



ECONOMIC DEVELOPMENT IN WINDSOR LOCKS



The newsletter of the Economic and Industrial Development Commission of Windsor Locks, Connecticut.

All Aboard for a New Train Station!

DOT Presents Plans for Future Train Station at Public Meeting



The Connecticut Department of Transportation (CTDOT) is putting the final touches on the engineering plans for a **new CTRail station downtown**. CTDOT presented the plans at a public information meeting on September 19.

The new station will include a 510-foot platform, allowing all the train doors to open for faster loading and unloading, and be fully ADA compliant. Other amenities include electronic ticketing kiosks, expanded parking, and a bus connection to Bradley Airport.

The scope of the project extends beyond just the train station. It also includes 1.5 miles of new track, reconstruction of the Suffield wye, a pedestrian and bike trail, and long-anticipated streetscape improvements to Main Street.

The relocated train station is a project members of the Windsor Locks community have been advocating for for 10 years. The next step will be securing state funding.

Community Development Loan Program Coming in 2020

Loans will be a boost to microbusinesses and start-ups in Windsor Locks

In the FY20 Downtown TIF budget, \$30,000 was approved for a microenterprise loan program. The EIDC has been tasked with developing the program. The program has yet to be finalized, so details are subject to change.

The current draft of the **Community Development Loan Program** allows for loans of up to \$20,000 at a fixed 3.0% APR. New and established microenterprises located within the Downtown TIF district (see map at right) are eligible to apply for a loan. Eligibility also requires less than \$500,000 in annual gross sales and no access to traditional financing. To apply, a business will need to submit a business plan, financial documents and proof of collateral.

Loan funds can be used for all manner of business needs, including code compliance, site improvement, remodeling, purchasing machinery, furniture or equipment, consulting, marketing and other uses approved by the loan review committee.

The EIDC, as the loan review committee, is partnering with the Windsor Locks Federal Credit Union to administer and disburse loan funds. More information will be available as the program is finalized.



WHAT ARE MICROENTERPRISE LOANS?

According to the Association for Enterprise Opportunity (AEO), microbusinesses are businesses with four or fewer employees that average \$84,000 in revenue. More than 30 million Americans are employed by microbusinesses and 38% are owned by women.

Microbusinesses often lack access to traditional bank financing, so microenterprise loan funds help close the "gap." The loan funds are managed by cities, counties or nonprofit organizations. Because of their low cost to administer, they can become self-sustaining in just a few years.

A number of Connecticut towns already offer microenterprise loans programs, including Windsor, Manchester and Hamden, along with regional organizations such as the Northeast CT Economic Alliance.

Sources: Association for Enterprise Opportunity, Ohio State University

Take a Break from the Trail at Canal Park

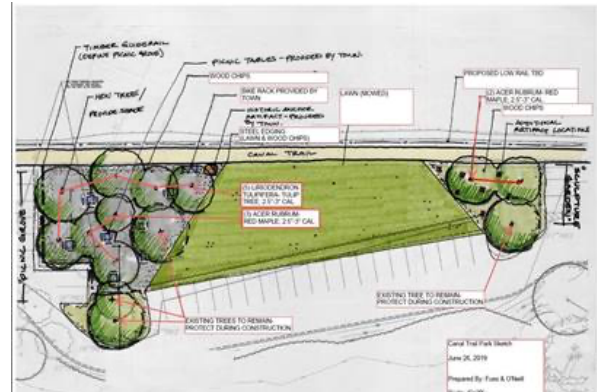
New park is just one piece of the larger Main Street Revitalization

In 2013, Dave Wrabel, Director of Parks and Recreation, applied for the Recreational Trails Program grant in order to provide a better trail head at the south end of the Canal Trail State Park.

The plan was to better define the parking area, clear the area of brush and invasive plants, and add picnic tables, bike racks and other amenities. The town was awarded the grant, and later began working with Beacon Communities, Ahlstrom Munsjo, DEEP and others to create a plan that would work for all. Construction begun alongside redevelopment of Montgomery Mill, and the **park is now open**.

The park is open dawn to dusk, and can be accessed by traveling east of the Mill building (CT River side) and following the signs to the north.

At right: Engineering sketch of the Canal Park, photo by Jen Rodriguez.



2019: The Year of Small Business

New and expanding businesses around Windsor Locks lead the Department of Building and Land use to dub 2019 the **Year of Small Business**.

