

INDUSTRIAL ZONES COMMITTEE ACTIONS

JANUARY 26, 2005

ATTENDANCE: Mayor Alex Knopp, Chairman; Walter Briggs; Tanya Court; Thomas Failla; Robert Keyes; Neal Konstantin; Paul Kuehner; Paul Littell; Tim Massad; Corinne Weston.

STAFF: Michael Greene; Dori Wilson; Alanna Kabel.

OTHERS: Marie O'Brien, President, CDA; John Paul, CDA.

CALL TO ORDER

The meeting was called to order at 10:35 a.m. by the Chairman.

INTRODUCTION OF SPEAKER, MARIE O'BRIEN, PRESIDENT CONNECTICUT DEVELOPMENT AUTHORITY

Mayor Knopp introduced Ms. O'Brien, who was appointed by Governor Rell. She is focusing on the Norwalk-sized urban areas for economic investment by the State.

At this time, everyone present introduced themselves and reviewed their backgrounds.

Mayor Knopp next introduced Mr. Paul.

Ms. O'Brien said she was pleased to be here and reviewed her background. She said she loves cities. Under Governor Rell's leadership, with the teaming approach, they have assisted the state's economy; it is in good shape. They will be looking at transportation, health care costs, etc. A community of this size has to be part of the core strategy of looking at where jobs will come from. They will be focusing on jobs. They must have a strategic assessment of where commerce and industry are going. They have to educate their young people to continuously learn where the new jobs are coming from. Strategic teaming will include education. Connecticut is not adding enough businesses. They don't need to reinvent the wheel but continuously inform themselves of the best practices in the world and adopt those appropriate for Norwalk. Speed is the most important element. They are focusing on one voice in economic development. The CDA was created by the Legislature in 1973 as the financing arm of Economic Development. They are collaborating with DECD, Connecticut Innovations and many other partners and will be reaching out to new partners. Their overall mission and goal is to expand business in Connecticut. They will focus on business recruitment and how Connecticut shapes up in the country and in the world. They hope to keep the State connected.

Ms. O'Brien said CDA's Board of Directors meets monthly. They will be asserting a different approach and focus. She applauds the effort to look at the industrial zones. Connecticut still has a very strong presence based upon its manufacturing and industrial enterprises. Speed of response, which is one of CDA's strengths, is vitally important.

Mr. Paul said that the Mayor wants economic development. Norwalk has come to an opportunity that fits the industrial zone. State programs are: 1) IT development; 2) Brownfield development; 3) Direct loans for mid-sized and woman-owned businesses; 4) Equity financing where they have ownership in companies to help them grow; 5) Lease guarantees; 6) Sales tax abatement; 7) IRB and bonding. Mr. Paul said they see mixed use development coming to the State. A lot of those sites are contaminated. They will help developers by providing grants for Brownfield sites. This is a tremendous program.

Mr. Paul said because this is an enterprise zone, the City is eligible for corporate tax abatements of 25-50% for ten years and property tax abatements. They can give a grant to a developer or company for IT.

Ms. O'Brien clarified that Mr. Paul was talking about an IT upgrade to a facility. She said they are ready to help the City complete its Master Plan.

REVIEW OF MISSION

This agenda item was not discussed.

QUESTIONS/COMMENTS OF COMMITTEE

Mr. Konstantin said one of the issues is the contrast of traditional uses and the required permitting for uses outside of the traditional uses for some of these zones. Mr. Paul said they are seeing mixed uses of zones opening up. Ms. O'Brien spoke of the need to establish strategic framework in how they look at these areas and they have to be flexible.

Mr. Littell asked where they would go to research these types of development. Mr. Paul said East Hartford is going through this, as are San Jose, West Palm Beach, Chicago and Baltimore. These are success stories.

The Chairman asked if these areas are retaining jobs. Mr. Paul said it is creating an opportunity to bring other companies in. Ms. O'Brien said job retention is becoming more important in particular areas. Maintaining jobs in a particular level, even though it those jobs may change is another aspect. The question is how the retention of jobs is valued as there is transition.

