr. D'Amour stated that you can do something to offset size difference but the reality is that the more variety and selection you have the more sales you will have that draw over distance. This is why Big Y really needs to do its research as to how to expand its mix of products at its South Main Street location in the future. Stop and Shop corporate offices have moved out of New England recently and their focus seems to be on profit oriented now focusing on labor and operating costs according to Mr. D'Amour. He added that when your focus shifts from your consumers to your operating profit, customers tend to notice.

Mr. Hostage asked how much of the wine business contributes to the supermarket business at Big Y? Mr. D'Amour stated that it's challenging in Connecticut due to the "Blue Laws". When you work with fine wines and pairings with food it is a big hit. In Massachusetts without the same restrictions of hours, etc. in Connecticut seem to be working well. But it is a very specialty consumer who knows or wants good wine, specialty crafted beers and liquors which is expanding to Internet sells, where allowed.

When asked when the expansion of Big Y will happen in Cheshire, what ever options they decide to go with, Mr. D'Amour stated that it would be in 2015.

Mr. Sitko asked if there is a possibility of a smaller scale post office for the Cheshire Big Y and Mr. D'Amour replied that he thought so. Mr. D'Amour mentioned that there seems to be a desire for a pizza section for the store, which does quite well in all its stores.

Members thanked Mr. D'Amour of Big Y for coming to speak to the Economic Development Commission this morning.

B) Speakers for Future Meetings

Chairman Pelletier stated that Mr. Sitko has arranged for a representative of Macy's to attend the October meeting of the Economic Development Commission.

C) Incentive Policy

Chairman Pelletier reported that at the June 11th Town Council meeting members unanimously approved the continuation of the Incentive Policy that the Economic Development Commission approved in May. Chairman Pelletier thanked all the committee members for their work on the Incentive Policy for Cheshire.

D) Program with Department of Labor

Chairman Pelletier stated that Mr. Sitko is working to put together a program with the Connecticut Department of Labor for the businesses in Town for the various incentives they are offering. Chairman Pelletier suggested that the Connecticut Department of Economic and Community Development be coordinated with the Department of Labor for this event.

E) C-PACE

Chairman Pelletier reported that on September 9th the Town Council approved Cheshire's participation in the C-PACE program. The C-PACE program finances energy improvements over \$150,000 over a 20-year period; the Town collects the annual assessment via a lien on the commercial property. Mr. Sitko noted that there are about 90 towns in Connecticut participating in this program.

F) Regional Planning Organization Consolidation

Mr. Sitko gave an update on the Regional Planning consolidation that Cheshire is working to become a part of. Cheshire will be joining with the 13 towns of the greater Waterbury Region and 4 towns in the Valley, which are Shelton, Ansonia, Derby and Seymour; Bristol and Plymouth are also join with this group. The Town of Cheshire has really benefited over the years with the Greater Waterbury Council of Government organization, they have relatively good staff there, they are "young, aggressive and hungry" and Cheshire has received a number of planning related grants and grants for the trail through them among others. The group is working through the merging of administrative functions and financing and liabilities. They are also almost ready to begin the search for a new Director, which

will be a nationwide search. Mr. Sitko stated that he continues to attend the meetings as an alternate as the consolidation progresses.

G) Jordan Caterers

Jordan Caterers recently closed their business and PowerStation has recently acquired the property on Highland Avenue. Chairman Pelletier reported that the Town received back from Jordan Caterers part of the incentive they were given during their expansion, which is the penalty for leaving the Town early after receiving an incentive package from the Town of Cheshire. Mr. Sitko added that because Jordan Caterers left before the 10 years of the incentive policy was done, they had to pay back all of the tax assistance that Jordan Caterers received, \$17,491.37.

H) Liaison Reports

Town Council Liaison, Mr. Schrumm, was present and informed the Commission that the work for the Linear Trail from West Main Street to Jarvis Street should be going out to bid in a few weeks. He noted that between the Trail expansion and development of Ball & Socket, West Main Street could become a very different part of Town in a couple years. Mr. Schrumm noted that the State has given the Town some property just off Jarvis Street to be used for a parking lot and it will have bathrooms facilities. The part from Jarvis Street to Southington will be after this section.

Mr. Schrumm noted that the Waste Water Treatment Plant project is progressing. He also informed the Commission that W/S Development just received their sewer approval, which is the last approval that W/S needed aside from building permits, to get started with their project on the north end of Town.

Mr. Schrumm informed the Commissioners that the proposed cell tower Public Hearing is scheduled for next week. The cell tower is proposed to be built near Quinnipiac Park, at the Waste Water Treatment Plant.

