



Testimony for
HB 5286 - AN ACT ESTABLISHING THE GREENWAY COMMONS IMPROVEMENT
DISTRICT IN THE TOWN OF SOUTHLINGTON

By,
Howard Schlesinger: Meridian Development Partners

Senator Coleman, Representative Sharkey and members of the Planning and Development Committee. My name is Howard Schlesinger and I am a partner in Meridian Development Partners. Thank you for giving us the opportunity to speak in favor of HB 5286, which is proposed legislation providing for the creation of the Greenway Commons Improvement District in the Town of Southington.

Meridian Development Partners is a New York City based real estate investment firm that specializes in projects involving environmentally challenged property. Our goal is to transform distressed real estate into economically viable and physically attractive developments that are responsive to the needs of the communities where they are located.

The Town of Southington, similar to many towns throughout the country, grew around a factory which provided jobs for the townspeople and revenue for the local community and region. When the factory in Southington closed, it left the town with a contaminated brown field that has now become blight in the center of the town. Our development plan is to transform this blighted property into a new, vibrant community. It will include housing, retail, a park with community access to the Quinnipiac River and incorporation of the Greenway Rails to Trails which has become a destination for runners, bikers and strollers, both new and old. Right now, when they pass through Southington, there is blight and homeless seeking refuge in dangerous, abandoned buildings. This can be changed into a gateway to Southington, the river and a renovated pump house that will remain as a museum commemorating the history that existed here for over 100 years.

Meridian has received zoning, wetlands and site plan approval from the Town of Southington for the development of the property. With the towns continued cooperation, Meridian seeks to create a special assessment district to assist in financing the extensive environmental cleanup, infrastructure and related pollution control improvements on the former Ideal Forging site. This cleanup will also protect one of the town's wells that supply the local water system. This district will significantly enhance our ability to structure needed tax-based financing and proceed quickly with demolition and remediation without creating any financial or legal liabilities for the town.

This legislation will allow the district to issue bonds that will not be obligations to the Town of Southington. Debt service on the bonds will be paid from new real estate taxes generated by the project improvements within the district pursuant to a tax sharing agreement between the district and the town. This approach is consistent with the town's established Brownfield Assistance Program. The bonds will also be secured by special benefit assessments on properties within the district.

The legislature has created special assessment districts like this before in Connecticut, including those in Bridgeport, Stamford, Derby, East Lyme and Georgetown. These districts are becoming a common way to help structure and execute tax increment financings that are otherwise difficult to do in Connecticut. Special assessment districts have also been used extensively throughout the country to finance public improvements related to development projects.

This legislation does not require the formation of the district; it simply allows the Town of Southington to create the district when petitioned by the property owner. Further, the district is a discretionary tool that will only be used if it helps finance the environmental clean-up and related activities. District bonds will only be issued with the agreement of the Town of Southington pursuant to an inter-local agreement that permits the district to use a portion of incremental real estate taxes. The inter-local agreement must be formally approved by the Southington Town Council.

The boundaries of the assessment District shall conform to those of the Greenway Commons Development, and will have no impact on property owners outside of the district. In the event that the taxing authority of the special assessment district is ever used, it can only affect Meridian, or our successors in interest.

The success of this project will be a success for the Town of Southington, the State, and the idea that the public and private sector can work together to benefit the community.

Thank you for helping bring the development of Greenway Commons to light.