Mr. Failla said that in Iowa, the Bonding Authority extends funding for training to the community college. He asked how they could get the Bonding Authority to help. In reference to training, Ms. O'Brien said that CDA would look into that, but she pointed out that they are not line items in the State budget. Mr. Failla said this was funded

through the payroll tax in Iowa. Ms. O'Brien said that other states do use the bonding capability of a CDA to promote infrastructure.

At this point, the Chairman opened up comment to the audience.

Ed Musante, Chamber of Commerce, said that Norwalk has very tight zoning regulations. They are struggling with the perception that if they allow the change in zone to broaden the regulation, they will never have manufacturing come back. Manufacturing has changed, and maybe they need to change the regulation. He asked what the proper definition of manufacturing is for this committee to consider. Ms. O'Brien said when they discuss any industry, they go back to the SIC codes. There are important financial programs in lock-step with how business and industry and the IRS still function. Norwalk can decide what needs to be formalized and what needs to be informal. Speed will provide the largest number of opportunities.

Mayor Knopp said they have zones in Norwalk that are exclusive in what they allow. Several buildings sit empty because there are no large manufacturers or industrial companies to use that space while developers would like to use that space but are not allowed to come in. He is less sympathetic to that point of view, citing Pepperidge Farm and Nordens. Norwalk should not be resisting market trends. These zones should be more diverse while not excluding manufacturing.

Mr. Paul said he was not sure if IT or bio-tech would be allowed in industrial zones. Mr. Greene said they would be permitted in 15-minutes time.

Ms. O'Brien said they are looking at market development through a teaming approach.

Mr. Massad asked if there are cities that have gone through the comprehensive review of their zoning systems that Norwalk is facing. Mr. Paul said that Baltimore had contaminated industrial zones. They took the inventory and created a master plan.

Mr. Musante said that the most successful cities start out with an economic strategy and change zoning to accommodate what they want.

Ms. O'Brien spoke of the Governor's Job Summit, which will take place with strategic partners outside of the state. They have to have an inventory of assets. Connecticut is still a center of innovation, but they have to build on that strength. Mr. Paul said that the key is creating a master plan.

Mayor Knopp said that they don't have to retool their entire economy as Pittsburgh did. They have a diversified economy. They should focus on the zones.

Mr. Musante said they need to understand what their needs will be in the future. They have to allow for more economic base uses in the zones.

Mayor Knopp said that the new police station site had contamination. This will have a positive effect on the area, although not in additional property taxes generated. There should be some way to promote that type of reuse although the traditional funding mechanism is not there. Mr. Paul said if they can provide a developer and a grant and the City can go into a long-term lease with the developer, that would be an out-of-the-box way to do it.

Mayor Knopp said there have been discussions with SACIA and the Chamber of Commerce regarding a regional dimension for development. They have talked about ways to build up the region. Ms. O'Brien said she looked at the legislative authority for the CDA, which is very broad. It requires that the CDA be available for certain studies and investigations, etc. Ms. O'Brien asked Mayor Knopp to make a proposal.

Diane Lauricella asked the committee to look at widget makers, which are scattered throughout the City in industrial zones. She asked them to look at the type of help that CDA can give these companies to become better neighbors environmentally so that they don't become Brownfield sites and they do become better neighbors. Ms. O'Brien said there is a new DEP Commissioner, Gina McCarthy, who has experience in smart growth issues. CDA can help finance manufacturers looking at their businesses and their use of natural resources. It is important for small manufacturers to look at environmental issues. Mr. Paul said he agreed with Ms. Lauricella regarding small manufacturers being critical to communities.

APPROVAL OF MINUTES

DECEMBER 6, 2004

The minutes were not discussed.

SET FUTURE MEETING DATE

The next meeting will be held on February 24th at 8:30 a.m.

ADJOURNMENT

The Chairman thanked Ms. O'Brien and Mr. Paul for their presentation.

The meeting was adjourned at 11:55 a.m.

Respectfully submitted,

Cheryl Telesco
Telesco Secretarial Services

