

# GrowsMART

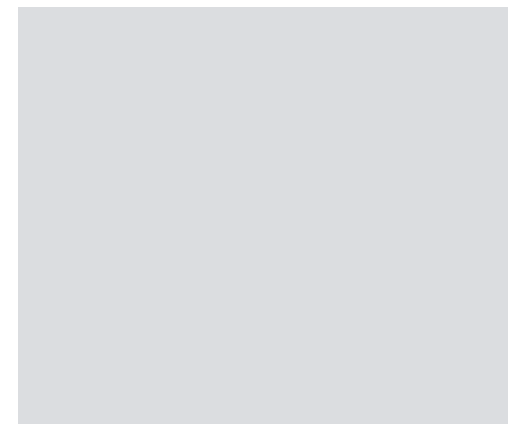
A collection of small town ideas can lead to BIG regional solutions.

## Regional Economic Growth Strategy Final Report



**January 2016**

**Prepared for the  
Lower Connecticut  
River Valley  
Council of  
Governments**



# Acknowledgments

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Town of Clinton  
Town of Cromwell  
Town of Deep River  
Town of Durham  
Town of East Haddam  
Town of East Hampton  
Town of Essex  
Town of Haddam  
Town of Killingworth  
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# Overview

This section will provide an overview of GrowSMART and explain the project's purpose, process and goals.

## What is GrowSMART?

GrowSMART is a regional economic growth strategy for the Lower Connecticut River Valley region. The strategy is rooted in an analysis of the region's assets, capabilities and challenges. Its purpose is to help define a desirable and feasible pathway to economic prosperity for each town as well as the collective region.

### Project Leadership

GrowSMART is led by the Lower Connecticut River Valley Council of Governments (RiverCOG). It is guided by the RiverCOG Economic Growth Strategy Committee (REGSC). The REGSC is comprised of 20 members collectively representing area businesses, chambers of commerce, workforce, universities, and municipalities (see the Acknowledgments page for a list of its members). The project is funded by the Connecticut Office of Policy and Management (CT OPM).

### A Regional Approach

The GrowSMART project encompasses all 17 towns in the RiverCOG region including Chester, Clinton, Cromwell, Deep River, Durham, East Haddam, East Hampton, Essex, Haddam, Killingworth, Lyme, Middlefield, Middletown, Old Lyme, Old Saybrook, Portland, and Westbrook.

GrowSMART's foundational belief is that a regional collaboration is stronger than 17 separate initiatives. The region has a strong asset base and unrealized potential that could be unlocked through a deliberate, inclusive, and in-depth visioning process. With numerous and diverse geographic characteristics, businesses and industry, tourism destinations, educational institutions, and a world-class workforce, the time had come to develop a sustainable template for economic growth and prosperity.

The purpose of the project is not to duplicate efforts of municipal Economic Development Commissions and Chambers of Commerce, or eliminate the unique identity of each community. Rather, GrowSMART aims to capitalize on existing distinctive assets and develop a regional vision for future growth.

**FIGURE 1**  
**The Lower Connecticut River Valley Region**



**17**  
Cities and Towns

**175,488**  
People

**445**  
Land Area in  
Square Miles

# The GrowSMART Process

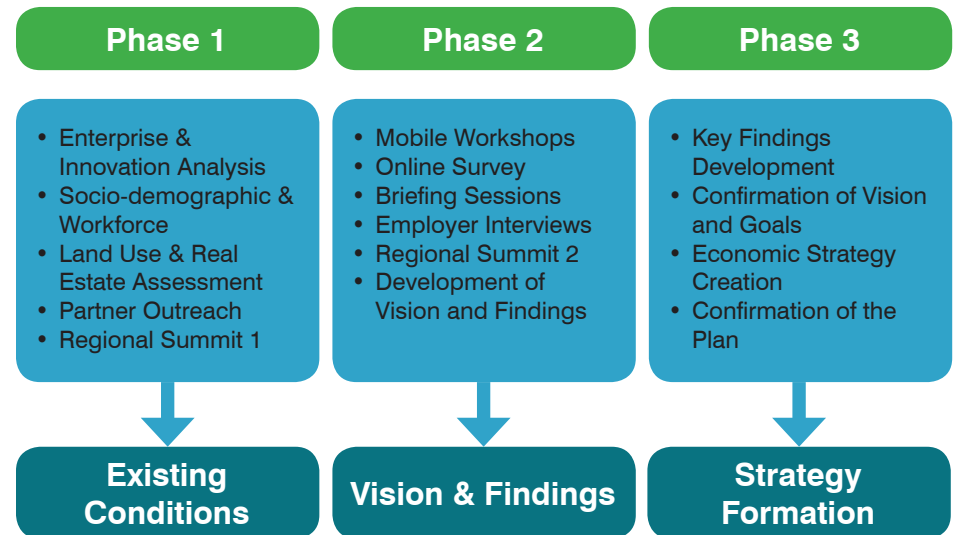
GrowSMART is comprised of three inter-related phases: understanding existing conditions, developing a regional vision and findings, and creating an economic strategy.

## Understanding Existing Conditions

The first component focused on collecting information about the region across a variety of activities including analyses of demographics, land use, workforce systems, and industry as well as outreach to economic development partner organizations, residents and employers. Collectively, these activities identified regional trends, assets, opportunities, and challenges.



*GrowSMART inventoried existing assets and capabilities.*



## Developing a Regional Vision and Findings

Issues and priorities identified in the first phase were further explored through interviews with employers and other regional stakeholders, discussion groups with key demographics as well as a second regional summit. These activities led to the development of a regional vision and set of key findings.

## Creating an Economic Strategy

The final phase focused on developing strategies that could be employed across the region as well as at the individual community level. The strategies were developed based on input from the first two phases and were refined and confirmed by the REGSC in January 2016.

## Gathering Data and Public Input



The project hosted a variety of in-person opportunities to gather input across the region.



Text GROW to (860)492-0691

Innovative tools, like Textizen, were used to enable remote and online options for people to participate.



GrowSMART used a variety of creative marketing tools to spread the word about the project.







# Conditions & Trends



This section highlights conditions and trends that shed light on key regional issues. The complementary GrowSMART DataBook provides additional detail on a variety of other demographic, economic and place-based data organized by region and town where available.

# Population & Workforce

## Key Findings

1

### An aging population...

There is a projected decrease in the working age population with an expected large increase in population over the age of 65.

2

### More diverse future workforce...

Today's younger age cohorts are more racially and ethnically diverse than the population as a whole.

3

### Opportunity matters...

Out-migration data suggests that people are moving closer to job centers.





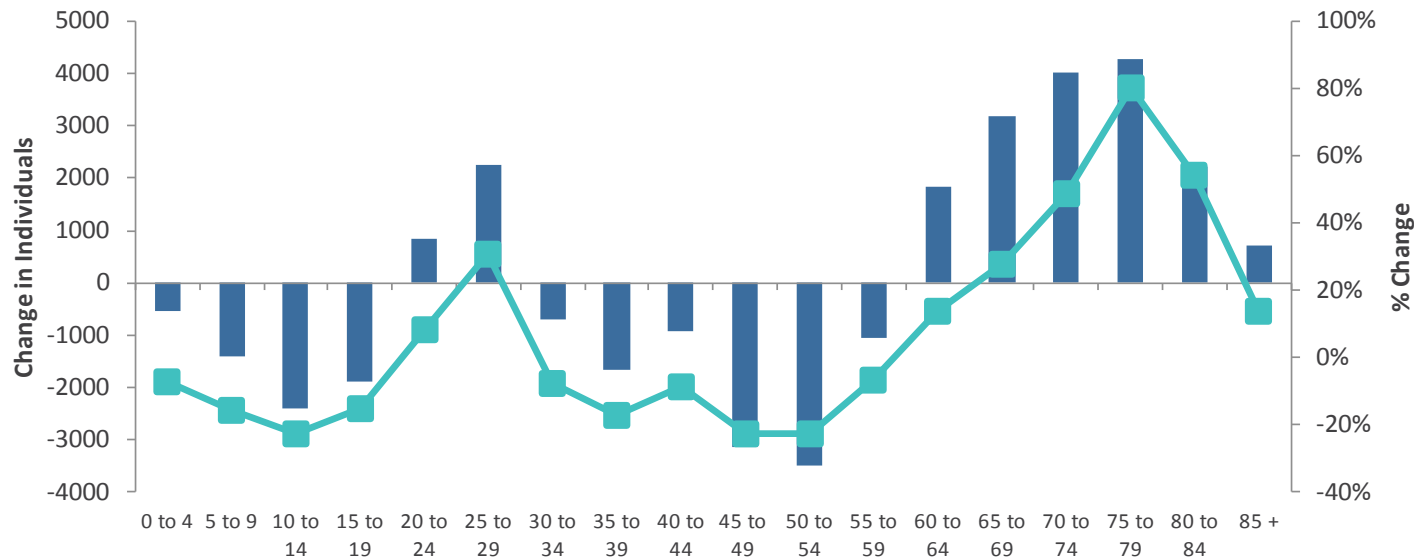
## Population

According to the most recent American Community Survey, the region's population is 175,488, an increase of approximately 10,000 people since the 2000 census. By 2030, the region's population is projected to grow older with losses in the majority of the working age population cohorts, although there is a projected increase in the number of twenty-somethings. (Figure 2)

These forecasted changes in population have some important implications. The aging of the population with the subsequent decline in

the the 25 - 59 year age cohort raises questions about the health of the residential real estate market going forward. The aging population raises questions about community planning and the support service needs of an aging population. The small bump in the millennial population raises questions as to the ability to keep that group local. A main concern becomes who will work in the region's businesses and institutions if the working age population declines?

