

Transit-Oriented Development (TOD) Roles, Visioning, Viability, and Tools Analysis

Final Specific Site Report

East Main Street Station – New Britain, CT

Background

For each site, WSP utilized a step-by-step process to determine site fit out and feasibility. Site Selection was determined by extensive review of previous plans, site visits and consultation with the municipalities. The site fit out was done in the context of current and recommended zoning and physical feasibility and constraints of each site. The program was validated real estate market demand analysis and current construction and real estate cost data. Pro forma financial statements were developed to determine residual land value and perform gap analysis. Organization roles and responsibilities were analyzed, and recommendations developed for each municipality to advance TOD. All of the above analysis was distilled into recommendations for implementing TOD at the eight sites.

Site Selection

In the eastern section of New Britain, adjacent to the East Main Street CTfastrak station, are 9 parcels considered for TOD planning. The parcels in questions are identified in the table below. The parcels are highlighted in Figure 1. Full details for these sites are listed in Table 1. These parcels were selected given their proximity to the station and because their current land use is not transit-supportive as the zoning enables, primarily parcels 1, 2 and 3. Parcel 1 is currently owned by the City's Public Works Department and houses a service shop, garage, and salt storage. Parcel 2 is also owned by the city and is host to a city gas station and parking. Parcels 1 and 2 straddle Harvard Street, which is closed to the public and only available for city use. Parcel 3 is a one-story commercial building with some onsite parking. The other 6 parcels are home to a mixture of 3-story walk-up residential buildings, with 662 East Street host to a ground floor restaurant. These parcels are within ¼ mile of the East Main Street Station and within New Britain's TOD Zoning district. Previous planning studies identify this area as a TOD and propose a realignment of the street greed to directly connect East Main Street and Newington Avenue. This realignment would require the removal of parcels 4 to 7 at minimum.



Figure 1 – East Main Street Station TOD Sites

Table 1 - East Main Street TOD Site Summary

	Address	Zoning District	Acreage	Square Feet
1	55 HARVARD STREET	TOD-EM-1	2.76	120,225.60
2	70 HARVARD STREET	TOD-EM-1	0.4	17,424.00
3	50 HARVARD STREET	TOD-EM-1	0.31	13,503.60
4	719 EAST MAIN ST	TOD-EM-1	0.3	13,068.00
5	688 EAST STREET	TOD-EM-1	0.17	7,405.20
6	680 EAST STREET	TOD-EM-1	0.14	6,098.40
7	676 EAST STREET	TOD-EM-1	0.3	13,068.00
8	666 EAST STREET	TOD-EM-1	0.13	5,662.80
9	662 EAST STREET	TOD-EM-1	0.12	5,227.20
		TOTAL	4.63	201,682.80

Zoning

The prevailing zoning for the assemblage of parcels at East Main Street is Transit-Oriented Development – East Main (TOD-EM-1), which encourages “the types of new development, in-fill development, renovation and re-use of existing buildings and properties in the downtown, in a manner which is consistent with the goals and policies of the City's 2010-2020 Plan of Conservation and Development, 2016 Transit-Oriented Development Plan and with the principles and practices of Transit-Oriented Development (TOD).”¹ The zoning encourages quality housing opportunities that serve a diverse and balanced socioeconomic range of households within the vicinity of the East Main Street station, and it encourages more intensive residential densities and complementary business and commercial uses. Lastly, the zoning intent is to help create an attractive, affordable and high-quality residential and mixed-use neighborhood that offers a good quality living environment and attracts a resident base that is supportive of transit use and serves to support businesses in the neighborhood and citywide.

The TOD-EM-1 zone allows for single-, two-, and three-family detached dwellings, multifamily houses and apartment buildings, and residential apartments over ground floor non-residential uses. Office buildings with professional, medical, utility, or semi-public/government uses are allowed, as are restaurants (excluding drive-thrus), retail stores, art studios, theaters, research labs, and nurseries or day-cares. The parking requirement for mixed-use residential buildings is 1.25 spaces per unit, while the parking requirement for single to three-family homes is 1.5 spaces per unit. Parking for commercial and office uses is 1 per 350 gross floor area of the use.

The zoning provides three means of reducing the parking required. The first parking relief within the zoning can be leveraged for residential and mixed-use properties with a total of fifteen or more dwelling units, which would yield a 10% reduction of the total residential parking requirement if the property is within ¼ mile of a CTfastrak station. An additional 10% of parking can be subtracted for residential and mixed-use properties with a total of fifteen or more dwelling units if the property provides secure bicycle parking within the building. A final 10% of parking can be subtracted from the requirements for mixed-use properties with a total of fifteen or more dwelling units and 8,000 square feet or more of a business use.

