

**EAST LYME ZONING COMMISSION
PUBLIC HEARING I
Thursday, JANUARY 17th, 2008
MINUTES**

The East Lyme Zoning Commission held a Public Hearing on the Application of Theodore A. Harris for Gateway Development/East Lyme LLC to amend the East Lyme Zoning Regulations to add proposed Section 11.A.9 to serve as an alternative to the existing Zoning regulatory guidelines in the Gateway Zoning District and which would establish Zoning requirements for development under a set of 'Master Development Plan' regulations providing specific criteria for mixed-use development, building sizes, eligibility, submission requirements, approval criteria, implementation phasing and public improvements, on Thursday, January 17 2008 at the East Lyme Middle School, 30 Society Road, Niantic, CT. Chairman Nickerson opened the Public Hearing and called it to order at 7:32 PM.

PRESENT: Mark Nickerson, Chairman, Rosanna Carabelas, Secretary,
Norm Peck, Steve Carpenteri, John Birmingham, Alternate, William
Dwyer, Alternate

ALSO PRESENT: Attorney Theodore Harris, Representing Gateway Dev/EL LLC
Jay Fisher, Principal SK Properties Development
Chris Knisley, Principal, KGI Properties LLC
Michael Wang, Architect, Arrowstreet
John Mancini, Engineer, BL Companies
Bill Sweeney, Planner, TCORS
Donald Klepper-Smith, Chief Economist DataCore Partners LLC
Bob Bulmer, Alternate
William Mulholland, Zoning Official

FILED IN EAST LYME TOWN
CLERK'S OFFICE
Jan 24 2008 at 10:25 ^{AM} _{PM}
Ethel B. Williams
EAST LYME TOWN CLERK

ABSENT: Ed Gada, Marc Salerno

PANEL: Mark Nickerson, Chairman, Rosanna Carabelas, Secretary,
Norm Peck, Steve Carpenteri, John Birmingham, Alternate,
William Dwyer, Alternate

Pledge of Allegiance

The Pledge was observed.

Public Hearing I

1. Application of Theodore A. Harris for Gateway Development/East Lyme LLC to amend the East Lyme Zoning Regulations to add proposed Section 11.A.9. This proposal serves as an alternative to the existing Zoning regulatory guidelines in the Gateway Zoning District and would establish Zoning requirements for development under a set of 'Master Development Plan' regulations. The proposal provides the specific criteria for mixed-use development (retail & residential), building sizes, eligibility, submission requirements, approval criteria, implementation phasing and public improvements.

Mr. Nickerson welcomed everyone and noted that the legal ad had run in The Day on January 4, 2008 and January 14, 2008. He then asked Ms. Carabelas, Secretary to read the correspondence into the record.

Ms. Carabelas, Secretary read the following correspondence into the record:

- ◆ Letter dated 1/16/08 to Mark Nickerson, Chairman, Zoning Commission from Francine Schwartz, Secretary, EL Planning Commission – Re: Application of Theodore Harris for Gateway Development/East Lyme LLC to amend the Zoning Regulations to add new Section 11.A.98 to allow development under a set of “Master Development Plan” regulations – finding the application CONSISTENT with the recommendations in the Plan of Conservation & Development and Yale Charrette Report to channel future commercial growth toward the Rte/ 161/I-95 interchange.
- ◆ Letter dated 11/20/07 to EL Zoning Commission from Ed Shapiro, EDC Chairman – Re: The Gateway Project – finding the latest Gateway submission with its’ extensive redesign of the I-95 North and Southbound exits and entrances a major plus for the Town
- ◆ Email Letter dated 1/10/08 to Zoning Commission C/o Bill Mulholland from Marcy Balint, OSIP - Re: Zone Change to add Proposed Section 11.A.9 to the Zoning Regulations – finding that the site under discussion is located outside of the coastal boundary.
- ◆ Letter dated 11/20/07 from Theodore Harris to Bill Mulholland, ZO – Re: Gateway Development East Lyme LLC – supplying text amendment and clients’ fund check of \$230.00.

Mr. Nickerson noted that the Regional Planning Commission did not meet in December so there was no report from them.

Mr. Nickerson then called upon the applicant or their representative for their presentation.