**FIGURE 2**  
**Age Projections for Lower Connecticut River Valley Planning Area**



Source: UCONN 2030 Population Projections

■ individuals — % Chg



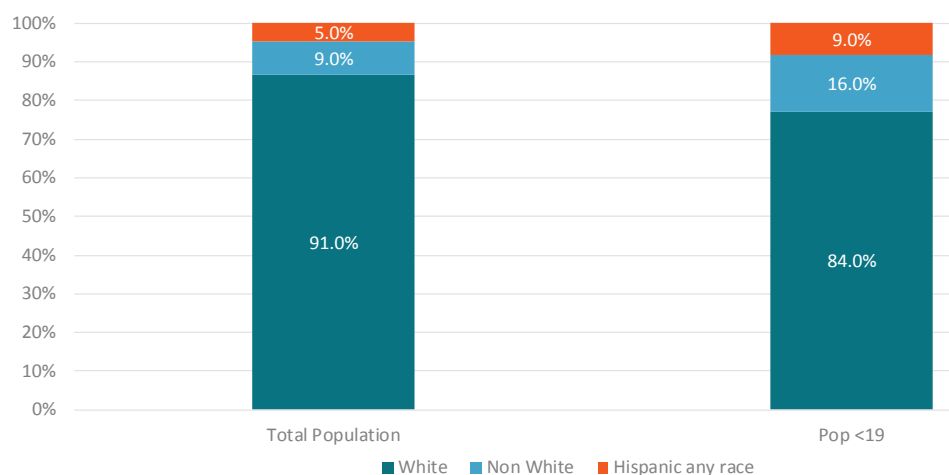


## Workforce

It's important to separate a region's workforce from people who work in the region. The region's workforce is the working age population. Workers are those who work for employers in the region but may commute from other areas. Typically these two numbers do not match. Workforce as measured by employment in the region is approximately 67,000 with an additional 24,000 self-employed. The region's resident working age (15 to 64) population is 118,000.

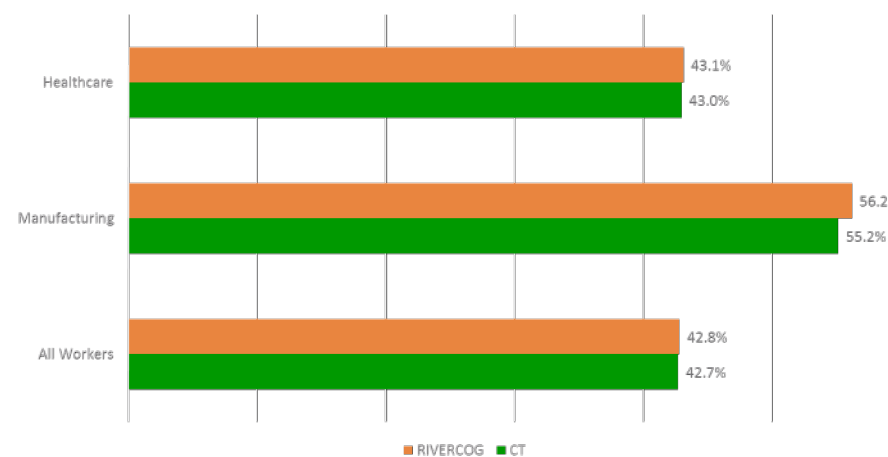
The composition of the region's future workforce will be different than today's workforce. In 2014, the region's non-white population represented 16% of the population 19 years and younger; almost double the percentage of the non-white population as a whole. (Figure 3) 2030 state projections indicate that 30% of the working age population will be non-white compared to 22% of the working age population today.

**FIGURE 3**  
**Racial and Ethnic Distribution 2014**



Source: NP analysis of American Community Survey data

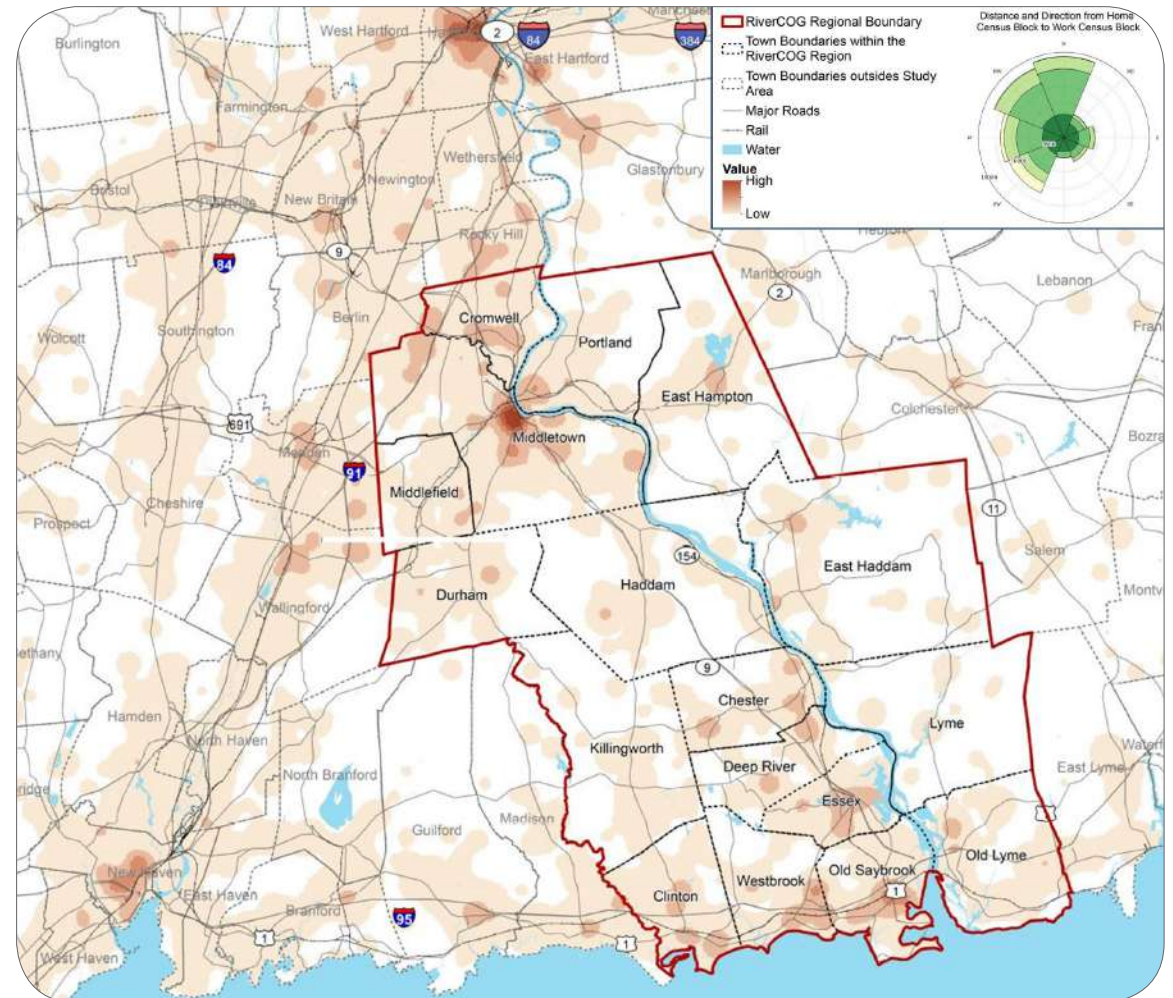
**FIGURE 4**  
**% of Workforce Over Age 45**



