

# Economic Development

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<b>Positions:</b>	<b>GF- 11</b>	<b>CF- 2</b>
<b>General Fund Budget:</b>		\$ 1,318,372
<b>Capital Fund Budget:</b>		\$4,205,873
<b>Special fund Budget:</b>		\$2,213,892

## Legal Authority: Charter & Code of Ordinances

Charter [Sec. 11.1](#) To appoint up to four coordinators, with professional qualifications in such fields as, but not limited to, community development, human services, public administration and public finance, to aid the mayor in the carrying out of said mayor's duties as chief executive and administrative officer of the City of New Haven. The coordinators shall be under the direction of the mayor and removable at the pleasure of the mayor.

Code of Ordinances [Sec. 21-31 to Sec. 21-35](#) The office of business development is authorized to engage in services related to the economic development of the city, including, but not limited to, the following:

- Retention and expansion of the city's tax base and employment;
- Programs necessary to encourage, assist and provide for economic development, including, but not limited to a land and building bank, small business assistance program, minority business assistance, a lending program through the New Haven development corporation, the neighborhood commercial revitalization program, and employment training program;
- Securing federal and state grants for economic development projects;
- Providing comprehensive and coordinated development planning services in partnership with appropriate public, private and nonprofit agencies;
- Assisting developers, owners, merchants and residents in identifying funding sources, making applications to public and private lenders, and complying with regulatory, statutory, or other permitting requirements;
- Gathering and disseminating information / data critical to investment decisions;
- Assisting in planning the coordinated delivery of public services;
- Developing marketing programs for publicly owned land;

- Reviewing the duly adopted and proposed physical development plans of the city and recommending amendments thereto;
- Assisting communication regarding the provision of services between public, private and nonprofit agencies concerned with the development of the city;
- Directing local implementation of the State "Coastal Management Act", Connecticut General Statutes Sections 22a-90 through 22a-112, as they may from time to time be amended (*mainly done by City Plan*); and
- Developing marketing, promotional, and cultural programs, and providing staff support to the commission on cultural affairs.

## Mission/Overview:

The mission of Economic Development is to enhance New Haven's economic competitiveness with a high-quality business environment for existing and new businesses, in order to increase the job base and grand list and improve the quality of life throughout the City and its neighborhoods. The department does this in part by administering large and small development projects, coordinating a network of partner organizations, identifying opportunities for growth and by connecting people to economic opportunities. Many City sponsored projects involve substantial capital investment and will result in significant job creation and expansion of the tax base. The department therefore works closely with federal, state, and local agencies, real estate brokers and the private sector to identify incentives in the recruitment and retention of companies to and in New Haven, thereby ensuring the best possible employment opportunities for residents.

## Attention Required by March 31st:

- Expiration of Various MDP, Urban Renewal Plans, Economic Development Authorizations. The table below details the expiration dates for various Municipal Development Plans, Urban Renewal Plans, and authorizations such as for the Assessment Deferral Program, City Town Development Act and the Small Contractor Development Program. Two items, require attention; Science Park MDP (EDA will initiate BOA process in November 2013) and Orange Street MDP (needs to begin no later than January 2014).

Plan Name	Adopted	Expires	Amended	Warning! Have to Renew By:
Downtown MDP	Feb. 1996	Feb. 2026	1st: May 1998 2nd: Feb. 2005	N/A
Mill River MDP	Oct. 1986	Oct. 2016		N/A
Orange St. MDP	2/26/1979	2/24/2014	1st: 1/3/1982 2nd: 2/17/2009	N/A
River St. MDP	1/7/2002	1/6/2032		N/A
Science Park MDP	7/27/1981	7/26/2011	1st: Sept. 1984 2nd: 2/13/1990	In process Nov 2012
Science Park MDP (reinstated)				(10 years after adoption date)
Newhallville Renewal and Redevelopment Plan	9/9/1968	9/9/2018	Most Recent (7th): 8/2/2004	9/9/2018
Other			Re-authorized	Warning! Have to Renew By:
SBI 12 1/4			6/30/2015	5 years
City&Town Development Act			8/3/2009	8/3/2014 (every 5 years)
Assessment Deferral			11/5/2009	1/1/2015