Attorney Theodore Harris, representing the applicant synopsised the history of this text amendment and the subsequent variety of meetings and events which brought them to this evolution in the plans. He said that the criterion is based on broad goals and that it is a modified regulation that they are bringing forth this evening. He noted as they have stated, that the Planning Commission has found this proposal consistent with the Plan of Conservation and Development goals and that it was felt that this plan would help ease the tax burden of the Town and concentrate the commercial district in the Route 161 area. The Plan focused specifically on that area and the Gateway is located in that area of the Town. He said that the residential was placed west of the Pattagansett to go along with what is located in that area currently. The practical difficulties of the area and the site (ie. Infrastructure, I-95) are the reason why there is a need for a special regulation for this site. The magnitude of the infrastructure work makes it extremely expensive and there is a need for flexibility in the use of the site. The POCD suggested that they should petition the State to get I-95 upgraded however; they all know that the State is not about to move quickly to get all of this work done and that money is also an object for the State. They feel that they now have the framework to be able to move forward with this project and that the two developers own a substantial portion of the zone such that the project is viable. The Master Development Plan is based on a form-based concept of Zoning and it protects the Town by giving extraordinary discretion to the Town. He said that he and Bill Sweeney have worked on this plan for a long period of time and they believe that it promotes a flexible, creative design. It provides for the maximum use of the parcel while minimizing the impact. He introduced Bill Sweeney to explain the specifics of the flowchart of this project.

Bill Sweeney, Certified Land Planner with TCORS said that he has been working for about two (2) years on this Gateway project proposing an alternate process to develop the Gateway District. The plan is extremely flexible and comprehensive and is based on form and aesthetics. He said that it is an alternative process that is not mandatory and is for the developer to apply under should they so desire. The Master Development Plan allows for development in phases over a number of years with one of the benefits being the flexibility and comprehensiveness that it provides. It is a modified form-based regulation and this is the direction that modern Zoning is moving in and it is a cutting edge, innovative way to develop. He passed out a flowchart which outlines the sequential steps that are to be taken during this process. This was entered into the record as **Exhibit 1**. (Copy attached at end of Minutes) He explained the flowchart steps noting that Step 2 will result in architectural standards that come out of this as booklets that become regulatory documents for the project. The Master Development Plan sits as an umbrella approval over all of this governing it as it is built out. He said that they are here tonight to approve the MDP process. He then explained the MDP Text Amendment which was entered as **Exhibit 2**. He explained that the changes are a result of the meetings that were held with the neighborhood people, staff and others since the last time that they presented the first MDP. He said that they removed the reference to Section 25 as this is not a Special Permit and they wanted to make sure that they could move and act on this.

Attorney Harris noted that the section on retail use was revisited and that they have provided for a maximum of 425,000 sq. ft. of retail space with a specific breakdown.

Mr. Sweeney said that the uses that are outlined are absolutely necessary to this project.

Mr. Nickerson asked about the R-40 zone as the last application had them going into that area and this one does not.

Mr. Sweeney said that was correct and that Jay Fisher of SK Properties Development would explain that aspect a bit later. He noted that one of the issues at the workshops and meetings that they held was that of the tax impact and analysis and that they have Don Klepper-Smith of the Governor's Council of Economic Advisors and Chief Economist with DataCore Partners LLC present this evening to provide that information to them.

Don Klepper-Smith said that DataCore Partners LLC has been asked by Mr. Fisher and Mr. Knisley to conduct an impact analysis. They have compiled a 70 page report and have condensed it to a six (6) page synopsis. This summary was entered into the record as **Exhibit 3**. He said that they have conducted many of these types of studies and that he would hit only on the key concepts this evening. He explained that the data inputs are common to all fiscal impact studies and that they include the local budget, debt, spending and that they look at 100% of the Town's non-educational budget. They work with the Assessor on projected mill rates and utilize the Rutgers Study as it has a new multiplier set that is based on the 2000 census. The fiscal impact study does not have indirect impacts. All estimates are based on conservative estimates and are baseline estimates which in all probability are likely to be much higher in the end product. At full build out they are looking at a little over \$2.1M in tax revenue for the commercial aspect and another \$500,000 for the residential. He summed up that this project makes good sense.

Ms. Carabelas said that she is not sure that he answered the right question and asked about the type and need of a 140,000 sq. ft. anchor store.

Mr. Klepper-Smith said that was not a part of the study that he was commissioned to do.

Mr. Fisher said that Ms. Carabelas has asked a question that they do not have an answer to or an application for because they do not have a text amendment to file under. With respect to the 140,000 sq. ft. anchor store size – this allows them to be able to negotiate with a wide range of potential users which are necessary to make this a viable project. The size provides the ability to bring in people to the other stores and the area.

Ms. Carabelas said that if they are comparing this to the Evergreen shops that they do not have that size store in the Evergreen shops.

Mr. Fisher said that while that is true that they do have many areas of shopping surrounding the Evergreen shops and those additional shopping areas draw the people in. He added that they are also putting in a 220,000 sq. ft. Wal-Mart on the hill over in that area. And, this plan, without the 140,000 sq. ft. anchor store – does not happen.

Mr. Nickerson asked Mr. Klepper-Smith about the education budget/monies and the \$7808 per student that we spend plus the \$3000 per student that the State supposedly pays and if that actually is so.

Mr. Klepper-Smith said that he could not answer that as it is a conflict of interest for him. However, there is a report that they can view that will answer that for them.

Mr. Carpenteri asked what kind of impact this would have on the local businesses.

