

**MINUTES OF THE TOWN OF CHESHIRE PLANNING AND ZONING COMMISSION
PLAN OF CONSERVATION AND DEVELOPMENT SUBCOMMITTEE MEETING
HELD ON WEDNESDAY, JANUARY 14, 2015, AT 7:30 P.M. IN ROOM 207, TOWN
HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410**

Present

PZC Commissioners Earl J. Kurtz, III, Chairman; Louis B. Todisco, Gil Linder, David Veleber, John Kardaras. Committee Member Martin Cobern. Alternates: Diane Visconti.

Absent: Sean Strollo, S. Woody Dawson, Vincent Lentini, Edward Gaudio; Alternates Jon Fischer and Leslie Marinaro.

Staff: William Voelker, Town Planner

Guests: Town Council Member Patti Flynn-Harris; David Pelletier, Chairman, Economic Development Commission and Jerry Sitko, Economic Development Coordinator, Town of Cheshire.

I. CALL TO ORDER

Mr. Kurtz called the meeting to order at 7:32 p.m.

II. ROLL CALL

The clerk called the roll and a quorum was determined to be present.

III. DETERMINATION OF QUORUM

Following roll call a quorum was determined to be present.

IV. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

V. APPROVAL OF MINUTES - NOVEMBER 12, 2014

MOTION by Mr. Cobern; seconded by Mr. Todisco

MOVED to approve and accept the minutes of November 12, 2014 subject to corrections, additions, deletions.

VOTE The motion passed 5-0-1

VI. SPEAKERS

- 1. David Pelletier, Chairman, Economic Development Commission
Jerry Sitko, Economic Development Coordinator**

EDC Chairman Pelletier was present to update the Commission on the work of the EDC and inform of matters relevant to the POCD update. PZC and EDC have similar interests, particularly with land use and expansion of businesses and retainment of businesses in Cheshire. The Commission was informed by Mr. Pelletier that the Town

of Cheshire provides about 15,000 jobs in the community and is 4th in the Naugatuck Valley Region (behind Bristol, Waterbury, Shelton) in the number of jobs provided. Cheshire has varied large business industries including aerospace, manufacturing, banking, insurance, and many small businesses. The town has about 4 million square feet of industrial space, 8000 square feet of office space, and 300,000 square feet of retail space. The EDC works to expand and retain businesses in town, and is behind the Town Council with the important tool of extension of the incentive policy. The town does not have an Enterprise Zone, except for the EDAC property, 50 acres, 494,000 square feet, on the site of the former Pratt & Whitney Company.

Mr. Sitko stated that when Pratt was leaving, the town worked to keep the company here as long as possible, or fill up the building as soon as possible. EDAC worked out as the General Assembly approved the location as an Enterprise Zone. The Town of Wallingford was trying to get an Enterprise Zone around the area of the post office.

The PZC members were told by Mr. Pelletier that Southington CT has a very large Enterprise Zone area, starting with the old Pratt facility and goes further west. These zones were mainly in cities and are nice to have.

Mr. Sitko explained how an Enterprise Zone is created. It is a 40/40/20 reverse 5 years on a real estate, with the State paying 40% of the tax assistance, the town paying 40%, and the company is responsible for 20%. The town requests it and the State passes on the designation. The zone in Cheshire is 50 acres around the Pratt owned property. With the infusion of the first 5 money, the company has to produce 205 new jobs.

According to Mr. Pelletier the creation of a zone is not, necessarily, tied to employment. The Legislature is very selective going forward in designation of any more zones in the State, and it will not happen to the extent in the past, i.e. large areas of Meriden and Waterbury.

The local incentive policy in place since 1994 approved by the Council has conditions. First, the company must stay in town for 10 years, or the town gets its money back. There are employment conditions, and with things changing, the town is realistic. The condition clauses have been invoked three times and the town has not lost any money. If a company does not stay in town 10 years, or does not meet the employment criteria in the agreement, the tax incentive money is paid back to the town. Mr. Sitko cited Jordan Caterers as a company that left early and paid the town back about \$17,000, without negotiations.