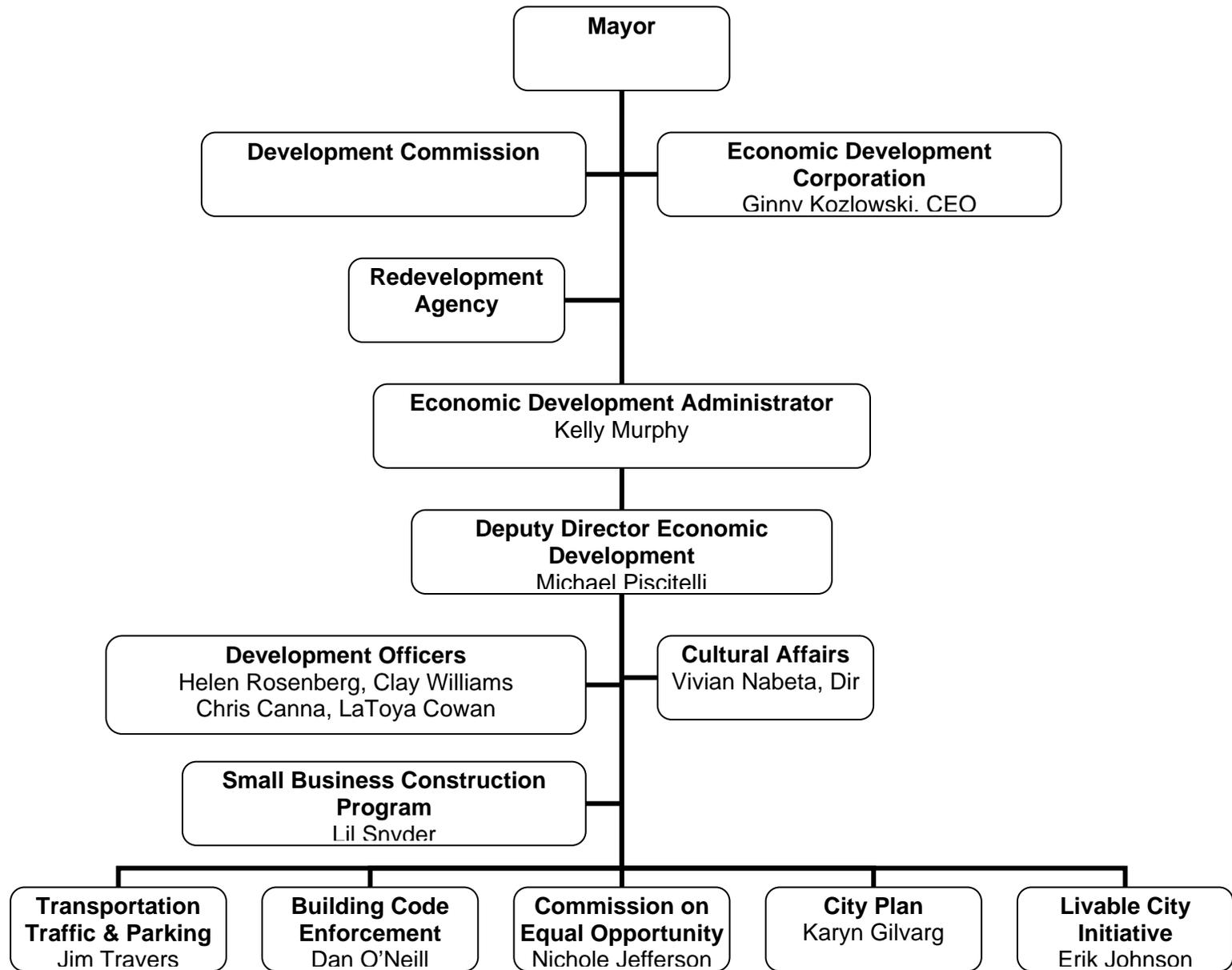
- EDA River Street Shoreline Stabilization. There are a number of in-field corrections to the original design. A dispute has arisen between the construction contractor, CJ Fucci, the designer, Milone and MacBroom, and the City as to cause and responsibility. A mediation is scheduled as of this writing. Once resolved, the work needs to be completed prior to expiration of the EDA grant in March, 2013 or a grant extension needs to be obtained. The dispute mediation is being handled out of Corporation Counsel Office together with Special Counsel for Economic Development and Engineering Dept.
- 100 College Street/TIGER II (Downtown Crossing) Construction Monitoring/Reporting (DOT, DECD & FHWA), Assistance Agreements, Transition Zones, YNHH management, Project Management (see Major Functions/Projects for details)
- George Street Bridge. Coordinate with Engineering for potential conflicts/scheduling issues with TIGER II/100 College Street Project – in 2014
- Extension Request for Various Assistance Agreements:
  - RT 34/Downtown Crossing with DECD - Agreement expires on Dec. 31, 2013 and the City is seeking an extension for time only as of this writing.
  - TOD Pilot Grant with DOT. A request was made to ConnDOT on September 18, 2013 to extend the grant period to June 30, 2014 in order to complete design work.
- Route 34 West/Centerplan/Continuum Project  
We are looking to have a DLDA to submit to the BOA in December 2013. This project will dispose of City land at Dwight and Orchard Streets to the developer to construct a commercial/retail development including 30,000 sf for Continuum's new headquarters (we also will include that Continuum will work with the City to put their other sites back to productive/tax paying uses) along with new retail and commercial uses. We are assisting Continuum in securing State funding for the project and with the developer in seeking other financing to support the project including New Market Tax Credits and EB-5 funding.

In addition, in order to facilitate this project, we are working with Park New Haven to get approvals to pave the next lot to the site to accommodate YNHH/St Raphaels parkers that are now housed at the Dwight Orchard lot. Timing of this item to the above is critical.

- 360 State Street (Shartenberg) - One outstanding issue between the City and Developer relates to the Developer's lack of completion of the full build out of the corner lot of Orange and Chapel Streets as required in their Development Agreement. See latest correspondence in file. Not related to Economic

Development Office, there is currently a tax dispute with the Assessor's Office which is being handled out of the Corporation Counsel's Office.

- Food Incubator – Initially the Incubator was to be located at former Gateway College site and we were working toward that end. In June the State determined that the building was not structurally stable. We have a verbal agreement with Gateway College to use kitchen equipment and we are moving it to storage at Gateway's North Haven campus. We are in process of determining alternate sites and project funding. We had to abandon our pursuit of an EDA grant since we do not have a location at this time. There is a tremendous amount of business and resident support for this project.
- State Street Merchants Association – the City designated the EDC to staff this board. Recently the staff member from the EDC has left the EDC. Designee is needed.
- Jordan's Furniture – This is a proposal to re-use the Register building for a Jordan's Furniture Shop with associated other uses (could include things like movie theater, restaurants). Previously the City rezoned the site for commercial/retail uses.
- Relocation of Register staff/operations in New Haven - assist with new location(s) for office and operation staff. Working with EDC
- Strong School Arts Center – The EDC is working to support this effort for local community groups to create an entity and development a plan to use the vacant Strong School as a Community Arts Center. EDC is in process of drafting an MOU and Economic Development has funded a Hazardous Material Inventory to assist in determining environmental remediation costs. Once a final plan is in place (in consultation with EDA), EDA will need to bring a Development and Land Disposition Agreement to the BOA for approval. Since it is very early in the process a timeline has not been established yet.
- Vacancy – The department currently has one vacancy. It is position #724-101-140, Deputy Director Economic Development. The requisition was submitted to Human Resources in July; however, due to staffing shortages in that office, we were advised that candidates for the position would not be made available to the department until Fall, 2013 or Winter, 2014 when a test will be ready. This is a civil service / tested position.
- Comcast /Spinnaker Real Estate – anticipate map amendment submission to BOA in November/December, 2013.



## Budget Summary:

### Operating Budget

The operating budget is divided into two main parts. Personnel (salaries) accounts for \$888,372 (67% of the operating budget) and non-personnel expenses account for \$430,000 (33%). The non-personnel budget includes two main expenditures:

- a \$131,000 contribution to New Haven Festivals. This is the City's protocol for providing operating support to the Department of Arts, Culture and Tourism through its non-profit arm and;
- a \$250,000 annual contribution to Market New Haven (specifically approved by the BOA in the FY14 budget). Market New Haven also is funded by the Yale-New Haven Hospital and Yale University and the coordinator sits on the MNH Board of Directors, subject to appointment.