Mr. Klepper-Smith said that there is no model to compare it to and that they are really talking goods and services that are like no other in the Town. There is no quantitative model that can be used to speculate and they would get as many different answers as there are economists.

Mr. Fisher said that what they are planning to have are concept national stores and none that would be competing with the shops in Niantic or Flanders Four Corners.

Chris Knisley, Co-Developer, KGI Properties LLC said that is a good question regarding the impact to the other businesses in the Town. He said that they met with the Niantic Merchants Group in Town also and that they were extremely well received and the meetings well attended and the people were very positive about

what this could do for downtown Niantic. It is seen as a complimentary use as each of them has different draws.

Mr. Nickerson commented that there was also some discussion with the EDC regarding a Tourist Information Center possibly being located here.

Mr. Peck asked if the total net tax income is combined.

Mr. Klepper-Smith said that \$2.1M would be from the commercial and \$565,800 would come from the residential for a combined total of \$2.6M.

Mr. Peck noted that they had evaluated the residential component and asked how it calculated out.

Mr. Klepper-Smith said that the multiplier is driven by the Rutgers Study Report and that it would come out to around 53 additional school age children although all of them may not be 'new' as some people may move within the Town to this area.

Mr. Peck asked if when they were figuring for Police if they figured the retail component would have its' own Police.

Mr. Klepper-Smith said that the build out is such that the formulas reflect municipal factors and it was estimated for the commercial side. It assumes that Public Safety will be increased to the extent that it exists in the Town.

Mr. Fisher added that in addition there would be private security on the premises. He said that he also contacted three (3) other Towns Police Departments that have shopping malls located in them and that they faxed over their crime statistics. Out of all three of them there was one assault and other issues were employees inadvertently setting off the alarm systems and some fender benders. He said that the report and the respective Town Police Departments are available to be called should they desire to speak with them.

Mr. Dwyer noted the population number of 18,000 and asked if that included the institutional prison population.

Mr. Klepper-Smith said that they used the population statistic and that it excludes the prison population.

Mr. Nickerson noted that at this time that they would break from tradition as Mr. Klepper-Smith has a broken arm and some distance to travel and that he would take comments from the public regarding the impact analysis only. He called for anyone from the public who wished to comment on this study or address the Commission with questions that they would like to have Mr. Klepper-Smith answer regarding the study.

Rocco Tricarico, 17 Rose Lane said that regarding the economics that he would like to know if they spoke with the Board of Ed at all on the trends they see and the number of children.

Mr. Klepper-Smith said that they did not ask them directly and that the information came from State reports on trends and other data. This data shows that by the year 2030 that the State expects the student population to decline by 17,000 children. He said that with 53 additional children that there are no capacity issues and that some of those children may already be in the system.

Mr. Tricarico said that he noticed that no special education costs were included here.

Mr. Klepper-Smith said that in the summary letter it details the school expenses and talks about the expenses for East Lyme. He noted that the East Lyme district information is in the report from the States' most comprehensive measures and that if anything; they have over-estimated special education spending.

Mr. Tricarico said that he has not had the opportunity to review the report prior to this meeting and that he is not able to say that he is comfortable with this information.

Mr. Nickerson said that if he wants to have a copy of the report that he could call the Zoning Office and request a copy of it.

Mr. Klepper-Smith said that the fiscal impact studies offer a full disclosure policy and that everyone is able to view the reports that were used, the flowcharts and information and that is why they provide a 70 page comprehensive report.

Mr. Fisher said that they will make the report available to the Zoning Office. He also reminded them that they are here tonight for the text amendment only and that all else that is being presented is just being used as an example. He then presented his slide presentation of the area that they own, the property that borders the Gateway and the topography of the site. He said that they own almost 200 acres. He explained the differences between the original plan from last spring and the new revised plan. He said that the R-40 area near the residential areas is being dedicated to open space provided the plan goes forward. This would provide a link to the Town area and the other open space. It is 900' to 1000' wide and heavily wooded with an elevation of up to 100', comprising roughly 30 acres. They will also have 225 apartments and 50 town homes and no single family houses. The number of residential units has gone from 400 to 275. They have kept the amenities such as the community center area and active and passive recreation areas. He noted that the gazebo area is approximately the size of a football field. He then showed examples of the facades and noted that on the main streets that all of the driveways are off the rear. He said that one of the Commissioners had previously asked them if they contemplated a true mixed use so they chose an area for office over retail. The streetscape is pedestrian friendly and depicts various architectural styles. There is also infrastructure connectivity for future use of the remaining property.

Ms. Carabelas said that if some of the junior stores could be 35,000 sq. ft. and if Barnes & Noble would be an example of that type of store – what type of store would fit the 140,000 sq. ft. format.

Mr. Krisley said that what the 140,000 sq. ft. does is to allow them to talk with a number of retailers but not with Wal-Mart as that is too small for them. This size is similar to the Home Depot stores, Lowe's, Costco and BJ's type of stores but they have repeatedly said that they have not envisioned a home improvement store for this area.

