



Middletown's Governmental Structure and Land Use Process

Presented to Redevelopment Agency

December 18th, 2007

**Department of Planning, Conservation and
Development**



- Connecticut's Constitution creates 169 Home Rule Towns
- Home Rule means towns are independent of other towns and can establish their own form of government.
- Towns adopt Charters which establish their government.



- Many land use and government experts agree that home rule and the local property tax are the main problems in Connecticut.
- 169 towns competing with each other
- Majority of small towns favor home rule.
- The legislature would have to change it which would be politically unpopular to the majority of towns, so instead they offer incentives to encourage regional cooperation

Middletown's Charter

Establishes:

- Strong Mayor / Common Council form of government.
- Mayor as Chief Elected Official. Runs day to day operations and Council meetings.
- Common Council primary function is financial, adopts budget.
- Procedure for Elections and Referenda
- Finance, Taxation and Bonding powers
- Board of Education





Charter cont..

- Planning and Zoning Commission and Zoning Board of Appeals
- Allows city departments and committees by ordinance as Mayor and Council deem appropriate.
- Classified Service.
- Charter can only be changed by establishing a Charter Revision Commission and a referendum.



Middletown Code of Ordinances

Administrative and General Legislation

- Administrative Legislation is about how the city functions and creates Agencies, Authorities, Boards, Committees and Commission's.
- General Legislation is more classic city rules and regulations – Alarms, Animals, Day Cares, Open Burning, Loitering, Peddling. Housing Regulations, Noise Regulations, Trees etc....



Middletown Code of Ordinances

Councilmatic Advisory Committees

- Insurance and Claims
- Economic Development Committee
- Finance and Government Committee
- Personnel Review Commission
- Public Safety Committee
- Ordinance Study Committee

Middletown Code of Ordinances

Authorities:

Water Pollution Control Authority, Code Enforcement Authority, Resource Recovery Authority, Long Hill Estate Authority, Parking Authority.

Agencies:

Regional Planning Agency, Inland Wetlands and Watercourses Agency, Harbor Improvement Agency, Redevelopment Agency, Aquifer Protection Agency.

Boards, Committees and Commissions:

Human Relations Committee, Jones Fund Committee, Senior Services Commission, Youth Services Commission, Commission on the Arts, Building Committees, Conservation Commission, Design Review and Preservation Board, Board of Health, Park and Recreation Commission, Housing Partnership Trust, Sanitation Commission, Juvenile Review Board, Records Management Commission.





City Departments established by:

Charter

Tax Assessor, Tax Collector, Town Clerk

Ordinances

Fire, Police, Health, Water and Sewer, Public Works (Building and Engineering Divisions), Legal, Personnel, Planning, Conservation and Development, Technology, Finance, Park and Recreation, Consumer Protection, Human Relations



Committees and Departments related to land use and their duties

Committees

Water Pollution Control Authority, Code Enforcement Authority, Parking Authority

Regional Planning Agency, Inland Wetlands and Watercourses Agency, Harbor Improvement Agency, Redevelopment Agency

Senior Services Commission, Youth Services Commission, Commission on the Arts, Conservation Commission, Design Review and Preservation Board, Board of Health,

Departments

Fire, Police, Health, Water and Sewer, Public Works (Building and Engineering Divisions) DPCD, Park and Recreation



Codes and Regulations

Zoning Code : Divides town into 26 zones and regulates use, lot size, density, set backs from property lines. Establishes permitted, special permit and prohibited uses.

Subdivision Regulations : Regulates the division of land into multiple parcels and road construction standards.

Inland Wetlands Regulations : regulates all activity within 100 feet of a wetland or watercourse.

Design Review Guidelines: suggests design standards to adhere to for commercial areas.



Private Development – no government funds or land involved.