### Capital Budget

The department directly oversees 8 active capital accounts (below table). Committed funds are encumbered in the MUNIS system when a project is ready-to-go. However, since many projects take time in design, financing, permitting and approvals, the department maintains a forecast sources and uses chart for the available balances. These funds show as 'available' in MUNIS because they are not yet formally encumbered in the system. EDA will at times do a letter commitment to a project sponsor so that the sponsor can continue to arrange other financing. A good recent example is the Quality Hyundai dealership. EDA is providing commercial infrastructure support (a new access drive). The project has been in the works for two years, but the actual funding for the driveway is not encumbered into MUNIS until the contract is awarded for construction. In the interim, the department maintains the project on the sources and uses chart.

In addition to the active accounts, there is a modest sum remaining in the Gateway College project in the Macy's Demolition account. The West Rock Redevelopment account is administered in cooperation with LCI and HANH. In FY14, a new fund was approved: Shubert Theater (for capital improvements in conjunction with the proposed Shubert Agreement).

<b>EDA Capital Budget (Does not include prior year carry over)</b>	<b>FY14</b>
Land & Building Bank	450,000
Commercial Industrial Site Development	875,873
Facades	300,000
Neighborhood Comm. Public Improvement	450,000
Pre-Capital Feasibility	30,000
Tiger 2 / 100 College	0
Shubert Theatre	1,100,000
West Rock Redevelopment\William T. Rowe	1,000,000
<b>Total</b>	<b>4,205,873</b>

## Special Funds

There are a number of project-specific special funds (see table below) for which the department has, or is seeking funds, in order to complete project-specific activities. For Mill River, the \$500,000 listed represents a goal to identify funding sources that will help the City to implement the industrial development plan.

Discretionary expenses are made from account #21552245 which is derived from parking lot revenue at certain facilities. For FY14, the budget is \$229,392 and the revenue is not tied to a specific project. Instead, an annual spending plan is developed and submitted to the Finance Department at the start of the fiscal year. For example, the department pays for one contractor (out of Special Fund #21552245), who provides administrative support to the small contractor development program.

<b>EDA Special Fund Budget*</b>		<b>FY14</b>
2050	ECONOMIC DEV. REVOLVING FUND	12,000
2057	MILL RIVER INDUSTRIAL PARK	500,000
2062	MISC PRIVATE GRANTS	0
2063	MISC FEDERAL GRANTS	300,000
2064	RIVER STREET MUNICIPAL DEV PRJ	16,500
2096	MISCELLANEOUS GRANTS	0
2130	BUS DEV SEC 108 INVESTMENT FND	11,000
2131	BUS DEV SEC 108 REPAYMENT FUND	15,000
2132	BUS DEV ED1 FUND	30,000
2133	MISC STATE GRANTS	0
2139	MID-BLOCK PARKING GARAGE	0
2149	PORT AUTHORITY	0
2155	ECONOMIC DEVELOPMENT MISC REV	229,392
2165	YNHH HOUSING & ECO DEVELOP	0
2177	SMALL & MINORITY BUSINESS DEV	0
2181	US EPA BROWNFIELDS CLEAN-UP	1,020,000
2189	RT 34 DOWNTOWN CROSSING	0
2925	COMMUNITY DEVEL BLOCK GRANT	80,000
<b>Total</b>		<b>2,213,892</b>

\*Not including carry-over from prior years.

## Summary of Active Grants

In addition to special funds identified in FY14, there are a number of carryover grants from prior years. As noted with the capital budget as well, some projects are carried out over a number of years. The federal grants have both an obligation deadline and a completion deadline (per grant agreement). The largest construction grants relate to Downtown Crossing and River Street cleanup activities, while the largest ongoing planning activity is the Hill-to-Downtown project which includes Union Station and is funded out of three sources listed on next page.

Year	Source	Project	Amount	Active (Y/N)
2013	US EPA (Application submitted)	Brownfield Revolving Loan Fund	1,000,000	Y
2013	CT DECD	Project Storefronts	100,000	Y
2013	US DOT	Downtown Crossing Phase II	2,200,000	Y <sup>1</sup>
2012	State of Connecticut	Innovation Hub	1,200,000	Y <sup>2</sup>
2012	CT DOT TOD Pilot Grant	Union Station TOD	390,000	Y <sup>3</sup>
2012	CT DECD Brownfields Cleanup	34 Lloyd Street (Cleanup)	500,000	Y
2011	CT DOT Downtown Crossing	RT 34 Downtown Crossing Phase I	4,900,000	Y <sup>4</sup>
2011	CT DECD Downtown Crossing	RT 34 Downtown Crossing Phase I	3,950,000	Y <sup>5</sup>
2011	US EDA	River St. MDP Shoreline Stabilization	651,500	Y <sup>6</sup>
2011	National Endowment for the Arts	Project Storefronts	100,000	N
2011	US DOT TCSP	Wayfinding Signs	391,320	Y <sup>7</sup>
2011	US DOT	Transportation Alternatives Analysis	780,000	Y <sup>8</sup>
2010	HUD Sustainable Communities	Union Station TOD	183,000	Y <sup>9</sup>
2010	US Tiger II Capital Grant	RT 34 Downtown Crossing Phase I	16,000,000	Y <sup>10</sup>
2010	CT DECD	River St MDP Phase II	2,800,000	Y
2010	US EPA	Brownfield Revolving Loan Fund	1,000,000	Y
2010	US EPA	Brownfield Revolving Loan Fund	200,000	Y
2010	ARRA/Stimulus	Brownfield Remediation	170,000	N
2010	HUD Challenge Grant	Church St. South Planning	1,000,000	Y <sup>11</sup>
2010-11	CT Arts, Culture & Tourism	Project Storefronts	44,200	N
2010	National Endowment for the Arts	Public Art Mapping/GIS	15,000	N
2009-12	CT Arts, Culture & Tourism	Mayors' Community Arts Program	75,000	N
2009-10	State of Connecticut	Public Art Mapping/GIS	39,500	N
2007	US EPA	34 Lloyd St (Clean-up)	200,000	N
2007	US EPA	56 River St (Clean-up)	200,000	N
<b>Total</b>			<b>38,089,520</b>	

<sup>1</sup> ConnDOT recently agreed to supplement the design account for Downtown Crossing. City Plan administers this fund which will be used to complete contract drawings for the Route 34 Full Build.

