

# DEPARTMENT OF DEVELOPMENT SERVICES – PLANNING DIVISION

*REPORT:* Special Permit for an Adult Use Cannabis Retailer at 89 Arch St for consideration June 14, 2022 – Continued to July 12, 2022

# STAFF UPDATE MEMO

To: Planning & Zoning Commission
PREPARED BY: Paul Ashworth, Senior Planner
paul.ashworth@hartford.gov

## **BACKGROUND INFORMATION**

On June 14, 2022 the public hearing for a special permit to allow an adult use cannabis retail establishment within the existing nonconforming storefront building at 89 Arch Street was opened. Just prior to the opening of the hearing, at approximately 4:00pm, the Capital Region Development Authority (CRDA) delivered an opposition letter to the subject request at 89 Arch Street (see Attachment 1). This letter held several positions in opposition to the requested special permit, namely that the proposed special permit did not meet the requirements of a special permit per Section 1.3.4 and 1.3.3 of the Hartford Zoning Regulations, and that the CRDA holds jurisdiction over the subject property, not the City of Hartford. During the hearing, the question of jurisdiction was determined to require more research and the public hearing was continued to the June 28, 2022 meeting to allow for that research to take place.

#### **KEY APPLICATION TIMELINES**

- Application Submission Date: April 25, 2022
- Date Application Accepted as Complete: April 25, 2022
- Application Date of Receipt: May 10, 2022 (sooner of either: date of next regularly scheduled meeting, or 35 days after acceptance of complete application)
- Public Hearing opened on Tuesday, June 14, 2022; Open Hearing Deadline: July 14, 2022.
  - o Continued to June 28, 2022.
  - o Continued to July 12, 2022.
- Close Hearing Deadline: (35 days after opening) Tuesday, July 19, 2022
- CT General Statutes Sec.8-7D allow that the applicant may consent to one or more extensions of time, provided the total extension of all time periods shall not be for longer than 65 days.

# COMMENTS RECEIVED (DEPARTMENTS, AGENCIES, NRZS, PUBLIC)

As of this writing and since the close of the June 14, 2022 meeting, Staff have received six (6) additional comment letters. Two (1) of the letters were in opposition, from the CRDA's partner developer H.B. Nitkin, and from Councilman James Sanchez. The other four (4) letters were in favor of the subject request: one (1) is from the local community group BLM860 with 5 individuals signed on; and three (3) were from local residents, Tony Cheroliz, Jane Tkach and Tricia G. All

comment letters have been uploaded to Meetinginfo.org for public review ahead of the July 12, 2022 meeting.

#### **ANALYSIS**

The legislation creating the Adriaen's Landing development was adopted in the year 2000. At that time, marijuana was an illegal substance and the consumption of cannabis was considered an illicit activity. In July 2021, the State of Connecticut legalized adult use cannabis following suit of a national trend. Legalizing the consumption and sale of cannabis is, in large part, to help heal the wounds which disproportionately impacted communities of color. The Social Equity Council was developed in order to make sure the adult-use cannabis program is grown equitably, and ensures that funds from the adult-use cannabis program are brought back to the communities hit hardest by the "war on drugs." All but three of the census tracts in the City of Hartford are considered "disproportionately impacted areas" (or DIAs). DIA's are census tracts have either a historical conviction rate for drug-related offenses greater than one-tenth, or an unemployment rate greater than ten percent, as determined by the Social Equity Council. The subject property is within a disproportionately impacted area.

The CRDA has alleged that the establishment of an adult-use cannabis retailer, which would be licensed and regulated by the State Department of Consumer Protection and which would not allow on-site consumption, is not consistent with the "family oriented" goals of the Front Street and Adriaen's Landing developments. The Department of Consumer Protection also licenses and regulates the sale of alcohol for on-site consumption; a use that is permitted within the district.

