

DOWNTOWNTORRINGTON

It's Happening Here!

WELCOME!



Torrington Brownfield Area
Revitalization Program (BAR)

Public Forum #1

Thursday March 2, 2017

Agenda

- Project Overview
- Physical Context
- Market Analysis Preliminary Results
- Next Steps

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■ Project Overview

Project Team

- BL Companies
- Good Earth Advisors, LLC
- The Williams Group
Real Estate Advisors
- Updike, Kelly & Spellacy



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**Take Note of the
City's New Brand!**

**We Will Be Using It
For This Project.**

BROWNFIELD:

a former industrial or commercial property where future use is affected by real or perceived contamination.



What Is the Brownfield Area Revitalization (BAR) Program?

- **The BAR Program** was established to fund efforts beyond traditional characterization and investigation of contaminated properties.
- Administered by the Department of Economic and Community Development (DECD).
- The City was one of only six recipients across the State who were awarded a **\$200,000 grant**.
- **Scope:** market analyses, public education, reuse planning of two Focus Areas, development of a comprehensive process to address brownfields in the downtown area.

OUR SCOPE

- Examine the opportunities and challenges related to being a “**micropolitan area**”
- Analyze market and real estate conditions and identify supportable development, define opportunities for the arts and culture as economic drivers and begin soliciting developer interest
- Examine the redevelopment potential of two Focus Areas:
 - NIDEC (Riverfront Recapture/Naugatuck Greenway)
 - Stone Container/Hendey (Proposed Bus Transit Facility)
- Evaluate institutional mechanisms for encouraging brownfields redevelopment; develop a framework for implementation.

DOWNTOWN TORRINGTON

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DID YOU SAY MICROPOLITAN?

The Bloomberg Small Town Wealth Index:

Location	Score	Est. median household income	% households with income \$200k +	Median home value	% homes valued at \$1M +
1 Summit Park, UT	99.65	\$83,336	14.4%	\$485,700	12.9%
2 Edwards, CO	99.40	\$74,456	9.2%	\$453,300	15.5%
3 Jackson, WY-ID	98.68	\$62,291	6.6%	\$394,300	17.4%
4 Vineyard Haven, MA	98.25	\$66,288	4.0%	\$665,300	15.3%
5 Breckenridge, CO	98.23	\$63,697	5.0%	\$460,000	9.1%
6 Easton, MD	98.05	\$61,597	7.1%	\$327,400	10.6%
7 Glenwood Springs, CO	97.85	\$60,237	5.0%	\$341,500	12.9%
8 Heber, UT	97.73	\$65,050	5.8%	\$307,600	4.9%
9 Steamboat Springs, CO	97.70	\$62,002	4.6%	\$390,100	11.1%
10 Kapaa, HI	97.60	\$62,052	4.2%	\$484,500	10.5%
11 Torrington, CT	97.18	\$71,338	6.6%	\$263,600	3.1%
12 Hailey, ID	97.05	\$57,995	4.8%	\$297,000	14.2%
13 Key West, FL	96.68	\$53,607	6.5%	\$381,200	11.3%
14 Gardnerville Ranchos, NV	96.63	\$60,100	4.6%	\$271,400	5.1%

- Has between 10,000 to 50,000 residents but serves a greater population
- Torrington ranked 11th and is the 3rd largest in the US (Bloomberg.com, August 2015)

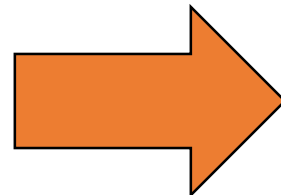
BloombergMarkets

Torrington is
one of the
State's 25
Distressed
Municipalities



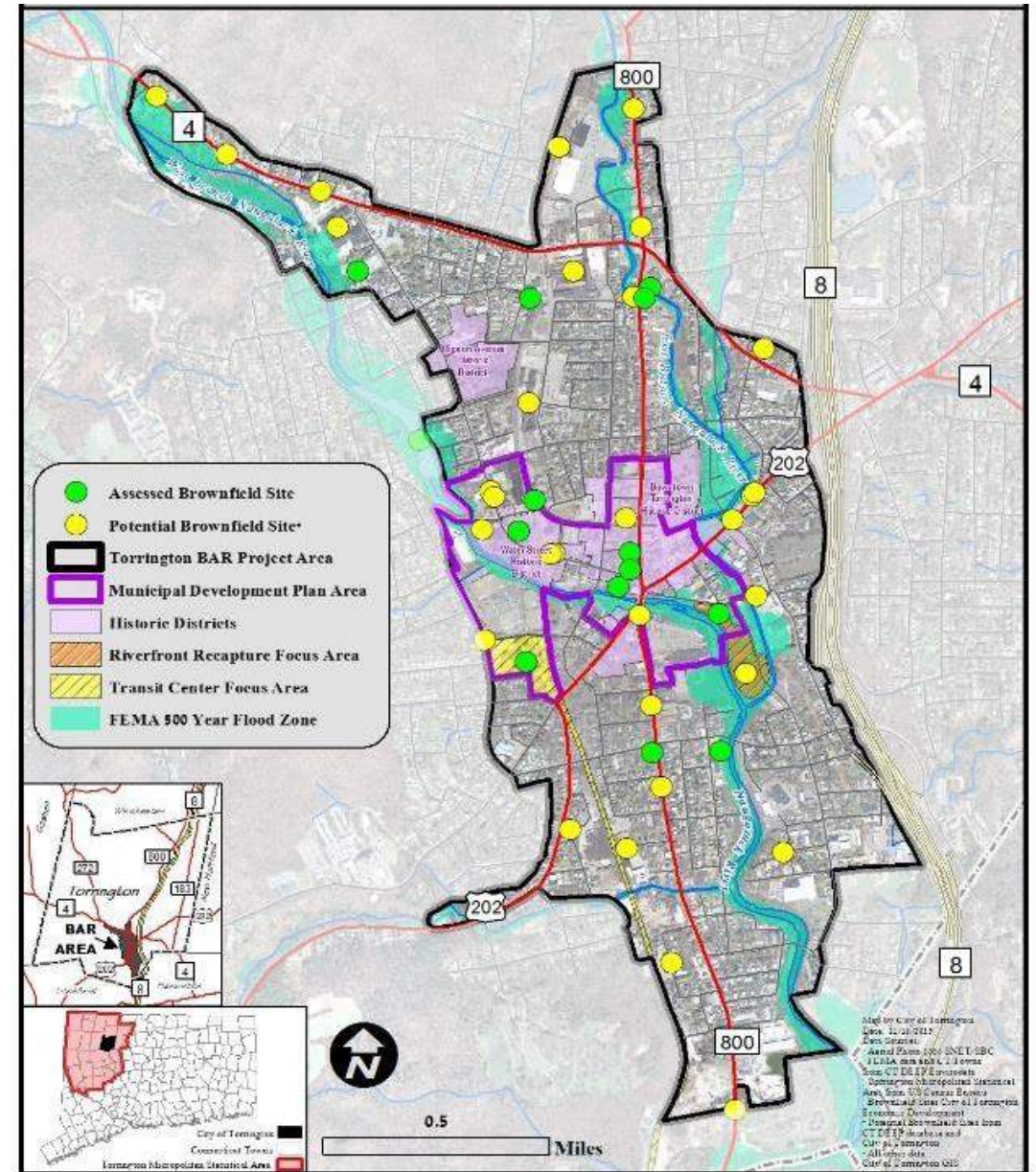
Implications of Our Demographics

- Only distressed community in all of Litchfield County.
- Due to its population characteristics, Torrington does not qualify for many state funding programs (Ex. Targeted Investment Community, Entitlement Zone)
- Typical “desk-top” analyses run by potential developers and investors do not reveal our potential



We Need to LEVERAGE the micropolitan statistics

BAR Planning Area



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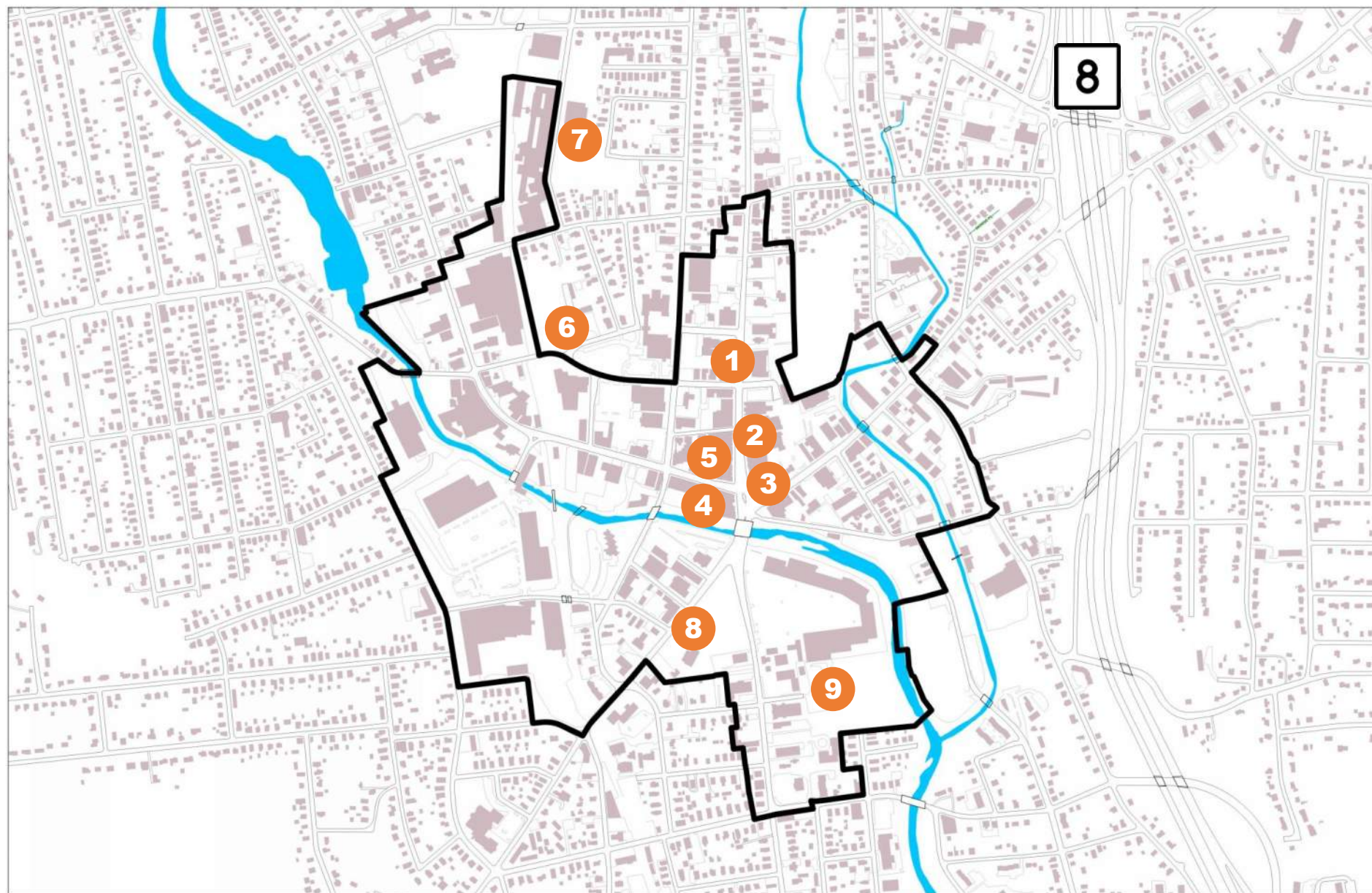
Physical Context