<sup>2</sup> Administered by EDC

<sup>3</sup> This grant is being used for both Union Station planning (second garage and re-merchandising project) and district planning. A grant extension has been requested to complete design work by June, 2014

<sup>4</sup> Part of Downtown Crossing, 100 College Street Development Agreement -active construction. The grants are covered in the DECD Assistance Agreement.

<sup>5</sup> Same as 4

<sup>6</sup> The construction contract is in mediation with City, designer and contractor; due to a disagreement about corrective work. The grant expires March 31, 2014 and an extension will likely be needed in order to complete work.

<sup>7</sup> TCSP is the grant for the new wayfinding directional signs. The grant requires a 20% match and the intent is for the community partners to fund the match. The grant is being administered by the City Plan Department. This is a construction grant; the City is funding design

<sup>8</sup> This is the Streetcar grant, which is active on the FTA system and available subject to BOA and FTA approval.

<sup>9</sup> This is expected to be closed by Dec. 31, 2013 when the grant expires. It is a pass-through from RPA New York.

<sup>10</sup> This is part of Downtown Crossing, 100 College St; terms in FHWA grant agreement and CDOT agreement.

<sup>11</sup> This is expected to be closed by Dec 31, 2013 when grant expires. It is a DECD pass through.

## Summary of Open Items:

See Attention Required by March 31<sup>st</sup>.

## Major Functions / Projects:

The following Development Agreements have ongoing reporting requirements or obligations:

### **100 College Street- DLDA in main file**

- Working Group Meetings during construction of TIGER II and 100 College St building
- TDM plan to be updated annually for X years
- Possible revisiting of 100 College Street garage operating as a public garage after 5 years.
- Ongoing reporting under Ordinance 12 ½ and 12 ¼
- Participation in the BOE's ACE Program until building core and shell is complete.

Downtown Crossing/100 College Street (100 College Street DLDA in main file)

The EDA is administering the 100 College Street Development Agreement, which includes on- and off-site public improvements. The Development Agreement establishes the rights, duties and obligations of the parties concerning the construction and operation of 100 College Street within the current Route 34 right-of-way. Because of the dual nature of the Development Agreement, being designed to both facilitate the construction of a new building and ancillary parking garage and plaza and to provide the necessary infrastructure to achieve the same, it is a very complex document and should be read thoroughly.

Likewise, the public improvements are funded out of three sources: the City of New Haven capital fund; the Tiger 2 / CDOT grant agreements (there are two separate agreements for this funding source); and the DECD assistance agreement. In addition, DECD has approved a City request to re-allocate the \$1.04 million balance from the State/Wall Street remediation project to cover any excess costs for the public improvements. The City maintains a detailed table of sources and uses to maintain consistency with the approved Development Agreement. Some open issues which are being addressed:

- Transition Zone: The City is required per the Phase 1 Design Waiver to design and construct a number of improvements between the I-95/I-91 interchange and Exit 1. The intent is to create a slow speed transition zone between the highway and the exit ramp into the City. It is anticipated that design will be complete by the end of calendar year

2013 and constructed in the 2nd-3rd quarter of 2014. As of this writing, the City will work with CDOT and FHWA to advertise a second project rather than initiate a change order to the current construction contract. This approach is subject to approval.

- Assistance Agreements. Monthly reports are required for the DECD and FHWA assistance agreements. CDOT administers the project on behalf of FHWA for consistency with federal and state regulations and funding reimbursements and they send a representative to each progress meeting to track the work. DECD has delegated review of the off-site public improvements to CDOT and requires CDOT sign-off on any reimbursement requests. The DECD assistance agreement expires on Dec. 31, 2013 and the City is seeking an extension for time only as of this writing.

-Performance Measures. A baseline set of performance measures has been submitted to FHWA per grant requirement. Post completion, quarterly reports must be filed with FHWA to track vehicle, bike and pedestrian movements as well as traffic crashes.

-Supplemental Design Activities. Per City requirements (eg-meetings with City staff), a traffic control system still must be designed and constructed for the tunnel and driveway system.

-Maintenance Agreements. Per CDOT grant agreement, the City is responsible for maintaining the 'transition zone' improvements along Route 34 along with the service drives. This is a significant coordination issue with the CDOT District 3 office, TTP and DPW. It is CDOT's responsibility to furnish a draft maintenance agreement in a manner similar to the YNHH loading dock project.

-YNHH. There has been a long history of coordination with YNHH, which has been understandably concerned about traffic flow during and post construction. The City maintains a binder of correspondence and meeting notes as this is a vital relationship towards success of the project. As of this writing, YNHH has been satisfied with the level of coordination and no issues are noteworthy. There is a coordination meeting every two weeks. Going forward, there are three areas to more fully address:

-Ambulances. The City is expected to provide YNHH and AMR access to signal pre-emption in the corridor. The cost of retrofitting the actual rolling stock has not been addressed to date.

-Mobility Study. This is being coordinated by the Parking Authority to look at YNHH and medical district transportation needs, including a possible new structured parking facility in the district. YNHH likewise is interested in TTP's two-way streets study and potential to alter traffic direction on York Street.

-Gateways. The City is investing a prior CDBG allocation to improve gateway treatments at alternate routes into the medical district. The intent of this project is to beautify the neighborhood, generate economic activity in neighborhood commercial districts and provide clear / direct routes to work. TTP is managing this design for EDA.

- Project Manager. DTC is the City's project manager under agreement with EDC. This agreement needs to be updated to reflect actual costs forecast through completion of the project.

**DLDA Items -**

- DMP (transportation demand management) has been approved and remains in effect for the term of the agreement.
- Possible revisiting of 100 College Street garage operating as a public garage in certain hours after 5 years.
- Ongoing reporting under Ordinance 12 ½ and 12 ¼
- Participation in the BOE's ACE Program until building core and shell is complete (program needs to be developed with BOE)
- Workforce Training in the Medical Office/Research and Life Sciences Industry. Now working with Gateway College & Innovation Hub Bio-Science Clubhouse to develop and launch.

