



TORRINGTON

Brownfield Redevelopment Strategy



September 4, 2018

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Introduction

The City of Torrington, originally settled as Wolcottville, has a long history of manufacturing dating back to the early 19th century. As with most towns with an industrial heritage, the City's economy flourished by first harnessing the power of nearby rivers and later on by expanding the distribution of goods by rail. Demand for goods, services and housing grew as woolen mills and metals manufacturing established an enduring presence along the Naugatuck River. In 1849, with the Naugatuck Railroad completed, Torrington became connected to other population centers and soon was producing a variety of metal products, including needles, brass, hardware, bicycles, and tacks.



Main Street, Downtown Torrington

Industries such as Anaconda Brass, Torrington Manufacturing, Torrington Company, Royal Precision, Hendey Machine Works, and Turner and Seymour Manufacturing provided thousands of jobs and sustained the community for decades. Between the 1930s-60s these companies provided approximately 9,100 jobs in Torrington. The Torrington Company alone, as one of Torrington's largest employer, during the peak industrial era, provided 2,400 jobs.

Given the nature of the products being manufactured, most of Torrington's industries relied heavily on forging, plating, etching, stamping, machining, heat treating, and coating metal. In turn, these processes necessitated the use of oils, lubricants, solvents, paints and other chemicals. For nearly 150 years, manufacturers were not working under any environmental regulations whatsoever. No one understood the far-reaching implications of the use and disposal of these materials to the surrounding landscape and nearby waterways.

In the United States, air pollution was initially addressed in the early 1900s. The protection of public health through water quality standards and chlorination became a federal focus as well, culminating in the first Clean Water Act in 1948. Industrial byproducts and hazardous wastes were not regulated until the 1980s. We now understand that these improperly discarded materials can linger for decades, and some for centuries. They can become co-mingled with other building materials and can contaminate soil and water. The nature and behavior of these contaminants remains a challenge for those who have inherited affected properties, which we now call brownfields.

Brownfields are not just an environmental challenge—they are an enormous economic burden, particularly for industrialized New England where mills and foundries first sprang up around critical resources. In the 1980s, nearly two hundred years of innovation and wealth from the Second Industrial Revolution and the Gilded Age began to disappear as businesses moved off shore or headed south to states offering cheaper wages and lower taxes. Some businesses were

BROWNFIELDS are properties for which expansion, redevelopment or reuse may be complicated due to the presence, or potential presence, of hazardous substances, pollutants or contaminants. Brownfields are not just an environmental challenge, they are an enormous economic burden to the community.

simply no longer needed as the United States continued to evolve from an industrial-based to a service-based economy.

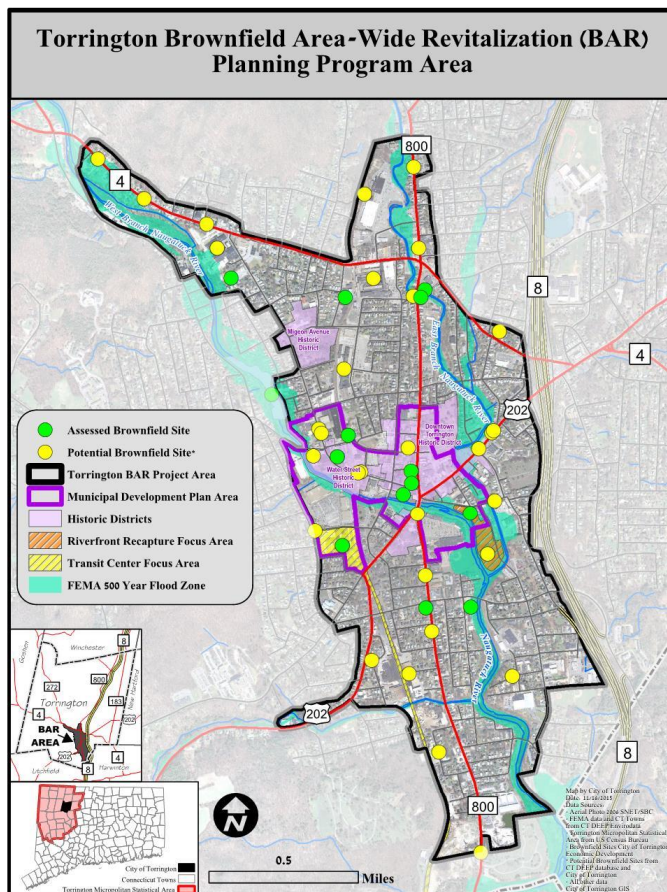
Torrington suffered substantial losses of jobs and property taxes. Many of the companies filed for bankruptcy, leaving hundreds of thousands of square feet of shuttered facilities along with contamination for the City to contend with. This industrial legacy has had broad and deep implications. Many of the large (some occupying more than one

block) multi-storied building complexes were functionally obsolete. In other words, these buildings could no longer function as originally intended—no surprise given that many of the methods of manufacturing had been abandoned. Finding a suitable re-use was a significant challenge then and even more so now given that technological advancements have dramatically reduced the size of equipment and space.

Market conditions are cyclical and even if there is support for adaptive re-use, and the ability to potentially tap historic tax credits, the stigma of contamination can be daunting to the property owner, a potential buyer, and of course the City of Torrington as it faces taking on the responsibility for addressing brownfield contamination in hopes of spurring reinvestment. Residential reuse of old industrial mills has helped to preserve some of Connecticut's best examples of industrial architecture. Yet, the need to clean up a site so that it is safe for inhabitants can be so costly that many of these mills remain vacant and in disrepair because redevelopment is not economically sustainable.

In 2004, the City received its first US Environmental Protection Agency (EPA) brownfield assessment funding and it has continued to successfully obtain additional EPA funds as well as grants from the State of Connecticut Department of Economic and Community Development (DECD). One of the grants was used to assemble a brownfield inventory. The database identified 1.57M square feet of building space and 105 acres of land excluding properties appearing on the Connecticut Department of Energy and Environmental Protection (CTDEEP) list of hazardous sites. The city was also awarded a \$1.0M EPA Revolving Loan Fund grant to provide loans or grants to support the cleanup of contaminated properties.

Thus far, more than a dozen sites have been assessed by the City using DECD and EPA grant funds. The actual number of contaminated properties within the City's limits is unknown but at least 25 potential brownfield sites exist. These sites can be found throughout neighborhoods, along the Naugatuck River and next to rail lines. The perception of contamination, as well as real contamination is stymying redevelopment and the blighted condition of many of the properties overshadows the positive achievements in the arts and culture being made in downtown Torrington, an authentic American downtown recognized for its remarkably intact Art Deco architecture.



There are potentially over 25 Brownfield sites in the BAR area of varying size, age and condition.

Downtown is *surrounded* by industrial legacy properties of varying age, size and condition. From any direction, visitors, patrons and commuters are greeted at some point by one of these properties. While the environmental investigations that have been carried out on a number of the City's priority properties have been an important first step, the City is using a DECD Brownfield Areawide Redevelopment (BAR) grant award to develop a broader and integrated approach to brownfield redevelopment—one that will help guide the City in determining the appropriate role and selecting a suitable mechanism for attaining successful outcomes.

Investing in Brownfields is Investing in the Future

Concerned residents and taxpayers often question the use of public dollars to address potential contamination on a private site. The last two decades of experience across the United States has taught us that the impacts of brownfields extend beyond the boundaries of a property. *The entire community is affected.* Besides the obvious environmental threats to human

health and the environment, blighted properties are eyesores and contribute negative perceptions, blight, and even crime—regardless of data that says otherwise. This in turn limits opportunities to attract reinvestment that will spur economic growth. Surrounding property values may be affected and certainly without economic growth, tax revenues are diminished. Tax

The impacts of brownfields can extend beyond the boundaries of a property to affect the surrounding community:

- Harm human health and the environment
- Become eyesores and contribute to blight
- Fuel negative perceptions such as crime
- Reduce surrounding property values
- Limit reinvestment and economic growth
- Reduce tax revenue

delinquency can greatly exacerbate the impacts of these consequences. It can be a vicious downward spiral.

But for all these challenges, there are rewards. Rewards for developers who are willing to take on the risk and rewards for a municipality that assumes a leadership role in overcoming hurdles and guiding development in a way that is consistent with its growth, preservation and development goals. According to the DECD, nearly \$11 of private investment has come from each dollar of state brownfield funding. This is clear indication that public funding is the key to addressing the risk of contaminated properties in order for private developers to consider investing. Redeveloping brownfields does more than clean up contamination. It creates jobs, generates taxes, focuses development on previously disturbed areas already supported by infrastructure, preserves other undeveloped land, and revitalizes downtown neighborhoods. It stops the downward spiral.