Regarding the incentive for the policy, Mr. Sitko noted it has been the same since 1994. Under CGS 1265B the town can give tax breaks for a 3 or 7 year period. If the project is over \$3 million, i.e. cost of improvements for the building, the policy is for 7 years. Under \$3 million the period is 3 years, with the incentive of taking 45% of the assessed value of the new construction (building, not land which is fixed) off the books for a 3 to 5 year period. The town looks at employment levels and 10 year commitment to stay in Cheshire. This goes for new and existing businesses, working with the town on an

incentive program, and the program was applied one time to an existing building, Lane Construction. The company came to Cheshire from Meriden, brought 100 jobs, and is located at 100 Fieldstone Court. Lane Construction builds highways and roads. With this company they had to prove costs of improvements to the building, spent about \$1 million to upgrade the building, and the incentive was applied to the rise in the grand list for a 3 year period. The town has done infrastructure, i.e. Bozzuto's with their new building for the extension of Industrial Avenue and the company got a tax break. The new medical building on Highland Avenue (Dr. Feldman and Dr. DeSai) got a tax break, as did Connecticut Air Gas with \$150,000 towards construction of the new road to town specs.

Mr. Sitko commented on the incentive policy being a good policy; is looked at and scrutinized every 2-3 years by the EDC; and it has been tweaked by the EDC and Town Council over the years. Over the years the town has been pushed by one local company to go beyond the 45%, but once this threshold is raised, other companies know it, and the town would not do it.

Town Planner Voelker commented on he and Mr. Sitko, as professionals, know what is realistic and what makes sense. Good companies in Cheshire and Southington hire people from each other's towns.

Mr. Sitko stated the fact that 937 people from Southington work in Cheshire, and this information comes from the census. He stated that the north end development has not requested consideration for the local incentive policy, and is uncertain if the company has asked for anything from the State as far as infrastructure is concerned.

It was noted by Mr. Todisco that one of the development company's selling points was the large amount of taxes to be paid to the town. There was also some cost cited to the town for fire and police, but he is uncertain if this is true. It was probably to their advantage to not ask for any incentives.

Other than tax breaks, Ms. Visconti asked what incentives would be available to the development company.

In reply, Mr. Sitko said that the location is prime. He is involved with many programs from utilities to the State, and he tries to find ways to help companies. At the present time a manufacturing company in town needs bridge financing for 6 months to keep cash flow going, and he is working with this company now on resources available. Later in the spring of 2015 the town will be doing a labor related program through DOL, i.e. looking at credits, grants for hiring veterans etc. Business retention and attraction is important to the town, and studies show 70% of new growth comes from within, and EDC and Mr. Sitko are working constantly with businesses.

The issue of public transportation was raised by Mr. Pelletier who informed of meetings with DOT and CT Fast Track Bus System. There will be a demonstration on the new bus service starting in March in Cheshire. EDC talked with DOT because of the new

W.S. Development project, as retailers will need a way to get employees to work. EDC asked about the bus service going through the development, but this will not happen due to the bus schedule. During the meeting, DOT brought in people from Northeast Transportation that run the Waterbury bus service, who are looking to expand this service to the north end development. There has been feedback from town businesses that their employees cannot get to work, and there is interest in the bus line coming by Bozzuto's to drop people off. During the holiday season, Macy's has bus service to and from their facility to Waterbury to transport their workers.

Mr. Cobern said the logical solution is to have a shuttle bus to move around the local business areas, during rush hour, to transport workers.

Each month EDC invites a Cheshire business to its meeting to talk about how they are doing, what can be done to assist them. Mr. Sitko said there is a repeated request for more public transportation of employees. Waterbury Transit will provide a link to the Fast Track bus service...riding from Waterbury to Cheshire to Southington into downtown Hartford. He cited the fact that 4100 workers come from the Hartford line, plus Waterbury, into Cheshire each day. Cheshire residents, 1800 people, go from Cheshire into Hartford and suburbs to work each day, and with inclusion of Waterbury the number is 2600 people. Mr. Sitko stated we have to do something, as the town keeps hearing about the need to have more public transportation for Cheshire businesses.

For the Fast Track bus service, Mr. Pelletier said the loop includes a pick up at the commuter lot near Blackie's, come down to the RT 10 commuter lot, to the Plantsville commuter lot, onto I-84 to the express bus service in New Britain. The Fast Track system will not benefit Macy's, but could benefit the north end development.