**Smilow Cancer Center** – Development Agreement in main files

All obligations under the Development Agreement (DA) has been met but YNH continues to participate in the Voluntary Payment Program established under this DA and Transportation Demand Management Strategies that was initiated with this agreement and under previous agreements to submit to an Overall Parking Plan update through City Plan.

**Yale Development Agreement (YDA)**– Development Agreement in main files

All projects have been completed under the original agreement except for the completion of the Farmington Canal Line which is still in process and being managed by City Plan with support of Engineering Department who had managed the construction of all other projects under the YDA. Recently the City and Yale agreed to use \$150,000 out of the YDA funds to match TTP's Whitney Avenue Traffic Calming Streetscape. The project is scheduled to begin before the end of the year.

**360 State Street (Shartenberg)** Development Agreement in main files

Only ongoing obligations relate to the provision of 10% of units remain affordable at different income levels related to funding sources including a 20-unit Project Based Section 8 managed by HANH. LCI oversees the reporting requirements on affordable housing. One outstanding issue between the City and Developer relates to the Developer's lack of completion of the full build out of the corner lot of Orange and Chapel Streets. See latest correspondence in file. Not related to Economic Development Office, there is currently a tax dispute with the Assessor's Office which is being handled out of the Corporation Counsel's Office.

**Coliseum Site Redevelopment**

In September 2011, the City of New Haven entered into a Memorandum of Understanding (MOU) with Live, Work, Learn, Play (LWLP) and Newman Architects as the preferred development team for the former Coliseum site. The site is located within the Downtown Municipal Development Plan and is subject to the regulations contained

therein. The City's objective is to redevelop the site into a vibrant mixed-use neighborhood. LWLP was selected through an RFQ process involving City officials and community members (Board of Aldermen, City Plan Commission, and Town Green Special Services). During the predevelopment period, LWLP conducted various market studies for potential uses and developing concept plans and the project has been well-received at community meetings. LWLP and the City are now in the final stages of negotiating a Development Agreement and Land Disposition Agreement which will be submitted to the BOA for consideration as early as October 2013. .

### **Shubert Theater Land Disposition Development Agreement (LDA)**

This item was submitted to BOA and is expected to go to committee in October and to have a final vote before the end of the year. This LDA will transfer ownership of the Shubert Theater from the City to the Connecticut Association for the Performing Arts (CAPA who have been the long term operators of the theater). The Shubert Theater's 100th anniversary is in 2014 and provides an opportunity to address deferred maintenance and upgrades to the building, as well as expand the theater's positive cultural and economic contribution to New Haven. The Centennial Plan has three main components:

1. Capital renovations and improvements to the building itself, which will allow the theater to continue operating for the next 30 years, and expand the number and type of performances it can host. These improvements will cost approximately \$7.1 million.
2. An endowment campaign to raise \$4.0 million, in addition to a \$2.5 million contribution by CAPA, which will provide the Shubert with greater financial stability and security independent of government support as well as reduce the City's obligation to support the theater indefinitely.
3. Transfer ownership of the Shubert from the City to CAPA, which will allow CAPA the greatest flexibility for raising outside funds, and allow them to plan performances and bookings over the long term, which will increase the number of lit nights at the theater, and, as a result, increase its economic impact on Downtown.

### **Route 34 West/Centerplan/Continuum Project**

We are looking to have a DLDA to submit to the BOA in December 2013. This project will dispose of City land at Dwight and Orchard Streets to the developer to construct a commercial/retail development including 30,000 sf for Continuum's new headquarters (we also will include that Continuum will work with the City to put their other sites back to productive/tax paying uses) along with new retail and commercial uses. We are assisting Continuum in securing State funding for the project and with the developer in seeking other financing to support the project including New Market Tax Credits and EB-5 funding.

In addition, in order to facilitate this project, we are working with Park New Haven to get approvals to pave the next lot to accommodate YNHH/St Raphael's parkers that are now housed at the Dwight Orchard lot. Timing of this item to the above is critical.

### **HUD Challenge Grant: Transit Oriented Development Plan for Hill to Downtown**

The City received funding from HUD to plan a mixed-use, mixed income walkable community near Union Station. The grant was blended with the TOD Pilot grant from CDOT for consistency of planning/design and capacity to complete the project. As part of this work, we also looked to develop principles of redevelopment for Church Street South approved by the Community as part of this effort. The Plan, which is expected to be completed later this fall, will then be submitted to the BOA in December with additional recommendations for: New Zoning Text and Map Amendments, new road infrastructure and design concept, urban design guidelines and recommendations for investment in the nearby Trowbridge Square neighborhood. Infrastructure design will continue into 2014 to bring Lafayette Street to ~50% design level and Union Avenue to approximately 10% design level.

### **Union Station TOD**

The Lease and Funding Agreement with the State expires in 2017.

Since the facility brings in over \$2.0 million net profit each year, there is a common understanding that CDOT would like to take back the station and take this net revenue to improve station facilities across the New Haven Line (including many in Fairfield County where the parking revenue stays with the local town and cannot be used to improve rail facilities). The City has put forward numerous concepts for a TOD which increases parking through development of the needed second garage and renovations to the station to provide more and higher quality retail (for residents of the neighborhood and visitors). The final part of the TOD is to reserve sufficient land on the north side of the station for a private development at some point when there is market demand for housing and/or commercial development. The latest concept plan was prepared and sent to CDOT in Sept, 2013 and we will continue to meet with the State in an attempt to re-invest the parking revenues generated in New Haven at Union Station.

### **Mill River Industrial Plan**

Final Report was issued in June 2013. This was a joint effort of the EDA, City Plan and EDC to look to preserve the 3,000 jobs in this district, as well as look at ways to promote new investment and job growth of this area which has significant amounts of underutilized land and buildings. Currently the Plan is in the process of being adopted by the City Plan Commission (it is on the October CPC agenda). Also, we are working on new zoning to be created and mapped in the district and we already began branding the district with new signage. Plan also makes recommendations regarding waterfront planning, infrastructure investments and three economic development strategies. See EDA website for public presentations and the final plan.

### **Newhallville Municipal Development Plan Update/Extension**

An update to the original 1981 plan and request to extend the MDP status for 10 more years. An active MDP allows for State investment in things like infrastructure, brownfield remediation etc. This is an important tool for redevelopment. Plan is to be submitted to BOA in November.