BL Companies

Downtown Destinations

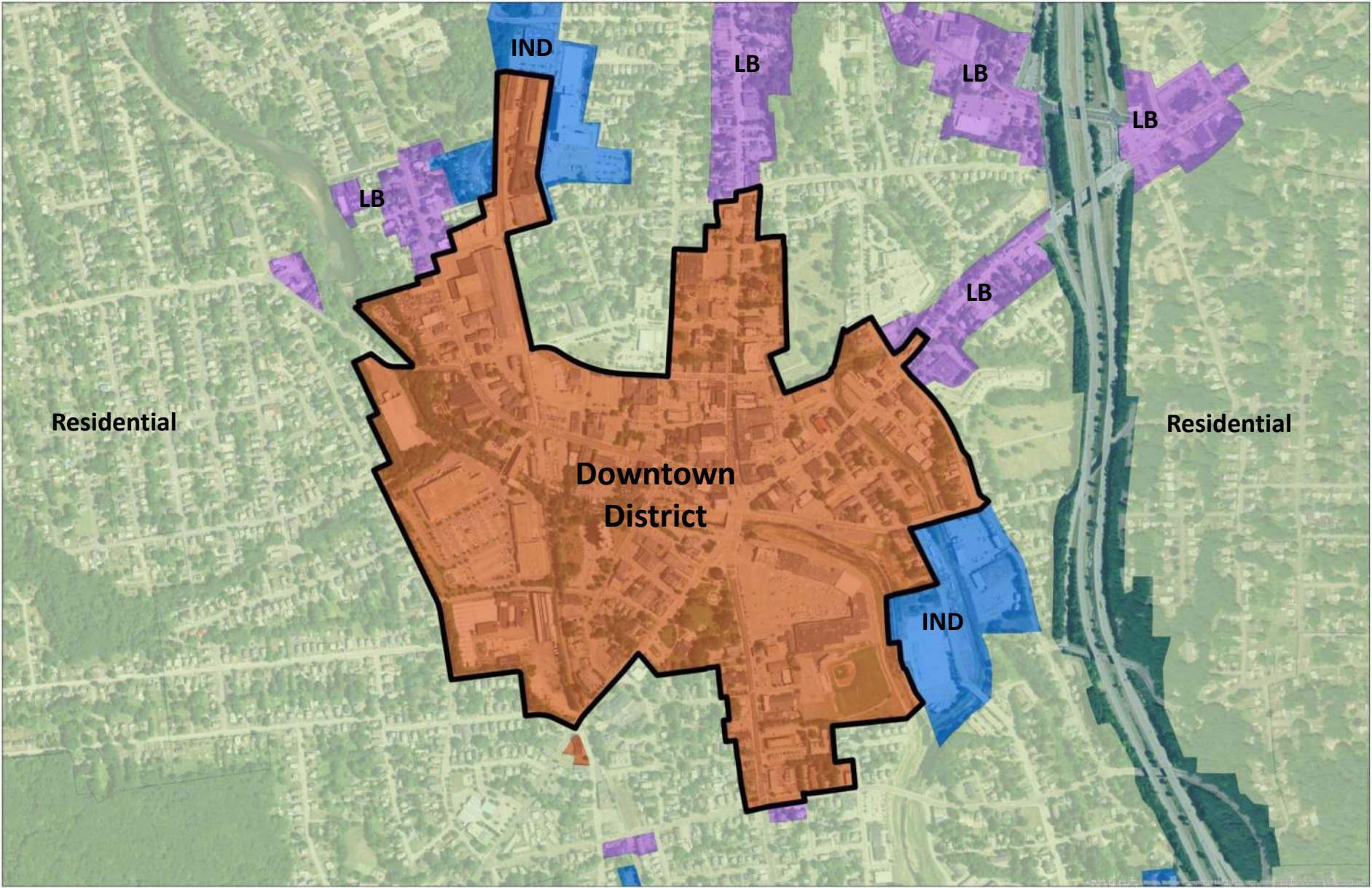
- 1 City Hall
- 2 Warner Theatre
- 3 Nutmeg Conservatory
- 4 Five Points Gallery
- 5 KidsPlay Museum
- 6 Christmas Village
- 7 Courthouse
- 8 Coe Memorial Park
- 9 Fuessenich Park

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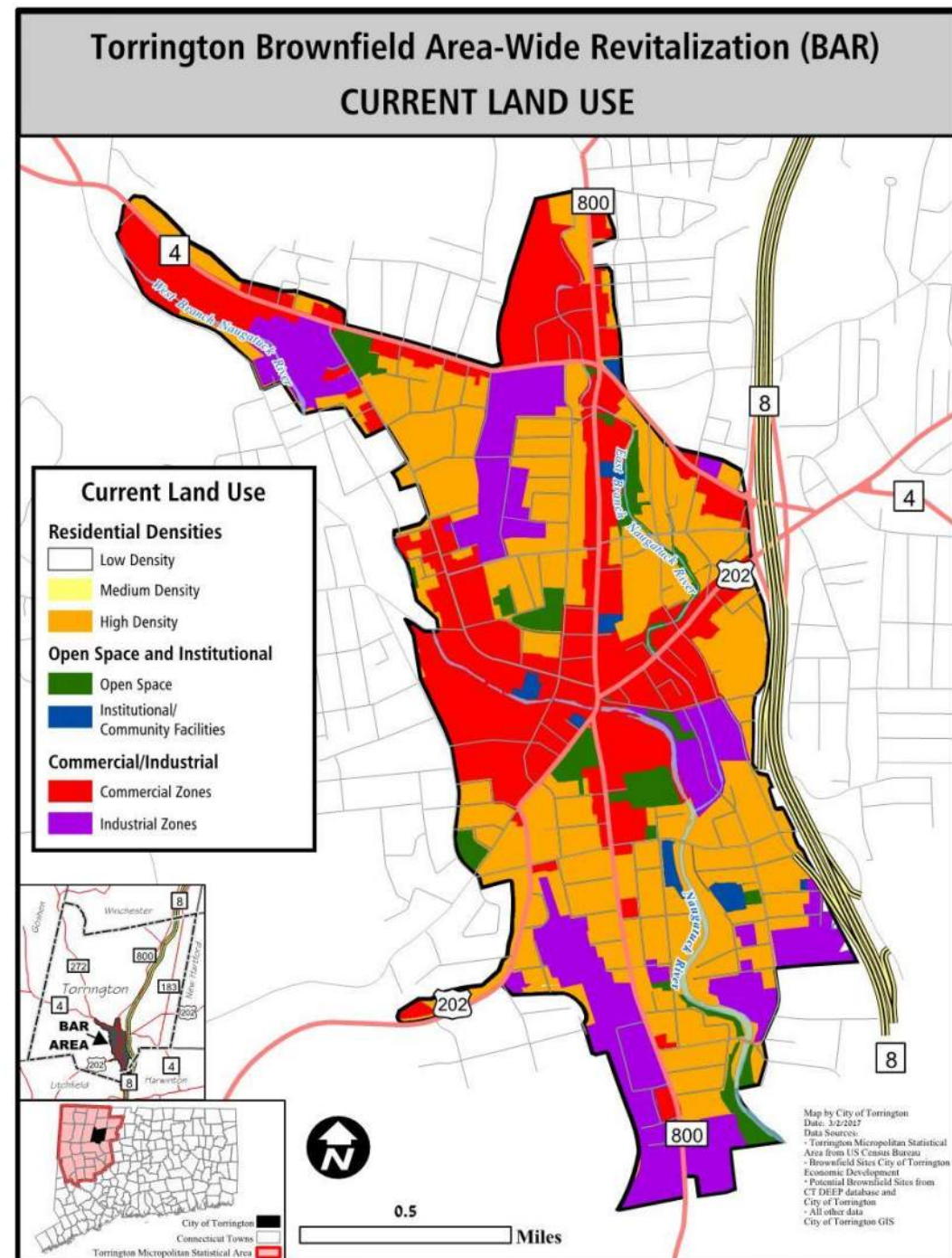
Existing Zoning

-  Downtown District
-  Local Business
-  Industrial
-  Residential

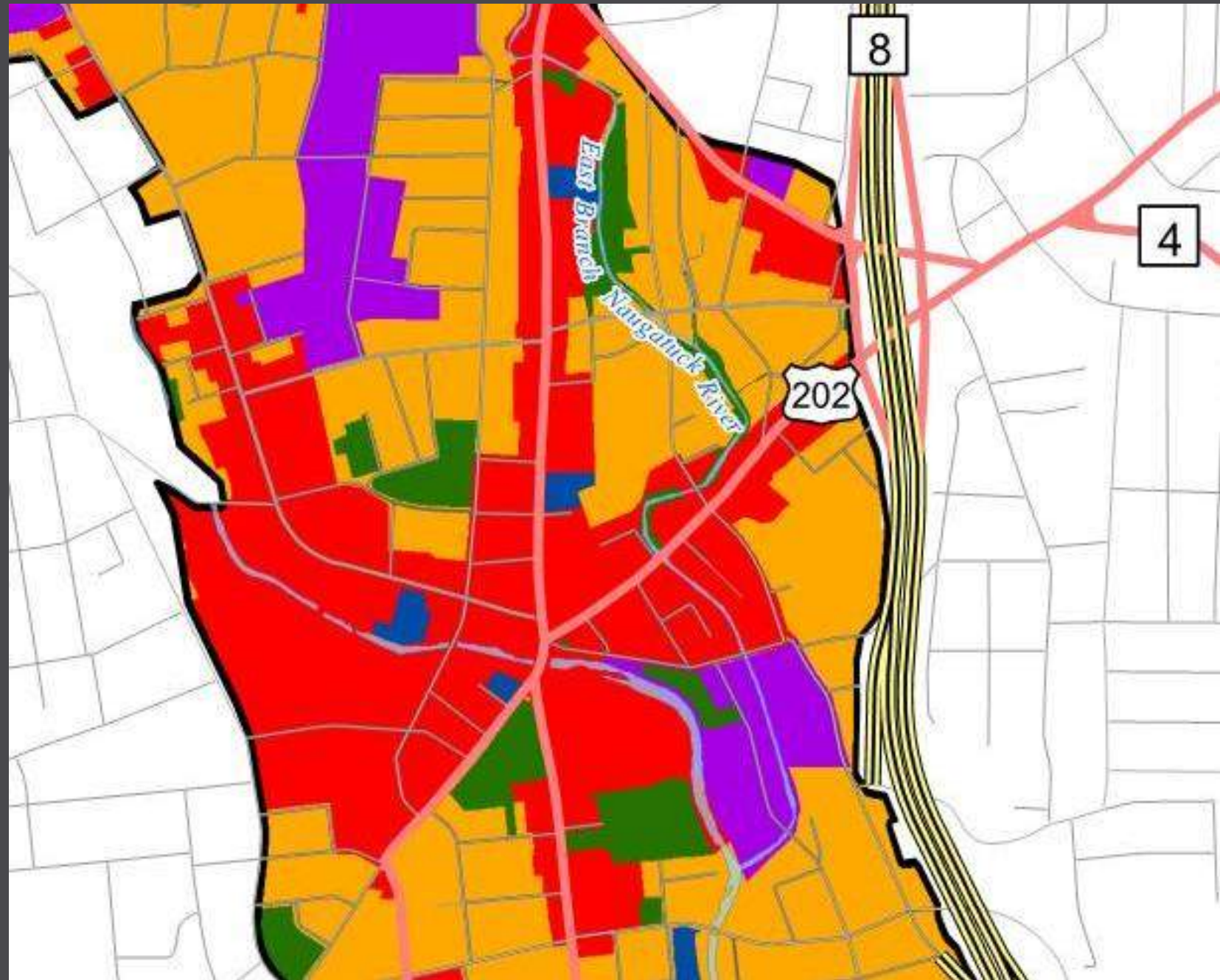
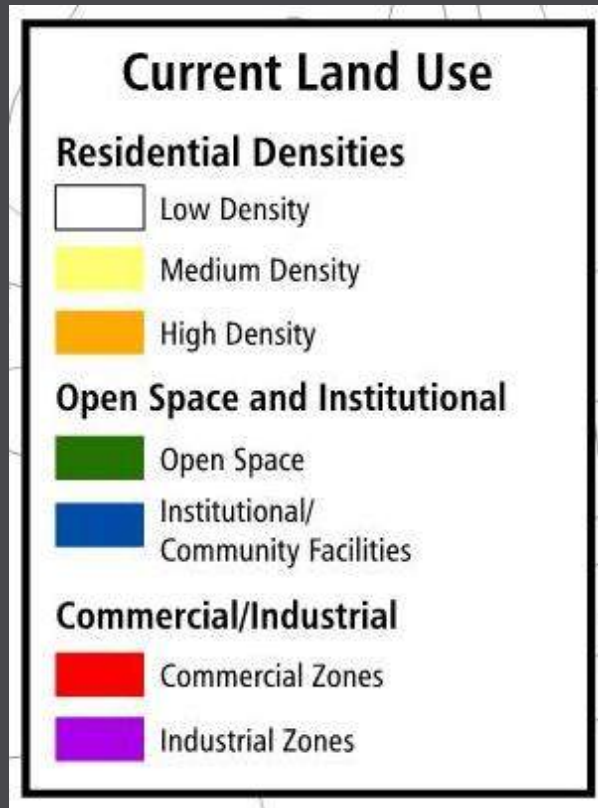


