

# Mixed-Use Real Estate Planning



A Pilot Program

**June 19, 2013**  
**Downtown Torrington**

# Welcome

## Torrington



# Partnership for Success

Connecticut Main Street Center

&

Connecticut Housing Finance Authority

Commercial districts  
**must** be managed

# The Problem

Connecticut's downtown properties  
are needlessly under-utilized and under-valued.

# Comparison

## Asheville Big Box vs. Downtown Mixed-Use Development



**ASHEVILLE  
WALMART**



**DOWNTOWN  
MIXED-USE**

Land Consumed (acres):	<b>34.0</b>	<b>00.2</b>
Total Property Taxes per Acre:	<b>\$6,500</b>	<b>\$634,000</b>
Retail Taxes* per Acre to City:	<b>\$47,500</b>	<b>\$ 83,600</b>
Residents per Acre:	<b>0.0</b>	<b>90.0</b>
Jobs per Acre:	<b>5.9</b>	<b>73.7</b>

\*Estimated from public reports of annual sales per sq.ft..

# The Problem & Opportunity

## Vacant Buildings Cost Communities

\$222,340/year/vacant space

Reduced property value, property tax, sales tax, utilities,,  
professional services, and workers' pay

## Upper-story Residential Units Benefit

### Local Economy

Annual downtown impact/unit = \$20-39K

*Main Street Iowa Economic Development Study, Donovan Rypkeyma*

# The Opportunity

People want to live in authentic, compact places where one can walk to shops and services.

Especially Babyboomers & Millenials



# The Opportunity

“A recent national survey found that 60 percent of respondents would choose a smaller home if it meant a commute time of 20 minutes or less, and two-thirds said that being within an easy walk of shops and services was an important factor in deciding where to live.”

Belden Russonello & Stewart, *The 2011 Community Preference Survey*

# The Opportunity

Forbes article, *Downtowns: What's Behind America's Most Surprising Real Estate Boom*

“...this demographic (between 25 & 34) grew 26% from 2000 to 2010 in major cities' downtowns...

Or twice as fast as it did in those cities' overall metro areas”

# The Challenge

Mixed-use/mixed-income  
development  
has become a lost art form.



# Sample Financial Pro Forma

## Sources

Historic Tax Credits	\$ 301,200
First Mortgage	\$ 875,000
<b>Additional Funds Needed</b>	<b><u>\$ 575,400</u></b>
Total sources	\$1,751,600

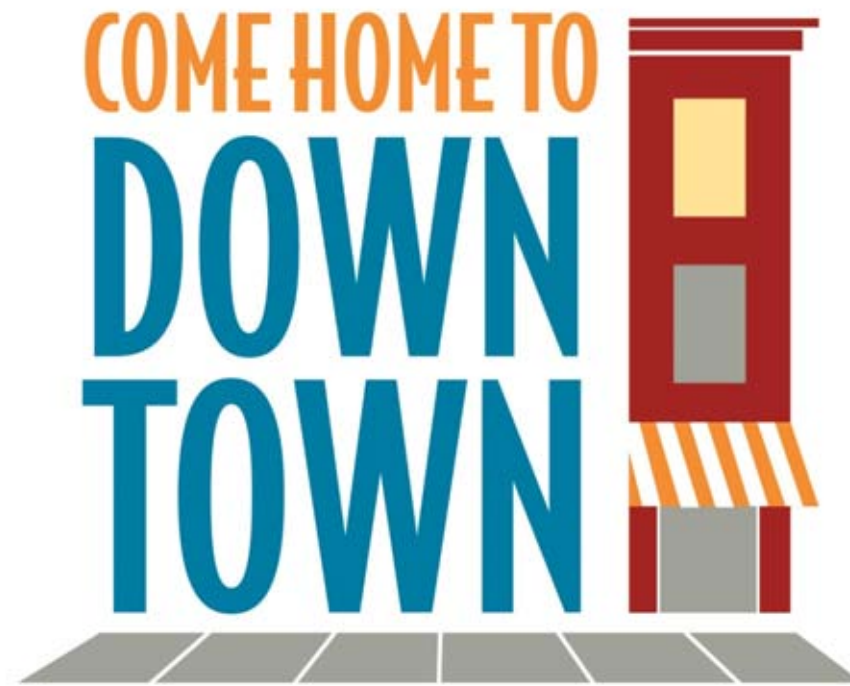
## Uses

Construction Hard Costs	\$1,318,500
Construction Contingency	\$ 98,900
Soft Costs	<u>\$ 334,200</u>
Total Uses	\$1,751,600

# Assistance to Property Owners



# Mixed-Use Real Estate Planning



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# Selection Process

- Submitted Letter of Interest October 2012
- Selected communities asked to conduct downtown & building tours with proposed project leaders
- CMSC chose 3 Pilot Communities
  - Torrington
  - Waterbury
  - Middletown

# Selection Criteria

- Likelihood of Success
- Ability to leverage other state funds
- Market Opportunity & Real Estate development capacity
- Diversity of scale & location
- Model building
- Interested property owners



# Public Outreach

## Community Engagement

What's right for your town?



Community Liaisons  
Rose Ponte & Marty Connor

# Advisory Team

- Local Downtown Leaders
- Business & Property Owners
- Neighborhood Groups
- Elected Officials & Town Staff
- Other Civic Leaders/Institutional Reps
- Residents
- Other Interested Citizens

# Community Meeting

- Tonight we want to hear your concerns about downtown
- Get your feedback about Come Home to Downtown findings and recommendations



# Program

## ■ Urban Design Audit



# Program

- Downtown Development Audit
- Model Building Analysis
- Assistance to property owners





# Program

- Downtown  
Management  
Assistance



# Expected Outcomes

## Community-wide

- An increased understanding of the value of today's downtowns
- A Downtown Vision for the future

Table 10 (Dunstable High School Students)

- Buildings not higher than One Hall
- Old fashioned town architecture
- Residential above - more affordable
- Restaurants, affordable small bakery - dinner A.C. Peterson, Post Corp, snacks, donuts, healthy
- Affordable budget downtown - small
- Used bookstore with coffee shop
- Activities - food stalls for local events - artist shows, games, ballroom dancing, events, monthly farmers green place - all things may open late, once a month
- Lobbies
- Place to store backpacks
- More crosswalks around library, a ferry, wash cars and machines
- Recycling
- Bike racks
- Water fountains - free water
- A couple of walking paths to park from downtown
- Parks have baby swings - sand box swings







# Expected Outcomes

- A growing relationship with downtown property owners & stakeholders
- Property owners understand what it takes to redevelop their buildings
  - Redevelopment Plans
  - Financial Pro-forma
  - Property Management Strategy



# Discussion:

## Questions & Answers



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