Revitalization Takes Hold

For Torrington, brownfields redevelopment goes one step further: it is the primary tenet of downtown revitalization. The Depression slowed the surging economy and population growth. The devastating flood of 1955 completely altered the downtown core by giving rise to a drastically different land use pattern: the cross-section of the Naugatuck River was substantially widened, a new Center Street Bridge was constructed, and new state highways and suburban shopping centers followed. The historically-significant buildings that remained, many the work of local architect William E. Hunt, eventually became part of the Downtown Torrington National Historic District and subsequently placed on National Register of Historic Places.

While these efforts preserved the physical context of downtown, the dominance of suburban-style shopping centers particularly along East Main Street took its toll on what historically had been the center of commerce for all of Litchfield County. Despite empty storefronts, the City's arts and culture community has provided a stabilizing and growing force.



The Warner Theater and Nutmeg Conservatory

The Warner Theatre/Carole and Ray Neag Performing Arts Center and Sharon Dante's Nutmeg Ballet Conservatory remain primary downtown anchors, occupying several notable buildings, and continue to draw thousands of patrons, visitors and students. It is the reputation of these two cultural institutions that has raised Torrington's prominence across the country and world-wide.

Across the street, Five Points Gallery (FPG) prominently anchors the corner of Water and Main streets in a former pharmacy building. Its growing reputation as one of Connecticut's outstanding contemporary art venues has attracted visitors and artists from all over the country. In addition to juried gallery space, FPG partnered with Hartford Art School and the University of Hartford to offer a post-graduate Launchpad Initiative. The incubator program supports emerging artists through affordable studio space. Most recently, the gallery has embarked on an expansion into the adjoining Fellows building on Water Street to establish a

printmaking studio on the second floor and the “Five Points Annex”, a Launchpad artists’ gallery on the first floor.

The gallery’s success has much to owe to a group of investors, Torrington Development Partners (TDP), who in 2010 purchased seven buildings in the heart of the downtown. Two of the three investors are Torrington residents and acquired the buildings with hopes of overcoming the consequences of absentee ownership and vacant storefronts. The initial acquisition included 27 storefronts and more than 106,000 square feet of retail, office and residential space. TDP offered one year of free rent and utilities and installed an alarm system for the gallery to gain its footing.

There are countless other artists’ studio and cultural venues that call Torrington home. Other artists residing in Litchfield County or who maintain a second working studio beyond their primary location in New York City continue to be involved in Torrington’s resurgence.

Main Street Marketplace, entering its ninth consecutive year, was started by a number of local residents and businesses to celebrate strong community ties and showcase local businesses, institutions, and restaurants. The event typically draws 3,000 visitors and 40-50 exhibitors and dozens of food vendors to the downtown area. The event will be moved to Coe Park in 2019.



Main Street Marketplace – The Register Citizen

In 2012, through assistance of a longstanding Torrington family business, the KidsPlay Children’s Museum was established. This museum’s primary mission of fostering imagination and creativity through interactive exhibits and the simple joy of spontaneous play. It continues to expand its programming and is establishing itself as an institutional attraction that draws families to visit Torrington who otherwise may not.

All of these venues are within walking distance of each other. Restaurants and other services are beginning to spring up. There remains great hope that the historic restoration of the iconic Yankee Pedlar Inn is brought to fruition by its owners within the next year. A \$400,000 DECD façade grant was obtained to assist storefronts with improvements. The City invested in streetscape improvements along East Main Street to improve walkability and impart aesthetic rhythm along the storefronts. The City intends on extending the improvements to Franklin Street along the Naugatuck River as part of the closure of the five-legged intersection that is essentially at the cross roads of downtown. This implements one of the actions set forth in the 2009 Municipal Development Plan approved by City Council and administered by the Torrington Development Corporation.

The Need for a Broader Strategy

Cultural institutions and streetscape improvements alone cannot sustain economic and community revitalization. The City has been diligently and strategically working to attract developer interest to the now-demolished NIDEC site on Franklin Drive and to the historic Stone-

Hendey complex on Summer Street. Referred to as the BAR Focus Areas, these properties present the opportunity to substantially shift the physical, economic *and* social context of downtown through compatible, mixed-use development.

These sites are being examined in terms of market, ownership, environmental liability and other determinants so that private developers can see beyond environmental hurdles and be attracted to the potential of sustainable redevelopment. In turn, development will provide live-work-play opportunities in a highly desirable walkable downtown. A recent market analysis, completed as part of the BAR grant planning study, confirms the need for several hundred market rate apartments and provides valuable data to assist in attracting potential developers for these properties.

NIDEC-Franklin Drive



NIDEC Prior to Demolition (Source: The Register Citizen)

Torrington Manufacturing Company's (operating later as the Torin company) was once city's largest independently controlled business, controlling eight manufacturing plants in five countries on three different continents. The company organized in 1885 and became known for machine manufacturing but also manufactured heater blades and springs. Its production facility extended along the East branch of the Naugatuck River fronting Franklin Street and Franklin Drive. In the early 1980's

Company ownership changed twice. NIDEC bought the company in 1984 but moved all operations to Japan in 1990. The building has been vacant since.

A 2012 oil spill on the site significantly impacted the Naugatuck River necessitating an emergency permit order to prevent any further damage. The building condition deteriorated to the point where the city condemned a portion of it after a partial roof collapse in 2014, prompting NIDEC to demolish the building.

The timing of this decision was perfect. The City was in the midst of purchasing its very first brownfield at 100 Franklin Street. Located just a short distance from the well-known five-way intersection of East Main, Main, South Main, Franklin and Litchfield Streets. The EPA Revolving Loan Fund was used to remediate a portion of the site and construct a parking lot as the first step in carrying out its *Riverfront Recapture* initiative which includes the extension of the Naugatuck River Greenway trail. This 2-acre site would be pivotal in encouraging a pedestrian and bicycle connection to downtown. With NIDEC's property at 100 Franklin Drive eventually becoming available, land assembly will create a total of 9 acres for redevelopment.



NIDEC Redevelopment Concept

With environmental conditions as they are at NIDEC, the issue of liability and the cost of remediation is being evaluated. The City and NIDEC have agreed to work cooperatively to perform additional investigations. The City secured a \$100,000 DECD Assessment grant to assist in this effort and both parties continue to work closely to reach a mutually beneficial outcome.

Stone Container-105 Summer- & Turner Avenue/Hendey-200 Litchfield Street

The Stone-Hendey site consists of three separate properties. 105 Summer Street and Turner Avenue consists of two parcels totaling 5.8 acres and were purchased by one owner in 2004. The third parcel is 3.2-acres located at 200 Litchfield Street and was purchased in 1995.

The Hendey Brothers started to manufacture lathes, shapers and milling machines in 1870 on another site on Litchfield Street. The operation grew into one of Torrington's largest employers during the peak of World War II but was one of the first to close down. The site was sold to American Brass in 1954 which used a portion of the facility to manufacture cast and rolled aluminum. In 1966 Charter Oak Container moved to the site from Watertown. After Stone Corporation (eventually becoming Smurfit-Stone) purchased the property in 1978, there were a series of environmental issues involving metal and lead discharges to the public sewer. The facility manufactured cardboard boxes at the site until 2000 when it was closed.

EPA grants were used to conduct preliminary environmental investigations at the site in 2008. A four-alarm fire destroyed one of the buildings occupied by Daley Moving and Storage in August 2009. Additional investigations were recently completed with DECD Brownfields Assessment grants. Understanding the extent of contamination and cost of remediation are central factors in ultimately deciding the feasibility of redevelopment as this site figures prominently in the revitalization of downtown Torrington.



Summer Street - Stone Container/Hendey

The 200 Litchfield parcel and the smaller 100 Summer Street property have been selected by the Connecticut Department of Transportation (DOT) as the preferred site for a bus maintenance facility for the Northwest Transit District. The need for a new facility has been discussed for the last twenty years. Demolition of the Pattern Shop and Machine Shop would be required. The larger building at 100 Summer Street would remain as the DOT had no interest in acquiring that parcel.



