

**CHESHIRE ECONOMIC DEVELOPMENT COMMISSION
MINUTES OF THE REGULAR MEETING HELD ON
TUESDAY, MARCH 17, 2015 AT 7:30 A.M.
CHESHIRE TOWN HALL – 84 SOUTH MAIN STREET
ROOM 207/209**

Commissioners Present:

Chairman David Pelletier, Dan O’Connell (departed at 8:45 a.m.), William Stanley and Ray Voelker

Commissioner Absent:

Michael Ecke and Steve Sidoruk

Staff Present:

Jerry Sitko, Economic Development Coordinator

Others Present:

Peter Gioia, Vice President and Economist of CBIA (arrived at 7:40 a.m. and departed at 8:45 a.m.); David Schrumm, Town Council Liaison

I. CALL TO ORDER

Chairman Pelletier called the meeting to order at 7:37 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 January 20, 2015

MOTION by Mr. Stanley that the minutes from the January 20, 2015 Regular Meeting of the Economic Development Commission be accepted as submitted. **SECONDED** by Mr. Voelker.

The motion passed unanimously by all present.

VI. COMMUNICATIONS

There were no communications to the Economic Development Commission.

VII. BUSINESS

A) Discussion with Peter Gioia of CBIA

Chairman Pelletier welcomed Peter Gioia, Vice President and Economist of CBIA to this morning's Economic Development Commission meeting.

Mr. Gioia invited Commissioners to visit www.cbia.com to review some of the same information he would be sharing today and additional information. Mr. Gioia stated that there are 4 things that drive the economy. The first is that Connecticut is a small state but it has various industries that export to other states and countries. Secondly the low interest rate environment leads to very slow growth. Mr. Gioia believes that this environment will permit a housing recovery and expects it to be better by this Summer and into 2016. The third thing that drives the economy is energy; Mr. Gioia expects low oil prices maybe up to the next 5 years. He also noted that natural gas lines are being expanded into Connecticut resulting in lower electricity costs. The final thing to drive the economy in Connecticut is manufacturing, commercial aerospace, submarines, medical device productions and food manufacturers.

Mr. Gioia talked about the work force challenges that are expected in 2018 with an accelerated number of retirements expected that will open up a number of jobs in Connecticut. Some examples of these jobs are management, sales, science technology, engineering, accounting, actuaries, medical and medical assistant positions. Mr. Gioia expects the unemployment rate to be down to 4-4.5% in 2018. He talked about the need for highly skilled, educated people in the United States.

Mr. Gioia stated that on February 18th the State's "ugly" budget was presented; residents will likely see a mix of taxes will be. He stated that nobody likes this budget noting that the State is unlikely to be adding spending to the budget.

Mr. O'Connell asked what the State is doing to entice and keep businesses in Connecticut and not go over the state lines to Massachusetts or New York? Mr. Gioia agreed it was an issue and added that the State is seeing concerns with succession issues for family businesses. He added that the State needs to work on incentives for businesses to keep them in Connecticut.

Members talked about the future of UTC in Connecticut. Mr. Gioia stated that he believes UTC has a terrific future but he has concerns for what will happen once they have met their 15 year commitment to the State. There is also some concern for what will happen to Connecticut's Sikorsky facility if this portion of their business is sold off.

Chairman Pelletier thanked Mr. Gioia for coming to speak with the Economic Development Commission this morning.

B) Speakers for Future Meetings

Commissioners suggested inviting a representative from Conntech Products or UTC Aerospace (formerly Goodrich Corporation) to a future Economic Development Commission meeting.

C) CTfastrak

Representatives from CTfastrak were at Town Hall Wednesday, January 21st from 6:00 p.m. until 8:00 p.m. to hold an open house on the new bus rapid transit system. The bus system will have a stop at the commuter lot near I-691 on Route 10 and on Route 70 at the commuter lot near I-84. Mr. Sitko stated that approximately 35 residents attended the open house to learn about the transit system, which is expected to begin March 28th. The CTfastrak buses will have comfortable seating and will have free Wi-Fi for its passengers. Mr. Sitko stated that he will send out material about CTfastrak to Cheshire's major employers once the bus service begins.

D) C-PACE

Mr. Sitko shared an email exchange he had with Alysse Lembo-Buzzelli of CT Clean Energy regarding interest in the C-PACE program from Cheshire property owners. He noted that although Winter is a "slow" time of year he has had a couple of companies apply for the program and others that have inquired.

