



CT Main Street Middletown

Middletown Downtown Business District

Crosskey Architects LLC
Architecture Preservation Interiors

Downtown Development Audit



Audit

1. Tour downtown to identify buildings that have the potential to enhance the downtown and add value
2. Analyze regulatory environment and land use controls
 - Design Guidelines for Downtown Historic Area
 - Engineering Dept. Standards, Specifications Rules & Regulations
 - Zoning Regulations
 - Zoning Map
3. Analysis of existing and potential development tools and incentives
 - Tax Assessor's information
 - City Development Guide
 - Downtown Redevelopment
 - Design Guidelines for Downtown Historic Area
 - GIS Maps available on Town Website
 - Incentive Housing Zone Report
 - CT Transit District Bus Service
 - POCD

'Focus' groups with stakeholders

1. Discuss criteria for building candidates and selection of a building to study
2. Ask the following questions:
 - What are the challenges to development of these buildings?
 - What opportunities are available to building owners and community if they undertake renovation/redevelopment?
 - What are the specific impediments to building owners' that prevent renovation?
 - What type of development is desired and will add economic value?

Downtown Development Audit



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Model Building Analysis

Criteria for model building study

- Must be mixed use
- Location - Main Street/pedestrian oriented area with ground floor commercial uses
- Size of potential residential component not more than 20 units
- Upper floors currently underutilized
- Strong likelihood of being redeveloped
- Motivated and committed building owner
- Must have obstacles/challenges (other than financial) that make it difficult for current owners to develop the upper floors
- Represents a good example of a typical building found in Connecticut's downtowns

