



Pawcatuck Revitalization Strategies

April 2005

Pawcatuck Revitalization Organization
Yale Urban Design Workshop
Phillips Preiss Shapiro Associates, Inc.
AMS Advisory Services, LLC

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Introduction

BACKGROUND

The Village of Pawcatuck grew up on the western bank of the Pawcatuck River which forms the state boundary between Connecticut and Rhode Island. It is part of the Town of Stonington and is one of four recognized villages within Stonington. Pawcatuck is directly across the river from Westerly, R.I., with which it shares historic commercial ties and economic activity. The earliest industries in Pawcatuck were founded in the late 1600's along the river, establishing the origins of the village more than 300 years ago.

Pawcatuck continues to retain its industrial base with such companies as Davis-Standard, Cottrell Brewery and Hi-Tech Profiles. The Village also is home to marinas supporting an active sport fishing industry and a variety of retail and arts venues, including pottery and jewelry studios.

The purpose of this report is to serve as a planning resource to neighborhood and business groups in Pawcatuck in the on-going efforts to enhance the downtown and support desired growth in the village and industrial area along the Pawcatuck River. Specifically, the report will:

- Provide a basic understanding of the demographic and economic forces affecting the Pawcatuck neighborhood which would impact strategies for growth and development in the area.
- Provide general recommendations and options to consider in support of revitalization of downtown Pawcatuck and its historic mills.

This report is the product of work undertaken by three firms, AMS Consulting, Phillips Preiss Shapiro Associates (PPSA), and Yale Urban Design Workshop, in the summer and fall of 2004.

The report begins with AMS's analysis of demographic, economic and market information regarding Stonington and Westerly in general and Pawcatuck's business district in particular in order to provide a framework for evaluating business development options for the district. In part this information is important not only in identifying economic development strategies but also serving as a benchmark for measuring success in the implementation of such strategies. The area already supports a mix of uses and is likely to continue doing so for the indefinite future.

The economic profile is followed by results of a stakeholder and resident survey coordinated by AMS and completed in the fall of 2004 that focused on defining issues and needs in support of Pawcatuck's revitalization. The report then examines a number of site, locational and physical issues that begin to define redevelopment opportunities.

The neighborhood assessment provides the context for recommendations and approaches to targeted development opportunities within the Study Area as described in Chapter 5 of the report. In this section, Phillips Preiss Shapiro Associates identify four potential development sites and discusses alternative approaches to reuse.

Finally, in the last chapter, Yale Urban Design Workshop summarizes its physical analysis of the Study Area from an urban design context focusing on linkages, physical assets, challenges and opportunities. This leads to presentation of specific design options, recommendations and strategies targeting development opportunities and promotion of a reinvigorated village center.

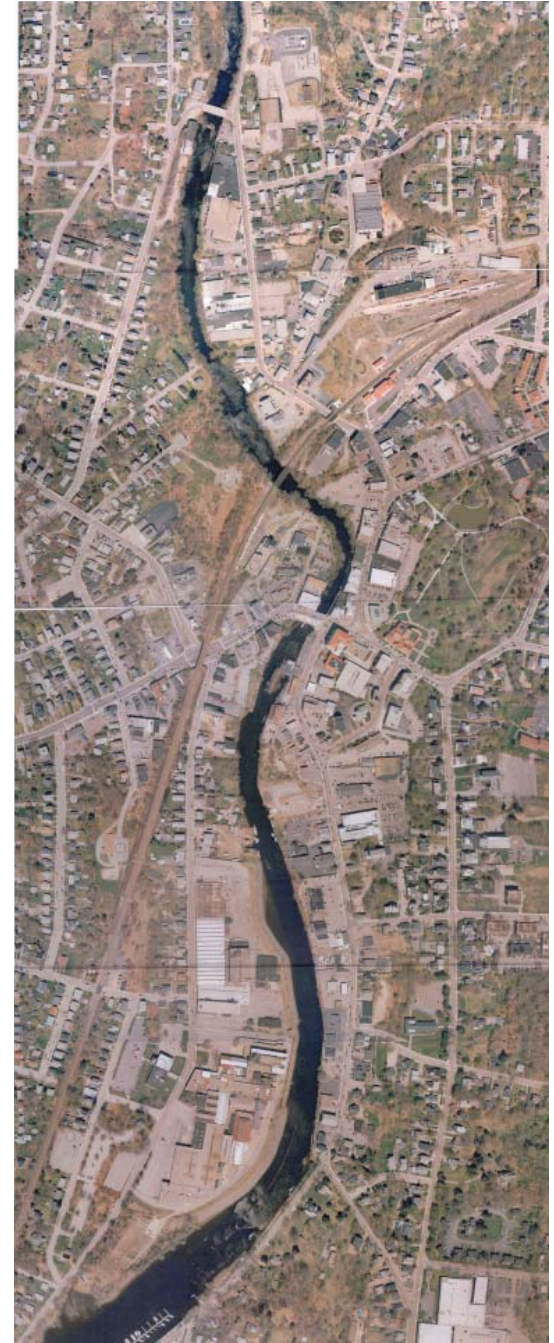
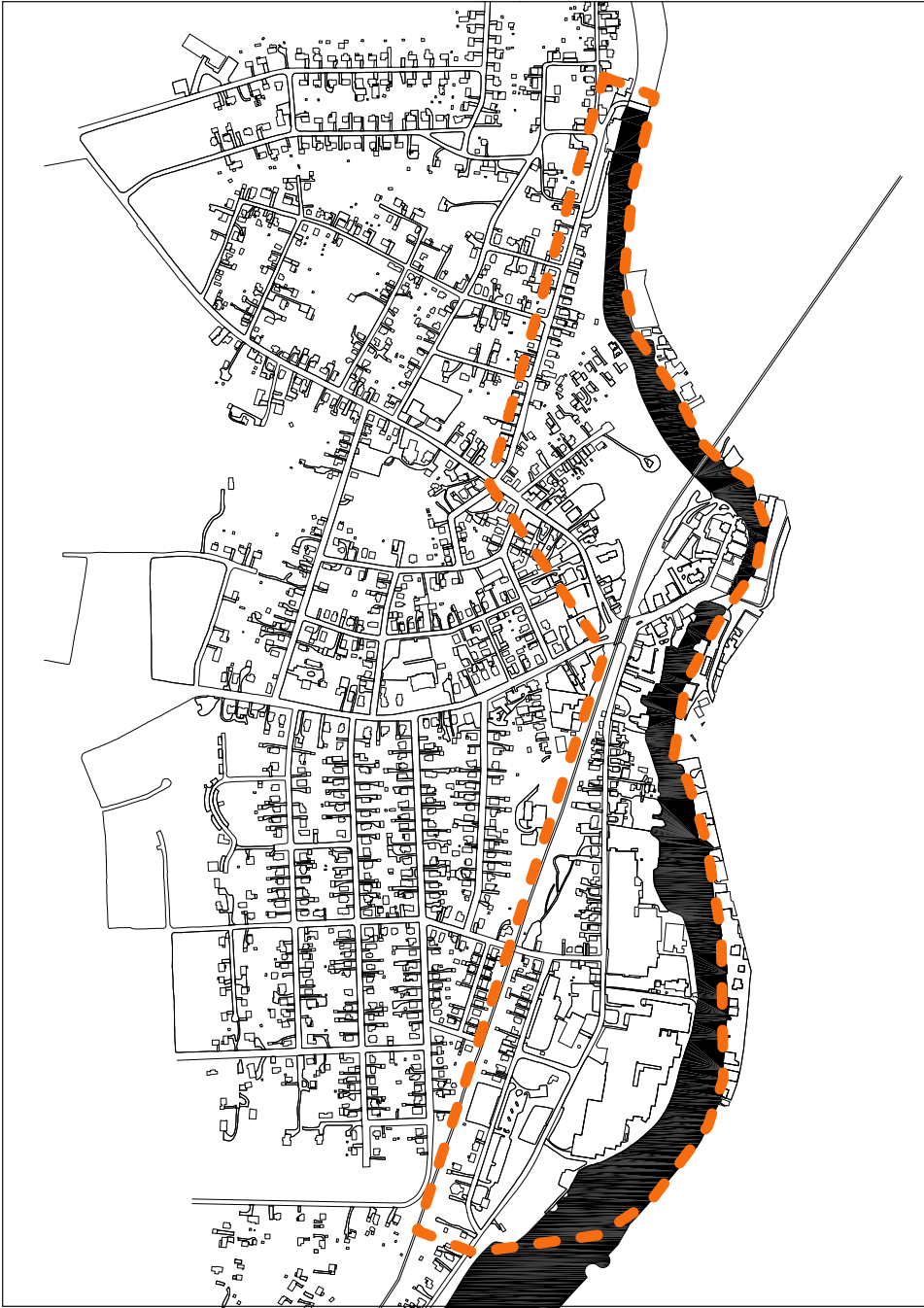
Study Area

The Study Area is defined as the Pawcatuck Village District, West Broad , Liberty Street and Mechanic Street to Pawcatuck Avenue. The study area includes the three mills known as 75 Stillman Avenue, the Thread Mill, and the Mechanic Street Mills.

For the demographic analysis, we have analyzed data from census tract 7051 that comprises the Pawcatuck Study Area. As appropriate, we have also included block group information for the five block groups which comprise the Pawcatuck 7051 zip code. In addition, we have compared the data from Pawcatuck with demographic and economic trends of the Towns of Stonington and Westerly, Rhode Island as appropriate.

Our information was derived directly from 2000 U.S. Census data and from ESRI Business Information Solutions, a demographic service that both reports Census data and provides population updates for 2004 and projections for 2009.

A map of the Pawcatuck neighborhood follows on the next page.



Demographic & Economic Profile

DEMOGRAPHIC DATA

Population Trends

As of the last census, Pawcatuck residents as defined by census tract 7051 represented 46% of Stonington's population or almost half of the town's total. Despite Pawcatuck's relatively built-out profile, population grew 4.7% between 1990 and 2000, a rate that exceeded both the state and county rates for the same period. Stonington and Westerly also grew at higher than average rates of 5.8% and 6.3% respectively. For the period 2000 through 2009, population growth is expected to slow in both towns, although the rate of growth in Pawcatuck will be slower.

Population Trends
1990-2009

	Pawcatuck Tract 7051	Stonington Town	Westerly Town
Population			
1990 Total Population	7,858	16,919	21,605
2000 Total Population	8,226	17,906	22,966
1990-2000 % Change	4.7%	5.8%	6.3%
2000 Group Quarters	5	218	369
2004 Total Population	8,231	18,358	23,704
2009 Total Population	8,412	18,990	24,872
2004 - 2009 Annual Rate	0.44%	0.68%	0.97%

Source: 1990 Census, ESRI Business Systems

It is also important to note that Stonington and Westerly have seasonal variation in their populations, which could be a factor in gauging demand for goods and services in Pawcatuck. In Stonington, there were 480 vacant houses used for seasonal/recreational purposes in 2000 and another 1,404 in Westerly. Assuming an average household size of 2.3 people, seasonal population influx would be more than 4,000 people.

Within the targeted study area of Pawcatuck¹, population in 2000 was 2,228 people accounting for 27% of the overall Pawcatuck resident base. Population actually declined in the Study Area between 1990 and 2000 by -4.3%, or 100 persons. This would suggest that such growth that did occur in Pawcatuck occurred primarily in areas south and west of the community while its central core gave up population.

Target Study Area	Pawcatuck Block Groups 4 & 5 – Census 7051
Population	
1990 Total Population	2,328
2000 Total Population	2,228
1990-2000 % Change	-4.3%

Source: 1990, 2000 Census,

Population Trends: Target Study Area 1990-2000

¹ Block Groups 4 & 5 of Census Tract 7051 roughly encompasses the area of the Study Area and is used here to better define the demographic profile the targeted Study Area.

Household Trends

The number of households also increased significantly between 1990 and 2000 in Pawcatuck, outpacing the growth rate town-wide and rivaling Westerly's. Pawcatuck's household numerical growth between 1990 and 2000 was 346 households compared to 648 for Stonington – excluding the number of households added in Pawcatuck, Stonington grew by 302 households, meaning that more households were added in Pawcatuck than in the rest of the town altogether. Westerly, meanwhile, added an impressive 932 households.

For the near term period 2004-2009, household growth is projected to continue somewhat more moderately in Pawcatuck. The rest of Stonington and especially Westerly are expected to accelerate growth in the number of households. Together, the two towns are expected to gain more than 1,000 households between 2004 and 2009, with 60% of that occurring in Westerly. That growth should have a positive impact on retail demand in Pawcatuck.

As household size gets smaller, a trend occurring here as well as regionally and nationally, households have been increasing at rates which exceed population growth. Many of these new households are singles of all ages or couples falling into the non-family classification rather than families. For example, in Stonington, single households increased by about 400 between 1990 and 2000, representing 61% of the increase in all types of households in that period. The projected rate of growth for all households is consequently expected to be greater than the projected rate for families through the end of this decade. The exception to this is Westerly, where families are projected to grow at the same pace as all households.

Household Trends 1990-2009

	Pawcatuck Tract 7051	Stonington Town	Westerly Town
Households			
1990 Households	3,112	7,017	8,470
2000 Households	3,458	7,665	9,402
1990-2000 % Change	11.1%	9.2%	11.0%
1990-2000 numeric growth	346	648 (302 net of Pawcatuck)	932
2004 Households	3,521	7,971	9,814
2009 Households	3,658	8,368	10,422
2004 - 2009 growth rate	3.9%	5.0%	6.2%
2004 - 2009 numeric growth	137	397 (260 net of Pawcatuck)	608
2009 Average Hhold Size	2.30	2.24	2.35
2000 Families	2,221	4,896	6,130
2004 Families	2,236	5,034	6,384
2009 Families	2,304	5,240	6,791
2004 - 2009 Annual Rate	0.6%	0.81%	1.24%
2009 Average Family Size	2.9 ¹	2.82	2.91

Source: 1990 Census, ESRI Business Systems

Smaller household sizes have been and will continue to spur demand for multi-family housing in the area, including Pawcatuck where residential densities have historically been higher than average compared to Stonington overall. Three of the four mill properties also offer potential for redevelopment to meet demands of this growing market.

Targeted Study Area - Households

While overall population dropped in the targeted area, the actual number of households expanded by 6.7% in the last decade. This increase in households is explained by the decline in household size and growth of single and non-family households in the targeted area.

Target Study Area	Pawcatuck Block Groups 4 & 5 – Census 7051
Households	
1990 Total Households	977
2000 Total Households	1,043
1990-2000% Change	6.7%
Ave HH Size - 1990	2.38
Ave HH Size - 2000	2.13

Source: 1990, 2000 Census,

Household Trends: Target Study Area 1990-2000

Target Study Area	Pawcatuck Block Groups 4 & 5 – Census 7051
Household Types	Total #/ % of Total HH
<i>Family HH</i>	
1990	609/ 62.3%
2000	548/ 52.5%
<i>Non Family</i>	
1990	56/ 5.7%
2000	85/ 8.1%
<i>1 Person</i>	
1990	312/ 31.9%
2000	410/ 39.3%

Source: 1990, 2000 Census,

Household Types: Target Study Area 1990-2000

Age Trends

Pawcatuck residents, with a median age of 38.5 in 2000, are slightly younger than Stonington residents as a whole, with median age 41.7. Stonington is a popular retirement community, which explains in part the older age profile of residents as compared to the state (median of 37.4) and county (median of 37.0). Stonington overall is projected to age at a slightly faster rate than Pawcatuck over the period ending 2009, when median ages are estimated to be 45.0 and 41.6 respectively. In particular, those aged 55 and older are expected to increase to more than a quarter of Pawcatuck's population by 2009.

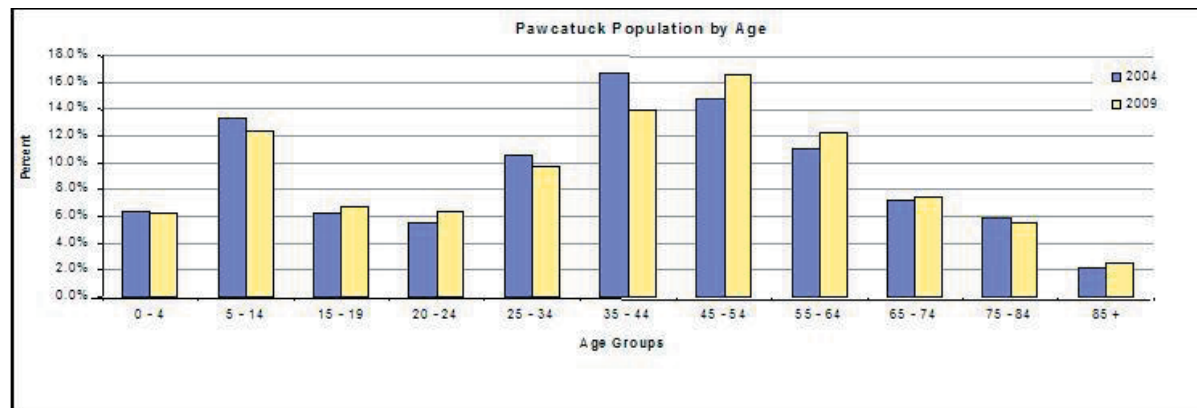
Offsetting this ageing trend somewhat will be the emergence of the "echo boom" generation born between 1981 and 1995, children of the baby boom generation. The oldest members of the echo boomers are now in their early 20's and emerging into the housing market and labor force. They will also impact housing demand, especially affordable multi-family housing, in addition to their downsizing parents.

Age Trends 1990-2009

	Pawcatuck Tract 7051	Stonington Town	Westerly Town
Median Age			
2000	38.5	41.7	38.9
2004	40.0	43.2	40.3
2009	41.6	45.0	41.8
2009 Population by Age			
Total	8,412	18,990	24,872
0 - 14	18.7%	16.3%	18.1%
15 - 24 (echo boomers)	13.1%	11.9%	12.4%
25 - 34	9.8%	8.3%	10.8%
35 - 44	13.9%	13.5%	13.5%
45 - 54 (baby boomers)	16.6%	17.0%	16.3%
55 - 64 (baby boomers)	12.3%	14.3%	12.2%
65 - 74	7.4%	9.2%	7.9%
75 - 84	5.6%	6.6%	5.7%
85+	2.6%	3.0%	3.1%
18+	77.1%	79.7%	77.7%

Source: 1990 Census, ESRI Business Systems

The chart below, in which age groups in Pawcatuck are estimated and compared for the years 2004 and 2009, shows the significant increases expected for the baby boom generation (45-64) and the moderate increases expected for the echo boom (15-24)



**Pawcatuck Population Age Distribution
2004-2009**

Source: 1990 Census, ESRI Business Systems

According to the Census data, the targeted area reflects a slightly younger profile with median age of 32.9 in Block 4 and 37.8 in Block 5.

Housing Trends

The substantial growth in households in Pawcatuck and town-wide in Stonington between 1990 and 2000 was made possible by an equally substantial growth in housing units. According to census data, 668 net housing units were added in Stonington during this time frame, of which 362 or 54% were built in Pawcatuck. Of the new units added, 92% were single family homes and just 8% were multi-family units. A similar housing growth trend was witnessed in Westerly, where housing stock increased by 771 units, again almost all single family homes.

Nevertheless, because of the long history and settlement of the area, there is still a substantial stock of older multi-family housing. As can be seen in the table below, Pawcatuck has slightly fewer single family homes and a higher percentage of multifamily units than Stonington as a whole.

Housing Units by Units in Structure
2000

	Pawcatuck		Stonington	
	Number	Percent	Number	Percent
<i>Total</i>	3,705	100.0%	8,591	100.0%
1, Detached	2,408	65.0%	5,825	67.8%
1, Attached	37	1.0%	282	3.3%
2	467	12.6%	937	10.9%
3 to 4	387	10.4%	687	8.0%
5 to 9	164	4.4%	249	2.9%
10 to 19	108	2.9%	173	2.0%
20 to 49	101	2.7%	141	1.6%
50 or More	23	0.6%	28	0.3%
Mobile Home	10	0.3%	269	3.1%
Median Age	1957		1957	

Source: 2000 US Census

The growth in households in the targeted study area was supported by an increase in housing units of 6.1% between 1990 and 2000 or 65 dwelling units. While respectable, this growth in housing lags behind Pawcatuck overall which saw a 10.8% increase in housing units. The slower growth in housing can be explained in part by the older and substantially built-out nature of the community which offers fewer opportunities for development.

Targeted Study Area	Pawcatuck Block Groups 4 & 5 – Census 7051
HOUSING UNITS	
1990	1075
2000	1140
1990-2000 % Change	6.1%

Source: 1990, 2000 Census,

Housing Trends: Target Study Area 1990-2000

Complete data for housing by units in structure is not available in 2000 at the census block level but is collected at the sample level. However, we can derive some understanding of the housing profile and trends of the targeted study area by comparing it with 1990 data where this information was tabulated at 100% level. In 1990, 33.1% of the units were single family as compared to 65% overall for the Pawcatuck community and 67% for Stonington. This increased to 37% in 2000 based on sample data analysis. Some attrition in multifamily units is noted in the decade. Nevertheless, a high concentration of two-family and 3- to 4-unit structures exist in the targeted study area reflecting housing built at the turn of the last century to serve a workforce employed by mills and manufacturing along Pawcatuck River.

Target Study Area -	1990 (100% data)		2000 (sample data)	
	Number	Percent	Number	Percent
<i>Total</i>	1075	100.0%	1064	100.0%
1, Detached	347	33.1%	398	37.4%
1, Attached	9	0.9%	18	1.7%
2	285	27.2%	246	23.1%
3 to 4	329	31.4%	286	26.9%
5 to 9	62	5.9%	59	5.5%
10 to 19	30	2.9%	27	2.5%
20 to 49	0	0%	20	1.9%
50 or More	0	0%	0	0%
Mobile Home	0	0%	10	0.9%

Source: 2000 US Census

Housing Units by Units in Structure: Target Study Area 1990-2000

Housing Tenure

Owner occupancy in Pawcatuck did not change significantly between 1990 and 2000, despite the increase in single family units, which are generally associated with owners rather than renters. In 1990, 61.0% of households were homeowners as compared to 60.4% in 2000. This is estimated to have changed to 65.4% between 2000 and 2004, and is projected to continue changing in favor of homeownership tenure by 2009, as seen in the table below. The early years of this decade, characterized by lower prevailing mortgage interest rates, have made ownership housing more affordable and enabled renters to become home buyers, a trend which will continue until long term rates begin their anticipated increase.

Nevertheless, renter households, including the young and the retired, will continue to be a factor in the area's requirements for housing stock. A concentration of renters in Pawcatuck is located in Census Block Group 4, where 60% of occupied housing is rental. Block 4 is a small area in central Pawcatuck east of Liberty Street and bordered by the river and largely developed as mill worker housing. Block Group 5, also located riverfront in central Pawcatuck south of West Broad Street, has a slight majority of renters at 54%. Combined, these blocks essentially define the targeted study area. Notably over the ten year period, the ratio of rental housing to ownership largely remained unchanged. The smallest concentrations of renters are found in Block Groups 2 (16%) the north end of the village and 6 (11%) in the lower village shoreline area.

Vacant housing trends are heavily influenced by the presence of seasonal and recreational housing, although this trend is less marked in Pawcatuck. Pawcatuck's vacancy rate was 5.3% in 2000 excluding seasonal homes. Stonington's 10.8% vacancy rate in 2000 was actually 5.2% net of seasonal homes, much more in line with suburban community norms. Westerly, with 1,404 seasonal homes, had a net vacancy rate of 4.3%, a much healthier indicator of the local housing market.

Housing Tenure Trends 2000-2009

	Pawcatuck Tract 7051	Stonington Town	Westerly Town
2000 Housing Units	3,705	8,591	11,292
Owner Occupied Housing Units	60.4%	63.1%	53.1%
Renter Occupied Housing Units	32.9%	26.2%	30.2%
Vacant Housing Units	6.7%	10.8%	16.7%
<i>Vacant Housing Net of Seasonal Units</i>	5.3%	5.2%	4.3%
2004 Housing Units	3,766	8,915	11,656
Owner Occupied Housing Units	65.4%	67.2%	52.7%
Renter Occupied Housing Units	28.1%	22.2%	31.5%
Vacant Housing Units	6.5%	10.6%	15.8%
2009 Housing Units	3,908	9,343	12,292
Owner Occupied Housing Units	67.1%	68.7%	53.1%
Renter Occupied Housing Units	26.5%	20.8%	31.7%
Vacant Housing Units	6.4%	10.4%	15.2%

Source: ESRI Business Systems

Targeted Study Area	Block 4 Tract 7051	Block 5 Tract 7051	Total
1990 Housing Units	433	642	1075
Occupied Units	380	597	977
Owner Occupied Housing Units	40.0%	47.4%	44.5%
Renter Occupied Housing Units	60.0%	52.6%	55.5%
Vacant Housing Units	12.2%	0.7%	9.1%
2000 Housing Units	451	689	1140
Occupied Units	406	637	1043
Owner Occupied Housing Units	40.9%	46.5%	44.3%
Renter Occupied Housing Units	59.1%	53.5%	55.7%
Vacant Housing Units	6.5%	10.6%	8.5%

Source: 1990, 2000 Census

Housing Tenure Trends: Target Study Area 1990-2000

Housing Values

During the ten year period between 1989 and 1999, Stonington's sales price for all housing units increased 12%, a modest increase by more recent standards. However, during that time, according to data cited in a 2002 regional housing analysis,² Stonington became the second-most expensive town in the region for ownership housing. By 2001, Stonington had overtaken the number one spot as most expensive town in the region, with a median single family home sale of \$215,000 and median condominium price of \$260,000. The disparity between single family homes and condominiums is explained by the recent construction and sale of new detached condominium units that appeal to the single family home-buying market.

According to The Warren Group, which maintains database information on home sales in New England, Stonington's median single family home sale in 2003 was \$250,000 and median condominium was \$285,000. For the first ten months of 2004 through October, the median one family had risen sharply to \$304,250 and the median condominium to \$318,500. According to current MLS listings, 94 single family home asking prices range from a low of \$199,900 to a high of \$3,775,000 for a waterfront luxury property. The midpoint asking price was \$589,900 or nearly double the median of all sales recorded through October of this year.

² Housing a Region in Transition: An Analysis of Housing Needs in Southeastern Connecticut 2000-2005; Southeastern CT Council of Governments, April 2002, p. 155.

