

NEW HAVEN CITY PLAN COMMISSION ADVISORY REPORT

RE: DEVELOPMENT AND LAND DISPOSITION AGREEMENT BETWEEN THE CITY AND LIVE WORK LEARN PLAY (LWLP). Land bounded by South Orange Street, South Frontage Road, State Street and George Street, for Redevelopment of the former New Haven Coliseum site (Economic Development Administrator).

REPORT: 1484-02

ADVICE: Approval

BACKGROUND: Developer Live Work Learn Play of Montreal Canada was selected as a result of a competitive process that began in 2008 after the vacant New Haven Coliseum was demolished in 2007. (See “Background” section of the DLDA) The City and the Developer have worked to put together the details, phasing, financing and schedule for the project over the last two years. The result is a mixed use plan for the entire block bounded by South Orange, George Street, State Street and North Frontage Road/ MLK Boulevard. The plan is product of studying the market, engaging the public and other stake-holders in different forums, and of consultation between the developer’s team and city and state agencies. The development requires several actions of the Board of Aldermen in order to achieve the goals of a new revitalized mixed use, tax and employment generating precinct in our center city. The DLDA is accompanied by a Proposed Abandonment and Discontinuance of a portion of North Frontage Road/ Dr. Martin Luther King Boulevard, CPC 1484-03; and was preceded by submission of a proposed zone change for the area, CPC-1484-01.

SUMMARY: The DLDA sets forth the terms and the schedule under which the City and the Developer would proceed with development of the site. The City and LWLP’s plans call for the development to be created in two phases: **Phase I** will consist of approximately 342 residential units (68 affordable units), 58,200 square feet of retail, 160 hotel rooms, and 52,630 square feet of public space arranged as a new public square and laneway; and **Phase II** will consist of 377 residential units (75 affordable units), 18,700 square feet of retail and 200,000 square feet of office space. The total investment required for the development will be approximately \$362 million; total development cost is estimated at \$395 million.

Infrastructure: The proposed development would be made possible through the Downtown Crossing Phase II infrastructure improvements, which will rejoin the two halves of South Orange Street separated by Route 34 and create an at-grade street for pedestrians, cyclists and automobiles. This at-grade, multi-modal street, will greatly enhance the development potential of the former Coliseum site by making it a true gateway to the City that allows LWLP to increase the number and intensity of uses on the site, thereby increasing the urban vitality, number of jobs and tax revenue produced by the development.

The Downtown Crossing Phase II infrastructure improvements will be split into two parts: the first will establish a T-shaped, urban intersection at Orange Street and Dr. Reverend Martin Luther King (MLK) Boulevard, and will include necessary storm water improvements in the corridor. These improvements will prepare the former Coliseum site for the first phase of LWLP’s development. The second part of Downtown Crossing Phase II infrastructure improvements will rejoin South Orange Street across MLK Boulevard and South Frontage Road,

reconnecting Downtown to Union Station and the Hill and preparing the former Coliseum site for the second phase of LWLP's development the total cost is approximately \$33 million. The DLDA also allows for the infrastructure improvements to be completed in one phase if there is sufficient funding in place.

Community and Economic Benefits: As part of the development LWLP will provide employment and affordable housing opportunities targeted to New Haven residents. The developer is required to participate in the City's small contractor and workforce utilization programs during construction. On the workforce side it includes the following goals: 25% New Haven residents, 25% minority and 6.9% women participation during construction. On the contractor side, the goal is 25 % of construction sub-contracting contracts are targeted to minority contractors in the New Haven area. Recognizing that securing permanent jobs for New Haven residents is a prime objective of the Board of Aldermen and the Administration, LWLP has committed to working with New Haven Works to provide residents access to permanent jobs created by future occupants of the Project including retailers/restaurants, and hotel and office users. LWLP will be required to host a series of job fairs for New Haven residents to connect them with temporary and permanent jobs. For the residential portion of the project, LWLP will ensure 20% of all residential units created will be affordable to individuals and families with incomes between 50% and 120% of the area median income. In particular, they have committed to building family units with at least 10% of affordable units having two and three bedrooms.

The economic impact of the proposed development is significant and will provide benefits to the City for years to come. The estimated cost of the entire proposed development is \$395 million, including approximately \$33 million for public infrastructure improvements (the Orange Street connection across Route 34) and \$362 million for the development itself. The residential/retail component of Phase I alone will generate local construction impacts of 754 direct jobs and 513 indirect or induced jobs and \$55 million in direct labor income and \$27 million in indirect or induced income locally. For the full build out of the development, construction will generate approximately 4,676 direct, indirect and induced jobs as well as approximately \$303 million in labor income. Once the project is completed and stabilized, it will support approximately 2,809 direct, indirect and induced jobs annually as well as \$189 million per year in labor income. An economic impact study was included in the submission to the Board of Aldermen.

PLANNING CONSIDERATIONS:

New Haven is a mature City with little easily developable land; this is particularly true in central New Haven where more than half of the jobs in the City are concentrated. Yet the City continues to grow; our residential market is strong, with very low vacancy and demand for units near downtown employers and transit. New businesses are created here because of the concentration of colleges and universities, and the health and research centers downtown. Instead of letting new development spin off into other towns in the region, New Haven can capture some of the value of the new jobs in growing sectors of the economy. If New Haveners acquire the necessary skill they can be ready for the full range of newly created jobs. The Board of Aldermen has recently turned its attention to workforce readiness issues and is working to connect residents with employment.

In the last ten years the Economic Development group of departments has pointed to the need to increase density in certain areas of New Haven, the alternative being to cut off the growth of entrepreneurs, businesses and institutions and to stop the resultant growth in jobs and the City's

tax base. The Gateway Municipal Development Plan, Future Forward and the Downtown Crossing concept plans as well as the ongoing Hill to Downtown Plan have pointed to the opportunities to develop new buildings in and near the Route 34 corridor without displacing current residents or businesses. They have also highlighted the need to re-connect the central business district, the medical district, the Hill neighborhood and the Union Station area in a more seamless single downtown that can be far more accommodating to pedestrians, bicyclists and transit. This proposal capitalizes on the momentum of other recent projects such as 100 College Street. The development of 275 South Orange Street, the former Coliseum site, along with the implementation of the next phase of the conversion of Route 34 from highway back to city boulevards is the next step needed to achieve these goals.

ADVICE: The Commission recommends approval of the Development and Land Disposition Agreement.

ADOPTED: October 30, 2013
Edward Mattison
Chair

ATTEST: 
Karyn M. Gilvarg, AIA
Executive Director