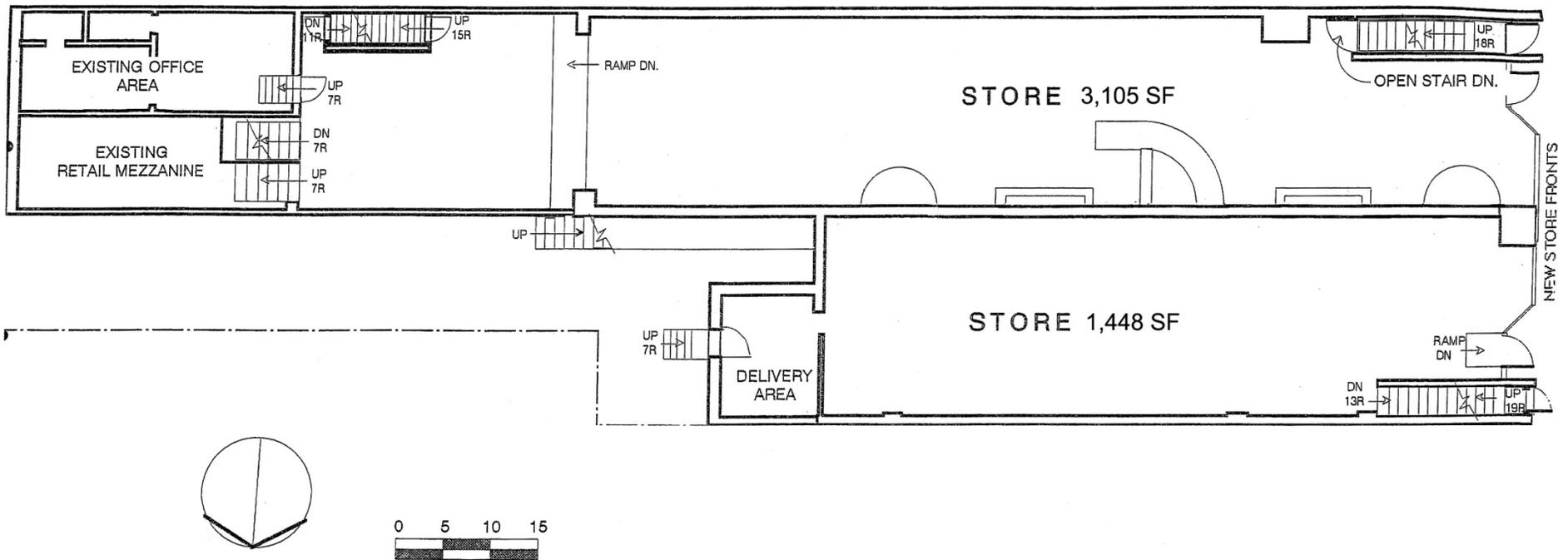


Zoning Review

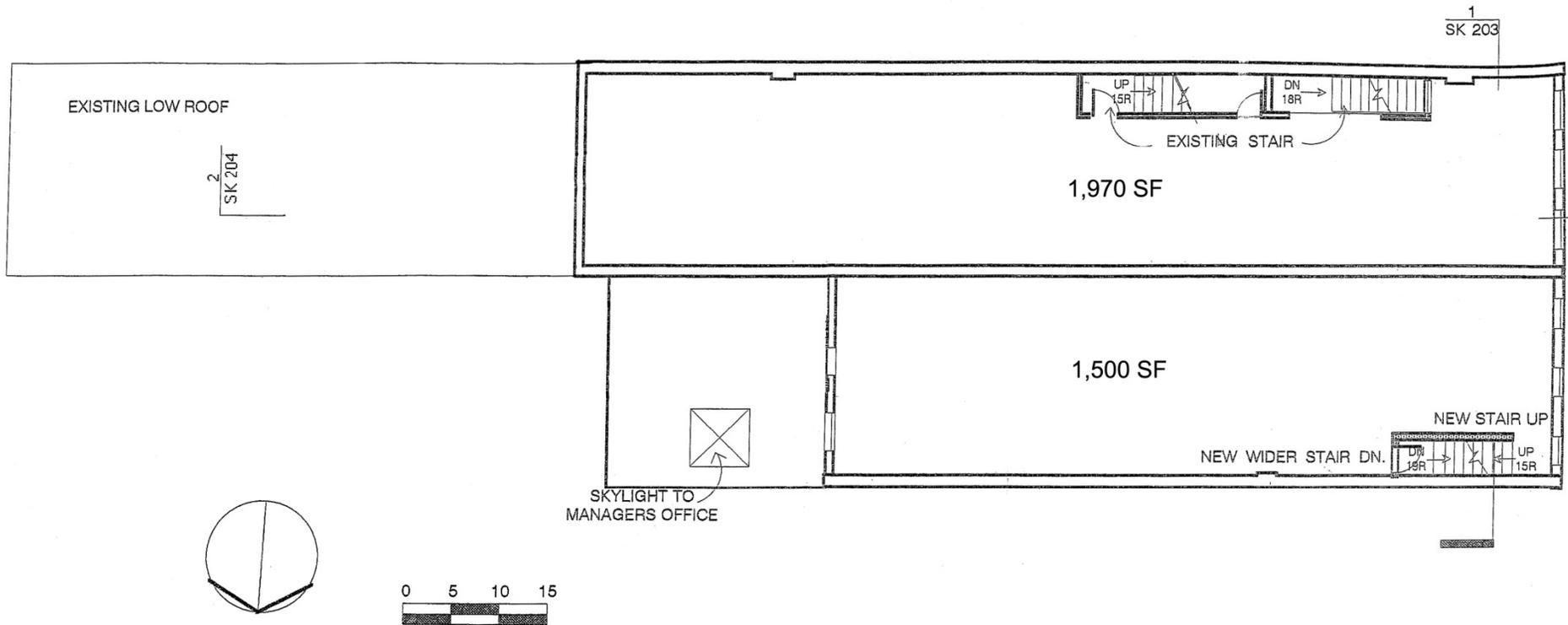


- B-1 Central Business Zone
- Class 'A' Structures (defined as those located along Main Street)
- 418 Main Street 0.08 Acres
- 422 Main Street 0.05 Acres
- Urban Core Living Units – Permitted use in B-1 Zone (Use Schedule 61.01.22B).
- Urban Core Living Units defined as any dwelling unit located in the B-1 Zone.
- Height, Lot Area and Yard Requirements:
 - Maximum Height six stories (84 feet), minimum height 35 feet – Structures Conform
 - No minimum Lot Area or Frontage required. Structures conform to all other Lot requirements.
- Off-street parking requirements – Section 40
 - 40.04.18–Urban Core Dwelling Unit
 - One or no Bedrooms – One Space per Unit
 - Two or more Bedrooms – Two Spaces per Unit
 - Ten (10) spaces required per proposed design – cannot be provided on-site. Zoning regulations should be updated to reflect typical condition at Main Street properties in the B-1 Zone.

