

MINUTES OF THE SPECIAL MEETING of the Economic Development Commission
April 7, 2021 at 5:30 p.m. via Zoom

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CALL IN: 1-646-558 8656

Commissioners in Attendance: Mr. Sachetti, Mr. DelGrego, Mr. Diaz, Mr. Watkins, Mr. Good, Mr. Smolnik, Mr. Hughey, Mr. DeNicola, Mr. Moses, Ms. Sacco, Mr. Rolnick

Others in Attendance: Mr. Grant, Interim Economic Development Director Mr. Eatman, Commission Clerk Ms. Tobin

1. Call to Order

Mr. Sachetti called the meeting to order at 5:33 p.m. to discuss the application of Chris Downey and Vinnie Capasso of the Stamford Construction Company for a mixed use building at 0 Mather Street/1717 Dixwell Avenue. He then listed all of the documents included in the application dated March 9, 2021 including a memorandum from the Planning and Zoning Department dated 2018 granting site plan approval for the project. (check document file). He then turned the meeting over to Mr. Eatman.

2. Tax Incentive Application USHS, LLC

Mr. Eatman said the tax incentive subcommittee recommended a generous abatement, qualified under state statutes of 70% in the first year, 60% in year two, 30% in year three, 10% in year four, 10% in year five and ending at 0% in year six, giving the applicant additional time to build up funds and to reach capacity. The forecast is that units would be completely filled in year three. The phase out is per state statutes. On this \$5.5 million project, the total abatement is \$255.430 over the six year period. The developer has promised to work with the Commission to bring in office and retail jobs.

Mr. DelGrego mentioned Article 27 in the agreement that lists the percentages of jobs going to certain groups in the workforce, and would like to see Veteran owned companies included as a group. Mr. Diaz asked about the number of people that would be hired. Mr. Eatman replied 10-15 people, and the majority would be Hamden residents. The jobs would be mostly retail positions, such as cashiers. Mr. Grant added that the developer wants to hire construction workers as well, male or female, as long as they are qualified. Mr. Diaz asked would the focus be on the local area for hiring and Mr. Grant replied yes.

Mr. Sachetti asked if commissioners wanted to discuss the proposal or ask for clarification or ask questions in general. Mr. Good asked what the developer plans charge to rent the units. Mr. Eatman said that has not been determined at this time, but 20% of the units would be affordable housing and the others would be at market rate.

Mr. Good asked about the \$33,000 mentioned in the documents, is that for drainage or items like parking and utilities. The first page of the property analysis mentions \$5.5 million with \$33,000 in improvements added to the property. Mr. Eatman responded that is for drainage. Mr. Moses said it is his understanding that the in order to complete the project the applicant has confidence regarding the

economic aspect of the project. Mr. Eatman said the applicant has no issues with the property and supports what is before the Commission.

Mr. Smolnik asked if there is any information as to what tax incentives were offered by other towns. Mr. Eatman said the applicants have a history with Hamden plus they found the Mayor's and Economic Development offices to be very helpful. They did not approach other towns.

Ms. Sacco said she is curious that if the occupancy is expected to be full at the end of year three, why does the tax abatement continue through year six. Mr. Eatman replied to show the applicant that we are committed to providing cash flow, and state statutes provide that we can.

Mr. Rolnick commented that the subcommittee recommended what has been presented and he would decline going against their recommendations. Other types of businesses, such as restaurants and certain retail, and manufacturing can go anywhere. He doesn't recall approving residential tax abatements, which are generally unique as opposed to those businesses which could go anywhere.

Mr. Moses finds this project appealing, projected to be done in a short period of time and the applicant will continue to retain ownership and manage the property. Mr. Sachetti said we have a \$5.5 million project coming with some retail. The retail component will compliment the residential component and he asked what type of retail is expected. Mr. Eatman replied delis, shops, perhaps offices on the first level which will bring traffic and jobs to the area.

Mr. DeNicola asked if the developers sell in under six years, does this tax abatement transfer to the new owners. Mr. Eatman said no, there are checks and balances specific to this project.

There being no further questions, Mr. Sachetti asked for a motion to approve the tax abatement for USHS, LLC for six years on a declining basis for a total tax abatement of \$255,429 on their project at 0Mather Street/1717 Dixwell Avenue, a mixed use development. Mr. Moses so moved. Mr. DeNicola seconded the motion. The vote was 10 in favor, one abstention.

3. Adjournment

Mr. DelGrego made a motion to adjourn. Mr. Moses seconded the motion. The vote was unanimous in favor. The meeting adjourned at 5:52 p.m.

Submitted by: _____
Gerry Tobin, Commission Clerk