Mr. Sitko reported that Bozzuto's has concerns about getting employees into Cheshire, but could pick up people at the commuter lot and bring them a few miles to work. He said the Fast Track service is a work in progress, with adjustments to schedules and stops.

The committee was told by Mr. Pelletier that W.S. Development was open to putting in bus stops in their site for Northeast Transportation coming in from Waterbury. This is a matter to be further discussed so buses can get into the retail development.

Mr. Voelker said there are places at the site where this could be done easily.

Ms. Visconti commented on it being great for a bus service to go all the way down Route 10 and asked if this was possible.

In that regard, Mr. Sitko said it would be great, but it would take money to change a bus service. Over a period of time this will be worked on.

Ms. Visconti commented on there not being enough traffic on RT 10 for bus service and pressure on the State was limited on pushing the Fast Track.

With the proposed bus service route, Mr. Veleber believes it is servicing the south end of RT 10 but nothing going north from the center of town.

The EDC invites commissioners of State agencies to visit its meetings, and Mr. Sitko said the DOT commissioner talked about increasing public transit in Cheshire. With the proposed bus service, he said EDC comments have been heard.

EDC has gotten behind the C-PACE program and Mr. Pelletier explained the program enables businesses to finance energy improvements through a tax lien on the property. The Council just approved this program, with the Town collecting, through tax payments, the cost of the energy improvements to the properties.

Another EDC program is linking Cheshire public schools and manufacturers to educate and expose students to manufacturing and the needed skills in this industry. Mr. Pelletier noted manufacturers have positions open without people to fill them. He said there are high paying jobs that do not require a four year college education, and many college students graduate with large debt. Many manufacturing companies work closely with the area technical schools, provide apprenticeships and training to the students.

EDC also works on a program with the DOL to inform Cheshire employers about labor related training, grants, tax credits, wage reimbursements for business expansion. Mr. Pelletier reported EDC will have a workshop this spring.

Business Appreciation Day is held annually each Fall at Elim Park, and Mr. Pelletier advised this is a major retention program of the EDC, and it has attracted new businesses to Cheshire. The event includes breakfast and a speaker, and is well attended by local businesses.

EDC items of consideration about the Plan of Conservation and Development - Mr. Pelletier cited the West Main Street commercial area redevelopment with the long term goal of creating a commercial village. EDC supports the investments made in this area and keeping a village environment. Ball & Socket Arts development, with completion of the Linear Trail and enhancement of the West Main Street area, will be the centerpiece for the town.

Mr. Voelker said if the Ball & Socket buildings were demolished they could not be rebuilt in place, and scale of the buildings, proximity to the street, etc. contribute to the atmosphere of a village center. Improving older buildings is very expensive, and the town wants to provide incentive to leave these buildings as they. Two major potential areas for a design district are in the industrial area and around the canal, and the industrial legacy is around the old railroad line. Flexibility is important to development of the West Main area.

It was noted by Mr. Veleber that it is a nice draw with a community feel in a town, with restaurants, places to walk and see things...and there is no big block area in Cheshire where you could have this atmosphere.

Mr. Voelker said the potential is there for West Main Street, and people living in this area pay attention to what is going on, attend hearings, and have community involvement.

The town received a \$500,000 STEAP grant for sidewalks, and Mr. Sitko said the sidewalks would go from Rumberg Road to Maple Avenue area. This project will start this year. The town applied for a 2nd grant, with town funding of \$350,000 budgeted, to increase the walkability of this area. There is work going on with Ball & Socket people on a remediation grant, and this will be on the February Council agenda. The principles are also working on a National Endowment for the Arts grant for the project, with town support.

EDC supports the town planner's proposal to increase the industrial building coverage from 25% to 35%, as this would help the town retain existing companies, provide for expansion, and attract new business development.

EDC supports expansion of the Special Design Districts (SDD's) for the under-utilized or under-developed properties in town.

EDC supports the mixed use project of W.S. Development. EDC feels extension of retail uses south of West and East Johnson Avenues would be problematic for the town and would not support additional retail in the industrial area beyond this point.