Source: NP Analysis of BLS Data



**FIGURE 5**  
**Commuter Shed Map: Where People Who Live in the Region Work**

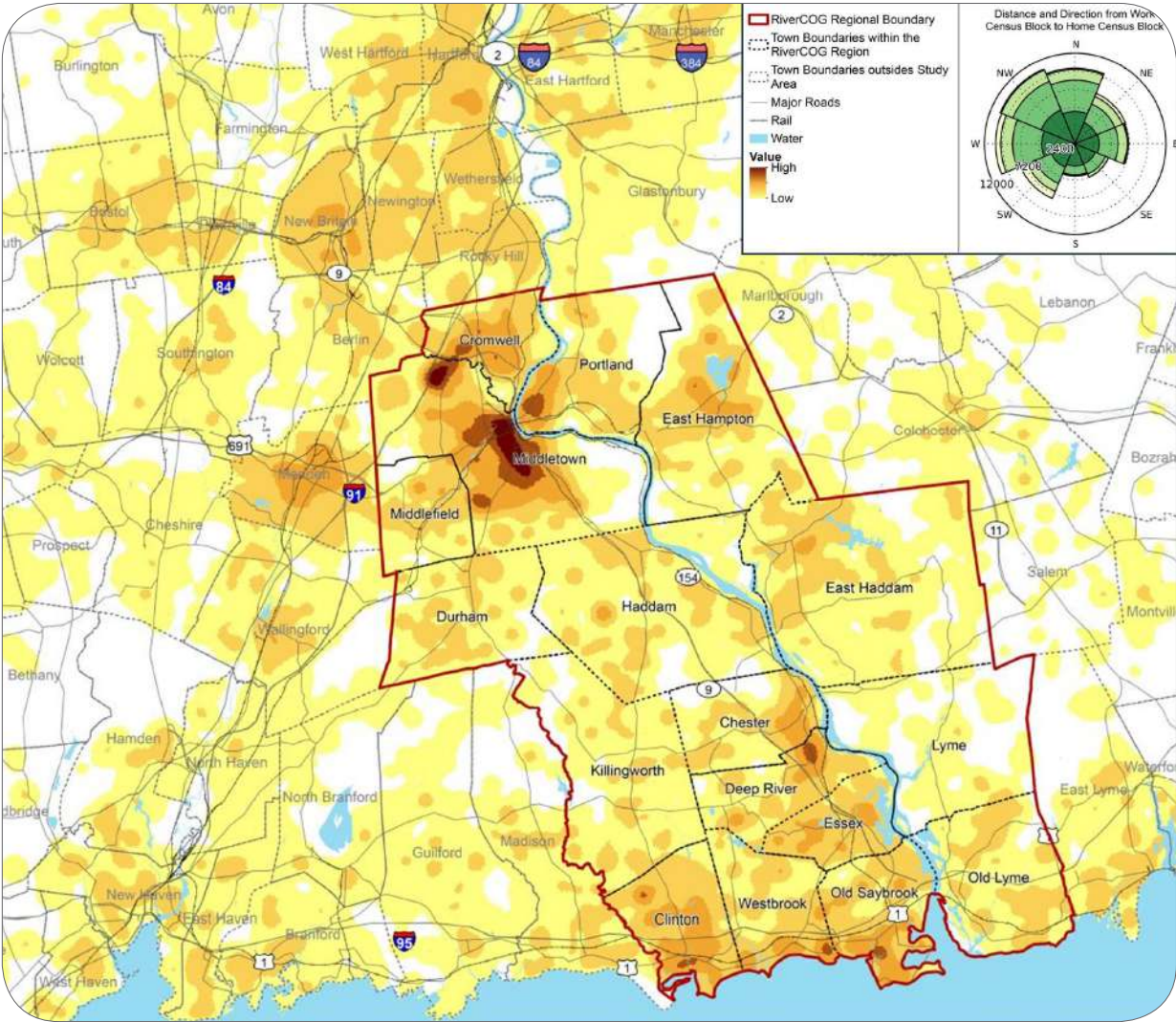


Data Source: On the Map

Moreover, this aging workforce data also suggests a future battle for talent among Connecticut's regions and employers to replace the coming retirees. An inability to replace workers could lead to some employers being forced to leave the area or automate jobs thereby permanently reducing job opportunities in the region.

A commuter shed analysis gives planners an idea of the direction and distance people travel for work. A large number of residents seek employment outside of the RiverCOG area with concentrations in Hartford and New Haven. (Figure 5)

**FIGURE 6**  
**Labor Shed Map: Where People Who Work in the Region Live**



Date Source: On the Map

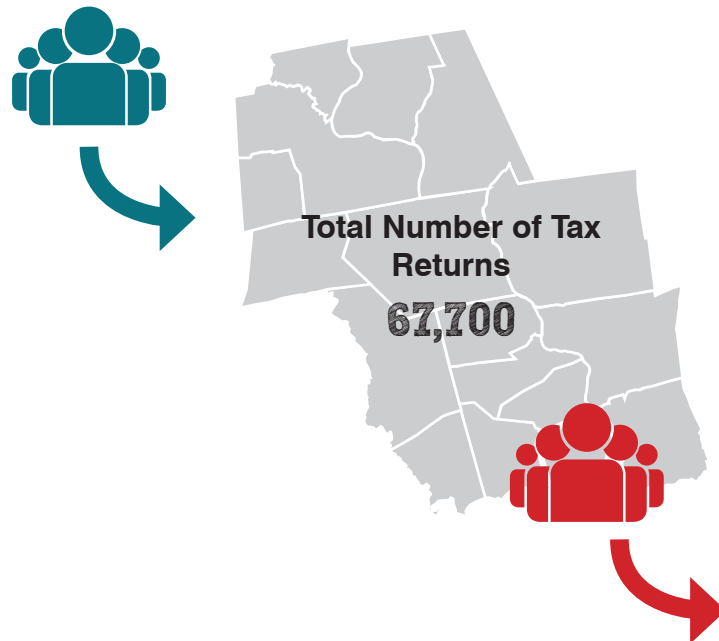
Employers in the region draw workers from outside of the RiverCOG region with a significant portion coming from the nearby cities. (Figure 6). The interviews we have conducted suggest that these locations are increasingly becoming sources for manufacturing and lower skilled jobs in other industries.

## POPULATION MIGRATION

Federal Statistics of Income Data, based on individual tax return data, is a useful tool to help understand population migration – people who move into and out of an area as a permanent resident. Figure 7 shows the inflow and outflow from Middlesex County (IRS data is only available at the county level).

**FIGURE 7**  
**Migration as Measured by IRS Data**

**6,896 in-flow**  
**77% from Hartford/New Haven/New London counties**  
**8% from rest of Connecticut**  
**9% rest of Northeast**



For the period of 2010 to 2013, analysis of Statistics of Income data found in-migration into Middlesex County was represented by 6,896 returns with 11,047 dependents. 77% of Middlesex County's in-migration is from its neighboring counties in Connecticut. Only 9% is from the rest of the Northeast. The New York metro area (excluding Fairfield County) is approximately 4% of the in-migration total. An important note to consider is the difference in incomes from the NYC area population. For example, the 50 returns from New York County have average household income of approximately \$195,000 – 2.9 times the average household income of all in-migration into Middlesex County.

Out-migration during this period consisted of 6,653 returns with 10,509 dependents. 58% of these returns moved to New Haven and Hartford counties. 18% were to the rest of Connecticut. Florida represents only 6% of total out-migration. The majority of the out-migration data may reflect people either moving closer to work in New Haven or Hartford (see the Commuter Shed map on page 13) or pursuing opportunities in larger nearby cities. For example, approximately 6% is leaving for the larger New York (excluding Fairfield County) and Boston metro area.

**6,653 out-flow**  
**58% to Hartford & New Haven counties**  
**18% to rest of Connecticut**  
**11% rest of Northeast**  
**6% Florida**

Source: NP Analysis of IRS Statistics of Income Migration Data 2010-2011, 2012-2013



# Industry Mix & the Economy

## Key Findings

1

### **Jobs are concentrated...**

The majority of jobs are concentrated in five sectors.

2

### **Manufacturing still significant...**

This industry is still a core economic driver in the region.

3

### **Self-employment is the largest single industry...**

An increasing number of people are self-employed.

4

### **RiverCOG region has four economies...**

that have different characteristics, requirements and ability to be shaped by activities of the RiverCOG communities.



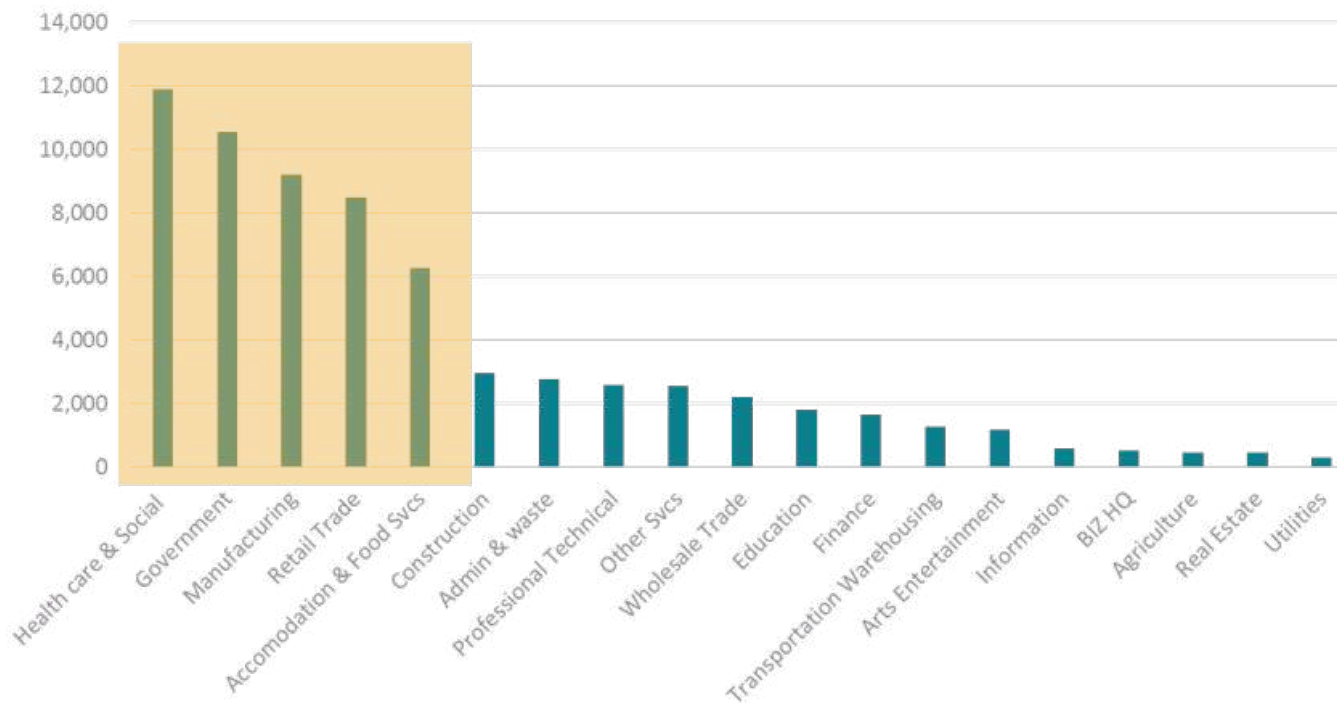


## Industry Mix

The RiverCOG region is home to approximately 4,100 businesses. 52% of businesses have less than 4 employees. 25% of businesses have between 10 and 100 employees. Only 14 businesses have more than 250 employees each.

The region has a high degree of employment concentration. Of its 67,000 employees the vast majority work in one of five sectors: health care and social services; government; manufacturing; retail trade; and accommodation and food services. These top five sectors represent more than two times the employment of all the other sectors combined.