Mr. Fisher confirmed that there would not be a home improvement store here. He then explained the traffic pattern that currently exists and the upgrades that will be done which will make traffic flow better on Flanders Road as well as the I-95 ramps in that area. He noted that they have been working with the DOT on these changes. He then listed the benefits for the Town –

- ◆ Pedestrian-friendly streetscapes
- ◆ Vibrant open spaces
- ◆ Significant tax revenue
- ◆ Roadway improvements
- ◆ Market-rate apartments
- ◆ Open Space areas
- ◆ New Jobs
- ◆ New shopping, dining and entertainment opportunities

He then directed them back to the flowchart and said that they are still at the text amendment level noting that at this level the Town has the authority to review this at every step of the way.

Ms. Carabelas asked if the utilities would be underground.

Mr. Fisher said that they have not been designed yet and that it would need to be worked out with the utility and with staff.

Mr. Wang, Architect with Arrowstreet passed out copies of the Gateway Commons booklet of the slide presentation which was entered into the record as **Exhibit 4** along with a CD of the booklet.

Ms. Carabelas asked about the interconnectivity of the open space.

Mr. Fisher said that if the MDP goes through that would then get them to the next step. They would not be discussing deeding the land until they could get an application in under the MDP, anything otherwise would be premature.

Mr. Carpenteri asked what type of demands would be made on the water there.

Mr. Fisher said that they have been told by the Public Works staff that there is water available and that they will have it. However, they cannot go to the WPCA without the text amendment as that is what will allow an application and plan to be submitted. The Master Plan level will have a number of tweaks as necessary.

Mr. Nickerson noted that at this point they are only looking at the text amendment.

Mr. Peck asked what definition they were using for net floor area.
Attorney Harris said that it is as defined in the Zoning Regulations and is basically the interior area.

Mr. Peck asked at what point do they decide on permitted uses.
Mr. Fisher said that it is at the Master Plan level but this does not replace the permitted uses for the area.
Mr. Sweeney noted that in the MDP that the uses are actually restrictive in nature (office, residential, retail).

Mr. Nickerson called for anyone from the public who wished to speak in favor of this application –
He asked that they address the Commission and not the applicant and that there be no debates, accusations or finger pointing.

Mike Schultz, Lovers Lane said that as a resident and taxpayer of East Lyme that he has been looking forward to this project. He said that he sees it as a win – win for the Town and that it would tie the Town together and would help with the taxes. He is in favor of this application.

Bill Mulholland, 4 Bittersweet Drive said that he guesses that he is in favor of this as earlier Attorney Harris spoke of the benefit of having high density residential homes with appropriate buffers and he has to agree with that. He said that the developer met with the Rose Cliff Estates neighbors and that the revised plan that they are seeing tonight is a result of those meetings. The open space and buffer is great for their neighborhood. He said that his only concern is that the open space remains undeveloped as 900' to 1000' from their homes is a significant amount and they want to make sure that this remains in tact. He said that he understands that it gets done with the text amendment and speculates that the neighbors were satisfied with this remaining open space and that is why so few are present tonight – but – he wants to be sure that it will remain as open space and be deeded that way.

Mr. Mulholland, Zoning Official said that he is reassured that it would happen should this amendment go forward and that it is sufficient that it has been put into the record at this time.

Mark Bennett, 10 Bittersweet Drive asked if they will still leave this public hearing open this evening as he wants to see the fiscal study and may have a question about it and wants to know how to enter his comments into the record.

Mr. Nickerson said that he could just show up for the next meeting and speak there.

Mr. Mulholland said that they expect to continue the public hearing until the February 7, 2008 meeting of the Commission.

Rocco Tricarico, 17 Rose Lane said that as a Rose Cliff resident that he has been following this closely. He gave credit to the development team in trying to make a community effort to inform people. He said that while he conceptually supports the part of the project that was presented that he would like to see what permitted uses will be rolled out under the Master Plan and that he will have further comments then. He added that he thinks that the lack of people present tonight is due to them not knowing where the public hearing site was and not seeing an agenda or information about this on the website.

Mr. Mulholland noted that the site information was posted on the outer doors of the Town Hall and that it was also in the newspaper. He said that the lateness was due to the fact that they almost did not make a place change but as with any public hearing, it is a subjective issue and they do the best that they can with the information that they have.

Mr. Nickerson called for anyone from the public who wished to speak against or neutrally on this application-

Ben Gentile, 25 Rose Lane asked about the Hingham Mass building that was depicted in one of the slides and what the size of that facility was. He also asked what type of building would go in there since they have said that it would not be a lumber yard or a Sam's Club – he would like a list of what could go in there.

Mr. Mulholland said that he thinks that everyone is curious however legally they do not have to give them that information. It will occur at the proper time.

Mr. Fisher said that they cannot give that information as part of it is contingent on the market and the negotiations that will have to take place.