Pawcatuck's home values have appreciated sharply during the last few years, as can be seen in the table below. Pawcatuck single family home median sales have tracked at about 85% of Stonington's overall median values since 2001, and represent roughly 30% to 40% of town-wide transactions. In 2003, single family transactions in Pawcatuck topped 100 for the second year in a row. Appreciation trends can be expected to moderate as mortgage interest rates rise, as anticipated in 2005.

Homeownership

Price Range	2001		2002		2003		Jan. May 2004	
	# of Sales	%	# of Sales	%	# of Sales	%	# of Sales	%
\$0-\$50,000	3	3.9%	1	1.0%	0	0.0%	0	0.0%
\$50,000-\$100,000	9	11.7%	8	8.0%	4	3.4%	4	9.8%
\$100,000-\$150,000	25	32.5%	28	28.0%	8	6.8%	2	4.9%
\$150,000-\$200,000	16	20.8%	33	33.0%	35	29.9%	9	22.0%
\$200,000-\$250,000	13	16.9%	12	12.0%	22	18.8%	5	12.2%
\$250,000-\$300,000	6	7.8%	3	3.0%	16	13.7%	6	14.6%
\$300,000-\$350,000	3	3.9%	4	4.0%	11	9.4%	9	22.0%
\$350,000-\$400,000	0	0.0%	5	5.0%	6	5.1%	2	4.9%
\$400,000-\$450,000	1	1.3%	1	1.0%	6	5.1%	0	0.0%
\$450,000-\$500,000	0	0.0%	1	1.0%	3	2.6%	1	2.4%
\$500,000 & up	1	1.3%	4	4.0%	6	5.1%	3	7.3%
Total Sales	77		100		117	100.00%	42	
Median	\$150,000		\$172,000		\$228,000		\$258,450	
Appreciation			15%		33%		13%	
Stonington Median	\$175,000		\$199,950		\$250,000		\$303,500	

Single Family Transaction Analysis Pawcatuck 2001-May 2004

Stonington has been a proven market for condominiums for many years due to its proximity to workplaces and attractiveness as a retirement and second home location. Most condominium development has taken place along the shoreline, in and among the many beautiful coves and marshes. Some have also been developed along Stonington's two rivers, especially along the Mystic River north of I-95. Pawcatuck has had relatively little condominium development and there has been very little resale activity in recent years – a total of just 28 transactions since 2001.

In downtown Pawcatuck, the Riverwalk condominiums have been the source of most sales activity since 2000, with a total of 16 sales. These units are a combination of old and new construction, with the newer units built in 1985 along Coggsell Street and older conversion units fronting on West Broad Street. An investor group sold off 11 units between 2000 and 2002 in a price range of \$57,500 and \$90,000. Since then, units have resold for as much as \$122,000. It has been recommended that Coggsell Street be extended to make a loop back to West Broad Street and that more housing, possibly above retail, be built in the interior of the loop, taking



Housing

advantage of river views and proximity to both Pawcatuck and Westerly.

Pawcatuck's other small condominium complexes are clustered near the junctures of Route 234, West Broad Street and Liberty Street in more suburban surroundings. Castle Meadow Drive units command the highest prices in Pawcatuck, offering larger three bedroom units in a very private setting. Two sold in 2003 for \$178,000.

As can be seen in the table below, the condominium median for town wide sales, which have averaged 46 per year since 2001, has tracked considerably higher than the Pawcatuck median. This is due in large part to the water views many enjoy and the fact that a significant portion of sales are for second homes or retirement homes, rather than entry level ownership housing. Buyers of second or retirement homes originate from a larger, wealthier demand pool than local buyers of primary or starter homes, who are more tied to the local economy. A second factor is that some of the newest construction units in Stonington have been in detached unit complexes, which command pricing more in line with single family homes.

Condominium Transaction Analysis
Pawcatuck
2001-May 2004

Price Range	2001		2002		2003		Jan.- May 2004	
	# of Sales	%	# of Sales	%	# of Sales	%	# of Sales	%
\$0-\$50,000	0	0.0%	0	0.0%	0	0.0%	0	
\$50,000-\$75,000	5	50.0%	0	8.3%	0	12.5%	0	
\$75,000-\$100,000	3	30.0%	5	50.0%	1	62.5%	0	
\$100,000-\$125,000	2	20.0%	1	10.0%	4	0.0%	0	
\$125,000-\$150,000	0	0.0%	1	10.0%	1	0.0%	0	
\$150,000-\$175,000	0	0.0%	2	20.0%	0	0.0%	0	
\$175,000-\$200,000	0	0.0%	0	0.0%	2	25.0%	0	
\$200,000-\$225,000	0	0.0%	0	0.0%	0	0.0%	0	
\$225,000-\$250,000	0	0.0%	1	10.0%	0	0.0%	0	
\$250,000-\$275,000	0	0.0%	0	0.0%	0	0.0%	0	
\$275,000 + up	0	0.0%	0	0.0%	0	0.0%	0	
Total Sales	10	100.00%	10		8		0	
Median	\$73,750		\$106,500		\$121,000		--	
Appreciation			44%		14%		--	
Stonington Median	\$260,000		\$255,750		\$285,000		\$318,500	

Source: Warren Group

Receiving final site plan approval now in Pawcatuck is a proposal to convert the William Clark Thread Mill at 12 River Road to 57 one and two bedroom loft style condominium units and 8,000 SF of retail space. A zoning change to Industrial Heritage Reuse Zone enabled the plan to proceed as a mixed use redevelopment. Reportedly, the units will sell for between \$160,000 (units looking west) and \$250,000 (water view side) and marketing will start summer 2005 for delivery in the fall of 2006. The location is a pioneering one for condominiums and the developers, POKO Partners, will need to establish a sense of privacy from the industrial buildings still in use to the north. However, the target pricing seems to be realistic, given current market conditions.

Presently there is no new finished condominium product on the market in Stonington with the exception of four luxury units on Quiambug Cove in the Mystic section of town. These units, currently priced at \$650,000 to \$825,000, were created through conversion of a rental property with views in the direction of Fisher's Island. Four recently upgraded units are also available at the former Broadway School in Mystic, ranging in price from \$239,900 for one bedroom to \$319,900 to \$329,900 for two bedrooms. Stonington Commons, a high end luxury condominium is under construction in Stonington Borough on the site of the former Monsanto plant, despite a devastating fire in July 2003 which gutted much of the historic structure.

The Mystic section of Groton has some examples of Mystic River-fronting properties that have converted successfully to condominiums, including the Powerhouse and Randall's Wharf. Two current listings at the Powerhouse range from \$385,000 to \$415,000, indicative of values in a well-established area. Groton also has two new condominium projects in sales, both age-restricted to those 55 and older. One, Mystic Run, ranges from \$325,000 to \$371,100 for 42 attached ranch with loft style units. The second, Haley Brook, ranges from \$163,000 to \$299,000 for 49 flats in an elevated building at Cow Hill Road and the Gold Star Highway.

In recent years, urban areas and especially downtown locations have become popular with both the entry level market and small or downsizing households, with loft style units typical of conversions appealing to both groups. Loft units are also increasingly being built as new construction. With good Pawcatuck River or harbor views, a market for condominiums in the Thread Mills 12 River Road location can be expected to develop.



Riverwalk Condos, Downtown Pawcatuck

Rental Market

Most of the apartment rentals in the region are in Groton due to the location of the area's largest employers in Groton and New London. Rental properties in Stonington, other than multi-families, are rare. Multi-families in Pawcatuck are often owner occupied, with a relative living in another unit, making true market rental rates hard to identify. However, the current rental rate for a two bedroom unit in a multi-family is approximately \$800 to \$1,000.

Murphy Apartments, an ownership and management company located on Broad Street in Pawcatuck, is one of the few rental operations in Stonington. At their 51 Church Street property, the asking rent for one bedroom, one story apartments is \$640. The Homestead Apartments, off Route 2 in northern Pawcatuck, offers one and two bedroom garden style units at \$520 and \$660 respectively. Murphy reports no vacancy and waiting lists, which is not surprising in view of these comparatively low rents. This range compares to asking two bedroom rents of \$950 to \$1,500 for the large apartment complexes in Groton, where the primary regional concentration of rental housing has developed over the last 50 years. Some rental incentives are being offered at these complexes at present.

The pricing for 2-4 families in Pawcatuck has recently exceeded \$100,000 per unit, a level which takes most investors out of the market but still permits an affordable means of home ownership for owner occupiers. A six unit building on Mechanic Street, reportedly in very bad condition, is under contract for \$400,000, again indicative of a strong market for investment property.

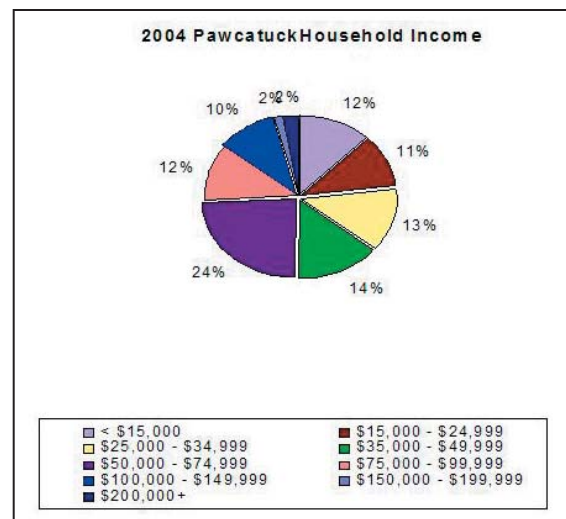
Six units of rental housing are in redevelopment at 5 Cogswell Street, across from the Riverwalk condominiums. This will help move forward the strategy to make this target area more residential, vital and pedestrian friendly.

Pawcatuck's income profile is somewhat lower than the town-wide profile, which is consistent with Pawcatuck's slightly higher concentration of renters and multi-family housing. Within Pawcatuck, Block Groups 4 and 5 show the greatest divergence from town-wide household incomes, reflecting medians of \$26,607 and \$39,514 in 2000. Block Group 4, with 418 households, is characterized by a high proportion of female-headed family households.

		Pawcatuck Tract 7051	Stonington Town	Westerly Town
Median Household Income				
2000		\$45,207	\$52,749	\$44,612
2004		\$49,952	\$59,160	\$51,095
2009		\$55,360	\$67,651	\$60,481
Average Household Income				
2000		\$53,565	\$68,867	\$58,523
2004		\$61,128	\$80,897	\$69,290
2009		\$71,845	\$96,596	\$86,661
Per Capita Income				
2000		\$22,693	\$29,653	\$24,092
2004		\$26,158	\$35,291	\$28,854
2009		\$31,251	\$42,743	\$36,488

Source: ESRI Business Systems

The distribution of income in Pawcatuck is most heavily concentrated in households in the \$50,000-\$74,999 range, representing 24% of all households. A distribution chart is shown below.



Income & Wealth

Household Income Trends: Pawcatuck, Stonington & Westerly 2000-2009

Pawcatuck Household Income Distribution 2004

ECONOMIC PROFILE

Employment

Stonington is predominantly a residential community, meaning that the local labor force for the most part commutes to jobs in nearby communities such as Groton, New London and Westerly, R.I. In 2001, the most recent year data is available, Stonington's employment base totaled 7,290 jobs as compared to Groton with 27,290 and New London with 15,220. Stonington's largest town based employers include Davis-Standard, Mystic Seaport and the town itself.

Major regional employers include the Naval Submarine Base, employing 9,500 civilian and military personnel, Electric Boat and Pfizer, as well as the casinos in Ledyard and Montville. Casino employment for Stonington residents as of mid 2001 stood at 900 jobs.

Defense-related employment was impacted in 2004 with the loss of 134 jobs at EB. Meanwhile, EB and sub base employment could be impacted by the possible reduction in the number of vessels under consideration from 54 to less than 40 or the closure of the base altogether. Regionally, the shift continues from goods producing to service producing jobs as can be seen in the table below.

Employment Trends
2001-2004

	Stonington June 2001	%	New London LMA June 2001	%	New London LMA June 2004	%
NONFARM EMPLOYMENT	7,290	100%	144,100	100%	149,000	
GOODS PRODUCING	1,520	20.9%	28,200	19.7%	24,500	16.4%
Construction & Mining	300		5,700		5,000	
Manufacturing	1,220	16.7%	22,500	15.6%	19,500	13.1%
SERVICE PRODUCING	5,770	79.1%	115,900	80.4%	124,500	83.6%
Trans., Comm & Public Utilities;	N/A		6,800		4,300	
Wholesale Trade	230		2,800		2,400	
Retail Trade	1,760	24.1%	26,900	18.6%	18,300	12.3%
Finance, Ins. & Real Estate	N/A		3,500		3,700	
Other Services	2,640	36.2%	37,600	26.1%	54,500	36.6%
Government Employment	660	9.1%	38,300	26.6%	41,300	27.7%
Not Classified	1,510	20.7%				

Source: CT Dep't of Labor

Employment and labor force patterns in the New London-Norwich MSA region (including Westerly and Hopkinton R.I.) are highly cyclical on an annual basis as can be seen from the graph below – summer tourism drives up hiring midyear, then employment tails off during the winter months.



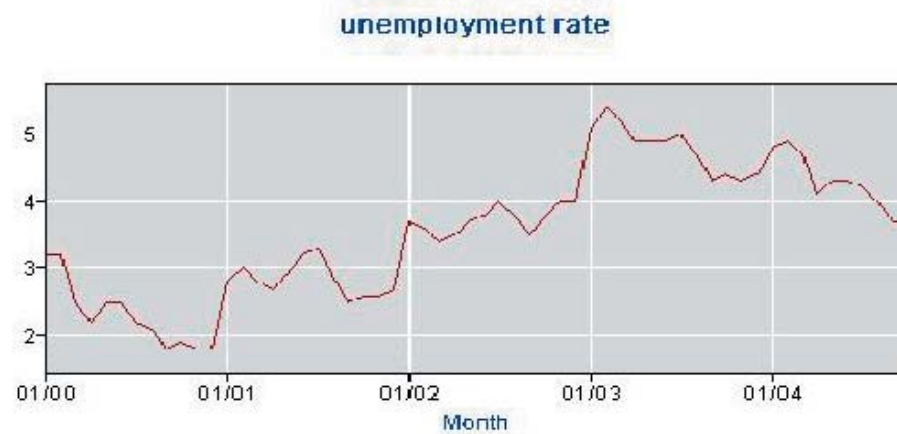
**Regional Employment Trends
New London - Norwich MSA
2000-2004**



**Regional Labor Force Trends
New London - Norwich MSA
2000-2004**

The rate of unemployment, after being very low by historic standards during the late 1990's, jumped in early 2001 and trended up to over 5% in early 2003. Since then the unemployment rate has trended lower, although it will probably trend up over 4% in the first quarter of next year due to seasonal influences.

Regional Unemployment Trends
New London - Norwich MSA
2000-2004



As of the 2000 Census, more than half of the Stonington resident labor force worked in either Stonington itself or Groton. New London, Westerly and Ledyard aggregated another 31% of workplace destinations. As previously noted, roughly 900 Stonington residents were employed by the two casinos as of mid 2001.

Journey to Work

Commuters from Stonington	Number	Percent
All destinations	8,910	100%
Stonington	2,814	31.6%
Groton	2,078	23.3%
New London	649	7.3%
Westerly, RI	642	7.2%
Ledyard	598	6.7%
Waterford	346	3.9%
Norwich	269	3.0%
Montville	246	2.8%
All others	1,268	14.2%

Source: US Census

Stonington Outbound Commuter Trends 2000

In terms of Stonington based employment, resident workers held one in three jobs. Half of all Stonington jobs were held by Stonington, Groton and Westerly residents. Rhode Island residents aggregated 1,520 or 17% of all Stonington in bound commuters in 2000. By contrast, 945 Stonington residents commuted to Rhode Island.

Commuters to Stonington	Number	Percent
All commuters	8,727	100%
Stonington	2,814	32.2%
Groton	1,141	13.1%
Westerly, RI	926	10.6%
New London	449	5.1%
North Stonington	408	4.7%
Ledyard	404	4.6%
Norwich	330	3.8%
Hopkinton, RI	243	2.8%
All others	2,012	23.1%

Source: US Census

Stonington Inbound Commuter Trends 2000

Stakeholder Input

BUSINESS & STAKEHOLDER INTERVIEWS

In order to obtain both market data and solicit input from merchants and stakeholders on issues relating to development in Pawcatuck Village, interviews were conducted with targeted individuals representing a range of interests linked with Pawcatuck . A total of 22 businesses, officials, and stakeholders were personally contacted of which 16 participated in one-on-one interviews. Interviewees were asked about a number of issues including type and size of business, length of business operation, ownership status, number of employees, and improvement plans. A second component addressed issues of market and business status. A third component solicited opinions on a range of issues directly relating to image, business and infrastructure needs and actions that should be adopted in support of development of Pawcatuck Village.

A summary analysis of the responses to the interviews follows. A copy of the survey instrument used in the survey can be found in the Appendix. A list of businesses, organizations and stakeholders contacted are provided below.

Survey Participants

Joe Iacoi	Washington Trust Co.
Jo Anne Beverly	Chelsea Groton Bank
Charles Shea	Shea's Office Product
Charles Boffum	Cottrell Brewing Co
Henry Han	Han's Dynasty Restaurant
Scott & Valentina Barket	Hamm's Wine Cellar
James Potter	Resident
Mik Morales	Realtor
Randy Russ	Realtor
Sharon E. Ahern	Downtown Mng, Westerly-Pawcatuck Joint Dev.
Fred Bougue	Bougue's Alley
Daniel Barber	Realtor
Larry Hertell	Charter Oak Federal Credit Union
Anette & Gary Vacca	Contractors, Developers
Tom Messing	Whistle Stop
Jay Vincent	City Planner

As noted above a total of 16 interviews were undertaken with the following results obtained.

Most interviewees noted that Pawcatuck has long been associated with a “blue collar” image linked in part to the numerous mills that lined the Pawcatuck River and the worker housing that sprang from that source. They noted the sharp contrast in image to the balance of Stonington with its more affluent base, as well as Westerly which has undergone a revitalization of its downtown.

While Pawcatuck’s “blue collar” image is accepted and in some cases embraced, a number of interviewees have observed a subtle shift in perception in the last several years. This change appears to have coincided with the surging interest in housing in the area. Some admitted that the relative affordability of Pawcatuck as compared to the surrounding area is driving this interest, but many people suggested the neighborhood is also being re-discovered in the process. The success of Westerly and its positive impact on Pawcatuck was also often mentioned as a reason for Pawcatuck’s improved image.

Almost universally, interviewees noted the appearance of Mechanic Street and adjacent properties coupled with prominently visible vacant properties in the Village Center (Walton Block, former Tire Store) were major distractions that negatively impact the town. Interestingly, the silver clad Grain Mill property located downtown was only mentioned by half the respondents as a negative influence.

A small minority of respondents suggested downtown Pawcatuck lacked any image, negative or positive.

With a few exceptions, access to convenient parking in the Village Center was not noted as a major concern for most interviewees. Some indicated maintaining dedicated parking for their customers was a concern, but that overall the Village is well served due in large part to the public parking behind CC O’Brien’s. Some businesses did express concern with the loss of on-street parking associated with any streetscape improvement plan and hoped that any plans for “Bump-Outs” associated with traffic calming consider the impact on businesses who rely on drive-up customers.

Additional public parking opportunity was identified in the lot next to Charter Oak Federal Credit Union, owned by the bank, which the bank could convey (lease) for that purpose.

Image & Perception

Parking & Access

Traffic & Circulation

Traffic and safety were identified by interviewees as one of the top issues of concern after issues of low image, vacant buildings and clean-up/up-grade of the area. The issue of traffic and circulation is most acute at the intersection of Route 1 and Route 2, made worse by a railroad overpass that obstructs sight lines. While historically congested, particularly in the summer, respondents stated the traffic problem has increased considerably in recent years and impacting pedestrian safety. Interestingly, many of the respondents noted that the problem has been studied to death and that the present condition is likely the “best it’s going to get”

Business Mix & Needs

There was no consistent response to questions related to business mix and needs. For the most part, people felt that the current mix works well enough, although several suggested having a pharmacy downtown to replace the lost Higgins Pharmacy would be “very positive”. Roughly half the respondents felt that Pawcatuck should be more tailored to local resident needs, as represented by the banks and office supply store, and avoid gift and boutique stores that prevail in Westerly. In contrast, a sizable number liked the retailing trends in Westerly and hoped that Pawcatuck could capture some of that growth. Most like the idea of food related enterprises, including bakeries, delis, and restaurants, as a natural fit for the center. Filling the vacant buildings with most anything seemed to be high priority.

Linkages

Virtually all interviewees recognized Pawcatuck’s strong ties to the Pawcatuck River and to Westerly. Indeed, most felt these linkages were stronger than Pawcatuck’s ties with Stonington overall. Westerly’s park and the library were cited most often as examples of resources used by Pawcatuck residents. Additionally, most respondents believed that Pawcatuck has benefited from the emergence of Westerly and its downtown as a destination center and to some degree dependent on its well-being and growth. The one negative issue associated with the revitalization has been the increase in traffic as noted above.

Despite the strong linkage to Westerly, some Pawcatuck business stakeholders expressed a level of ambivalence with Westerly’s downtown success pointing to Pawcatuck’s perceived secondary status in revitalization efforts as compared to Westerly district. Several respondents noted the need to forge stronger ties and communication among Pawcatuck businesses in order to address common issues of concern.

A small minority of respondents felt more effort is needed to open up the River to downtown Pawcatuck.

Despite the strong linkage to Westerly, some Pawcatuck businesses expressed a level of ambivalence with its success pointing to Pawcatuck's perceived secondary status in revitalization efforts as compared to Westerly district. Two respondents noted the need to forge stronger ties and communication among Pawcatuck businesses in order to address common issues of concern.

A small minority of respondents felt more effort is needed to open up the River to downtown Pawcatuck.

Most expressed satisfaction with present efforts in promoting Pawcatuck (along with Westerly), although most stated that the efforts have primarily benefited Westerly. Respondents generally felt the Downtown Manager and Pawcatuck-Westerly Joint Task Force are sensitive to the promotion and marketing needs of Pawcatuck. The "Duck Race," River Glow, and Columbus Day parade were cited as positive events for downtown Pawcatuck.

The issue of visual appearance was closely tied to the issue of image with many feeling that select properties in the downtown and Mechanic Street needed upgrading and improvement. Indeed, the vast majority felt this was the number one issue that needed to be addressed. Most acknowledged the planned streetscape improvements will help overall appearance. However, it was believed by most respondents that the image of Pawcatuck and the center will not improve until the properties are upgraded.

Notably, no one indicated the present state of the mills on Mechanic Street as an impediment to growth although most agreed that it will be critical to be creative in future reuses of such properties.

There was mixed reaction to the adequacy of public services currently serving the area --from street cleaning to issues of security. On the whole, interviewees did not feel that this was an issue that needs addressing although some cited there could be better communication with the town on some matters. With respect to planning services, most seem satisfied with the effort although frustrated by lack of progress. Some pointed to the progress in Westerly as compared to Pawcatuck as sign of lower commitment on the part of Stonington to assist. Most however seem to feel the town is highly supportive of the community and willing to work with Pawcatuck. The large majority indicated the recent emergence of the Pawcatuck Revitalization Organization is seen as a positive step in developing a plan and a forum for advocacy for improvements.

Local Marketing & Activities

Appearance

Public Services & Town Response

RESIDENT SURVEY

In addition to undertaking the one-on-one interviews, a mail-in survey was developed and sent to 1,500 households in the targeted area. A total of 234 responses were received representing a positive response rate of 15.6%. A copy of the survey instrument can be found in the appendix along with the survey data analysis.

Questions asked in the survey fell into four categories:

Category One – This Category asked if there should be more flexible zoning to allow for broader uses of the mills, such as Harris Graphic Mill complex on Mechanic Street, and what kind of uses would be acceptable or desired for such mills, focusing again on the Harris Building.

Category Two – This question focused on issues and needs in the community that should be central to any planning effort in Pawcatuck.

Category Three – Two questions were asked: what are some of the retail and commercial needs, or gaps in the community, and what stores and services are used most often in the village.

Category Four – The last category was an open-ended question soliciting comments or observations that should be considered in developing a plan or vision for the Pawcatuck Center and Mechanic Street area.

The results of the survey are summarized in the following pages.

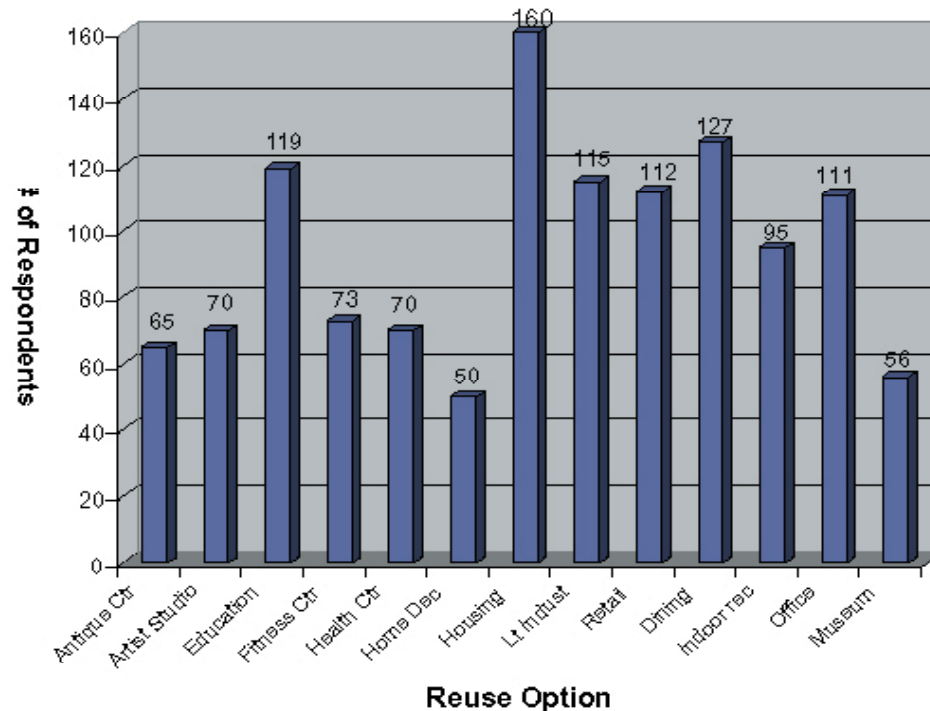
Question: Do you believe the existing mill buildings along the Pawcatuck River should be re-zoned to allow uses other than industrial.