In the POCD Industrial Section, Mr. Voelker noted this is mentioned...not creating highway commercial up and down RT 10. He said if you give up industrial land, there is nothing left in town to create it. The development pattern/settlement of the community was established many years ago...services, utilities, highways, traffic patterns...are established. The planning recommendation to the PZC, as decision makers, is to go slowly regarding industrial land.

In the draft on the industrial section of the POCD, Mr. Voelker said a recommendation is to loosen up the acreage requirement in the I-2 zone to enable more flexible layout of industrial parks.

For I-1 land the town is pretty much maxed out and Mr. Sitko said many companies do not need 3 acres.

Looking into the history of when Cheshire developed zoning regulations, Mr. Voelker said he could not find any distinct study, minutes of meetings, etc. as to why such big distinctions were made for industrial land. He said the original I-2 was 6 acres.

With flexibility, Mr. Voelker commented on someone wanting a one acre lot and laying out a subdivision carving out this lot. Companies do not want large acreage and want flexibility with acreage, with the cost of land increasing all the time. He noted the importance of setbacks, separation from the highway, separation between buildings, aesthetic, safety issues, etc. Regarding a minimum lot requirement there are companies that can work with smaller acreage such as a small machine shop. The rule of thumb, for non-residential development purposes, is 10,000 sq. feet can be placed on an acre, and this is on a typical rectangular lot. On a half acre lot 3,000 to 4,000 square feet can be placed comfortably, and small machine shops only need this size. The one acre minimum has functioned well in Cheshire, without problems, and Mr. Voelker is not recommending this be done. The history of the community is one acre lots and has functioned well. There are not many companies needing three acres.

According to Mr. Sitko, surrounding towns have opened up smaller industrial subdivisions, one to three acres.

When there is more potential for more growth in the market place, and everyone has one acre, the company wanting more acreage cannot find it. Mr. Voelker noted the acreage has been chopped up. He said we are not getting demands for large acreage now, and the recommendation for smaller lots is tied to access management, shared parking, etc.

Mr. Kardaras said there is flexibility and he is looking for is flexibility giving something more to bargain with.

At this time Cheshire is seeing larger offices going up and Mr. Sitko said they are 30,000 to 40,000 sq. ft., are medical offices. For the most part it is companies looking for 10,000 sq. ft. to develop or purchase, and these types of buildings, in good condition, are not on the market for too long if the price is right.

Another area of consideration is looking at competition, and Ms. Flynn-Harris looks to Southington over the last 2 years with large growth of business and downtown development to attract businesses. It was thought some of these businesses would come to Cheshire, such as ESPN, and they built their new studio in Southington. She thought Cheshire was a prime spot, with space, and questioned whether Southington is more flexible and giving more alternatives than Cheshire.

Mr. Voelker is not aware of this.

Mr. Sitko commented on the ESPN situation on West Johnson Avenue, and the fact that ESPN was determined to bring those jobs back to its campus. He knew it was a short term situation in Cheshire, without any discussion with the company about staying in town.

It was stated by Ms. Flynn-Harris about all that Southington is doing with redevelopment downtown, redistricting to do a lot more, and seems to be on an upswing of attracting business of all sizes.

Mr. Sitko stated that Southington has an Enterprise Zone, and this is all the more reason why Cheshire has to keep its incentive policy in place.

With regard to Alexion Pharmaceuticals, Mr. Sitko informed the committee that they are still scheduled to move at the end of 2015. He has had discussions with the company, and would not be surprised if they keep some presence in Cheshire.

Mr. Cobern said Alexion does plan on keeping marketing or other function in Cheshire.

The Alexion building has been substantially improved since they came to town, and Mr. Sitko said they have expanded. There is lab space there, which is premium space, and he understands they will keep the building, but he is unsure of how many employees will be assigned to the building. They also rent out 181 West Johnson Avenue, and a large section of an office building on McKee Place. He reported that Alexion is growing; will need a place to operate any event; and use the Cheshire site as an emergency backup facility.

Mr. Pelletier informed the Commission that he and Town Manager Milone have met with Alexion officials. The company loves the industrial park setting, but they are an international company and felt they needed to be closer to a city. The company was planning on leaving, and wanted an area with more amenities. Their drug is being manufactured in Rhode Island.