**FIGURE 8**  
Economic Sectors by Employment



Source: NP analysis of ES 202 data

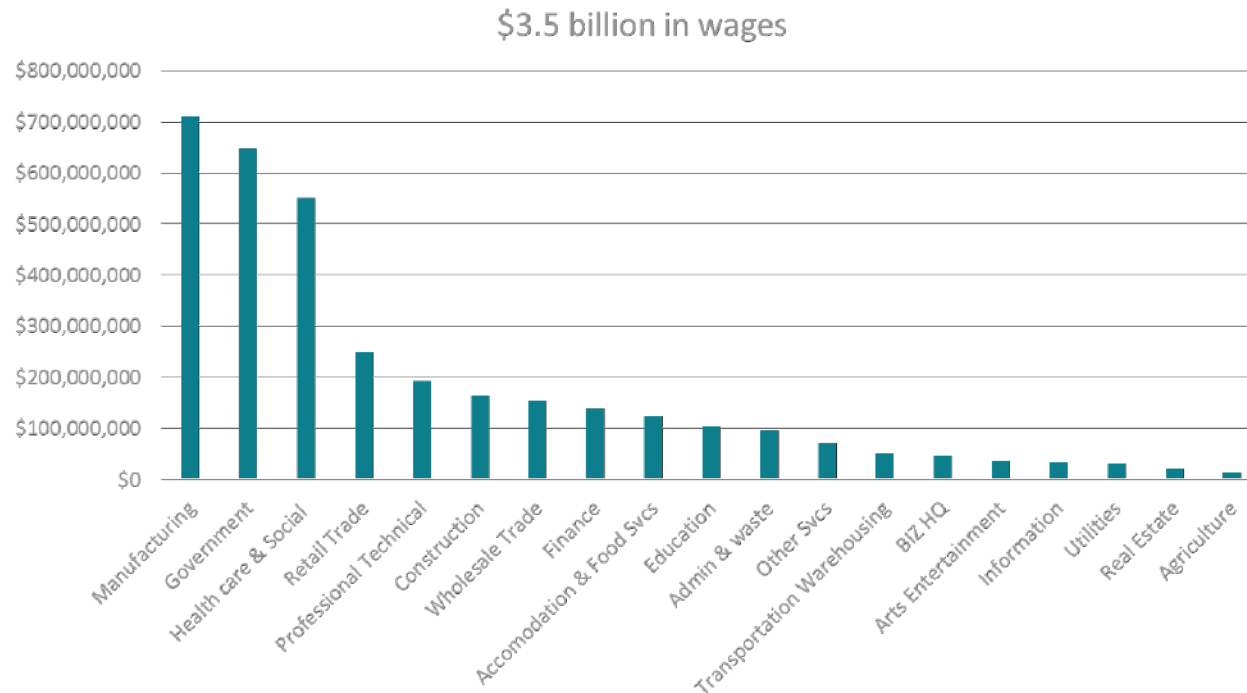


## Manufacturing

Manufacturing remains a mainstay of the regional economy. It is the third largest sector, in terms of employment, with approximately 9,000 employees. While other sectors may be larger in total employment, manufacturing is still a key economic driver in terms of wages. In 2014, manufacturing had \$3.5 billion in wages. To put that number in perspective, retail would need to employ more than 24,000 people and add 12 million square feet of retail space to have the same wage impact as the manufacturing sector.



**FIGURE 9**  
**Economic Sectors by Wages**



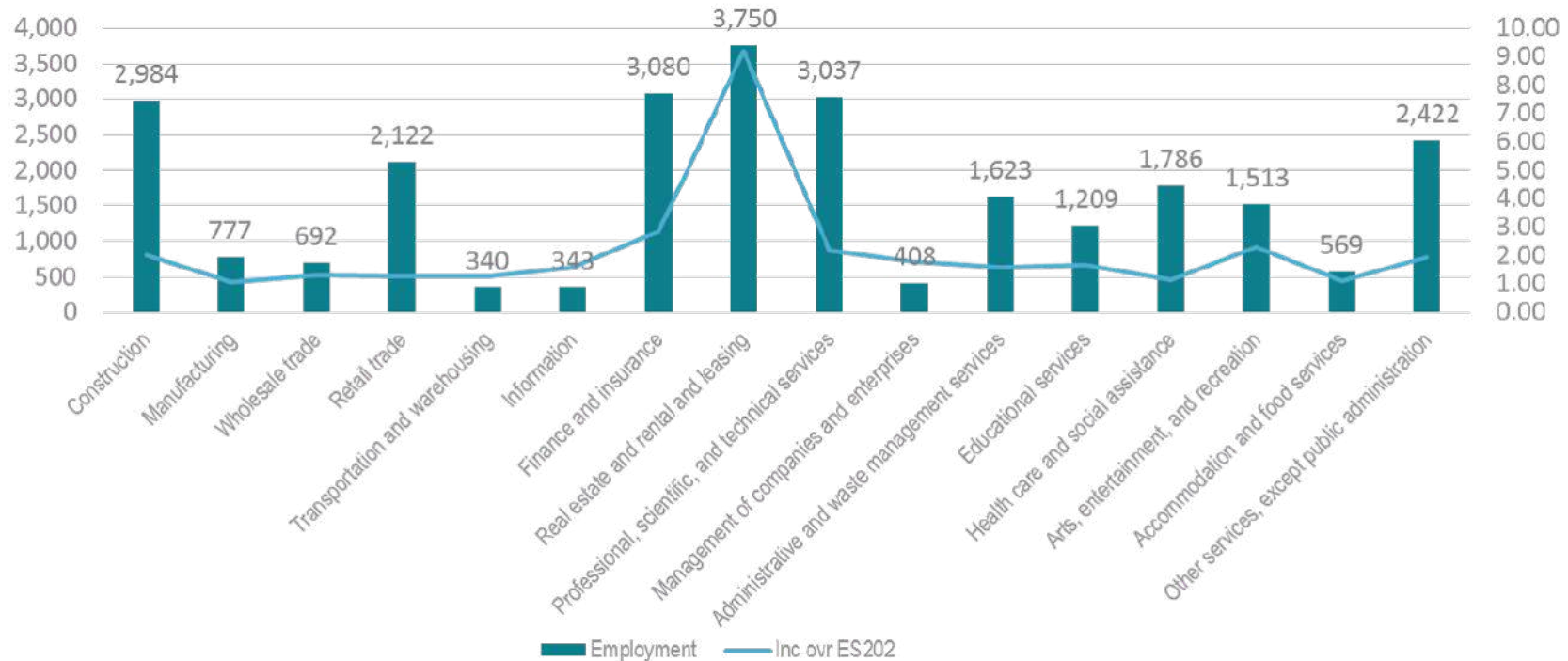
Source: NP analysis of ES 202 data

## Self-Employment

An increasing number of people are self-employed and do not appear in traditional job statistics. “Self-employment” is the largest industry in the region. When these jobs are accounted for, they add another 24,000 full or part-time jobs to the mix. In addition, they account for an estimated additional \$76 million in income. Top sectors for self-employment include: real estate; professional, scientific and technical services; finance and insurance; and construction. (Figure 10)



**FIGURE 10**  
Top Self-Employment Sectors



Source: NP analysis of BEA regional data for 2013 combined with NAICS ES 202 data for 2014

## A Region with Four Economies

The research suggests the Lower Connecticut River Valley consists of four “economies” each with different drivers and economic impact. Detailed economic analysis of each sector was not conducted, however, key characteristics of these economic sectors were identified.

### TRADED GOODS

This part of the economy is built on manufacturing supply and value chains, wholesale trade and logistics. This sector employs around 13,000 people with \$850 million in wages. Subsectors with the highest level of employment and wages include fabricated product metal manufacturing, machinery manufacturing, transportation equipment, and durable goods wholesalers.

The region’s aging workforce is a key strategic challenge to these industries. Over 50% of the region’s manufacturing workforce is over 45 so the question is, “Who will take these jobs when people retire?” Unless there is a pipeline ready to provide skilled workers these businesses will likely go elsewhere or automate reducing employment demand.

**TABLE 1**  
**The Region’s Top Manufacturing Employers**

NAME	INDUSTRY	NUMBER OF EMPLOYEES
American Distilling & Manufacturing Co.	Perfumes Cosmetics/ Toilet Preps	100-249
Bourdon Forge Co.	Forging Equipment	100-249
Business and Legal Reports, Inc.	Publishers-Book	100-249
Cooper Atkins Corp.	Temperature Measuring Materials	100-249
Durham Manufacturing Co.	Metal Goods	100-249
Hobson Motzer Inc.	Metal Stamping	100-249
Kaman Aerospace Corp.	Aerospace Industries	100-249
Lee Co. USA	Hydraulic Equipment	500-999
Novolex	Bags-Plastic	100-249
Pratt & Whitney	Aircraft Engines & Engine Parts	100-249
Whelen Engineering Co.	Lighting Equipment NEC	500-999
Zygo Corp.	Optical Instruments & Lenses	100-249