The overwhelming majority of respondents (98%) said yes. Two left it blank. And only one respondent indicated a no.

Question: What uses do you think should be considered/allowed for the Harris Graphic Mill (inclusive of all parcels)?

Notably the number one response for reuse was housing which obtained 56% of the votes. In most cases, respondents added there was a real need for providing affordable housing in the area. Next in popularity was restaurant, food, entertainment with 44.7%. This was followed by Education uses, Light industrial and Office with 41.9%, 40.5%, and 39.1%, respectively. The options for reuse as home center, museum /cultural center, or antiques center generated the least interest.

Re-zoning & Reuse Options: Harris Graphics Complex



Distribution of Responses:
Desired Reuse Options for Former Harris
Graphics Complex

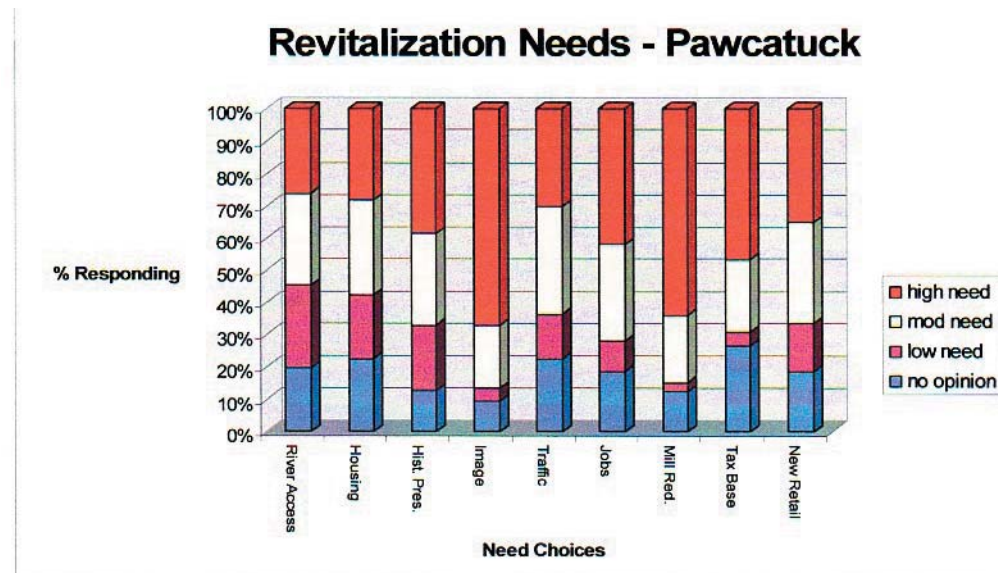
Issues & Needs

Nine potential issues or needs were identified for the Study Area which respondents were asked to rate in terms of high to low in importance to address as part of the planning process for revitalization of Pawcatuck and specifically the Pawcatuck study area. In addition, respondents had opportunity to add other issues not identified in list. The results of this important question were as follows:

Identification of Issues for Study Area Survey Response

Need or Issue within Community	% High	% Moderate	% Low	% No Opinion
Create jobs	41.9%	29.9%	9.4%	18.8%
Bring New Retail	35.0%	31.6%	14.5%	18.8%
Redevelop Mills	64.1%	20.5%	3.0%	12.4%
Expand Tax Base	46.6%	22.6%	4.3%	26.5%
Improve Access to River	26.1%	28.6%	25.6%	19.7%
Preserve/Enrich Historical Character	38.5%	28.6%	20.1%	12.8%
Expand Housing Opportunities	28.2%	29.5%	19.7%	22.6%
Improve Traffic Circ.	29.9%	13.7%	33.8%	22.9%
Improve Image	67.1%	19.2%	4.3%	9.4%

Rating of Issues by Need Survey Response



The following chart compares ranking of response on needs and issues for high need issues as compared to the combined score of both high and moderate need. Normally for planning purposes, focus is placed on the consolidated category of high and moderate need.

Rank	Rank based on High Need Only	%	Rank based combined High & Moderate Need	%
1	Image	67.1%	Image	86.3%
2	Redevelop Mills	64.1%	Redevelop Mills	84.6%
3	Expand Tax base	46.6%	Create Jobs	71.8%
4	Create Jobs	41.9%	Expand Tax Base	69.2%
5	Preserve History	38.5%	Preserve History	67.1%
6	Expand Retail Mix	35.0%	Expand Retail Mix	66.6%
7	Improve Traffic Circ.	29.9%	Expand Housing Opp	57.7%
8	Expand Housing Opp.	28.2%	Improve Access River	54.7%
9	Improve Access River	26.1%	Improve Traffic Circ	43.6%

**Raking of Issues for Pawcatuck
Consolidated Survey Response**

As the chart above shows, the issue of image (lack of, or negative) and the need to redevelop the mills rank as the number 1 and 2 issue, respectively, to be addressed in a planning program for the Study Area, with 4 out of 5 respondents citing either high or moderate need. Interestingly, with the exception of image, economic issues (jobs, redevelopment, tax base) dominate in terms of importance to those that responded, although tax base and jobs flip in ranking between the two categories.

Comfortably ensconced in the middle in terms of important issues is the need for preservation and or enrichment of historical character of the community and the need to expand the retail base and mix of the Village Center. Both issues captured two-thirds of the respondents vote and point to the importance of integrating each into any planning process, particularly for the downtown.

A number of surprising results were identified with the issue of housing and traffic. Despite the very strong vote for housing and presumably the need for housing noted in question of use for Harris Graphic Mill, respondents ranked this 7th in importance although at 57.7%, a slight majority of the votes. But even more startling given the feedback from the one on one interviews was the somewhat ambivalent feeling about the traffic issue in the downtown and Mechanic Street. This would suggest that while the downtown merchants face this issue constantly and see it as a detriment to the center, residents do not seem to be as affected. Indeed, nearly 30% had no opinion!

Improving public access to the river was also low on the list of needs, although like housing did receive a slight majority of the high and moderate votes. Of all the issues, river access seemed to be the least defined to most respondents with votes equally distributed between high, moderate, low and no opinion.

Retail Gaps

In addition to questions on options for the Harris Mill and issues and needs in Pawcatuck, the survey asked an open-ended question on what types of retail, services or uses are desired or appropriate for the Village Center. Each respondent could give up to eight choices, but the average response was three. A follow-up question was also presented on which stores or businesses in the center were most frequently visited by respondent.

Of the 235 respondents, 120 provided input on retail-service choices. Based on responses 23 categories were created. Not surprisingly, food dominated the spectrum of desired uses with restaurant or sit-down dining commanding the highest votes with 49 or 18.7% of the total votes tallied. A consolidation of all food related businesses -- restaurants, cafes, coffee shops, specialty food and small food markets -- accounted for 39.3% of all choices. Within the specialty food category, ice cream shop and bakery were cited most frequently. Among the food mart choices, a health food store or a green grocer were selected most often.

Among non-food businesses choices, clothing and specialty retail gained the most votes suggesting that most respondents see the downtown as functioning less as a day-to-day convenience center and more for lifestyle and entertainment. Interestingly, shoe store as a subset of clothing received a fair number of hits. Within the specialty retail sector, music store, arts & crafts, and the gift shop were most commonly called out. Response was also relatively strong for three other retail categories associated with comparison shopping: arts and antiques, a bookstore and outdoor/sporting goods store. Meanwhile, the drugstore represented the top choice within the convenience shopping choices.

Within the service category, respondents identified exercise center and business services that would include architects, realtors and small firms as most appropriate. Results of the survey also indicate moderate interest in medical offices in the downtown.

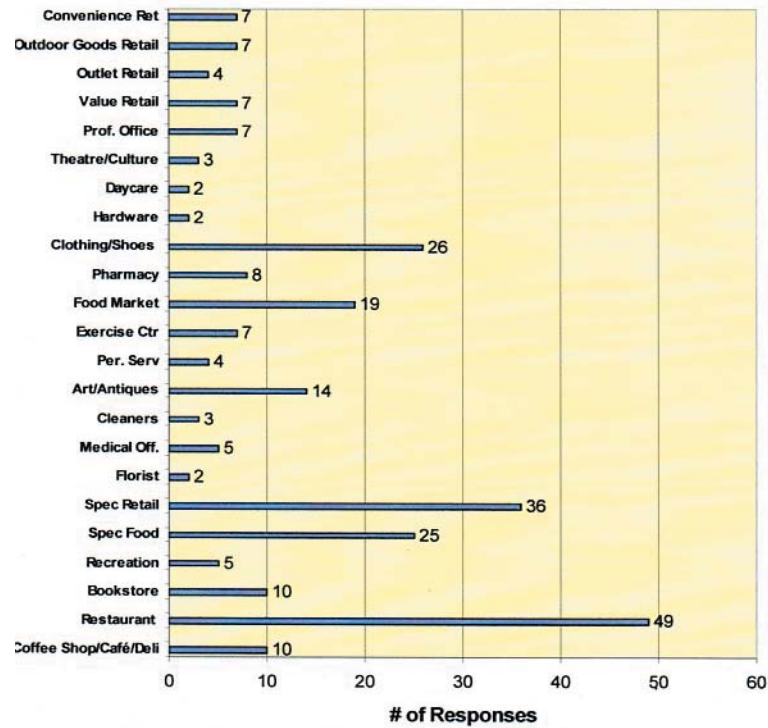
The Table below provides a breakout of the response in terms of number of votes and percentage. On the following page is a chart graphically showing results.

Preferred Retail/Service Uses for Downtown Survey Response

Retail Use	#	%	Retail Use	#	%
Restaurant	49	18.7%	Value Retail	7	2.7%
Specialty Retail	36	13.7%	Outdoor Goods Retail	7	2.7%
Clothing/Shoes	26	9.9%	Convenience Store	7	2.7%
Specialty Food	25	9.5%	Recreation	5	1.9%
Food Market	19	7.3%	Medical Office	5	1.9%
Art/Antiques	14	5.3%	Personal Service	4	1.5%
Coffee Shop/Café	10	3.8%	Outlet Retail	4	1.5%
Bookstore	10	3.8%	Cleaners/Laundromat	3	1.1%
Pharmacy	8	3.1%	Theatre/Culture	3	1.1%
Exercise Center	7	2.7%	Florist	2	0.8%
Professional Office	7	2.7%	Hardware Store	2	0.8%
			Daycare	2	0.8%

Desired Retail and Services - Downtown Pawcatuck

Desired Retail/Service for Downtown Pawcatuck
Survey Response



Frequent Downtown Destinations

A tabulation of stores and services most frequented by respondents in the downtown area suggests that Shea's Office Supply represents a major anchor for the center (this store has since closed subsequent to tabulation of survey results), followed by downtown banks (there are four). A breakdown of responses with more than 3 tallies is provided in table below.

Most Frequent Downtown Destinations Survey Response

Downtown Pawcatuck Business	# of Resp
Shea's Office Supply	50
Banks	42
Gas Station	35
Tim Horton's	33
Prime Time	28
CC O'Brian's	19
Bouges Alley	14
All Fired Up	11
Dairy Queen	8
Whistle Stop	7
Bead Store	7
Liquor Store	7
Fish Store	5
Han's Dynasty	3



Shea's Office Supply
(since closed -- building for sale)

More than half the respondents provided additional comments and observations to their survey. A print-out of these comments is included in the appendix. For the purpose of discussion, we have attempted to group these comments into a number of broad categories and themes.

Image & Appearance

The major theme among comments received related to the issue of appearance of the downtown and Mechanic Street. Most comments focused on the vacant buildings downtown and lack of any proposal for reuse ("Get vacant buildings on West Broad Street occupied and revitalized"). Additionally, the run-down appearance of Mechanic Street and some of the properties on this street were also cited as a negative influence on image that need a plan for upgrading. Many made references to the need for streetscape improvements ("clean-up streets"), improvements of gateways and programs put in place to encourage upgrade and re-investment. One respondent implored "Clean up properties, create a Village look."

Improve Retail Mix and Services

Numerous comments were made on the need to improve the retail mix in the center. However opinions ranged from adding a franchise restaurant and high-end stores to focusing on value-priced retail. One comment suggested the need to promote businesses for all income levels. Several respondents pointed out the need for activities or venues for children or young adults. Despite differences of opinions on retail types, most agreed the base should be more diversified and centered on small format stores.

Waterfront Access

Given the low response on this issue in the need section of the survey, a surprising number of comments were made on the importance of improving access to the river and making it central to any revitalization of the area. Some indicated need or desire for riverwalk ("like idea of walking/jogging path along river"). It was also suggested that development and linkage to the river for restaurants and entertainment use be promoted. However, not all felt the river is an asset that needed access; one comment noted the proposed pedestrian bridge between Pawcatuck and Westerly was "a waste of money."

Other Observations & Comments



Vacant commercial Downtown Pawcatuck



Pawcatuck River



Historic Structure, Route 2 , Pawcatuck

Historic Flavor

While some felt that the historic context of Pawcatuck was too far deteriorated, many indicated the preservation of the historical character of the town was vital. One respondent, however, cautioned against gentrification.

Housing Need

In terms of number of comments received, housing need was second only to image and appearance. Many felt the downtown and the mills offer a good opportunity to expand housing choices, particularly affordable housing targeting seniors and young renters or even buyers. A few respondents saw the potential of linkage between promoting housing downtown and revitalizing the town center. One respondent noted the need to “focus on housing opportunities for those who grew up here and want to stay in town”.



Route 1 / Route 2 intersection, railroad overpass

Traffic

A few comments were made on the traffic situation in the area, including one who noted it was a “nightmare”. The need to address pedestrian safety and creation of a pedestrian friendly center represented a common thread on observations of traffic. Different opinions on what should be done on traffic were noted, with one requesting that no signalization be considered for the intersection of Route 1 and Route 2 (Liberty Street) ,while others asked for lights at West Broad and Liberty. A number of comments were also made on the need to look at parking and parking utilization.

Site & Neighborhood Assessment

NEIGHBORHOOD DESCRIPTION



100 Mechanic Street

The Study Area is a mix of residential, commercial and industrial land uses that have evolved over time in close association with the Pawcatuck River. Together with downtown Westerly across the border in Rhode Island, it represents a significant urbanized area whose retail and service base draws from a considerable trade area of more than 30,000 people.

Pawcatuck's roots began with shipbuilding and related maritime industries in the late 17th century. It later developed a manufacturing base with the growth of textile mills, printing and other allied industries that thrived along the river well into the 20th century. The imprint of both periods continues to this day with the presence of several boat yards and marinas along Pawcatuck River while several old mill sites continue to be used for manufacturing, light assembly and distribution.

Much of the active industrial land uses in the target area are concentrated within two mill properties located on Mechanic Street along the river. The largest of the two is the former Harris Graphics complex, closed in the mid 1980s, at 99-100 Mechanic Street totaling 270,000 square feet on 22.6 acres and now being marketed for multi-tenant use. This property consists of both new and old structures, including a vacant corporate office building (40,000 sf), and is less than 50% occupied. Immediately to the north of 100 Mechanic is a second mill property on 9 acres occupied by sister companies, Lithion and Yardney Technical Products, who together manufacture high energy density batteries primarily for the defense industry. A high floodwater berm runs along the river protecting properties along Mechanic Street from high water but also obscuring direct views of the river.

A third mill site identified in the study area is the former and currently vacant Connecticut Casting plant located at 75 Stillman Avenue, north of the village overlooking the Pawcatuck River. This property is considerably smaller than the other two mill sites consisting of 20,700 square feet on 1.15 acres. The property is going through probate and reportedly has received considerable development interest despite known environmental issues.



Pawcatuck shops

The main commercial district in Pawcatuck is less than ½ mile long stretching along West Broad Street (Route 1) from the Pawcatuck River to Lester Avenue and at the intersection of Liberty Street (Route 2). Both West Broad Street and Liberty Street are state roads that experience heavy traffic particularly in the summer. Despite high visibility and access, the Pawcatuck Village is small with less than 25 establishments. The center, however, has been historically linked by Route 1 to the Westerly, RI downtown where a greater concentration of retail and commercial businesses are located. Westerly's downtown also supports numerous public facilities, parks, and cultural activities open to Pawcatuck residents, including the highly regarded Westerly Public Library and Wilcox Park located adjacent to the Library. Pawcatuck village also has an organizational connection with Westerly via Greater Westerly-Pawcatuck Chamber of Commerce.

The Study Area is largely developed and encompasses the densest concentration of residential land use in Pawcatuck with close to 60% of its housing associated with 2 to 4 family homes as compared to 23% for Pawcatuck overall and 19% for Stonington. Much of the multi-family is clustered south of West Broad Street and off Mechanic Street. A greater concentration of single family homes is noted north of West Broad Street and along Stillman Avenue. Within the downtown, there is modest amount of housing, represented most notably by the 24-unit Riverwalk Condominiums and a 9-unit rental over retail at 38 West Broad Street. Additional new rental housing is under construction off Coggsell Street in a mixed-use development.

Many of the homes in the Study area pre-date 1950 with many built around the turn of the 19th century. In fact much of the Study area is encompassed within the Mechanic Street Historic District which is bounded roughly by West Broad Street to Manor Road, Courtland Street, and Mechanic Street south to Clark Street. The Mechanic Street Historic District is one of three historic districts in the Town of Stonington. Much of the housing in the Study Area is well-maintained although pockets of low or deferred maintenance are evident in certain areas, particularly along Mechanic Street.

A review of home sales over the last year in the Study Area suggest a higher degree of affordability as compared to greater Pawcatuck or Stonington overall. A total of 56 home sales were identified in the Study area ranging from \$110,000 to \$329,000. The average home in the study area, exclusive of condominiums, sold for \$206,000, as compared to \$275,000 for Pawcatuck overall. No condominium sales were identified in the study for 2004, but sales in 2003 for Riverwalk units in the Village Center ranged between \$80,000 to \$100,000.



Mechanic Street

Transportation, Access & Parking

The Study Area is well connected to the region via major state transportation corridors Route 1 (West Broad Street) and Route 2 (Liberty Street). Route 2 directly connects to Interstate 95 and Route 78, while Route 1 functions as the primary Arterial Road for Pawcatuck, Stonington, and Rhode Island to the east.

Route 1 and, to lesser extent, Route 2 are also an area of considerable vehicular traffic that create significant issues for traffic flow, circulation and safety. The intersection of Route 1, Route 2 and Mechanic Street has been cited for exceptionally high accident rates, particularly in summer when local population expands due to vacationers and seasonal renters. Vehicular and pedestrian crossing at this intersection is made even more difficult by the presence of the Amtrak overpass which traverses Route 1 and cuts sight lines. The latest Plan of Development calls for working with ConnDot and SECCOG (Southeastern CT Council of Governors) to address safety and traffic circulation issues at this location.

Traffic counts along Route 1 vary seasonally but are some of the highest in the region. According to Rhode Island DOT, Route 1 in downtown Westerly was considered the 10th busiest street in Rhode Island with average daily counts of 25,750.

Along with good road system, the area is well served by rail. The Amtrak line in the Study Area runs roughly parallel to Mechanic Street before it crosses over to Westerly and effectively divides much of the industrial commercial area of that corridor from the concentrated residential uses to its west. An Amtrak rail station is located in downtown Westerly. Private air service along with commuter flights to Block Island are available through Westerly State Airport.

A limited amount of free public parking is provided in the center of the downtown, accessible by either Mechanic Street or West Broad Street and adjacent to a small park fronting Pawcatuck River. Based on general observation, the public parking lot is rarely fully utilized. In the summer, this area is used periodically for the open-air Farmers Market and craft sales.

A total of four zoning districts control land usage within the Targeted Study Area. They are:

Zoning

District	Purpose and Use	Minimum Lot Size - Square Feet
RH-10	Highest residential density allowed; Presence of water and sewer	10,000
LS-5	This a commercial zone for built-up areas targeting services for residential uses	5000
DB-5	Allows for mix of residential, commercial in built-up areas with water and sewer	5000
M-1	This zone targets a range of commercial and manufacturing uses	80000

The M-1 district is an industrial zone that is largely confined to the mills and manufacturing facilities along Mechanic Street including the former Harris Printing complex at 99-100 Mechanic Street. The DB-5 zone covers much of the area along Mechanic Street above the mills as well as the downtown. LS-5 zone lies outside the DB-5 and M-1 zone, west of the Amtrak line stretching to Courtland Street. The RH-10 district encompasses the balance of the study area with single family and duplexes as permitted use and attached housing allowed by special permit at 4.35 units per acre.

In order to allow for flexibility in the reuse of mills, Stonington approved an amendment to its Zoning Regulations on September 4, 2004 with the adoption of Industrial Heritage Re-Use District. This new regulation is designed to stimulate adaptive re-use of its historic mills and promote diversified uses including housing, commercial and office. The district acts as a floating zone which can be applied where circumstances involving proposals for reconverting mills located in industrial zones are considered. Wide latitude is provided in permitted uses within a IH zone based on submission of a Redevelopment Master Plan that demonstrates compatibility of uses within the project and neighborhood and conformity with the Plan of Conservation and Development.

Additional re-zoning for the Study Area is called for in the Plan of Conservation and Development in the form of "Village Districts". Such districts provide for more stringent control over design and appearance, while also allowing for greater flexibility in mix of uses.

Linkages - Westerly Downtown



Westerly



Westerly

Historically, Pawcatuck has had a strong connection and association with neighboring Westerly, RI based on the proximity and linkage of the two downtowns. Though separated by Pawcatuck River, Westerly and Pawcatuck essentially function as one town center via the Route 1 corridor. The Pawcatuck center is significantly smaller than Westerly downtown both in land area and concentration of businesses, with Westerly containing more than 80 establishments as compared to 25 in Pawcatuck. Nevertheless, Pawcatuck serves a critical role in expanding the downtown experience for both sides and maintaining continuity of scale and use within the commercial corridor (Route 1) between the two downtowns.

Outside the physical and economic connection, Westerly offers links to a number of cultural, recreational and historical assets that are beneficial to Pawcatuck. Prominently located in the center of downtown is the 18-acre Wilcox Park which holds numerous outdoor concerts and festivals in the summer, including the extraordinarily popular Summer Pops series. Immediately adjacent to the park is Westerly Public Library, open to Pawcatuck and Stonington residents, which contains an extensive historical collection and over 150,000 books. Moreover, numerous cultural venues are found downtown such as art galleries, studios, antique stores and a small theatre. Meanwhile, the downtown is on the national register of historic places and named by the National Trust for Historic Preservation as a "Top 12" destination.

Recognizing the importance of both downtowns working together on a common vision, a joint task force was formed in 1982 to devise a plan for revitalizing the two centers. This ultimately evolved into a Westerly-Pawcatuck Downtown Development Plan in 1985 followed up by the 20 point Westerly-Pawcatuck Action Plan in 1998. Key components of this action plan included the extension and enhancement of the Riverwalk on both sides of the river and construction of a Pedestrian Bridge over the river at the end of Coggswell Street that would foster greater pedestrian circulation. Staff were hired to implement the plan; according to the Downtown Manager of Westerly-Pawcatuck Joint Development Task Force most of the 20 Action items in the plan have been completed or are in process.

DEVELOPMENT POTENTIAL

Downtown

Downtown Pawcatuck is small, mostly developed and lacks a physical focus which presents certain challenges for redevelopment options. Development opportunities are further inhibited by the physical constraints of the river and the convergence of transportation corridors. Meanwhile, the village wrestles with an undefined market identity in the shadow of a larger, more diverse and active downtown Westerly. Additional issues are associated with uncooperative or unwilling property owners regarding the upgrade of properties, a phenomena that is well known to many commercial centers but accentuated as an issue in a small village.

However what are deemed constraints conversely work as advantages in this scenario, with the Pawcatuck village seeing some measure of improvement corresponding with the upgrading of Westerly's downtown. Moreover, good access and visibility of Route 1 combined with a river amenity are also deemed positive attributes for development if properly marketed. Even the issue of vacant buildings in the hands of recalcitrant owners can be seen as an opportunity if there is a compelling market and economic basis for reuse.

Numerous signs point to a positive market opportunity for the downtown as noted by the success of Westerly's downtown revitalization and spill-over into Pawcatuck center combined with the advantage of high visibility and access of Route 1. Local consumer trends and demographics for Pawcatuck would also suggest a strong retail or food/drink opportunity exists with potential retail demand for goods and services nearly double the supply in Pawcatuck (see chart). Finally, the attribute of the Pawcatuck River and the historical context of the village, as well as its connection with relatively affluent Stonington and Westerly provide a solid foundation for promoting reuse and development.

Retail Marketplace Profile Pawcatuck

Industry Summary	Supply	Demand	Leakage/Surplus ³
Retail Trade & Food-Drink	\$57,156,525	\$90,198,290	22.4
Retail Trade	\$49,310,456	\$76,786,228	21.8
Food & Drink	\$7,846,069	\$13,412,062	26.8

Source: ERSI 2004

³ Leakage/Surplus is a factor of consumer demand relative to supply ranging from total leakage 100 to total surplus -100.

The existence of several vacant or under-utilized buildings in downtown Pawcatuck presents a logical focal point for enhancing business mix or expanding housing downtown. Additionally, the upgrade and re-use of these buildings would address a negative if not blighting influence on the village made worse by their highly visible location. One very recent addition to the list is the former Shea's Office Product Building at 59 West Broad Street. The family has sold the business and has placed the building on the market for \$550,000 in March 2005. According to the former owner of Shea's there is considerable interest in the property from prospective buyers. A short description of targeted buildings follows (pictures of buildings follow chart):

Vacant Properties - Downtown

Vacant Properties Downtown Pawcatuck

Property Address	Description	Age	Building Size	Lot Size	Assessment (reval 2003)
34 West Broad	3 stories, housing over retail/office; no parking (Walton Block Building)	1922	9,431 sf	0.21 acres	\$308,300
37 West Broad	3 Stories, office over retail (former Higgins Pharmacy), parking on-site	1880	9,309 sf	0.40 acres	\$355,000
59 West Broad	One story, former Shea's Office Products Building; 15 parking space	1921	5,416 sf	0.21 acres	\$250,100
2-4 Mechanic St	1-story Office/Garage (former Fire-stone)	1920 (with additions)	3,220 sf (including garage)	0.26 acres	\$107,600
6 Mechanic St	2-stories, Office Connected to 2-4 Mechanic prop.	1870	1,892 sf	0.02 acres	\$75,000

Source: Stonington Tax Assessors Office

Vacant Properties - Downtown

2-4 Mechanic Street
6 Mechanic Street (two story building)



34 West Broad Street



37 West Broad Street



59 West Broad Street
(former Sheas Office Supply)

Of the five vacant buildings downtown only 37 West Broad Street (Former Higgins Pharmacy) is being considered for reuse, although there is active buyer interest in the former Shea's Office Product building at 59 West Broad Street which is currently on the market. Meanwhile, the current owner of 37 Broad Street obtained zoning approval for housing over retail several years ago. However, subsequent to the rezoning, there has been no formal submission of plans to the town for reuse of the property. The owners of the Walton Block and former Firestone space (2-4 Mechanic Street) have not expressed any interest to market or develop their properties despite numerous inquiries. The Walton Block property is inhibited somewhat by the lack of parking but is situated at a very strategic corner of West Broad Street overlooking the Pawcatuck River. The former Firestone building has some parking and is similarly situated at a key corner intersection of Mechanic Street and Route 1. However, reportedly there has not been any active interest on the part of the owner to lease or sell the property in years. This is not the case with the adjacent connected property (6 Mechanic Street) which has been actively marketed but with little success. Part of the issue appears to be lack of parking, constraints associated with connection with adjacent property, and physical upgrade issues linked with the building.

