PLANNING & ZONING REMOTE REGULATION SUBCOMMITTEE MEETING MINUTES 21 APRIL 2020, 6:30 P.M

- Call to Order by Chairman Quish was at 6:30 pm.
- Roll Call: B. Broesder, B. Kaligian, R. Satti, J. Quish/(STAFF) J. Griffith, D. Sulkis, S. Harris, M. Greene
- **Guest Expert**: Robert Smith

Item C: <u>Invited Guest</u>: Robert Smith: Discussion of mixed use ratios per subcommittee's previous deliberations on creation of mixed use ratio in MCDD.

Mr. Quish reviewed the discussion that prompted the invitation by Mr. Smith whose several projects in the MCDD give him special expertise. Mr. Quish reviewed the ratios in zones where they are currently used. Mr. Smith read from notes that reflected his assessment of the major issues, asserting that the MCDD is unique and should include storefronts with street visibility. [See Appendix for Mr. Smith's submitted summary of his remarks.]

Mr. Satti asked if Mr. Smith knew how many buildings are in that area and how many might be subject to redevelopment; Mr. Smith was unsure but said probably not many because downtown is developed; now buildings are being torn down due to the end of their functional life. Mr. Broesder asked about future market dynamics; Mr. Smith said traditional retail has been hit hard by online shopping, which is now accelerating with the pandemic. He felt that forcing more retail to be built would be a disincentive to developers while creating more living space there will drive more commercial demand. Mr. Quish asked about height requirements in MCDD; Mr. Smith said the scale of downtown has been determined and seems appropriate.

Item D:_Staff proposed issues:

- Proposed new section 4.1.17 Junk Cars. The proposal is to better regulate where an unregistered or "Junk" car can be parked. Mr. Quish read the existing and proposed language. Mr. Satti has concerns with proposed language of "roadworthy condition" as being imprecise. Mr. Harris was also concerned about the subjective nature of the term roadworthy. Mr. Griffith said complaints come in about cars being left in yards and that subjective assessment allows for the removal of the cars. Mr. Quish was also concerned with fairness of application, asking if blight risk would be an alternative consideration. Mr. Satti agreed with the intent of the language, but said the law should be precise and upholdable in court. Mr. Broesder noted that apartment dwellers who don't have garages sometimes use commercials lots that are near apartments and this can also be a problem. Mr. Sulkis brought up the example of shopping plazas with 2nd floor apartments where private cars could be parked in commercial areas and can't be issued violations. Mr. Quish asked staff to come up with language that is less arbitrary. There was a discussion of notice in zoning violation letters.
- Approval of minutes for 18 February 2020 was unanimous with an abstention by Mr. Satti who did not attend.
- Adjournment was at 7:14.
- Next Meeting 19 May 2020

Attest: M.E. Greene, Rec. Sec'y

APPENDIX—Mr. Smith's remarks and subsequent comments

Submitted by RH Smith regarding ratios in the MCDD district:

Thank you for allowing me to speak regarding the MCDD and the proposed regulations changes.

Regarding site geometry and building configurations.

- The MCDD has significant variation as to lot sizes and configurations... A conforming lot in this zone starts at just 2000 sfwith a minimum street frontage of 20 feet... Many of the lots were subdivided before the enactment of formal zoning regulations and as a result almost all the existing lots are different.
- Because of the predominance of small lots, the lack of uniform parcel sizes, and inconsistent street frontage, inserting more control as to the size of a first floors use.. in a mixed use building will cause reduced economic viability... and force persistent under development of these parcels. The MCDD is unlike any other zone in the City.
- Maintaining commercial street frontage (store front) is important and should be required to maintain a consistent commercial offering from the downtown streets. The size of this space is of less importance, in fact, often smaller spaces in downtown have more demand than larger spaces. Small spaces are hard to find in the City which give downtown a needed advantage over buildings located on the Post Road.
- Forcing the development of commercial spaces which will not be visible from the street, reduces the probability of leasing these spaces as well.

