

MEMORANDUM

The Redevelopment Agency of the City of Danbury  
Policy Decision on Parcel A Development Options

This memorandum summarizes the broad policy options for development of Parcel A which have recently been evaluated by the Danbury Redevelopment Agency at the November 4, 1980 meeting.

Recognizing the importance of integrating Parcel A with an overall use policy direction for the downtown as a whole -- whether Parcel A is developed independently or as a part of a larger project -- this most recent round of planning for Parcel A also recognizes the importance of moving toward a better utilization of this valuable resource and is a proper step in moving ahead with needed downtown revitalization.

Prior policy decisions of this Agency have established the following objectives and criteria for moving ahead with the redevelopment process:

Establish general development goals (type of use or uses and scale ) in advance of and as a guide to any formal solicitation of developer proposals;

Maintain appropriate flexibility in these development goals to encourage creative responses to an overall development focus;

Avoid "reactive" decisions to unsolicited proposals before the Agency can reach a consensus on general development goals as noted above;

Understand the objectives of all legitimate interest groups in relation to downtown development and, where possible, incorporate such objectives into the Agency's Development goals to facilitate project implementation; and,



Solicit developer interest and establish selection criteria based on these goals and objectives.

To highlight the general development directions available to the Agency, three illustrative development options were hypothesized. These are not, per se, development program recommendations and any associated policy recommendations should not be viewed as an effort to fix the precise mix or scale of uses. These illustrative options may be summarized as follows:

- A. Mixed Use, Present Site -- Development of office retail and housing (totalling perhaps 700,000 to 750,000 square feet of space at build out plus associated parking) on the presently controlled 6.3 acres of Parcel A and 2.7 acres along the new Liberty Street.
- B. Mixed Use, Expanded Site -- Same as above, but expanding the site by approximately 3 acres to a total of 12 by including land to the west of Parcel A up to the present buildings fronting on Main Street. Such expansion might accomodate roughly one million square feet of space at ultimate build out.
- C. Regional Retail, Expanded Site -- Development of a major, regional serving retail mall on a "site" somewhat enlarged (by perhaps 3-5 acres) from B, above. This option would include at least three major department stores and would cover, say, 800,000 to 1,000,000 square feet of retail space.

On November 4, 1980 the Agency voted 4-2 to endorse option B -- Mixed Use, Expanded Site -- as the preferred development direction for Parcel A. This decision, along with this memorandum and other supporting materials, is to be presented to the Mayor's office and other interest groups, as appropriate, for input and refinement in an effort to move ahead with downtown development.



Principal "risks and rewards" associated with each option which were presented and deliberated upon by the Agency in reaching this decision are summarized below.

Fiscal Considerations. All of the above concepts would likely have a positive fiscal impact on the city (assuming needed capital improvements, as discussed below, are funded with a minimum of city debt). While there may be numerous mixes and scales of development under any of the concepts, it is estimated that Concept A might generate annual property tax revenues of approximately \$900,000, Concept B perhaps \$1.1 million and Concept C on the order of \$1.1 to \$1.3 million -- once each project is built out.

Costs of public services required by each of these concepts (such as utilities, police, and fire protection, public works, general government and education) cannot be reasonably estimated, but in any event, each of these concepts is likely to create a measurable "surplus" for the city on an annual operational basis.

Each concept, however, will require a significant level of capital improvements in the form of parking, site acquisition, access and circulation improvements as well as open space uses and linkages with present activities.

Parking required for all concepts must be in some structured (i.e., "garage") form and will represent a required up-front capital investment that will most likely have to be funded by the public sector -- whether through the city itself, or a local parking authority. Parking required by Concept A would carry an



estimated cost of \$9 million whereas Concept B would represent a capital investment for parking of approximately \$12 million. Concept C, on the other hand, might require a parking structure that would cost between \$17 and \$24 million, in today's dollars.

Other capital improvement costs cannot be reasonably estimated at this time, but it is probable that Concept C will carry with it a substantial requirement for site acquisition monies as will Concept B, although to a lesser extent. On the other hand, Concept A by definition, will not require much additional site acquisition. Cost associated with improved access and circulation will be incurred for both concepts A and B and, to a much greater extent, for Concept C.

With regard to this latter point, development of a major regional shopping mall in the downtown will most likely demand very substantial access improvements from Interstate 84 which, in turn, may require various land takings and major new construction. Concepts A and B will require improved access and circulation, but these requirements may largely be met within the existing right-of-way configurations.