- Developer meets with city departments to discuss his plans and compliance with Inland Wetlands, Design Guidelines, Subdivision and Zoning Regulations.
- Developer submits six sets of plans to Department of Planning and department submits to Water and Sewer, Police, Fire, Health and Public Works for plan review.
- Developer submits to Inland Wetlands Agency (public hearing)
- Developer submits to Design Review (advisory)



- If open space is proposed or adjacent to city open space submits to Conservation Commission (advisory)
- If approved by Inland Wetlands, developer submits to Planning and Zoning Commission (public hearing) for approval.
- In cases involving office or industrial development the developer may approach the Economic Development Committee and the Common Council for a tax abatement in accordance with Tax Abatement Ordinance.



Projects in urban areas involving city land or city participation

It is well accepted that new development in urban areas is much more difficult. This is because of the high costs of acquisition, demolition, relocation, environmental remediation and structured parking.

Multiple lots

Multiple buildings

Multiple tenants

Lead, asbestos and contaminated soil



Blue Back Square

West Hartford, CT

Most recent example of urban mixed use project which is generally considered good development.

West Hartford / Middletown



	Middletown	West Hartford
Populaton		
2006e	9,925	15,699
Households		
2006e	3,829	7,035
Household Income		
2006 av	45,015	88,207
2006 median	34,389	70,774
2006 per capita	20,899	39,996
Age		
2006 median	38.4	41.2
2006 % 20-64 YO	62.1	60.0
Housing		
2006 % OO	36.8%	65.7%
Education Attainment - 2005		
BA	12.2	27.9
Grad	8.8	32.5
Consumer expenditures:		
Av HH annual expenditures	40,763	66,216
Total Business Establishments	941	1377
Total Employees	12,949	10,979



Blue Back Square

- Wouldn't have happened without town participation.
- Town issued \$48.8 million GO bond at 4.25% for public improvements (2 parking garages, streets sidewalks, library and town hall renovations)
- Town created Special Services District to finance bond, extra tax on building owners.



Either a developer with vision approaches the city or city initiates some type of RFQ to find developer.

Development Agencies

- Redevelopment Agency
- Economic Development Committee



Redevelopment Agency

This agency's primary tool is the power of eminent domain to address slum and blight. The agency can prepare Redevelopment plans for areas identified in the City's Plan of Development. The Planning and Zoning Commission and the Common Council have to approve and fund these plans.

Historically the Redevelopment Agency did acquisition, relocation and demolition to provide a clean site to a redeveloper. These projects were funded with federal urban renewal dollars. Those programs ended in the 1970's. Currently the only way to fund Redevelopment projects is with locally controlled funds.



In Middletown there have been 3 completed redevelopment projects

- Court Street – City Hall, old Court House
- Center Street – Sears, Riverview Plaza, Parking Arcade
- Metro South – Metro Square, YMCA, Middletown Plate Glass, Rivers Edge Condos, Middlesex Mutual, Middletown Press

There are currently two approved Redevelopment Plan's.

Miller and Bridge Redevelopment Plan
North End Urban Renewal Plan.



Economic Development Committee

The Economic Development Committee is established by ordinance. The ordinance states :

“The general purpose of the Economic Development Committee shall be to enhance the effectiveness of the total development effort of the City of Middletown, including but not limited to the marketing of the City. The Committee shall study, evaluate and make appropriate recommendations to the Mayor and Common Council for development programs and priorities as deemed necessary and desirable to promote social, cultural, economic, physical, industrial, recreational, and commercial improvements within the City of Middletown. The Committee shall review and make recommendations to the Mayor and Common Council as to proposals concerning acquisition or disposition of any interest in property by the City and any development matters not specifically within the jurisdiction of any other municipal agency...”



Designated the city's Municipal Development Agency

Agency can prepare Municipal Development Plans for particular projects.

By statute, these plans authorize the power of eminent domain for economic development purposes.

If approved, they would be eligible for state financial assistance.

State is now very hesitant to authorize eminent domain for economic development.

The city has one such plan in effect.

“North End Industrial Development Plan”

Purchase and Sale Agreements



Blue Back Square did not use a Redevelopment Plan or a Municipal Development Plan.

Town owned one of the parcels the developer needed.

Town agreed to sell parcel if the developer did X,Y,Z and the city did A,B,C as conditions of the purchase and sale.

Agreement was two 3 ring binders both 6 inches thick.



Purchase and Sale Agreements, *cont..*

Middletown followed this model with Liberty Square at the corner of Main and Liberty.

Covered transfer of property, tax abatement, environmental, construction of city parking lot and commercial building.



Potential Funding Sources

General fund budget – local tax dollars, allocated in annual budget adopted in May of every year.

Approximately \$120 million city and state funds

Appropriations from fund balance – annual budget contains a “fund balance” approximately \$12 million.

Council can appropriate from the fund balance.

Bonding/Referendum – the city can issue bonds or “charge” up to \$499,999 and pay off over 10 years.

Bonds exceeding \$500,000 require a referendum.

Economic Development Fund – the city maintains a small economic development fund which receives income from various sources, most notable Remington Rand. This money can be used to fund economic development projects. Approximately \$150,000.



Community Development Block Grants – approximately \$500,000 annually. Must be spent in low to moderate income census tracts (downtown) or to benefit low to moderate income people.

Urban Act – states conduit to allocate money to urban areas, done through the bond commission. Governor controls the Bond Commission.

Federal Earmarks – federal money allocated in federal budget, usually transportation funds.



State Housing programs

- HOME – federal money administered by state
- Flex – state funds from the bond commission
- Housing Trust Fund – newest program funded by conveyance tax

Brownfield's

Many programs through state DECD and federal EPA.
City has received over \$2 million from EPA to test and clean up Brownfield's.

Quasi Public

Connecticut Development Authority
Brownfield's Development Authority
Connecticut Housing Finance Agency

More Creative Financing



- Tax Abatement – statutes authorize abatement of up to 7 years. Can freeze assessment and abate all taxes or do gradual abatement – 80% in year 1, 60 % in year 2 etc..
- Lease-back Financing
- Tax-Increment Financing- designate an area, issue public bonds, pay back bonds with new tax revenue from development.
- Parcel Assembly
 - 1) Negotiated acquisition, fair-market price plus a premium that can be sustained by the project.
 - 2) Eminent domain, fair-market price as determined by an appraiser plus 25%.



3) Reallocation, City/Developer take title of project land, when project is finished, previous owners receive a parcel of equal value in the new project, but possibly smaller in size to original parcel.

4) Shareholder, Previous owners use property as part of an investment in the future development, where the previous owners would own a share of the new development equal to the value of their properties as determined by an appraiser. Previous owners would be entitled to a percentage of the profit generated by the development. The share could also be sold to another investor at a profit.



Relocation – very specific federal guidelines. Moving costs and up to 5 years of rental assistance. Housing costs can't exceed 1/3 of income, assistances pays the difference for 5 years.

Family makes \$20,000. 1/3 for housing \$6600 / 12 months = \$550 for rent and utilities. They move to apartment that costs \$1,000 a month including utilities.

Entitled to \$450 a month or \$5,400 a year for 5 years.



Environmental – lead, asbestos, lead poisoning with kids under 6 yo, underground oil tanks. Phase 1, 2 and 3 studies and lead and asbestos surveys. Very often in demolish the studies and abatement cost more than the demo.

Blight – Blighted Structures ordinance, authorizes fines up to \$99 a day and eminent domain to cure blight. Rarely used.



Historic Structures – local, state and national registrars

- If no public funds involved no protection. Required notice prior to demolishing buildings over 50 years old and Building Inspector can delay demolition for up to 90 days.
- If state funding Connecticut Environmental Policy Act (CEPA) calls historic buildings a resource of the state and requires a finding that there is no feasible or prudent alternative to demolition and a letter from the State Historic Preservation Officer (SHPO).
- If federal funding National Environmental Policy Act requires same as CEPA.

Areas in Need of Intervention



Neighborhood Homeownership

Miller and Bridge – 15%

Portland Street - 16%

Baer and Dunham – 15%

Hillside/East Main- 31%

Citywide - 51%



Areas of Greatest Economic Opportunity

- **South Cove Riverfront**
- **Downtown**
- **Interstate Trade Zone - Aetna Property**
- **Maromas Special Industrial Zone**