Michael Wang, Architect with Arrowstreet said that the Hingham, Mass model was set for 125,000 sq. ft.

Mr. Nickerson said that with respect to the type of retailers that Mr. Knisley has said that this was not going to be the typical ones but that they envisioned more upscale shops going in this area.

Mr. Knisley said that they envisioned specialty retail similar to what would be found at the Farmington Valley Shops and the Evergreen Shops, such as LL Bean, Black Market and Tulip along with local and national retailers.

Ms. Carabelas said to Mr. Mulholland that with reference to the title of the text amendment that she has some trouble with the square footage and asked if this will open up a can of worms and could relate to other areas of the Town.

Mr. Mulholland said that by its title 'Gateway' that it is specific to this area only.

Mr. Fisher noted that there are only about 20 acres left in the Gateway that they do not own.

Mr. Dwyer asked if they are eliminating the site plan in 11.A.9.4

Attorney Harris said that it is eliminated here for the initial master development but not for the next process.

Mr. Sweeney clarified that the site plan comes after the Master Plan and that it is in the fourth box on the flowchart and has not been eliminated.

Attorney Harris noted that all of the other things listed have to happen before the site plan happens.

Mr. Nickerson asked how a Town protects itself so that the development happens as it is supposed to and is not left half done – like a ghost town with nothing but the residential done.

Mr. Fisher said that he is not sure that it makes practical sense to do the residential early on as they have to do the infrastructure first and the exorbitant cost means that the retail has to be done first as they will be working for years only paying out and not getting anything in with the infrastructure work.

Mr. Carpenteri asked if this would really improve the traffic on Flanders Road from what it is today.

Mr. Fisher said yes.

John Mancini, Engineer with BL companies said that one of the reasons why the problem has not been addressed is because the State does not control enough real estate to fix the ramps and it would require a large undertaking to fix them. The ramps are also stuck too close to the bridge itself. It is a comprehensive project and the ramp system and frontage road system would have to go in and the developer owns the property that would have had to be 'taken' – so they as individuals can design and fund it faster than the State could possibly get it funded and acquire the land and get the project done. He said that they have been to the State four times to keep up on the discussions on what has to be done and what they have agreed upon being done.

Mr. Fisher summed that they have been consistent with their presentations regarding the open space in the R-40 zone. He said that they also sent notices of this meeting to all of the names that they had on the lists from all of the meetings that they held so those people were given notice and could attend. He added that they were asked about the fiscal impact on the shops in the area and that they have been asked to have another fiscal impact study done and that they have offered to pay for another one to be done.

Mr. Mulholland said that he thinks that the report will be ready for the February 7, 2008 meeting.

Mr. Fisher asked to see the report before that evening so that they can review it. He said that he would appreciate their promptness in getting a copy to him.

Attorney Harris thanked the Commission and public and reminded everyone that they are here only for the text amendment change.

Mr. Nickerson asked if the Commission had any other comments or questions –
Hearing none –

Mr. Nickerson called for a motion to continue this Public Hearing.

****MOTION (1)**

Ms. Carabelas moved that this Public Hearing be continued to the next meeting of the Commission.

Mr. Dwyer seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Nickerson adjourned this Public Hearing at 10:40 PM and continued it to the next meeting of the Commission.

(Note: A break was taken here)

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

Proposed Zoning Text Amendment
Gateway Planned Development District
Master Development Plan

11.A.9 Master Development Plan (MDP) *ref to Sec. 25 removed*

As an alternative to the traditional parcel by parcel development of the GPDD Gateway Planned Development District under the preceding provisions, the Commission may, subject to a public hearing adopt a Master Development Plan (MDP) that modifies the zoning requirements of the District in accordance with the following standards.

11.A.9.1 Purpose *Same*

The purpose of the MDP process is to encourage the comprehensive planning and coordinated mixed-use development of multiple parcels within the District, promote creativity and superior design through flexible and context-sensitive development standards, support significant economic investment, reduce impacts associated with large-scale development, and provide protection to adjoining neighborhoods.

11.A.9.2 Effect

The adoption of an MDP shall modify the zoning requirements of the GPDD Gateway Planned Development District as specified by the MDP and except as provided in Section 11.A.9.2.1 and 11.A.9.2.2 shall allow for deviation from the typical requirements for use, bulk, and other development standards. Any provision of the East Lyme Zoning Regulations applicable to the property and not specifically superseded by adoption of the MDP shall continue in full force and effect.