Lastly, the zoning outlines design standards that shall be adhered to for developments. Buildings, driveways, and commons areas shall be designed and oriented to facilitate community connections. Curb cuts must be minimized onto East Main Street and Newington Avenue to minimize congestion and improve safety. Guidance also suggests development be of a similar scale to the surrounding zoning districts, and encourages the combining of smaller parcels into larger ones to more comprehensively plan TODs, even receiving a 10% density bonus for doing so.

In light of the zoning review, the zoning across all nine parcels of the assemblage supports transit-oriented development. The TOD test-fit exercise assumes that the parcels in questions would not need to be rezoned and that the bulk and lot regulations set forth in the TOD-EM-1 zone shall be followed.

¹ City of New Britain Zoning Ordinance, Section 217 – TOD-EM-1 and TOD-EM-2, https://library.municode.com/ct/new_Britain/codes/zoning_ordinances?nodeId=ZOORNEBRCO_S217T-1T-2TRIEDEDIASMAPRDITRIEDEDIASMASEDIA10-25-15IT33221-3AP2-19-17IT33721-3

Test-Fit for TOD

Development Potential

For the test-fit exercise, the TOD-EM-1 zoning code was applied throughout the assemblage. The test-fit built on some of the ideas presented in New Britain's TOD Plan (as shown in Figure 2), such as realigning East Main Street with Newington Avenue, centering parking within the assemblage and minimizing curb cuts. Figure 3 shows the TOD test-fit massing Diagram for East Main Street. Figure 4 shows the ground-floor plan for the TOD assemblage.



Figure 2 - Proposed East Main Street TOD Plan, New Britain's TOD Plan 2016

The TOD Test-Fit closes Harvard Street to directly front the station. Cottage Place is extended through the assemblage to Florence Street to extend the distance between the CTfastrak right-of-way and an active intersection. This extension also provides access to the parking which is tucked within the assemblage. A 3-story L-shaped mixed-use multifamily building abuts the transit station with the commercial footprint fronting East Main Street. Identified as Building A, this building includes just over 8,000 sf of retail on the ground floor to qualify for the 10% parking reduction for mixed-use buildings with similarly sized retail footprints.

A second 3-story L-shaped multi-family residential building, Building B, sits just east of the East Main Street and Cottage Place intersection. To integrate the TOD into the neighborhood more seamlessly, two-unit townhomes line East St and Florence St for contextual development to adjacent multi- and single-family homes. The interior spaces between building types are assumed as community-oriented plazas and green spaces, while the townhomes assume private yards. The parking provided satisfies the zoning requirements, factors in eligible parking reductions available in the zoning, and includes a small number of extra spaces for commuters.

Building heights do not exceed three stories or include more retail for two key reasons: the first is to maintain the existing

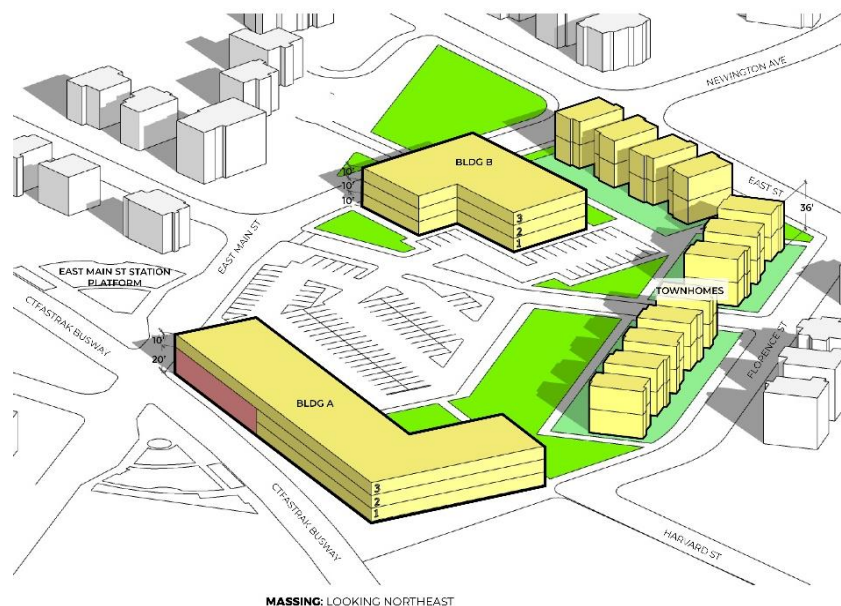


Figure 3 – East Main Street TOD Test-Fit Massing Diagram

character of the neighborhood and not “over-densify” the TOD, and the second reason is because the required parking to accommodate more density, retail or residential, would prove oversized and impede upon the assemblage’s ability to function as a TOD.