Data Source: CT Department of Labor, Labor Market Information





## TOURISM

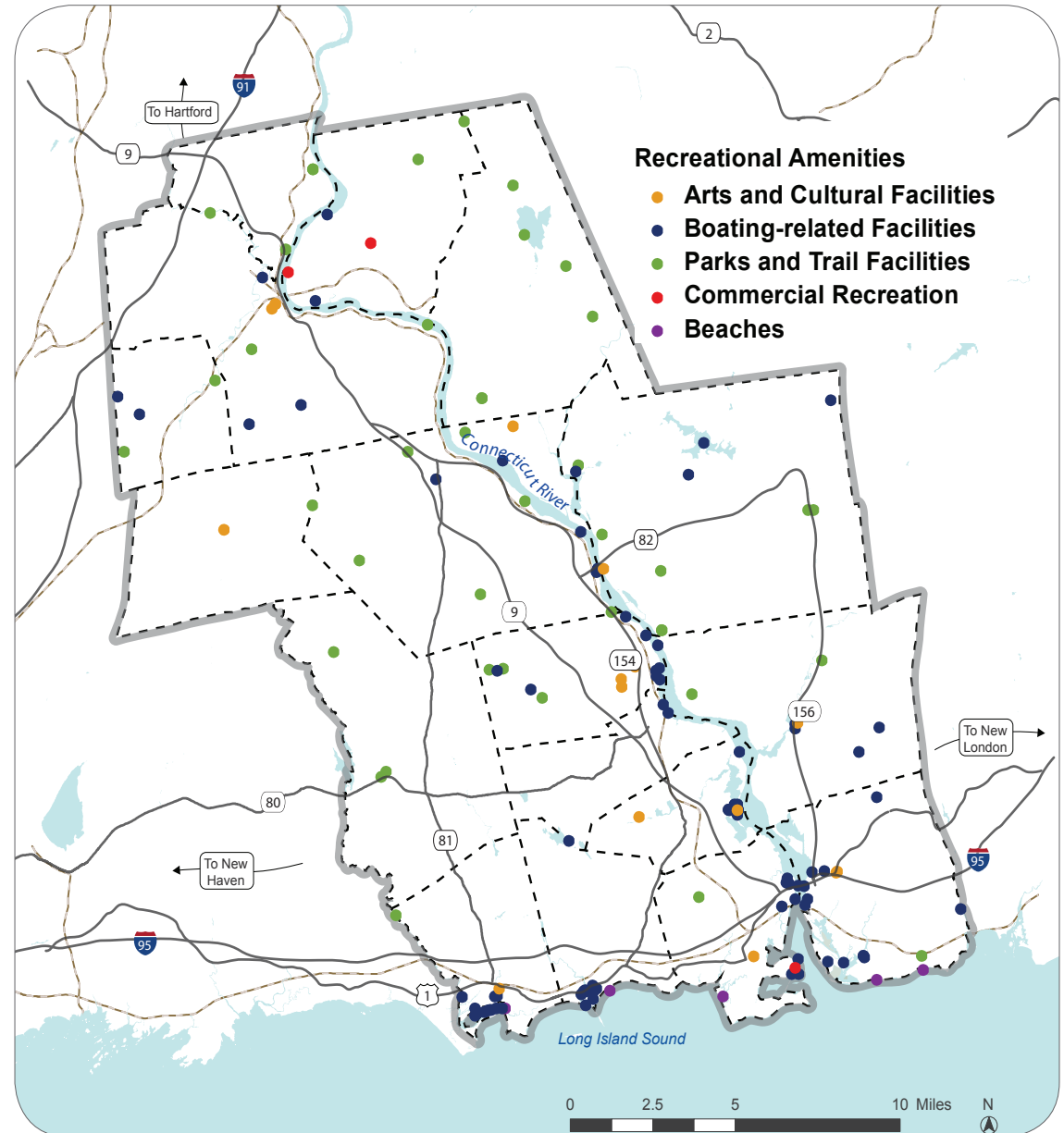
The region's tourism market is driven by its cultural, water-driven and natural resource assets. An in depth economic analysis of this sector was not performed, however, a high level estimate suggests a range of 5,000 to 7,000 jobs with a payroll range of \$120 to \$170 million. Figure 11 identifies the various recreational and cultural attractions in the region.

Growth in this part of the economy would result in greater retail trade in accommodation and food services, particularly in the form of restaurants and potentially more lodging opportunities if day trippers, which make up the majority of the market, could be converted into overnight stays.

Project participants spoke to a number of top tourist destinations, including the Essex Steam Train and Powder Ridge, as well as the Brownstone Exploration Discovery Park. There is a recurring sense that tourism assets are largely disconnected from each other. Efforts to package offerings together will help, such as the "Let's Make a Deal" networking event hosted by



**FIGURE 11**  
Recreational Amenities in the Region



Source: RiverCOG

Middlesex Chamber of Commerce's Tourism Steering Committee. Yet, there still needs to be a larger effort made to develop and broadcast a compelling story that ties to together the natural, recreational and cultural assets of the region.

Also, a number of questions remain in terms of understanding the current tourism market and the potential for growth. How many visitors come to the region and who are they? How accessible are different recreational opportunities? What is the accommodation capacity of the region? For example, this project found 303 vacation rental properties (290 of which

are on the Shoreline) and 17 AirBnB units, all of which have the similar impacts to hotel accommodations.

Answers to these market questions would inform the bigger strategic question, "What kind of tourism economy does the region want - and is it willing to live with the trade-offs of the increased retail demand and traffic of more tourists?" Much of the community input spoke to a desire for more of a tourism economy but without any negative impacts of actual tourists. The key will be to determine what and where tourism opportunities will fit in the region.





## THE “LIFESTYLE” ECONOMY

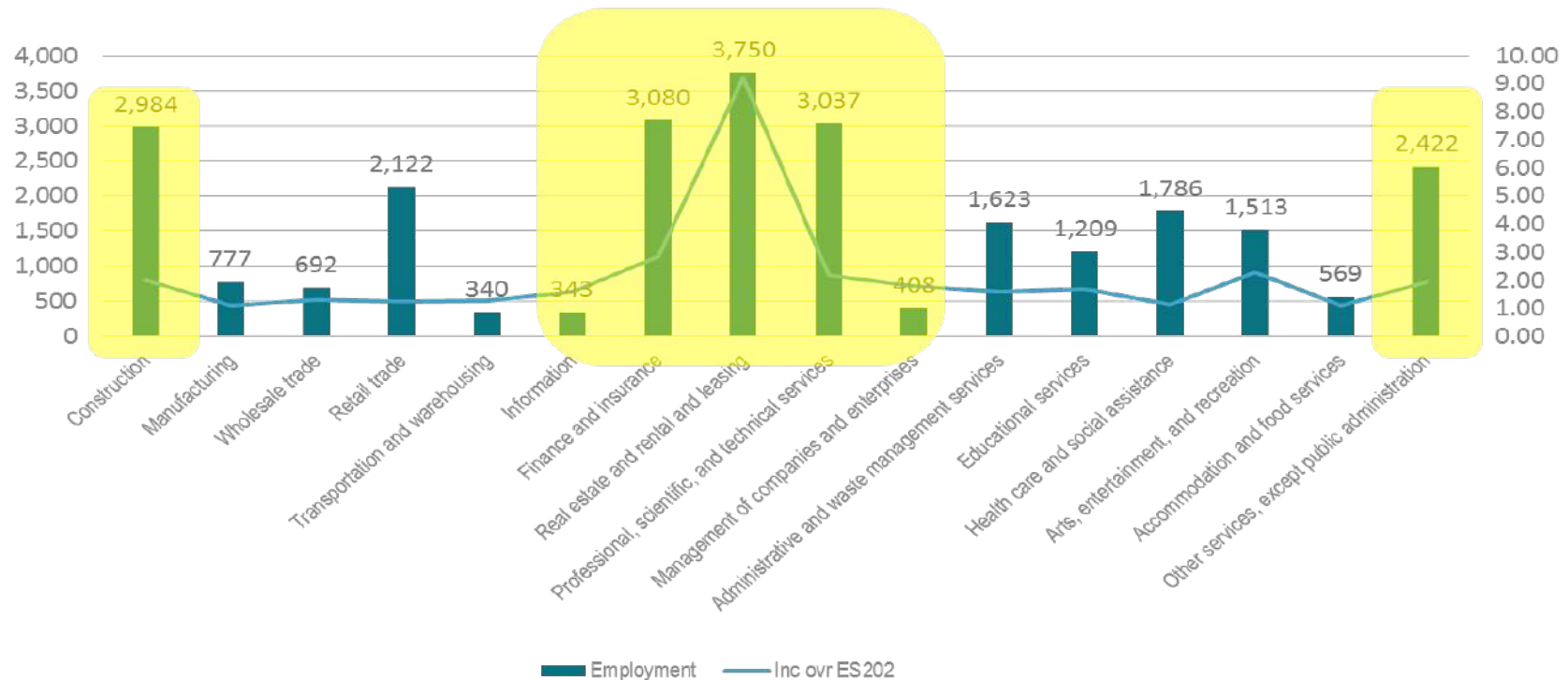
The high quality of life in the region attracts people who could work and live anywhere. The second home residents in the region are also contributors to this economy. An estimated 13,000 to 15,000 jobs are tied to the lifestyle economy. At least \$450 million in wages is associated with this group.

Many of these jobs exist because people want to live in the region and are in jobs that can be done from anywhere e.g. professional/technical services, software services. Other jobs such as those in construction and other services support these households and businesses.

### Takeaway:

*These jobs exist because people want to be here*

**FIGURE 12**  
**Lifestyle Jobs**



Source: NP analysis of BEA regional data for 2013 combined with NAICS ES 202 data for 2014

## THE “LOCAL” ECONOMY

The last component of the economy is the “local” economy. There are at least 21,000 jobs tied to the financial health and spending of local residents. These are businesses supported by resident and institutional demand. It includes but is not limited to healthcare and social services, government, and elements of retail trade. The scale and vibrancy of this part of the economy is dependent on the size and wealth of the local population.