Land Use




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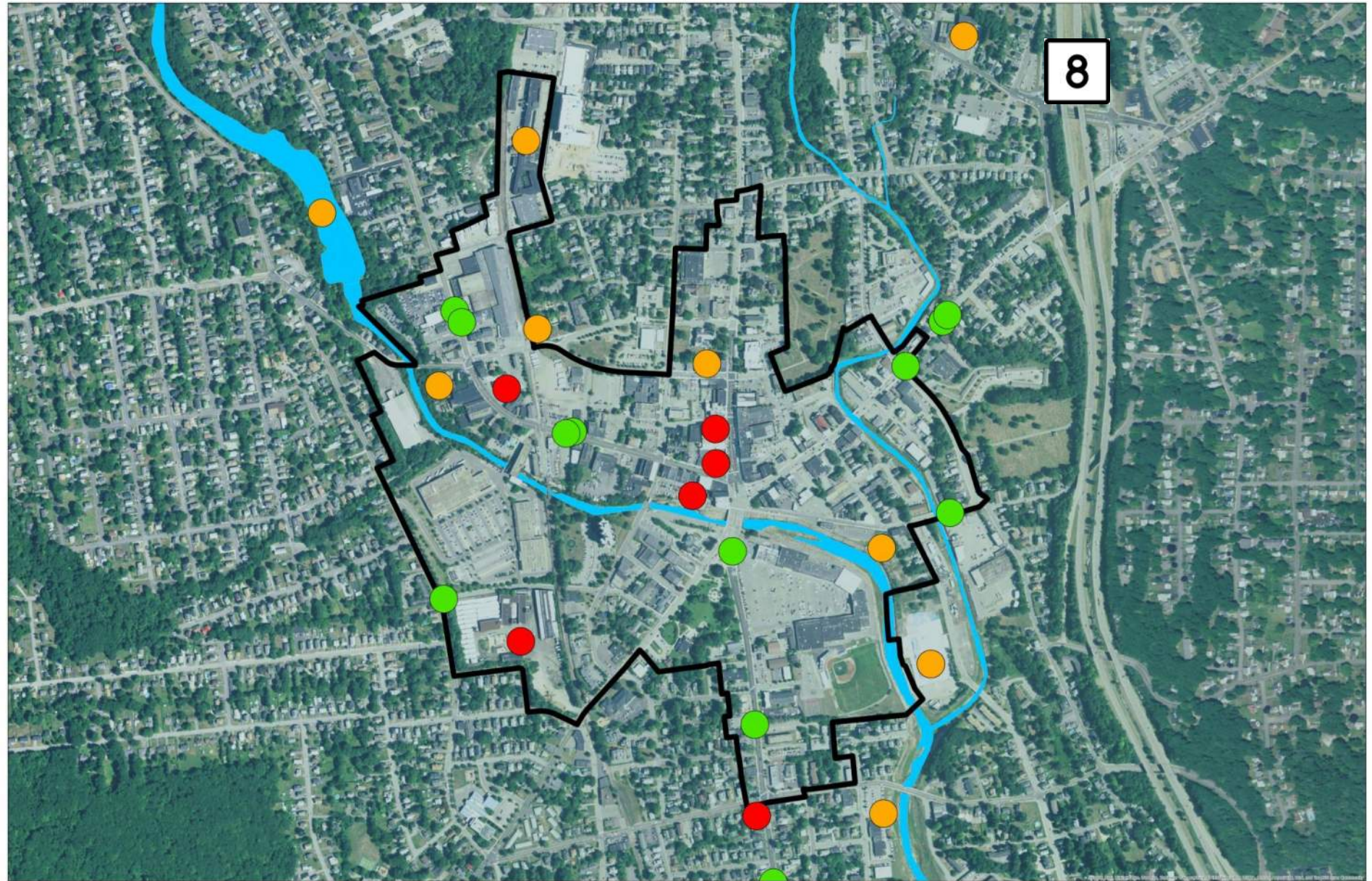
Land Use



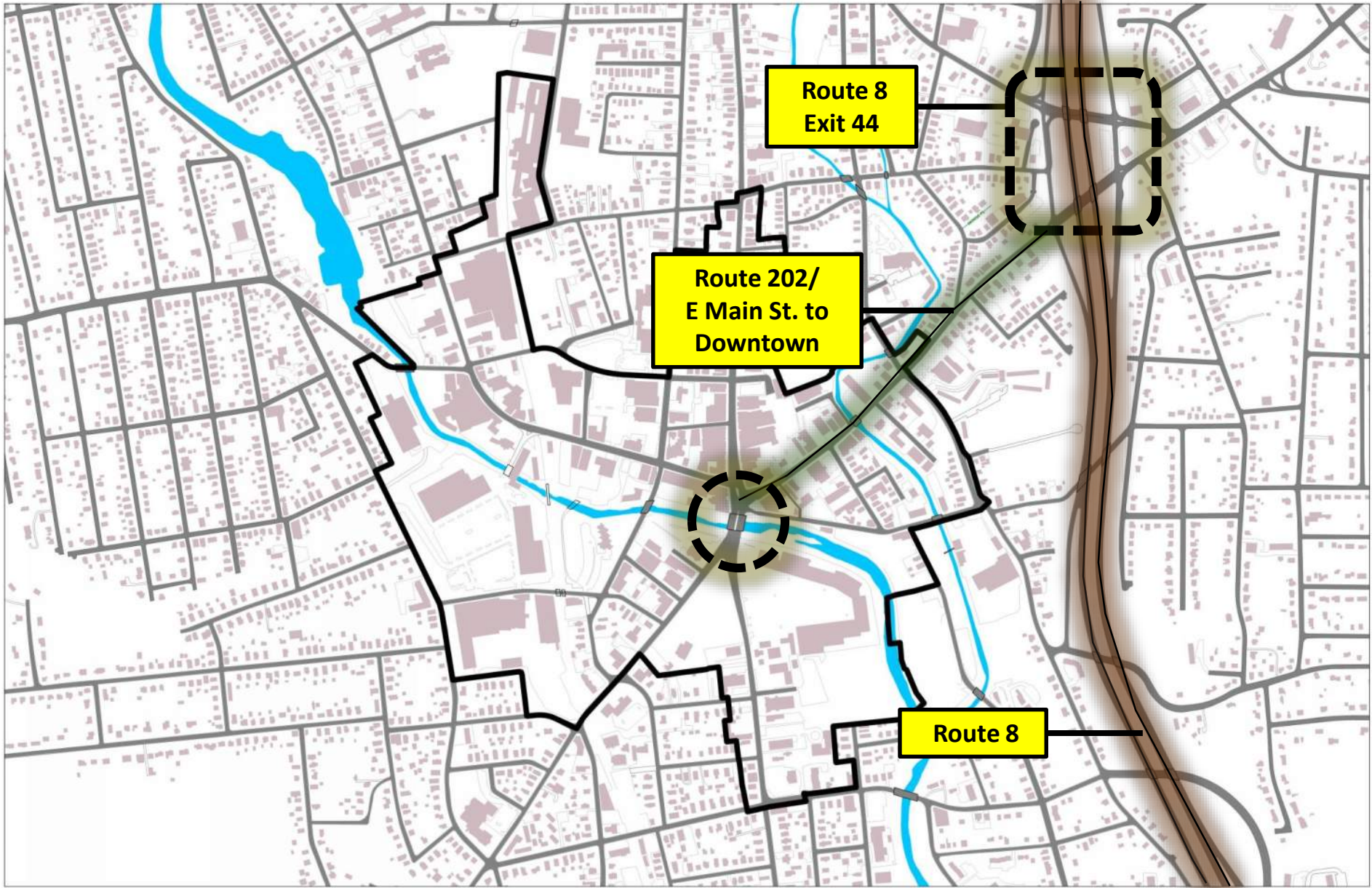
Brownfields

-  Brownfield Assessment Sites (2013)
(Ph 1 & 2, QAPP Appr)
-  Brownfield Assessment Sites (2015)
-  CT DEEP Potential Contaminated Sites