11.A.9.2.1 Retail Use *Atty Harris explained*

To the extent that a MDP shall contain retail uses, such uses shall not exceed 425,000 square feet of net floor area in total, and shall be subject to the following bulk limitations:

- (A) Not less than twenty-five (25%) percent of all retail space in the MDP shall be contained in stores with less than 20,000 square feet of net floor area. *leaves 320,000 sf. for other uses*
- (B) Not more than one (1) anchor store, containing no more than 140,000 square feet of net floor area, shall be allowed. *leaves 180,000 sf for*
- (C) Not more than Five (5) junior anchor stores, typically ranging from 25,000 to 90,000 square feet shall be allowed, provided that no single store may exceed 90,000 square feet of net floor area, and not more than two (2) such stores may exceed 50,000 net floor area. *was 180,000 sf. near*

Proposed Zoning Text Amendment
Gateway Planned Development District
Master Development Plan

11.A.9 Master Development Plan (MDP)

ref to Sec. 25 removed

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11.A.9.1 Purpose

None

The purpose of the MDP process is to encourage the comprehensive planning and coordinated mixed-use development of multiple parcels within the District, promote creativity and superior design through flexible and context-sensitive development standards, support significant economic investment, reduce impacts associated with large-scale development, and provide protection to adjoining neighborhoods.

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*Bill Summary
expanded
30% decrease*

11.A.9.2 Residential Use

To the extent that a MDP shall contain residential uses on the west side of the Pattagansett River, such uses shall be subject to the following: *has been reduced significantly*

- (1) No single family detached unit shall be permitted.
- (2) Such uses shall be designed and located to minimize the impact on surrounding areas by incorporating one or more of the following:
 - (a) Buffers to adjoining residential uses.
 - (b) Locating the lower density uses in areas near existing residential uses.
 - (c) Providing open space and/or recreational areas.
 - (d) Providing architectural and lighting controls.
- (3) The total number of units shall not exceed 275.

11.A.9.3 Eligibility

No changes to this section

A MDP application must include at least 75% of the land within the GPDD Gateway Planned Development District. A MDP must provide for reasonable access and utility interconnections to any portion of the District not included within a proposed MDP. The uses and bulk contained in the MDP shall not be considered with respect to site plans for portions of the District outside the MDP.

11.A.9.4 Submission Requirements

An application for MDP adoption shall require public hearing and in lieu of a site plan as described in Section 24, shall include the following components:

- (a) Existing Conditions Survey prepared by a licensed surveyor showing:
 - (1) Existing topography with 5-foot contours showing the general gradient of the site, existing structures, existing roads and rights-of-way, easements, major topographic features, inland wetlands, watercourses and flood plains.
 - (2) Land uses, zoning and approximate location of buildings and driveways within 100 feet of the site.
 - (3) A-2 boundary survey.
 - (4) Location map.
- (b) Conceptualized Layout Plan prepared by a licensed engineer, architect and/or landscape architect showing:
 - (1) General location and nature of proposed land uses.
 - (2) Proposed public and private rights-of-way, parking areas, easements, and public and private open space areas.
 - (3) Proposed building footprints, floor areas, and building heights.
 - (4) Proposed location of landscaping, buffering, and screening.
 - (5) Utility and highway improvements.
 - (6) Construction phasing plan.
(new)

- (c) Development Standards for the proposed development shall be provided in a narrative form including, but not limited to:
- (1) Permitted uses subject to Site Plan approval in accordance with Section 24.
 - (2) Bulk and dimensional requirements.
 - (3) Parking and loading.
 - (4) Streets and sidewalks.
 - (5) Landscaping and screening.
 - (6) Lighting.
 - (7) Signage.
 - (8) Open space and conservation areas.
 - (9) Any other standards the Commission may reasonably require.
- (d) Architectural Standards for the proposed development provided in both narrative form and visual representations prepared by a licensed architect showing:
- (1) Architectural styles.
 - (2) Massing and scale.
 - (3) Materials and colors.
 - (4) Roof lines and profiles.
 - (5) Typical building facades and elevations.
 - (6) Provisions which require large format stores to contain features calculated to minimize the appearance of bulk.
- (e) Traffic Analysis prepared by a professional traffic engineer including:
- (1) A comprehensive traffic study detailing the impact of the proposed development.
 - (2) Improvement plan and the measures necessary to mitigate those impacts.

11.A.9.5 Approval Criteria

The adoption of a MDP shall require a public hearing with notice of the hearing made by publication. The Commission shall consider the following criteria in determining whether to adopt a proposed MDP:

- (1) Consistency with the Plan of Conservation and Development.
- (2) Consistency with the goal of the GPDD Gateway Planned Development District to broaden the Town's tax base while providing a coordinated development, in harmony with the underlying aquifer protection district, calculated to maximize the potential of the district.
- (3) Consistency with the purpose of the alternative MDP process.
- (4) Consistency with the orderly development of the istrict with provisions for necessary utility and traffic infrastructure and in harmony with the surrounding land uses.

The Commission shall reserve the right and discretion to deny the adoption of any MDP that, in the opinion of the Commission, fails to meet one or more of the above-mentioned criteria.