Public Act 21-29, also passed in July 2021, eliminated provisions that allow municipal zoning to consider the "character" of a district; finding that character is often a euphemism for "people or their income sources or levels (DesegregateCT, 2022)". While the CRDA is not subject to the same governing policies as municipalities, the recent change in state statute sets the precedent that the reasoning behind, definition and application of what consitutes "family oriented" goals of the district, 22 years after its creation, is antiquated.

# **Jurisdiction Over 89 Arch Street**

In response to the concerns over jurisdiction raised in the June 14 meeting, staff have reviewed the permit history for the Front Street District and found several instances since the first adoption of the Adriaen's Landing Master Plan in which the City of Hartford has issued approvals for liquor permits, building permits or sign permits. The City of Hartford issued building and zoning permits for the Bears BBQ restaurant in 2014 at this location as well as a night club in 2006-2009. There is also evidence that the night club entered into a parking agreement with LAZ Parking who operated a surface parking lot within the Adriaen's Landing site at that time. Staff also reviewed previous permitting history and found permits or licenses issued by the City of Hartford to other Front Street properties. If the CRDA has issued permits or exercised zoning control over 89 Arch Street recently, the permitting history at 89 Arch street suggests this is a departure from established precedent.

June 15, 2022 – The City of Hartford Corporation Counsel and the CRDA provided a copy of the Adriaen's Landing master plan dated 2/21/2000 (Attachment 2). The provided map appears to show the subject property as within the boundary of the master plan, however it is unclear as to whether this version of the master plan was the version adopted by the state legislature per CGS § 32-654a. In a letter supplied by CRDA dated February 14, 2000 (see Attachment 5), the CRDA attempted to purchase the 89 Arch Street property. The letter states that the

- property "...must be acquired by the State of Connecticut in order for the development to proceed." The property owner turned down the offer. Per CGS § 32-655b, the master plan was intended to be a living document to be amended from time to time by the Secretary of the State of Connecticut Office of Policy and Management (the OPM). City staff were able to retrieve a copy of the master plan from the February 2010 "Adriaen's Landing & Rentschler Field Annual Report" (Attachment 3). This is the same plan presented by the applicant during the June 14, 2022 meeting. This updated version of the plan distinctly shows the subject property at 89 Arch Street as excluded.
- June 28, 2022 The CRDA provided an "Amendment to [the] Master Development Plan" dated December, 2018 (Attachment 4) in which a portion of land described as "..located on the south side of Arch Street, between Columbus Boulevard to the east and Prospect Street to the west, in the City of Hartford, now or formerly owned by Collins Brothers, L.L.C. and on which has been operated a tavern and restaurant known as the Arch Street Tavern..." is designated as an addition to the Adriaen's Landing Master Plan. It is clear this amendment brought the privately held Arch Street Tavern parcel into the master plan. While this document did not address the status of the subject property, it does set the precedent that private property owners could opt-in to the master plan.
- June 17, 2022 Staff sent an email request to the OPM asking for the most recent version of the master plan. On the same day the Undersecretary of OPM Martin Heft forwarded the request to Paul Hinsch, Policy Director of the Bureau of Assets Management within the OPM.
- June 23, 2022 Staff conducted an additional search of land records for covenants or agreements pertaining to private land owners in favor of CRDA.
- June 28, 2022 Staff followed up with OPM via email.
- July 5, 2022 Staff followed up via email and Paul Hinsch responded "I believe the Blind Pig property was always part of the district and the Arch St Tavern was more recently included. Also, I am not aware of a more recent report." He further stated that he would retrieve a copy of "the map". Staff followed up each day via telephone since.
- July 8, 2022 In a phone call Paul Hinsch stated he believed the 89 Arch Street parcel was included in the official Adriaen's Landing Master plan. He further stated that he would email a scanned copy of the official master plan on Monday July 11, 2022.

Staff have a requested a legal opinion from the City of Hartford Corporation Counsel as to the question of jurisdiction and in recommendation of next steps. The opinion is forthcoming.