While it is often difficult to work with uncooperative private owners in the upgrading, development and/or marketing of their property, there are a number of options available to the community to encourage or promote the development of such properties ranging from initiating property improvement programs with low interest loans or grants providing technical services to owners (architectural, land use or market consulting).

Coggswell Street

In contrast to near term potential for realizing development or business expansion opportunities in the vacant properties noted above, the redevelopment of Coggswell Street potentially represents a longer term but more exciting strategy for expanding and enriching the Pawcatuck center. This dead end street functions as a limited access way to the Riverwalk Condominium and its parking lot and scattered commercial properties including the silver clad “Grain Mill” building. However, from a development perspective, the street and adjacent area provide one of the few opportunities for direct public access to the Pawcatuck River from the Pawcatuck side which could be the stage for creation of a well-designed mixed-use development with public space. It is noted that the seeds for this redevelopment are already in place with the planned construction of a pedestrian bridge at the end of Coggswell Street that would connect Pawcatuck with a riverwalk on the Westerly side.

As noted earlier, a number of older mills stretch along the Pawcatuck River, three of which fall within the Study Area. More in-depth analysis is provided later in this report on development opportunities for these mills. However, much like the issue of vacant properties in the downtown, the strategy for promoting desirable re-use of mills that are privately owned represents a combination of positive economics, positive public support and advocacy, and a framework for stimulating desired investment. In part the town has addressed the latter with the adoption of zoning regulations that would allow for mixed-use developments in mills located in industrial zones. This has already had a direct impact on the redevelopment of a mill outside the Study Area, the Thread Mill factory on River Road, into condominium housing (only a portion of the building is proposed for housing while the reminder is used for light-industrial purposes). Similarly, it is expected that the 18-acre mill site encompassing the former Harris Printing complex would equally benefit from this flexible zoning.

Pawcatuck Mill Properties



New condominiums planned for Thread Mill complex

IMPRESSIONS, ISSUES & OPPORTUNITIES FOR REVITALIZATION

The following impressions, issues and opportunities have been identified with the Study Area:

- The Study Area represents a mix of land uses that lack particular focus or definition. The downtown in particular seems undefined with the silver clad “Grain Mill” building functioning as its most visible element and by default an icon for Pawcatuck.
- The confluence of Route 1, Route 2 and the overhead railroad tracks establishes a “no man’s land” for both pedestrians and vehicular traffic where the rules for entering and crossing are unclear.
- The Pawcatuck River represents a powerful but yet unrealized asset for Pawcatuck revitalization.
- Notable downtown vacancies detract from a positive impression of the downtown, made worse by the small number of commercial properties in the center.
- Mechanic Street reflects a “tired” appearance; some properties in disrepair.
- The three mills in the study area are in varying degrees of use ranging from totally vacant to near full capacity. The two mills on Mechanic Street offer the greatest future challenge in terms of productive re-use in the long term but also the greatest opportunity given the amount of land and building space involved. All three mills face the Pawcatuck River, although the properties on Mechanic Street have obstructed views of the river due to river dike.
- Coggsell Street, the river and surrounding area offer an exceptional opportunity for expanding and improving the downtown. Presently it is poorly integrated into the main corridor or center and lacks connection to the river (although the latter should be improved with the construction of the Pedestrian Bridge and planned streetscape improvements)
- Downtown Pawcatuck has a number of strong anchors and businesses that effectively serve the community including several banks, CC O'Brian's, Tim Horton's, Prime Time and Bogues Alley. These can form the foundation for business expansion coupled with growing success of Westerly downtown.
- Parking seems to be adequate for the downtown with the town lot rarely full. Access to lot could use better signage. Parking could be an issue if center is more developed.
- The River Park with Gazebo adjacent to the public parking area is a pleasant amenity that could be better linked to both Pawcatuck Center and Westerly.

- The historical context of the Study Area contains a relatively well-preserved mix of 19th and early 20th Century housing, commercial and mill buildings. This is an asset that should be exploited as part of any revitalization plan.
- It is noted that the Study Area will benefit from a number of public improvement projects that include sidewalks and streetscape improvements on Route 1, lighting and brick pavers on Coggswell Street, and sidewalks, paving and decorative lights at entrance of Mechanic Street (up to 500' from West Broad Street).

Economic Development Strategies

OVERVIEW

The Town of Stonington and the Pawcatuck community should be optimistic about economic development. They should aim high in terms of the quality of development—not only for the industrial and mill sites, but in general throughout the town and neighborhood.

Pawcatuck is on the cusp of major changes in its economic base.

In the 1990s, many anticipated an economic debacle for Southeast Connecticut in the wake of cutbacks in the local defense and related sectors. Sure enough, there were many thousands of lay-offs. However, the tourism sector took off at about the same time—equally due to the development of several casinos, and the growth of the Connecticut/Rhode Island coast as an undervalued beachfront area proximate to both metro Boston and metro New York City. By 2001, when the regional economy stabilized, the defense and related sectors employed 30,000 people—down from maybe 50,000; the casinos 20,000 people—up from zero; the remaining tourism sector another 20,000 people—up from maybe 10,000; and other major employers 10,000 people—down from maybe 20,000. The net result was a slight gain in regional employment.

The main purpose of economic development in Pawcatuck should be to encourage “tax ratable” development, not job creation.

Regional unemployment is low, and lower still for Stonington. In 2002, Stonington had the second lowest unemployment rate in the southeastern Connecticut region (only Ledyard had lower). The town's unemployment rate of 2.5 percent was nearly half the state's unemployment rate of approximately 4.3 percent. Similarly, since 1993, the southeastern Connecticut region has been keeping pace with the national job growth rate (last reported at just under 1.5 percent), and exceeding the state's (last reported at just under 1.2 percent).

This is not to say that Stonington's residents will not be subject to job disruption. Close to 30 percent of town residents are employed in Groton, presumably mainly in the defense and related sectors. Cutbacks there can, however, be redressed through new jobs elsewhere. Most of the growth rate has been realized in the rural and suburban communities of the region (Ledyard and Montville in particular), excluding Stonington. Yet, the number of jobs within the town's half-hour commutershed grew substantially—not just in Connecticut, but in Rhode Island, too.

Approximately 3,000 people both live and work in Stonington, with another 7,000 residents commuting out of the town, and another 3,000 workers commuting to the town. This figure is holding steady, in the face of major decreases in Groton and New London and major increases elsewhere in the region.

The Town can afford to be selective about the type of economic development it accommodates, even as it shores up its tax base.

Stonington's commercial and industrial property accounts for something like 17 percent of its tax base—slightly higher than Connecticut's average of 15 percent, and the fifth highest out of the twenty-two municipalities in the southeastern Connecticut region. Only Groton, New London, Franklin and Norwich (in that order) have proportionally more tax ratable development. Stonington's equalized net grand list is close to \$150,000 per person, the fourth highest in the region, with only Old Lyme, Lyme and Waterford doing better. Note that Stonington is the only municipality that scores well on both counts. This means that the town's tax base is well balanced—i.e., not overly dependent on its commercial/industrial property or on its residential values.

Expenditures also appear reasonable. Stonington has approximately the same debt service as the average for all of Southeastern Connecticut's municipalities. Its expenditures are, at \$2,200 per person, slightly lower than the average of \$2,300 for the eight municipalities in the county; and even lower than the state's average of \$2,400.

These favorable statistics do not of course represent the full picture with regard to how taxes are *experienced* by Stonington's residents. While the tax burden is comparatively quite low per household, the per person tax burden is high—at \$1,800 per capita, the highest in the county, which averages \$1,600 per capita. This disparity is due to Stonington's smaller than average family sizes. Participants in the July 12th workshop were quick to point out that taxes are felt to be burdensome, especially for seniors and others with fixed or limited incomes.

Furthermore, in the absence of major new commercial and industrial development, each revaluation adds to taxpayer discontent. Throughout the northeast, residential values have soared due to the housing shortage and low mortgage interest rates, while industrial and office property values have remained the same or declined due to larger economic trends that favor the south and abroad. The higher values are with the malls and office parks, not with traditional commercial and industrial sites such as those in Pawcatuck. Things have a way of re-equalizing over the long haul; but to the consternation of residential taxpayers in the long meanwhile.

In sum, additional tax ratable development thus remains worthwhile; but the Town need not act precipitously to say yes to any form of tax ratable development. This is good news for residents concerned about their quality of life.

Exit 92 on Interstate 95 (I-95) presents the best opportunity for major economic development.

Exit 91 and especially 92 (the HI-200 Zone) along Interstate Highway 95 enjoy the visibility and accessibility required for major commercial development. As land proximate to the other I-95 exits is developed, the Exit 92 area will only gain in value, notwithstanding topographical and site access issues. Excess sewer service capacity provides Stonington's I-95 exit with offsetting advantages over other I-95 exits, as well. The Exit 93 Howard Johnson's, for example, likely failed because it pre-dated the rise in tourism in the area, not because the exit area lacks value in the long term. Most conventional forms of economic development would gravitate to highway exit sites, not the mill sites. I-95 provides the needed access to trucks, convenience to a large commutershed, and visibility to tourists and commuters needed for modern industry, offices, malls, hotels and more.

The industrial mill sites are more suited to eclectic uses that contribute to the town's quality of life and tourism sectors.

What the mill sites lack in convenience, they make up for in low expense. Unlike other mill sites in the region and nation, the Pawcatuck mills are—with one exception—still in partial or full use. They do not suffer from abandonment and thus present prohibitively expensive renovations for shoring up foundations, replacing roofs, new HVAC systems, etc.. To be sure, their conversion to new uses will be expensive—especially those sites that have environmental degradation after decades of wanton pollution. But they can even carry on under their present industrial and commercial uses.

Given their low expense, it is inviting to contemplate reuses that trade on the intrinsic character of the sites and their buildings, rather than new construction. Most of the mills front the Pawcatuck River and Pawcatuck/Westerly harbor. Most of the buildings are historic. A wide variety of spaces are available—ranging from lofts to sheds to office buildings. This variety not only invites different uses, it also invites mixed-uses on the same sites.

The mill sites can play an instrumental role in diversifying the town's economy.

The opportunities include:

- Marinas and water-dependent uses
- Idiosyncratic industrial and office uses that remain or locate here thanks to inertia and low ground lease costs
- Downtown enhancements that tie Pawcatuck further to the downtown revitalization of neighboring Westerly
- Cultural, recreational or other uses

Ten years ago, some of these uses would have seemed fanciful in a working community like Pawcatuck. But the neighborhood is located at the juncture of the increasingly affluent and desirable Westerly and Stonington communities—as Watch Hill and Stonington Borough both become premiere resort communities and spread their magic toward and across Route 1—the traditional Maginot line between second home and year-round residential areas.

These non-residential if eclectic uses contribute to the tax base, for sure. They also meet community needs, and thus bolster the residential tax base. They further tap into the growing tourism sector of the region. Most important, they contribute to the positive image of Pawcatuck, with across the board benefits for large- and small-scale private investment, as well as community pride.

Even residential reuse remains an option worthy of consideration.

As is discussed in the next section on 75 Stillman Avenue, there is unmet demand for apartments in the town and region at a price range able to compensate for the cost of new construction and rehabilitation.

Ordinarily, housing is excluded from economic development planning, as a non tax-ratable use (i.e., housing on average generates higher tax expenditures than tax revenues, since the main tax bill is for schools). But apartments do not generally accommodate families with school-age children, so much as seniors, divorcees, couples with no or pre-school age children, singles (perhaps sharing apartments), and especially seniors. These non “Ozzie and Harriet” households are a national phenomena, and the Town’s new Plan of Conservation and Development rightly calls for housing variety. Significantly, 17 percent of Stonington’s population was over 65 years of age as of 2000; this compares to 13 percent for the state.

One warning, however: By a variety of measures (eighth grade reading, writing and math mastery; SAT math and verbal scores; college-bound student ratios), Stonington consistently scores in the top five out of the twenty-two municipalities in the region. The equally or better-rated schools are in East Lyme, Ledyard, Lyme, Old Lyme and Salem—municipalities that entirely eschew multi-family housing. While apartments generally reach seniors and singles first and foremost, Stonington’s apartments would be particularly appealing to starter families. While conventional and larger families prefer conventional and larger single-family houses to apartments, there is limited legal and market ability to constrain the types of tenants accommodated.

Even so, non-family housing tied to historic preservation, recreational amenities, etc. remains a viable and desirable option for at least several of the industrial and mill sites.

TARGETED DEVELOPMENT OPPORTUNITIES

75 Stillman Avenue



Stillman Avenue Mill



Stillman Avenue Mill

Recommendation: Assure that this site contributes to the viability of the residential neighborhood of which it is a part. Provide zoning and other support to promote eventual housing reuse. In particular, be flexible about parking. Be prepared for possibility that the building will need to be demolished if not properly mothballed while awaiting redevelopment.

1. The 75 Stillman Avenue mill building is not suited to either industry or other non-residential uses. Industry generates low rents of \$3 to \$6 for such spaces—which falls well short of paying for the building's rehab and upkeep.
2. The 75 Stillman Avenue mill building is ideally suited to housing, and a worthy target for zoning changes and possible brownfield remediation subsidies. "Brownfield" remediation and rehab expenses will be quite high, and housing would generate the highest values. Zoning problems are easily dealt with from a technical point of view—perhaps through modification of the Industrial District Overlay (IDO) Zoning already under discussion for other industrial and mill sites.
3. Though untested, there is growing demand for attached and multifamily housing in Pawcatuck. Route 2 close by offers only a five-minute drive to Interstate Highway 95 (I-95), and only a fifteen-minute drive to the Foxwoods Casino. These are, respectively, the major commuter route and major new employer in the region. There is also a growing demand for affordable attached and multifamily housing generated by Stonington residents, who might be expected to turn to apartments as they grow older or their children leave home.
4. At 75 Stillman, housing redevelopment is best pursued as a small-scale rental project, combining National Register and mixed-income ("80/20") tax benefits. At 27,000 square feet, housing redevelopment would likely yield only 20 to 30 dwelling units.
5. Provided the building can be maintained properly, it is only a matter of time before a developer will undertake a housing project. That time may in fact be now.

Recommendations: Promote reuse for loft dwelling units, providing a more attractive transition and gateway to the residential and shorefront area to the south. Existing uses can maintain buildings in good repair until such time that the two main and ideally all three owners come to terms about the site's optimal redevelopment.

1. The Thread Mill provides an ideal opportunity for housing reuse. The Thread Mill seems to be spared the extraordinary rehabilitation and remediation costs associated with 75 Stillman Avenue. The two main buildings (21 Pawcatuck Avenue and 12 River Road) offer generous windows, tall ceilings, and much historic character.
2. The developer will incline toward high-priced housing, as opposed to affordable housing. One-third of the units will enjoy wonderful waterfront views. The premium paid for views increases proportionate to the disposable income of the buyers and renters. Thus, to take full advantage of the views, the developer must tap the more affluent end of the residential market.
3. The major impediment to development is the fact that the Thread Mill complex has three owners. At present, only 12 River Road (the northern four-story building) is “in play” for housing reuse. The adjoining 21 Pawcatuck Avenue (the southern four-story building) is controlled by NorthEast Marine Liquidation. The easterly 22 River Road building is owned by Norwest Marine—the marina across the street. Both NorthEast and Norwest will incorporate business disruption into their estimate of any sales value for the property.
4. Multiple ownership is even more of an impediment than might be otherwise assumed. This is not simply a question of enlarging the project. The mixed-use character and fewer amenities likely associated with a smaller project combine to drive the development toward rental and moderate-income households. Since acquisition and rehabilitation costs are relatively fixed, the lower sales and rental values jeopardize project finances.
5. If targeted to moderate-income households, the development would likely take on a more cutting edge character. The developer would likely face a choice between large, relatively unfinished lofts; or renovate for more conventional apartments.
6. To appeal to higher-income buyers and renters, a business relationship could be struck up with Norwest Marine. The ability to gain dock slippage or docking rights at Norwest Marine would, in and of itself, guarantee quick rent-up/sales and high rents/values for any housing on the Thread Mill site.
7. There is little that the Town can do to influence the outcome. Still the Town could put in place zoning that makes it clear that it will allow the housing under certain circumstances.

Thread Mill



Thread Mill

EDITOR'S NOTE:

At the time this section was written, regulations allowing for housing within mill sites were not in place. Since then, such regulation has been adopted by the town of Stonington and a proposal for housing at the Thread Mill site has been approved.

Mechanic Street Mills



100 Mechanic Street



99 Mechanic Street Office Building

Recommendations: Create a destination at the Mechanic Street Mills. Pursue artist, recreational or boat-related reuse of the 100 Mechanic Street portion of the complex as well as the 82 Mechanic Street office building. Maintain industrial uses in the remaining part of 82 Mechanic, and promote office uses in the 99 Mechanic Street building. Allow townhouse development along Prospect Street. Use flexible zoning to reconcile these uses. Upgrade the waterfront and Mechanic Street connections to downtown.

1. Housing is always an option for this site and for some of the buildings. As discussed, the housing market is growing stronger in Stonington, while the industrial market is growing more marginal.
2. The site offers several different types of housing development opportunities. Townhouse development along Prospect Street is one option. Loft conversions are just as if not more problematic as at the Thread Mill. Conventional mid-rise apartment buildings are highly risky.
3. All types of housing would benefit from a waterfront and boating theme. But this is unlikely to prove viable, due to needed approvals and the 14-foot high seawall.
4. The market for industrial space remains weak but sufficient for maintaining the complex. The average rent of around \$4.00 psf/yr for the 100 Mechanic Street property is sufficient to pay for building maintenance and heat. Also, Yardney Electric Corporation has a master lease for the entire 82 Mechanic Street portion of the Mechanic Mills complex, and thus far has absorbed the cost of maintaining vacant and underutilized space. However, the 99 Mechanic Street office building is vacant, with no prospective tenants at the present time.
5. The owners and Town should approach the Mechanic Street Mills—especially 100 Mechanic Street—as an economic development opportunity. As with the Thread Mill, the Mechanic Street Mills are being used and maintained, with no urgency to their redevelopment.
6. The focus should be on 100 Mechanic Street, perhaps expanded to take in two adjoining buildings at 82 Mechanic and also the 99 Mechanic Street office building. It is easy to re-imagine the complex organized around a plaza formed by these buildings, with 82 Mechanic Street's fence moved back behind its front office building.
7. As a fallback, 100 Mechanic Street can be marketed as a predominantly industrial complex, perhaps with a thematic mix of complementary uses. A possible theme would feature boats, with NorthEast Marine Liquidation as the anchor, and the Cottrell Brewing Company (with a luncheon eatery/bar/restaurant) as an amenity.

8. As a more ambitious scenario, the 100 Mechanic Street could be reused for recreation. This could be done on the cheap by a variety and changing roster of individual enthusiasts and entrepreneurs until stability is achieved after some time.
9. As an even more ambitious endeavor, 100 Mechanic Street could be reused for the arts, emulating the success of Dia:Beacon and MASS MoCA. As with recreation, there is an untapped demand for the arts in the region prompted by large visitor and second home populations in search of rainy day or family activities. The result would be a big boost to nearby downtown Pawcatuck—through which visitors would need to travel; as well as increased property values and an improved image for the community and town.
10. Significant interventions would be needed to pursue the arts idea at 100 Mechanic. It could start simply, such as giving away space to Westerly artists at cost; painting murals; etc.. The next step would be to recruit a major arts organization or alliance with, for example, RISD in Providence. Such a two-state approach would require a bit of brokering, not only between the institutions and property owners, but also between the State governments. To make this work, it would be necessary to elevate the importance of the project to be about tying the 100 Mechanic Street project to an arts strategy for Pawcatuck/Westerly in general, and turning the Connecticut/Rhode Island coast into even more of a destination.

Grain Elevator



Grain Elevator

Recommendations: Integrate the Grain Elevator into a larger vision for expanding downtown Pawcatuck and tying it more closely to the revitalization effort in adjoining downtown Westerly. This effort would feature the river and historic preservation as the key physical features, and arts and restaurants as the key marketing features. The Grain Elevator would have retail on the ground floor, arts and artisan uses on the upper floors, and shared parking facing a new loop road.

1. The Grain Elevator Building is not in need of rescuing. All of the accessible and conventional spaces in the building appear occupied, and the entire building is sprinklered.
2. The Grain Elevator Building can, instead, be an asset to downtown Pawcatuck. Boosters have declared adjoining Westerly, Rhode Island's second arts center, after Providence of course. The Grain Elevator is the only large building in downtown Pawcatuck that lends itself to arts, artisans, antiques, etc..
3. This reuse program at the Grain Elevator can be realized incrementally. The building's owner could be encouraged to market the building to Westerly-headed artists and arts-related businesses.
4. The upgrade of the Grain Elevator can be tied to a larger strategy to draw customers to its back area of downtown Pawcatuck. This strategy starts with a new loop road, extending the present curving cul-de-sac Coggsell Street, off of West Broad Street (Route 1).
5. The two-town "Riverwalk" is an equal part of the strategy of integrating the Coggsell Street area into downtown Pawcatuck and downtown Westerly. It is easy to imagine Riverwalk being used by shoppers to go from one town to the other. The Riverwalk invites galleries and stores to open up rear entries, and for restaurants to have riverside dining.
6. Pursue new development within the Coggsell loop. Additional in-fill development would create more of a Main Street ambiance along Coggsell. The Town should not allow structures between the new Coggsell loop and the river, as they would privatize the riverfront.
7. Make the proposals for the Grain Elevator Building, Coggsell Street area and Riverwalk part of a joint specialty shopping strategy for downtown Pawcatuck/Westerly. Downtown Westerly would need to double in size to be a destination. Expanding to the south, east and north are unlikely to contribute to the sense of a tight, pedestrian-friendly downtown. Expanding along the river and into Pawcatuck would work, however.

8. The partnership between the Town of Stonington and Town of Westerly needs to be strengthened for the two-downtown strategy to succeed. The two Towns have joined forces for marketing and the Riverwalk. Additional cooperation could include shared parking; gateway improvements; celebration of the bridge across the Pawcatuck Bridge; mutual employment of a sales-tax-free zone for art; institution of a joint Special Services District (SSD)/Business Improvement District (BID); and mutual lobbying with the two State governments.

Urban Design Strategies

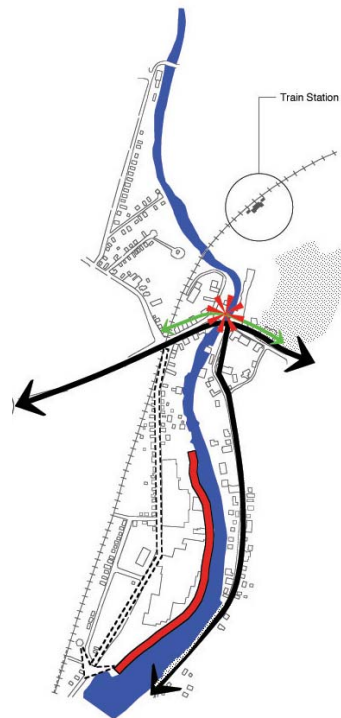
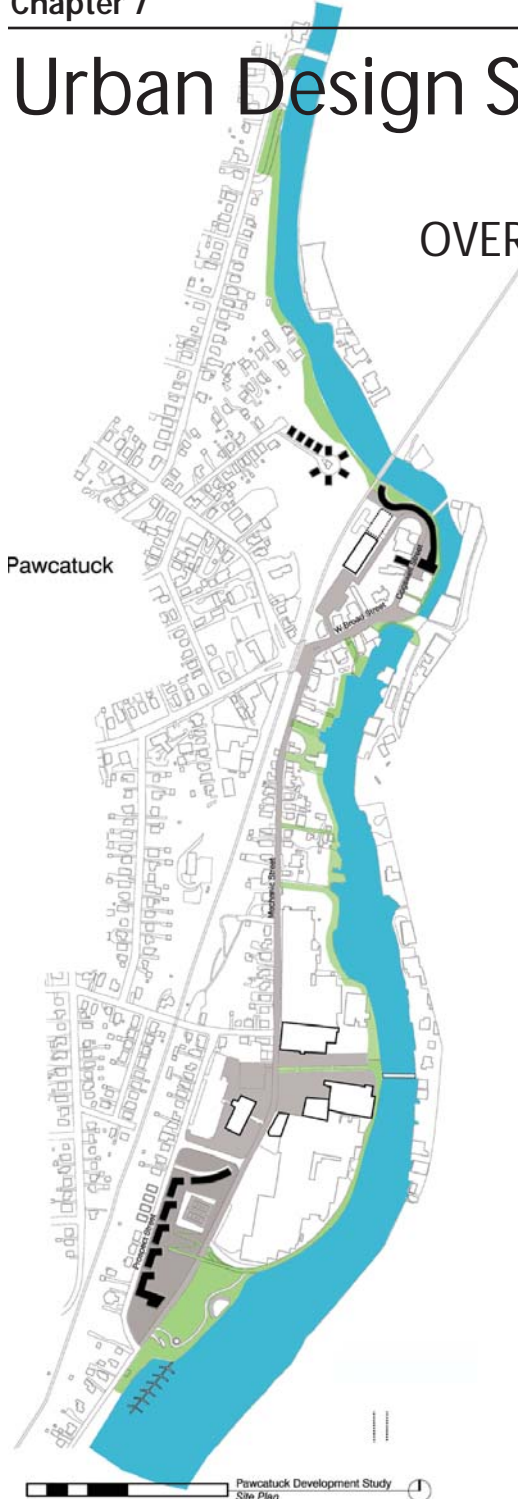
OVERVIEW

The study area under consideration has the potential to develop along the same lines that are shaping the revitalization of town centers small and large across the country in recent years – as a series of closely linked, thoroughly walkable, lively and attractive downtown neighborhoods. Indeed, most of the study area falls within a ¼ mile radius of the “epicenter” of the region, the West Broad Street/Route 1 bridge.