11.A.9.6 Implementation

basically stages 3 and 4 in flowchart

The implementation of the MDP shall be subject to Site Plan approval by the Commission pursuant to Section 24 of these Regulations. The Site Plan submission shall also contain the information required pursuant to Sections 11.A.8.1-11.A.8.4 and shall comply with the standards outlined in Section 11A.5 (Environmental Requirements). All applications for Site Plan approval under an adopted MDP shall conform to the modified Development and Architectural Standards of the MDP and substantially conform to the size and location of buildings and uses as shown on the Conceptualized Layout Plan. All applications for Site Plan approval shall illustrate the adherence the adopted MDP through plans, renderings, architectural elevations, and other materials. Any Site Plan Application that substantially conforms to an adopted MDP shall be approved by the Commission.

11.A.9.7 Phasing and Public Improvements

reference is same

Implementation of an adopted MDP may be phased on the condition that all public infrastructure associated with each phase of the MDP shall be constructed prior to the issuance of Certificates of Occupancy for such phase or shall be bonded to the satisfaction of the Commission.

DataCore Partners LLC

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January 14, 2008

Mr. Jay Fisher
Konover Properties
342 North Main Street
West Hartford, CT 06117

Mr. Chris Knisley
KGI Properties LLC
One Providence Washington Plaza, 9th floor
Providence, Rhode Island 02903
(401) 273-8600

Dear Mr. Fisher and Mr. Knisley:

Per your request, I would like to summarize my analysis of the net fiscal impacts from your proposed multi-use development as modified per the inputs from the Town and the neighborhood meetings in East Lyme, Connecticut.

It is my understanding that you have requested a text amendment to the zoning regulations and that the information that I have been provided is purely a concept plan with no current basis in zoning. In order to not overstate this opportunity, I have utilized a conservative set of assumptions. Therefore, my analysis, based upon those conservative economic assumptions, may understate the net fiscal benefits to the Town. I look forward to a more detailed site plan proposal at which time we can develop a much more refined analysis.

Conducting an analysis from a concept plan necessitates a significant number of assumptions, which I have attached as an exhibit. In summary, revenue assumptions are built on a projected mill rate of 18.55 in the coming fiscal year, extrapolated into the future based on the Town's historical growth rate of 4.2%, rather than the old mill rate of 28.39. Municipal expenses are allocated based on the per capita multiplier method for residential development, and the proportional valuation method for commercial development.

In conclusion, based on my preliminary analysis of the proposed concept plan presented to me by the Konover/Koffler team, the calculated net fiscal impacts to the Town of East Lyme from the completion of this project would be as follows:

A Positive Net Tax Impact of Approximately \$2.57 million dollars (2011).

| Source/Use | Amount |
|---|------------------|
| 1- Year Gross Tax Revenue (2011) | \$3.960 Million |
| 1- Year Municipal Expenses (2011) | \$0.823 Million |
| 1- Year School Costs (2011) | \$0.528 Million |
| Current Tax Revenue from Unimproved Land (2011) | \$0.039 Million |
| 1- Year Net Fiscal Impact (2011) | \$ 2.570 Million |

Note: Above numbers are rounded

As previously expressed, this is a “proforma” estimate based upon a substantial number of assumptions that I would expect to be more fully developed at the Master Plan phase.

I reiterate my initial position that the more appropriate time for this analysis is during the Master Plan stage of application and program development when the actual development plan has been better refined and finalized.

Finally, I would like to thank Ms. Donna L. Price-Bekech, East Lyme’s Assessor, and her staff, as well as other municipal officials, who were very helpful in providing data for my analysis.

Please call me at my New Haven office, (203) 782-4337, if you have any additional questions at this time.

Sincerely,

Don Klepper-Smith
Chief Economist and Director of Research
DataCore Partners LLC

ASSUMPTIONS

1. The commercial portion of our analysis works with the following assumptions:

Estimated buildout of 425,000 square feet. Multi-use development. Construction starts in 2009, with full buildout estimated in 2011. Full municipal expenses incurred as of 2008.

Total buildout: 3-5 years. Average annual buildout: 4 years.

Estimated market value of construction based on similar construction elsewhere; assessed values based on 70% of market values.

Estimated land values per Town Assessor: Market value of developed land: \$125,000 per acre; undeveloped: \$15,000 per acre.

Estimated market value of outbuildings: \$2,500 per parking space for 1,700 spaces.

3% annual inflation rates, applied to municipal expenses, current property taxes on the property, and construction costs.

Personal property to real property ratio of 11% based on similar local commercial construction in the region.

Historical mill rates per Town Assessor. Projections per Town Assessor. Current mill rate of 18.55 extrapolated at its historical growth rate of 4.2% after revaluation.

Current assessment on current parcel: \$1,799,300

Analysis assumes loss of existing tax revenue to the Town (opportunity cost); property transfer in 2008.

Analysis assumes buildout of 45 acres of out 54.3 acres. 9.3 acres on commercial portion to remain undeveloped.