### **Orange Street MDP**

An update to the original 1979 plan and request to extend the MDP status for 10 more years (it expires February 25, 2014). This is an important tool for redevelopment. This is a basic plan that won't change with the extension request, but it is important to keep the Plan active.

### **Food Incubator**

Initially the incubator was to be located at former Gateway College site. However, in June, 2013, the State determined building not structurally stable. We have agreement with Gateway College to use the kitchen equipment and we are moving it to Gateway's North Haven campus for storage. We are in process of determining alternate sites and project funding. We had to abandon our pursuit of EDA grant since we do not have a location at this time.

### **Bender Plumbing**

Existing New Haven-based business located in Mill River that is looking to expand its business and number of employees. We have been working to try and keep them in New Haven and looked at sites including the CT Freezer site, former Gateway College Site and Grand Light. We have provided services for them including using on call architectural services do so some fit-out analysis of various sites, basic information on site conditions and title for sites and early zoning analysis. We made a commitment of up to \$500,000 (\$400,000 infrastructure and \$100,000 façade) to support the project. Letter on file.

### **Innovation Hub**

Working with the EDC and various partners in 2012 we secured a \$1M grant to support entrepreneurship and Stage II companies, with a particular focus on IT, digital and new media but we also assisted various companies seeking to make products etc. (this grant was not for new retail businesses). DECD issued a new RFP for another round of funding (possibly to cover multiple years). EDA made a commitment to match up to \$100,000 in funds in support of the application.

### **Strong School Arts Center**

The EDC is working to support this effort for local community groups to create an entity and development a plan to re-use the vacant Strong School as a Community Arts Center. EDC is in process of drafting an MOU and Economic Development has funded a Hazardous Material Inventory to assist in determining environmental remediation costs. Once a final plan is in place (in consultation with EDA), EDA will need to bring a Development and Land Disposition Agreement to the BOA for approval. Since it is very early in the process a timeline has not been established yet.

### **Tennis Center Foundation**

EDA recently handed over responsibility for the TFC to the Mayor's office. There is substantial change planned before next year's tournament. One important item to be addressed is the need for an agreement between the City and the tournament for support services (police, fire, health and shuttle) all of which are provided at no cost.

### **Monitoring/Coordination of Major Private Projects:**

- Jordan's Furniture (reuse Register site) – new furniture store and destination retail. Requires various BZA requests and site plan approval. At BZA in October.
- Relocation of Register staff/operations in New Haven - assist with new location(s) for office and operation staff. Working EDC.
- 205 Church Street Housing – approved starting construction shortly, second phase to seek approvals later in 2013.
- Chapel Howe Housing Development (RMS) – approved; legal challenges appears to be resolved, settlement approval pending at BZA in October.
- Winchester Lofts (housing) – under construction, they are voluntarily participating in 12 ½ and 12 ¼ . Received a City EPA RLF grant and EDA staff are overseeing grant reimbursements.
- Comcast Site Redevelopment (Spinnaker) – not public yet, but Comcast is planning to vacate its operations / customer service center at Olive/Chapel which is too large for their needs. A private developer will be seeking a zoning map amendment to allow the site to be developed with 200-300 units of housing with retail along Chapel Street, anticipate submission in Nov/Dec.
- Phoenix Press – working with this business owner on assistance to upgrade their buildings and fix damage from the last two major storms.
- P2 Science – Existing Science Park business looking to expand and start production for the science that was produced at of Yale. Working with EDC.

### **Monitoring/Coordination of Major Public Projects:**

EDA participates in negotiating the Cooperation (Co-op) Agreements and final plans for public projects. EDA/staff monitors these projects through the public approval process to project completion. Note on Co-op agreements that they are built in ways that the City can provide ongoing management oversight to ensure quality management of these redeveloped projects. In particular, review Section 9.4 of each respective Cooperation Agreement.

- Farnum Courts Redevelopment

This is a Housing Authority project along with their developer Trinity Financial. It includes a Co-op Agreement, Zoning Text Amendments, Map amendment, Disposition, Street Acceptances to build 210 new units of rental housing (very low income to market-rate), new public space and 8,000 sf of retail/community space. Items were communicated to BOA for 10/7 meeting. LCI will be involved in dispersing \$8M in capital funding for new roads, infrastructure, new streetscape along Grand Avenue and improvements to underpass. This includes a long-term maintenance Plan to be approved by City Engineering/City Plan/EDA.

- Chatham Street Housing

Glendower (HANH's non-profit arm) and Trinity Financial partnered as co-developers along with HANH to invest in a new construction development which will demolish a long vacant and blighted factory building. Project will consist of thirty-eight (38) residential rental units comprised of Section 8 project based voucher

("PBV") units, and/or HUD's rental assistance demonstration program units ("RAD units") and/or public housing ACC units. Communicated to BOA and includes a Co-op Agreement.

- Ribbicoff Housing (West Rock)

HANH is undertaking the redevelopment of the Ribicoff Cottages located at the end of Brookside Drive in the West Rock Redevelopment site. Trinity and Glendower partnered as co-developers to redevelop the site into a new community consisting of one hundred eleven (111) rental units comprised of approximately forty-one (41) public housing/Rental Assistance Demonstration ("RAD") units and approximately fifty-nine (59) Section 8 project based voucher ("PBV") units. This item has been communicated to the BOA and includes a Co-op Agreement and PDD amendments.

- George Street Bridge

Coordinate with Engineering for potential conflicts/scheduling issues with TIGER II/100 College Street Project – in 2014

### **Small Contractor Development Program**

The Small Contractor Development Program (Chapter 12 1/4 of the New Haven Code of Ordinances) is found within the City of New Haven's Department of Economic Development which promotes the development of small (SBE), minority (MBE), and women (WBE) owned construction business enterprises. **Chapter 121/4 of the New Haven Code of Ordinances expires 6-30-2015 (renewal goes through BOA).**

The program consists of contractor utilization goals, contractor capability-building measures including training, marketing internal policies and procedures, and monitoring requirements with respect to the participation of small and minority businesses in construction contracts that are financed (in whole or in part) by the City of New Haven (including City departments).

