

## NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

**RE:** **ORDER OF THE BOARD OF ALDERS** Approving an assistance agreement providing a capital grant of up to \$350,000 to Bender Plumbing Supplies, Inc.; 580 Grand Avenue, LLC; Stimson Realty; and BPS Realty, LLP in order to assist business expansion in the Mill River District. (Economic Development Director)

**REPORT:** 1505-09

**ADVICE:** Approval

### BACKGROUND

In 2012, the City's Office of Economic Development became aware of Bender Plumbing Supplies, Inc.'s (Bender's) growth and a need for a larger facility for their sales, marketing and administration, as well as a state-of-the-art showroom. At the time, Bender, located at 550 Grand Ave., expressed a need to relocate and expand their operation to remain competitive in the industry. In turn, the City assisted Bender with predevelopment planning including options to relocate and expand the business at the former HB Ives site on Ives Place and former CT Freezer site on Brewery Street. Bender also considered sites outside New Haven.

Ultimately, Bender purchased the former Grant Light & Supply site, located at 580 Grand Avenue, corner of East Street, directly across East Street from their current New Haven location. Bender (under an entity known as 580 Grand Avenue, LLC) acquired this site in April, 2014 for \$1.55 million.

Bender has been a New Haven business for close to 70 years. In support of the plan and the broader objectives to retain and create jobs and economic activity in New Haven, the City put together a package of incentives for the expansion that included deferral of property taxes through the City's Assessment Deferral Program, up to \$100,000 under the Facade Improvement Grant Program and up to \$400,000 in capital improvements plus appropriate State/DECD incentives.

### PLANNING CONSIDERATIONS

The renovations and expansion of the existing campus at the intersection of Grand Avenue and East Street not only meet the needs of the company, but also support the goals and objectives of the Mill River District Plan, which was approved by the Board of Alders in November 2013. The goals of this plan are listed below:

- Preserving, protecting and growing existing businesses;
- Identifying opportunities for new job creation;
- Considering the needs of all community members, businesses and residents;
- Building on the district's diversity of food manufacturing and distribution, construction and design support, and precision manufacturing;
- Identifying future district improvements and infrastructure to reduce barriers to the development of under-utilized parcels; and
- Preparing and designing development guidelines to enhance the character of the Mill River District and to provide a framework for the further and better integration of the Mill River District into the fabric of the City.

Furthermore, the grant is expected to provide the following benefits:

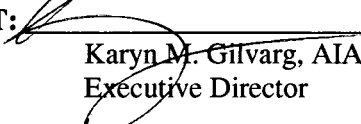
- **Employment.** Prior to the commencement of the Project, Bender employed 35 people at the current East Street locations. Upon completion of the project and for a period of 10 years there forward, Bender commits to a 60 percent increase in its New Haven-based workforce (56 people).

- New Haven-based Employment. No less than 20 percent of the New Haven-based workforce must reside in New Haven. Bender will enter into a “Partner Agreement” with New Haven Works in order to assist Bender with sourcing of qualified New Haven residents, training programs and other services intended to maintain or exceed the 20 percent threshold requirement.
- Construction Jobs. Bender will be subject to the provisions of Section 12½ of the City’s General Ordinances concerning workforce utilization goals, including 25 percent New Haven residents, 25 percent minority, and 6.9 percent women workforce utilization. As the project is under construction, compliance will be audited by the Commission on Equal Opportunity.
- Small Business Development. Bender will be subject to the provisions of Section 12¼ of the City’s General Ordinances concerning minority business enterprise utilization goals. As the project is under construction, compliance will be audited by the Small Contractor Development Program.
- New Business Development. Bender will make available up to 10,000 SF on a sub-lease basis at the 550 Grand Avenue location. Bender is currently negotiating with a Fairfield County-based carpet retailer, with five new jobs and a Woodbridge-based energy company, bringing another five new jobs.
- Community Support. Bender will make its conference room available to community groups for neighborhood meetings and events.
- Buy Local. The City is working with Yale and other major New Haven businesses to encourage them to use local businesses when making purchases of goods and services. Currently, Bender does approximately \$50,000 annually with Yale University. Bender will work with the City’s Buy Local Coordinator to expand its opportunities in this area.

**ADVICE**

The Commission finds the grant in the best interest of the City and recommends approval.

**ADOPTED:** May 20, 2015  
Edward Mattison  
Chair

**ATTEST:**   
Karyn M. Gilvarg, AIA  
Executive Director