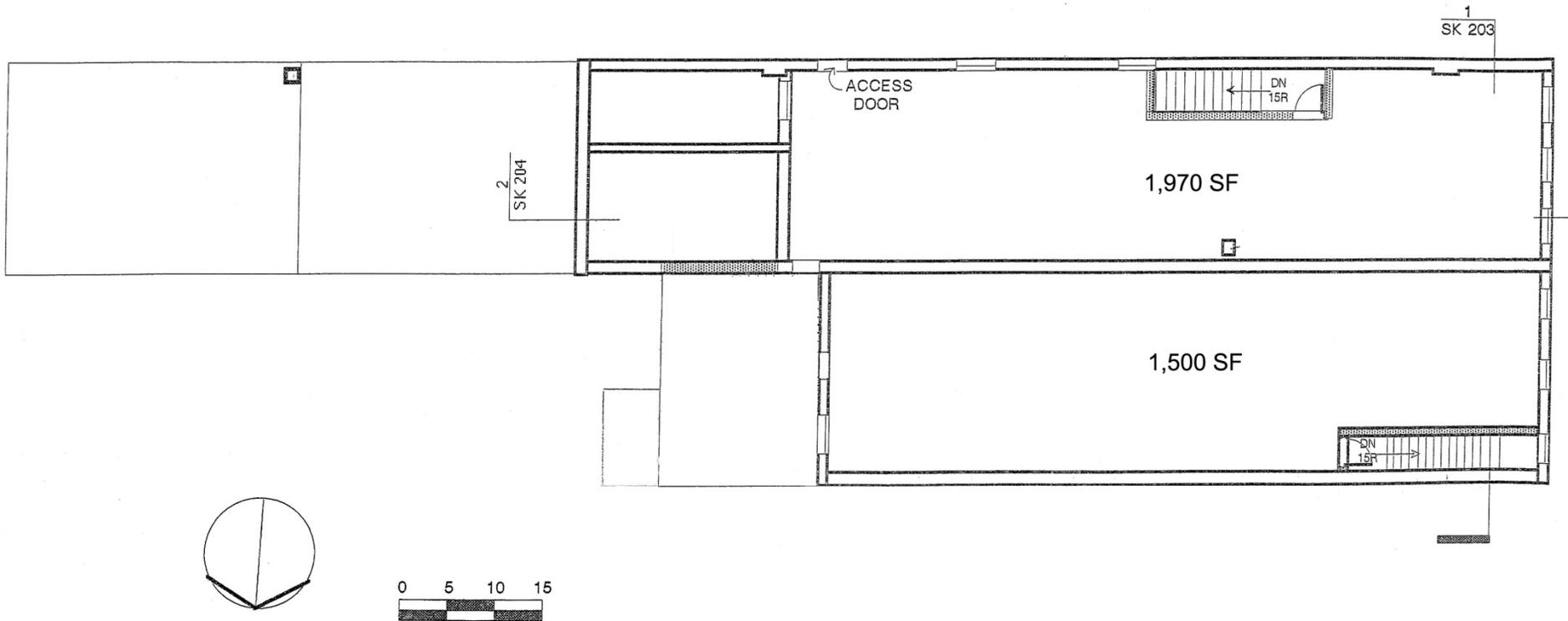
Existing First Floor Building Plan



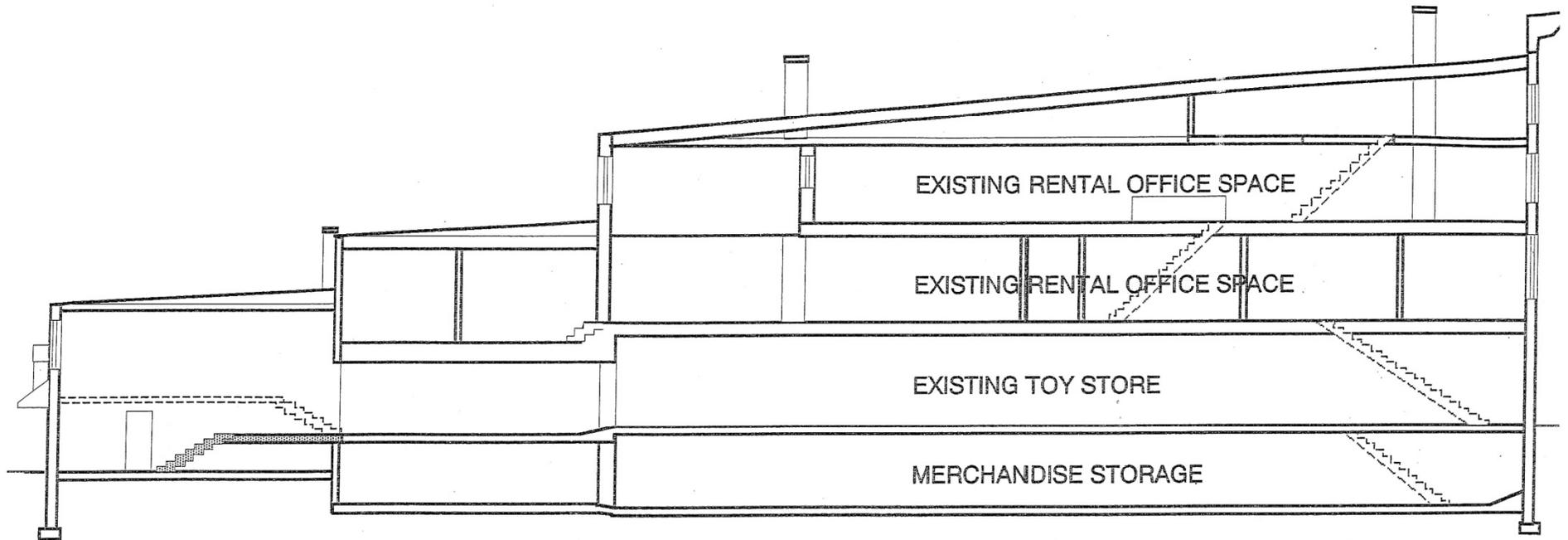
Existing Second Floor Building Plan



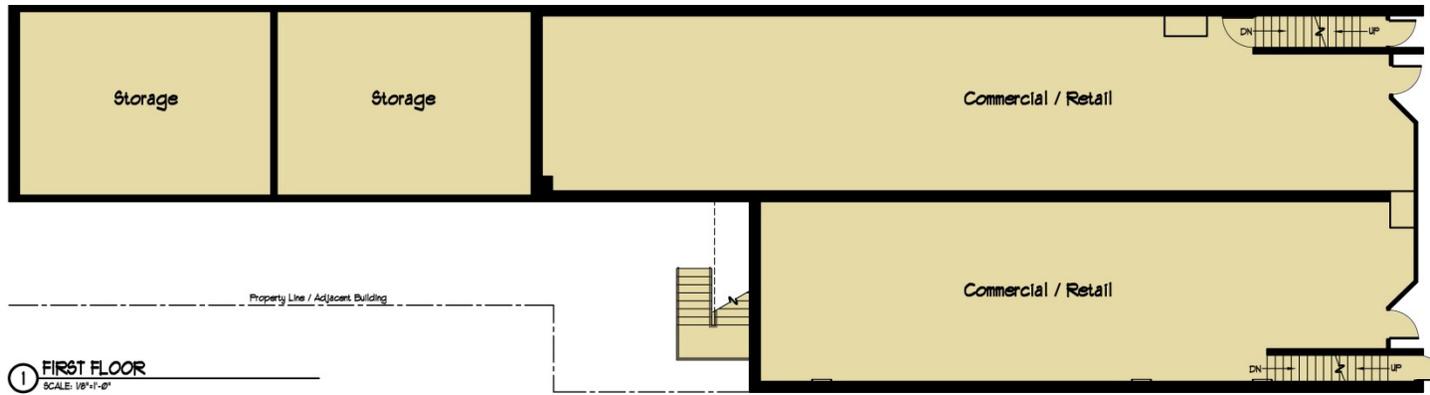
Existing Third Floor Building Plan



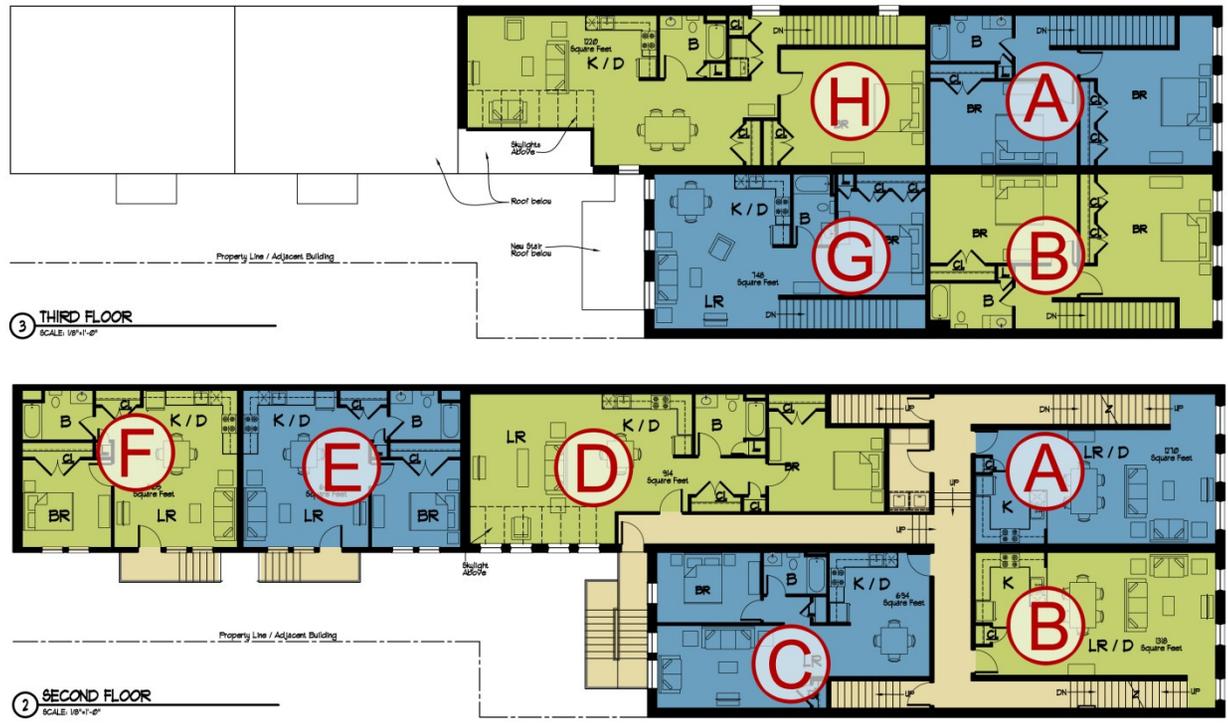
Existing Building Section



Conceptual Design – Proposed Plans

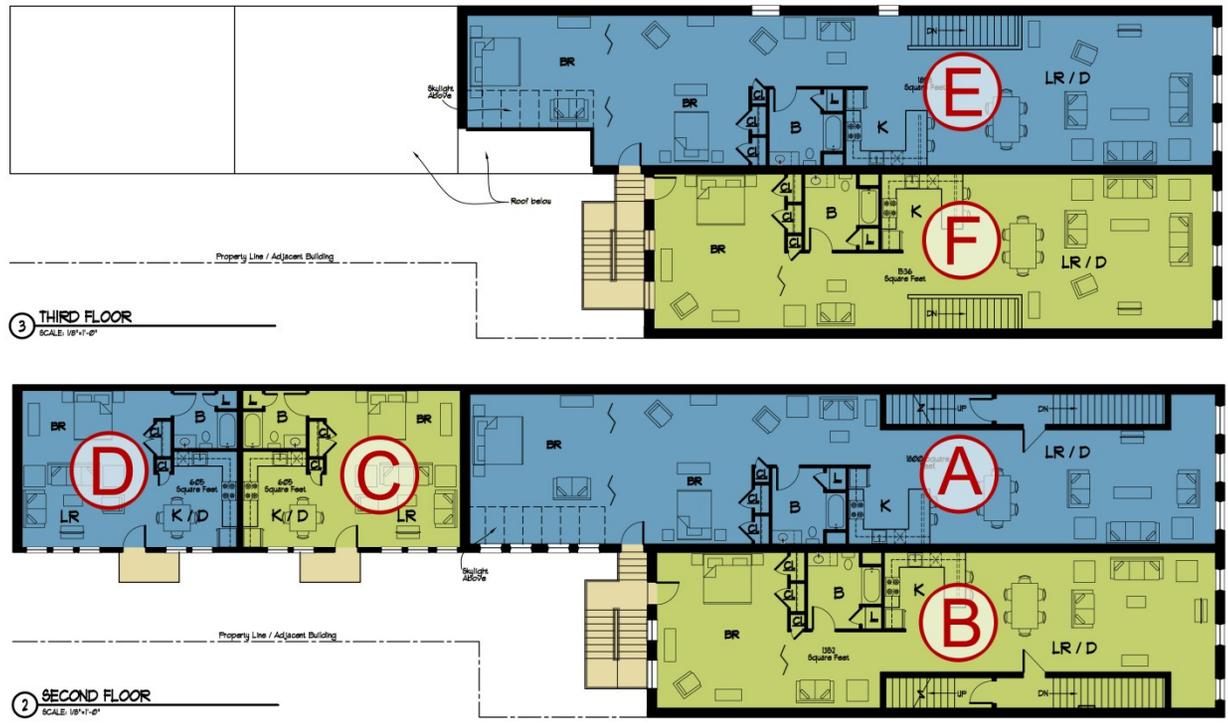


Conceptual Design – Proposed Plans: Option 1



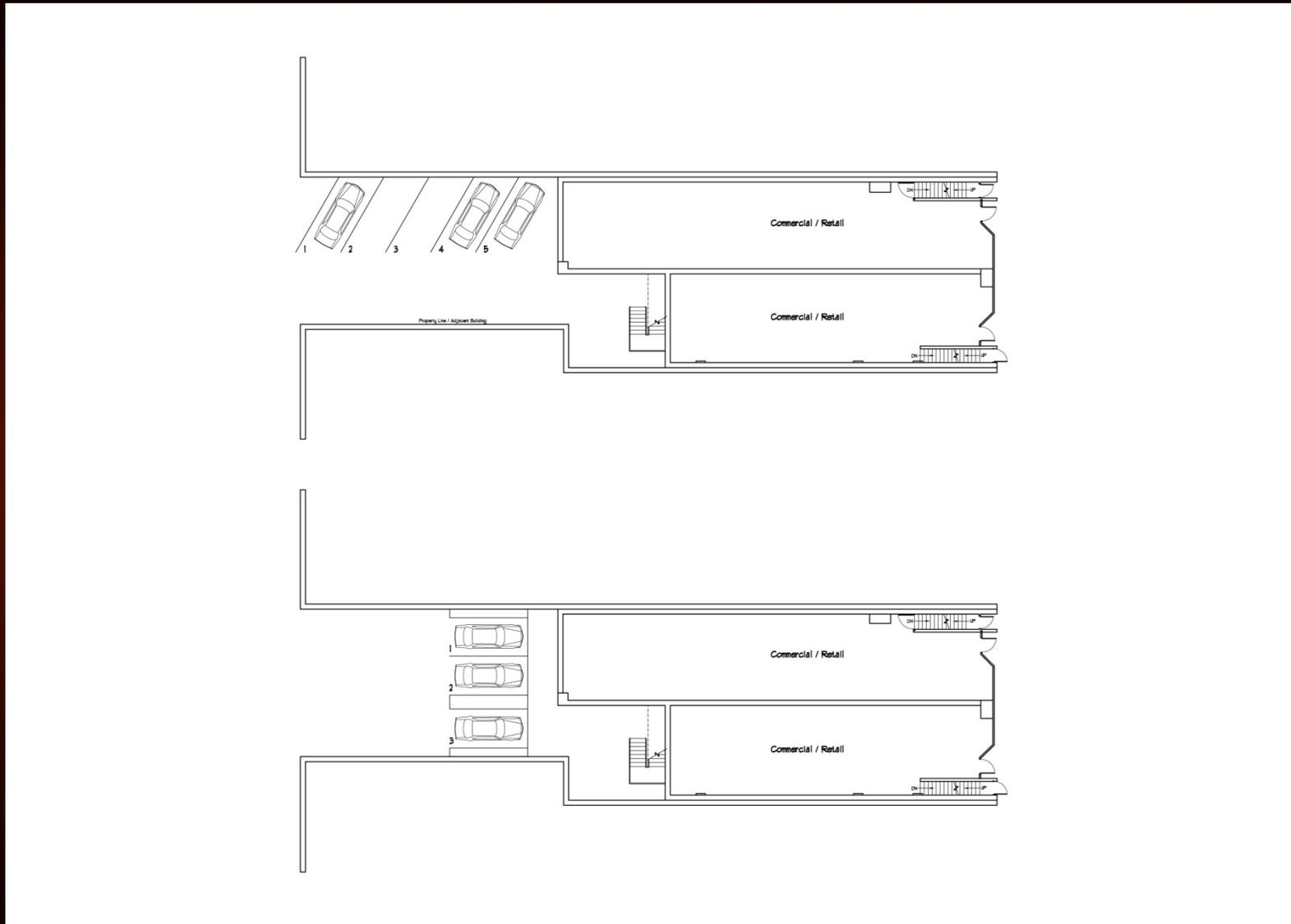
UNIT SUMMARY		
No.	Type	Net SF
2nd/3rd Fir Townhouse	A	2 Bedroom Townhouse 1210 SF.
	B	2 Bedroom Townhouse 1318 SF.
2nd Fir	C	1 Bedroom Flat 634 SF.
	D	1 Bedroom Flat 914 SF.
	E	1 Bedroom Flat 605 SF.
	F	1 Bedroom Flat 605 SF.
3rd Fir	G	1 Bedroom Flat 748 SF.