Primary focus is;

- To support the development and utilization of small, minority, women-owned construction and construction-related firms;
- To expand the capacity of small, minority, women-owned businesses to undertake contracts of increasing size and complexity, and to support their further development;
- To strengthen the regional construction industry by promoting policies and practices that improve the competitive positions of small, minority, and women-owned construction businesses;-- To increase the number and size of contracts awarded to participating businesses and expand the range of their business opportunities;
- To conduct outreach initiatives and manage contract compliance provisions that promotes the representation of minorities and women in the ownership and management of businesses and in the work force;
- To provide marketing, networking and business development opportunities with private and public sector firms.

Current Projects:

- 100 College Street
- Winchester Lofts (voluntary)
- Achievement First – MLK Site
- Union Station/ Parking Authority Renovations
- Bowen Field- Status: stopped due to PCB's
- ESUMS - Status: design continuing; property acquisition halted pending BOA action.
- New Haven Academy. Status: in design; abatement demo could start in December.
- Helene Grant. Status: in design; abatement demo could start in early Spring.

Upcoming Housing Authority Projects:

- Farnum Courts Redevelopment
- East View Terrace Phase 2
- Chatham Street
- Ribicoff Redevelopment

Upcoming City Sponsored Projects:

- Coliseum Site Redevelopment
- Continuum/Center Plan Rt 34 Redevelopment

**Industrial and Commercial Development**

Staff works with manufacturing and other commercial businesses in identifying available state and federal programs for financing, tax credits, job training to help business to grow or locate here. We also help to identifying available real estate and assist with zoning and permitting. We also look to promote legislation and infrastructure projects at the State level, and collaborate with public and private partners to meet the operational needs of industrial and commercial businesses. See also Mill River Plan and River Street MDP.

**NEC Future**

EDA has monitored activities of the NEC Future project. This is a project administered by the Federal Railroad Administration which is looking at options to introduce high-speed rail from Washington to Boston. Many of the early concepts propose a new passenger rail service route from New York City to Boston via an “inland” connection through Danbury, Hartford and Providence, RI. Even though this route is a long-term concept without current funding, the problems with the New Haven Line limit high-speed options and threaten the viability of even our existing services. The future of passenger rail therefore a major concern expressed publicly and privately to federal and state officials. The Deputy EDA and EDC maintain files and track meetings. The next round of public meetings starts in October, 2013.

**Neighborhood Commercial Districts**

The Office of Economic Development continues its active engagement in Neighborhood Commercial Districts located throughout the City. Additional resources are provided by

the Economic Development Corporation of New Haven (EDC) for projects in the Special Service Districts on Whalley Avenue and on Grand Avenue. EDA staff attends all business district meetings and serves as the point of contact with these districts and the City. The districts we cover include: Cedar Hill, Chapel West, Dixwell Avenue, Grand Avenue SSD, Kimberly Square, Long Wharf, Town Green SSD, West River, Upper State Street, Westville Village, and Whalley Avenue SSD

### **Small Business Assistance**

City staff assist small business owners or new entrepreneurs with technical support (review of business plans, credit, marketing etc.) and with help in securing financing from private banks, CDFIs or public sources.

- Façade Grant Program  
The program is intended to support façade improvements to commercial and mixed-use properties. Improvements made to the outside of a building facing a public street are eligible for grant funding. The grant supports private investment in the business.
- USEPA Revolving Loan Program – We received a \$1M grant from USEPA and a supplemental amount of \$350,000. We use this funding in support of economic development projects. Current projects are Winchester Lofts and Chatham Street Housing (HANH).
- Monitoring of Small Business Loan Program (no longer available but old loans must be monitored)
- See Innovation Hub above.

## **Key Systems/Processes:**

### **Special Counsel for Economic Development**

EDA staff includes its own and Special Counsel for Economic Development which has been a key component to the success of the office in completing \$2.5 billion in investment (with another \$.5 billion in construction or seeking approval) of construction projects over the last seven years. All contracts that go through the RFA system for the Economic Development Office are prepared by the Special Counsel for Economic Development. This work also includes major projects in LCI as well as all Housing Authority Cooperative Agreements. Special Counsel provides legal reviewing services for contracts at EDC so as to save money for that organization so that it may focus on its economic development mission and work closely with EDA.

### **Grants Administration**

Since we have been very successful in securing federal and state grants, it has been very important for the office to have its own accountant who manages along with the Project Manger filing all reports/budgets required by the specific grant. This is often a time consuming process and given construction projects last many years, it is an efficient way to monitor the grants. The EDA accountant also serves as support for other departments who do not have accountants as they prepare their budgets, filing of reports and processing their respective contracts.

### **BOA Submissions**

All Resolutions and Orders submitted by all EDA departments for BOA approval are reviewed by the Special Counsel for Economic Development. All items/submissions for the BOA for approval or mayoral signature from the economic development department or other EDA departments require review/approval of the EDA.

### **EDC**

The EDC was created in 2008 to expand the mission of the Office of Economic Development without putting further budget pressure on the City budget. Having a non-profit arm also avails the City to other funding sources that a governmental agency would not typically be allowed to pursue like New Market Tax Credits, an EB-5 designation or certain Foundation funding. The Mayor, EDA and City Plan Director serve on this board so as the mission of the two offices are complimentary and EDA and EDC often do projects in collaboration. Staffs of the office work collaboratively and both offices use HighRise (a software tracking program) for project management. The EDC is an eligible user under Economic Development capital funds.

### **Financial Management**

Most of the department budget is capital or special (grants etc.) funds and use of funds is matched with appropriate funding source. There are different rules for various special funds (ex. USEPA RLF funds have their own rules that must be followed). The City has been very aggressive in seeking Federal, State and Foundation funding and track availability using City Policy Associates (updates on federal programing/funding that we receive from the Mayor's Office) various professional organizations or existing contacts

as well as checking the appropriate federal websites for NOFAs. We believe part of the reason we have been successful in securing funding is that we have been ready with project plans and designs when an opportunity for funding arises (for example the new Lafayette Street as part of the Hill to Downtown Study will be at 50% design).

### **RFP/RFQ**

Almost always, city owned properties go out for a Request for Proposal/Qualifications. Sample RFP/Qs can be found in files. The rare occasion when a site is sole sourced generally relates to a site that has been out to bid and no responsive bidder could be selected and/or after a time, a responsive business approaches the City with a legitimate proposal the City would want to pursue or a community user has approached the City regarding their proposed use that the City would support.