Stone Container/Hendey Redevelopment Concept

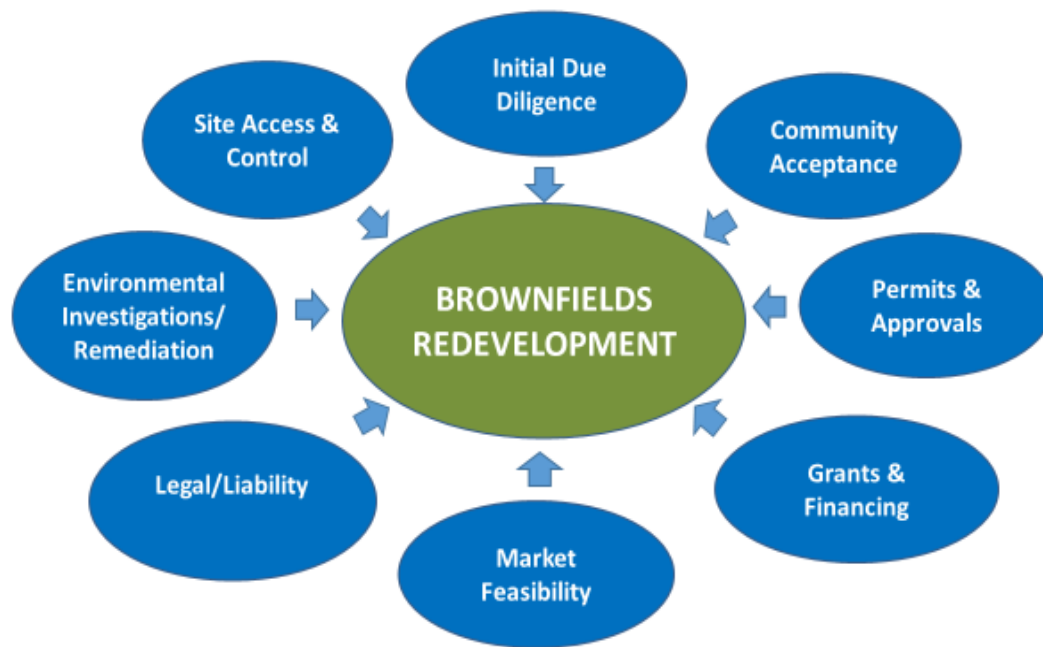
The announcement by DOT raised concern over the impact to the Hendey Building, resulting in the Torrington Historic Trust commissioning an initial reuse study funded by the State Historic Preservation Office. The analysis concluded that the building was eligible for listing on the National Register of Historic Places as a contributing resource to a potential historic district and its demolition would constitute an Adverse Effect to historic resources.

At present, the availability of federal funding for the project is uncertain. An Environmental Impact Evaluation required under the Connecticut Environmental Policy Act (CEPA) and federal documentation under the National Environmental Policy Act (NEPA) have yet to be completed.

These two properties are essentially the stepping stones to developing a comprehensive redevelopment strategy. By moving beyond the contamination and broadening the consideration of market forces and other dynamics of real estate and development, the City's intent is to establish a process for progress.

More Than Digging Dirt

Dealing with contamination can be a risky venture without first understanding potential environmental liabilities, costs and regulatory requirements. But addressing contamination is only one of the factors that drives successful redevelopment. Physical, economic, legal, real estate, regulatory and community elements are all critical drivers—and need to be cohesively examined to establish viability and a path forward. Multiple disciplines must be choreographed around relevant site-specific elements, carefully tempered and balanced with the end-use and financing structure in mind. The diagram below depicts the interplay of these primary drivers.



Within and reflective of these key components, there are eight primary factors to be considered:

- Potential developer's or municipality's risk tolerance
- Property owner's willingness to negotiate and participate in the overall process
- Availability of technical information
- Ability to secure financing and/or public funding
- Allowable and acceptable development program
- Access and ability to engage market supportable end users
- Straightforward or identifiable regulatory process
- Realistic timetables for planning, approvals and implementation

This is why brownfield redevelopment is both challenging and rewarding. Success comes to the willing developer as well as the entire community.

Initial due diligence activities are carried out at a higher level to provide a “first-glimpse” into opportunities and challenges of a site. This is sometimes referred to as the “GO-NO GO” decision—and some developers have created proprietary checklists reflective of siting criteria, financial risks and other indices that must be met before they are comfortable moving on to the next phase. As might be expected, focusing solely on environmental conditions even at this early stage can lead to insurmountable challenges later on. Initial due diligence represents all of the requisites shown above but is characterized by collecting available information and identifying preliminary issues rather than carrying out detailed studies. At this early phase of due diligence, evaluation of site location and market potential can be as critical as the environmental component.

Notably, the interdisciplinary nature of due diligence requires experienced scientists, geologists, engineers, planners, architects, market analysts, attorneys, and landscape architects. Not all of these professionals will be needed at the initial stages of examining a property but engaging an environmental professional with broader knowledge of redevelopment drivers would be valuable in deciding the best path.

During due diligence, examining site location, physical conditions and market potential are as important as understanding environmental liability.

Municipalities can also play an important role during initial due diligence in that planning, engineering and economic development departments are repositories for technical information, historical documents and perhaps market intelligence on prospective end users. Understanding land use regulations, allowable densities, and a community's overall development intentions are key determinants of the cost of entitlements (approvals), implementation schedule, and financial gain. If public financing is sought or tax abatements are being considered, establishing a transparent relationship early in the planning stages provides unquantifiable value.

Recognizing Risk

Regulating the investigation, characterization and remediation of historic contamination is the responsibility of both federal and state government agencies. In some cases, the regulatory authority overlaps and is handled in a coordinated fashion. There are several statutes and regulations governing hazardous and toxic materials. At the federal level, there are three statutes that have the greatest impact on the cleanup and redevelopment of brownfields:

- **Comprehensive Environmental Response, Compensation and Liability Act (CERCLA):** also known as Superfund, established a federal process to determine who is liable for hazardous substances and allows regulators to fine property owners and requires the removal of hazardous materials at the owner's expense. CERCLA created the National Priorities List (NPL). Only 18 sites remain on the NPL in Connecticut and none are located in Torrington.
- **Resource Conservation and Recovery Act (RCRA):** established in the early 1980s, RCRA created cradle to grave tracking and liability for hazardous waste generated from industrial operations. RCRA closure requirements at RCRA Corrective Action sites can be onerous and create significant concern for developers in terms of their ability to predict the cost and timeframe for cleanup activities.

- **The Toxic Substances Control Act (TSCA)** : gives EPA the authority to require reporting, record-keeping and testing requirements, and restrictions relating to certain chemical substances. The control actions EPA can take under TSCA are comprehensive and cover the manufacture, use, processing, distribution in commerce, and disposal of chemical substances and mixtures. Six chemical substances receive special attention under TSCA: PCBs, asbestos, radon, lead, mercury, and formaldehyde. The presence of these substances, particularly asbestos and PCBs, in building materials can have a significant impact on the cost of renovating or demolishing brownfields.



The State of Connecticut maintains a confusing and challenging environmental regulatory framework. There are at least 17 significant environmental statutes from which are born numerous sets of regulations and programs administered by CTDEEP. These programs include Oil and Chemical Spills, Underground Storage Tanks (USTs), PCBs, the Property Transfer Program, and several Voluntary Cleanup Programs. Each program has different entry and exit criteria. The result is an uneven playing field for industry, property owners and developers where low-level sites can get caught in a never-ending, expensive regulatory quagmire while highly contaminated and dangerous sites fly under the radar as they sit idle. The Connecticut statutes and regulations that have the greatest impact on brownfields redevelopment include:

- **The Connecticut Transfer Act:** regulates the transfer of Establishments, which includes drycleaners, furniture stripping businesses, autobody repair shops, and properties where tenants generated hazardous waste above certain threshold quantities. The Transfer Act is triggered by a transfer of real estate or business, and requires certifying the site is clean or certifying that the site will be investigated and cleaned within a certain timeframe. The Transfer Act has a bad reputation for slowing or killing redevelopment efforts, although to be fair it has led to the remediation of hundreds, if not thousands of contaminated properties in Connecticut.
- **Connecticut Remediation Standard Regulations (RSRs):** The RSRs establish the endpoint for site investigation and cleanup of contaminated soil and groundwater. The RSRs provide different cleanup criteria for different types of properties and different settings. Because of the numerous statutes and programs, the RSRs do not apply to all sites, but they typically are relevant to brownfields redevelopment. Compliance with the RSRs can be achieved through approval by DEEP or by verification by a Licensed Environmental Professional (LEP) who has been granted the authority to oversee and verify the remediation of a specific site.
- **Connecticut DEEP Elective Voluntary Remediation:** under Connecticut General Statutes (CGS) sections 22a-133x and 22a-133y, two programs provide property owners a process to remediate property that is not subject to the Transfer Act, under order by DEEP to perform remediation, or in one of the other DEEP programs that require remediation. Achieving closure under 22a-133x is very similar to going through Transfer Act compliance in terms of the level of investigation and remediation required, and the end result is a Final Verification from a LEP. 22a-133y is less burdensome, but may result in less

investigation and remediation, may not be sufficient to satisfy the requirements for using state or federal assessment and cleanup grant funds, and also may not be sufficient to satisfy lenders or other stakeholders in the redevelopment process.