	H	1 Bedroom Flat 1220 SF.
Totals 8 Units		7,314 SF.

Conceptual Design – Proposed Plans: Option 2



UNIT SUMMARY		
No.	Type	Net SF
2nd Flr	A	Open Loft 1800 SF.
	B	Open Loft 1352 SF.
	C	Open Studio 605 SF.
	D	Open Studio 605 SF.
3rd Flr	E	Open Loft 1893 SF.
	F	Open Loft 1536 SF.
Totals		6 Units 7,191 SF.

Conceptual Design – On-site Parking Options



Code Review

Chapter 12 - International Existing Building Code

Table 1201.1
SUMMARY SHEET - BUILDING SCORE
RESIDENTIAL USE PORTION

Proposed occupancy: R-2	Existing occupancy: B (assumed)
Year building was constructed: c. 1883	No. of stories: 6 Height: 25'-0"
Type of construction: 3B	Area per floor: 11,500 SF per floor
Percent of frontage increase: 25%	Percent of height reduction: 0%
Completely suppressed: Yes: X No: _____	Corridor wall rating: 1 Hr
Compartmentation: Yes: _____ No: X	Required door closers: Yes: X No: _____
Fire-resistance rating of vertical opening enclosure: 2-hr	Fire-resistance rating of vertical opening enclosure: 2-hr
Type of HVAC system: TB0	servicing number of floors: 1
Automatic fire detection: Yes: X No: _____	type and location: Heat & smoke
Fire alarm system: Yes: X No: _____	type: _____
Smoke control: Yes: _____ No: X	type: _____
Adequate exit routes: Yes: X No: _____	Dead ends: Yes: _____ No: X
Max. exit access travel distance: 127'	Elevator controls: Yes: X No: _____
Means-of-egress emergency lights: Yes: X No: _____	Mixed occupancies: Yes: X No: _____

