Town of East Haddam
Redevelopment Agency
September 12, 2024

1. **CALL TO ORDER**
   Mr. Lord called the meeting to order at 7:00 p.m. at the Municipal Office Complex and the pledge of allegiance was recited.

   ATTENDANCE
   Redevelopment Agency Members: Randy Dill, Andrew Lord, William DiCristofaro, James Curtin, Caitlin Taylor, Jacquelin Nowell, John Cotter, Cameron Hendry, Thomas Sevigny, and Harvey Thomas-BOF Liaison.
   Absent Member(s): Gary Laskowski.
   Other(s):Amalia Shaltiel, and Bob Casner.

   It was noted that Mr. Laskowski had resigned, creating a vacancy. The process for filling this position was discussed.

   Motion to add Finance TIF discussion under 5a.
   Curtin/Cotter
   Passed unanimously.

2. **Approval of Minutes**
   a. **Minutes of Regular Meeting on August 8, 2024**
   Motion: to approve the minutes of the Regular Meeting on August 8, 2024.
   Nowell/Curtin
   Passed unanimously.

   b. **Minutes of Special Meeting on August 22, 2024**
   Motion: to approve the minutes of the Special Meeting on August 22, 2024, as amended.
   Dill/Curtin
   Passed as amended to reflect that it was a special meeting.

3. **Workshop on Developing Vision Statement**
   a. **Follow-Up Discussion and Direction**
   A new committee focused on master planning was formed. Mr. Thomas questioned if the discussions for the Agency vision during the previous meeting were ready to be shared by Mrs. Taylor. Mrs. Taylor replied she had the raw data from the session but still needed to synthesize and organize it before sharing it. She explained this synthesis would be aligned with drafting the RFP for a planning consultant, which was essential for moving forward.

Mrs. Taylor explained that the agency received a $30,000 grant, which includes a $15,000 matching contribution from the agency. The next step is to issue an RFP to planning consultants for a portion of the work covered by the grant, focusing on a community-engaged master planning process. Through evaluating the proposals from consultants, the agency hopes to learn about effective workshop formats and facilitate meaningful community conversations.

The Agency discussed the preparation of a new RFP for a planning consultant. It was noted that assembling the new RFP should not take long, as a draft is already in progress; however, finalization is contingent on receiving the grant agreement to clarify the scope. There was an emphasis on the necessity of a clear vision before engaging developers, as a lack of clarity could lead to unsuitable proposals. Caution was advised against hastily moving forward without proper communication and consideration of goals.

4. **Environmental**

a. **Report on Grants**

Mr. Cotter shared that the Environmental Subcommittee presented the $200,000 DECD Assessment Grant to test soil and water at the BOS meeting. After the BOS approval, they went to Gregory Ambros of the DECD for approval and have since received his authorization via email.

The Agency is currently waiting for the grant agreement from SHIPO, which has been slow to respond. This delay affects plans to use ARPA funding to contract a planning consultant. Additionally, there is concern about an unrecognized $75,000 in environmental financing that must be spent by December; if not used, it will be returned to the town. The Agency is discussing whether this funding can be applied to ongoing environmental assessments and will follow up with relevant contacts for clarification.

Motion: To explore the idea of using the $75,000 as a down payment for VHB, and any other available funds for additional environmental assessments.
Dill/Curtin
Passed unanimously

Mr. Thomas suggested having the Finance Director provide a budget update for each meeting.

b. Status of Consultant Engagement

5. Other Business

a. Finance Tax Increment Financing (TIF) Policy

Mr. DiCristofaro reviewed "Town of East Haddam- TIF Revenue Scenarios". It is included at the end of these meeting minutes.

Mr. DiCristofaro discussed the potential for TIF financing, noting that focusing only on a 2.5-acre area might not justify its use. He emphasized that the project from Centerbridge Architects could have generated substantial incremental value, estimating over $30 million for the entire TIF district. While the immediate use of TIF in the village is uncertain, the proposed policy would benefit the whole town, allowing for significant revenue generation from larger developments. Mr. DiCristofaro stated that exploring alternatives such as tax abatement, currently used for new businesses, is important, though it is not managed at the agency level. He emphasized that establishing a TIF policy would enhance the agency's negotiating power with developers, showcasing commitment and financial involvement. He stated it was a worthwhile investment that would provide valuable negotiation tools and extend benefits to other regions in East Haddam.