The \$8 million dollar energy improvement projects around Town were very busy this Summer and the project is progressing nicely.

Mr. Schrumm asked Mr. Sitko about the farming land on East Johnson Avenue that recently changed hands from one farming family to another, asking how much industrial land is left to develop? Mr. Sitko stated that he believes there is still a fair amount but he can let the Commission know for sure at the next meeting. He noted that CK Greenhouses purchased what was left of the Pasqualoni farm on East Johnson Avenue.

I) Coordinator's Report

Mr. Sitko stated that the Connecticut Florist Association, based out of Monroe, leased 5,300 square feet on East Johnson Avenue for their administrative offices and to do training sessions.

Trinity Solar has leased 20,000 square feet at 611 West Johnson Avenue; they will have approximately 25 jobs here and will be providing solar installation to the northeast area.

Ball & Socket Arts purchased the West Main Street property last week for \$765,000. The State will be reviewing in a Public Hearing the property to determine if it should be put on the State Registry of Historic Places on October 1st, which will make the property eligible for historic tax credits. The Town is working with the State and Ball & Socket Arts on a \$400,000 agreement for a remediation grant for the property. Planning & Zoning approved the plans for Ball & Socket Arts a few months ago. Mr. Sitko noted that the State of Connecticut provided the financing for this property to Ball & Socket Arts.

Waterbury Masonry & Foundation came to Cheshire about 10 years ago and built a 10,000 square foot building at 120 Commerce Court. Recently that business was purchased and it was discovered that there are a lot of zoning violations on the property. The new owner is looking to make the appropriate corrections so that the property is "right" with the Town. Once that is done, the owner has talked about coming in with plans for an 8,000 square foot addition to the building.

There are plans before Planning & Zoning now for a 15,000 square foot day care facility off of Route 10, on Blacks Road, on the east side of Route 10.

Mr. Sitko stated that the former Pink Petunia property on West Main Street was approved for a zone change to an R-20A zone and the property was purchased by a dentist that has plans to clean up the property and make changes to the entrance to the property.

The former Luca's Restaurant has a new owner, who has put a lot of time and money into the property; it looks good according to Mr. Sitko. The new restaurant will be called VR Osteria and will open tomorrow.

Mr. Sitko reported that Denali's Cheshire store has closed, they were very active in the community but we will now have to find somebody else for their location in Maplecroft Plaza.

The Planning & Zoning Commission has denied the proposed Dunkin Donuts & Drive Thru at the corner of Route 68 and Route 70. That decision has been appealed by Dunkin Donuts.

Mr. Sitko would like to add Business Appreciation Day to the next agenda so that planning can be started for the 2015 event.

Mr. Sitko informed the Commission that he, Town Manager Milone and Town Planner Voelker are working with some property owners around the center of Town to see what they can do for some long vacant properties. He is also working with the Town Planner on the long-term vision of West Main Street.

The Planning & Zoning Commission is reviewing the Cheshire Plan of Conservation and Development. Mr. Sitko believes the Economic Development Commission will be invited to a meeting in the near future to provide input where appropriate to the Plan for Cheshire.

An article about "the good old days of Route 10" is in this meeting's packet.

Mr. Sitko talked about a program trying to link up students and local manufacturers, specifically middle school age students.

The Town received a \$500,000 STEAP Grant to help with sidewalk expansion on West Main Street, from Grove Street to Maple Avenue. The Town was not successful with their \$350,000 grant application to Main Street Investment, which would also be put into sidewalk work on West Main Street. The Town Council has put funding into the Capital Budget and Mr. Sitko expects that project to begin next year.

The First Congregation Church received a \$15,000 grant to paint their steeple from the CT Trust for Historic Preservation.

As far as Mr. Sitko knows, W/S Development is still planning to start their site preparation by year-end or early next year and have hopes of having a few stores open by the start of the 2015 Holiday season.

J) Other

Mr. Hostage mentioned that he had the pleasure of introducing Mr. Sitko for a Chamber of Commerce meeting / lecture and was very impressed with all that he did not know that Mr. Sitko has been involved in over the years and his even more extensive Economic

Development knowledge than original thought. He commended Mr. Sitko for his work on behalf of the Town of Cheshire.

IX. ADJOURNMENT

Chairman Pelletier adjourned the September 30th meeting of the Economic Development Commission at 8:50 a.m.

Respectfully submitted:

Tracey M. Kozlowski
Recording Secretary