Luppoletto Brewing Co. turned on the taps in Dexter Plaza along with the relocated Healthy Smiles. New tenants at 60 Main Street (itself under new ownership) include Sassy Consignment, Tiger Lily, Camp Simon Arts Center, Eastern Counseling Services, and Luxy Nails. Other businesses expanded, relocated or changed hands, including Bocasa, The Deli, and Mane on Main.

2019 was a good year for large businesses in Windsor Locks as well. UTC Aerospace Systems spent \$4 million on a remodeled Fuel Lab at their campus. New industrial presences included neXtore and Colt Express, who both established offices in town.

Environmentally-friendly development was key as well. Hilton Hotels is seeking to build a 116-room Tru by Hilton on Ella Grasso Turnpike, a project that will incorporate two water quality swales that will naturally collect and filter rainwater from the property. And Ahlstrom is constructing solar panels on the roof of their Churnside Road building, to produce 372.6 kilowatts of electricity.

EIDC Sponsors Enterprise Zone Meeting

More than 40 business leaders from across the state visit Windsor Locks

The EIDC sponsored the September meeting of **Enterprise Zone (EZ) Coordinators**, bringing over 40 state, municipal, and business officials to Windsor Locks for the day.

Glendowlyn Thames, Deputy Commissioner of the Department of Economic and Community Development (DECD), was the guest speaker. As Deputy Commissioner, she provides strategic direction for business development and workforce initiatives.

Attendees were a mix of municipal and organizational staff, planners, economic development professionals and assessment staff. They were able to share success stories and local concerns with staff from the DECD.

Dan Carstens, Windsor Locks' Foreign Trade Zone Administrator, gave an overview of the FTZ for attendees and encouraged towns and cities that do not already participate to consider this as part of their economic development strategies. Lunch was sponsored by the EIDC. Attendees also toured Montgomery Mill and the new Canal Park.

Windsor Locks is home to the Bradley Airport Development Zone, which extends tax credits to qualified businesses that acquire property in the zone and create jobs.



Above: Susan Chen, Business Development Project Manager with DECD speaks with Jeff Morris, Director of Leasing at the Montgomery Mill. Photo by Jen Rodriguez.

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Factsheet: The Foreign Trade Zone

Created by the Foreign-Trade Zones Act of 1934, a Foreign Trade Zone (FTZ) allows an exporter, importer, manufacturer or 3PL to manage the duties owed on imported goods or components. A FTZ is a secure, geographical area in (or adjacent to) a United States Port of Entry where commercial merchandise, both domestic and foreign, receives the same treatment by U.S. Customs as if it were outside the commerce of the United States. Merchandise may be held in the FTZ without being subject to Customs duties or other added value taxes.

Windsor Locks is home to Foreign Trade Zone #71

FTZ#71 was established in 1981, with the EIDC as the grantee. Originally, 17.5 acres was designated as its magnet site. In 2012, expansion by Griffin Land netted an additional 390 acres. Under the recent Alternative Site Framework (ASF), the zone now extends its access to five Connecticut Counties (Hartford, Litchfield, Middlesex, Tolland, and Windham Counties) up to a total of 2,000 acres of activated space.

Why an FTZ?

While the benefits of FTZ are numerous, here are a few main benefits that account for most of the companies that use FTZs:

- Relief from inverted tariffs
- Duty exemption of re-exports
- Duty deferral
- Duty elimination on waste, scrap, and yield loss
- Weekly entry savings

Site Approval Process

Businesses looking to use an FTZ site must:

- Submit an agreement for FTZ status through an Alternative Site Framework (ASF) application.
- Secure an approval letter from U.S. Customs and Border Patrol (CBP) to apply for zone status
- Prepare an inventory and procedures manual for operations within the proposed FTZ
- U.S. Immigration and Customs Enforcement will administer a background check of key employees and company officers
- Establish a U.S. Customs Foreign Trade Zone Bond
- Secure an Operator Agreement between the FTZ applicant and the grantee (the EIDC) of the foreign trade zone
- Have a final site review by the CBP

Under the ASF framework, any location in the 5 counties should be able to gain approval in approximately 30 days. When approved, the new users will pay a one-time \$7,500.00 access fee and then \$5,000 per year thereafter. These fees are used to cover the grantee's expenses in maintaining the FTZ, including submission of an annual report and basic administrative assistance to Zone users.