Town of East Haven, CT
Economic Development Commission
Special Meeting Agenda
June 3, 2019, 7:00 p.m., Town Hall
250 Main Street, East Haven, CT
Lower Level Conference Room

MEMBERS PRESENT:
Commissioner Schumitz
Commissioner Enders
Commissioner Bittner
Commissioner Limoncelli

STAFF PRESENT:
Sal Brancati, Director

The meeting was called to order at 7:00 p.m. Roll was called and a quorum was present.

DIRECTOR'S REPORT:
Discuss and Take Any Necessary Action on 110 Commerce Street Industrial Park Need for Certificate of Occupancy

Per Sal Brancati:
Tek-Motive, a break manufacturer for 30 years at Commerce Street, went out of business. They had a patent on disc brakes and had a high quality of disc breaks for trucks. Their patent expired and a company in India picked up on their design and started making the same break pad that Tek-Motive was making. They ended up shipping it here to the United States for less than half of what it costs Richard to make them here in East Haven. We brought the State in through Economic Development and tried to find new avenues but they lost Napa, Fed Ex, UPS, etc. All the main sources they had for sales were lost. They all started buying from India. We tried to bring ? Gold from the State of Connecticut to try to find other avenues for them to try and approach for distribution. We were not successful in accomplishing that. About a year later after that was over they closed their doors. They had two buildings, one at 29 Bayer Circle and one at 110 Commerce Street. They vacated 29 Bayer Circle first and found a buyer, Keith Russo, who owns a vending machine company and supplies the product that goes into the vending machine and serves and repairs vending machines. He bought and renovated the building and also built an additional building on that site for an expansion. He is operating in their now. We just found another buyer for the other building who is a distributor as well and we went forward with the closing. We got stopped at the closing because Attorney Levinson, who represents the buyer, found a cloud on the title for this property. Attorney Zullo did some research on it and found out
20 years ago when this property was transferred to Tek-Motive it came in 3 pieces; parcel E, E2 and E3. They were to develop all 3 parcels over time. They did develop E with a 26,000 square foot building, they put a 15,000.00 square foot addition on so it is about 41,000 square foot in total. They never developed what is called E2. It was determined that there are wetlands on it. Not realizing that in their deed there was a reverter clause stating that if that site was not developed the town can take that piece of property back. Sal talked to Attorney Joe Zullo who said it is land locked and there is no access to that site now and it cannot be built on because of wetlands. We should have done this 20 years ago and removed the reverter on parcel E2 however we did not do it. It only surfaced now because when the title search was done they found the reverter in the deed. They only one that can reverse that reverter clause is this commission and give a waiver and take the reverter out of the deed and Attorney Joe Zullo will prepare the necessary documentation for Attorney Levinson. They can finally close.
Joe Zullo couldn't be here for this meeting.

The Board asked what this business would be distributing. Sal Brancati stated he was not sure what the whole sale distribution business will be but one of the reasons the buyer chose East Haven was due to the mill rate being reasonably low.

Commissioner Enders made motion to reverter clause from the deed. Commissioner Bittner Seconds. Roll call, all in favor, Motion carried.

Sal Brancati noted that on June 19, 2019 at 11:00 there is a kick off for 200 Tyler Street.

**DIRECTOR'S REPORT:**

There being no further business to come before the commission, MOTION made by Commissioner Enders and seconded by Commissioner Bittner to adjourn the meeting at 7:22 p.m. All were in favor, none were opposed and none abstained. MOTION CARRIED

Respectfully Submitted,

Susan Mauro
Clerk