Safety parameters	Fire Safety (FS)	Means of Egress (ME)	General Safety (GS)
1201.6.1 Building height	-8.4	-8.4	-8.4
1201.6.2 Building area	10.5	19	19
1201.6.3 Compartmentation	0	0	0
1201.6.4 Tenant & Dwelling Unit Separations	2	2	2
1201.6.5 Corridor walls	0	0	0
1201.6.6 Vertical openings	1	1	1
1201.6.7 HVAC systems	0	0	0
1201.6.8 Automatic Fire detection	6	6	6
1201.6.9 Fire alarm system	0	0	0
1201.6.10 Smoke control	****	0	0
1201.6.11 Means-of-egress capacity	****	0	0
1201.6.12 Dead ends	****	0	0
1201.6.13 Max. Exit Access Travel Distance	****	102.4	102.4
1201.6.14 Elevator control	0	0	0
1201.6.15 Means-of-Egress Emergency Lighting	****	0	0
1201.6.16 Mixed Occupancies	0	****	0
1201.6.17 Automatic Sprinklers	4	2	4
1201.6.18 Standpipes	-6	-6	-6
1201.6.19 Incidental Use Area Protection	0	0	0
Building score- total value	151	35.84	31.84
**** = No applicable value to be inserted.			

MANDATORY SAFETY CODES

Use Group	Fire Safety (FS)	Means of Egress (ME)	General Safety (GS)
R	21	38	38

EVALUATION FORMULAS

Formula	Score	Pass	Fail
FS-MFS ≥ 0 151 (FS) - 21 (MFS) =	-5.9	X	
ME-MME ≥ 0 35.84 (ME) - 38 (MME) =	-2.16	X	
GS-MGS ≥ 0 31.84 (GS) - 38 (MGS) =	-6.16	X	

FS = Fire Safety
ME = Means of Egress
GS = General Safety
MFS = Mandatory Fire Safety
MME = Mandatory Means of Egress
MGS = Mandatory General Safety

Chapter 12 - International Existing Building Code

Table 1201.1
SUMMARY SHEET - BUILDING SCORE
ASSEMBLY USE PORTION

Proposed occupancy: A-2	Existing occupancy: A-2
Year building was constructed: c. 1883	No. of stories: 6 Height: 25'-0"
Type of construction: 3B	Area per floor: 11,500 SF
Percent of frontage increase: 25%	Percent of height reduction: 0%
Completely suppressed: Yes: X No: _____	Corridor wall rating: 2 Hr
Compartmentation: Yes: _____ No: X	Required door closers: Yes: X No: _____
Fire-resistance rating of vertical opening enclosure: 2-hr	Fire-resistance rating of vertical opening enclosure: 2-hr
Type of HVAC system: TB0	servicing number of floors: 1
Automatic fire detection: Yes: X No: _____	type and location: Heat & smoke
Fire alarm system: Yes: X No: _____	type: _____
Smoke control: Yes: _____ No: X	type: _____
Adequate exit routes: Yes: X No: _____	Dead ends: Yes: _____ No: X
Max. exit access travel distance: 120'	Elevator controls: Yes: X No: _____
Means-of-egress emergency lights: Yes: X No: _____	Mixed occupancies: Yes: X No: _____

Safety parameters	Fire Safety (FS)	Means of Egress (ME)	General Safety (GS)
1201.6.1 Building height	-10.5	-10.5	-10.5
1201.6.2 Building area	10.5	15.48	15.48
1201.6.3 Compartmentation	0	0	0
1201.6.4 Tenant & Dwelling Unit Separations	3	3	3
1201.6.5 Corridor walls	0	0	0
1201.6.6 Vertical openings	1	1	1
1201.6.7 HVAC systems	0	0	0
1201.6.8 Automatic Fire detection	9	9	9
1201.6.9 Fire alarm system	0	0	0
1201.6.10 Smoke control	****	0	0
1201.6.11 Means-of-egress capacity	****	0	0
1201.6.12 Dead ends	****	0	0
1201.6.13 Max. Exit Access Travel Distance	****	12	12
1201.6.14 Elevator control	0	0	0
1201.6.15 Means-of-Egress Emergency Lighting	****	0	0
1201.6.16 Mixed Occupancies	0	****	0
1201.6.17 Automatic Sprinklers	2	1	2
1201.6.18 Standpipes	-4	-4	-4
1201.6.19 Incidental Use Area Protection	0	0	0
Building score- total value	11	32.98	33.98
**** = No applicable value to be inserted.			

MANDATORY SAFETY CODES

Use Group	Fire Safety (FS)	Means of Egress (ME)	General Safety (GS)
A-2	21	32	32

EVALUATION FORMULAS

Formula	Score	Pass	Fail
FS-MFS ≥ 0 11 (FS) - 21 (MFS) =	-4		X
ME-MME ≥ 0 32.98 (ME) - 32 (MME) =	0.98	X	
GS-MGS ≥ 0 33.98 (GS) - 32 (MGS) =	1.98	X	

FS = Fire Safety
ME = Means of Egress
GS = General Safety
MFS = Mandatory Fire Safety
MME = Mandatory Means of Egress
MGS = Mandatory General Safety

Chapter 12 - International Existing Building Code

Table 1201.1
SUMMARY SHEET - BUILDING SCORE
COMBINED

Proposed occupancy: A-2, R-2	Existing occupancy: B, A-2
Year building was constructed: c. 1883	No. of stories: 6 Height: 25'-0"
Type of construction: 3B	Area per floor: 11,500 SF
Percent of frontage increase: 25%	Percent of height reduction: 0%
Completely suppressed: Yes: X No: _____	Corridor wall rating: 1 Hr
Compartmentation: Yes: _____ No: X	Required door closers: Yes: X No: _____
Fire-resistance rating of vertical opening enclosure: 2-hr	Fire-resistance rating of vertical opening enclosure: 2-hr
Type of HVAC system: TB0	servicing number of floors: 1
Automatic fire detection: Yes: X No: _____	type and location: Heat & smoke
Fire alarm system: Yes: X No: _____	type: _____
Smoke control: Yes: _____ No: X	type: _____
Adequate exit routes: Yes: X No: _____	Dead ends: Yes: _____ No: X
Max. exit access travel distance: 127'	Elevator controls: Yes: X No: _____
Means-of-egress emergency lights: Yes: X No: _____	Mixed occupancies: Yes: X No: _____