Connecticut's commitment to brownfield redevelopment over the last eight years is one of the success stories in its economic development efforts. The state has provided over \$100 million in brownfield assessment grants to both developers and municipalities to study the extent of contamination in soil, groundwater, and buildings; to eliminate significant environmental hazards, to remove dilapidated, unsafe buildings, and help position sites for redevelopment. The goal of these funds is to understand the magnitude of the environmental issues at any given brownfield, to eliminate the unknowns, and attract developers. In addition to the grants, the State also provides low interest loans for similar purposes. As further incentives to developers, loan forgiveness may be available at brownfields with successful redevelopment outcomes including job creation and tax generation.

In addition to the provision of grants and loans to promote brownfield redevelopment, the State has made great strides in passing liability relief statutes. The potential of taking on not just investigation and cleanup liability but also potential third-party liability for property damage and bodily harm has been and continues to be a huge deterrent to municipal and private investment in brownfields, not just in Connecticut but across the country. Municipalities are risk averse. Developers are willing to take risks but must be able to quantify the potential exposure and then make appropriate business decisions. Soil, groundwater, and building investigation and remediation costs can be quantified, third party liability claims cannot. In recognition of this, DECD, DEEP, LEPs and environmental attorneys have worked together to create several statutes and programs to address liability issues:

The State of Connecticut has made great strides in promoting brownfields redevelopment and reducing liability to developers and municipalities.

- The Abandoned Brownfield Cleanup Program (CGS 32-768) and the Brownfield Remediation and Revitalization Program (CGS 32-769) provide developers of brownfields relief from off-site investigation and remediation, as well as government claims and third-party claims, as long as they enter the brownfield into the Voluntary Cleanup Program under 22a-133x or otherwise investigate and remediate the on-site contamination in accordance with the RSRs. There are slight distinctions between the two programs and it is best to work with DECD and an environmental attorney to determine which program is suitable for a specific site.
- The Municipal Liability Relief Program (CGS 22a-133ii), Municipal Access Liability Relief (CGS 22a-133dd) and other statutes allow municipalities to enter brownfield sites for investigation, and to foreclose on brownfield sites as a means of facilitating the redevelopment process.

A Covenant Not To Sue (CGS 22a-133aa and bb) is an agreement between DEEP and prospective purchaser or owner of a contaminated property that releases the liability for off-site contamination as long as the developer investigates and remediates the on-site contamination. The agreement is transferrable with the land.

- Public Act 17-214 authorizes the DECD to certify qualified non-profit organizations as Connecticut Brownfield Land Banks. Any Connecticut nonstock corporation may apply for certification by the DECD by submitting specific credentials for review and approval. Under the Act, Land Banks are eligible to participate in a range of Connecticut brownfield redevelopment programs, such as grants and liability protection, which prior to this legislation was restricted to municipalities or economic development corporations. Since many municipalities do not have the technical capacity or financial resources to remediate and redevelop brownfield sites, certified Land Banks can provide a viable option for returning contaminated properties to productive use.

Even with efforts by the State, and to a lesser extent EPA, to facilitate brownfields redevelopment and provide liability relief, navigating the federal and state environmental regulations can be a challenge. Prior to purchasing or developing a property, particularly if it has had previous commercial or industrial uses, carrying out environmental due diligence will go a long way in informing and protecting a buyer. Even for the seller, initial efforts to examine the potential for encountering contamination and identifying anticipated regulatory responsibilities could be helpful in positioning a property for redevelopment and developing a strategy for achieving compliance with the applicable regulations.

One of the most important aspects of environmental due diligence in Connecticut is determining if the property will be subject to the Connecticut Transfer Act. The determination as to whether a property meets the definition of an Establishment as defined by the Connecticut Transfer Act involves an evaluation of current and past uses after 1967 or waste generation practices after 1980.

When transferring real estate that meets the definition of an Establishment, the environmental condition of the entire parcel needs to be evaluated to determine Transfer Act compliance requirements. If a property has been deemed an Establishment, then there are certain disclosures required when the property is transferred to another owner, and the investigation and remediation process is typically subject to more regulatory scrutiny than properties that are not subject to the Act. Thus, it is extremely important to make this determination prior to purchasing a property. Furthermore, as there are currently 28 exemptions to the Transfer Act, it would be advantageous to a property owner and prospective buyer to understand the applicability of these to the respective property.

Before buying or selling a property, the most important first step is to hire a qualified LEP with experience in brownfield redevelopment in Connecticut.

Once a LEP and if needed, environmental attorney are on-board, initial steps to consider include, but are not necessarily limited to:

- Before engaging the LEP to carry out extensive investigations, retain him or her to procure a commercial environmental database search that includes historical aerials, and perhaps a DEEP file search. From the results, you can obtain an initial idea of historical land uses and the LEP can be able to give you a more accurate estimate of what contamination may be encountered;

- Visiting the City’s Economic Development and Planning Departments to inquire about known contaminated properties;
- Completing a Phase I Environmental Site Assessment in accordance with the latest ASTM (American Society of the International Association for Testing and Materials) and DEEP guidelines. The Phase I work investigates the current and historical uses of a property to identify potential environmental risks. No invasive sampling or testing is carried out at this point. The LEP should also follow the All Appropriate Inquiries Final Rule to obtain protection for the buyer from potential liability under CERCLA as an innocent landowner.
- Confirming that the potential developer is not in any way connected to entity responsible for creating the brownfield (the Responsible Party) either through the Phase I ESA or other research. In addition, it is also helpful to know if the Responsible Party still exists as a legal entity. If the Responsible Party still exists, it could potentially complicate the ability to foreclose on the property, as well as the ability to obtain grants and loans for assessment and/or cleanup
- Depending on the outcome of the Phase I ESA, the LEP will determine if further investigations are warranted. A Phase II ESA involves site-specific testing of soil and groundwater according to established standards and methods. Several iterations of this type of testing may be required to fully understand potential cleanup costs and to meet the standard of care expected by DEEP. A Hazardous Building Materials Investigation involves inspecting and testing building components for hazardous materials such as asbestos, lead, PCBs, and mercury. Dialogue with the LEP regarding expectations and costs is important at this stage, as the owner may want to only carry out some of the investigations and then seek DEEP’s guidance.
- Dialogue with the LEP and an environmental attorney regarding various liability relief programs available under Connecticut’s brownfield programs is also important at this stage.

Understanding the implications of owning or purchasing a potentially-contaminated property may seem to be a challenge or a burden but acknowledging that environmental regulations do in fact exist (and may in fact protect the property owner), determining site conditions, and hiring competent professionals are important first steps in formulating a strategy leading to successful redevelopment.

Acquiring Contaminated Properties

Acquisition of potentially contaminated property is one of the primary tools the City of Torrington is considering to move downtown revitalization forward, attract private investment and ultimately expand the tax base. The mechanisms through which this is accomplished varies but tax foreclosure is not among them. This is because unlike all other Connecticut municipalities, the City of Torrington utilizes a private tax collector under provisions created by the State legislature decades ago. The tax collector operates under a negotiated four-year contract and is bound by the terms in this contract as well as all applicable state statutes. Under this arrangement, the City is guaranteed 100% of its property taxes each year but in return cedes certain rights, such as tax foreclosure, to the tax collector.

This means that the City of Torrington cannot acquire property, contaminated or not, through tax sales and/or foreclosures as this power is conveyed to the tax collector. While there are complications related to this structure, and the City may consider re-examining the terms of the contract in the future, the tax collector and Mayor continue to work through tax lien issues on a site-specific basis. In fact, the tax collector's terms require that the Mayor's office be informed of each tax sale at least nine weeks in advance of a sale.

Torrington is the only municipality in the State that utilizes a private tax collector under provisions created by the State Legislature decades ago.

Following the last section of this Strategy, three specific examples of attempted tax sales are showcased. These examples demonstrate not only the need for a strong working relationship between the city and tax collector but also highlight how contamination is stymying redevelopment.

The City of Torrington can acquire property through strict foreclosure related to blight or building enforcement. Regardless of the acquisition method, avoiding liability for and responsibility of environmental compliance and clean-up is the most critical consideration of the entire process.