DOWNTOWNTORRINGTON



Highway Access



Gateways

A 5 Point Intersection

1 Main Street

2 Route 8

3 Franklin Drive

4 S Main Street

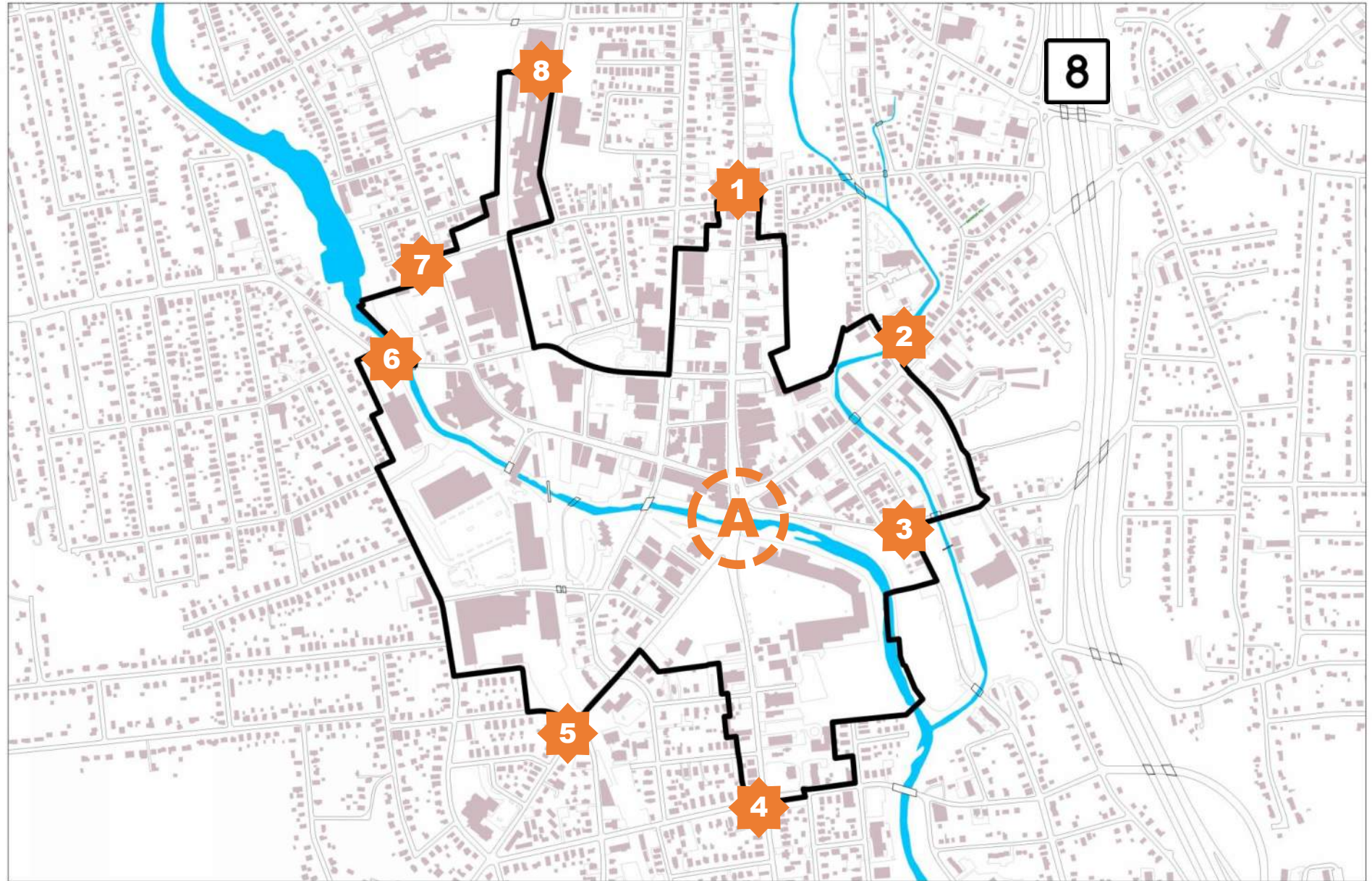
5 Litchfield Street

6 Church Street

7 Water Street

8 Field Street

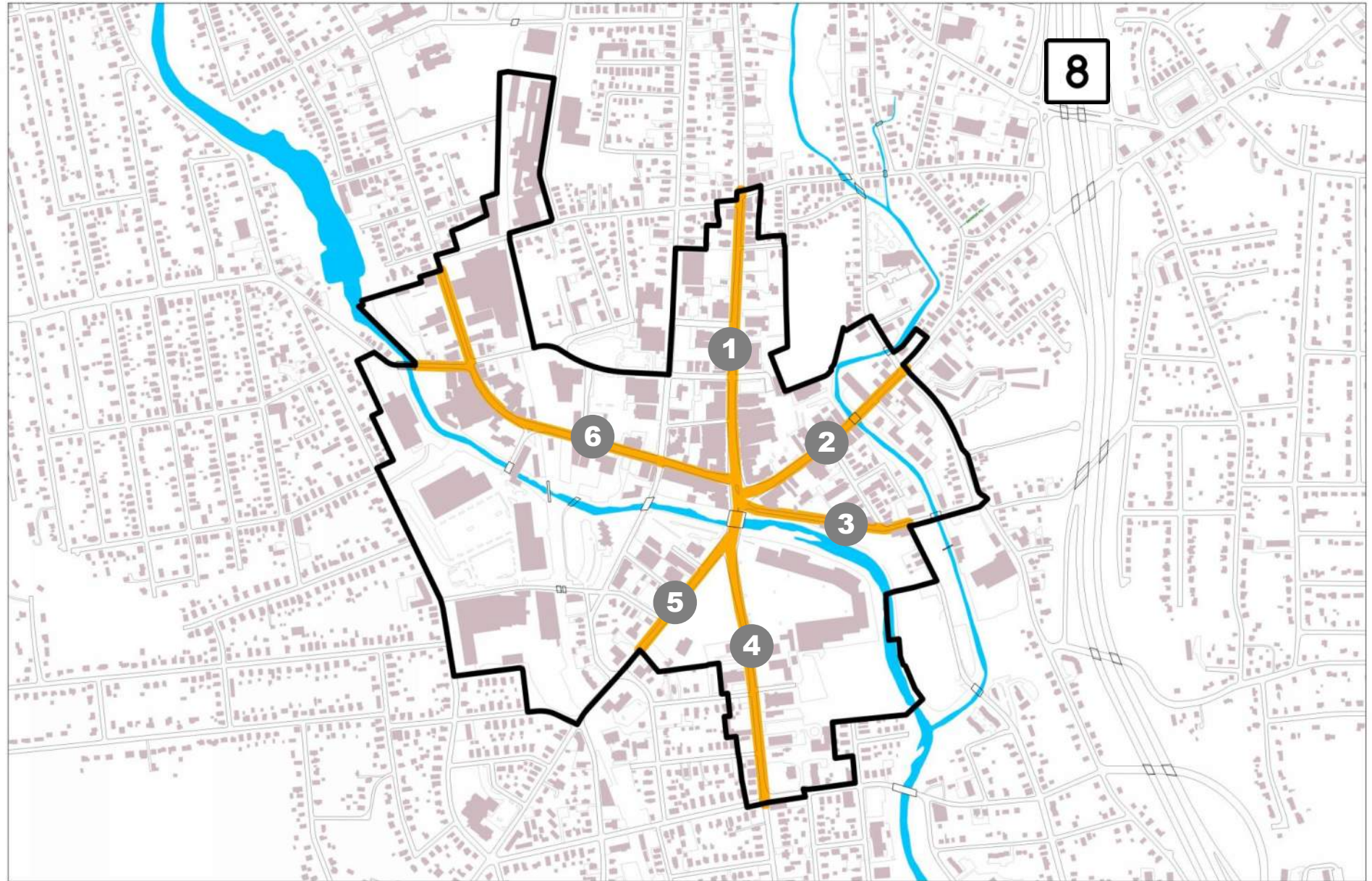
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Major Thoroughfares

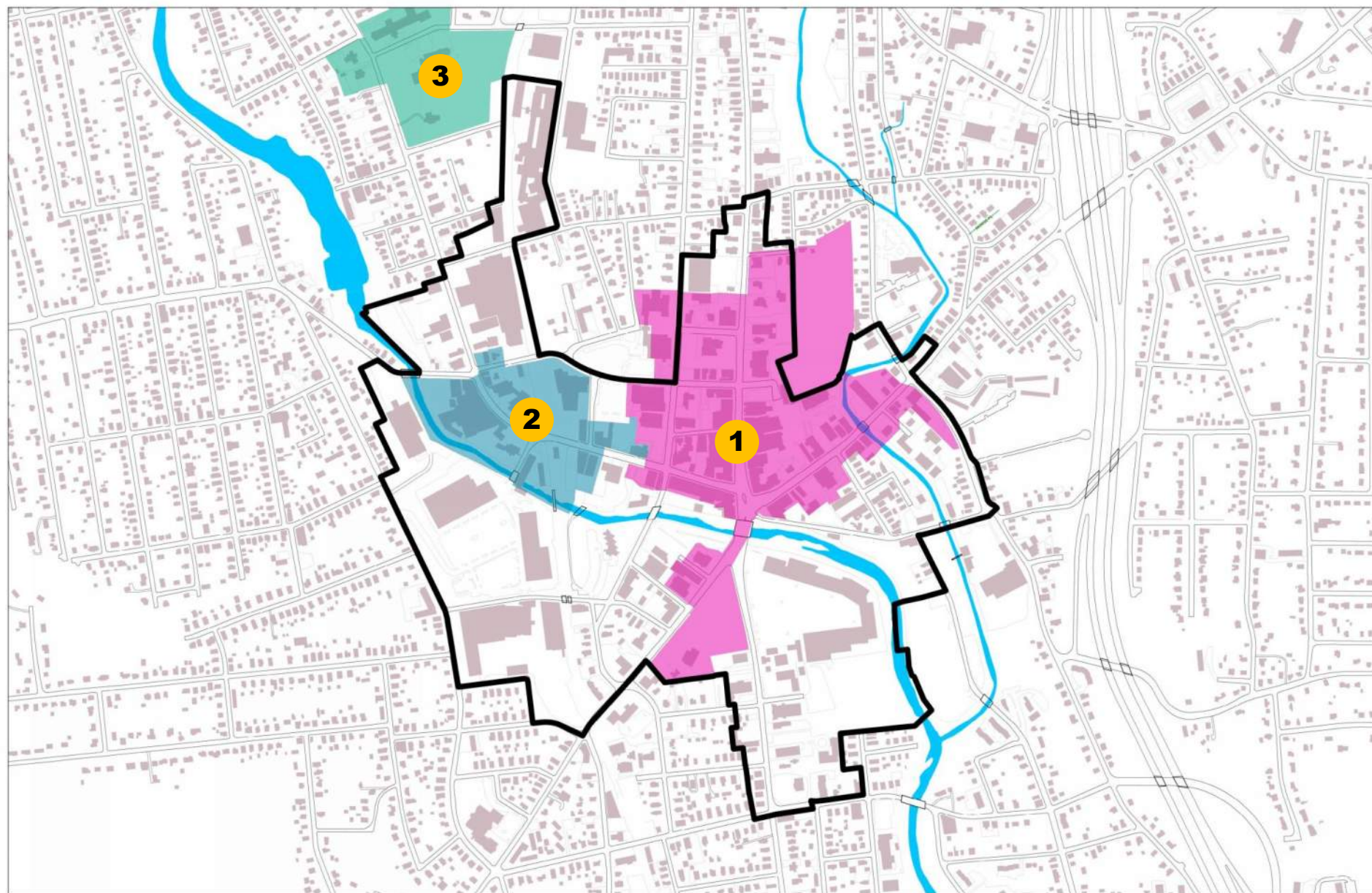
- 1 Main Street
- 2 E Main Street
- 3 Franklin Drive
- 4 S Main Street
- 5 Litchfield Street
- 6 Water Street

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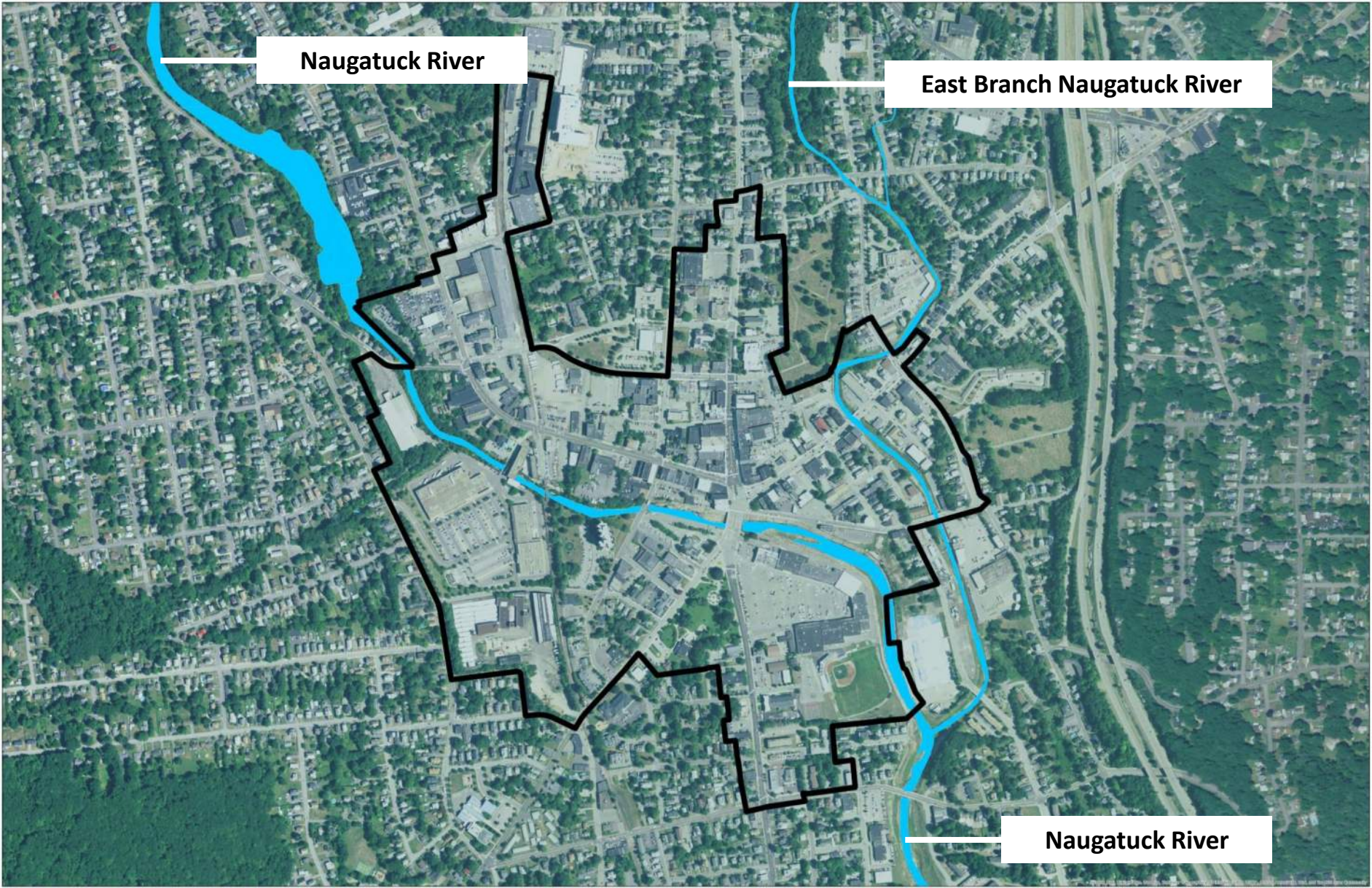


National Historic Districts

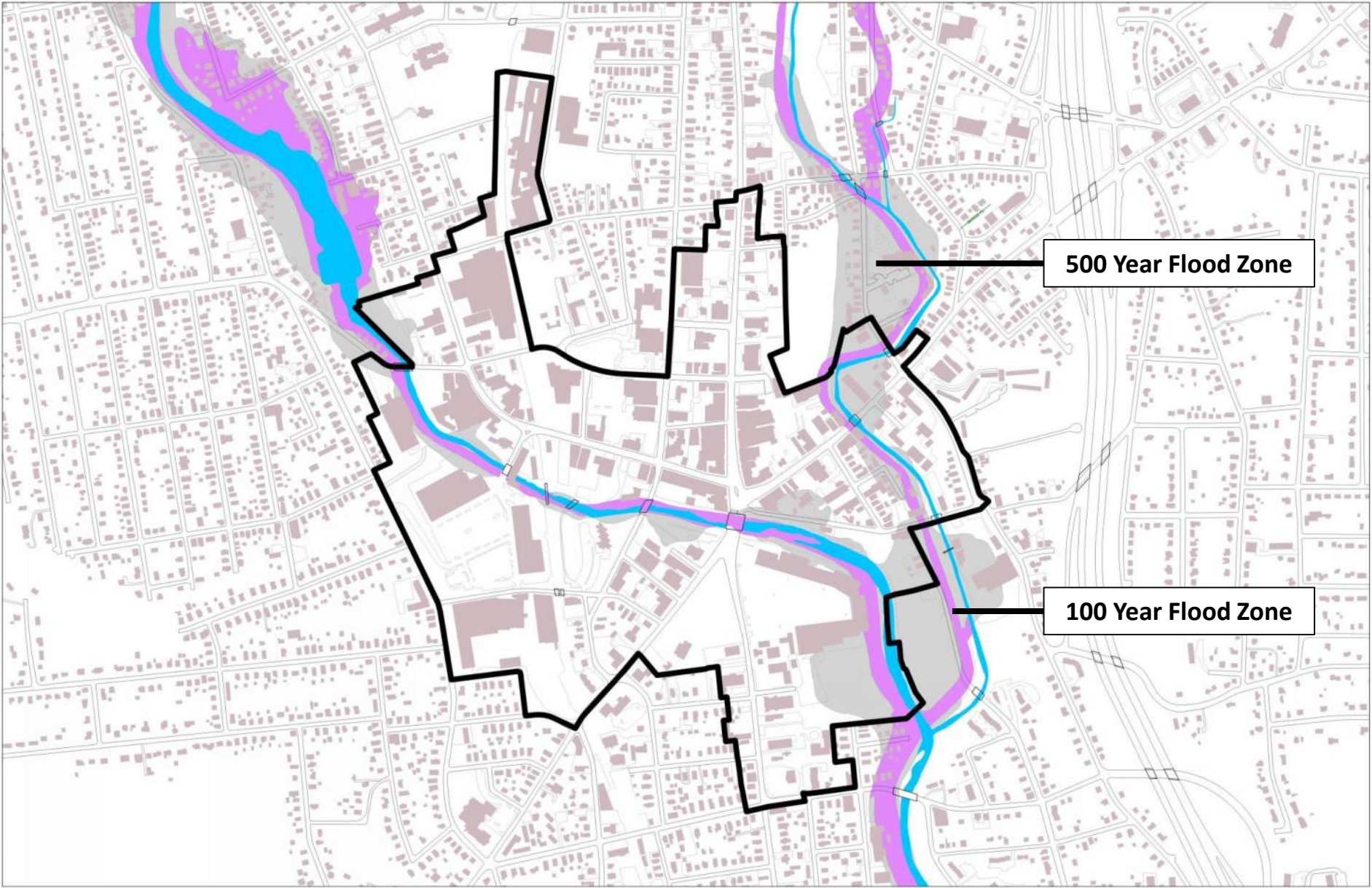
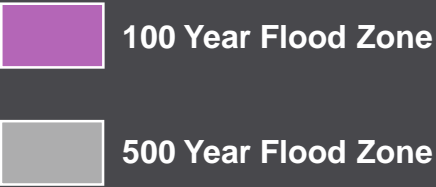
- 1 Downtown (1988)
- 2 Water Street (2003)
- 3 Migeon Ave (2002)



