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December 5, 2024

Via: Email landuse@salisburyct.us

Dr. Michael Klemens, Chairman Salisbury Planning and Zoning Salisbury Town Hall 27 Main Street PO Box 548 Salisbury, CT 06068

Re: #2024-0257 / Wake Robin LLC & Ms. Serena Granbery (ARADEV LLC) / 104 & 106 Sharon Road & 53 Wells Hill Road / Special Permit For Hotel (Section 213.5) / Map 47/ Lot 2 & 2-1;

Dear Dr. Klemens:

Attached hereto are the following:

- 1. Roger Rawlings responses to questions from Michael Klemens and Alan Conkerline.
- 2. Brian Miller answer to question 6 from Chairman Klemens.

This will certify that copies of the attached have been emailed to Charles Andres, Esq. and Joshua Mackey, Esq.

Very truly yours,

Perley H. Grimes, Jr.

Attachments

5 December 2024

Town of Salisbury Planning & Zoning Commission Attn: Dr. Michael Klemens, Chairman 27 Main Street Salisbury, CT 06068

> Re: #2024-0257 / Wake Robin LLC & Ms. Serena Granbery (ARADEV LLC) / 104 & 106 Sharon Road & 53 Wells Hill Road / Special Permit for Hotel (Section 213.5) / Map 47/Lot 2 & 2-1 / DOR: 08/05/2024

Follow up questions

Dear Chairman Klemens:

Thank you for the opportunity to respond to questions from the Commission. I apologize if my presentation was not clear. The questions are repeated here in italics for clarity with the Commission members initials next to the question number.

MK 1) As the ingress and egress to the site will be on Sharon Road (Rte 41) why is it the position of the intervener that property values on Wells Hill Road will decrease because of traffic?

- The report from Aradev shows increased traffic counts on Wells Hill Road. And, logically, patrons coming from or returning towards Route 7 and the Lime Rock area will either drive via Sharon Road and Lime Rock Road or via Wells Hill Road. Those in the 'know' or those returning patrons will, likely find Wells Hill Road as a 'short cut.'
- Upon further analysis, I urge the Commission members to 'Google Map' or 'Apple Map' Wake Robin Inn to Cornwall Bridge, CT; Wake Robin Inn to Waterbury, CT; Wake Robin Inn to Litchfield, CT; Wake Robin Inn to West Hartford, CT; Wake Robin Inn to Torrington, CT; or Wake Robin Inn to Newport, RI. You will see my point. Traffic along Wells Hill Road will increase, and after those website searches, potentially even more than I had first anticipated or that the applicant has estimated.

• The Assessor and re-valuation companies value sites in terms of several factors, one of which is traffic. Traffic in front of a residential property has negative impact on that property. The diminution of value due to traffic is not isolated to Wells Hill Road. Each of the streets that will have increased traffic during the operating hours of the proposed development will likely see a negative change in their site and neighborhood indexes in the next revaluation.

MK 2) Salisbury/Lakeville has one of the most, if not the most, robust real estate market in Litchfield County. A review of the draft 2024 POCD will show this. Given these facts, how can models such as proposed account for valuation decline?

Section 803.3 of the Regulations does not require a quantitative value opinion. The measurement criteria in my report are indexes via the Assessor data and those data show diminution of site value due to traffic as one criteria. While I agree that we are blessed to live and own property in the current Salisbury/Lakeville market, I have also appraised real estate here since 1992 and in Southern California in the 1980's, and unfortunately, all good things come to an end. It is already apparent that residential values overall are not increasing as much as they did between 2021 and 2022. And the overall strength of the current market here is not relevant to the narrow focus of the proposed redevelopment currently in front of the Commission for deliberation. Section 803.3 simply states the Commission must consider unreasonable adverse effects on value. Do not fall into the complacent trap of the current strength of the Salisbury real estate market property values. Ask, I wonder if that house price would have been even higher if there was not as much traffic in front of it?'

MK 3) Isn't it true that properties in Salisbury/Lakeville routinely sell markedly above the appraised values and corresponding assessments?

• Again, this is not relevant to the narrow focus of Section 803.3 or the overall conclusions of my analyses. Section 803.3 requires attention to unreasonable adverse effects, which the Assessor and re-valuation companies measure via the site and neighborhood indexes. The conclusion is that the additional traffic will cause overall site and neighborhood indexes to decline and therefore properties will decline in assessed value. While many will view this as a 'good' thing because of the potential of lower property taxes, the market is not blind to assessed values and how a negative impact may impact their properties in the long term. Please remember, as stated in my original analyses,

valuations come in different forms, Property Tax Assessments are valuations.

MK 4) Given that Salisbury/Lakeville has one of the lowest (if not the lowest depending on the year) mill rate coupled with many other factors, properties are highly sought after and in most cases are sold within days or a few weeks of listing. Given these realities, can you explain why properties on Wells Hill Road that abut an existing hotel facility will be devalued? (See Question 1 concerning traffic volumes on Wells Hill Road).