## JOB GROWTH

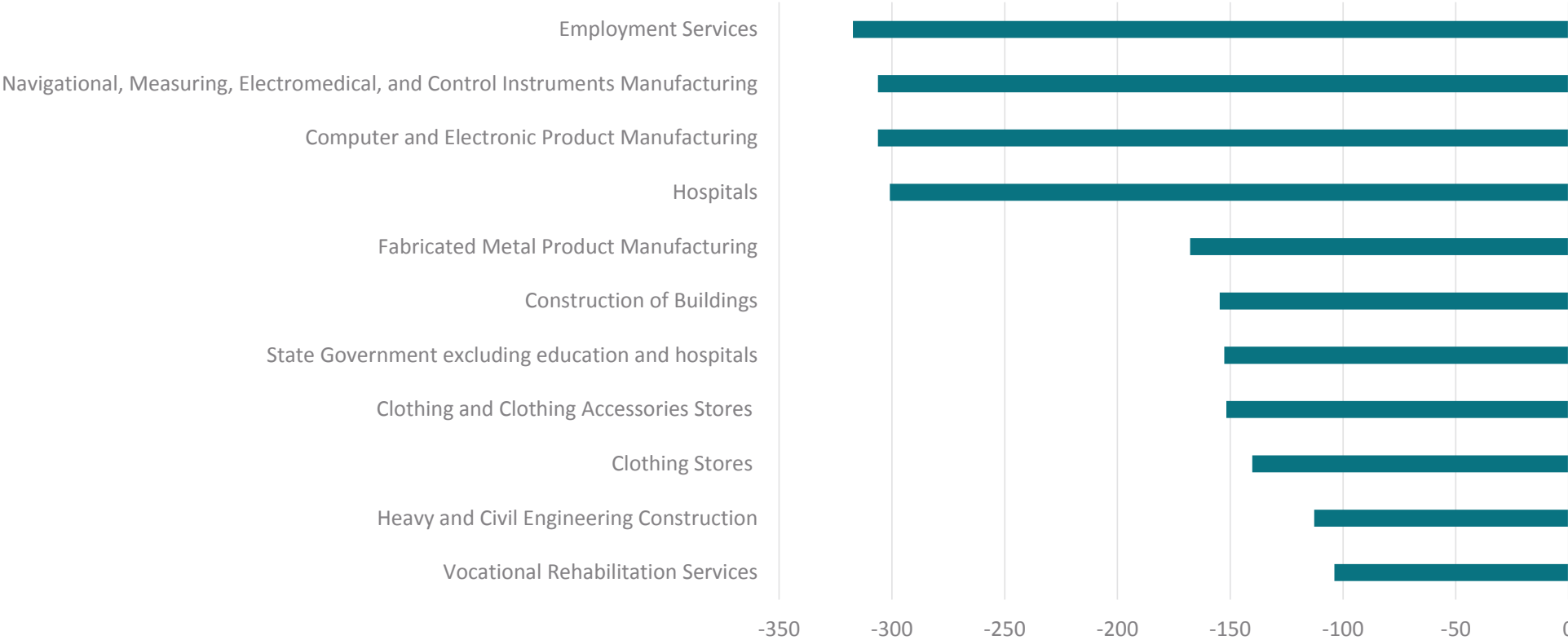
Further, lifestyle and local economy businesses are key contributors to job growth. Since 2012, jobs in these industries have resulted in a net job gain of approximately 1,500 jobs across the region. Net job losses have been in the major employment categories. (Figures 13 & 14)

**FIGURE 13**  
**Net Job Gains**



Source: NP analysis of ES202

**FIGURE 14**  
**Net Job Losses**



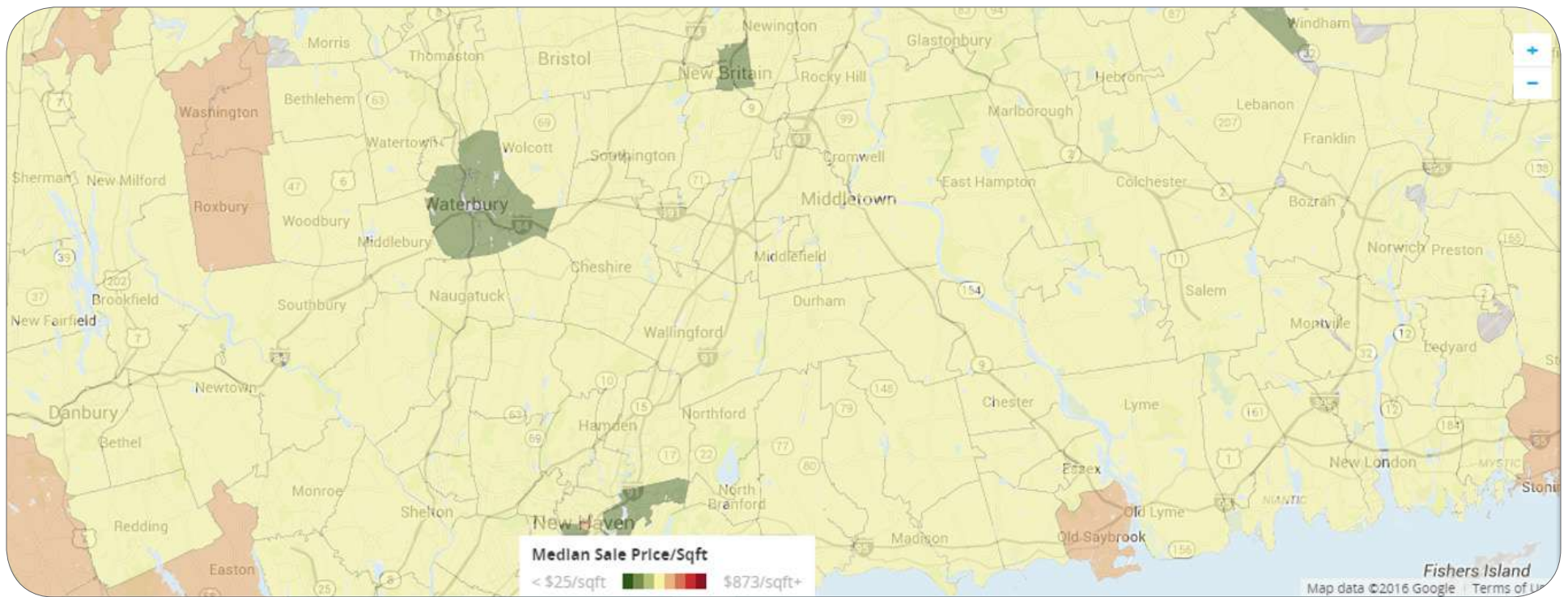
Source: NP analysis of ES202

## HOUSING COSTS

Housing costs can be an important influence on growing the local economy component of the region. Using online resources, it was determined that housing prices per square foot in the region (Figure 15) were comparable to other regions of Connecticut. Housing expenses are relative, however. Through interviews and our discussion sessions the cost of housing has been repeatedly identified as a major issue impacting workforce access and ability to attract younger households to reside in the region.



**FIGURE 15**  
**Housing Affordability - Price per square feet**

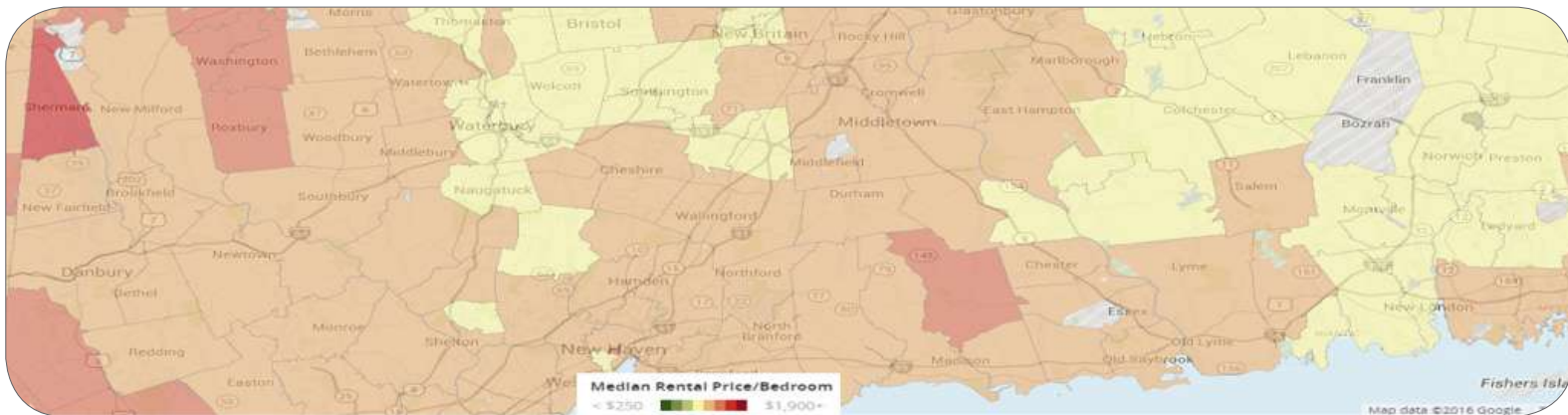


Source: Trulia Maps

For example, examining rental costs per bedroom, the region is somewhat more expensive than other neighboring regions. (Figure 16) However, the region is substantially less expensive than the Fairfield County shoreline communities. (Figure 17) Therefore, an important consideration for