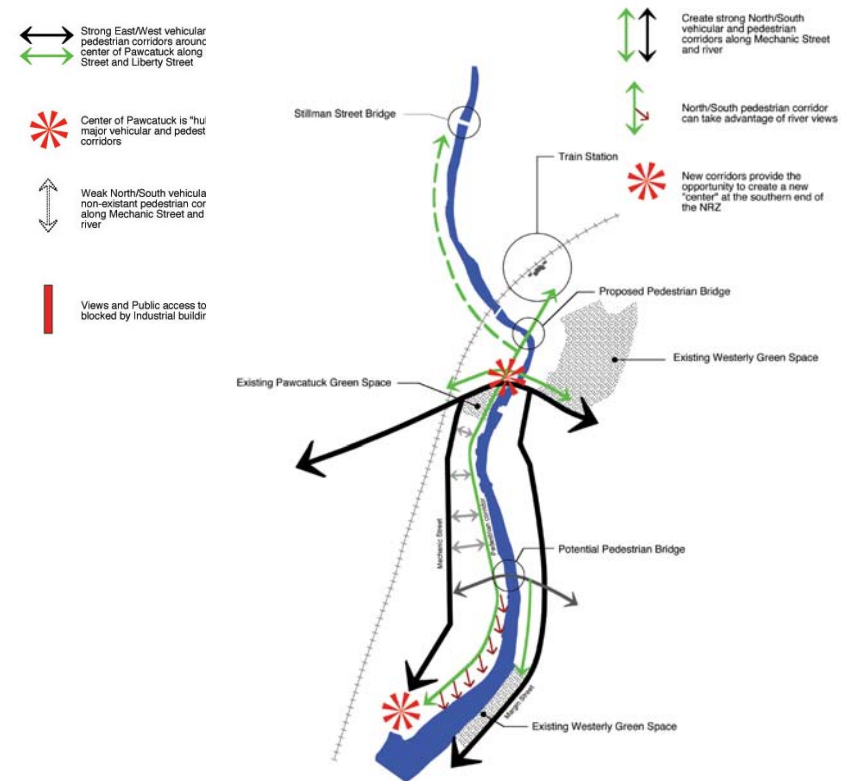
The center of Pawcatuck, both in terms of physical structure and patterns of use, is thoroughly implicated with its neighboring community of Westerly, Rhode Island. Our assumption is that Downtown Westerly, with its public institutions, commercial activity, attractive open space and the Amtrak Station, will remain the dominant center, while Downtown Pawcatuck will remain, in most respects, an extension of the larger center to the east. The current bridge connection along West Broad Street is already virtually seamless, and our proposals suggest that the Pawcatuck River should, with future river-oriented development, become more of a shared center, rather than a dividing edge.

Pawcatuck

Westerly



Pawcatuck Development Study
Existing Connections



Pawcatuck Development Study
Links

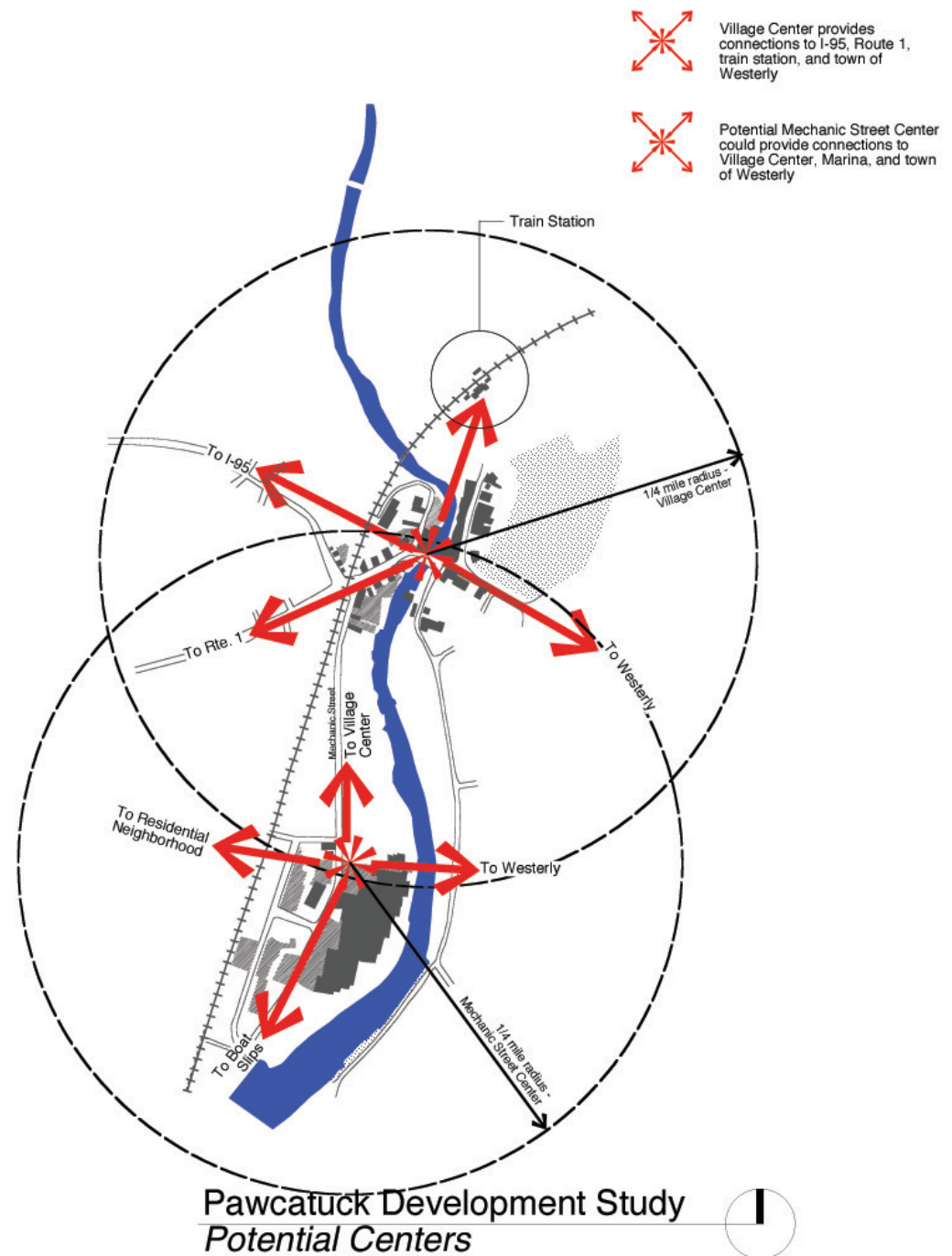
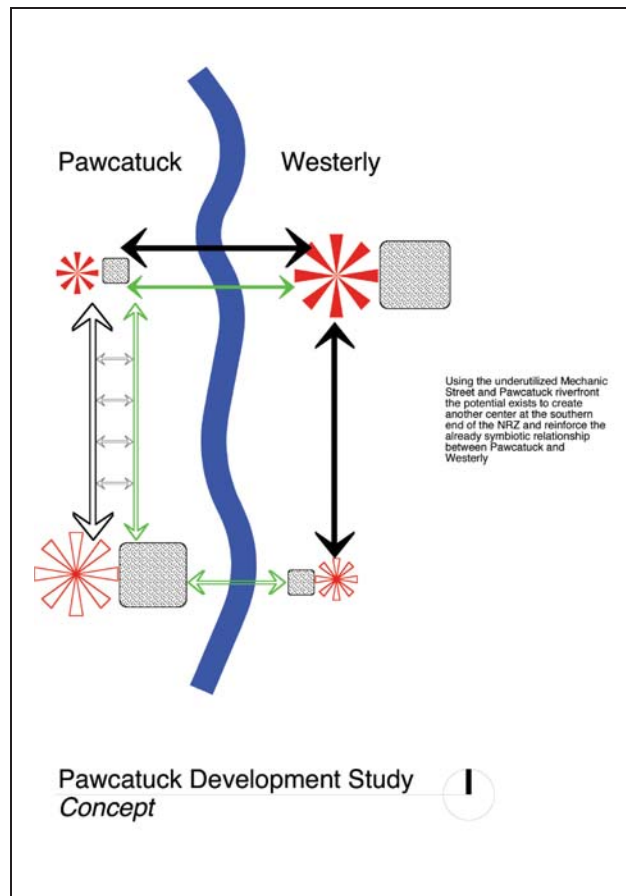
In fact, Downtown Pawcatuck already has more of a river orientation than Westerly, with recent restaurant development, the new Riverwalk Condominiums on Coggswell Street, and the proposed pedestrian bridge. We propose building on this river-oriented development strategy wherever possible, combined with commercial infill and revitalization, restructured parking and streetscape improvements to consolidate Downtown Pawcatuck's role as both a commercial extension of Westerly's larger commercial district, but also as an attractive residential option for downtown living close to all the amenities the two towns offer, as well as the Amtrak Station.



Downtown Pawcatuck Riverwalk



Riverwalk Condominiums



At the same time, there is a significant opportunity to develop a new mixed-use center down river in Pawcatuck, through the redevelopment of the Mechanic Street neighborhood and especially its underutilized industrial properties. This new center, within walking distance of the existing downtown areas and residential neighborhoods, and with a potential pedestrian bridge link of its own to Westerly, would then form a major node in a pedestrian loop linking the two downtowns and their down-river extensions in a single lively and attractive riverfront community. The potential for new development in the Mechanic Street area is in fact great enough to create a different kind of center for Pawcatuck that begins to balance the bi-state equation. This is particularly true if new development of the Mechanic Street sites can include and support a significant new riverfront public open space that might become a draw for the entire area, complementing Westerly's more traditional downtown "green" that is Wilcox Park.

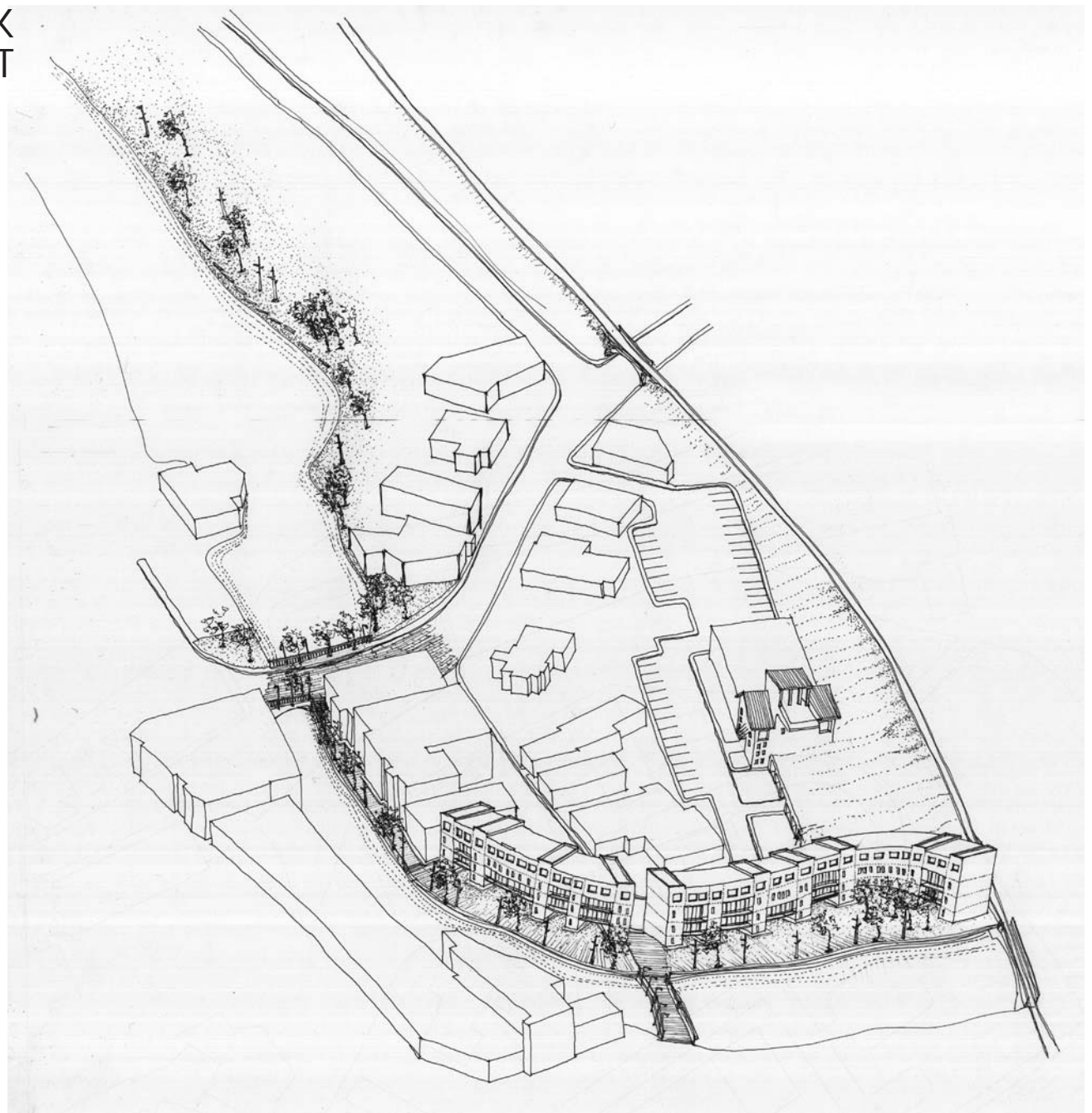


Continuing the theme of the river as the structural spine of the two towns and a focus for new development, there would be opportunities in Pawcatuck for infill residential development extending the existing Liberty Street and Stillman Avenue neighborhood to the river and linking to the historic mill building at 75 Stillman Avenue, which is also proposed for redevelopment.

It is therefore important, as we consider more detailed proposals for specific sites below, to keep in mind the overall urban structure as outlined above and represented in the analytic diagrams. While each of these sites – Downtown Pawcatuck, Mechanic Street and Stillman Avenue – has independent development potential, they will be far more attractive, sustainable, and supportive of the overall development of the town, if they are seen as part of this larger structure and, in particular, as part of a lively, pedestrian-friendly, and river-oriented community.



DOWNTOWN PAWCATUCK COGGSWELL STREET

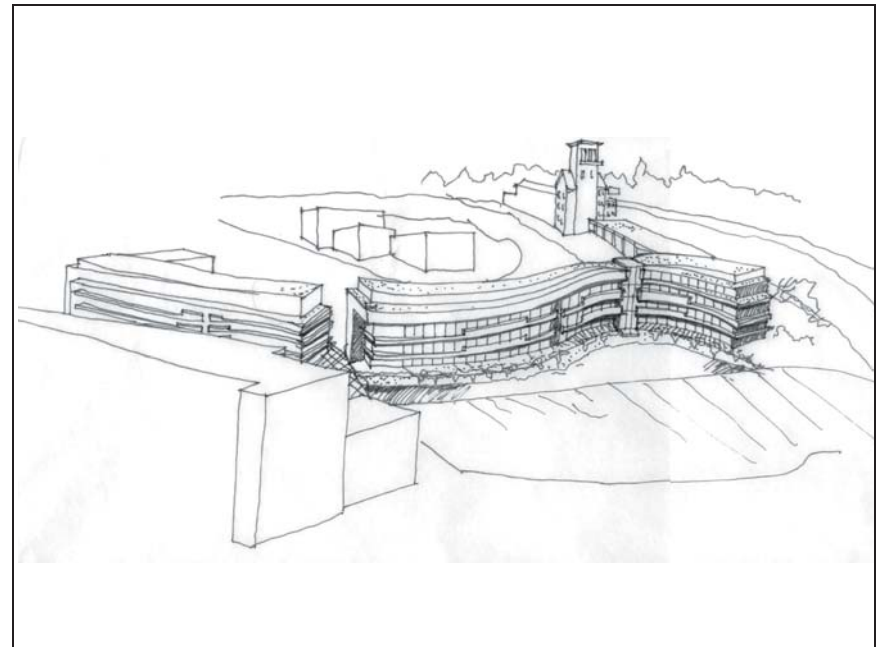
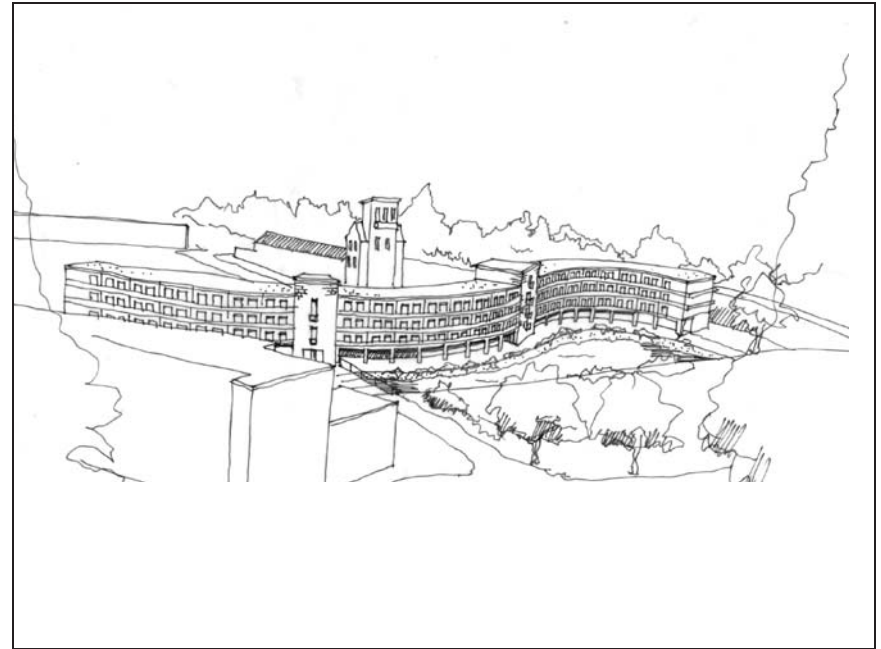


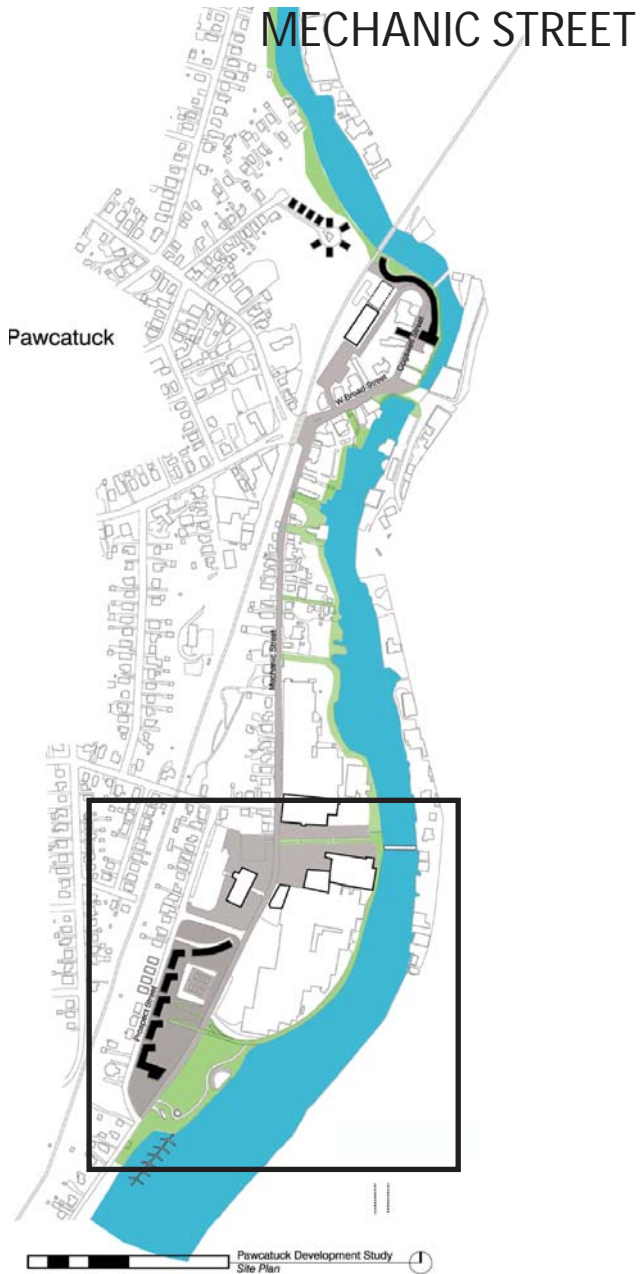
The primary opportunity site for Downtown Pawcatuck is the block north of West Broad Street, to which Coggswell Street provides the primary access (this will be referred to as the Coggswell Street Block). This block currently includes a somewhat uncoordinated mix of uses, small individual parking areas with separate driveway access, storefront commercial facing West Broad Street with some vacancies and underutilized upper floors, the grain elevator and its undeveloped adjacent property, as well as new river-oriented development and some undeveloped riverfront sites.

Coggswell Street itself is currently an awkward and unsightly dead end, but the Town of Stonington has proposed to continue Coggswell as a loop rejoining West Broad Street to the west of the current intersection. We have incorporated and developed this proposal, using the loop to provide access to restructured and shared parking, connecting and partially merging current individual lots behind the West Broad Street properties, utilizing land adjacent to the grain elevator for new parking, and even exploring the possibility of decked parking that would take advantage of the topography of the site and the berm of the elevated railroad tracks to largely hide such a structure.

Along with the Coggswell Street loop, the proposed pedestrian bridge connecting Pawcatuck and Westerly provide a framework and impetus for new development and the revitalization of existing properties. This could include new infill development, exterior and interior improvements to the grain elevator and its site including landscaping and lighting, as well as the possibility of a significant amount of new residential development, extending the existing condominium development on Coggswell Street north and west along the river.

We have proposed several versions of a crescent shaped 2-4 story riverfront development, all of which would highlight and provide access to the proposed pedestrian bridge, to public open space along the river linking to the proposed Riverwalk, and to shared parking distributed throughout the site and along Coggswell Street. The enhancement and extension of river access is crucial here, since – as has already been noted – continuous access to shared river frontage is not only a major theme for this revitalization project as a whole, it also strengthens the symbiotic relationship with Westerly and its lively, arts-oriented downtown. Easy pedestrian access to and from Downtown Westerly and the Amtrak Station, reinforces the important idea of a walkable center with a good mix of commercial, arts and residential uses. It also means that parking can be shared within a wider area, putting more pedestrians and potential customers on the streets. More than anything else, these improvements will help to stimulate the revitalization of currently underperforming downtown properties.





The revitalization of Mechanic Street is a critical part of the overall urban design strategy to link significant opportunity sites in the center of Pawcatuck. Mechanic Street should be seen as a natural extension of West Broad Street south along the river, since the westward extension of West Broad Street is partially obstructed, for the pedestrian, by the railroad overpass and the large, busy intersection which it crosses. This also forms a natural gateway into the Downtown area, of which Mechanic Street then forms a part, especially insofar as this strategy proposes a primary relationship to the river as the framework for new development.

The principal current problems for the northern section of Mechanic Street, between West Broad Street and the mills, are mainly cosmetic. That is to say, a coordinated program of streetscape improvements, along with façade and front yard improvements for individual properties, will go a long way towards increasing the appearance and functionality of the street. Pedestrian-oriented lighting, signage and landscaping – the last of which can be denser along the west side of the street since there are no commercial frontages to obstruct – will give the street a more distinctive identity and comfortable environment. Frequent links to the Riverwalk along the east side of the street, wherever the opportunity presents itself, will firmly link Mechanic Street to the river all along its length, while allowing it to serve as a detour for those parts of the Riverwalk which may initially be blocked by current uses.

Most importantly, the improvement of Mechanic Street will help to reintegrate the Mechanic Street Mills, which form the largest available opportunity site within the central area of Pawcatuck, with the downtown for both pedestrian and vehicular access.



The mill buildings at 82 and 100 Mechanic Street, along with the office building at 99 Mechanic Street and adjacent parking lots, form a large and complex development opportunity, made even more complex by the multi-level topography, including the flood wall restricting river access, and the fact that most of the buildings, with the notable exception of 99 Mechanic Street, are partially and productively occupied at the moment. Various scenarios for development and marketing are covered in more detail in the preceding section of this report, and here we will focus on urban design issues and opportunities.

There are several major opportunities for new development which could contribute to the consolidation and revitalization of this area, each with its own challenges:

- The upper parking lots with their extensive frontage along Prospect Street and their elevated position affording the opportunity for significant river views
- The large area at the southern end of the 100 Mechanic Street property, which is also elevated and, when cleared of brush and trash, would have a spectacular relationship to the river
- The Mechanic Street frontage of these properties, which currently consists mainly of unplanned, underused parking areas surrounded by chain link fences

While the individual redevelopment of these properties, along with strategies for the re-use of the existing buildings, could certainly contribute to the revitalization of the area and the economic development of Downtown Pawcatuck, we strongly recommend that redevelopment proceed – even if over a fairly extended period of time – according to a coordinated master plan of the sort sketched here, with particular attention given to pedestrian linkages between the sites, opportunities for shared parking and open space, a coordinated program of landscaping and streetscape, and the provision of public amenities, especially the Riverwalk and additional open space in relation to the river. This sort of planning will ensure that new investments support each other, as well as the particular project under consideration, and, most importantly, support the overall goals of Downtown Pawcatuck.