Under the Connecticut Transfer Act, there are 28 exemptions to what is considered a transfer of an establishment. Of these, the most pertinent to the City and the private tax collector include:

- Conveyance of an establishment through a foreclosure, including municipal tax liens or a tax warrant sale, exercise of eminent domain or condemnation, purchase by a municipality under eminent domain as a brownfield, and certain transfers by involving a municipality, municipal economic development agency or certain municipally-created nonprofits or corporations
- Conveyance of an establishment to any entity created or operating under chapter 130 or 132, or to an urban rehabilitation agency, as defined in section 8-292, or to a municipality under section 32-224, or to Connecticut Innovations, Incorporated or any subsidiary of the corporation

- Acquisition of an establishment in the abandoned brownfield cleanup program and subsequent transfers of the establishment, if the property is undergoing remediation or is remediated
- Transfer of title from a bankruptcy court or a municipality to a nonprofit organization
- Acquisition of an establishment in the brownfield remediation and revitalization program and subsequent transfers of the establishment, if certain conditions are met;
- Conveyance of an establishment acquired to undertake or complete a certified redevelopment project if it was investigated and remediated pursuant to section 32-9v, provided any such property is investigated and remediated in accordance with section 22a-133y (Redevelopment of properties that provide significant regional or state-wide economic benefits. Pilot programs and development projects.)

The exemptions provide a mechanism for the City and the tax collector to gain control of a tax delinquent property and convey property to developers without triggering the requirements of the Transfer Act.

These exemptions, combined with the liability relief programs described above that are available to the municipality, its private tax collector and the developer, are very important to the overall process, but do not eliminate the requirement to fully investigate and remediate the on-site releases and contamination in accordance with the Voluntary Cleanup Program and the RSRs. Therefore, the importance of the initial due diligence for all parties involved cannot be overstated.

Each site represents a unique set of circumstances and conditions identified through the due diligence that will need to be considered in order to identify the proper framework for liability relief. While privatized tax collection complicates this process, open lines of communication between the tax collector and the Mayor should lead to mutually beneficial approaches. In turn, these approaches must be technically and legally tested and validated.




Capturing Interest and Creating Excitement

The Need for Public Investment

Real or perceived contamination should weigh heavily on a prospective purchaser's mind when considering acquiring a property. Yet, it is the lack of market support and the financial backing that comes with it, that is the primary cause of why brownfields remain brownfields. The private market is incredible proficient at honing in on profitable sites and locations. If there is sufficient market demand, and the real estate transaction can yield a profit in exceedance of clean-up costs,

then developers and those who fund the development are willing to take on the challenge. But what happens in locations where the market demand is insufficient to make cleanup and redevelopment of the property profitable?

The table below, developed by the National Brownfields Association, is a simple depiction of this dilemma:

Category	Description	Result
	Market value of redeveloped property far exceeds costs.	Private real estate market likely to complete cleanup and redevelopment.
	Redevelopment revenues close to covering development and environmental costs.	Project not feasible for private market to undertake. Some public investment can make it viable.
	Environmental liability far greater than property value.	Difficult to redevelop. Requires significant public investment or change in market.

For brownfield sites or locations where there is not sufficient market demand to overcome costly environmental cleanup, then public funding such as grants, low-interest loans, and technical assistance serves as a catalyst for achieving financial viability. Despite exceptional return-on-investment, the general public and possibly misinformed elected officials may not recognize the critical role public funding plays in brownfield remediation, particularly in its early stages. The State of Connecticut's track record has been exceptional. According to the DECD, the state has invested \$225.6 million in brownfield projects since 2011.

Every \$1 of brownfield funding invested by the State of Connecticut has yielded over \$11 of private investment.

Torrington's proactive position on brownfields redevelopment has resulted in receiving nearly \$3.0M of federal and state funding. This money has largely been spent on investigating and characterizing unknown contamination of sites with cooperative owners and/or developers.

Overcoming Perceptions

A market study prepared by The Williams Group as part of the Torrington BAR Redevelopment initiative, demonstrates there is market support for mixed use redevelopment anchored by reasonably-priced residential market-rate rental units. These units must be well-designed and within the authentic, walkable setting that Torrington's downtown core provides. Two distinct yet similar populations desire such a setting:

- Baby Boomers - born during the post-World War II baby boom, approximately between the years 1946 and 1964. This includes people who are between 53 and 71 years old in 2017, according to the U.S. Census Bureau.
- Millennials (initially referred to as Generation Y) - who are generally the children of Baby Boomers born approximately between 1981 and 1997, according to the Pew Research Center. Rather than a distinct birth year range that characterizes Boomers, Millennials are more aptly defined by their social and economic behaviors. In April 2016, Millennials surpassed Baby Boomers as the nation's largest living generation.

The market study highlights the advantage of Torrington's intact historic downtown, the impressive number of art/cultural destinations, and the advantage of access to a regional trail network in attracting both of these populations. The study stresses the need for amenities to create market attractiveness and provide differentiating value and also acknowledges negative perceptions related to poverty and disinvestment and the need to address the City's high tax rate.

The data in support of mixed-use development—a goal that had already been embodied through the City's zoning regulations—is extraordinarily significant given the negativity. The market study references the City's August 2015 ranking by Bloomberg, the global business and financial information outlet, as 11th in the country in wealth of micropolitan areas (population centers between 10,000 to 50,000). Only 2.47 points separated this ranking from the top spot.

This accolade is similar to the City's recognition in 2008 by Bizjournals.com (now American City Business Journals). The city topped the list of the country's "Dreamtowns". An analysis of education, housing and crime rate in 140 micropolitan areas, placed Torrington first in offering exceptional quality of life without metropolitan hassles.

MICROPOLITAN AREA has a population center between 10,000 to 50,000 residents but serves a greater population as a whole. Torrington has one of the largest in the U.S.

The challenge to capturing the wealth of the micropolitan area is that the area is rural and sparsely populated, and the population representing this wealth may not necessarily be present the entire year. If attractive market rate housing units can be developed in the downtown, support for retail will follow. While the intact historic fabric of Torrington is an asset, the street-level storefronts that once were the hallmark of downtown shopping no longer meet present day retailing benchmarks. Significant tenant improvements are necessary to bring the space (and the residential

units above) up to code. Increasing the demand for retail through arts, culture and tourism could present one of the best options for revitalizing street-level storefronts.

Expanding the Reach

After completing the analysis of the micropolitan area, in consideration of attracting not just housing units but also more shoppers and patrons of the arts/cultural attractions, a broader geographic capture area was analyzed. There is considerable affluence *east* of Torrington, in Burlington, Canton and Avon. Within a 40-minute drive time, the number of household's quadruples and the amount of supportable retail doubles.

Compared to regional destinations in West Hartford and Farmington that are accessed via Interstate 84 and traffic-laden Route 4, the drive to Torrington is picturesque and pleasant. Depending on origination, downtown could be reached in 25 minutes. The big-box retail options along East Main Street are closer in terms of drive-time than some of the eastern shopping destinations.

Drawing in Torrington's eastern neighbors to shop along East Main could help to build familiarity with downtown. The Nutmeg Ballet and the Warner Theatre are already drawing significant patronage from this direction (and beyond) and through programming and special events, a visit

to downtown Torrington could become commonplace. As shifts in shopper behavior occurs, market demand will follow. Combined with residential development, this shift would likely improve the probability of private investment in brownfield properties.

An Emerging Asset: Active Transportation

Torrington does not have the enviable commuter rail service recently brought into operation through the CTrail Hartford Line that establishes regional passenger rail service between New Haven, Hartford and Springfield. In the future, there may be an opportunity for an intermodal connection via the Northwestern Transit.

The City however is uniquely positioned for “trail-oriented development” as the connection between the Naugatuck River Greenway and Sue Grossman Still River Greenway is becoming a reality. The Sue Grossman Still River Greenway will extend 10 miles from downtown Torrington in the vicinity of the Franklin Street/NIDEC site to Winsted. At this downtown location, the Sue Grossman trail will connect to the Naugatuck River Greenway. When fully constructed, it will be part of a 55-mile trail system that is forecasted to deliver 130,000 trail users to Torrington.

The City currently does not have commuter rail service but is uniquely positioned for “Trail-Oriented” Development



Naugatuck River Greenway (Source: The Register Citizen)

Non-motorized transportation, often called active transportation, involves primarily walking and bicycling. In recent years, investments in infrastructure that accommodates those who walk and ride bicycles are becoming part of an overall strategy to reshape communities. Millennials who desire direct access to natural resources, empty-nesters seeking a more active lifestyle, and families with children can all benefit from a trail. Besides health and transportation benefits, the trail is expected to become a popular destination and meeting place for local residents.

