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EDC Marketing Committee

Talking Points for Public Engagement

October 2019 Revised

Economic Development in Wallingford...

- Your Economic Development Commission and staff are active and engaged locally, regionally and statewide to bring the best opportunities to our Town
- Is Wallingford “hurting economically” ...”being left behind economically” as stated in an op-ed piece in the RJ written by a candidate running for office? Quite the contrary!
- If I sound a bit sensitive about the recent election year rhetoric regarding ED...I am.
- We’re proud of what we’re actively accomplishing economically and, in fact, are envied by many of our peer communities for our progressive approach to business growth
- Outcomes...New business starts and expansions
 - Through July of this year we’ve had 36 new businesses open in Town along with 6 business expansions. We had 45 new businesses open in 2018. And, over 50 per year for the previous three years. In addition, business expansions have run between 15 and 20 per year.
 - I encourage you to visit the EDC website plugin2wallingford.com to review the impressive list of new and expanded businesses that call Wallingford home.
 - A sample of 2019 activity:
 - **New**...NN Life Sciences...a medical plastics manufacturer...Northrop Industrial Park...70 employees
 - **New**...Radiall...a global company... assembling electronic connectors used in the aerospace industry...80 employees
 - **New**...Canadian based Ferti Technologies...opened their third US location in a building on East St that had been vacant for decades...30 employees
 - **Expanding**...Rowland Technologies and Davenport Associates are both expanding their present facilities in Barnes Park North
 - It’s not just about the big businesses...small businesses are the core of economic infrastructures:
 - Have you had a meal at Larry & Mike’s Route 5 Kitchen?
 - Tried Roscoes Smokehouse on South Colony St?
 - Had a craft beer at Center St Brewing Co?
 - These are all new businesses that opened in 2019
 - Again...our website has a complete list

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- We lose some too!
 - Business churn is real, very much like customer churn is to any business
 - The Mayor's Business Visitation Program is an effort to stay out in front of our businesses so we can be pro-active regarding any issues we may be able to positively influence. The Mayor is accompanied on the business visits by the Chairman of the Town Council, Director of Public Utilities, Economic Development staff and Commission, and the Executive Director of the Quinnipiac Chamber of Commerce. The visits are welcomed and appreciated by the businesses. After discovery discussion, each business is left with a framed Certificate of Appreciation that illustrates how much we appreciate them for operating their business in our Town
 - As hard as we try, we certainly can't keep them all...businesses do leave. Our ED office works diligently to understand the dynamics of why a business leaves our Town and directs internal conversations accordingly to foster constant improvement

A feeling of community

- We strive to call and welcome every new business that hangs their shingle in Town. We get their contact info from the WED (they all hook up to the meter)

Messages from our Town Comptroller regarding Economic Health

- According to our Town Comptroller, the diversity of our grand list is a stabilizing factor for our Town. The ratio of residential real estate, commercial and industrial real estate, and personal property are well proportioned
- He states that our ability to manage the loss of Bristol Myers, our single largest taxpayer, without fiscal panic or distress, is a testament to the overall financial stability of the Town
- Workforce balance is another measure of economic stability. Our top 15 employers represent a wide breadth of industries and include a variety of different metal and plastics manufacturing applications, concrete production, additive manufacturing, engineering, health insurance providers, etc.
- Our top 10 taxpayers represent less than 7% of the grand list while our top 15 employers represent just 26% of all of the jobs in Town. Stated another way, 74% of the jobs in Wallingford are in small to mid-size companies...another measure of economic stability

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Mill Rate is a sign of economic health. How does our Mill Rate compare?

- Lowest in the region at \$29.19
 - Southington \$30.64
 - North Haven \$31.18
 - Cheshire \$33.22
 - Durham \$35.89
 - Meriden \$40.86

Not everything is rosy. Class “A” office vacancy

- A market shift...younger people preferring to work in more metropolitan communities has resulted in higher than usual office vacancy rates. We work closely with commercial real estate brokers and property owners on adaptive re-use for their buildings creating new opportunities
 - 777 Northrop Rd is a perfect example of adaptive re-use. The building was an office and is now occupied by Radiall and used for electronics assembly

Tax Incentives:

- The EDC feels that tax incentives should only be offered if they are aimed at promoting a sought-after opportunity.
 - Opportunity: We’d like to attract more Class A office users to address our present vacancies. Market demand is low and projected to be as such for the next decade. Often current properties are in need of modernization. The financial metrics are inverted, meaning that landlords are reluctant to invest more in a property that, due to lack of market demand, will generate a lower rental rate. We have offered a tax abatement on major building improvements in an effort to help make the math work
 - Opportunity: We believe that companies that “make things” are the foundation of a sustainably strong local economy. We have tax incentives that are aimed at encouraging new manufacturing companies to locate in Wallingford as well as incentives for our present manufacturing companies to expand. Our low electric rates along with the dependability of our power grid help make us a great option for manufacturers.
 - Opportunity: Our Town Center. We have an enviable asset that we feel is in need of a little modernization. Up Town...okay. Downtown...a bit tired and out dated. We have several financial incentives to encourage development.