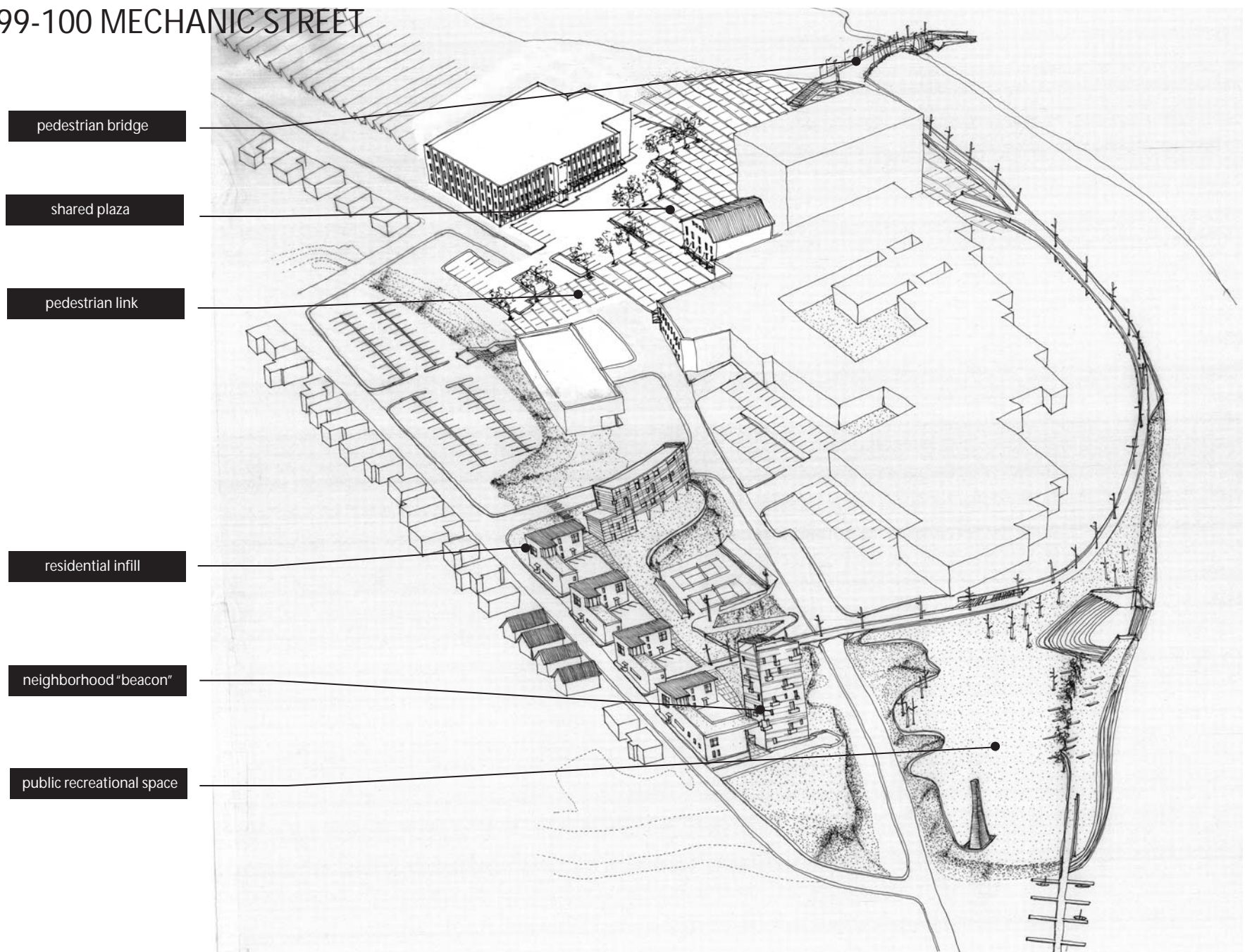
MECHANIC STREET MILLS



82 Mechanic Street: Yardney Technical Products
This property, currently occupied by a defense-related battery manufacturer, is now on the market.



99-100 MECHANIC STREET



Any development of the upper parking lots along Prospect Street – most likely to be mainly residential in character, as described above – must simultaneously respect and enhance the existing residential neighborhood along Prospect Street as well as engaging and taking advantage of the linkage to Mechanic Street and views of the River. We have considered alternative schematic designs and think that there are several options which range in density and scale from single-family or two-family houses, similar in scale to existing Prospect Street development, to larger multi-family buildings. With appropriate attention to site planning and architectural design, any – or a mix of – these options could be successfully developed – at least from a design point of view. A taller building – again, appropriately sited and designed – could even become a signature or “beacon” element of a redeveloped district, providing views and being seen from a greater distance, like the grain elevator building in the central area.

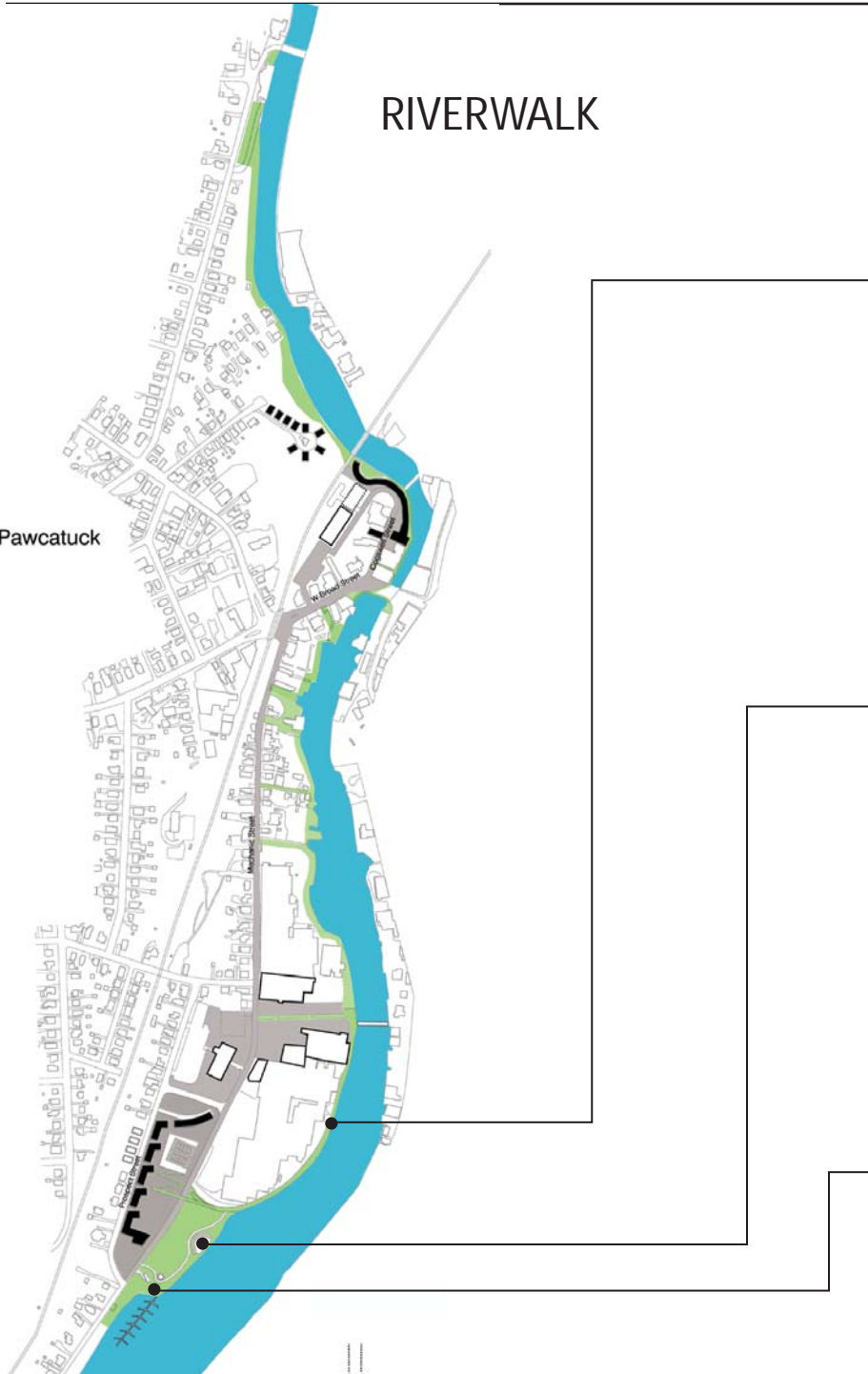
Since the upper parking lots are at an elevation roughly the same as the top of the flood wall and the large vacant lot at the southern end of the site, a pedestrian bridge over Mechanic Street could link Prospect Street directly to the Riverwalk, as well as to a potential new public recreational space on the southern lot overlooking the river. Since this site may have serious environmental issues, a development strategy which does not require significant excavation may prove to be the most practical. Partial capping might provide surfaces for active recreation, along with landscaping the rest of the site to maximize river views. The position of this site, as the southern anchor element in the downtown urban design framework, with wonderful views down the river, and still a walkable distance from the centers of both Pawcatuck and Westerly, means that it could become the Pawcatuck complement to Westerly’s Wilcox Park, different in character, but a magnet for public life and special events for the entire community, as well as enhancing the local redevelopment of the Mechanic Street Mills area.

Finally, we propose that the redevelopment of mills themselves and the office buildings over time – with whatever mix of industrial, commercial, recreational or arts-related uses – be anchored and represented by the creation of a shared plaza in the space between the currently vacant office building at the southern end of the 82 Mechanic Street property and the northern buildings of the 100 Mechanic Street complex. Existing parking would be reconfigured and relocated, providing room for an attractive paved and landscaped entry court for the entire area. This plaza would be linked across Mechanic Street, using paved crosswalks and lighting, to the 99 Mechanic Street office building site, including that building in the composition as well, and linked with landscaped walkways, stairs and/or ramps to the Riverwalk atop the flood wall along the eastern edge of the site. At this point, an additional pedestrian bridge across the river to Westerly would complete the large loop anchored at the north by the Coggswell Street development with its new pedestrian bridge. The entire area, then, of Downtown Pawcatuck and Downtown Westerly could be seen and used as one integrated experience, all of it focused on the shared center of the river.



RIVERWALK

Pawcatuck



Precedent Study:
Charles River Esplanade
Boston, MA



Precedent Study:
Swarthmore College
Amphitheater
Swarthmore, PA



Precedent Study:
Charles River Park
Cambridge, MA

It should be obvious by now that the Riverwalk, which literally weaves its way through all of these proposals, is crucial to the identity and continuity of the revitalization strategy. It will take some ingenuity, along with some detours and considerable patience, to realize the full length of the walk from the Coggswell Street pedestrian bridge in the north to the southern end of the Mechanic Street properties to the south – not to mention the parallel frontage along the Westerly side of the river, but the contribution this would make to the distinctive identity of this place is well worth the effort. Developments of this sort in other places have proven to be magnets for visitors and for new commercial and residential development of the most attractive kind. Linking existing open spaces and businesses also enhance existing assets as well.

Wherever possible, frequent links and views to and from parallel streets should be provided for easy access, but also to bypass those current uses – such as a few along Mechanic Street – which preclude direct public river frontage at the moment. The flood wall presents a special challenge, but also an opportunity, and would require an attractively designed walkway with decking, railing, and lighting, as well as access by both stairs and ramps. All the elements of the Riverwalk should be part of a coordinated design, establishing a unified vocabulary that could then be deployed over time, as the opportunity arises to bring pieces of the Riverwalk online.

Implementation & Action Items

Most of the redevelopment proposals in this report hinge on private investment (the arts-related reuse of the 100 Mechanic Street is the exception). The days of the Urban Development Action Grant (UDAG) and other forms of direct public funding are largely over and past. The role of government (and civic and community-based organizations) is largely to identify the inducements to private investment.

Four such inducements are discussed at throughout this report: (1) zoning and regulatory actions, (2) access and other capital investments, (3) special tax treatment, and (4) capacity building. All four are discussed below, in a way that integrates the specific strategies discussed for each building and site.

1. The Town should carry out the zoning reforms along the lines now being contemplated in the new IHOZ legislation.

EDITOR'S NOTE:

Following the initial draft of this report in Summer 2004, the town of Stonington adopted the "IHOZ" regulation.

The Town Planner (Jason Vincent) and its consultant (Planimetrics) have already drafted "Industrial Heritage Overlay Zone" legislation. This zoning is apparently modeled on "Planned Development District" zoning that is gaining favor nationally. It requires careful planning to assure (to quote the Plan of Conservation and Development) "allow development flexibility, while respecting the architectural and historic integrity of the mill sites. ...[and] assure compatibility of a broad mix of uses and avoid conflicts arising from noise, vibration, odors, parking and other impacts."

The IHOZ would function as a zoning overlay. This means that the underlying industrial zoning would remain. But leniency as to density, parking requirements, use, etc. would be provided, after a full vetting through a public planning process, and in connection with historic preservation and other public benefits. These benefits might include waterfront access and trails, community space, etc.

The alternative would involve highly complicated as-of-right rules.

Responsibility: Subsequent to writing this report the Town of Stonington adopted the "IHOZ" regulation.

2. The Town should establish Village Districts, as also proposed in the Plan of Conservation and Development.

Village Districts are a relatively new tool in the State of Connecticut. They are akin to historic districts, in that they involve greater review or regulation of design features such as scale, facades, signage, etc.

Two Village Districts are likely in order. The first is for downtown Pawcatuck. The Village District guidelines should be crafted to dovetail with similar set of regulations for downtown Westerly. The regulations should promote historic preservation, contextual infill development, and ground floor stores and storefronts (replete with awnings, ample front glass, etc.).

The second Village District should be along Mechanic Street and on to River Street. These regulations should focus on the streetscape—e.g., historic restoration, contextual in-fill development (in terms of building orientation, size, bulk, and roof lines). They should also focus on a realistic plan to provide as much continuous pedestrian access along the river as possible, without jeopardizing private investment in homes and businesses.

Responsibility: Town is setting schedule & identifying resources for this task involving three centers in Stonington inclusive of Pawcatuck. PRO, Pawcatuck community needs to maintain close contact with town staff on process, timing and participation.

3. The Town should provide incentives for public and shared parking in downtown Pawcatuck.

Zoning could allow Payments in Lieu of Parking (PILOPs), offsite parking, etc.. It could allow multi-use only in connection with shared or public parking. If possible, the shared and offsite parking rules for downtown Pawcatuck should be the same as for downtown Stonington, and allow offsite parking in the other State.

Responsibility: : This task should be incorporated into the creation of the Village District which will be undertaken by Town but should have active participation from the Pawcatuck community.

4. The Town should seek County and State funding and support for access improvements.

Several roadway and trail improvements are put forward. The first and most important is State support for the Riverwalk and its extensions. This includes the pedestrian bridge across the Pawcatuck River north of West Broad Street.

The second is the upgrade of Coggswell Street as a one-way loop providing easy, recognized, and safe circulation within downtown Pawcatuck—for pedestrians as well as vehicles.

The third is to upgrade Mechanic Street as a corridor leading down to not only 100 Mechanic Street—which is slated for mixed-use and perhaps arts-related development; but also to the Thread Mill and attractive residential area to its south.

Fourth and related, the State should grapple yet again with the problematic intersection of Mechanic Street and Route 1 (West Broad Street), beneath the rail line, proximate to the southern terminus of Route 2. Current roadway improvements are well conceived. More adventurous options could include a roundabout, or additional access via streets parallel to Mechanic.

Responsibility: Strong PRO advocacy

Riverwalk – Two-state process is on-going and includes Pedestrian Bridge. Despite some delays and complications it appears to be moving forward. However, will need to be monitored and possibly need local community support (PRO) to keep it on track.

Coggswell Street – PRO needs to approach town, state legislators on funding for design and improvements that could include a loop road. DECD (STEP funds), State bonding are possible sources but will require extensive lobbying to acquire. Town could be helpful in acquiring estimates on funding needs for design needed.

Mechanic Street upgrade – Some upgrade of Mechanic St is being provided through CDBG funding (500' in from Broad Street). PRO needs to approach the town with request to expand improvements as far as Thread Mill. This would be a long term improvement project that could be incorporated into town's Capitol Improvement Plan. Improvement funding could also be combined with request for Coggswell St.

West Broad/Liberty St intersection- Seek funding for study on options and their impact for reconfiguration or signals for this intersection. Need to work with regional COG on getting priority for any state or federal funding. Given these are state roads, State DOT will be heavily involved.

5. A series of low-cost, high-impact investments should be made in downtown Pawcatuck's physical plant.

At the risk of redundancy: Riverwalk is the most important.

Additional investments include:

- Pedestrian scaled lighting and street trees along Coggswell Street, in addition to pedestrian scaled lighting, traffic calming, landscaping and sidewalk enhancements in the rest of downtown.
- Façade and storefront upgrades in downtown Pawcatuck. Free technical assistance is preferred to grants. Usually, it is sufficient to provide awnings, repaint, and remove inappropriate signage or siding. The low cost of these improvements and the small amounts of money typically available through grant programs is counter to the high transaction cost of securing the grants. These transaction costs include government approval of the improvements, going to bid, filling out forms, attending meetings, etc.
- Small grants for residential property. These should focus on tree planting, removing blacktop, providing sidewalks, offloading the cost of paint, and building fencing.

These are modest cost items, most likely secured through the federal Community Development Block Grant program (CDBG) or, as to be discussed, a Special Services District.

Responsibility – PRO advocacy; Town of Stonington

Streetscape & Traffic Calming – The town has \$2 million from federal sources (TEA-21) to improve sidewalks on Route 1 to the High School, and provide streetscape improvements from the River to Lester St (plants, lighting, etc.). In addition, there is \$500,000 in CDBG funds to provide some streetscape improvements for Coggswell and Mechanic Street (500'). Additional funding as noted above is needed to expand improvements to incorporate all of Coggswell and Mechanic Street to Thread Mill.

Façade & Storefront Program – PRO should solicit a small grant from CEDF or local sources to undertake a review of alternatives, funding requirements, successes and failures of Façade programs and provide recommended approach for Pawcatuck. Recommendation should include how program should be funded and administrated.

Residential Improvements – PRO should advocate for funding that would be available for residential properties. These should be small grants (particularly if CDBG is used) but could stimulate additional private investment. PRO needs to actively market program in newsletter or other informational forums.

Special Incentives – Concurrent with the establishing of Village Districts, consideration should be given to looking at local tax incentives for making improvements (façade, landscaping, historic preservation, etc.). An analysis of the legal framework for such incentives should be undertaken and possible program designed for implementation. PRO would use this as tool for marketing re-investment in the Study Area.

6. The Town should consider going forward with the suggested Neighborhood Revitalization Zone (NRZ) for the mills and downtown Pawcatuck.

Under State enabling legislation, NRZs can be formed to promote neighborhood revitalization. Broad powers are provided. Rent can be escrowed until landlords fix up their property (one way of handling the trend toward "hotbedding"). Property can be condemned for redevelopment, without the need for Urban Renewal designation. Special waivers are allowed for local and State rules and regulations.

Equally important, the NRZ legislation contemplates planning by the community. Thus opportunity is provided not only for community buy-in, but also community leadership. The Pawcatuck Revitalization Organization (PRO) is the logical entity to carry out the planning, in cooperation with the Stonington Economic Development Commission (EDC). PRO—perhaps joined by EDC—is the logical entity to evolve into the board of directors for a community development corporation (CDC) focusing on the NRZ.

NRZ legislation would provide the legal underpinning for special incentives.

Specifically, in our interviews, Planimetrics came up with the idea to waive State taxes in connection with the sale of art in downtown Pawcatuck and/or 100 Mechanic Street. This would be a significant inducement to the arts concept.

Other incentives could be enacted for façade, landscaping, parking lot, and historic preservation—provided that they go through a review process for consistency with the letter and spirit of the Plan of Conservation and Development and other official Town plans.

Responsibility – PRO

The creation of an NRZ is a neighborhood based plan that begins with the formation of steering committee which develops a plan (that meets the guidelines of the state) which is approved by the municipality and ultimately accepted by the state. Guidelines for establishing an NRZ are available on-line at state OPM web page. This revitalization study can serve as a core element of the Strategic Plan but does not supplant it. CEDF is a good resource for identifying additional technical assistance for completing plan and organizing/facilitating community involvement. Consideration should be given to expanding borders of NRZ beyond the present Study Area.

An alternative to the creation of an NRZ is going directly to the establishment of a Community Development Corporation which would be responsible for implementation of revitalization plan or initiatives for the Pawcatuck area. While this approach lacks the broad-based community planning and many of the tools linked with an NRZ, it offers the advantage of being relatively easy to create while establishing a legal mechanism for the community to undertake projects or initiatives in support of Pawcatuck revitalization.

7. In addition to a NRZ designation and/or CDC formation, the Town should explore a Special Services District for downtown Pawcatuck.

A Special Service District (SSD) is the same thing as a Business Improvement District (BID)—as it is called in most states. Property owners and, in Connecticut, tenants vote on whether or not to enact the SSD. The municipality must also approve. If carried out, a small levy (typically 2 percent of real estate taxes) is added at the same time as real estate taxes, but dedicated to a privately run, non-profit corporation controlled by the property owners and businesses themselves. Residential property is usually exempted. The money must be spent in accordance with a plan. It is usually dedicated to marketing, sanitation, or other such basics. The funds cannot be used to underwrite bonds, so the capital improvement projects are usually minor and short-term.

Downtown Pawcatuck is, frankly, too small to support a SSD. It simply does not have the total assessment needed to support an organization.

This liability can be offset. The SSD could be tied to the CDC or another BID implemented for downtown Westerly. Thus, the SSD would supplement rather than stand-alone.

Responsibility – PRO, Joint Downtown Task Force or similar entity representing interests of both downtowns.

Any Joint Special Tax District would require both Westerly and Pawcatuck to be included. A jointly funded study should be made of the benefits and feasibility of undertaking a SSD for the two town centers.

8. Additional two-Town and two-State cooperation should be pursued.

Stonington's and Westerly's Town Planners already meet regularly; civic leaders from both sides of the river are actively working together on the Pawcatuck Riverwalk; and the business communities for both downtowns already cooperate on joint marketing.

On a more formal basis, this plan recommends dovetailing zoning regulations and business incentives; and sharing SSD and BID staff and facilities.

On a more exciting basis, this economic development strategy suggests a major two-State effort to promote arts-related tourism and image making in the joint downtown and at 100 Mechanic Street. The basic concept is that the State of Connecticut focus on the physical improvements to make this project work; while the State of Rhode Island focus on the cultural institution(s) that might locate at 100 Mechanic Street – starting with but not limited to RISD.

There are a fundraising and promotional advantages to this strategy. The union of the two states on one strategy is bound to be highly appealing to federal and other out-of-state funders. One can easily imagine how a publicist would proceed: gubernatorial handshakes on the bridge, joint fireworks at ribbon cuttings, boat parades in the river.

9. Develop Strategies for Vacant Properties

PRO could identify resources for engaging a consultant to develop options and development scenarios (including budgets) for targeted properties in the Study Area under private ownership. In cases where cooperation from the property owner is provided, the consultant can assist in generating plans that could be implemented. Where such cooperation is not forthcoming, the plan would be available to solicit possible interest from an outside investor

Responsibility - PRO with technical assistance.

10. Strengthen Pawcatuck Business Community

The formation of the NRZ or CDC provides an excellent opportunity to strengthen the Pawcatuck business community through formation of an ad-hoc group with responsibilities to carry out initiatives affecting their business. Close and active participation with Joint Downtown Task Force, joint Westerly-Pawcatuck counterpart, is required. However, this would provide a forum for businesses in Pawcatuck to address their particular needs.

Responsibility- PRO

11. Design Recommendations

- As part of a Downtown Pawcatuck Village District, the Town and PRO should establish design guidelines for inclusion of the Riverwalk and access to the river in any new riverfront development, public or private. These guidelines should include specifications for the walkway itself, as well as lighting, signage, landscaping and all aspects of the project.
- The Downtown Village District should provide for design review of any new project within the designated area to evaluate compatibility with, and contribution to the overall goals for this area.
- The Town and PRO should work with Downtown property owners to develop a master plan for the Coggswell Street area, including appropriate design guidelines, streetscape elements, and a plan for shared parking.
- The Town and PRO should work with Mechanic Street property owners to implement a coordinated program of streetscape, façade and front yard improvements.
- The Town and PRO should work with the current owners and potential developers of the 82, 99, and 100 Mechanic Street sites to develop and implement the design recommendation of this study, including a new plaza linking all of these properties, the Riverwalk along the flood wall, a public park at the southern end of the site, and appropriate new residential development along Prospect Street and the upper parking lot area.

Economic Development Property Analysis

75 Stillman Avenue

Recommendation: *Assure that this historic mill building and site contributes to the viability of the residential neighborhood of which it is a part. Provide zoning and other support to promote eventual housing reuse. In particular, be flexible about parking. Be prepared for possibility that the building will need to be demolished if not properly mothballed while awaiting redevelopment.*

Characteristics:

Size:	27,000 square feet on 1.15 acres
Height:	Three stories
Unique Features:	Steep slope to river, sprinklered
Original Use:	Mill (1848)
Current use:	Vacant
Appraised value:	\$160,000 (\$70,000 land + \$90,000 building)
Owner:	Pawcatuck Realty Corporation (since 1960)

The 75 Stillman Avenue mill building is not suited to either industry or other non-residential uses.

The 75 Stillman Avenue site has good access for trucks and workers—due to its proximity to Route 2, only a few minutes south of Exit 92 on Interstate 95 (I-95)—one of the main routes for trucks and commuters between Boston and New York City. But the multi-story interior spaces are obsolescent for modern-time warehousing and industry. The loading and parking areas are woefully inadequate. The site is hemmed in by a road and the river—which means that expansion is impossible. Most important, industry generally generates low rents of \$3 to \$6 for such spaces—which falls well short of paying for the building's rehab and upkeep let alone any remediation of the reportedly enormous clean-up costs associated with the building and site.

The building could be considered for more creative uses (such as those discussed later for other sites). These uses might include craft/arts lofts or professional offices. But these uses also generate too low rents to pay for substantial rehabilitation that, to properly outfit the building, would likely top \$100 per square foot.

The 75 Stillman Avenue mill building is ideally suited to housing, and a worthy target for zoning changes and possible brownfield remediation subsidies.

The handsome, brick building is historic in character, and offers ample windows and the right dimensions for double-loaded corridors with apartments on both sides. The site is surrounded by housing and faces attractive part of the Pawcatuck River, both of which amplifies the building's marketability for housing. While parking appears limited, the Town Planner for Stonington (Jason Vincent) reports that in fact there are a sufficient number of parking spaces for the housing.

The rehabilitation costs will likely be equal to the cost of new construction. But this is not a “greenfield” site where land preparation expenditures—to ready the property for development—will be low or moderate. The rehabilitation and “brownfield” remediation expenses are quite high.

These expenditures represent the equivalent of a “ground cost” logically deducted from the property value—which explains why the property is being marketed and appraised at such a low figure. But even though the property is thus affordably acquired, the uncertain nature and cost of the remediation expenditures are likely to deter development.