This is expected to spur opportunities for formal and informal gathering which in turns supports small shops, particularly related to food and beverage provisions and health-related activities.

For out of town trail users, the trail connection at a strategic location in downtown presents the opportunity to build familiarity with geography as well as businesses. It’s important that visitors and residents are able to easily navigate to and from the trail, and among downtown businesses and restaurants. Beyond the proposed Franklin Street public space improvements, the image of downtown could be bolstered with public art, gateway treatments and the expansion of the recent streetscape improvements. Private property owners should be encouraged to activate courtyards and alleys to create a continuous, aesthetic network.

Making Connections

To further enhance connectivity to the downtown core, one of the first steps the City is taking is to transform the portion of Franklin Street from East Main Street to Volkman Place into a pedestrian-centric public space, thereby creating both a connection and a destination. The proposed Sue Grossman Greenway would run parallel to the Naugatuck River adjacent to a landscaped, paved plaza that is wide enough to accommodate events. Although the street would be closed to general traffic, provisions for vehicular access during special events has been included in the design. Benches, decorative lighting and way-finding directional signage would also be provided. A portion of the BAR grant was used to create a series of concepts, solicit community input and prepare 60% design drawings that will be completed by the City's engineering staff.

"Placemaking" efforts such as this can support local businesses by providing pleasant and inviting environments that are both functional as well as visually appealing. Creating a sense of place also enhances livability and provides the opportunity to bolster the visual, cultural, social and physical meaning to the area. The programs and events that can be accommodated can be thematically linked to the surrounding arts and culture venues to further enliven downtown, attract and connect people, and help to catalyze revitalization.

Manufacturing Reinvented

Performing arts and the visual art communities have been responsible for keeping downtown Torrington intact. As Five Points Gallery, KidsPlay and other organizations expand their presence in downtown, there will be growing opportunities and need for programming and special events. Creating live-work and studio space will increase demand for more downtown destinations, and will activate and unify many of the existing destinations.

Besides the interplay of culture and tourism with downtown revitalization, Torrington may be able to take advantage of another opportunity—one that closely reflects its rich legacy as a manufacturing community. Since the 2008 recession, there has been a fundamental shift in how people work, where they work, and when they work. The exponential growth in cloud-based technology, file storage, and telecommuting has created new opportunities that challenge the service-based economy that emerged from early 20th century manufacturing. In this new economy, dubbed the Fifth Age of Work by cultural anthropologist and management consultant Andrew M. Jones, the US economy will be fueled by a workforce that is 40% free lancers by 2020. Capturing even a small portion of this wave would significantly boost the downtown Torrington economy.

Directly relevant to this shift is the potential to create "new collar" jobs. Just as manufacturing replaced our once agriculture-based economy, traditional industries were then supplanted by technology and service-based business. In a relatively short period time and possibly spurred by the worst economic recession in US history, we are now experiencing another evolution.

As Ginni Rometty, President and CEO of IBM, wrote in an op-ed for USA TODAY (13 December 2016), "This is not about white collar vs. blue collar jobs, but about the "new collar" jobs that

employers in many industries demand, but which remain largely unfilled.” Rometty believes that jobs are being created that demand new skills – which in turn require an entirely new approach to education, training and recruiting. The most important thing is that employees have relevant skills regardless of how they are acquired.

A New York Times article, “A New Kind of Tech Job Emphasizes Skills, Not a College Degree” (Lohr June, 28 June 2017) made reference to where “skills over pedigree” are creating new employment opportunities in the surging technology sector, an area where previously those without a college education, strong work history and references were excluded.

Companies such as FuelCell sought out Torrington because of its manufacturing background. Other manufacturing companies who have survived remain in Torrington are enjoying an upswing in business. The State of Connecticut’s Advanced Manufacturing Program and funding for small businesses like the Connecticut Manufacturing Innovation Fund Voucher Program might just be what downtown Torrington needs to once again diversify the downtown economic climate. While arts and culture support restaurants and overnight accommodations especially during events, a handful of small downtown businesses could drive support for additional restaurants, coffee shops and business support services.

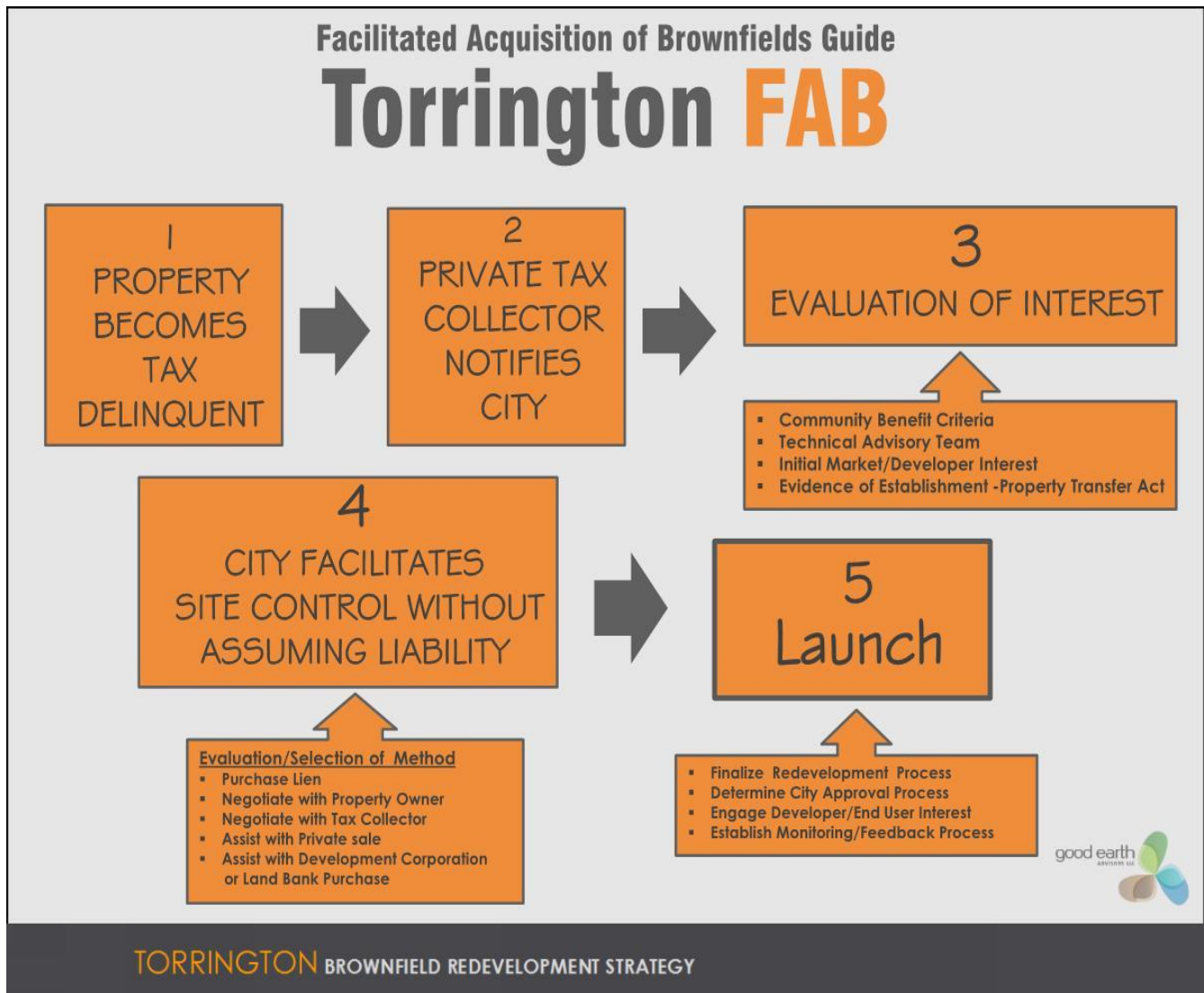
“New collar” jobs which value relevant skills and vocational training over traditional four-year college degrees might be the springboard for expanding Torrington’s renowned manufacturing base.

The City’s Brownfield Strategy

For years, the City of Torrington has been tackling issues of brownfield redevelopment, particularly as it directly bears on efforts to revitalize downtown. While there has been progress, the need to better define a process and provide much-needed technical direction to potential developers and property owners necessitates a flexible and evolving approach—one that can be customized depending on the site, the proposed development and the capacity of the developer.

The Strategy consists of a series of four inter-related graphics. These visual depictions are intended to facilitate clear communications across City of Torrington departments, with prospective developers and with the community. As the City moves through the process, refines its approach and learns from its experiences, these graphics can be easily modified—avoiding the time and cost of editing narrative and re-issuing an entire document.