Safety parameters	Fire Safety (FS)	Means of Egress (ME)	General Safety (GS)
1201.6.1 Building height	-10.5	-10.5	-10.5
1201.6.2 Building area	10.5	15.48	15.48
1201.6.3 Compartmentation	0	0	0
1201.6.4 Tenant & Dwelling Unit Separations	2	2	2
1201.6.5 Corridor walls	0	0	0
1201.6.6 Vertical openings	1	1	1
1201.6.7 HVAC systems	0	0	0
1201.6.8 Automatic Fire detection	6	6	6
1201.6.9 Fire alarm system	0	0	0
1201.6.10 Smoke control	****	0	0
1201.6.11 Means-of-egress capacity	****	0	0
1201.6.12 Dead ends	****	0	0
1201.6.13 Max. Exit Access Travel Distance	****	102.4	102.4
1201.6.14 Elevator control	0	0	0
1201.6.15 Means-of-Egress Emergency Lighting	****	0	0
1201.6.16 Mixed Occupancies	0	****	0
1201.6.17 Automatic Sprinklers	2	1	2
1201.6.18 Standpipes	-6	-6	-6
1201.6.19 Incidental Use Area Protection	0	0	0
Building score- total value	11	25.22	26.22
**** = No applicable value to be inserted.			

MANDATORY SAFETY CODES

Use Group	Fire Safety (FS)	Means of Egress (ME)	General Safety (GS)
R	21	38	38

EVALUATION FORMULAS

Formula	Score	Pass	Fail
FS-MFS ≥ 0 11 (FS) - 21 (MFS) =	-10		X
ME-MME ≥ 0 25.22 (ME) - 38 (MME) =	-12.78		X
GS-MGS ≥ 0 26.22 (GS) - 38 (MGS) =	-11.78		X

FS = Fire Safety
ME = Means of Egress
GS = General Safety
MFS = Mandatory Fire Safety
MME = Mandatory Means of Egress
MGS = Mandatory General Safety

Cost Estimate

PROJECT NAME		SAMPLE	
Number of Buildings		1	
Total Project Square Footage (GSF)		9,760	
Total Living Unit Square Footage (NSF)		8,365	

LINE	DIV.	DIV./TRADE ITEM	TOTAL COST/GSF	TOTAL COST	REMARKS
1	2	Testing	0.00	0	
2	2	Environmental	1.49	14,523	
3	2	Grading & Excavation	0.00	0	
4	2	Site Utilities	0.00	0	
5	2	Paving, Walks & Signs	2.00	19,520	
6	2	Unusual Site Conditions	3.57	34,855	
7	2	Lawns & Plantings	0.00	0	
8	2	Other Site Work	1.96	19,122	
9	2	Demolition	5.18	50,508	
10	2	Allowance for Division 2	0.00	0	
11	3	Concrete	0.00	0	
12	3	Allowance for Division 3	0.00	0	
13	4	Masonry	0.32	3,147	
14	4	Allowance for Division 4	0.00	0	
15	5	Metals	0.33	3,268	
16	5	Allowance for Division 5	0.00	0	
17	6	Rough Carpentry	10.22	99,724	
18	6	Finish Carpentry	5.13	50,104	
19	6	Allowance for Division 6	0.00	0	
20	7	Moisture Protection	0.99	9,682	
21	7	Insulation	4.26	41,548	
22	7	Roofing	2.88	28,078	
23	7	Sheet Metal	0.74	7,261	
24	7	Siding	0.00	0	
25	7	Allowance for Division 7	0.00	0	
26	8	Doors & Hardware	5.41	52,766	
27	8	Windows & Glazing	4.24	41,390	
28	8	Allowance for Division 8	0.00	0	
29	9	Acoustical Tile	0.00	0	
30	9	Drywall	6.44	62,811	
31	9	Ceramic Tile	1.95	19,001	
32	9	Wood Flooring	3.91	38,123	
33	9	Resilient Flooring	1.24	12,102	
34	9	Painting and Decorating	6.82	66,563	
35	9	Carpet	0.00	0	
36	9	Allowance for Division 9	0.00	0	
37	10	Unit AC and/or Sleeves	0.00	0	
38	10	Specialties	1.38	13,434	
39	10	Allowance for Division 10	0.00	0	
40	11	Special Equipment (Specify)	0.00	0	
41	11	Cabinets & Vanities	4.63	45,142	
42	11	Appliances	3.58	34,976	
43	11	Allowance for Division 11	0.20	1,936	
44	12	Blinds, Shades & Artwork	0.62	6,051	
45	12	Allowance for Division 12	0.00	0	
46	13	Special Construction	0.00	0	
47	13	Allowance for Division 13	0.00	0	
48	14	Elevators	0.00	0	
49	14	Allowance for Division 14	0.00	0	
50	15	Plumbing	9.19	89,679	
51	15	Hydronic Heating	0.00	0	
52	15	HVAC	14.19	138,451	
53	15	Fire Suppression	0.00	0	
54	15	Allowance for Division 15	0.00	0	
55	16	Electrical (Building Only)	10.28	100,343	
56	16	Allowance for Division 16	0.00	0	
57		TOTAL STRUCTURE & LAND IMPROVEMENTS		1,104,108	
58	1	General Requirements		110,410	
59		SUBTOTAL (Lines 57 & 58)		1,214,518	
60		Builder's Overhead & Profit		44,164	
61		SUBTOTAL (Lines 59 & 60)		1,258,682	
62		Building Permit & Other Fees (Specify)		44,164	
63		Bond Premium		13,800	
64		TOTAL FOR ALL IMPROVEMENTS		\$1,316,646	

SAMPLE

Main Street: Town/City, CT
Developer or Owner Name
16 Units

PERMANENT SOURCES

Equity Capital, Grants, Etc.