Mr. Sevigny stated that this policy would not create an actual TIF zone but would serve as a general framework. It would specify that any potential developer seeking TIF financing must have a project valued at least $5 million, ensuring that smaller projects are not included. When an actual developer expresses interest, the agency would negotiate the specific details, such as the benefits for the developer and the town, including how the incremental value will be allocated—whether it would be entirely directed to a TIF fund or split in a specified ratio.

Motion: To approve the financing of $18,500 to Camoin for the balance needed to move forward with the TIF policy.
DiCristofaro/Sevigny

Mr. Dill sought clarification on the TIF process, specifically whether it requires a separate entity for oversight. He mentioned that this might have been discussed before, but he expressed uncertainty about the committee managing the TIF process. Mr. DiCristofaro explained that the agency holds ultimate authority to manage the TIF process but could benefit from shared services, such as support from the finance department, to ensure effective management. He noted that there has not yet been a conversation with the finance team about taking on this responsibility. He also mentioned a recent meeting with First Selectman Haines, where she reviewed the numbers and expressed her support for the initiative, highlighting the agency's goal to attract developers. Mr. DiCristofaro clarified that approving funding for the TIF policy

does not commit the agency to engaging in TIF agreements with developers. The funding is intended to establish a framework that allows for potential future negotiations without obligating the agency to pursue specific projects.

Mr. Sevigny explained that the TIF policy would become an ordinance requiring approval from the Board of Selectmen, making it independent of individual board members or the first selectman. This ordinance would provide a clear framework for developers, ensuring that both the agency and developers understand the rules. When a developer expresses interest in a TIF, the agency would then negotiate the specific details, including the size of the TIF district.

In response to Mr. Dill's question, Mr. DiCristofaro explained that Camoin conducted a study of the village to help develop the TIF policy, which follows standard practices for TIFs. If a TIF were to be implemented in Moodus or at Four Corners, some aspects, like drawing the district map, might need to be redone, but the overall policy would remain consistent and could be approved and replicated by the town in other areas as desired.

Mr. Curtin explained that the funds in question are guaranteed and would go into the general fund, allowing for potential improvements when needed. Mr. DiCristofaro stated that any use of these funds would still require navigating the annual budget process. Mr. Curtin emphasized that setting up a TIF would involve extensive approvals, potentially complicating matters, especially if the town faces financial difficulties. Overall, he expressed skepticism about the value of pursuing this due to the small scale of the proposed areas for expansion. Mr. Curtin noted that the areas discussed for development, particularly in Moodus, lack essential infrastructure like water and sewer, making future growth unlikely. He pointed out the limited availability of vacant lots in the center of town and emphasized the challenges of septic requirements for larger residential buildings. Additionally, he questioned the need for extensive bureaucracy when the same or greater funding could be placed in the general fund.

Mr. Thomas emphasized the importance of planning for the long term, suggesting that the town should engage Camoin to draft a policy that could benefit East Haddam Village, among other areas. He highlighted the need to consider the future—5, 10, or even 20 years down the road—pointing out that the current landscape in Moodus will not suffice in the coming decades. He noted that while existing businesses may not survive, expanding zoning could create more opportunities. Mr. Thomas urged the Agency to think ahead, suggesting that investing $18,000 now for a policy could save future generations from spending significantly more was prudent. Mr. Thomas encouraged a focus on broader town needs, acknowledging that while immediate concerns in Moodus may include sewage and water issues, those could be resolved over time. He encouraged prioritizing long-term planning rather than just immediate solutions.

Mr. Hendry expressed skepticism about attracting developers without adequate water supply. He acknowledged the importance of long-term planning but remained uncertain about the practicality and benefits of the proposal.

Mr. Curtin expressed doubt about the financial viability of the TIF policy, arguing that the potential funds are too minimal to justify the effort and complexity involved. He noted that the process could take decades before any benefits are realized, emphasizing that funding for necessary improvements, like utilities and sidewalks, would still rely on bonding. He concluded that TIFs may not significantly enhance value, especially for smaller projects.

Mrs. Taylor emphasized the importance of thinking long-term. While acknowledging the many uncertainties ahead, she expressed strong support for moving forward with a TIF policy.