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National and International Companies in Wallingford:

- BYK is a German owned international additives company. Their North American headquarters are on South Cherry St. \$52MM expansion in 2016. They make the additive that makes paint stick!
- Radiall is a global company that makes mechanical and electronic connectors is opening a Wallingford facility on Northrop Rd. Their connectors are in almost every plane in the air!
- Nucor Steel on Toelles Rd is the largest steel manufacturer in the USA. Their Wallingford facility is the last “hot mill” in New England
- Ferti Technologies, a Canadian based company, has opened a new facility on East St representing their 4th U.S. location. Their fertilizer recipes are used on premier golf courses include Augusta National!
- Amphenol, A global business that makes connectors and sensors, has their world headquarters on Hall Ave
- Allnex, is an international additives company that makes can coatings for consumer goods and has invested millions of dollars in process improvements to support their goals of being environmentally friendly. Beverage cans, canned vegetables, and numerous other consumer products have Allnex coatings
- Specialty Cable on Tower Drive makes coated cable products used in jumbo jets and space craft
- APS Technologies, Laser Lane, created down-hole drilling technologies for natural gas and oil exploration. Their products are used world wide
- Strain Measurement, amongst other specialty products, produces automatronics technologies used at Disney World
- Z-Medica produces a blood clotting gauze that is used in public safety departments around the world and used throughout every branch of the US military

Bristol-Myers Squibb site...What’s Happening?

- Why did BMS leave?
 - They want to be where their future workforce is...the centers of educational excellence...they chose Cambridge to be in close proximity to Harvard and MIT. They want to be within walking distance or less than 5 minutes via public transportation to prominent Universities. Yale, Quinnipiac, Wesleyan were considered too far away from their Research Parkway campus
 - A significant change in the dynamics of the pharmaceuticals industry has the giants wanting to lease space to give them more control over costs as they manage the ebbs and flows of their drug pipelines
- Why didn’t we get another bio-pharma user to occupy their campus?
 - Dynamic changes in pharma have given preference to smaller sites and have left their large sites around the country to be repurposed

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- What will happen to the 188-acre site?
 - The best way to approach this is to identify what we'd like to see and what the Town doesn't feel is a good fit on the site:
 - ❖ Office Use: We'd love to see a large office development but the "office market" is gravitating back towards cities and away from suburban areas. We benefitted 35 years ago from a similar shift in the opposite direction. After a multi-year global search for tenants by BMS and a world renowned commercial real estate firm, we've collectively concluded that office development is extremely unlikely.
 - ❖ Taxes: Your EDC feels that a tax paying entity is essential. The Town invested a significant amount of money in infrastructure on Research Parkway in anticipation of getting a return through taxation and other economic benefits for its citizens. The EDC proposed and the Planning & Zoning commission recently voted to change allowable uses in the industrial zone to no longer allow educational or religious uses to further support the pursuit of taxable development opportunities
 - ❖ Manufacturing: The site is in the watershed protection area. The Muddy River runs through the site and flows into McKenzie Reservoir, one of our main sources for drinking water, thus making manufacturing development highly unlikely given the environmental challenges that accompany this use category
 - ❖ Retail: Town leadership has been steadfast in promoting Wallingford's retail corridor as being Route 5 and to a smaller degree our Town Center. There is concern that retail development at 5 Research Parkway would lead to more retail development in proximity and detract from our other retail areas
 - ❖ Residential: The area was developed for commercial use and is zoned accordingly. A residential complex in such close proximity to other industrial companies creates challenges for additional business development...noise, traffic, etc.
 - ❖ Warehouse/Distribution: in many cases today referred to as e-commerce use, is an ideal use for the site because it leverages our central location in the State, our proximity to I-91, low cost of power and workforce accessibility
 - Regarding workforce availability, which is the #1 priority for businesses looking to relocate, the EDC commissioned a CERC study that concludes that 52% of the entire CT workforce can get to Wallingford within a 20 minute commute. A strong selling point!

