



# Implementing the North End Urban Renewal Plan

Presentation to the  
Middletown Redevelopment  
Agency

December 7<sup>th</sup>, 2004

# OUTLINE



- Historical Perspective
- Proposed Amendments
- Proposed Plan
- Time Line
- Financial Plan
- Benefits of this Plan

# Historical Perspective



- 1.) 1988 – 1992 North end Urban Renewal Plan
- 2.) Neighborhood Opposition
- 3.) 1992 Failed Referendum
- 4.) 1996 Fatal Shooting of 16 yo at corner of Ferry and deKoven
- 5.) 1996 Urban Homesteading Committee Created
- 6.) 1997 Yale Planning Workshop – Housing Number #1 concern



- 1997 North End Action Team (NEAT) emerged as grass roots neighborhood advocacy group
- Redevelopment Agency became involved.
- Redevelopment agrees to allow NEAT Housing Committee to prepare plan amendments with staff support.
- 1999 Planning and Zoning Commission, Housing Authority and Redevelopment Agency approve “Activity Supplement”.



- Formal RFP to implement “Activity Supplement”
- Only one response received.
- North End Housing Initiative (NEHI)
- Collaboration between four (4) existing non – profits
- NEHI designated as preferred developer
- Two applications for Tax Credits
- NEHI failed to secure funding
- 2004 Redevelopment reopened the process and entertains proposals from The Connection (Broad Park), The Richman Group and The Housing Authority



- 2004 – Redevelopment Agency selected The Richman Group as preferred Developer
- Agency split but all agree to support Richman
- At NEAT’s request and in order to preserve neighborhood support, Common Council selects Richman as multi family developer and Broad Park as homeownership developer.
- Redevelopment affirms Common Councils decision and enters into MOU’s
- MOU’s specifically include NEAT and mandates their participation.
- Richman and Broad Park agree that Richman will take lead and then Broad Park will step in.

# Proposed Amendments

## Goal

The successful redevelopment of the area identified by the NEAT Housing Committee as most crucial will create a mixed-income, mixed-use neighborhood, stabilizing the population, driving out criminal activity, improving the economic climate along Main Street, and increasing the likelihood that landlords with well-maintained properties in the North End will continue to keep them in good condition. The rehabilitated streets will serve as a model of what can be accomplished and an incentive to property-owners to upgrade their properties to meet the new neighborhood standards.





- Minor amendments to the North End Urban Renewal Plan Activity Supplement.
- Authorize The Richman Group's proposal.
- Recognize Broad Park and homeownership component
- Preserve the original intent of the plan.
- Still provides for rental and homeownership.
- The majority of the changes reflect the Agency's decision to go with two (2) established developers as opposed to a type of Community Development Corporation composed of four existing non-profits.



## Richman's Proposed Plan



- North side of Ferry Street.
- Largest Concentration of City Properties.
- Requires acquisition of seven (7) properties.
- Demolition of nine (9) structures and relocation of as many as 27 families.
- Ninety six (96) units in 6 structures.
- 80 % at 60% of median income 20% at 25% of median income



## Building Footprints

Existing - 22,773 sq.ft.

Proposed – 32,400 sq.ft.

## Lot Coverage

Existing – 47 %

Proposed – 38 %

Significant increase in available parking





# Building Heights

## Ground Elevations

Main Street – 64 ft.

Mid Block – 47 ft.

deKoven Dr. – 34 ft

## Building Heights

Main Street 91 – 100 feet

Mid Block – 83 feet (proposed)

Mid Block – 74 feet (across street)

Last Building – 76 feet



## Lower Density Option



- Some have argued single family homes on individual lots is the way to turn around the area
- This is contrary to what every city in the country is trying to do.
- Numerous studies, including Creating Great Neighborhoods: Density in Your Community, Relearning to Love Density, Myths and Facts About Affordable and High-Density Housing and Homes and Neighborhoods: Principles for Creating Quality Places, support high-density development due to its numerous community benefits.
- More density = more people = more spending = more real and perceived security = a more vibrant downtown.



## Example

Using the same land area could yield 8 lots similar to Housing Authority homes on Church Street.

Acquisition, demolition and relocation would remain the same.

$\$2 \text{ million} / 8 = \$250,000 \text{ per lot}$

Construction at  $\$100 \text{ sq.f.t} = \$200,000$

$\$450,000$  for a 2000 sq.ft. single family home

This type of construction is not eligible for tax credits or CDBG

Even if there was a market for high end homes, eight (8) wealthy families could not turn around the problems in the north end.

# Financial Plan

## Proposed Budget for Acquisition, Relocation and Demolition

### **Prior to Tax Credit Application –**

\$ 90,000.00 CDBG

\$ 210,000.00 CDBG Program Income

\$ 450,000.00 GO Bond

### **After Tax Credit Application**

\$ 200,000.00 from Development budget

\$ 200,000.00 Oct. CDBG

\$ 850,000.00 Lease Financing

**TOTAL \$ 2,000,000.00**





# Timeline



- Dec 7 -Adopt amendments to Redevelopment Plan.
  - Dec 8 -Start Phase 1 Environmental and get Nehemiah Phase 1.
  - Dec 8 - Start appraisals on properties, which are not negotiating.
  - Dec 15 -City council authorize bonding and any other financial requirements.
  - Dec 20 - Make offers on problem properties.
  - Dec 31 - Finish negotiating. Phase 1 environmental study complete.
  - Jan 5 - File notice of taking and compensation with court on properties.
  - Feb 15 - Take ownership of properties.
- City is now a landlord, hire Management Company to collect rent and manage properties until Richman takes them over.
- Feb. 29 – File application for \$10- \$15 million in tax credits

# Benefits of Plan



- Years in making
- Desperate need for investment
- NEAT is getting very discouraged
- Unified property management
- Density gives neighborhood a voice
- Good activity has been proven to drive away bad behaviors
- Provide for existing residents (20 units)



- Cleaning up Green Street Arts Center's backyard.
- Will provide affordable housing for artists and 20 something crowd.
- New residents can be upwardly mobile (76 units).
- Realistic financial plan and very experienced and well respected developer
- Very good chance of funding
- As envisioned Broad Park stands ready to start homeownership.
- More density = more people = more spending = more real and perceived security = a more vibrant downtown