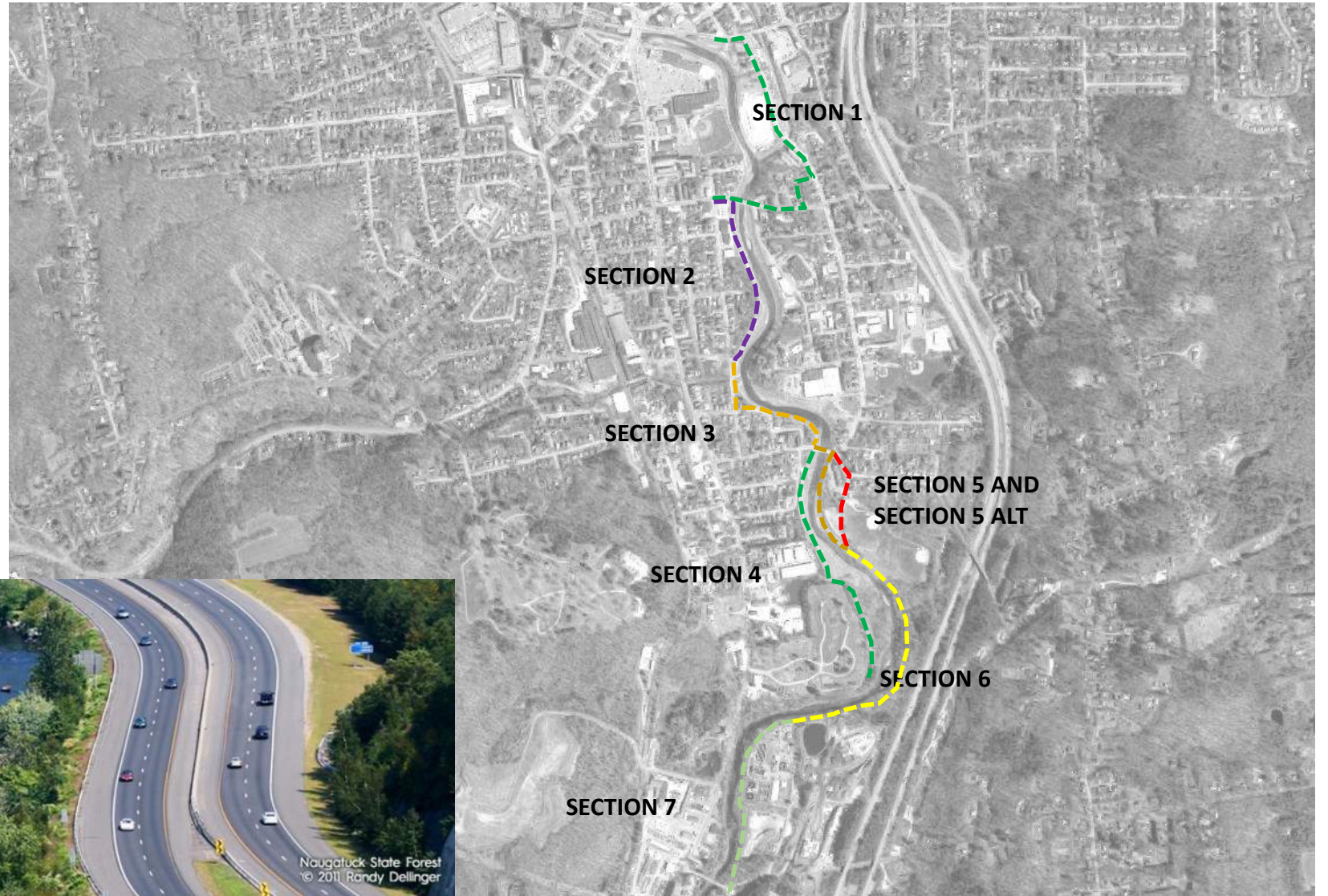
Waterbodies



Flood Zones

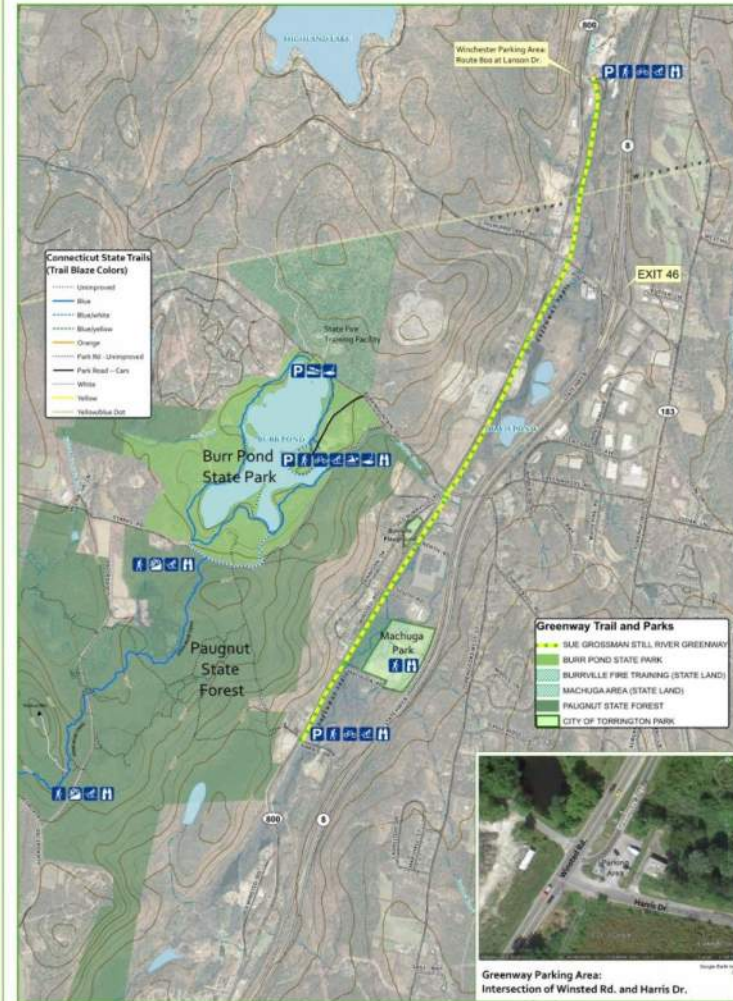


Naugatuck Valley Greenway



Sue Grossman Still River Greenway

Sue Grossman Still River Greenway



City of Torrington
Connecticut



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Focus Area: Stone Container

100 Summer St (Hendey) / 200 Litchfield Street

BL Companies

Stone Container Site

Stone Container-100 Summer/Hendey-200 Litchfield Street

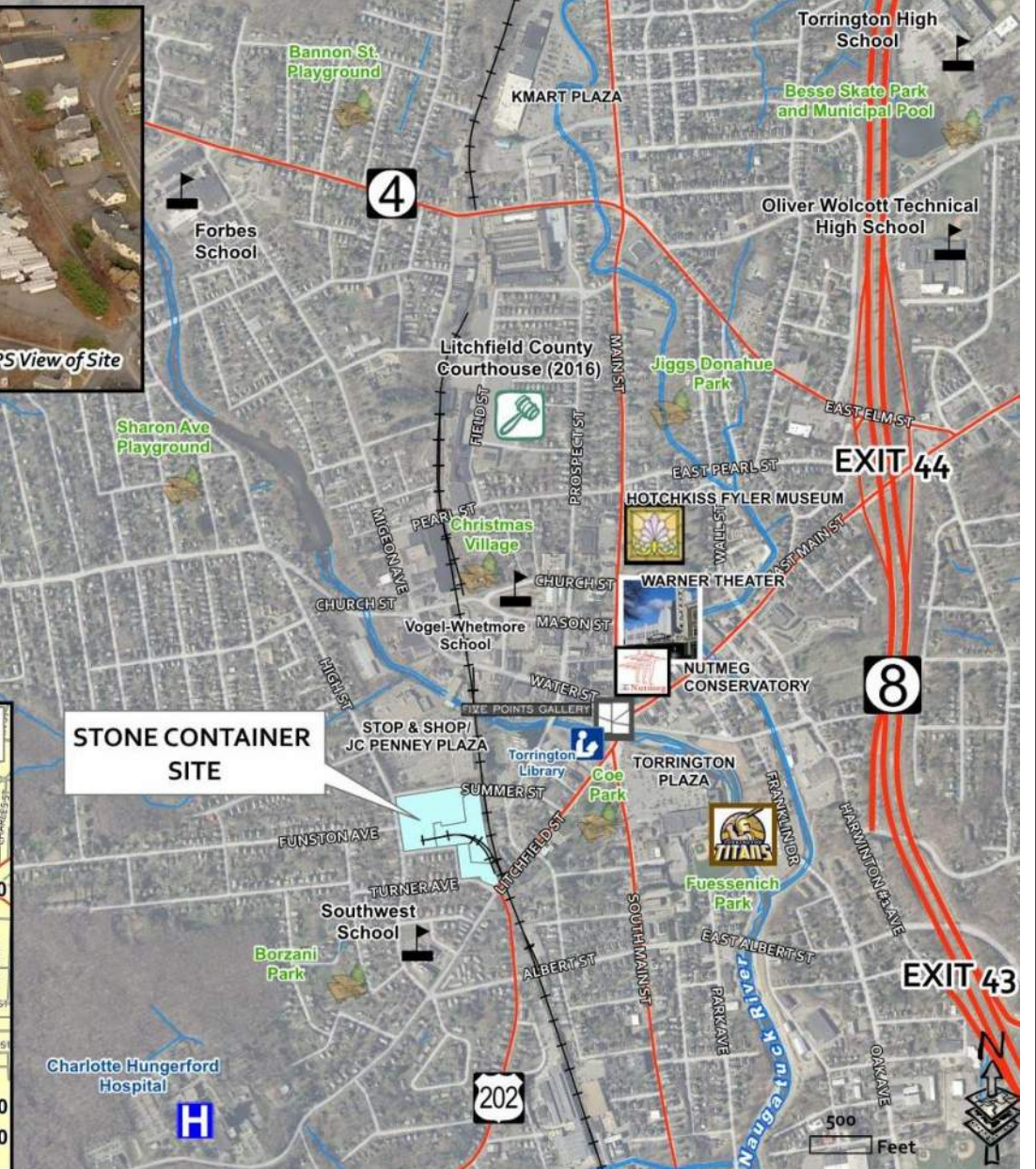
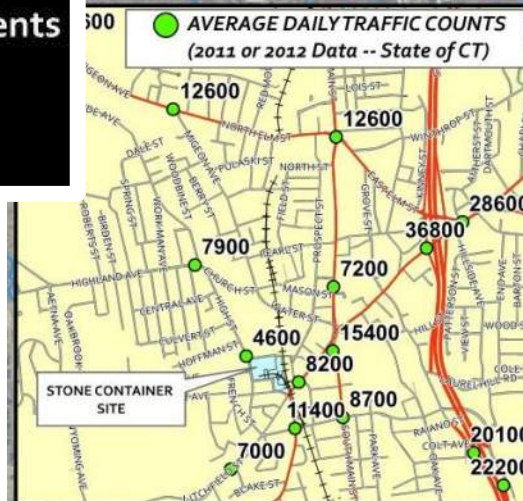
- Stone Container site was selected by ConnDOT as a bus transit facility
- Portion of the site currently proposed for a bus maintenance facility
- Phase I & II in 2008 as part of USEPA Community Wide Brownfield Assessment Grant
- \$1.7M of spur improvements to increase freight between Thomaston and Torrington is underway
- Torrington Historic Preservation Trust commissioned a preliminary analysis of redevelopment and adaptive reuse
- \$100,000 DECD Brownfield Assessment Grant (July 2016) to be used for Hendey site to continue evaluating redevelopment potential



