Halls Road Improvements Committee

12/30/22

Old Lyme Planning Commission

Dear Planning Commission members:

Atty. William Sweeney (for the Halls Road Improvements Committee) and Atty. Matt Willis (Council for the Zoning Commission) have gone over the proposal for the Halls Road Overlay District (HROD) in detail, making some minor changes (e.g. bringing capitalization and use of terms more in line with existing Old Lyme zoning regulations). The amended document now meets with the approval of Council for the Zoning Commission and Eric Knapp, the Zoning Enforcement Officer (ZEO).

We wanted to wait until the conference of the attorneys was complete before responding in detail to the concerns raised in the minutes of the Planning Commission’s November 10th meeting. This letter takes each item in turn.

“As drafted, it was unclear how the new overlay zone affected future development along Halls Road, and whether future developers would be obligated to use the HROD or could continue to use the C-30S requirements.”

The attorneys and the ZEO are agreed that the HROD creates an *alternative* to the C-30S zoning along Halls Road that is available to qualifying lots in the district through the established Special Permit process. Unless and until an owner applies for and receives a special permit to use the HROD zoning, the zoning remains C-30S. The granting of such a permit in one lot does not have any effect on the zoning for any other lot in the district. The original C-30S zoning remains in force for all lots that have not asked for and received a special permit to use the alternative HROD regulations.

As to the effect of the HROD on future development along Halls Road more broadly, it is the clear intention of the proposal that it will encourage investment creating, over time, a pedestrian-friendly shopping street along Halls Road in a mixed-use neighborhood including some of the smaller-scale multi-family housing in such short supply in Old Lyme today. We believe this mix will help ensure a more vibrant business climate for the types of businesses that serve Old Lyme residents, rather than businesses focused on highway traffic. The C-30S district in today’s business climate is most attractive to businesses serving highway traffic—a use the Planning Commission’s decennial *Plan of Conservation and Development* (POCD) has always deprecated. With the HROD, property owners can expect investors with other aims to join in the bidding, giving Old Lyme some protection against Halls Road becoming a set of truck stops. The POCDs have repeatedly called for a broader range of housing types in Old Lyme. The Halls Road district is one place where smaller-scale housing would be appropriate. Its presence there would be a significant support for retail business, and would help to re-integrate our main shopping district with the rest of Old Lyme.

“Related to this, it was unclear what the unifying architectural theme was supposed to be. Given that implementation of the new zoning requirements would be piecemeal, it would be difficult to create the consistency required by the draft regulation, and the combination of old and new uses would not be an improvement to the existing conditions.”

The one attribute of new development that nearly all Old Lyme residents find important is that it should "look like Old Lyme." The HROD addresses this shared concern by creating Design Guidelines with a clear design review process. The model is Lyme Street with all its range of styles. The proposed Design Guidelines present multiple examples of what is acceptable and what is not. The aim is to get tasteful, proportional designs that meet accepted professional architectural standards. The design review standards and process for HROD are explicit and clear. This makes life easier for prospective investors, as they can tell what is wanted from early on in their design process.

The HROD provides incentives to developers. It cannot order anyone to invest, it can only provide opportunities. The transformation of Halls Road from strip centers to a walkable shopping street may take decades. The current Halls Road is itself the result of decades of one-off designs: some better, some worse, and all different. It may be years before the basic look and feel of Halls Road is dominated by buildings made in accordance with the Design Guidelines. Does that interim period mean we should never start? We think not. We must start somewhere, and HROD is a good place to do so.

“Further, many of the obligations created by the new regulations would be cost-prohibitive or unfeasible, therefore the Commission urged the Zoning Commission to consider whether any of the “shalls” included in the draft regulation could be changed to “may” without altering the impact of the regulation.”

Investors determine what is “cost-prohibitive or unfeasible” and what is not. Their view of the matter is what counts. Given the size of the investment required, we expect these primarily will be professional developers. So far, we have received favorable signs of interest from professional developers. They are encouraged by the Town’s embrace of a master plan and look forward to seeing the details of the HROD.

In 2023 no developer of any size expects to find no restrictions or “obligations” associated with a mixed-use design-build opportunity—certainly not in New England. What they do want is clarity and as little ambiguity as possible in the business proposition. The HROD is very clear on this point. In exchange for building a small amount of first-floor front retail along Halls Road, investors can develop multi-family residential above that and/or on the land behind it. This is an attractive proposition, particularly to anyone with experience in mixed-use development—an increasingly active sector of real estate development.

The existing housing stock in Old Lyme (and in many shoreline towns) is so skewed toward single-family homes that there is a large pent-up demand for smaller-scale housing. That opportunity is the incentive in HROD. The price (building a bit of retail space) is relatively low. Both types of construction can be profitable, but a developer who knows nothing about retail might find the requirement to build retail space daunting. One with experience would not. The restrictions in the HROD are not daunting, they are clarifying. The developer who knows how to pursue the opportunity will take it, even if it means partnering with another who knows retail or residential better than they do. That is the nature of business. Our aim is to set the conditions so that investors make a profit and the Town gets the Halls Road it wants and needs. We believe we have done that.

“The thirty-five-day period for referral to the Design Review Committee is unworkable and will lead to poor results.”

This is a misunderstanding of the actual working process followed in commercial and multi-family residential development. When an owner or developer considers a new project, among the first steps is to find out what the town says can or cannot be done. Long before any formal application is submitted, developers work with the ZEO and other regulators to review their plans. At this early stage the ZEO would engage the Design Review Committee to review the preliminary concepts to assist the applicant in creating a successful project. Most of the design concepts should be worked out and meet the HROD guidelines well ahead of the formal submission of the application for a special permit. Thirty-five days *from formal submission* is the period of time in which the Committee *must* submit its recommendation to the Zoning Commission or default to an approval. It does not prevent prospective investors from working with the Design Review Committee well in advance of a formal application.

We hope this note helps to clarify any misunderstandings of the HROD proposal. We would welcome the chance to discuss further with the Planning Commission to gain your support of this important new regulation.

Thank you

Respectfully

Edie Twining
HRIC Chair