With renovation and remediation costs likely to top \$200 dollars per square foot, any assistance that the Town might provide with regard to applications for State or other remediation subsidies should be supported. Frankly, the alternative might be a hulk that is bought by a speculator waiting for housing values to go up to the point that they can offset the extra costs and risks associated with rehabbing polluted buildings and sites.

It should be noted that the site would obviously need to tie into sewer services; and that the Pawcatuck Sewer Plant has excess capacity.

Also, the site's zoning now effectively prohibits housing. This is easily dealt with from a technical point of view—perhaps through modification of the Industrial District Overlay (IDO) Zoning already under discussion for other industrial and mill sites. The consensus and authorization to take this step is what is needed.

Though untested, there is growing demand for attached and multifamily housing in Pawcatuck.

Route 2 close by offers only a five-minute drive to Exit 92 of Interstate Highway 95 (I-95), and only a fifteen-minute drive to the Foxwoods Casino. These are, respectively, the major commuter route and major new employer in the region.

Stonington has essentially no inventory of better-quality, moderate-priced rental or condominium apartments. The untapped demand for such apartments is large and growing larger. According to a study prepared by Richard B. Erickson, there is a demand for something like 4,500 additional attached and multi-family units in the region, 1,500 of which should be rental to keep pace with the current ratio of one rental for every three ownership units. But the demand is mainly for moderately priced, not high-priced apartments.

The affordable housing gap is growing more acute, though it has yet to reach the crisis levels observed in Fairfield County, for example. According to the Erickson study, the average year 2003 median sales price for condominiums was in the mid \$90,000 range, up 25 percent from its prior year 2001 figure in the mid \$70,000s range.

The increase in housing values is due more to the shortage of supply relative to growing demand, than the growing affluence of prospective buyers and renters. While the region has been keeping pace with the *nation's* higher average growth rates in housing values, it has also been keeping pace with the *state's* lower growth rates in personal income. High-paying defense and union jobs are, after all, being replaced by low-paying service and hospitality jobs.

As a counter-factor, Stonington has some considerable advantages over its neighbors. Stonington has the highest median housing price in the county: \$154,000 in 2000, compared to \$142,00 for the county and a range of \$108,000 to \$150,000 for the other ten towns in the county. Only 3 percent of Stonington's dwellings are comprised of "one-unit attached" units; and only 7 percent is comprised of five or more units. This compares to 11 and 21 percent, respectively, for neighboring Groton; 4 and 13 percent for the county as a whole; and 5 and 17 percent for the State of Connecticut. With higher housing values and lower ratios of attached and multifamily housing, Stonington is the first town that developers are likely to target for apartment development.

There is also a growing demand for affordable attached and multifamily housing generated by Stonington residents, who might be expected to turn to apartments as they grow older or their children leave home. As noted, the town has the highest median housing value. But it also has a fairly average (for the county) median household income: \$52,400 per household for the town, compared to \$50,600 per household for the county. In other words, Stonington's housing costs are higher relative to what Stonington's current residents earn. This accrual in value invites empty-nesters and seniors to "cash in" their houses for more affordable attached and multifamily housing. This not only frees up capital, it also entails far less expenses on real estate tax, maintenance and mortgage payments.

At 75 Stillman, housing redevelopment is best pursued as a small-scale rental project, combining National Register and mixed-income ("80/20") tax benefits.

At 27,000 square feet, and with no real expansion space, housing redevelopment would likely yield only 20 to 30 dwelling units at 75 Stillman. This is small in terms of achieving the economies of scale needed for luxury housing with considerable on-site amenities.

As indicated, the project can benefit from subsidies to offset the cost of environmental remediation. Such public subsidies will necessarily trigger review by the State Historic Preservation Office (SHPO) with regard to whether the building is eligible for the State/National Register of Historic Places. Based on our experience, the building will be deemed eligible. It dates to the mid 1800s; it is relatively intact from an historical point of view; and it is quite handsome. Thus, the use of public subsidies will be subject to SHPO review as to the quality of restoration work or, if the historic features cannot be preserved, amount of documentation.

This "stick," however, comes with a considerable "carrot." Residential rental, cooperative apartment, and commercial uses are eligible for a federal tax incentive in which 20 percent of the SHPO-approved restoration costs are tax deductible. With State approvals, housing projects can receive further federal tax benefits for earmarking 20 percent of the units to households earning no more than 80 percent of the region's median household income. Coupling these two tax incentives makes for an ideal project for a Real Estate Investment Trust (REIT).

Provided the building can be maintained properly, it is only a matter of time before a developer will undertake a housing project. That time may in fact be now.

As indicated, the mill is well-suited and well-sited in terms of tapping the considerable and growing demand for apartments. Given federal tax incentives, it is likely to take the form of rental housing. This would also appeal to the more transient population employed at the Foxwoods casino, including, but not limited, to the "hotbedders" who share apartments already in town.

The critical question is at what point do the after-tax revenues of an REIT project exceed the development costs inclusive of remediation, mindful of the considerable risks associated with adaptive reuse in general, and contaminated buildings and sites in particular. According to some observers interviewed in connection with this technical assistance assignment, that nexus has already been reached, and development can and will take place if only zoning impediments are removed. Our own view is that while the property may be acquired with this intention, it is more likely that the development will lag behind other, less costly and perhaps better-located buildings, i.e., the Thread Mill.

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Thread Mill

Recommendations: *Promote reuse for loft dwelling units, providing a more attractive transition and gateway to the residential and shorefront area to the south. Existing uses can maintain buildings in good repair until such time that the two main and ideally all three owners come to terms about the site's optimal redevelopment.*

12 River Road (north building)

Size: 119,000 square feet on 2.39 acres
 Height: Four stories
 Unique Features: Sprinklered, merged with 21 River Road
 Original Use: Mill (1901)
 Current use: 14 industrial tenants, with other vacant space
 Appraised value: \$440,000 (\$130,000 land + \$310,000 building/improvements)
 Owner: Ralco Realty Corporation (1948)

21 Pawcatuck Avenue (south building)

Size: 107,000 square feet on 5.24 acres
 Height: Four stories
 Unique Features: Sprinklered, 70 percent of building non-heated, new roof, Paved area used by Northeast Marine Liquidation for boat storage and sales
 Original Use: Mill (1899)
 Current use: Six industrial tenants, with vacant space
 Appraised value: \$620,000 (\$150,000 land + \$480,000 building/improvements)
 Owner: Pawcatuck Riverview LLC—reportedly one and the same as NorthEast Marine Liquidation (since 1998)

22 River Road (east building)

Size: 18,000 square feet on 0.55 acres
 Height: One floor
 Unique Features: High ceilings, no heat or sprinklers
 Original Use: Industrial (1890)
 Current Use: Warehouse
 Appraised Value: \$455,000 (\$75,000 land + \$380,000 building)
 Owner: Norwest Marine (since 1995)

The Thread Mill provides an ideal opportunity for housing reuse.

As elaborated upon in the two earlier chapters, there is considerable and growing demand for rental and condominium attached and multifamily housing. Stonington has considerable advantages over its neighbors with regard to attracting this development. This demand is generated not only by people working in the casinos and elsewhere in the region; it is also generated by Stonington residents ready to move to smaller and less costly housing.

As also elaborated upon, the largest impediment has to do with development cost relative to sales and rental values. In this regard, the Thread Mill has considerable advantages over any of the other mill buildings considered in this report.

First, the buildings are currently in use and well maintained. The building seems to have been mainly used for relatively non-polluting industries, such as garment work. The Thread Mill seems to be spared the extraordinary rehabilitation and remediation costs associated with 75 Stillman Avenue.

Second, the site is especially well located for housing. At about \$300,000 and more, housing values to the immediate south are among the highest in Stonington (exclusive of the Borough). Reportedly, there has been a vast increase in these housing values, indicative of a newfound appeal to affluent weekenders and retirees.

Third, the two main buildings (21 Pawcatuck Avenue and 12 River Road) are well suited for housing. They offer generous windows, tall ceilings, and much historic character.

The developer will incline toward high-priced housing, as opposed to affordable housing.

The two main buildings (12 River Road and 21 Pawcatuck Avenue) are four stories in height. Part of the second and all of the third and fourth floors enjoy harbor views. Additional second floor apartments would enjoy river views if the 22 River Road building were demolished. This building does not lend itself to housing reuse.

Based on our experience elsewhere, the premium paid for views increases proportionate to the disposable income of the buyers and renters. In one study, we found that the increased value of apartments with the same views ranged from only 5 percent in low-income areas, to 300 percent in luxury-income areas, with an average of around 20 to 30 percent. This is consistent with the rumored range in the developer's estimates of apartment values, at \$165,000 to \$200,000 per unit. Thus, to take full advantage of the views, the developer will seek to tap the more affluent end of the residential market.

Ostensibly only one-fourth to one-third of the apartments will feature water views. Not only are the views blocked from much of the lower floors (by the 22 River Road building), half the 12 River Road and 21 Pawcatuck Avenue buildings face west and inland. All the same, the apartments with water views are important for marketing the entire complex. Typically, a developer will overprice the most attractive units, which can then be featured in marketing until the development is almost entirely rented, at which point their rarity justifies the prior overpricing.

The major impediment to development is the fact that the Thread Mill complex has three owners.

At present, only 12 River Road (the northern four-story building) is "in play" for housing reuse. Reportedly, a developer has secured an option on the property, pending zoning approvals and, more likely, control over the entire Thread Mill site.

The adjoining 21 Pawcatuck Avenue (the southern four-story building) is controlled by NorthEast Marine Liquidation. NorthEast uses most of the parking area for boat storage, and part of the building for its offices as well as other businesses, at least one of which is associated with its principals. NorthEast is likely to place a premium on the sale of their property since its disposal for housing means that they will need to find replacement space in the area. Their purchase of waterfront property further to the north, just off of Mechanic Street, may be a sign that they are considering such a move; or it may simply be coincidental. Either way, NorthEast will bargain hard.

The easterly 22 River Road building (in the foreground as one drives south on River Road) is owned by Norwest Marine—one and the same with the marina across the street. Norwest—like NorthEast Marine Liquidation—uses the property as an extension of their marina across River Road. Thus, they too will incorporate business disruption into their estimate of any sales value for the property.

Multiple ownership is even more of an impediment than might be otherwise assumed.

The 12 River Road building could accommodate roughly 70 to 90 fairly large units. Including 21 Pawcatuck Avenue would roughly double the size of the development.

But this is not simply a question of a developer wanting a bigger project to achieve more economies of scale. To be specific:

- People do not generally like to live cheek by jowl with industry and storage operations.
- Multiple ownership drives the housing to rental rather than ownership, since people are even more reluctant to put their life's savings at risk.
- A smaller project makes it harder to amortize the costs of and thus provide the on-site amenities normally associated with upscale housing, e.g., exercise rooms, concierge service, luxury outfitting, extra landscaping staff, etc.
- The mixed-use character, rental format, and fewer amenities associated with the project combine to drive the development toward moderate rather than higher-income households.
- This reduces the premium sales and rental values, especially those ascribed to the units with views.
- Since acquisition and rehabilitation costs are relatively fixed, the lower sales and rental values jeopardize project finances.

If targeted to moderate-income households, the development would likely take on a more cutting edge character.

The developer would likely face a number of interesting trade-offs: Should he/she offer large, relatively unfinished lofts; or renovate for more conventional apartments.

On the one hand, the loft conversion would involve less cost and risk. It offsets the difficulty of creating conventional apartments out of otherwise overly deep units—assuming parallel rows of apartments on either side of a center hallway. The tenants would undertake more of the improvements themselves. The loft format neutralizes the disadvantage of being on a mixed-use site. It takes advantage of Pawcatuck/Westerly's growing arts imprimatur. Though few tenants will likely be artists, those few would help with marketing. As in SoHo and most loft districts, artists are simply a highly visible *minority* group of residents. (The arts-related option is discussed far more in the next section on the Mechanic Street Mills.) Lofts would be a fairly unique product in the region, where the vacancy rate for conventional apartments is relatively high relative to that for houses.

On the other hand, fewer households will prefer lofts to conventional apartments (or for that matter, small and more affordable houses). They are simply not as conducive to privacy or families. They narrow the market population that can be drawn upon.

To appeal to higher-income buyers and renters, a business relationship could be struck up with Norwest Marina.

Long Island Sound and the Rhode Island coast are among the prime sailing areas in the nation. Dock space goes at a premium. Permitting, environmental, infrastructure and assemblage issues all but curtail any significant increase in dock space. The price is only going to go up as demand continues to rise, yet the supply remains the same.

The ability to gain dock slippage or docking rights at Norwest Marine would, in and of itself, guarantee quick rent-up/sales and high rents/values for any housing on the Thread Mill site. This would especially be the case if the development allowed subletting. In similar areas, people have gone so far as to acquire or rent housing just to have access to the slip, thereby leapfrogging over waiting lists.

This arrangement would also mean that the housing development would face negligible if any competition. A typical marina needs 150 or more slips to achieve economies of scale. Marinas are loath to give up the land that they need for their operations; and neighbors are loathe to allow marina expansion let alone multifamily housing. Here, it would be possible to keep the marina *and* build the housing. Not unlike condominium garages and time-share, the buyers of units might view their purchase as an investment. Thus Norwest Marine may be able to partake in the margin of additional profits associated with higher-priced housing; and still be able to charge close to their present rates.

There is little that the Town can do to influence the outcome.

As with 175 Stillman, it really boils down to price and risk at the Thread Mill. At a certain point, housing values will increase and risks decrease, as the demand for housing continues to grow while that for industry remains stagnant. At that point, the current or a future prospective developer will offer a price that makes it worthwhile for NorthEast Marine Liquidation and/or Norwest Marine to either sell their properties or at least cooperate on site upgrades. As with 175 Stillman, that time may be imminent.

But the Town need not be totally passive. Assuming that it wants the redevelopment, the Town can help the project along in a variety of indirect ways.

First: The Town could put in place zoning that makes it clear that it will allow the housing under certain circumstances. The property is currently zoned and used for industry. The flexible zoning proposed by the Town Planner (Jason Vincent) and the Town's consultants on the Plan of Conservation and Development (Planimetrics) is designed for this purpose, as discussed in the last chapter of this report.

Second: The Town could provide assistance and encouragement for NorthEast Marine Liquidation and other tenants to relocate elsewhere in Stonington. The Mechanic Street Mills may be the ideal locale, as discussed in the next chapter of this report.

Mechanic Street Mills

Recommendations: *Create a destination at the Mechanic Street Mills. Pursue artist, recreational or boat-related reuse of the 100 Mechanic Street portion of the complex as well as the 82 Mechanic Street office building. Maintain industrial uses in the remaining part of 82 Mechanic, and promote office uses in the 99 Mechanic Street building. Allow townhouse development along Prospect Street. Use flexible zoning to reconcile these uses. Upgrade the waterfront and Mechanic Street connections to downtown.*

82 Mechanic Street (east and north buildings)

Size:	Five buildings, 224,000 square feet on 8.97 acres 100,000 square foot (approximate) loft building 124,000 square foot (approximate) saw tooth shed building 46,000 square foot office building 27,000 square foot pump house 8,000 square foot power plant building
Height:	Four stories for loft and office buildings One story for shed and pumps house buildings Double story pump house
Unique Features:	Elevator for loft and office buildings, cell tower, air-conditioning for office building, loft and shed buildings appear inseparable on ground floor
Original/Prior Uses:	Industrial complex: Loft building (1896) Shed building (1896) Office building (unknown date) Pump house (1920) Power plant building (1896) Cell tower (2000)
Current use:	Loft and shed buildings—Yardney Technical Products Office building—a few tenants, mostly vacant Pump house—Yardney Technical Products Power plant building—vacant
Appraised value:	\$1,900,000 (\$500,000 land + \$1,400,000 building/improvements)
Owner:	Whitaker Technical Products (since 1961) Master lease to Yardney for entire property other than what is subleased to others

100 Mechanic Street (east and south buildings)

Size:	Equivalent of six (approximate) buildings, roughly 300,000 square feet on 16.6 acres 240,000 square feet in 1920 buildings 60,000 square feet in newer shed buildings
Height:	Two three-story mill buildings (1920) Two one-story shed buildings (1920) Two one-story shed buildings (unknown date)
Unique Features:	Interconnected buildings forming one large mass
Original Use:	Mill (1920) Warehouses, (unknown date)
Current use:	Various industrial tenants: Anteon, woodshop, offices, warehouses, brewery. Approximately 50 percent vacant Harris Graphics (1983-1998)
Appraised value:	\$2,400,000 (\$1,600,000 land + \$800,000 buildings/improvements)
Owner:	Heidelberg Companies and Pawcatuck Business Park (since 1988)

99 Mechanic Street (east office building)

Size:	39,000 square feet on 2.6 acres
Height:	Three stories
Unique Features:	Stylized design, elevator, top floor sunroom, sprinklered
Original Use:	Office building (1977)
Current use:	Vacant Harris Graphics (1983-1998)
Appraised value:	\$1,100,000 (\$100,000 land + \$1,000,000 building/improvements)
Owner:	Heidelberg companies and Pawcatuck Business Park (since 1988)

Housing is always an option for this site and for some of the buildings.

As discussed at length in all three of the prior chapters, the housing market is growing stronger in Stonington, while the industrial market is growing more marginal. In the absence of major shifts in the local economy, eventually housing reuse will represent the highest and best use of the sites (if not the buildings) from a strictly real estate (as opposed to policy) point of view.

The site offers several different types of housing development opportunities; each of which actually underscores that this is not, in its entirety, an optimal housing site.

The first housing opportunity is comprised of new townhouse development along Prospect Street. This street lies above the floodplain. Attractive single-family homes line the west side of this quiet residential street. On the site, a recessed rail line and ridge define lot depth at about 100 feet, ideal for subdivision; thus the Prospect Street frontage is readily severed from the rest of the Mechanic Street Mills complex. Townhouse development would achieve a higher return on investment than single-family houses. Townhouses could be designed so as to echo the historic features and scale of the houses across the street, to create an attractive streetscape. Those houses would benefit from townhouses in place of empty parking lots and vacant land. (The Yale Design Workshop also recommends housing along Prospect Street, though at a lower, two-family density.)

The second housing opportunity is represented by the adaptive reuse of the older mill buildings. The square footages of buildings are unclear at the present. There appears to be approximately 150,000 square feet of loft-style space in the 82 Mechanic portion of the complex; and another 150,000 square feet of loft-style space in the 100 Mechanic portion of the complex. The shed buildings and the 99 Mechanic Street office building are unsuited to housing reuse. This would yield something like 200 to 300 apartments.

All of the same market, phasing and cost factors indicated earlier for the Thread Mill would apply here, as well. The developer would inherently face a choice between aiming at (1) a more affluent market, requiring significant demolition of the shed buildings and on-site amenities; or (2) a more affordable housing market, narrowly focusing on artists and others who would prefer or be satisfied with semi-finished lofts. The 14-foot high floodwall unfortunately cuts off views from the two lower floors. Uncertainty as to whether the area would in fact be subject to flooding might impede ownership housing. There has not been significant flooding in the area since a 1938 hurricane, in the aftermath of which the floodwall was built. Members of the EDC and PRO opine that the floodproofing remains untested and therefore unproven.

The third housing opportunity is comprised of new mid-rises. As wisely suggested by the Yale Design Workshop, these buildings could be capped at the roughly 50-foot height of the existing loft buildings—which is equivalent to five residential stories. They could enjoy significant views and lie outside of the floodplain if situated on the slope on the west side of Mechanic Street or on top of the slag pile on the far southeastern part of the site. However, mid-rise on the west side of Mechanic Street would impinge on the adjoining low-rise neighborhood. New construction on the slag pile would be burdened with significant remediation and foundation costs. The mid-rise would, at either location, tower over the neighborhood, as they would be five stories on top of the hill(s). If built at the lower elevation, the lower two floors would have their views blocked by the seawall. In any event, half of the units would face north and west, and therefore would not have water views.

New construction would likely cost the same as adaptive reuse. Also, this is not the type of location that conventional apartment buildings generally gravitate to. The site lacks proximity to office districts, highways, or transit (as in New London). It lacks a prime address in terms of marketing (as in Stonington Borough). Conventional apartment buildings lack the compensating romance of lofts and the privacy of townhouses. Indeed, conventional apartments have a regional vacancy rate of 6.5 percent, somewhat higher than the normative vacancy rate of 5.0 percent. By comparison, single-family houses have a regional vacancy rate of 1.5 percent, well below the normative vacancy rate of 2.5 percent.

In sum, townhouse development along Prospect Street is always an option. But loft conversions are just as if not more problematic as at the Thread Mill. And conventional mid-rise apartment buildings are highly risky.

All types of housing would benefit from a waterfront and boating theme. But this is unlikely to prove viable.

Theoretically, it should be possible to build dock space and a marina to duplicate the marketing and cost advantages associated with marina-related housing described earlier for the Thread Mill.

However, the Army Corps of Engineers and State environmental departments have, over recent decades, grown more and more reluctant to permit dredging, new docks, and such. The 14-foot high seawall is a further impediment. The slag pile is useless for boat storage due to its elevated position and the sharp inclines of its waterside and roadway access. A foot-bridge across Mechanic Street (as suggested by the Yale Design Workshop) from a potential housing site to a park atop the slag pile is doable, and likely to add value to the upland housing.

The market for industrial space remains weak but sufficient for maintaining the complex.

Rents reportedly range from \$2.50 to \$8.00 per square foot per year (psf/yr). Reportedly, the more modern lower floors obtain the highest rents and the upper floors the lower rents—consistent with the needs of modern warehousing and industry for space that is convenient for loading and unloading. The resultant average rent of around \$4.00 psf/yr is far below the typical rent of \$14 psf/yr observed for space proximate to I-95. But it is sufficient to pay for building maintenance and, surprisingly, heat, according to the building complex agents and managers.

Yardney Electric Corporation has a master lease for the entire 82 Mechanic Street portion of the Mechanic Mills complex. The cost of maintaining vacant and under-utilized spaces is absorbed by Yardley, and offset by the combination of their low rent, inertia, and freedom to use or vacate the excess space at will. They are not always totally responsible tenants. The historic and charming powerhouse building was allowed, for example, to fall into a severe state of disrepair with, at present, signs of structural damage. There are signs of roof leakage in the southerly office building, overlooking 100 Mechanic Street; though these have been reportedly dealt with. Nonetheless, the buildings appear well maintained, and there are signs of recent or intermittent use in nearly all of the vacant spaces.

The same level of use and even better maintenance was observed in the 100 Mechanic Street complex. The agents/managers of the property are systematically upgrading the space—adding loading docks, subdividing spaces, and, if they have their way, demolishing some of the more antiquated spaces and buildings.

The 99 Mechanic Street office building is vacant, with no prospective tenants at the present time. It is being offered at what would seem to be a ridiculously low price considering its relatively modern and sound condition. But in this case, the real estate adage of “location, location, location” holds sway: the site is too far from the I-95 highway to be appealing to most types of offices; and too far from Route 1 or a hospital to have validity as a professional arts (e.g., lawyers and doctors) office building. Its only hope is that some business owner will be attracted to its ready availability and desperate landlord—as was the case for the while that the Mashantucket Pequot Tribe was looking for an interim location for a training center in connection with its then new Foxwoods Casino. Failing that, 99 Mechanic Street will likely sit fallow for the indefinite future.

The owners and Town should approach the Mechanic Street Mills—especially 100 Mechanic Street—as an economic development opportunity, rather than as a problem to be solved.

As with the Thread Mill, the Mechanic Street Mills are being used and maintained, with no urgency to their redevelopment.

This gives the Town and community plenty of time to consider the alternatives. Since there is little risk that the buildings will deteriorate to the point where they are a detriment to the community (unlike, for example, 175 Stillman), and since housing reuse here is even more problematic than at the Thread Mill, the focus can be on non-residential uses.

The focus should be on 100 Mechanic Street, perhaps expanded to take in two adjoining buildings at 82 Mechanic and also the 99 Mechanic Street office building.

As indicated, the 82 Mechanic Street complex has a master tenant with no indication of dissatisfaction with its location; only the office building facing 100 Mechanic Street and the old power station adjoining 100 Mechanic are really “in play.” The 99 Mechanic Street office building is vacant and very much in play. The far larger 100 Mechanic Street complex is stable; but it is vastly underutilized. The 100 Mechanic Street complex, combined with the two noted 82 Mechanic Street buildings and 99 Mechanic Street office building, presents the retail opportunity. It is easy to re-imagine the complex organized around a plaza formed by these buildings, with 82 Mechanic Street’s fence moved back behind its front office building.

(For simplicity, the remainder of this section refers simply to 100 Mechanic Street, even though the site plan could and probably should encompass the three additional buildings indicated.)

As a fallback, 100 Mechanic Street can be marketed as a predominantly industrial complex, perhaps with a thematic mix of complementary uses.

As indicated, the buildings are not in need of a radical change to assure their marginal viability for industry and warehousing. The complex can likely survive for another generation and therefore into a new regional real estate marketplace.

In order to raise the quality and positive economic impact of the complex, thematic development was considered. Three themes come to mind, each building off of existing assets. These three themes are discussed below, in ascending order of probable viability.

The first theme would feature food-related industries, using the Cottrell Brewing Company as the anchor. One model is the Brewery Small Business Center in Boston, which reused a brewery for 40 tenants, with the Boston Beer Company as its anchor tenant. Another is Chelsea Market in Manhattan, which reused a large industrial complex for food wholesalers, bakers, cookware distributors, etc., all of which operate ancillary retail outlets. The obvious drawback of this idea is that the Mechanic Street Mills are in a rural area, where there is not nearly the same demand for food distributors and retail sales.

The second theme would feature woodworking and crafts, using some of the existing tenants as anchors. As the second home sector has taken off, there is a growing need for lumberyards, contractors, etc. These could be concentrated at the site, which offers plenty of large spaces for indoor storage of materials and machinery, as well small spaces for independent contractors and restorers, and even outdoor space for horticulture. The Cottrell Brewing Company might be complemented with a cafeteria cum brewery/restaurant. The obvious drawback of this idea is that while there is demand, these uses would normally gravitate to downtown Pawcatuck and downtown Stonington, where there is greater opportunity for recognition in and convenience to the regional marketplace. This handicap could only be overcome if there was an anchor tenant on the scale of Bennington Pottery; and none appear on the horizon.