- Again, and I realize perhaps my presentation lacked emphasis on this
 point; the current market has no relevance in terms of Regulation 803.3.
 Several homes near or abutting the current Wake Robin Inn have
 recently sold for substantial prices. The Commission must answer if it
 thinks those high prices would have been realized if a substantially
 larger non-conforming use was next door. It is my opinion that due to
 increased traffic alone, those values would be lower because of the gross
 increase in non-conformance.
- And, on that note, it is also my opinion the Commission erred in its spot zoning revision to the hotel definition in the RR1 zone in March 2024. The Commissions' actions alone redefined further non-conformance specifically for the Wake Robin Inn. This is a clear definition of spot zoning. Only two other hotels/inns in town share the RR1 zone.
- Additionally, the regulation states 'unreasonably adversely affect'. In my opinion, *any* diminution in value based on the oversized and overtly blatant disregard to the original RR1 zone is unreasonable. I look forward to hearing how the Commission will define unreasonable during its deliberations.

MK 5) Concerning Sharon Road properties, what is the percentage increase in traffic volumes on that State Highway proposed to be generated by this project and how can that percentage affect valuations on an already highly trafficked area?

• The report provided by Aradev shows a 10-25% increase. My conclusions are simply that increased traffic unreasonably adversely affects property values. Simply stated, just because 400 cars already pass in front of a home this does not mean 500 cars won't make a difference and that the value of that property will remain constant. The data clearly showed that increased traffic lowers property values. I realize I am repeating myself, but 803.3 does not require any quantitative valuation. 803.3 does not suggest that the Commission is not required to recognize a diminution in value if that decrease is only X%.

My expertise is not relevant to answering the Dr. Klemens' questions 6 through 13.

AC 5) My last concern is in regard to the Rawlings report. To me this demonstrates a reduction in value from the town appraisal. No quantitative value was established though and I think it's fair to say that everyone knows these values are far from what properties in Salisbury sell for which is often many times the tax assessment values. I'm not sure it meets the 'unreasonable adverse effect' cited in 803.3. What are the actual variables in lot values used by the Assessor's office?

- As answered in my response to MK 4, 'unreasonable' is up to the Commission to define. One property owner's definition may differ from another's. And one more time, the differences between sale prices and assessed values have *no* relevance when discussing section 803.3. As stated in my response to MK 2, the current 'strength' of the Salisbury housing market is not the point, the point is whether that current 'strength' will be unreasonably adversely affected. As stated in my response to MK 3 assessments are valuations. I am sure you all are keenly aware of that when the revaluation notices arrive for your individual properties.
- The variables in lot values used by the Assessor include traffic, surrounding neighborhood uses, site topography, site road frontage, individual deed restrictions, right-of-way's, zoning, and site useable area. There are many factors' appraisers and assessors consider when estimating site value, the point however is that traffic is included in that estimate. The Assessor, in fact, has a better opportunity to establish mass valuation analyses than an appraiser or even the market as we are trying to make estimates for one single subject property. Based on my analyses the redevelopment and increase in size of the Wake Robin Inn will cause unreasonable adverse effects on property values on, but not limited to Wells Hill Road.

Among the experts on the Intervener panel, I am the only Salisbury property owner. Many of you know me and have seen my work firsthand. I do not 'skew' values or opinions. As I stated in my original report and my presentation, I was originally reluctant to accept this assignment because I did not know if I could find ample data. Before accepting this assignment, I began my due diligence to ascertain if the data existed to collaborate the logical hypothesis that a gross increase to a current non-conforming use in an RR1 zone would adversely affect neighboring, adjacent, and overall property values in town. My initial research confirmed that hypothesis and I was able to accept the assignment and provide my report.

I appreciate the Commission's time and appreciate the opportunity to clarify the results of my analyses.

Respectfully,

Roger C. Rawlings

Connecticut General Appraiser RCG:000512

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Response to Question 6

We are not experts on impaired driving and have not researched to find data on any correlation between the presence of facilities that serve alcohol and impaired or dangerous driving. However, from a practical perspective, the event barn will be serving alcohol until midnight on weekends for up to 200 people. It stands to reason that some of them may be legally impaired. The more places that serve alcohol, the greater the number of potentially impaired residents. 'The real issue for property in the RR-1 zone is not whether the number of drivers who had been drinking would be more than other establishments in town. The issue is whether it would be more than the current permitted use.

That said, there are two clear features of the proposed development which would also suggest that the proposed expansion could present a greater risk from drivers who had been drinking. First is the scale. No existing restaurant or hotel in Salisbury regularly (if at all) accommodates events involving the number of guests proposed by this development. Second is the site line challenge for the location on Sharon Road. The peer traffic review commissioned by the Applicant notes that the site line for the proposed entry to the north is inadequate. without removing ledge.

The fundamental issue is whether the risk would be greater than the current use in an RR-1 zone. The obvious answer is yes.