Stone Container Site

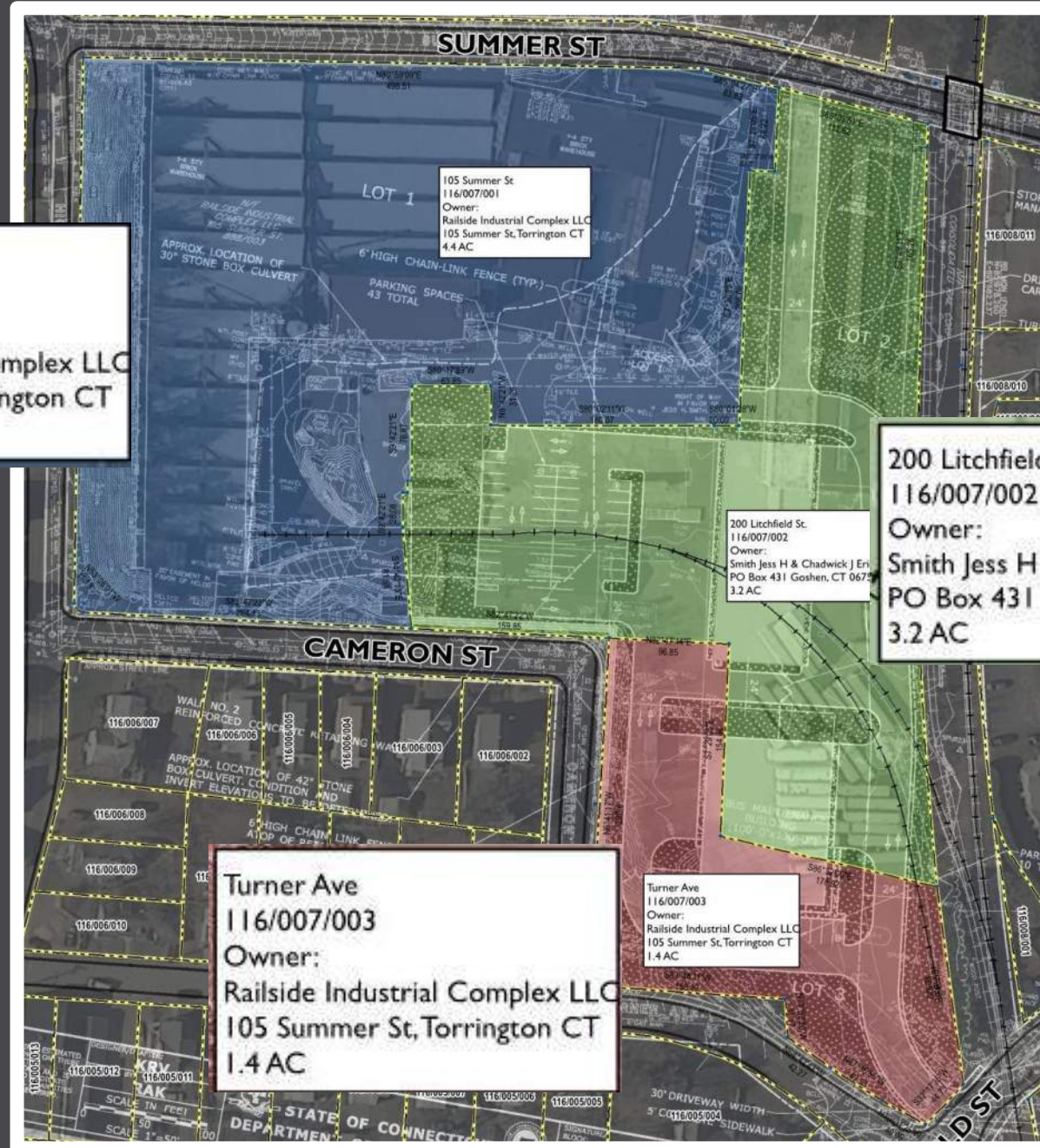
SITE SPECIFICS

- * 105 Summer St and 200 Litchfield St Addresses
- * Composed of Three Parcels
116/007/001, 116/007/002, 116/007/003
- * Zoned -- Downtown District Overlaid by Incentive Housing Overlay Zone
- * 9 Acre Site
- * Road Frontage on Summer St and CT Rt. 202
- * Phase 1 & Phase 2 Environmental Assessments Completed, QAPP Approved
- * Rail Line and Spur on East Side of Site



Stone Container Site

105 Summer St
116/007/001
Owner:
Raiside Industrial Complex LLC
105 Summer St, Torrington CT
4.4 AC



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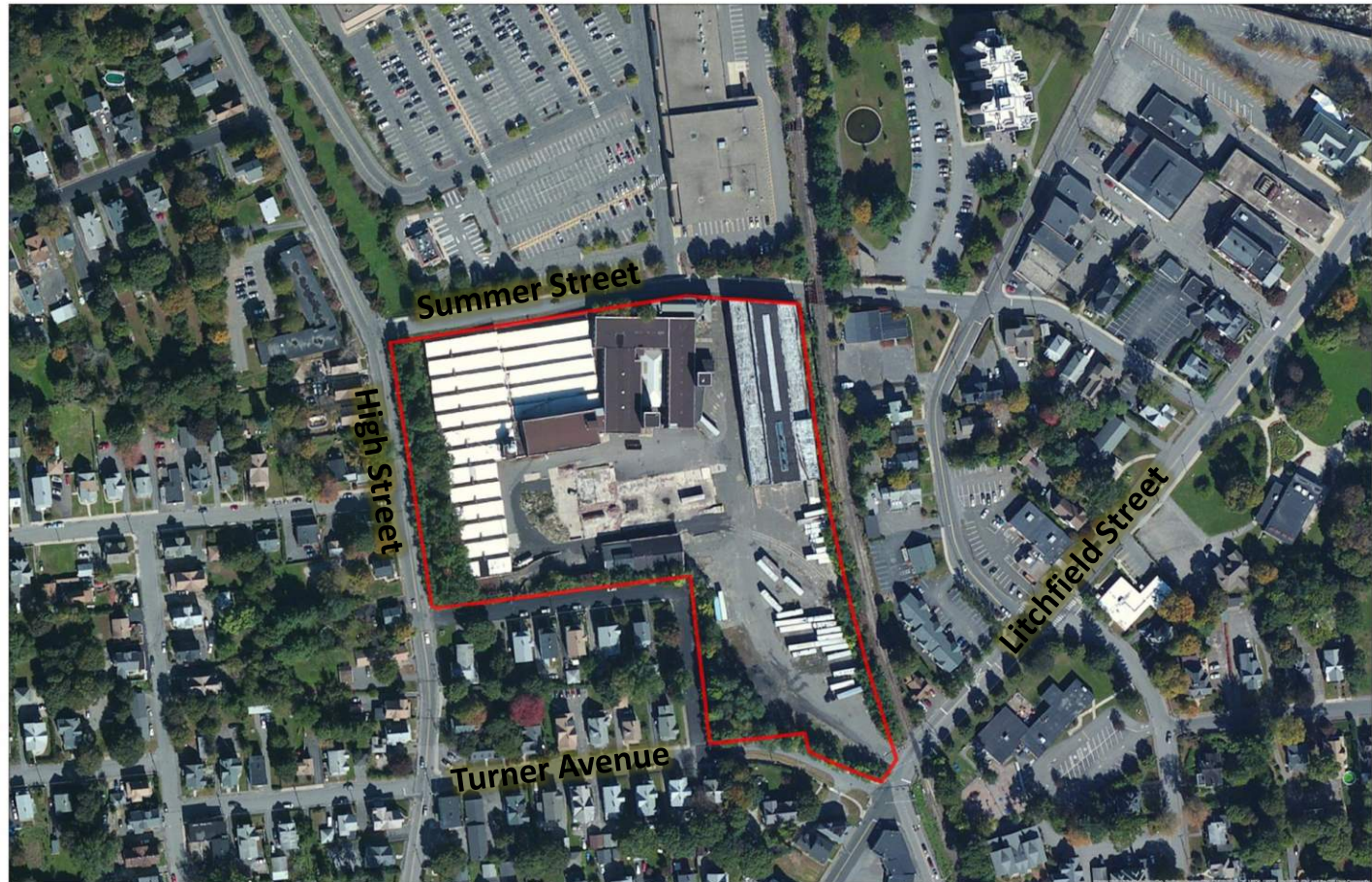


View from Rail Line

View from Summer St



Environmental Assessment Review (Stone Container)



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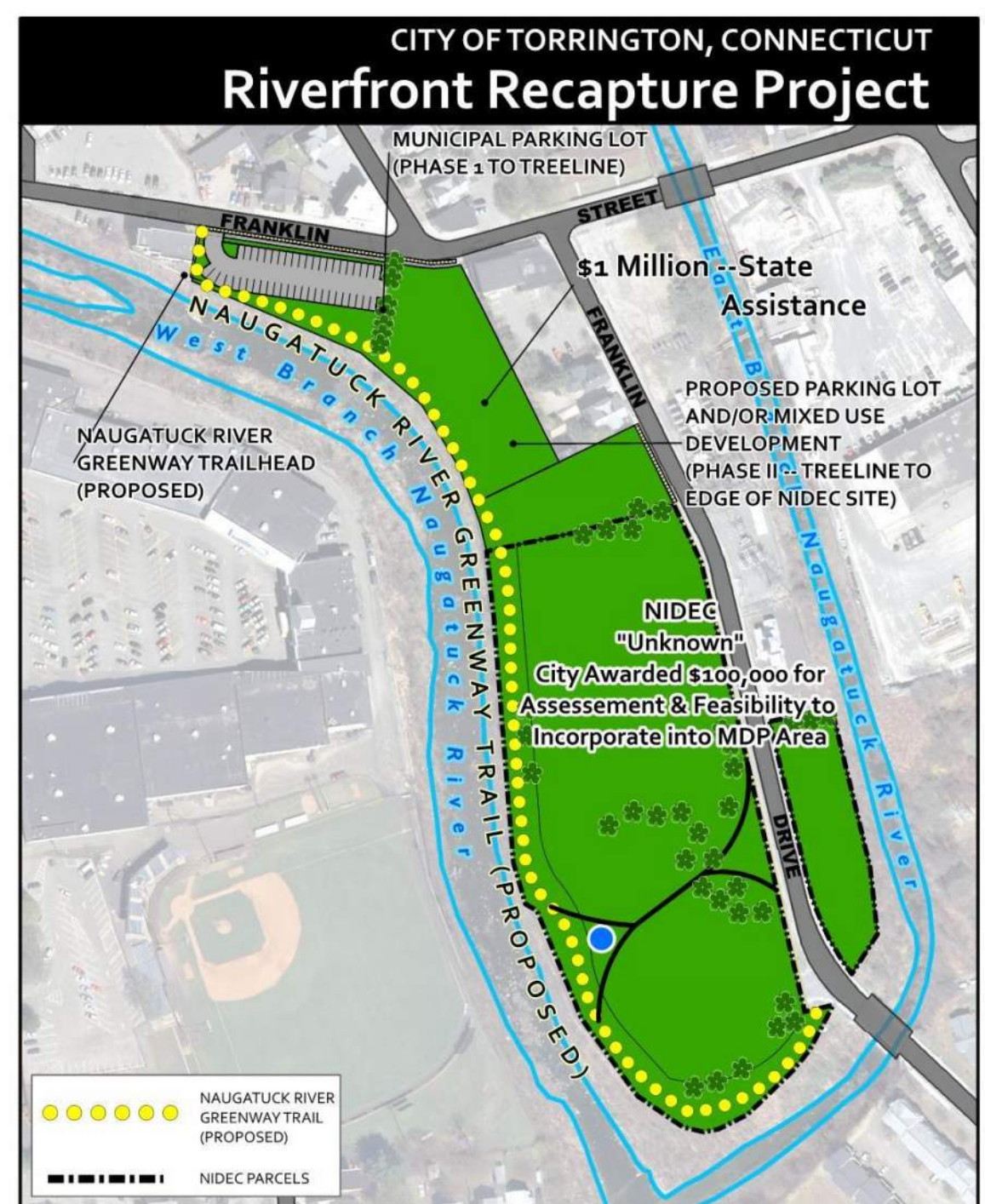
Focus Area: Riverfront Recapture

100 Franklin Street/ NIDEC – 100 Franklin Drive

BL Companies

Riverfront Recapture – 100 Franklin Street/NIDEC- 100 Franklin Drive

- Former Torin Manufacturing
- 3 Parcels combined to create Riverfront Recapture Area
- 100 Franklin Street- first brownfield to be acquired by the City (January 2014)
 - Phase I & II in 2008 as part of USEPA Community Wide Brownfield Assessment Grant
 - \$ 630,000 EPA Revolving Loan Fund: partial remediation for parking lot construction (June 2014)
 - \$1.0M For further remediation – Pending
- 100 Franklin Drive -\$100,000 DECD Brownfield Assessment Grant for NIDEC as part of land assembly strategy to increase developer interest (2014)
- Riverfront Recapture concept developed (2015)
- City begins to review environmental investigations performed to date by NIDEC to develop a redevelopment strategy (2016)
- \$278,000 secured for design and construction of the Naugatuck River Greenway
- City continues to work with NIDEC as further investigations are carried out