Under both circumstances, when a selected developer is chosen, we enter into Memorandum of Understandings for up to 364 days that lay out expectations and schedules of both the developer and city in order to advance the project to final approval (BOA) and to redevelop a site. Sample MOUs can be found in various project files like the Coliseum site or the Continuum/Center Plan Route 34 Project.

Generally professional services do not require and RFP/RFQ and often are time sensitive. We do go out to RFP/Q for large planning related consultant services (for example our \$1M HUD Challenge Grant) and CDOT-funded projects when quality based selection is required.

### **State Funding**

State funding is secured only after two approvals, the legislative or Administration approval of a grant but almost always the item must go through State bond commission for approval. After all approvals, the City enters into Assistance Agreements with the applicable State agency.

### **Economic Development Boards & Commissions**

The Economic Development Administrator (EDA) sits on various boards and commissions by virtue of the position as EDA. Several of these boards, the economic development staff also directly staff.

- New Haven Development Commission – EDA serves as the Executive Director. Economic Development staff members staff this board. Meeting schedules, agendas need to be posted in advance of the meeting and minutes needed to be posted on the web (for resolutions within 48 hours). Meetings are held each second Tuesday morning at 8:00 am
- New Haven Redevelopment Authority –EDA serves as the Executive Director. Economic Development staff members staff this board. Meeting schedules, agendas need to be posted in advance of the meeting and minutes needed to be

posted on the web (for resolutions within 48 hours). Meetings are held the fourth Tuesday of the month at 5:30 pm.

- Tweed Airport Authority- Deputy EDA or Transportation Director also sits on this Board with the EDA in their respective roles. Meetings are held third Wednesday of the month at the airport.
- Economic Development Corporation, New Haven (the Mayor, EDA and City Plan Director sit on this Board in their respective roles). Meetings are generally held quarterly or when a special meeting is called.
- Glendower Board (the Housing' Authority's non-profit board by virtue of role on EDC Board and EDA)
- Glendower CDE Board – this will come into play if awarded New Market Tax Credits
- Science Park Development Corporation – meetings are monthly
- Market New Haven – meetings are held quarterly
- Town Green (presently, Ginny Kozlowski, CEO of EDC New Haven sits as the EDA's designee). Meetings are monthly
- Grand Avenue Special Services District
- CT Tennis Foundation (presently Rebecca Bombero, Deputy Chief of Staff sits as the Mayor's designee but has historically been EDA staff)
- Cultural Affairs Commission – Monthly meetings and Commission is staffed by DACT

EDA also assigns various staff members to serve on the following boards:

- Joint Advisory Committee – State and City representatives that have oversight of Union Station as part of the Lease and Funding Agreement. The Transportation Director serves on this Board for EDA.
- Medical Area Committee- This board is made up of representatives of YNH and City for operations regarding the Air Rights Garage. The Transportation Director sits on this Board for the EDA
- Greater New Haven Transit District – Director of Transportation sits on this Board
- New Haven Parking Authority – Director of Transportation sits on this Board as an ex-officio member.
- State Street Merchants Association – City designated the EDC to staff this board, recently the staff member from the EDC has left the EDC. Designee is needed.
- Workforce Alliance – Deputy EDA serves on this board.

## **System Deficiencies/Attention Required:**

### **Long Term Infrastructure Financing**

The City needs to develop a more strategic plan and budget related to capital investment for infrastructure such as to fully realize Downtown Crossing, the Hill to Downtown Plan and the Mill River Plan. Through this strategic investment in infrastructure (new roads, utilities, streetscape improvements, targeted geographically brownfield remediation) that could lead to faster return for the City in terms of job creation and tax base growth. Currently, this is mainly done on a project by project basis such as for 100 College Street.

### **Industry Marketing**

There are currently no dollars dedicated to marketing the City for and to business and industry and investors. The current City funding of \$250,000 goes to Market New Haven to match contributions from Yale, YNHH and the business community to market the City as a dining, arts and shopping destination which has been very successful but specific to these sectors. Progressive and growing cities market directly to business and industry with a professionally-prepared economic development message. In particular our website is not up to modern standards and the City needs to make itself a presence in targeted industry events and publications such as our sectors of job growth in Life Sciences, IT/New Media and Advanced Manufacturing.

### **Construction Engineering**

Due to staffing deficiencies at the Engineering Department, City Plan and EDA provide some construction project management responsibilities with consulting engineers. This approach, while effective on a project-by-project basis, is leading to inconsistencies in administrative work since it is being done out of three different departments (all of whom work with the same state officials). More to the point, however, is that the City Engineer takes possession of the improvements and should be more involved in the day to day run of the projects during construction

### **Budget**

The EDA budget is primarily comprised of Capital Funds or Special Funds leaving few dollars to invest in non-capital-related activities (current funding generally requires physical improvements to land or building; see budget summary section). This limits the type of engagement we can make in neighborhood commercial districts (like sponsoring an event) or assistance to businesses for such things as marketing or consultant help that isn't physical in nature like buying equipment or making an improvement to the building. Most economic development departments have access to funds to support non-capital related expenses and it would be most helpful to have funding available.

### **IT**

IT is way behind the needs of the City government and does not enable us to serve our citizen/business constituents. Software is old and out of date and makes it almost impossible to work with partner agencies and consultants who have up to date software.

There is no systematic way to share large files which is very often the types of files we have (graphics and maps in GIS). Groupwise is an archaic system to manage appointments and a database of contacts that almost no one else uses in today's operations which it makes it impossible to electronically set up appointments and share data. The network often slows down or goes down complete to external traffic, but one doesn't know since the internal system is working. Backup of data often occurs during working hours which should be after 5:00 (generally back up occurs after midnight in other organizations). More items should be available on-line.

### **Board Meetings**

Having only one Board of Aldermen meeting during the summer months often puts the City at a disadvantage for moving development projects forward, risking that markets, financing or tenant's interests' change during the process. The 3-5 month BOA process is in addition to any Development and/or Redevelopment Agency approvals and City Plan approvals which could put the entire City approval process at close to a year, significantly longer than approval processes across CT and more importantly, across the Country who we are competing for business attraction and investment.

Limits for transfer of funds to \$15,000 and contracts over \$100,000 without BOA approval. These limits were set 20 years ago and don't reflect values/costs of today. Items over \$15,000 require a full BOA process. Perhaps a more streamlines approval process for larger transfer could be put into place.