- **Facilitated Acquisition of Brownfields:** Dubbed FAB, this establishes five steps to guide the City in evaluating its options and deciding to become involved in gaining site control for a potential brownfield property that has been tagged for a tax sale by the private tax collector. This process has been developed to afford flexibility in the level of involvement the City determines to be appropriate based on technically defensible information and input from the City Council. This process includes the critical evaluation of environmental liability and the selection of a suitable framework to avoid this liability.



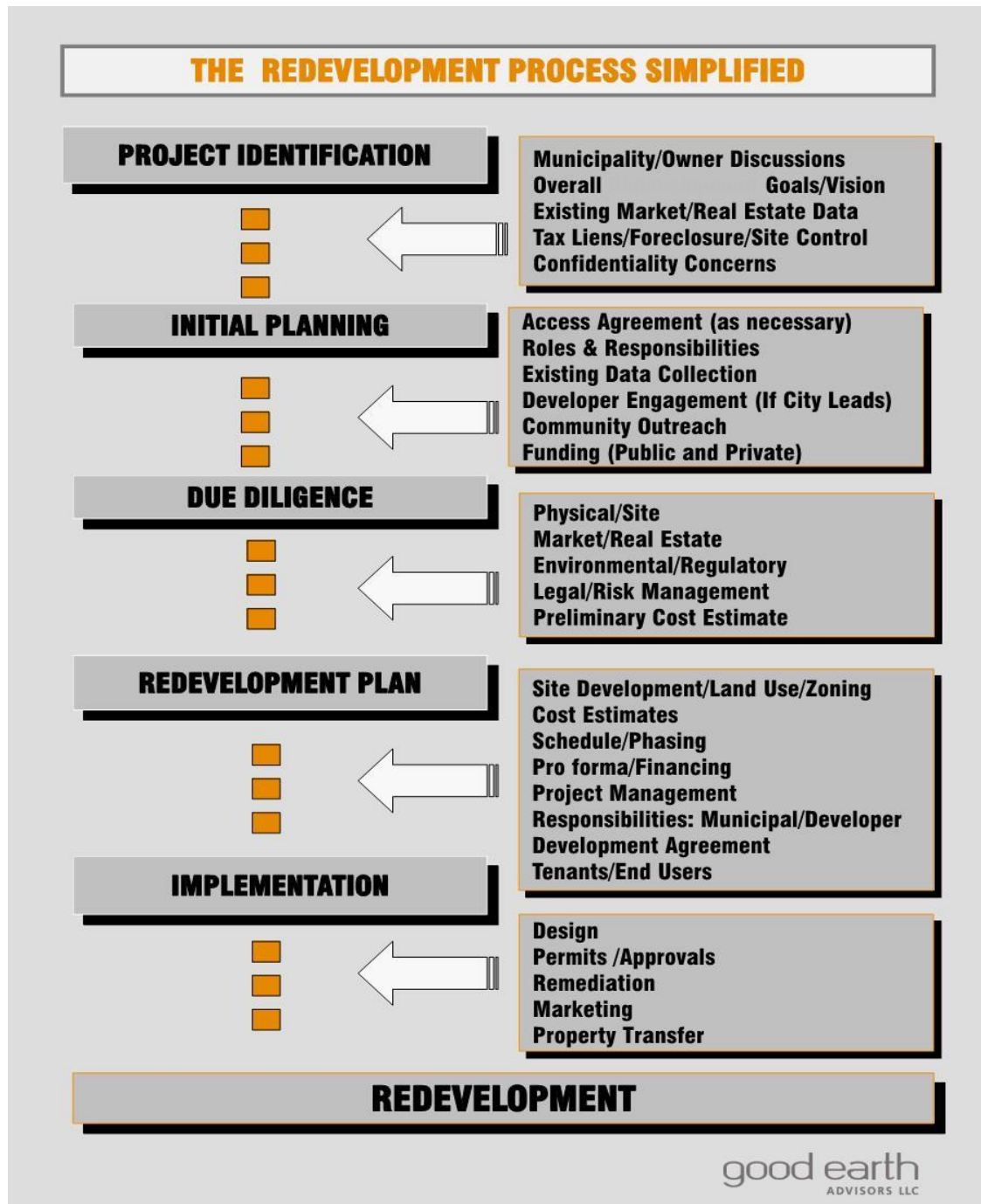
- **Brownfield Strategy Acquisition Roles & Options:** As the City proceeds through the FAB process, various levels of its involvement will become apparent, ranging from simply advising a private developer on the local approval process (Level 1) to gaining site control or acquiring a tax delinquent brownfield property (Level 4). While the City's and private tax collector roles are necessarily inter-dependent, the roles of the current property owner and prospective purchaser (if not the City) will be defined by decisions made by the City. Depending on the presence of contamination and the risk of assuming liability involved with the redevelopment goals of a property, consideration may be given to involving a non-profit community development corporation (CDC), such as the Torrington Development Corporation. Such an entity may be exempt from property transfer regulations. If structured correctly and the redevelopment was successful, the TDC could generate funds from the sale of the property to support staff and retain technical consultants. Using legislation enacted in 2017, a qualified Land Bank may also play a role in acquisition and/or redevelopment.

Under the law, the Land Bank may be eligible to receive state and local grants, accept tax exempt contributions and may be exempt from local real estate taxes. Similar to the non-profit CDC, Land Banks may be exempt from property transfer regulations, but do not eliminate the need for someone at some point in the process to fully investigate and remediate the on-site releases in accordance with the requirements of the RSRs.

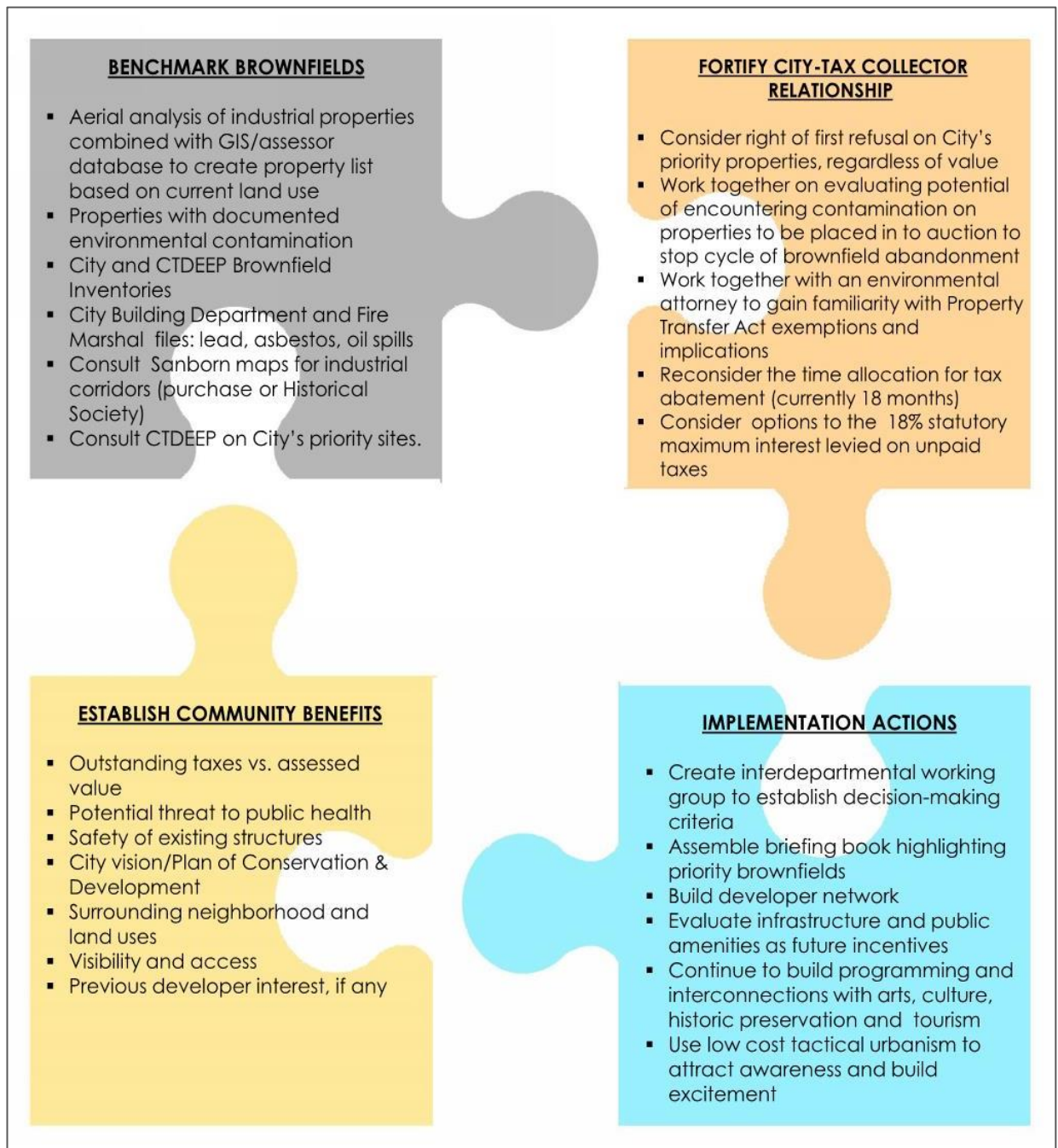
- Level 1 – Non-delinquent Private Sale
- Level 2 – Tax Delinquent Property Retained by Tax Collector
- Level 3 – Tax Delinquent Liens Auctioned by Tax Collector
- Level 4 – City Gains Site Control of Tax Delinquent Property