The third theme would feature boats, with NorthEast Marine Liquidation as the anchor. In this scenario, NorthEast would buy or lease the larger sheds and space, improving its opportunity to repair and display boats. The smaller spaces could be occupied by a wide variety of boat- and leisure-related businesses—sail makers, kayak sales, etc. Again, the Cottrell Brewing Company might be complemented with a luncheon eatery cum bar/restaurant. The obvious drawback of this idea is that it relies on the interest of one player; though, with the windfall from the Thread Mill, that player may be very interested indeed. The next drawback is that in fact the floodwall separates the site from the water, which would add to the cost of doing business at this site; though this too might be offset by the ability to consolidate and expand operations and profits. NorthEast Marine Liquidation lists close to 100 boats at the present, selling for \$50,000 to \$500,000. A 25 (say) percent increase in sales would be enormously profitable.

As a more ambitious scenario, the 100 Mechanic Street could be reused for recreation.

This ingenious idea was raised by the Yale Design Workshop, and has already resonated with the rental agent for the 100 Mechanic Street portion of the complex.

In this scenario, the property would be marketed to a variety of recreational tenants. The larger sheds might accommodate: an ice skating rink that doubles as a rollerblading ring in summer; an indoor children's theme play area; a skateboard park; basketball courts; indoor soccer; an above-ground swimming pool; indoor miniature golf; a bowling alley; etc. the smaller spaces might accommodate a health club; yoga center; dance studio; etc. The Cottrell Brewing Company would be complemented with both a cafeteria and sports bar. Ostensibly, the model would be Chelsea Piers in Manhattan. But this is not Chelsea Piers—which was pursued by a well-capitalized entrepreneur, and which was able to tap into a huge recreation-starved clientele with plenty of disposable income. 100 Mechanic Street offers neither a benefactor nor a large clientele. Indeed, other than Chelsea Piers, recreational developments have proven to be unprofitable and troubled ventures, with a propensity to fail. Chelsea Piers has proved to be the exception, not the model. And if it were to be duplicated in the area, it would likely be on a site with I-95 access and visibility, and with Mashantucket Pequot tribe funding able to absorb the turmoil of a long start-up period.

It is nonetheless plausible that the 100 Mechanic Street development could be done on the cheap by a variety of individual enthusiasts and entrepreneurs, many of whom would fail and then be supplanted by others, until stability is achieved after some time. While no model exists, there are some supporting factors: proximity to beach communities with affluent second home owners and visitors starved for rainy day activities; proximity to casino-related motels that cannot afford to provide the recreational activities themselves; and proximity to very affluent communities where there are many well-healed entrepreneurs in residence. This low-key scenario is boosted by the fact that there is an ample variety of space, each offering its own entry as well as connections to the other spaces—thus the advantages of both independence and synergy.

There is little that the Town could do to promote this idea, other than to make sure that zoning is not an obstacle, and perhaps to offer tax incentives. The County or State might do well to offer start-up and small-business loans. But this project would really be up to the current owner and his agent.

As an even more ambitious endeavor, 100 Mechanic Street could be reused for the arts, emulating the success of Dia: Beacon and MASS MoCA.

As with recreation, there is an untapped demand for the arts in the region prompted by large visitor and second home populations in search of rainy day or family activities to complement what the beach and casino have to offer. Mystic Seaport and Mystic Aquarium reach a family audience; just as the casinos reach an adult and largely male audience. The arts would offer an importantly all-weather and all-season alternative. The model would be Dia:Beacon in the Hudson Valley and MASS MoCA in the Berkshires—both of which reused large, historic industrial complexes. The result would be a big boost to nearby downtown Pawcatuck—through which visitors would need to travel; as well as increased property values and an improved image for the community and town.

But while the payback to the regional and local economy is clear, there is no hope for profits. The arts are a high visibility small business sector; and unless mass media is involved, there are no profits to be made, only contributions to be sought. Dia:Beacon and MASS MoCA were both the recipients of significant public and private largesse—not only to acquire and build the facilities, but also to secure the interest of major arts organizations (the Dia and MOMA museums based in Manhattan) able to provide the needed management, curatorial, marketing and fundraising capacity.

There is no apparent arts entity interested in the Mechanic Street Mills. The Athenaeum Museum does not appear to be seeking satellite facilities. It would appear that neither are any of the major New York City, Boston or Providence museums. And the State of Connecticut is targeting its arts-related investments to New Haven (where Yale is sited), Waterbury (where a theme high school and community college with theater have just been built), Stratford (where two theaters are to serve as the anchors), and of course Hartford (where there is a host of large and small arts institutions). Little Pawcatuck would seem to be on its own.

Yet we would suggest that the idea is not at altogether far-fetched, and deserves some follow-up. Several factors are involved, as follows:

- Downtown Westerly has established itself as Rhode Island's second arts center—the first and of course foremost being Providence, of course. If trends continue, Westerly will soon deserve and warrant some greater investment. But there are few sites in or proximate to downtown Westerly, arguing for its expansion. While 82 Mechanic space has been unsuccessfully offered at near give-away prices to artists based in Westerly, it is only a matter of time before price drives Westerly artists and artisans to consider alternatives.
- Watch Hill in Westerly and the Borough of Stonington are extremely popular second home and retirement settings for the very wealthy. These areas have gained in appeal as development has “ruined” the Hamptons in New York and the Cape in Massachusetts. These affluent residents and second homeowners can be a source of donors of art, money and connections.
- The idea of vanity museums has been gaining in acceptance. Even the Dia:Beacon is essentially a museum built around a single donation of an art collection.

Unlike the Dia:Beacon and MASS MoCA, the 100 Mechanic property offers a wide variety of spaces. This makes it harder to be a vanity museum—which would tend to focus on one type of art and therefore one type of space, e.g., photography displayed in intimate spaces, sculpture displayed outdoors or in large spaces. But it makes it easier to mix a variety of arts. Thus:

- The smaller spaces could be used for studios
- Groups of spaces could be organized along the lines of the art/crafts center in Middletown, where artists and craftspeople attend classes, do their work and share equipment.
- The larger spaces could be used for large-scale contemporary art—the main attraction at MASS MoCA.
- The outdoor spaces—including the slag pile—could also be dedicated to sculpture.
- Selected spaces could be upgraded for film, theater, and the like.

Significant interventions would be needed to pursue the arts idea at 100 Mechanic.

This idea would not happen on its own. It requires significant, long-term, investment by enthusiasts who are not easily daunted.

The first challenge would be to establish some sort of arts presence. This might be as simple as giving away space to Westerly artists at cost; holding art fairs; painting murals; etc.

The second challenge would be to use this arts imprimatur to recruit a major arts organization or alliance with, for example, RISD in Providence, which is the nation's premiere art school. Such a two-state approach would require a bit of brokering, not only between the institutions and property owners, but also between the State governments that would need to subsidize (and not veto) a project that would benefit another state equally. Essentially, the State of Connecticut would be offering the space that Westerly does not have to become a major destination. And the State of Rhode Island would be offering the resources of its most important contemporary arts institution. One state offers the real estate, the other the tenant.

To make this work, the third challenge would be to elevate the importance of the project. It would no longer be about the reuse of the 100 Mechanic Street complex, it would be about turning the Connecticut/Rhode Island coast into even more of a destination.

The fourth and related challenge is to tie the 100 Mechanic Street project to an arts strategy for Pawcatuck/Westerly in general. This would require upgrade of the connections to the shared downtown at the bridge over the Pawcatuck River that divides the two towns. Such improvements would likely be needed in any case, in order for the facility to succeed. Without such ties, the site will seem isolated if not marginal.

Some such improvements are already under discussion. These include a waterfront bike and walking trail up to downtown, as recommended by the Yale Design Workshop. The Yale Team has also suggested a footbridge across the river, to Westerly's Main Street. In addition, the Town, County and/or State would do well to provide tax incentives if not outright grants to upgrade of the houses between 100 Mechanic and downtown. Most of these houses are historic and attractive. A new coat of paint, front fence, and front row of trees would work wonders. These improvements would make the distance between downtown and 100 Mechanic Street seem small and appealing.

More ambitiously, the Town, County and State could set about to vastly improve vehicular access to the site. Minor improvements are already planned to the problematic intersection of Mechanic Street and Route 1 (West Broad Street), underneath the elevated rail line. A roundabout might be possible (an idea put forward by Planimetrics). Alternatively, Mechanic Street could be made one-way south to Palmer Street, with Palmer then Lester Avenue picking up the north-bound traffic. Better yet, Chase Street could be extended east under the railroad tracks (where reportedly this an opening) to join with a right of way connecting to Mechanic Street (another idea from Planimetrics.) The basic idea is to relieve traffic on Mechanic Street, so that the sidewalks can be widened and landscaped with a double row of trees. This is all the more important since multiple ownership and marine facilities likely preclude a waterfront trail between the Mechanic Mills and downtown Pawcatuck for the foreseeable future.

Fifth, the State could provide incentives for the arts at 100 Mechanic Street, as well as in downtown Pawcatuck. Planimetrics has suggested looking into an exemption from State sales tax for art sold at the premises. This idea could be extended to downtown. Either way, it would provide another reason for artists to lease loft space in the complex. Precedent already exists: a loft building near the Hartford Amtrak station was granted this boon, and has since been successfully reused for artists live/work space.

It is likely that, as proved the case with Dia:Beacon and MASS MoCA, the Mechanic Street Mills project would succeed with a combination of untapped demand, the availability of local benefactors, the involvement of major arts institution(s), and State support. But getting to this point will, to repeat, take considerable staying power.

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Grain Elevator

Recommendations: *Integrate the Grain Elevator into a larger vision for expanding downtown Pawcatuck and tying it more closely to the revitalization effort in adjoining downtown Westerly. This effort would feature the river and historic preservation as the key physical features, and arts and restaurants as the key marketing features. The Grain Elevator would have retail on the ground floor, arts and artisan uses on the upper floors, and shared parking facing a new loop road.*

Characteristics:

Size:	47,000 square feet on 1.74 acres
Height:	Four stories
Unique Features:	Post and beam, large grain bins, sprinklered
Original Use:	Grain storage, sited at the railroad (1918)
Current use:	Warehouse, artists, and woodworker
Appraised value:	\$340,000 (\$200,000 land + \$140,000 building/improvements)
Owner:	Decantis family (since 1981)

The Grain Elevator Building is not in need of rescuing.

Town records indicate that the building is fully occupied. Certainly, all of the accessible and conventional spaces in the building appear occupied; the exceptions seem to be the granary bins and other highly unusual spaces. Rents are low, but sufficient to maintain the building. The owner's business resides in the building, better assuring responsible management. The post and beam construction appears to be quite solid and in good repair. Very importantly, the entire building is sprinklered.

The Grain Elevator Building can, instead, be an asset to downtown Pawcatuck, by thematically tying it more closely to the arts-based revitalization of downtown Westerly.

Grain Elevator tenants include an artist, a woodworker, and others with tangential or real connections to the arts theme being pursued in neighboring downtown Westerly.

Westerly's loft spaces are increasingly being marketed to and used by artists, artisans, designers and like-minded people. Ground floor spaces are increasingly being used for boutiques, galleries and antique stores, in addition to restaurants. Boosters have declared Westerly Rhode Island's second arts center, after Providence of course.

Downtown Pawcatuck lacks the loft space of Westerly, though upper floors of many of its commercial buildings and even outlying houses and other buildings could be reused for the same set of uses. The Grain Elevator is the only large building in downtown that lends itself to arts, artisans, antiques, etc.

This reuse program at the Grain Elevator can be realized incrementally.

The building's owner could be encouraged to market the building to Westerly-headed artists and arts-related businesses. The Grain Elevator could, for example, include an auction house, art displays in its grain storage and other funky spaces, etc. The building could be repainted a more upscale brick red, and be festooned with banners and night lighting—giving it visibility from West Broad Street and downtown Westerly.

The upgrade of the Grain Elevator can be tied to a larger strategy to draw customers to the back area of downtown Pawcatuck in which it is located. This strategy starts with a new loop road.

The Grain Elevator is presently at the end of the long, curving cul-de-sac Coggswell Street, off of West Broad Street (Route 1). Stonington's Plan of Conservation and Development (prepared by Planimetrics) shows the cul-de-sac being extended as a one-way loop road returning to West Broad Street. The Yale Design Workshop illustrates a similar roadway connection. We had arrived at exactly the same option.

This new loop road accomplishes a number of things at once:

- As a one-way circuit, it provides car drivers with the ability to loop around to return in the direction that they came from—much like the one-way circuit south of Route 1 in downtown Westerly. This opportunity could be accentuated by renaming the street as Coggswell *Loop*.
- It provides easy access to rear, shared parking lots. One of these is currently owned by a condominium development along Coggswell Street. This generously landscaped parking lot is ideal for downtown Pawcatuck, as well as downtown Westerly, once a new footbridge across the river is built (as discussed later). Additional and similarly landscaped parking lots should be built in this area.
- Also as a one-way road, the Coggswell loop provides more room for wider sidewalks with street trees, as well as on-street parking. Both are important in terms of encouraging pedestrian movement between the Coggswell area and West Broad Street.
- It would give the ground floor of the Grain Elevator building street frontage and vehicular traffic, thus improving the viability of ground floor shops which pay a higher rent than is otherwise secured on the premises. The Grain Elevator building's ground floor even features a wide canopy that could extend over outdoor dining as well as the sidewalk.
- Similarly, the Coggswell loop would enhance the viability of shops in the ground floor of other buildings, particularly the long thin building to the immediate west of the Grain Elevator building—where a tree-lined sidewalk, on-street parking and shops would further draw customers back toward the Grain Elevator.
- The Coggswell loop would add visibility to the Pawcatuck Riverwalk, discussed next.

The new, two-town "Riverwalk" is an equal part of the strategy of integrating the Coggswell Street area into downtown Pawcatuck and downtown Westerly.

The two towns have forged a partnership to build a footbridge over the Pawcatuck River where it bends, several hundred feet north of the West Broad Street Bridge. Extensions to the bridge are planned for the catwalks along the mill and other buildings that back on to the river. The trail is, in the long term, to continue north and south along the river, further inviting its use.

This is a terrific idea! It is easy to imagine Riverwalk being used by shoppers to go from one town to the other. It provides a wonderful setting for more frequent fiery river displays (as done for the Fourth of July). It invites galleries and stores to open up rear entries, and for restaurants to have riverside dining. It could evolve into a more authentic version of the much-touted San Antonio esplanade, which, by the way, is not any longer.

Attention to detail matters, however. Several ideas are as follows:

- Situate the new footbridge within sight of the West Broad Street vehicular bridge. Shoppers and strollers will be more inclined to wend their way up the river if they can see how they can cross over and then return.
- Allow multi-story retail.
- Promote shared parking; e.g., allow shared offsite parking and payments in lieu of parking (PILOPs) for any use along both sides of the Riverwalk, i.e., on either side of the municipal boundary set by the river. This would encourage pedestrian use, further adding to the image and reality of pedestrian safety.
- Provide low-level garden-style pedestrian lighting—just bright enough to promote safety; just dim enough to imbue the trail with romance. Likewise nightlight the structurally interesting railroad bridge.
- Do not build any more structures between the new Coggswell loop and the river. These structures would block views of the river and give it an unwanted “keep out: private property” ambiance.
- Put aside the ambition of a vehicular bridge at this location. Such a bridge would guarantee the commercial success of Coggswell. But it is highly unlikely given the needed approvals. The footbridge has proved daunting enough. In any event, its engineering and expense may make it impractical.

Pursue new development within the loop.

Additional in-fill development would create more of a Main Street ambiance along Coggswell. The park and river setting would support upstairs living. Buildings should be sited to front on the loop road, maintain the present two and three-story scale, and emulate historic materials and character of downtown Pawcatuck. (These ideas were also embraced in the Plan of Conservation and Development and by the Yale Design Workshop.)

Ground floor commercial uses should be required, with minimum requirements for front window displays. This retail will perforce be marginal: it simply lacks significant vehicular or pedestrian passersby. But it is likely to rent up all the same. As downtown Pawcatuck/Westerly gains in popularity, its rents will become more and more expensive, until the point that some retailers (especially antique stores and galleries) will go to the less accessible, visible *and* costly spaces.

Upper-floor housing would likely drive the real estate numbers. Upstairs living is usually touted by planners and rarely done except where there are large immigrant populations or no affordable housing elsewhere. Remember, upstairs living is generally encumbered by a lack of dedicated private parking and open space, as well as the need to climb stairs. Here, however, the housing would draw upon a quiet river view setting. Also, downtown Westerly has much to offer. In addition to shops, there is the excellent Westerly Library, handsome Wilcox Park, newly expanded YMCA, and an Amtrak train station.

As an important detail, the donut shop at the corner of Coggswell Street and West Broad Street should be slightly modified in its layout. The drive-thru would be ideally moved to the side or rear of the building. The area now devoted to the drive-thru would be reused for outdoor dining. The sidewalk would “bump out” to square off the intersection (and reduce vehicular confusion and improve safety). Thus, as with the other development planned for the Coggswell Loop, the Bess Eaton would add to the Main Street ambiance.

Expand the vision: Make the proposals for the Grain Elevator Building, Coggswell Street area and River walk part of a joint specialty shopping strategy for downtown Pawcatuck/Westerly.

Downtowns can no longer compete with malls and shopping centers for chains and bulk shopping. Downtowns simply do not offer what the chains want: large “vanilla” spaces, highway access, and ample at-grade parking in front of the store.

Downtowns can, however, out-compete malls and shopping centers for “recreational” shopping, where people combine the pleasure of a stroll, social time, visit to the library, etc. with shopping and dining. The attendant retailers do not need as much parking (since people will be walking about and don’t need to drive as much). Consumers actually often prefer the idiosyncrasies of downtown space—sometimes with a step up or down, rarely large, sometimes with high ceilings or other unique features, etc.

To be a destination, specialty-shopping areas usually require something on the order of 100,000 square feet and a major amenity, such as a carousel or esplanade. They also generally need a steady, positive image clientele—ideally rich, though a single identity (e.g., artists, ethnic immigrants, bohemians, gay people) might suffice. Downtown Westerly has the artists and nearby affluent population. Riverwalk, Wilcox Park and the historic buildings provide the amenities.

Downtown Westerly is, however, undersized. The basis for this surmise is that there is something like 50 to 75 stores in downtown Westerly, averaging something like 1,000 square feet each. Downtown Westerly would need to double in size to be a destination. Expanding to the south, east and north are options; but are unlikely to contribute to the sense of a tight, pedestrian-friendly downtown. Expanding along the river and into Pawcatuck would work, however.

The partnership between the Town of Stonington and Town of Westerly needs to be strengthened for the two-downtown strategy to succeed.

The two Towns are already coordinating marketing, and have joined forces for the Riverwalk.

Additional cooperation could include the following:

- Shared parking across municipal boundaries, as already noted.
- Similar design treatments with regard to street furniture, sidewalks, sidewalk lighting, etc.
- Gateway improvements that help to set the two downtowns apart. For Pawcatuck, the critical gateway is at the rail crossing over West Broad Street (Route 1).
- Celebration of the bridge across the Pawcatuck Bridge, e.g., night lighting, benches and interpretive panels.
- Mutual employment of a sales tax-free zone for art—whether sold in a gallery or in a loft.
- Institution of a Special Services District (SSD) on the Connecticut side; and a Business Improvement District (BID) on the Rhode Island side. These are really the same type of organization.
- Sharing of staff and resources by the SSD and BID, perhaps with overlapping boards of directors, or at least a two-downtown coordinating committee.
- Mutual lobbying with the two State governments for the 100 Mechanic Street arts reuse idea. This project promises to bring shoppers through downtown Pawcatuck and downtown Westerly; there is simply no other practical way to get to the mill. (Note that this is not the case with either Dia:Beacon or MASS MoCA, both of which are located apart from downtown, with no easy access or visible connection between the two.) The project also promises to put Pawcatuck/Westerly “on the map.”

Survey Instruments

Pawcatuck Business-Stakeholder Survey

Interview date_____

Name of Interviewee: _____

Name of establishment: _____

Type of Business: _____

General Background Information (mostly for Business Interviews):

How long have you lived in Pawcatuck/Stonington _____

Where do you work? _____

1. How long has this establishment been in operation *at this location*? _____

3. How long have you owned/worked at this establishment? _____

5. Describe Business Ownership ? Family-owned ____ Sole Proprietership ____ Partnership ____ Other ____

6. How many employees do you have? Part-Time _____ Full-Time _____ Family _____

7. Do you own your building ?

Yes ____ No ____ If Yes, When did you purchase _____

8. Have you made any improvements or expansions to your business in the past year?

Yes ____ No ____

Explain: _____

Issues affecting Pawcatuck Commerical District:

9. WHAT IS YOUR OPINION OF PAWCATUCK DOWNTOWN AS A COMMERCIAL DISTRICT ?

Positive ____ Needs Improvement ____ No Opinion ____

Explain: _____

10. How would you **rate** the following issues in terms of **your business or business in general (FOR BUSINESS INTERVIEWS ONLY)**

Issue	Excellent	Good, But Needs Improvement	A Moderate Problem	A Severe Problem	No Opinion
Parking availability					
Building location /Access					
Building capacity					
Labor Availability					
Market served					
Access to capital/financing					
Local Taxes					
Local Marketing & Promotion					

COMMERCIAL DISTRICT IMPROVEMENT ISSUES

11. How would you **rate** the **present need** for the following **actions** in terms of improving Pawcatuck Downtown as a **commercial district?**

Action	Critical Need	Moderate Need	Low Need	No Need	No Opinion
Expand Parking					
Improve Public Services					
Improve Image & Identity of Pawc.					
Improve Traffic Safety & Control					
Upgrade Building Appearance					
Improve Retail/Merchant/Business Mix					
Deal with Vacant Buildings					
Offer More Downtown Activities					
Strengthen Link to Westerly					
Expand local Marketing					

12. Name the most positive issue, attribute or quality of Pawcatuck as a commercial district. (i.e. major traffic corridor, committed merchants, good retail mix, historic character of Avenue, improved public safety)
13. Name the most pressing issue or quality of Downtown Pawcatuck as a commercial district that needs to be addressed.

GENERAL ECONOMIC DEVELOPMENT IMPROVEMENT ISSUES

14. How would you **rate** the **present need** for the following **actions** in terms of ECONOMIC DEVELOPMENT NEEDS FOR DOWNTOWN PAWCATUCK AND MECHANICS AREA.

Action	Critical Need	Moderate Need	Low Need	No Need	No Opinion
Expand Tax Base					
Expand Job Opportunities (more & better)					
Improve Public Access to River					
Address Issue of Mill Buildings					
Expand Housing Opportunities					
Enhance Historical Character of Area					
Address Appearance of Mechanics St					
Offer More Downtown Activities					
Provide Better Business Mix					

15. Name Other Issues not noted above

16. Name most Critical Issue

Clientele/Sources of Business:

17. What percentage of your business would you say comes from ?

Pawcatuck____% Westerly____%
 Outside of Stonington /Westerly____%

18. Have you noticed any changes in your clientele in terms of place of residence, characteristics or purchasing patterns during recent years? If so, please explain:

Recent Operating Conditions and Sales Results:

19. What are your busiest hours and/or days?

20. IN WHAT SEASON DO YOU EXPERIENCE HEAVIEST SALES

_____ SUMMER _____ WINTER _____ FALL _____ SPRING _____

21. IN WHAT SEASON DO YOU EXPERIENCE LOWEST SALES

_____ SUMMER _____ WINTER _____ FALL _____ SPRING _____

22. How would you rate your year 2003 sales results (at this location)?

Excellent _____ Good _____ Fair _____ Poor _____

23. What is your estimated increase in sales this year over 2003?

Lower than 2003 _____ Same _____ Above _____ **If Above** what % _____

Future Business Prospects and Major Priorities:

24. How do you view future prospects for your business at this location?

Excellent _____ Good _____ Fair _____ Poor _____ Depends _____

Explain: _____

25. Are you planning any improvements or expansions of your business in the next year?

Yes _____ No _____ Don't Know _____

If yes, Describe: _____

26. Are you exploring options for selling or relocating your business outside of the area?

Yes _____ No _____

PAWCATUCK COMMUNITY SURVEY

WE NEED YOUR INPUT IN FORMING A VISION FOR THE REVITILIZATION OF PAWCATUCK DOWNTOWN AND MECHANIC ST NEIGHBORHOOD

The Pawcatuck Revitalization Organization (PRO), representing a local ad-hoc group of concerned parties and individuals, is attempting to develop a plan/vision for revitalizing the Pawcatuck Village Center and the Mechanic Street neighborhood that includes a study of reuse options for existing mill properties along the lower Pawcatuck River. One of the mills that will be studied is the old Harris Graphic site (99 and 100 Mechanic Street).

WE NEED YOUR HELP

Please take a few minutes to answer the questions below and return questionnaire in self-addressed-stamped envelope provided. Thank you!

1. Do you believe the existing mill buildings along the Pawcatuck River should be open (re-zoned) to allow uses other than industrial?

Yes__ or No ____

2. If yes, what uses do you think should be considered/allowed for the old Harris Graphic Mill located at 99/100 Mechanic Street (including office building and area of parking on Prospect Street)?

	Check Preference
Antique Center/Market Center	
Education (example: Culinary, Technical Training, Dance or Arts School)	
Fitness Center-Aerobics, Tae Kwon Do	
Indoor recreation center (example: soccer, tennis, volleyball, dodgeball)	
Health Center-Health Services	
Light Industrial/Business Park	
Museum/cultural/visitor attraction	
Professional Offices/Back Office	
Restaurant/Dining/Entertainment	
Specialty Retail Stores – Outlet Retail	
Home decorative/furnishing Showrooms	
Artists Studios/ Arts Center	

Other: _____

PAWCATUCK COMMUNITY SURVEY (Cont)

3. Rank the following issues in terms of their importance to the revitalization of Pawcatuck Village Center and Mechanic Street Neighborhood :

	HIGH NEED	Moderate Need	Low Need	No Opinion
Create Jobs in Neighborhood				
Bring New Retail to Neighborhood				
Redevelop - Mill Buildings				
Expand Tax Base				
Improve Public Access to Pawcatuck River				
Preserve/Enhance Historical Character of Center & Mill Area				
Expand Housing opportunities in the Neighborhood				
Improve Traffic Circulation & Safety in Village				
Improve Image of Pawcatuck				

Other Needs/Issues _____

4. What types of businesses or retail would you like to see in the downtown Village Center ?

5. What businesses or stores do you regularly patronize in Pawcatuck Village now?

6. Do you have any other comments or observations that we should consider in developing a vision/ plan for the Village Center and Mechanic Street neighborhood?

Please Mail by (TBD)