E) Program with Manufacturers and Cheshire Public Schools

Chairman Pelletier stated that he, Mr. Sitko and Mr. O'Connell met on January 26th with Superintendent of Schools, Greg Florio and Assistant Superintendent Scott Detrick as well as School / Business Partnership Coordinator Kelly Lenz, to discuss Mr. O'Connell's thoughts and research about career trends and paths, including those in manufacturing, that do not involve a 4-year college degree. Mr. O'Connell was invited and attended the March 10th School / Business Partnership meeting along with Mr. Sitko and Chairman Pelletier. Mr. O'Connell commented that the school representatives were very receptive and they had a good discussion about future job projections for the next 8-10 years and the level of education that will be required for these jobs.

Mr. Stanley brought up that high schools are “judged” based on the number of students that attend college and perhaps this needs to be re-evaluated.

F) Credit Rating Agencies and Bond Sale

Mr. Sitko stated that the Town of Cheshire has had its Credit Rating affirmed at AAA by Standard & Poors, which is the highest rating awarded. Moody’s had previously rated the Town of Cheshire at Aa1, one level below AAA.

As a result of these ratings, the Town of Cheshire was able to sale \$15 million in bonds to Janney Montgomery Scott LLC at 2.599653% with a premium of \$773,315.55. This is 66 basis points lower than what had been projected, which will result in an average annual savings of \$53,000 each year over the 20 years of the bond.

G) Grand List

Mr. Sitko reviewed the October 1, 2014 Grand List of \$2,727,355,625, which is an increase of over \$28 million or 1.07% from the previous year. He noted that the increase is a good mix of real estate increases, personal property increases and motor vehicle increases. Councilman Schrumm noted that although this is a good increase, it still does not bring Cheshire’s Grand List up to the 2008 level, which was \$90 million more than this current list.

H) Election of Officers

Mr. Sitko noted that the Election of Officers for the Economic Development Commission should happen in April, according to the Commission’s By-Laws. Chairman Pelletier stated that he would ask Mr. Sidoruk to work on nominations for the Chairman, Vice Chairman and Secretary positions.

I) Liaison Reports

Town Council Liaison, David Schrumm, was present to speak with the Commission about recent activity of the Town Council. Mr. Schrumm stated that the Town Council has begun reviewing the Operating Budget proposal from Town Manager Milone, which currently calls for a 4% increase. This is equivalent to a \$276 increase per home owner. Councilman Schrumm stated that the Council will be reviewing the proposed Operating Budget and will likely be making cuts to reduce it. He also stated that the Board of Education is looking for \$3.4 million more this coming year but will not get that because the enrollment numbers are projected to be down. The Operating Budget for 2015/2016 will be approved by the Town Council by mid April.

Councilman Schrumm stated that the Waste Water Treatment Plant upgrade project continues to be on time and is under budget. The work at the Cheshire Community Pool

for the new enclosure is scheduled to begin next month and the extension work for the Linear Trail should begin soon. He also stated that a Remediation Grant was recently approved for the Ball & Socket Arts property on West Main Street.

J) Coordinator's Report

Mr. Sitko stated that W/S Development continues to be committed to their proposed project in the Interchange Zone and expects to start pulling permits between May and July to get started.

Mr. Sitko reported that Bishop's Farms property on South Meriden Road was recently sold to Sunshine Properties of Cheshire LLC, who has great plans for the property.

Eversource Energy (formerly Northeast Utilities) is closing some of its location in Waterbury, Torrington and Simsbury but the West Johnson Avenue location in Cheshire is planned to remain open, which could mean more jobs coming to Cheshire.

The Connecticut Florist Association's training facility on East Johnson Avenue will be holding a ribbon cutting ceremony tomorrow at 2pm followed by an Open House until 7pm.

Mr. Sitko stated that the Planning & Zoning Commission is reviewing a proposal for a 17,000 square foot day care facility on Route 10 near Blacks Road that would hold 196 kids. There have also been some talks about a tennis facility possibly coming to Fieldstone Court. Recently there has been some interest in the former Arby's property and former Staples locations on South Main Street.

Mr. Sitko informed the Commission that he recently spoke with the property owner of the 7-Eleven store on South Main Street, who is looking into making some property upgrades in the coming months.

Mr. Sitko mentioned that Consolidated Industries is working to make some upgrades at their Mixville Road facility and in the coming months will be installing more efficient equipment that should be quieter.

Mr. Sitko would like to hold a meeting in May or June with Cheshire business and representatives from the Connecticut Department of Labor.

Mr. Sitko informed the Commissioners that a company is looking at locations in Cheshire for a possible hydroponic farm.

Minutes of the Plan of Conservation & Development Subcommittee meeting of January 14, 2015 were included in this meeting's packet for Commissioners to review. Mr. Sitko commented that he felt the comments from the Economic Development Commission had a good reception by the Subcommittee at that meeting.

K) Other

None.

IX. ADJOURNMENT

Chairman Pelletier adjourned the March 17th meeting of the Economic Development Commission at 9:05 a.m.

Respectfully submitted:

Tracey M. Kozlowski
Recording Secretary