Lastly, careful development of open space uses and project linkages to current downtown area activities will be most important in minimizing land use impacts and maximizing opportunities for integrating any new development with present downtown uses. Again, it is anticipated that such costs would be more substantial under Concept C than under either Concepts A or B.



Thus, it is apparent that the regional retail program will carry with it the most substantial capital cost requirements -- especially in the form of improved access to I-84 and substantial structured parking -- and, unless a very high percentage of these capital funds can be secured from non-local sources, the potential fiscal benefit of this concept could be reversed. This is not to minimize the significance of capital improvements necessary for Concepts A or B, but rather to indicate relative differences.

Job Creation. All development concepts would, of course, generate significant construction employment as well as long term operational employment. It is understood that each of the above described concepts would generate annual, full time employment of perhaps 1,000 to 1,300 jobs.

In this respect, the only particular distinction that might be drawn amongst these alternative development concepts is the nature of permanent employment that might be created. That is, Concept C will require a high percentage of clerical and sales people versus the higher percentage of office-using employment generated under Concepts A or B. In this regard, then, Concepts A and B may generate somewhat higher payroll levels but will require skill levels that are already in substantial demand within the region.

Potential Obstacles. Several potential obstacles to development have been identified and would include the following: site assembly; access; parking; funding; and, land use impacts.

These are noted as "potential obstacles" in that they will



require time for completion (and possible loss of competitive edge to other projects), commitment of funding (and associated time requirements as well as uncertainties), cooperation and commitments of other agencies or interest groups (such as the Danbury Parking Authority) or the potential for criticism and legal efforts at stopping a project (for example, potential impacts on the "urban fabric" of downtown that might be viewed as incompatible with the objective of certain interest groups).

From these perspectives, it is clear that Concept C -- the regional retail mall -- would have the most difficult hurdles to overcome. Again, this is not to minimize development obstacles for Concepts A or B, but to note the relatively greater risks to program implementation which that Concept could face.

Timing. Timing is of interest in two respects -- how soon might construction actually begin and occupancy of at least the first phase occur? And, how long would it take for project build out or completion?

Given the substantial access improvement requirements of Concept C as well as the site assembly/acquisition needs it is probable that construction could not begin on a regional retail mall for perhaps five years or more. While this schedule might possibly be advanced, experience indicates that the probabilities are not high. It is clear that this Concept would necessarily be pursued as an all or nothing proposition in the planning phase. Given the less radical access improvement requirements of Concepts A and B, actual construction of first phase occupancy under either



of these concepts might take place within two to three years.

On the other hand, however, once the regional retail program was underway it would likely be a "one phase" program with total build out and occupancy within two to three years. Concepts A and B, however, would most probably be done in several phases and could ultimately take longer to build out.

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With the above consideration in mind, the Agency voted 4 to 2 to pursue Concept B as the currently preferred alternative development direction for downtown Danbury.

In essence, Concept B was preferred to Concept A in that the "rounding out" of the development area to incorporate and provide a proper "linkage" to existing uses along the eastern side of Main Street was perceived as an achievable and appropriate objective.

The more important distinction of course, was with regard to Concept B versus Concept C. In this respect, the "risks" of Concept B were judged less severe than the risks associated with Concept C. Specifically, it was recognized that Concept B could not forestall the competitive impacts on downtown retailing that a suburban mall might generate and that market supports for existing as well as new retail development in the short term would be constrained from what was perceived as the high probability of suburban mall development. On the other hand, while part of a Concept C strategy would be to preempt a suburban mall development effort in the near term and to make downtown Danbury highly competitive against



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potential suburban mall development in the longer term, the very difficult I-84 access requirement as well as the parking structure needs and overall scale of a major regional mall were viewed as obstacles or risks that were not warranted by the potential rewards.

In a desire to provide initiative in downtown revitalization and to move ahead with proper development of "Parcel A" the Mixed Use, Expanded Site option was perceived as having the most reasonable chance of near term success along with the flexibility allowed by a gradual development program.



### SUPPLEMENTAL RECOMMENDATIONS

To be attached to but not a part of the Danbury Redevelopment Agency memorandum on Parcel A Development Options.

The Redevelopment Agency recommends that the following items be implemented;

1. Immediately seek funding for an access to, and parking within the CBD as recommended in the Plan of Development.
2. Encourage commercial, professional, cultural and entertainment uses in or near the CBD and strict enforcement of existing zoning regulations outside the CBD.
3. Actively support a Regional Mall in Danbury.
4. Acquire additional blighted and distressed properties in or near the CBD.