OPTIONS INVOLVEMENT	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4
	Non-delinquent Private Sale	Tax Delinquent Property Retained By Tax Collector	Tax Delinquent Liens Auctioned By Tax Collector	City Acquires Lien to Tax Delinquent Property
City of Torrington	Responds to inquiries from property owner or prospective buyer; provides input on consistency with POCD; shares publicly available information on potential contamination; provides guidance on planning, zoning, wetland, building process	Initiates discussion with tax collector regarding desirable outcomes; shares information on potential contamination	City maintains dialogue with Tax Collector; consults known sources to ascertain potential contamination; reviews POCD, existing economic development and community objectives; may informally facilitate potential buyer interest.	City notifies Tax Collector of interest; initiates initial due diligence through Technical Assistance Team to ascertain potential contamination; City attorney evaluates liability and confirms Transfer Act not triggered; proceeds with brownfields redevelopment process and if warranted, engages non-profit or sanctioned land bank
Private Tax Collector (Under contract with City)	Collects taxes due, if any, based on closing	Notifies City of delinquency within 90 days; decides to retain property; may reconsider based on potential contamination	Conducts auction 2 times each year. Prior to auction, notifies City of tax status. Works with City in the event contamination is known or perceived	Works cooperatively with the City under public-private partnership
Property Owner	Discloses Information to buyer under applicable State statutes	After notification of delinquency, may elect to pay taxes	After notification of delinquency, may elect to pay taxes	Owner or other party has right to pay taxes
Prospective Purchaser/Developer	Evaluates property based on financing, insurance, investment objectives & requirements.	Not applicable	Interested parties should conduct due diligence to a level consistent with financing, insurance, investment objectives & requirements	Under public-private partnership, city works with interested buyer; economic, community and public health benefits are considered in development; proof of financing and other provisions must be met
Non-Profit/Land Bank/ CDC	Not applicable	Not applicable	Not applicable	Provides mechanism to avoid environmental liability; evaluates interest; demonstrates ability to accept property and capacity to remediate/redevelop

- **The Redevelopment Process Simplified:** Redevelopment is often considered a complicated process, regardless of whether a municipality is taking the lead or not. In this graphic, the process is broken down into definable steps to build familiarity with the tasks associated with each step and to help guide the user in customizing the process to reflect the unique roles and issues of a specific project.



- **Brownfield Strategy Elements:** Depicted as four pieces of a puzzle, these elements offer short-term areas of focus to assist with jumpstarting the City's Brownfield Strategy. The content within this puzzle is intended to spur not just assignments of duties, but inter-departmental dialog.



Moving Forward

It will take time for the City of Torrington to work through this process and establish decision-making benchmarks and criteria. Meanwhile, there are known brownfields that are currently being pursued by private developers or have already been acquired and undergoing due diligence. This is an opportunity for the City to jump in to test some segments of the process without the need to facilitate site control.



Franklin Street Pop-Up Event (Tactical Urbanism)

This strategy should be seen as the framework—the building blocks—for successful redevelopment. There is ample room for flexibility in the approach and adaptation to the unique circumstances of a particular redevelopment project. While this may be insufficient to those who are looking for an unyielding hierarchy, this will be welcomed by potential developers and current owners of properties encumbered by environmental contamination. Embracing the elements of the strategy on a consistent basis will position the City as an experienced and knowledgeable partner open to developers with the right vision and able to facilitate and implement redevelopment.

TORRINGTON'S BROWNFIELD REDEVELOPMENT CHALLENGES: A CLOSER LOOK

18 Mason Street

Context: 3300 SF building built in 1930 on 0.08 acres in center of downtown; former dry-cleaning establishment.

Assessed value: \$106,980

Background: A Limited Liability Corporation purchased the property from the private tax collector in April 2013 for \$27,210 without conducting environmental due diligence. The owner had allowed the property to become tax delinquent because he had neither the capability nor the money to address contamination. Likewise, the LLC intentionally became delinquent on the taxes to alleviate their liability. The City was notified by its private tax collector and began reaching out to potentially interested parties to avoid a second tax sale. Torrington Bank expressed interest and the city partnered with the bank to apply for a DECD Brownfield Assessment Grant but the tax sale auction had proceeded. The buyer walked away and lost the deposit after learning of the environmental condition of the property. Since the property never sold in the tax sale, the LLC maintained ownership of the property. In an effort to gain site control Torrington Savings Bank carried out an initial environmental review then entered into a purchase and sales agreement. The bank remedied the outstanding taxes and continued to pay the taxes until the property formally transferred to the bank once a full environmental investigation had been concluded.

Outcome: Through coordination with the tax collector, the City was made aware of the impending tax sale, which allowed the facilitation of a purchase through a public-private partnership. The Torrington Bank paid for the Phase I Environmental Assessment. The \$100,000 DECD grant funded a Phase II site assessment with supplemental testing, asbestos abatement and demolition plans. The bank took title to the property in September 2018 and will be using the property to house additional offices and operations.

408 Main Street

Context: 0.77-acre vacant parcel, zoned commercial, previously occupied by a blighted, partially burned out multifamily structure. The rear of the parcel abuts the Naugatuck River. The City pursued legal action against the owner in August 2015 after a November 2014 fire left the dwelling in a hazardous condition and posed a public health threat. The presence of environmental contamination was previously known through a Notice of violation issued by the State several years prior to the fire.

Assessed value: \$69,370

TORRINGTON'S BROWNFIELD REDEVELOPMENT CHALLENGES: A CLOSER LOOK (continued)

Background: City's private tax collector purchased the property in 2001 for \$37,061 from the owner who had held the property since 1977. The property was acquired a few months later by a limited liability company whose sole member was the original owner. Due to a fire, tenants were displaced and the owner stopped paying taxes. The City sued the property owner and the Bank because the property was under strict foreclosure prior to the fire, where the bank had begun to take possession of the property and was collecting the rents. Even after the fire, the bank took responsibility of the property and conducted an asbestos survey in preparation of demolition. However, once the mortgage company received an insurance claim on the property, the bank walked away and the property reverted back into the hands of the original property owner. The property owner continued to not pay taxes and did not address the blighted condition. In 2016, the tax collector initiated a tax sale for \$20,000 and the new owner knowingly took title to the property and assumed responsibility for the environmental contamination.

Outcome: The owner has demolished the building and the property is for sale. The new property owner was able to appeal to the board of assessment appeals to reduce the value of the property due to the fire damage. It is probable that environmental issues remain.

245 East Elm

Context: 65,425 SF warehouse built in 1900 on 1.6 acres. Property is fully sprinklered, has freight elevator, new rubber membrane roof, updated electrical, loading docks, drive-in doors.

Assessed value: \$278,300

Background: Property was acquired through foreclosure by Bayview Loan Servicing LLC after the death of the owner. The property was purchased by 245 East Elm Street LLC for \$75,000 in February 2014. Contamination was known due to previous site history and preliminary investigations. The City attempted to assist the property owner, and rezoned the site to support mixed-use. The owner was unwilling to remediate the property and refused to pay taxes. The property became tax delinquent but the taxes were redeemed during the sale by the owner, who subsequently sold the property to Seferi Properties for \$250,000 in November 2017. Seferi did conduct due diligence and attempted redevelopment as a restaurant and work-out studio.

Outcome: Even with the due diligence that was conducted, because of the cost of remediation, redevelopment has been stymied. The owner is seeking financing. The property has reverted back into a blighted condition and the City has begun to enforce building, fire, zoning and blight code.