Finally, as of this writing, staff find that the documentation requirements of Section 1.3.4 of the Regulations have been satisfied by the applicant. The zoning administrator is empowered to make the decision as to which documents are required depending on the scope of the proposed development and type of use. With regard to the specific documents cited as missing from the application by the CRDA, a parking plan, a waste disposal plan and an egress plan, have either been deemed unnecessary due to the intent of the zoning district, intent of the regulations overall, the intensity of the use, or because they are not part of the scope of review for zoning approval.

# **Summary**

Staff continue to find that the subject application is complete and consistent with the Hartford Zoning Regulations and the Plan of Conservation & Development. Staff find that the issue of jurisdiction has not been settled as of this writing. Staff anticipate additional documentation from the OPM and the legal brief from corporation counsel to be presented at the hearing.

#### **ATTACHMENTS**

- 1. CRDA Letter of Opposition dated June 14, 2022
- 2. Adriaen's Landing Master Plan dated February 2000
- 3. Adriaen's Landing Master Plan dated February 2010
- 4. Amendment to Master Plan dated December 2018
- 5. Notice to Mark Yellin dated February 14, 2000

REVIEWED AND EDITED BY,
Aimee Chambers, Director

# Attachment 1 – CRDA Letter of Opposition dated June 14, 2022



100 Columbus Boulevard Suite 500 Hartford, CT 06103-2819 Tel (860) 527-0100 Fax (860) 527-0133 www.crdact.net

June 14, 2022

City of Hartford Planning & Zoning Commission c/o Aimee Chambers, AICP Planning Director City of Hartford 260 Constitution Plaza – 1<sup>st</sup> Floor Hartford, CT 06103

Aimee.Chambers@Hartford.gov

Re: Special Permit Application for 89 Arch Street

Dear Commissioners:

#### CAPITAL REGION DEVELOPMENT AUTHORITY

Testimony - Special Application for Proposed Adult Use Cannabis Retailer

My name is Anthony L. Lazzaro Jr., I am the Deputy Director and General Counsel for state of Connecticut quasi-public state agency known as the Capital Region Development Authority ("CRDA"). CRDA was formed with the express purpose to stimulate investment in Hartford, including the creation of family-oriented entertainment, amongst other things.

As you are likely aware, CRDA is responsible for the development of the Adriaen's Landing project, including the so-called Front Street District. Over the past 20 years, CRDA has been responsible for the construction and operation of the Connecticut Convention Center, six downtown parking facilities, the construction of the Connecticut Science Center, the creation of over 3,000 residential units in the City of Hartford and we currently operate the XL Center, the Connecticut Regional Market, and Pratt & Whitney Stadium at Rentschler Field.

I am here tonight because CRDA opposes the application now before you for the Special Permit Application for a Proposed Adult Use Cannabis Retailer at 89 Arch Street.

On May 2, 2000, the General Assembly enacted and the Governor signed An Act Implementing the Master Plan for the Adriaen's Landing Project. The Master Plan includes the thirty-three (33) acre mixed use housing, retail, entertainment district known as Adriaen's Landing site. CRDA and State of Connecticut were charged with the development of the Site in accordance with the Master Plan and Chapters 558x and 558z of the Connecticut General States. Pursuant to the aforementioned authority, the State parties are responsible for the design and development of the overall project, including the property in question located at 89 Arch Street which is situated within the Site. Within the limits of the Adriaen's Landing site, the State parties are responsible for determining the proper mix of family-oriented entertainment, retail, and housing as well as the related zoning requirements. Accordingly, the proper jurisdiction for Adriaen's Landing use and zoning rests with the state parties.

I would also like to discuss the Application before you based on its merits as well.

In order to fulfill its mission to create family-oriented entertainment and incentivize private investment within the District, CRDA invested \$700 Million and developed partnerships with HB Nitkin (the Master Developer of the District), the Travelers, the Hartford Marriott Downtown, the University of Connecticut, and the Connecticut Science Center as well as the many tenants at Adriaen's Landing. As a result, CRDA was able to leverage hundreds of millions of dollars of private investment into the state development. CRDA and its partners have all executed a series of agreements and reciprocal covenant agreements that expressly prohibit "head shops" and the sale of cannabis, as well as pawnshops, check-cashing operations, businesses that sell firearms and/or pornographic material or any activity that violates State or federal law.