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Towns Position on Medical and/or Recreational Marijuana facilities:

- As long as it's illegal at the federal level, we will not entertain an application for a growing, harvesting, or dispensary facility. In the Mayor's view, it's not so much a moral and/or ethical issue...it's a legal issue

Why didn't we get the new North Haven Amazon?

- We did not have the "level" acreage needed to accommodate Amazon's specifications in close proximity to highway entrance and exit ramps. We're pleased that Amazon located in North Haven due to the regional benefits we'll experience. Your EDC help facilitate an Amazon hiring event in Wallingford to support the many local residents that will have employment opportunities there

Vibrant Town Center:

- Having a Town Center is a community asset. Cheshire, North Haven, Durham, Hamden...all wish they had a Town Center.
 - There have been numerous white-papers that conclude that active Town Centers drive business interest and contribute to filling commercial and industrial spaces. And, as a result, are worthy of continued reinvestment with taxpayer dollars

Why did we support the Brother's property purchase?

- "Up Town" is bustling...the lower part of Center St is outdated and in need of updating (for the most part). The former Brother's property is contiguous with a piece of Town owned land. Our hope is that it could play a role in a development project in the area either as overflow parking or as a piece to a larger development puzzle
- Recently ASG Technologies purchased the building (old firehouse) on 9 South Cherry St...another new business in 2019. The public parking area made the difference for them as their site only has 9 parking spaces...a common problem with small sites in New England Town Centers
- The EDC in concert with the Town Planner have formulated visions for updating the lower part of our Town Center. An Incentive Housing Zone has been established, Town Center zoning regulations have been updated, and a tax incentive has been approved by the Mayor and Town Council. These efforts were the culmination of meetings with commercial developers, market experts, and property owners. We are reminded however, that the sites we envision being updated are privately owned parcels. We feel we're ready to guide any property owner(s) when they're ready

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EDC marketing efforts:

- Target audience
 - The EDC, through its Marketing Committee, endeavors to be “in the conversation” with in-state businesses looking to relocate within CT and with new start-ups. At the State level, we work closely with DECD (Department of Economic and Community Development) and CERC (Connecticut Economic Resource Center). These State agencies are the marketing arm for economic development. They funnel out-of-state and out-of-country referrals to us
 - Our promotional mix uses mostly electronic channels and targets business leaders throughout the State
- EDC’s four Billboards...I-91 North and South...and...Route 15 North and South
 - We’re proud to say that we pay no monthly fees for the exposure derived from our four strategically placed highway signs. We pay to have the signs created and installed and a minimal amount when any maintenance is needed. They are a bargain! We’re grateful to all those that allow us to place our signs on their private property at no cost.
- Access to workforce is the number one...that’s right, #1 concern of many companies in Wallingford. The EDC is directly involved with numerous hiring initiatives and workforce development efforts including the development of local STEM programs. Our Youth Services division and the Board of Education continue to do great work to introduce town kids to the many job opportunities that await them. Wallingford has been designated a STEM Community, a designation that sends a strong message to our local manufacturers about our understanding of their concerns and our action to address them.

We work State wide and internationally through:

- DECD...Department of Economic and Community Development
- CERC...Connecticut Economic Resource Center
- SIOR...Society of Industrial and Office Realtors
- CCIM...Certified Commercial Investment Member
- Workforce Alliance...our regional workforce development board

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Cooperation within our ranks:

- The EDC works closely with a very cooperative team in Town government.
 - Mayor's Office
 - Town Planner and the Planning and Zoning Commission
 - Town Building Official
 - Public Utilities
 - Legal Department
 - Tax Assessor
 - Health Department
 - Police and Fire Chiefs
 - Fire Marshal
 - Inland Wetlands Commission
 - Board of Education
- Nothing happens without cooperation across all channels

Your Town, Your EDC:

- As written by Mr. Stephen Knight in several Record-Journal op-ed pieces, let's have economic development dialog based on "facts" not on, as he states "flagrant misstatements"
- We shared some facts with you today as we work to "responsibly develop" the limited amount of property that has been designated for possible development. We work to encourage and foster development projects that stay within the character of our Town. And yes, there have been projects that we've discouraged because we don't feel they're a good fit for Wallingford
- We work for the betterment of Wallingford...we volunteer our time for you our residents and taxpayers. There are only 8 of us. We each serve on at least one of our three standing committees; Marketing, P&Z Liaison, or Retention & Incentives and the commission meets monthly. Please share your ideas...thoughts...and visions for Wallingford's future. And, if you have an interest in becoming a member or alternate to our commission, please let us know

Handouts:

- Brochures
- Wallet cards