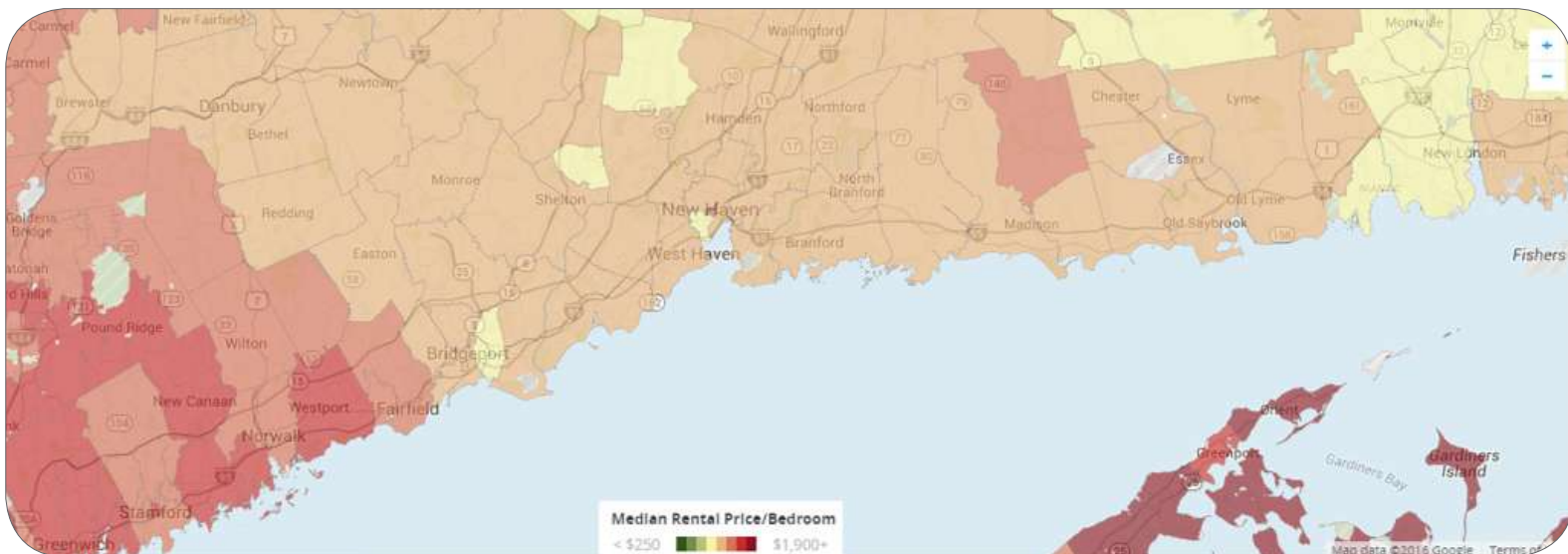
the region is the growth trajectory of New Haven and Fairfield County, improved rail linkages and what it means for development pressure along the region's shoreline communities.

**FIGURE 16**  
**Regional**  
**Rents per**  
**Bedroom**



Source: Trulia Maps

**FIGURE 17**  
**Shoreline**  
**Rents per**  
**Bedroom**



Source: Trulia Maps



# Land Use & Economic Infrastructure

## Key Findings

1

### **Housing dominates the landscape...**

Most of the developed land is currently used for housing.

2

### **Population is concentrated...**

Clinton, Cromwell and Middletown are the most densely populated parts of the region.

3

### **Rich in natural and recreational resources...**

The region has a range of natural assets that provide a range of outdoor recreational opportunities.

4

### **Economic infrastructure availability is mixed...**

Water, wastewater, fiber access and buildings are not widely accessible throughout the region.

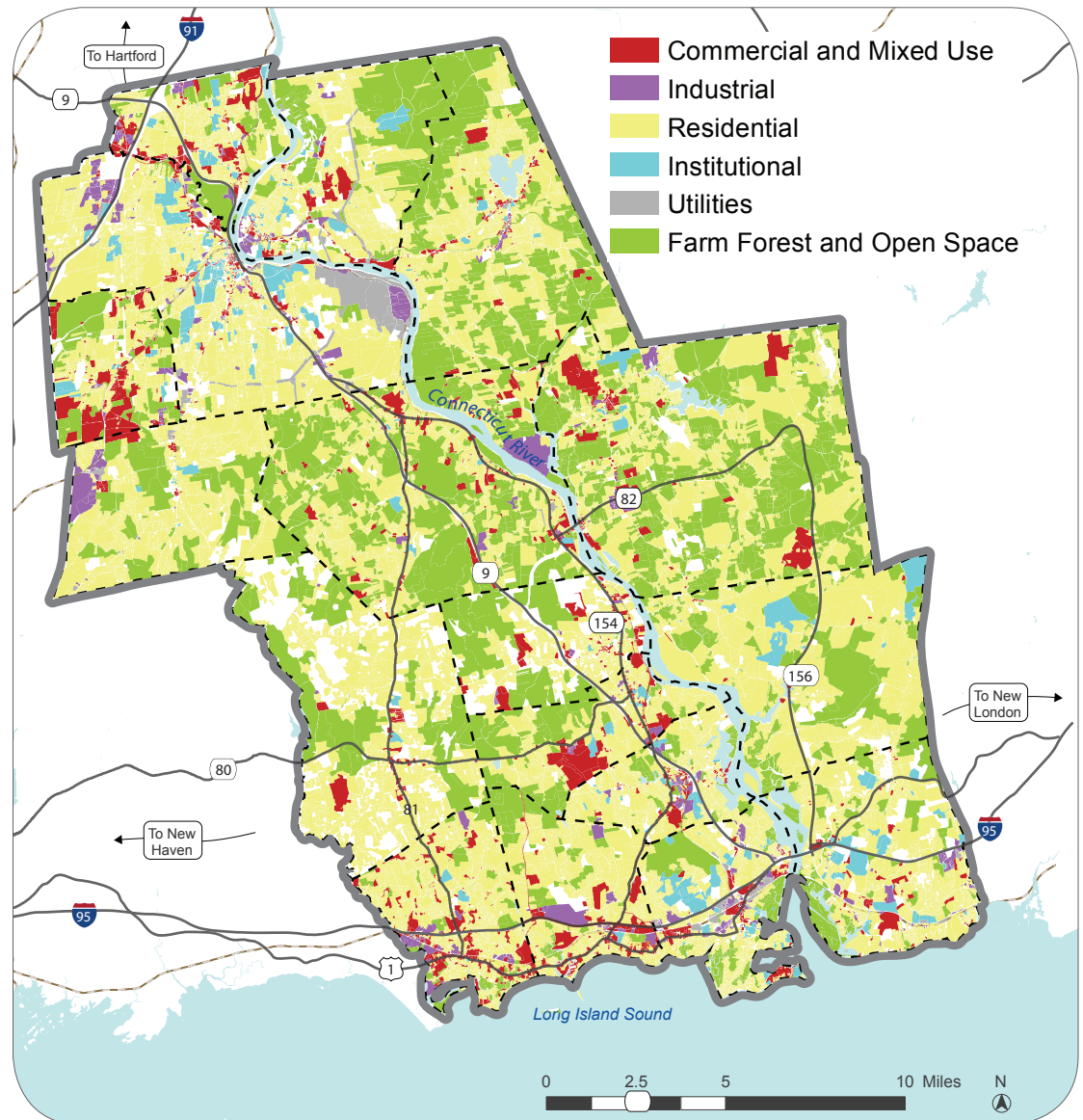




## Land Use

Housing accounts for approximately 47% of land use in the region. Employment uses such as industrial, institutional, commercial / mixed use space represent another 11%. Open space and natural resources areas (excluding water) is another 27%. Water is 4%. Rights of way and unclassified properties make up the balance. (Figure 18)

**FIGURE 18**  
**Land Use**

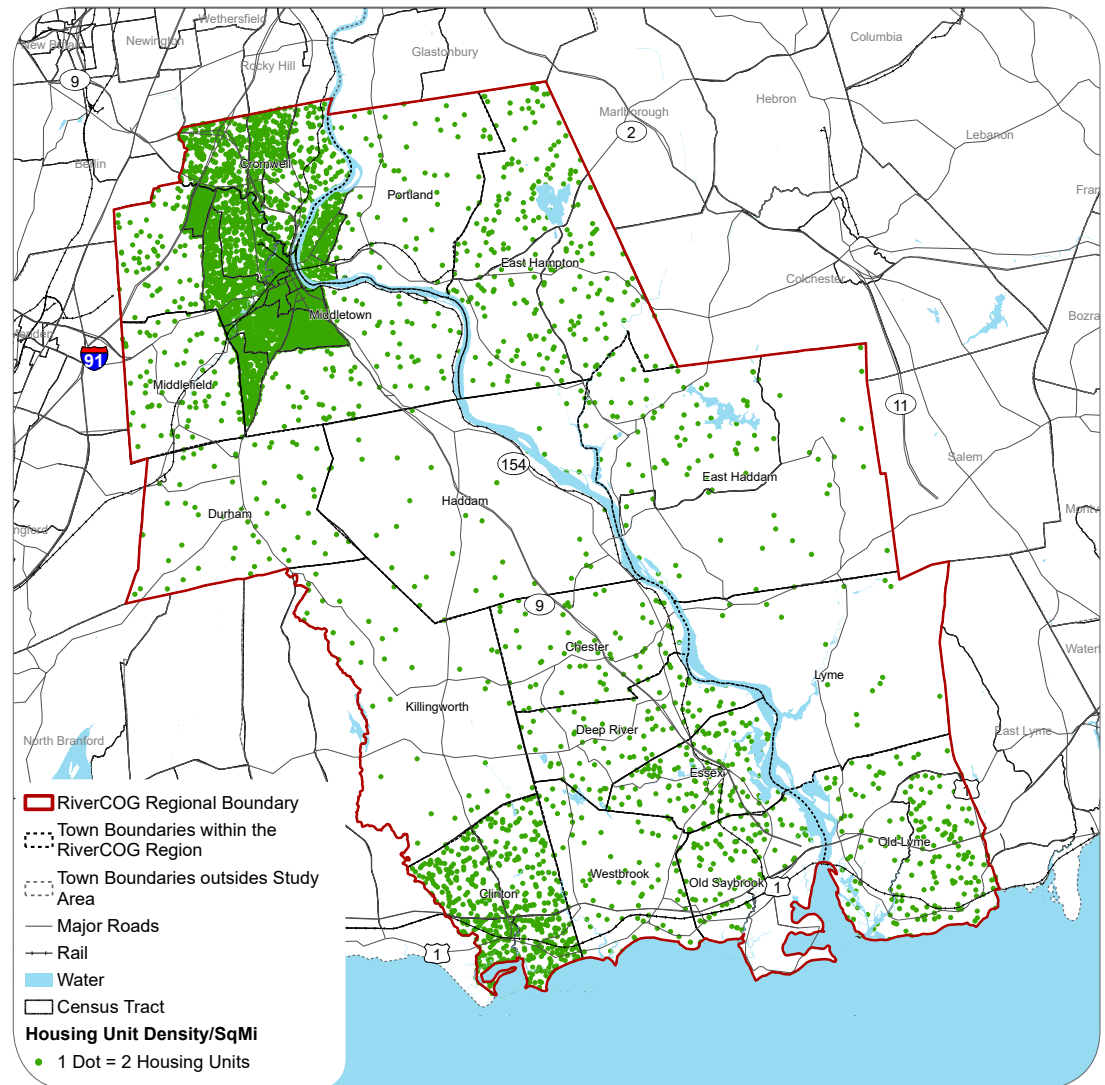


Source: RiverCOG

## HOUSING

The region's population is most densely concentrated in three communities (Figure 19): Middletown, Cromwell and Clinton account for 43% of the region's population. This reflects their close proximity and accessibility to the region's two major cities, Hartford and New Haven.