#### The District -

Pursuant to Hartford Zoning Regulations § 1.3.4, when reviewing Special Permit Applications the commission must consider the following elements (c) does the use comport with the purposes of the district in which it is located; (g) is it compatible with adjacent properties; (m) does it provide pedestrian amenities; and (n) does it comply fully with the code. Based upon the existing State restricted uses, the answer to the above question is "no". It is implausible for the Applicant to claim a cannabis retail shop is compatible and consistent with the Adriaen's Landing district when every business within the district, including the State of Connecticut, has taken affirmative steps to prohibit a cannabis retail shop from locating to the district.

In discussing my testimony here tonight with our district neighbors, the president of Connecticut Science Center, Matt Fleury, stated that "a cannabis retailer is not consistent with a children's Science Center and its related restaurants on Front Street". Adriaen's Landing was designed as a welcoming destination for families visiting the Science Center.

The Convention Center does a large amount of business with children's groups such as the New England Regional High School Volleyball Tournament, children's Irish Step Dancing conventions, regional high school cheerleader competitions, proms, graduations, as well as numerous religious organizations. Again, Adriaen's Landing was designed as a destination for these young families. CRDA and Waterford Venue Services jointly manage the Convention Center and provide tourism services for the City of Hartford. We do not agree the cannabis retail shop will increase tourism, but rather make it more difficult to attract business to the Convention Center. We have already experienced negative feedback from a prospective convention planner.

The University of Connecticut is located 395 feet from the proposed dispensary. Many of their students are 18, 19, and 20 years old. Moreover, the University regularly operates Youth Programs in the summer for middle and high school students. Again, this represents an inconsistent use for a cannabis retail shop.

Historically, Spotlight movie theater provides free movie matinees (Shrek, the Incredibles, etc.) for children during the summer months. They can also purchase a popcorn and a bottle of water for \$1 each. This is one more example of the existing character of Adriaen's Landing.

Lastly, I would also like to address the Applicant's submission.

Parking – The Applicant represents that the majority of his visitor parking will be in the Front Street South Garage (the "Garage"); CRDA disagrees with this representation. The Garage was built with Federal funds and Revenue Bonds, CRDA is prohibited from using the Garage to support illegal activity, whether it be Federal, State, or municipal. Additionally, the use of the Garage is contractually restricted via the Adriaen's Landing Development Agreement with HB Nitkin and prohibits the sale of monthly parking passes, including to the dispensaries staff. Since CRDA believes the use of the garage is prohibited by federal law, CRDA will not be issuing value cards for patrons of the Applicant as reported in his application. Lastly, the Applicant's hours of operation do not correspond to the hours of operation of the Garage. The Garage will be closed to the public for large block of time during the Applicant's proposed hours of operation. I would submit that the Applicant has failed to file a proper parking plan for evaluation.

Garbage – Another item that the Applicant fails to address is a trash storage and a removal plan. Due to the limited size of the parcel, the Applicant does not have the means to store trash on the exterior of the premises. Section 3.3.10 of the Hartford Zoning Regulations specifically lists "waste disposal plans" as a possible item for consideration.

Sidewalks – The Applicant has provided that it will queue overflow visitors on the sidewalk on Columbus Boulevard. The area identified in the Application is under the custody and control of CRDA; we are responsible for snow removal, maintenance and repair, as well as the insuring of the identified sidewalks. The sidewalk's use is restricted from the queueing and loitering of visitors. Therefore, the Applicants has not identified an acceptable queueing location.

Egress – As Mr. Ashworth addressed in his report, this is a non-conforming lot. One of the items that the Applicant has not addressed is the existence of only one means of egress to the front of his building. The Applicant does not have an easement across the CRDA property required to use the remaining side door to the building to access the sidewalk. Furthermore, CRDA will be returning the patio and pathway to its original use, that is, a grassed embankment to support its various underground infrastructure.