40-year depreciation schedule on commercial construction, 15-year depreciation on outbuildings.

Analysis assumes that full municipal expenses start being incurred as of 2009.

Analysis excludes impacts from consumption of goods and services from future employees.

Analysis excludes impacts from future revaluations.

Any required infrastructure is the responsibility of the developer, not the town.

2. The residential portion of our analysis works with the following assumptions:

275 residential units/market pricing: 50 townhomes (35 2-BR units prices at \$318,750(2008 dollars), 15 3-BR units priced at \$383,500 (2008 dollars); 225 apartments: 22 1-BR units renting for \$1080/month (2008 dollars); 192 2-BR units renting for \$1,620/month (2008 dollars), and 11 3-BR units renting at \$1,800/month (2008 dollars).

Construction starts in 2010, with full buildout in 2013.

Total buildout: 3-5 years. Average annual buildout: 4 years.

No age restrictions; full student impacts on school system

3% annual inflation rate

Personal property taxes (motor vehicles) per household per Assessor's data: \$325.19

Projected municipal expenses from 2007-2008 Approved Town Budget

Most comprehensive measures of municipal expenses considered (Entire non-education budget)

Public Safety per capita expense for East Lyme in 2007-08: \$133.14

Public works per capita expense for East Lyme in 2007-08: \$147.68

General Local Govt. per capita expense for East Lyme in 2007-08: \$385.17

Miscellaneous municipal per capita expense for East Lyme in 2007-08: \$317.46

Demographic multipliers per Urban Land Institute Development Impact Assessment Handbook, New Fiscal Practitioner's Handbook, and June 2006 Update to Fiscal Practitioner's Handbook (Rutger's Center for Urban Policy Research)

Current per person household ratio for all East Lyme households as of 2006: 2.93; population of 18,808; households of 6,416 (CT Economic Resource Center)

Historical mill rates per Town Assessor. Projections per Town Assessor. Current mill rate of 18.55 extrapolated at its historical growth rate of 4.2% after revaluation.

Excludes stimulative impact on local spending via consumption of trade and services.

Excludes impact of revaluation .

Data on Student Expenses per 2005-06 Strategic Profile: East Lyme School District, issued by State of CT

East Lyme School Expense per student: \$10,740 (Total); Local Portion 72.7%, or \$7,808 (ESC Grants)

Current student per household ratio is .50 students per household (3,239 students in 6,416 households)

Analysis assumes 139 acres of land will be dedicated for residential development: 35.7 acres of wetlands; 73.3 acres for apartments and townhomes; 30 acres of public areas.

DONALD KLEPPER-SMITH
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1. Biography

Don Klepper-Smith is Chief Economist and Director of Research for DataCore Partners LLC, a Connecticut based professional services firm. A professional researcher for over twenty years, Don develops and directs strategic planning initiatives on behalf of clients in order to help them make better business decisions.

Don was previously Chief Economist and Director with Scillia Dowling & Natarelli Advisors in New Haven between April 2003 and May 2004, and has also served as Executive Director of the New Haven Regional Data Cooperative, helping grow Connecticut non-profit institutions. Between 1982 and 1996, Don was Corporate Economist with Southern New England Telephone in New Haven, providing economic analysis and forecasts of national and state business conditions for use in forecasting growth of SNET telephones, toll calling and revenues.

Don has been a long-time observer of the region's economy, developing both quantitative and qualitative projections based on various market and demographic factors. He is regularly quoted by various media sources for his perspective and insights on the domestic and Connecticut economies. He is a frequent Economics Commentator on WTNH Television in New Haven, Connecticut, and is a member of the National Association of Business Economists.

With respect to the U.S. economic picture, Don is often looked to for his perspective on Federal Reserve policy, examining the future course of interest rates and their subsequent impacts on domestic and regional expansion. He is a specialist in assessing the "microeconomic" impacts of "macroeconomic" events, helping businesses chart out future strategies that best leverage the constantly changing economic landscape. Don specializes in evaluating consumer markets, providing assessments of where employment is growing and declining. A technician by trade, Don's reliable forecasts of the changing U.S. and New England economic landscapes have kept him in demand. He's often seen on WTNH television in New Haven as an Economics Commentator, offering his perspective and insights.

Don has also chaired numerous economic outlook conferences held jointly by the Economic Club of Connecticut and the Hartford Area Business Economists in recent years. In January 1992, Don was elected President of the Economic Club of Connecticut, which explores economic issues of importance to Connecticut with a focus on business,

government and education. He also served as an Economic Advisor to the Governor of the State of Connecticut during the Weicker and Rell Administrations.

Don earned his Masters Degree in Public Administration at S.U.N.Y. at Stony Brook, New York, in 1978 focusing on economics, econometric modeling, statistics and forecasting theory. In 1975, he received his B.S. in Applied Mathematics at Stony Brook.

Don lives in Durham with his wife Marcia and their two daughters, Lee and Dana.