Mr. Sitko explained that for Alexion to get permitting, it would have taken longer in Connecticut than Rhode Island. The town has a good relationship with Alexion, and he said they have been good for the town, with their first rate leadership.

Assuming EDC likes the draft put forth for public hearing purposes, Mr. Voelker asked EDC to help with acceptance of the POCD.

Mr. Sitko expressed appreciation to the PZC members for the work they do, everything from W.S. Development to lice...and the commission's patience and understanding of the matters before them.

Chairman Kurtz thanked Mr. Pelletier and Mr. Sitko for attending the meeting and for the information they provided.

2. Discussion of Accessory Apartments and Affordable Housing Policies.

Mr. Voelker provided the Commission members with a comparative review of accessory apartment zoning regulations for surrounding towns -- Hamden, Avon, Prospect, Wallingford, Ridgefield, Southbury, Canton, Fairfield, Greenwich. He asked

Commissioners to read the information, consider them for inclusion in Cheshire's regulations, or to strengthen our regulations.

Mr. Voelker commented on the Commission having had discussion about multi-generational housing, and the regulations not having much opportunity for this housing. A few years ago a regulation was written about two houses on one property; an accessory dwelling must be occupied by an extended family member, or someone who works for the family. If the Commission wants to do multi-generational structures, 750 sq. ft. under current regulations, will not do that. PZC should think through this, how it feels about the issue, whether it should only be an accessory apartment, should be small, and only for someone related to the family. If this is the thinking, nothing in the regulations needs to be changed. If the trend is towards multi-generational housing, regulations would have to be amended. Mr. Voelker commented on receiving many inquiries about the multi-generational housing requirements, and the fact that our regulations may not enable that.

Mr. Cobern stated there is need for more flexibility on this type of housing, and it should be looked into by the Commission.

The student housing in Hamden CT was discussed. Mr. Voelker advised that the Hamden ZEO told him that she spends 50+% of her time administering student housing permits. In Cheshire there are 10 known student housing locations in Cheshire, and Hamden has over 200.

There was a brief discussion about student house, what is bad about it, people complaining about it to the Council. Mr. Voelker explained that Quinnipiac University gave Cheshire the 10 known student housing locations. Chief Dryfe reported to the Town Manager on CPD calls or instances at these locations. CPD had report of one car stolen, and a party at one house which broke up shortly after CPD stopped by.

Chairman Kurtz commented on the time when Cheshire Academy students were living all over town while attending the school and renting living space.

Ms. Flynn-Harris stated the Council was informed about student housing by a neighbor who say excessive garbage in front of a house. She noted that in Hamden, residents can call Public Works for bulky waste pickup, and they come and do the pickup. This was done by students living in Cheshire who assumed the town had bulky waste pickup upon request. Ms. Flynn-Harris commented on many accessory apartments in Cheshire after the 5 year renewal period is over without a renewal. It is against the regulations, but she is unsure if there is a problem.

An explanation was given by Mr. Voelker on how homeowners get caught with an accessory apartment. They plan to sell the house; an appraisal is done on the house; the appraiser comes to the Planning office asking about the accessory apartment being legal. He said the Commission must determine what is appropriate with this issue. Most accessory apartment regulations are written without turning a neighborhood into a

two family house neighborhood. Mr. Voelker does not advocate turning Cheshire into a dormitory community.

Right now, Mr. Veleber pointed out that the protection is the regulations saying the person living in the apartment must be related to the owners. If that exception is removed then the situation opens the apartment to anyone.

Mr. Voelker stated there will be some demand for student housing because of the town's close proximity to the university. PZC should start with the community, the people who live here, and understand how this translates to student housing.

According to Ms. Flynn-Harris the Interfaith Housing Group was contacted in the past to find out what the accessory housing situation was in Cheshire, and to find out if they could be considered part of the affordable housing stock. If so, this would raise Cheshire's percentage of affordable housing. Ms. Flynn-Harris questions whether this is something to be looked at to help raise the affordable housing stock.

Mr. Voelker said it could, and in Section 8-30-g, the town of Greenwich CT does allow accessory apartments to be considered affordable housing stock. In his planning experience he has never administered this, but believes an affordable rent lease agreement would have to be in place with the tenant, to be recorded and approved.