CRDA has signed various agreements that require us to oppose the placement of a headshop/cannabis retail shop at Adriaen's Landing and we will take all steps necessary to comply with these agreements. CRDA does not oppose cannabis legalization or the placement of dispensaries in Hartford; however, we cannot support its approval at Adriaen's Landing.

Connecticut General Statutes § 32-606(e) requires all state and municipal agencies, departments, boards, and commissions to cooperate with CRDA in carrying out its purposes and powers. Accordingly, I am respectfully asking this municipal commission to deny the application presented before you tonight.

Sincerely,

Anthony L. Lazzaro Jr.

Deputy Director & Legal Counsel

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Attachment 2 - Adriaen's Landing Master Plan dated February 2000

89 Arch Street

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T POOL ATWOOD OVER THE Adriaen's Landing - Hartford, Connecticut

Attachment 3 – Adriaen's Landing Master Plan dated February 2010

# Attachment 4 – Amendment to Master Plan dated December 2018 AMENDMENT TO MASTER DEVELOPMENT PLAN

WHEREAS, on March 3, 2000, the Governor of the State of Connecticut filed with the General Assembly of the State of Connecticut, the "Master Development Plan for Adriaen's Landing and Stadium at Rentschler Field" (the "Master Development Plan"); and

WHEREAS, the Master Development Plan may be modified by the Secretary of the Office of Policy and Management of the State of Connecticut (the "Secretary") pursuant to and in accordance with Section 32-655b of the Connecticut General Statutes (the "Authorizing Legislation"); and

WHEREAS, the Secretary has determined that, due to unforeseen conditions or circumstances, the Master Development Plan should be modified to expand the area designated in the Master Development Plan for the mixed-use development known as Adriaen's Landing (the "Adriaen's Landing Site"); and

WHEREAS, the Secretary has determined that the modification of the Master Development Plan contemplated hereby will not result in a material change in the purpose or character of the stadium facility, the related parking facilities or the convention center, as contemplated by the Authorizing Legislation.

THEREFORE, the undersigned, Secretary, in accordance with the Authorizing Legislation, hereby modifies the Master Development Plan as follows:

The Adriaen's Landing Site shall be expanded to include the parcel or parcels adjacent to the current Adriaen's Landing Site and located on the south side of Arch Street, between Columbus Boulevard to the east and Prospect Street to the west, in the City of Hartford, now or formerly owned by Collins Brothers, L.L.C. and on which has been operated a tavern and restaurant known as the Arch Street Tavern (the "Additional Parcel"). The Additional Parcel shall constitute a portion of the Adriaen's Landing Site designated for housing, retail and entertainment uses.

Submitted as of this 20th day of December, 2018.

Benjamin Barnes

Secretary, Office of Policy and Management

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# Attachment 5 - Notice to Mark Yellin dated February 14, 2000

# **CHEFA**

## CONNECTICUT HEALTH and EDUCATIONAL

#### FACILITIES AUTHORITY



February 14, 2000

Mr. Mark C. Yellin 628 Farmington Avenue Farmington, CT 06032

RE: Acquisition of 89 Arch Street, Hartford, CT

Dear Mr. Yellin:

Please be advised the above property is located on the development parcel known as Adriaen's Landing.

Given its location, this property, as well as many others on the site, must be acquired by the State of Connecticut in order for the development to proceed. As you are aware, the State commissioned two appraisals on this property which now have been completed. I have enclosed copies of both appraisals for your review.

At this time I am authorized to extend an offer to purchase the land and improvements on this property in the amount of \$150,000, the higher of the two appraisals.

This offer is contingent upon the final approval of the Adriaen's Landing project by the Connecticut State Legislature and the execution of the appropriate legal documents.

If you have any questions I can be reached at 860-520-4001 ext. 310.

Very truly yours,

Richard D. Gray

Representative for the Governor

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