Mrs. Nowell acknowledged the merits of the TIF policy and agreed that utilizing ARPA funding to create the framework would not harm the town financially. However, she expressed concern that the focus has shifted too broadly from the original goal of developing a small piece of property. While she understands the importance of long-term planning for future generations, she emphasized her desire to concentrate on immediate development needs. She recognized that having a TIF framework could be beneficial for attracting developers but questioned whether it would lead to tangible development in areas like Four Corners or Moodus, feeling that the process has become overly complicated.

Mr. Cotter stated that the $18,000 for the TIF policy would come from ARPA funds, which would otherwise be returned if not used. He acknowledged the concern about the small size of the property and its limited advantages. However, he found value in the future-focused perspective shared by Mr. Thomas. Responsive to his question, Mr. Dill clarified that there was no initial proposal for a TIF related to the Riley project. The focus was primarily on securing investors, and the main outstanding issues were improvements to sidewalks and roads, which he expected the town to address. While tax abatement was mentioned, it was not a decisive factor for the investors. Additionally, the town lacked a plan for the necessary infrastructure improvements at that time. Mr. Cotter noted that he was initially aligned with Mr. Curtin's perspective but, considering that ARPA funds would be used, he saw value in developing a TIF policy. He pointed out that creating the policy would allow the town the flexibility to choose whether to implement it later, emphasizing that they were already significantly along in the process.

Mr. Lord expressed that he initially agreed with Mr. Curtin's view that pursuing the TIF policy was not worthwhile, especially focused solely on the village. However, he recognized that since the TIF policy could serve as a useful tool and funding was available, it made sense to complete the process. He emphasized that finalizing the

policy does not obligate the town to implement it; implementation would only occur if a compelling case for its value emerged. He concluded that since the funding would be lost if not used, there was no harm in proceeding.

Favor: Sevigny, Cotter, Newell, Taylor, DiCristofaro, Lord
Oppose: Dill, Curtin, Hendry
Motion Passed

6. **Public Comment**

Ms. Shaltiel expressed her support for establishing a master plan committee, highlighting that the original intent of the redevelopment agency was to create a broader master plan beyond just a small property. She referenced discussions with Phil Barlow, a landscape architect, who noted that developers found the current plots too small and highlighted challenges in negotiating property exchanges, particularly with Goodspeed. She suggested that engaging with Goodspeed's new management could open opportunities for collaboration and development. Ms. Shaltiel emphasized the need for a comprehensive master plan to guide developers and attract their interest, rather than focusing solely on the small plots available. She also raised the potential of using ARPA funds more strategically, questioning whether they could be redirected to support demolition costs associated with the redevelopment. Mr. Dill clarified that the issue with Goodspeed was not about their willingness to cooperate. He explained that the focus of the George Fellner plan was on gaining access to the Sweet Shop area. He mentioned that during his time as Selectman, the town had a memorandum of understanding allowing Goodspeed to use the parking lot during off hours, which included a provision for access from the upper parking lot to the Sweet Shop, as Goodspeed owns that property.

Mr. Casner expressed his support for the board's decision to move forward with the TIF policy, emphasizing that it would benefit the entire community, particularly the village. He highlighted the importance of making the policy available not just for downtown but for all commercial areas, and he feels this decision is a positive step for the town.

7. **Adjournment** at 8:42 p.m.

Respectfully Submitted,
E. Ruth Ziobron
Recording Secretary

Town of East Haddam - TIF Revenue Scenarios

	Incremental Value added from New Development			
Total Revenue Generated	**$5,000,000**	**$10,000,000**	**$25,000,000**	**$50,000,000**
Annually	$128,750	$257,500	$643,750	$1,287,500
30yr total	$3,862,500	$7,725,000	$19,312,500	$38,625,000

	Incremental Value added from New Development			
80% Revenue to TIF Fund	**$5,000,000**	**$10,000,000**	**$25,000,000**	**$50,000,000**
Annually	$103,000	$206,000	$515,000	$1,030,000
30yr total	$3,090,000	$6,180,000	$15,450,000	$30,900,000

	Incremental Value added from New Development			
20% Revenue to General Fund	**$5,000,000**	**$10,000,000**	**$25,000,000**	**$50,000,000**
Annually	$25,750	$51,500	$128,750	$257,500
30yr total	$772,500	$1,545,000	$3,862,500	$7,725,000

Mill rate based on FY 23/24: 25.75

Provided by Camoin Associates