It was stated by Ms. Flynn-Harris that there are federal standards for compliance which include monetary limits, length of lease etc.

The Commission was informed by Mr. Voelker that Cheshire does have some graduate students living in town.

Ms. Visconti said these are the kind of people we want to live in town.

Another thing to be looked at is the definition of "family unit" and Mr. Voelker said it was originally written at a time when no more than 3 unrelated people can live in a dwelling. The options are blood, marriage or adoption.

In a four bedroom house, Mr. Linder pointed out that 8 people (unrelated) could reside in this house.

Mr. Voelker explained that this is the issue with the Quinnipiac students, and it is an issue which the PZC must undertake and consider a provision for student housing in the regulations. He reported that Quinnipiac monitors their students, and is good at it.

The Commission was told by Ms. Flynn-Harris that the Town of Hamden is putting pressure on the university to build more dormitories, and the town will disallow any more permits. There is university owned houses in Hamden, and people have purchased houses specifically for legally filed student housing units. This allows the university security to know how many students are living in a specific house. Without permits

from Hamden, she said Cheshire is now seeing a "coming over the border" for student housing units.

Mr. Voelker will draft careful language on affordable housing and student housing. He noted the housing chapter will not invite growth, as it will go at its own pace depending on many economic factors.

The Commissioners were asked by Mr. Voelker to look at his memo on Affordable Housing Policy Issues. There must be consideration of the fact that there is no choice. Cheshire has the planned residential/cluster regulation which exchanges a small density bonus in exchange for open space. The third way is Section 8-30g override appeal. Omnibus Affordable Housing Regulations, Section 44A of the zoning regulations, was written to be an alternative to Section 8-30g to give local control. But, these regulations have not been updated in a long time, and they should be looked at against provisions of CGS 8-30g to make sure they are still legal and an effective alternative to 8-30g. By doing this, PZC and Planning gives someone who wants to do an affordable housing project a reasonable expectation and a place to go. This should also be done with Section 44, Planned Residential Subdivision Development which has an affordable density bonus. This was done with Moss Farms Subdivision in 1993, creating 13 affordable units, with several acres of open space.

Ms. Flynn-Harris informed the Commission that these houses did not stay affordable, and were changed in less than 5 years.

Stating he was not in Cheshire at that time, Mr. Voelker said he would have recommended this action because these houses should have stayed affordable for 30 years. In his narrative, Mr. Voelker suggests revisiting this regulation as well. The POCD would recommend that these regulations be reviewed as affordability has to be considered by state law. The current regulations already have areas where affordability is considered and enabled. These regulations should be reviewed and updated for compliance with State Statutes. Section 44A was recently used for the expansion of the Beachport housing facility on West Main Street, and Mr. Voelker commented on how well this expansion turned out.

From the POCD Mr. Voelker read..."the principle goal is to encourage a balanced growth that is compatible infrastructure to preserve the semi-rural nature of the community, provide a variety of housing stock types which are for choice to meet the needs of various income levels and life style." He said this must be expanded a little, but the goal is fundamentally sound. More specificity for affordable housing is needed because state statutes now require the towns to show consideration of this. If the Commission takes the areas being talked about, and puts in some new language, it will be okay. Mr. Voelker stated the POCD is the plan of the Commission. Should the Council have questions or comments about substance, Commissioners must respond.

Ms. Flynn-Harris commented on the Council's role...approving the changes to the POCD, not the overall Plan. In the review the changes would be highlighted, not the entire Plan.

In the ongoing process, Mr. Kardaras said there is more variety, more demographic changes now and in the future, lack of open space, etc.

If the recommended changes to the POCD are a review of the regulations to make sure they are updated to the State's changes, Ms. Flynn-Harris said there is nothing for Council to do or be concerned about.

Mr. Voelker advised that everything must be done by July, with a draft of the plan ready in the next month and a half. He continues to update sections, giving them to PZC members. The Plan is general in nature and we must keep going forward.

VII. ADJOURNMENT

MOTION by Mr. Kardaras; seconded by Mr. Cobern

MOVED to adjourn the meeting at 9:15 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk