

NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

RE: 100-142 RIVER STREET, Special Development Grant Agreement between the New Haven Development Commission and the Sophie Group, LLC (Economic Development Administrator).

REPORT: 1443-08

ADVICE: Approval

BACKGROUND

Kelly Murphy, the City's Economic Development Administrator, requests aldermanic approval of a special development grant agreement between the New Haven Development Commission and the Sophie Group, LLC, the developers of 100-142 River Street within the River Street Municipal Development Area in Fair Haven. The City entered into a sales agreement with Amerada Hess Oil in December 2005 for the purchase of the property from Hess upon completion of soil cleanup in accord with a Remedial Action Plan for the site. Under a recent reauthorization of a Lease Agreement currently before the Board of Aldermen (CPC 1442-11), Sophie Group will enter into a 98-year ground lease with the City for the site with an option to purchase once all environmental cleanup had been completed. The \$2.8 million special grant from the State of Connecticut Department of Economic and Community Development (DECD) would be used by Sophie Group to construct extraordinary foundation measures to support a new 133,000 SF building (plus future expansion) which will be the new headquarters for Colony Hardware, currently located at 821 East Shore Parkway in the Port District.

PLANNING CONSIDERATIONS

The Municipal Development Plan designates funds for special development grants to offset 75% of the costs of extraordinary foundation measures necessary for buildings constructed within MDP area. The "extraordinary" measures include special pilings under the building and additional stabilization of the slab. Sophie Group will provide the 25% match.

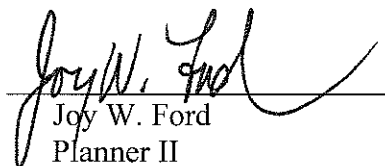
The benefits to the City of the relocation will result in the cleanup of a long contaminated and dormant site, \$300,000 annually in property taxes, and the retention of 100 jobs and the addition of potentially 100 new jobs at Colony Hardware's new headquarters.

ADVICE

Approval

ADOPTED: August 18, 2010
Edward Mattison
Chair

ATTEST:


Joy W. Ford
Planner II