The total development yield of the TOD test-fit is summarized in Table 2. The test-fit envisions 120,865 gross square feet of development that includes 78 residential units and 123 parking spaces.



Figure 4 - East Main Street TOD Test-Fit Ground Floor Plan

Table 2 - New Britain TOD Development Summary

Use	SF	Units	Parking
Commercial	8,060	N/A	23
Residential	112,805	78	94
Total	120,865	78	123

Pro Forma Analysis

Example Building Program

The sample design for New Britain includes three buildings, featuring retail and parking on the ground floor with apartments above in two buildings, with additional townhouse units. A completed TOD-style development would be something like the size and configuration in Table 3 below:

Building Program	Building A	Building B	Building C
Construction Type	1-3 Story Lumber	1-3 Story Lumber	1-3 Story Lumber
Primary Building Use	Apartment or Condo	Apartment or Condo	Townhouse
Primary Gross SF	32,630	32,175	48,000
Primary Units	26	26	26
Secondary Building Use	Retail Store(s)	None	None
Secondary Gross SF	8,060	0	0
Parking Type 1	Surface	Surface	Surface
Parking Spaces Type 1	52	61	0
Parking Type 2	Surface	None	None
Parking Spaces Type 2	10	0	0
Parcel Acreage	1.41	1.67	1.24
Assessor's Property Value	\$ 445,102	\$ 555,842	\$ 778,596
Developer's Return	6.0%	6.0%	6.0%

Example Building Cost Analysis

Based on market prices at the time of analysis (3Q 2022), construction of 52 residential units and 61 parking spaces, totaling 120,865 total square feet, would cost approximately \$32.6 million to build, as indicated in Table 4 below:

Example Building Program	Building A	Building B	Building C	TOTAL
Typical Project Size (Units)	26	26	26	78
Dwelling Units per Acre	18	16	21	18
Gross Square Footage	40,690	32,175	48,000	120,865
Total Parking Spaces	62	61	0	123
Building Construction Costs	\$ 14,355,719	\$ 11,192,582	\$ 7,021,440	\$ 32,569,740
Construction (Hard Costs)	\$ 8,611,330	\$ 6,917,625	\$ 5,760,000	\$ 21,288,955
Parking (Hard Costs)	\$ 93,000	\$ 91,500	\$ 0	\$ 184,500
Entitlement, Services, Commissions (Soft Costs)	\$ 2,497,286	\$ 2,006,111	\$ 576,000	\$ 5,079,397
Site Preparation (Demo, Grading, Infrastructure)	\$ 696,346	\$ 560,730	\$ 288,000	\$ 1,545,076
Operating and Maintenance Costs (10 yrs)	\$ 1,645,169	\$ 983,073	\$ 0	\$ 2,628,242
Developer profit margin	\$ 812,588	\$ 633,542	\$ 397,440	\$ 1,843,570

Example Building Profit & Loss Model

At current market prices, the example building portfolio would cost approximately \$32.6 million to build. A similar building portfolio would sell for approximately \$20.5 million in the current real estate market, as described in Table 5 below:

Building Program	Building A	Building B	Building C	TOTAL
Dwelling Units	26	26	26	52
Dwelling Units per Acre	18	16	21	18
Gross Square Footage	40,690	32,175	48,000	80,175
Total Parking Spaces	62	61	0	123
Building Sale Value	\$ 9,489,674	\$ 5,214,247	\$ 5,808,780	\$ 20,512,701
Building Cost Total	\$ 14,355,719	\$ 11,192,582	\$ 7,021,440	\$ 32,569,740
Building Sale Value per Square Foot	\$ 233	\$ 162	\$ 121	\$ 170
Building Cost per Square Foot	\$ 353	\$ 348	\$ 146	\$ 269
Residential Section Sale Value per Unit	\$ 200,548	\$ 200,548	\$ 223,415	\$ 208,170
Residential Section Construction Cost per Unit	\$ 415,667	\$ 406,117	\$ 254,769	\$ 358,851
Retail Section Sale Value per Square Foot	\$ 530	N/A	N/A	\$ 530
Retail Section Construction Cost per Square Foot	\$ 360	N/A	N/A	\$ 360
Residual Value ("Land Value")	\$ (4,866,044)	\$ (5,978,335)	\$ (1,212,660)	\$ (12,057,039)
Residual Land Value per Acre	\$ (3,441,333)	\$ (3,571,287)	\$ (976,377)	\$ (2,784,536)
Land Acquisition Cost (Assessor's Most Recent Valuation)	\$ 445,102	\$ 555,842	\$ 778,596	\$ 1,779,540
Land Acquisition Cost per Acre	\$ 314,782	\$ 332,044	\$ 626,889	\$ 410,979

Example Building Financial Gap

With an estimated construction cost of \$32.6 million and land acquisition cost of \$1.8 million, compared to estimated sale value of \$20.5 million, WSP estimates a residual value of -\$13.8 million (the "land value"). This residual value indicates that a market-rate developer would require a subsidy of approximately \$13.8 million (about \$61,000 per unit) to build mixed-use, transit-oriented development in the current market, as indicated in Table 6 below:

Building Program	Building A	Building B	Building C	TOTAL
Financial Profit (Gap) for Project Total	\$ (5,311,146)	\$ (6,534,177)	\$ (1,991,256)	\$ (13,836,579)
Financial Profit (Gap) per Acre	\$ (3,756,115)	\$ (3,903,331)	\$ (1,603,266)	\$ (3,195,515)
Financial Profit (Gap) per Unit	\$ (144,466)	\$ (150,128)	\$ (61,664)	\$ (61,452)
Financial Profit (Gap) per Square Foot	\$ (131)	\$ (203)	\$ (41)	\$ (173)

Roles & Responsibilities: New Britain

Organizational Structure

New Britain's municipal government is led by a mayor and a common council of fifteen members. Both the mayor and council members serve terms of two years and are elected by the public. New Britain's planning and zoning structure has recently been overhauled and streamlined to have the City Planning, Economic Development and Community Development Departments all under the new Department of Planning and Development (DPD). Most positions in the DPD are appointed by the Common Council. The new structure allows developers and community members to approach this one-stop-shop and be

directed to the correct department more efficiently. The goal of this realignment was to coordinate planning and zoning decisions with an eye to promoting economic development by meeting the needs of the private sector and providing an easily navigable DPD. With the current structure, planning and zoning decisions are made from an economic development perspective.

The current review process includes a review by the mayor who then conducts a Mayor's Round Table (outlined in the POCD) where all the people who would need to have a say in the approval of the project are gathered along with the development team. Any feedback is then given, but ultimately the final authority for zone approval is the Common Council. The Common Council meets for three consecutive days to review the zoning and make any necessary adoptions to it for a project to move forward.

In 2010 New Britain adopted a ten-year TOD Plan to facilitate the construction of TODs in the town and to support investment in public transit infrastructure. The TOD Plan has not been updated for the 2020-2030 decade. However, the 2020-2030 POCD specifically mentions plans for future TODs in the area. Both the past TOD plan and the current POCD suggest that the Common Council and Department of Planning and Development will be cooperative with future TOD efforts.

Prior Successes and Next Steps

New Britain has had a clear, overall focus on streamlining the planning process to make it easier for the needs of the private sector to be met. Along with the successful reorganization described above, New Britain has also focused on accessibility of transparent information on the development process. The town has recently completed a Plan of Conservation and Development (POCD). Active public engagement was critical to its completion. The POCD includes a matrix of responsibilities with an overall feel towards implementation and therefore continues to inform decision making. In fact, New Britain's DPD has been tasked with implementing the POCD. New Britain has also created a Business and Developer Toolkit. The Toolkit is a source of resources, including an explanation of the Mayor's Round Table, tables on the variance process, requirements for liquor licenses, process for a home loan/grant, and direction on grant resources to name a few.

New Britain is continuing to update other outdated documents to make the development process more transparent, accessible and efficient for developers. The town is also working towards further coordinating planning and zoning decisions, focuses on promoting economic development to further capitalize on the downtown boom and meeting the current market demand for affordable housing, small businesses, and retail space for personal services.

Implementation Recommendations and Gap Analysis:

A subsidy of \$13.8 million may be too large to be feasible. Waiting for market prices to reach equilibrium (as interest rates stabilize, supply chains return to fully operational, and prices adjust to reflect higher costs) is an advised course of action. Another would be to access state funding for the infrastructure, including the East Main realignment, and position this as an affordable housing opportunity eligible for federal tax credits and state subsidies. The feasibility of such would require additional analysis beyond the scope of this study.

Next step: Pursue CTDOT funding for new street connection/infrastructure and engage the affordable housing development market.