Existing vacancy and overall demand for the MCDD

- For 20 years we owned and managed about 40% of downtown Milford commercial space, we developed ground up or re-developed over 74,000 sf of commercial space in the downtown including restaurants, medical offices, and retail space. Over 500,000 sf of development when combined with the residential space, many of these building were mixed use and all in the MCDD. My educated guess is that despite a robust national economy the downtown is still experience 25 -30 percent vacancy.
- This vacancy has persisted for years and as a result market rental rates remain depressed... Current achievable rental rates in the downtown are not sufficient to support new construction. In other words, the cost to build a new commercial building is higher than the value of the building when it's completed and leased.... Simply, cost is higher than the buildings stabilized value.... New mixed use developments are possible when residential is mixed with commercial uses like office, restaurant or retail.... The residential component has a positive cost to value relationship thereby offsetting the losses caused by the commercial space... Forcing the commercial space to be larger effectively decreases the benefit derived from the residential space... Moreover, with the existing commercial vacancy rate so high, forcibly producing more space (supply), is not supportive of the existing inventory, market rental rates, or the tax base. The post road has significant vacancy, our office parks are substantially vacant, and retail as a whole is reducing its physical footprint nationwide.
- Connecticut Cities and Towns are increasingly facing downtown building obsolesce, with many structures at or
 near the end of their useful life... Encouraging the redevelopment of these building will become essential to
 support the architectural feel and overall quality of the streetscape. Often the appeal of a downtown becomes
 the signature image visitors and future residence remember when they visit. In my opinion allowing continued
 flexibility as to the MCDD site planning process by modulating the amount of commercial space based on the
 designers (and developers) interpretations as it relates to lot size, shape, parking needs and most importantly
 market forces instead of a one size fits all fixed percentage, will provide the ongoing economic motivation for
 the redevelopment of outdated underperforming downtown properties.

• The one bright spot for Milford is that people want to live here, the City has so much to offer with beaches, parks, access to Metro North, great public and private schools, and what I consider the signature asset...a wonderful quant New England downtown. A true Transit Oriented Destination. A downtown location that should encourage residential development (as the POD clearly states) which intern provides the much needed support for retail, restaurants, and service providers. I hope we don't unintentionally cause more commercial supply, which in turn causes more vacancy, leading to lower market rental rates, lack of maintenance by landlords, a deteriorating street scape and ultimately falling property values.

One other comment. Please, consider that when a regulation is substantially changed like you are discussing tonight there are unintended consequence. If controls like you are suggesting are enacted, the result would be two fold, buildings would become smaller and as such without merit financially. The proposed change restricts development relative to the regulation as they currently exist therefore causing a reductions to property values for people who currently own properties in the MCDD. Because so many of the properties are small and affordable in the downtown many of these people are independent small mom and pop type owners. When a person buys a property they review the regulations to see the permitted uses, the zoning metrics as to bulk standards and buy based on the determination of all these facts. Often this investment is someone's retirement. To make this change there should be an overwhelming concern for the public wellbeing. I just don't see that here.

Discussion

- Vacant storefront form a negative perception of the downtown which in turn can cause weakness in the residential market. People want a vibrant downtown that feels active and safe.
- I do think that if a building faces the various streets of the downtown the first floor should have a commercial identity. The size of this space should be allowed to be small and may not have to fill the entire street frontage. This space should help form an Architectural base to the building. Forcing commercial space to the rear of a property out of view from the street will suffer finding tenants. The first floor building area would be better utilized as covered parking, which is always problematic in the MCDD.
- As to building height in downtown, my feeling is that the scale of downtown has already been determined buy its current building inventory, to redefine the scale would be very difficult and for a period of time may look awkward. However, allowing 10 additional feet to the permitted height of 40 feet may work. If you do allow a total of 50 feet, I would suggest that this only be permitted if the building incorporated a gable roof design. 50 foot high flat roof buildings can be unattractive.



Robert H. Smith Jr. Executive Managing Director & Founder Metro Star Properties LLC 42 Cherry Street