			<u>\$'s / Unit</u>
State Historic Credit Net Proceeds	17.2%	301,186	\$0
Other:	0.0%	-	\$0
Other:	0.0%	-	\$0
Other:	0.0%	-	\$0
Other:	0.0%	-	\$0
EQUITY SUB-TOTAL	17.2%	\$ 301,186	\$0

Financing (Debt)

First Mortgage Loan	50.0%	\$ 875,000	\$0
Self-Amort., @ 5% for 30 Yrs.			
Additional Funds Needed	32.9%	\$ 575,410	\$0
Other:	0.0%	\$ -	\$0
Other:	0.0%	\$ -	\$0
	0.0%	\$ -	\$0
FINANCING SUB-TOTAL	82.8%	\$ 1,450,410	\$0
TOTAL SOURCES		\$ 1,751,596	\$0
[Sources less Uses]		\$0	

USES

	% of Cost		Per Unit
Construction Hard Costs	75.3%	\$ 1,318,460	\$82,404
Const. Contingency	5.6%	98,885	\$6,180
Total Soft Costs	19.1%	334,252	\$20,891

TOTAL USES **\$ 1,751,596** **\$109,475**

SAMPLE

Permanent Financing Terms

	1 First Mortg. Loan	2 OTHER	3 OTHER	4 Developer / Investor Cash Flow Loan	5 Deferred Developer Fee Loan
Principal Amount	\$875,000	\$0	\$0	\$0	\$0
Perm. Loan Term (Yrs.)	30	40	40	30	10
Amortization Schedule (Yrs.)	30	40	40	30	10
No. Payments Per Year	12	0	0	0	0
Permanent Loan Interest Rate	5.00%	0.00%	0.00%	0.00%	0.00%
Additional Interest (If Applic.)	0.0%	0.0%	0.0%	0.0%	0.0%
Construction Interest Rate (If Applic.)	4.50%	0.00%	0.00%	0.00%	0.00%
Total Annual Scheduled Debt Service (ADS)	\$56,366.27	\$0.00	\$0.00	\$0.00	\$0.00
Initial Debt Serv. Coverage (DSC)	0.00	0.00	0.00	n/a	n/a
Note Key					

CONSTRUCTION / INTERIM SOURCES

1st Mortgage Loan	\$	875,000
2nd Mortgage Loan		\$0
Other:		-
State Historic Tax Credit Equity		-
Developer Cash Equity		-
Other		-
Other		-
TOTAL CONST./ INTERIM SOURCES	\$	875,000
TOTAL USES	\$	1,751,596
SOURCES Less USES	\$	(876,596)

Const. / Interim Interest Rates

1st Mortgage Loan	4.50%
2nd Mortgage Loan	5.00%
Other:	0.00%
State Historic Tax Credit Equity	n/a
Developer Cash Equity	n/a
Other	-
Other	-

Bridge Loan Fees or Points (%)

Permanent Status and/or Repayment Sources

Converts to Perm. Financing (See Terms / Notes above)
Converts to Perm. Financing (See Terms / Notes above)
Converts to Perm. Financing (See Terms / Notes above)
Owner / Investor Equity Capital
Owner / Investor Equity Capital

List of Potential Financial Options

1. Construction & permanent mortgage financing through **community lending** organizations such as Connecticut Housing Investment Fund (CHIF). Sources include assembling a pool of funds from private lenders and/or program funding from CHFA or DECD to write down the interest rate. Also, as a CDFI lender, CHIF may be able to access CDFI funds for lending purposes.
2. **Bank mortgage financing**. Local banks would be the primary resource here as they are more likely to have a relationship with the developer. Large national banks are not likely here given the size of the transaction.
3. CHFA **Community Investment Act (CIA) funds** as gap financing or low interest mortgage program funding through Come Home to Downtown.
4. **DECD program funds** to either write down the interest rate on mortgage financing or as gap financing. Currently, most of DECD's funding is competitive and carries a requirement that some percentage of units be affordable. However, in a couple of the programs affordability is 100% and 120% of Area Median Income, which is market rate in most locations. There may be an opportunity to access revolving loan funds from DECD on a program-wide basis.
5. **Federal historic tax credits**. This is a three-part application process, which requires the investor to become part of the ownership entity. Often too complex and costly for smaller transactions.
6. **State historic tax credits**. A five-part application process, which does not require the investor to become part of the ownership entity. By investing, the investor essentially purchases a voucher awarded by the Department of Revenue Services, which provides flexibility in the ownership structure. Note that unless a non-profit is involved in the ownership, the state historic tax credit investment is taxable to the recipient and dilutes the overall investment. But, the after tax amount is non-debt funding.
7. Local **tax deferrals or abatements** to reduce costs of operation to encourage downtown redevelopment.
8. Municipal **façade restoration programs** through local, state or federal funds.
9. Grant funding through **community philanthropic organizations**.
10. **Colleges and universities** located near a downtown.
11. **Housing Tax Credit Contribution (HTCC) Program** through CHFA. This is a competitive program available to non-profits and includes affordability targets.
12. In smaller towns, **Small Town Economic Assistance Program (STEAP)** may be accessed to supplement grant financing needs. These funds are available through the Office of Policy & Management. The town can submit up to \$500,000 in requested funding for one or multiple projects, public and private. Rental housing is an eligible use.