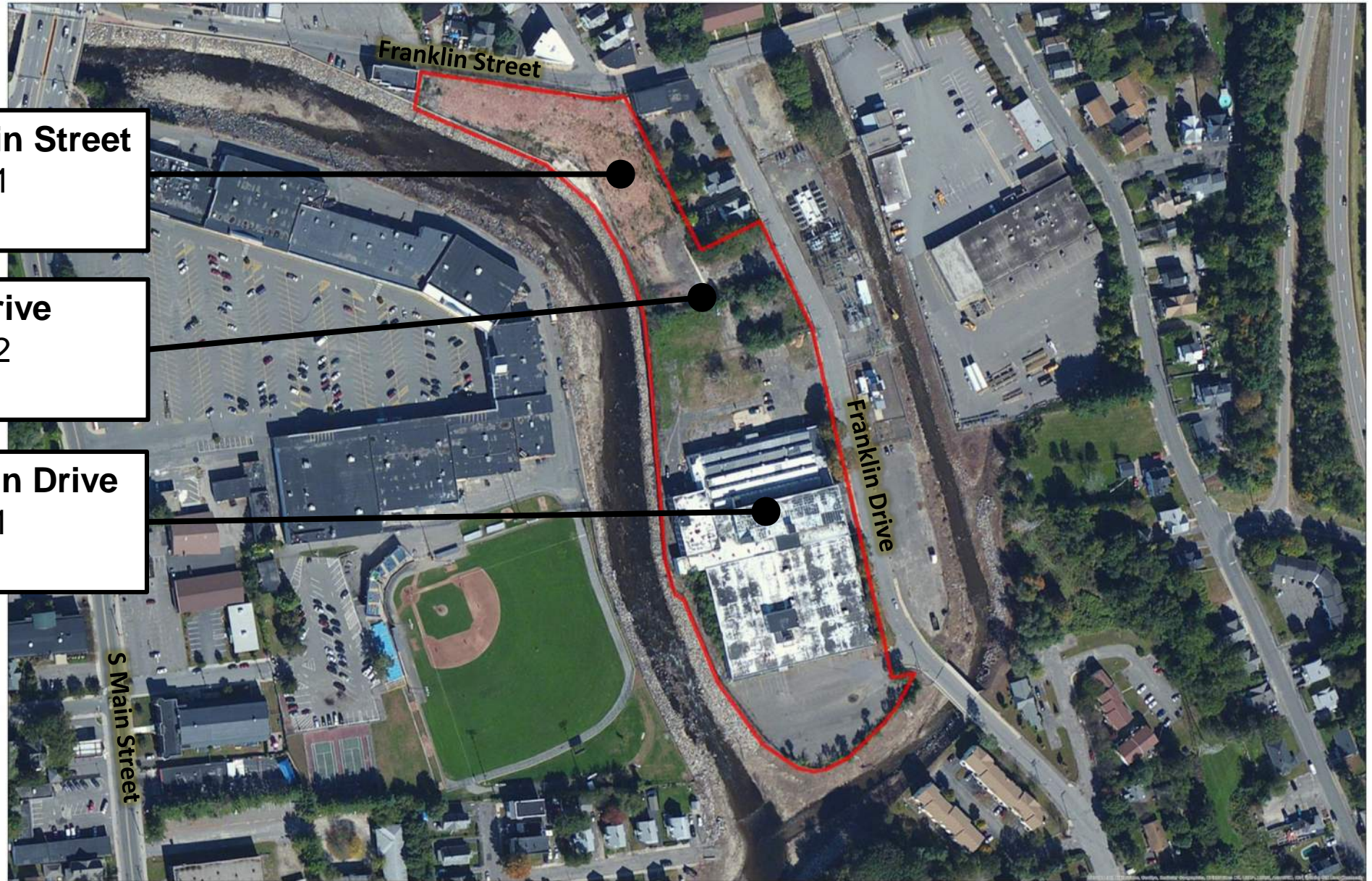


NIDEC Site

100 Franklin Street
117/025/001
1.40 Acres

Franklin Drive
117/025/002
0.62 Acres

100 Franklin Drive
116/027/001
6.16 Acres



View from Franklin Dr



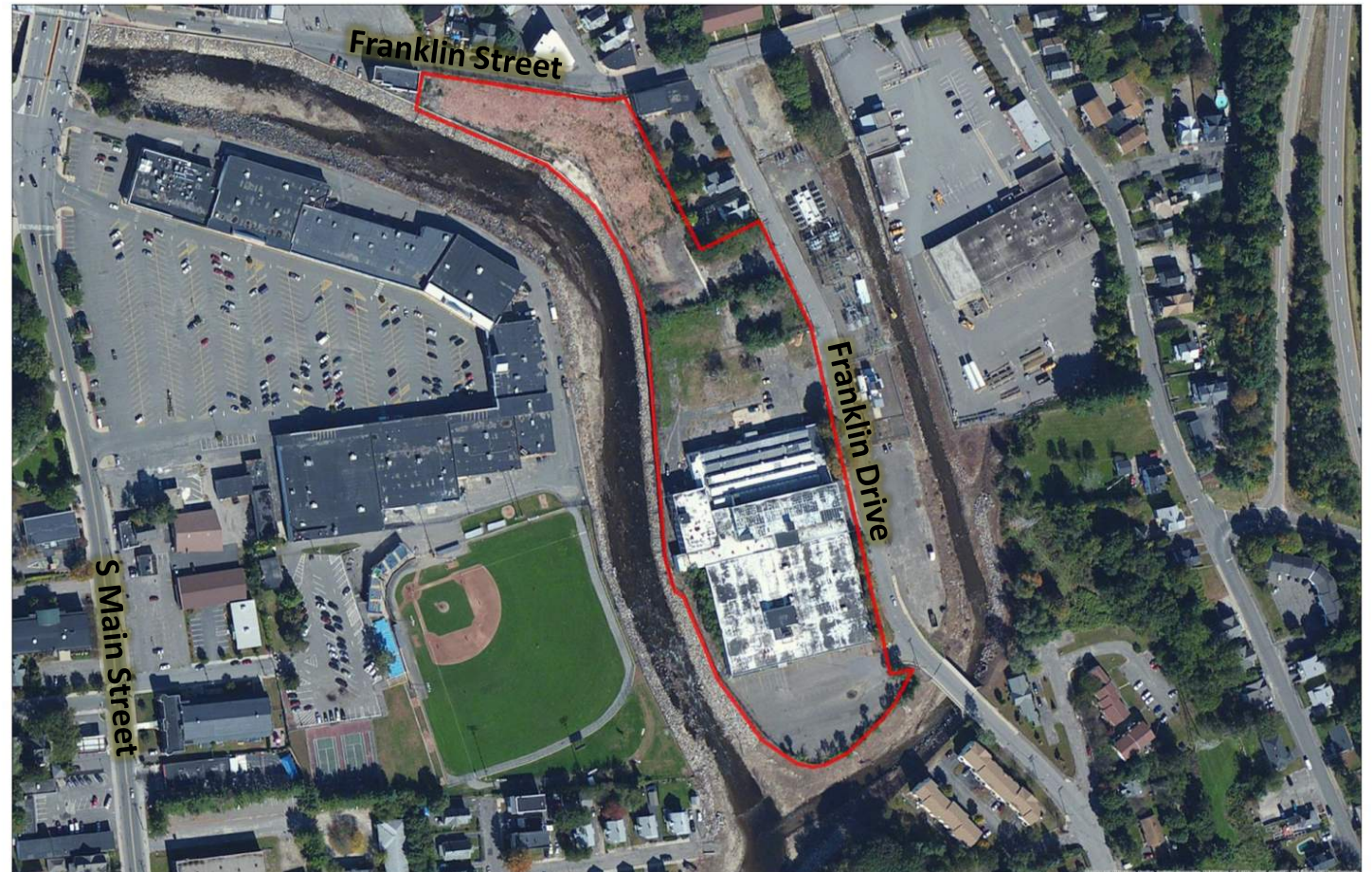
View from Franklin Dr



View from Franklin St



Environmental Assessment Review (NIDEC)



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Market Analysis Preliminary Results

The Williams Group Real Estate Advisors

Office Development Market

The downtown Torrington market is made up of primarily upper floor space in older often charming or historic buildings:

- The local office space market is limited and high in vacancy
- Asking rates are averaging less than \$10/SF for CBD
- Actual rates obtained average \$6.7/SF
- Downtown office inventory is estimated at 200,000 SF and be over 30% vacant
- Suburban space has some class A space asking \$16/SF –ranges \$6 to \$16/sf

Office Development Market

Findings: No additional office space development is recommended at this time:

- Rents are too low and vacancies are too high
- However 2500 SF to 3500 SF of co-working space, based on memberships, could provide significant synergy to the arts, retail and housing in downtown and would work well in an older downtown street level space.

Amherst Works co-working space



Water Street—potential co-working space

Multi-Family Development Market

Demand: Multi-family inventory has been typically old and lacks amenities; almost no supply to meet demand:

- **Supply/inventory**
 - Average Torrington rental is old, typically a converted house--62% being built before 1939.
 - 30% downtown rentals are duplexes or converted houses
 - Only 2% are legitimate multi family buildings
 - Average rents \$625 to \$1200/month for studio to 4 bedrooms
 - Rental \$/SF 0.39/SF to \$1.03
- **Demand:**
 - Affordability is \$1100 to over \$2000/month
 - MF with many amenities
 - Downtown

Multi-Family Development Market

Findings:

- Demand Exceeds Supply, 5% of Millennial and Empty Nesters capture @ 10 mile drive supports 288 new units

Example of desirable apartment for Millennials and Empty Nesters



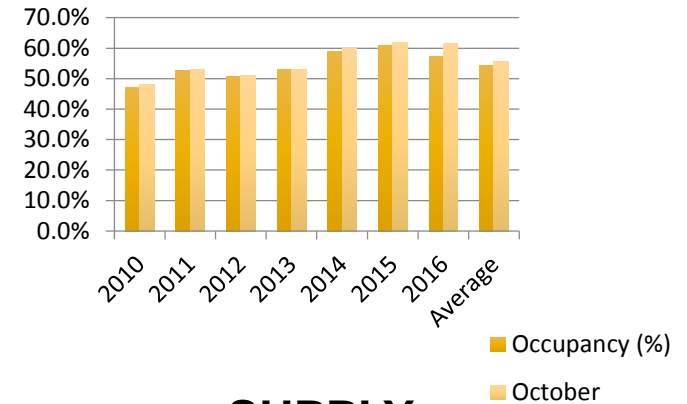
	0.5 mile travel distance from Franklin Ave.	1 mile travel distance from Franklin	10 mile travel distance from Franklin	USA
Household income				
Median HHI	\$ 40,439	\$ 45,623	\$ 74,047	\$ 53,000
monthly affordable rent	\$ 1,112	\$ 1,255	\$ 2,036	\$ 1,458

Hospitality Development Market

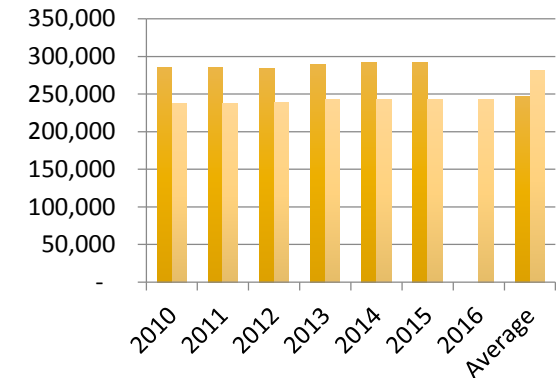
Local hotel demand is well below state averages and national trends:

- National and state demand/supply:
 - Record occupancies at 65% in 2017
 - ADR was \$125 and increasing
 - Pipeline of business travelers are growing
 - Extended stay and upscale are drivers
 - Regional occupancies are 67% while 12 properties in local market averaged 54%
 - ADR locally high at \$159

OCCUPANCY TRENDS



SUPPLY



Hospitality Development Market

Findings:

No new rooms are supported but re-instating the existing downtown supply is supportive of downtown revitalization



Yankee Pedlar has the opportunity to be upscale, historic extended stay linked to conference space in downtown

Retail Real Estate Development Market

Based on an analysis of leakage of retail sales at the 1 and 10 minute drive time, there are several retail sectors where the demand is higher than the sales available in the area

- However, there is a general over supply of retail in most categories
- Retail that would typically follow housing, such as grocery, is oversupplied
- In the larger area, that encompasses much of the Micropolitan area, there are opportunities for food services, sporting goods, clothes: leakage of 260,000 SF

Capture rate	10%	5%	1.0%	NAP	0.5%
source; Nielsen Clarita's Dec 2016		1 mile drive distance	10 mile drive distance	UNITED STATES	TORRINGTON MPA
Pop facts	0.5 miles				
Actual retail SF supportable based on estimated capture	378	\$ 516	12,646	NAP	32,732

Demographics of Retail

RETAIL DEMOGRAPHICS					
source; Nielsen Clarita's Dec 2016					
Pop facts	0.5 miles	1 mile drive distance	10 mile drive distance	UNITED STATES	TORRINGTON MPA
Population	215	491	36,487	330,000,000	187,000
Prime retail population 35 to 54					
Households	98	228	15806		71,550
growth 2016 to 2021	-3%	-3%	-2%		-2.60%
average HH size	2.2	2.2	2.3		2.6
median HHI	\$ 28,960	\$ 33,282	\$ 58,033	\$ 51,900.00	\$ 66,445
Effective Buying Income rate(EBI)	0.80	0.80	0.81	0.81	0.81
EBI per household	\$ 23,168	\$ 26,626	\$ 47,065	\$ 42,039	\$ 53,820
Total Effective Buying Income	\$ 2,270,464	\$ 6,070,637	\$ 743,905,644	\$ -	\$ 3,850,853,198
Retail buying rate	50%	51%	51%	0.51	0.51
Total Retail Buying Income	\$ 1,135,232	\$ 3,096,025	\$ 379,391,878	\$ -	\$ 1,963,935,131
retail buying income per HH	\$ 11,584	\$ 13,579	\$ 24,003	\$ -	\$ 1,001,606,917
Estimated sales per square foot (PS)	\$ 300	\$ 300	\$ 300	300	300
Retail Supportable SF	3,784	10,320	1,264,640	-	6,546,450
Capture rate	10%	5%	1.0%	NAP	0.5%
Actual retail SF supportable based on estimated capture	378	\$ 516	12,646	NAP	32,732

Retail Real Estate Development Market

Findings:

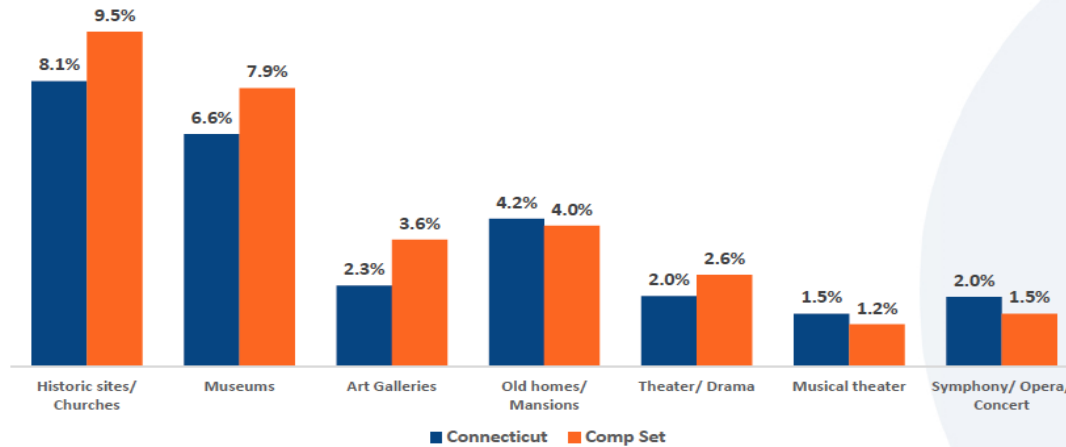
- Very limited downtown retail is supportable without new residential MF development in downtown
- Only 12,000 SF to 32,00SF of retail without new MF housing
- 288 units of housing can support another 23,000 SF

A vibrant downtown streetscape—voted best small downtown, Deadwood SD



Tourism Attraction and Development

Activity Participation: Art & Culture



SOURCE: TNS Travels America 2013

Household Income

The average Connecticut traveler earned \$73.9k in 2013, \$4.8k or 6% more than the comp set average as a whole.



SOURCE: TNS Travels America 2013

Tourism is Worth the Investment

Spending support by Visitors overnight stays support 4X the real estate

	Day	Overnight
Average HHI	\$73,000	\$73,000
Retail income to spend	\$31,339	\$31,339
spending	\$50	\$200
# of visitors (50% of train per comp)	<u>75000</u>	<u>75000</u>
total spending	\$3,750,000	\$15,000,000
Retail supportabel @\$250/SF	15,000	60,000

Assets for Development

In terms of assets, TORRINGTON has many, especially the backbone to attracting visitors and the visual and performing arts communities:

- Historic fabric of buildings
- Gritty and affordable
- Established ballet, performing arts, and growing visual artist and live-work
- The Naugatuck River and Naugatuck Valley Greenway
- Sue Grossman Still River Greenway
- **Win-win:** Potential to offer better, market rate, yet affordable housing with a country flair but urban feel
- Potential to leverage the arts further with a hospitality venue to support the arts
- Potential to support businesses with an improved CBD and rooms for extended stay business



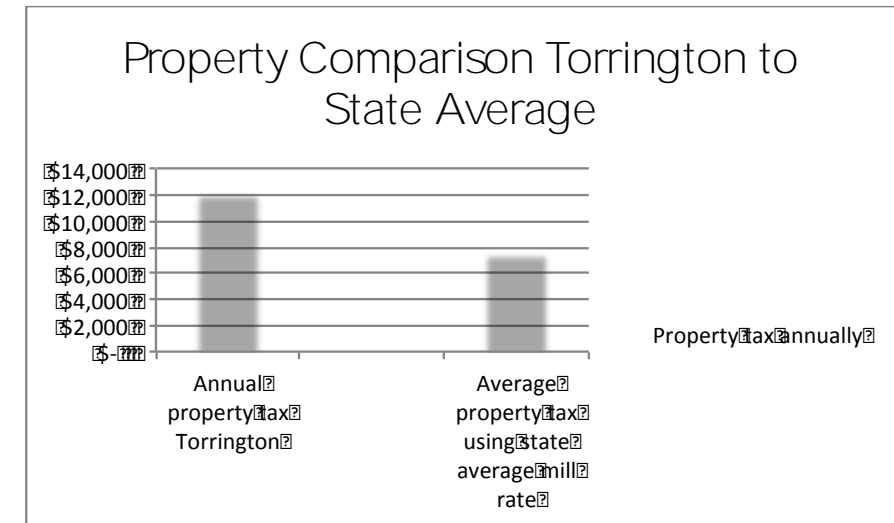
Greenway and
downtown
Torrington



Liabilities to Development

Liabilities: Property tax mill rates are a significant liability and deterrent to investment in downtown Torrington

- Torrington mill rate is 45.75
- Average state mill rate is 28.37
- Typical property taxes are almost double state average
- Neighboring Litchfield is 26.70
- Goshen is 18.70
- Other issues include:
 - ✦ Perception=crime, rehab and addiction centers/homes
 - ✦ Schools
 - ✦ Declining population
 - ✦ Access to jobs



What Does This All Mean?

We have TWO paths...and need to pursue BOTH!

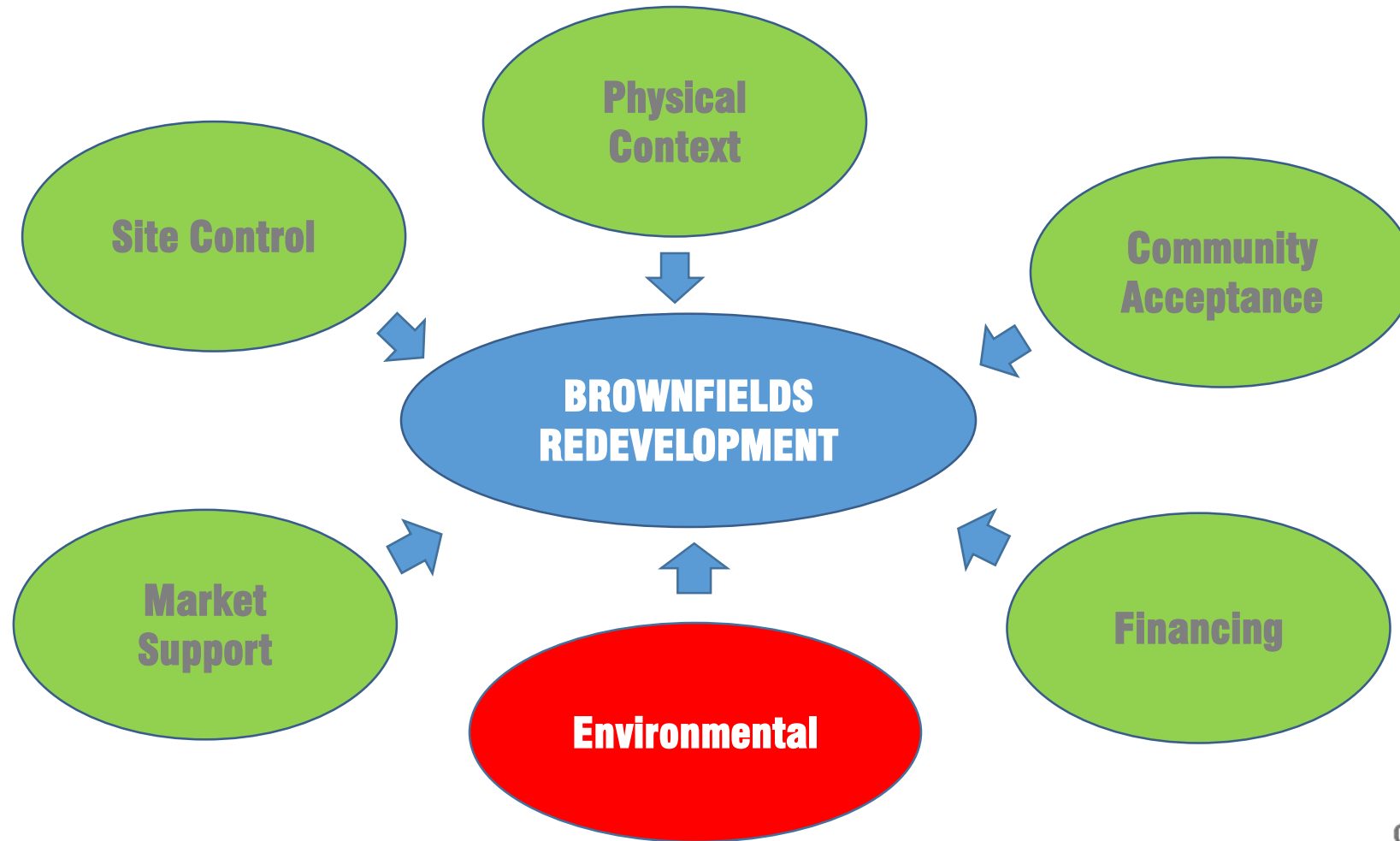
- 1 The micropolitan area has comparative wealth: develop strategies to capture this in the arts, culture and tourism to support revitalization and continue absorbing retail. Overnight stays could be a real opportunity.
- 2 Millennials and empty-nesters could be attracted to market-rate but value priced multi-family units. Increasing population in the downtown will cross-pollinate with retail, culture and the arts.

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Next Steps

Brownfields Redevelopment Planning



Next Steps

- Examine physical and environmental conditions of the two Focus Areas
- Dive in to the market assessment and start exploring opportunities and “hooks” to attract interest both in development and supporting existing cultural destinations
- Begin to look at what the Focus Areas could support in terms of redevelopment; examine Greenway connections and Franklin Street connectivity
- On-going Steering Committee Meetings (these are public!)

Community Engagement Meeting #2

- Informal Session: Background information and potential concepts will be displayed prior to the formal meeting. Light refreshments will be provided.
- Presentation: Potential options that have market support and potential greenway concepts
- Break Out Session: Attendees will be given base maps as well as the draft concepts to directly comment
- Ideas and comments will be presented and recorded

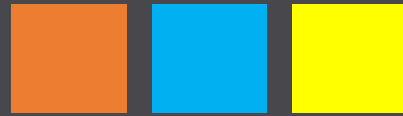
Stay Connected

- The City's website homepage (www.torringtonct.org) will have a link to announcements, presentations and reports.
- Three Community Meetings are planned:
 - **Public Forum 1:** On Thursday, March 2nd at 6:00 PM in the City Hall Auditorium, results of the market study and physical context analyses will be presented and next steps in the process of examining our two Focus Areas will be explained.
 - **Public Forum 2:** Results of redevelopment assessment, including potential site development and greenway concepts, will be presented.
 - **Public Forum 3:** Final Presentation to unveil the Brownfield Process and the Implementation Guide. The Torrington BAR Steering Committee will be meeting to review and discuss on-going results. These meetings are open to the public with dates posted on the City's website.
- Email Contact List. If you wish to be included, email the City at:
[**brownfields@torringtonct.org**](mailto:brownfields@torringtonct.org)

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THANK YOU!



Let's Talk

Torrington Brownfield Area
Revitalization Program (BAR)

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Thursday March 2, 2017



Architecture
Engineering
Environmental
Land Surveying