**FIGURE 19**  
**Housing Unit Density**



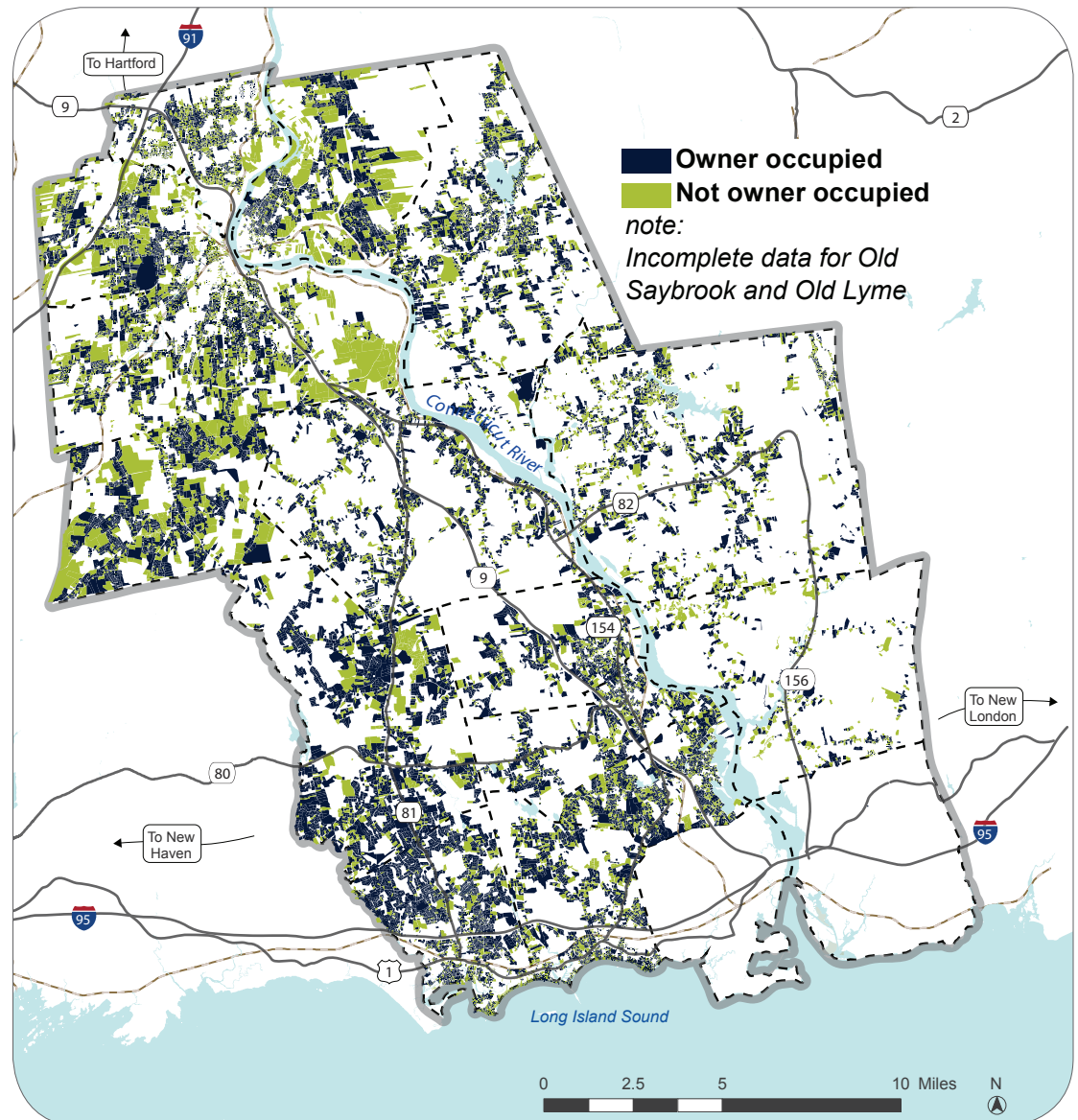
Source: RiverCOG



## OWNER OCCUPANCY

Using property tax mailing addresses, non local ownership of single family housing represents 11% of the total available units (note: this analysis does not include Old Saybrook and Old Lyme due to incomplete data) in the Lower Connecticut River Valley. While it cannot be certain, given the locations, it is likely that most of the non local ownership in the northern part of the region represent rental housing units and most of the non resident housing along the Shoreline and places like Essex represent second homes. Figure 20 shows the distribution of owner occupied housing in the area.

**FIGURE 20**  
**Owner Occupancy**



Source: RiverCOG

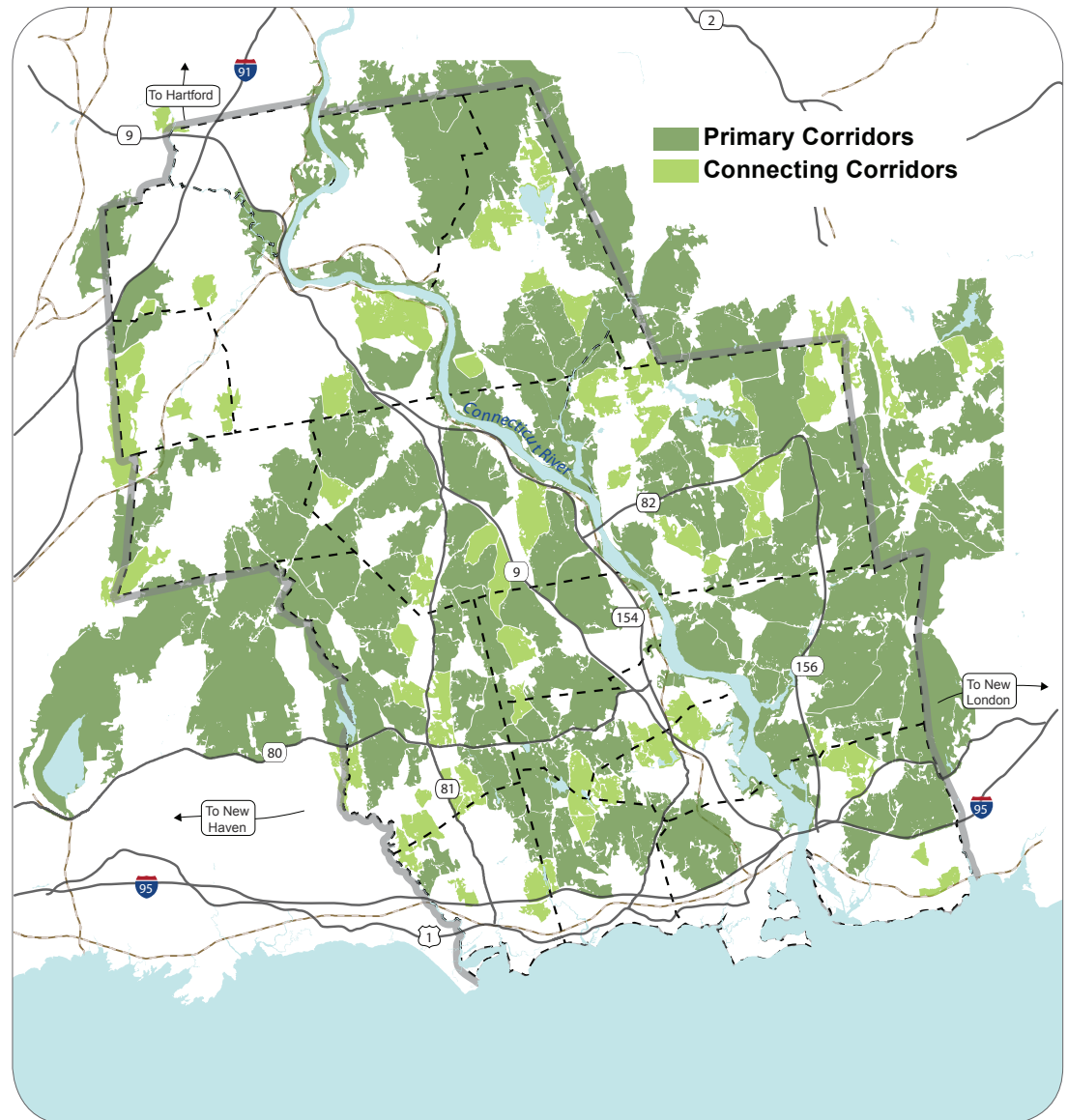


**FIGURE 21**  
**Conservation Corridors**

## OPEN SPACE & NATURAL RESOURCES

The region is tied together by its namesake, the Connecticut River, which serves an important natural and recreational focal point. Additionally, open space and natural resource areas (including water) represents 31% of total acreage. The region is rich in outdoor recreational offerings including 23 state parks and forests. A significant amount of tourism is tied to enjoyment of the region's high quality environment and amenities such as Gillette Castle State Park, the Essex Steam Train, and coastal amenities found in the southern part of the region.

A series of conservation corridors have been identified. These are shown on Figure 21.



Source: RiverCOG

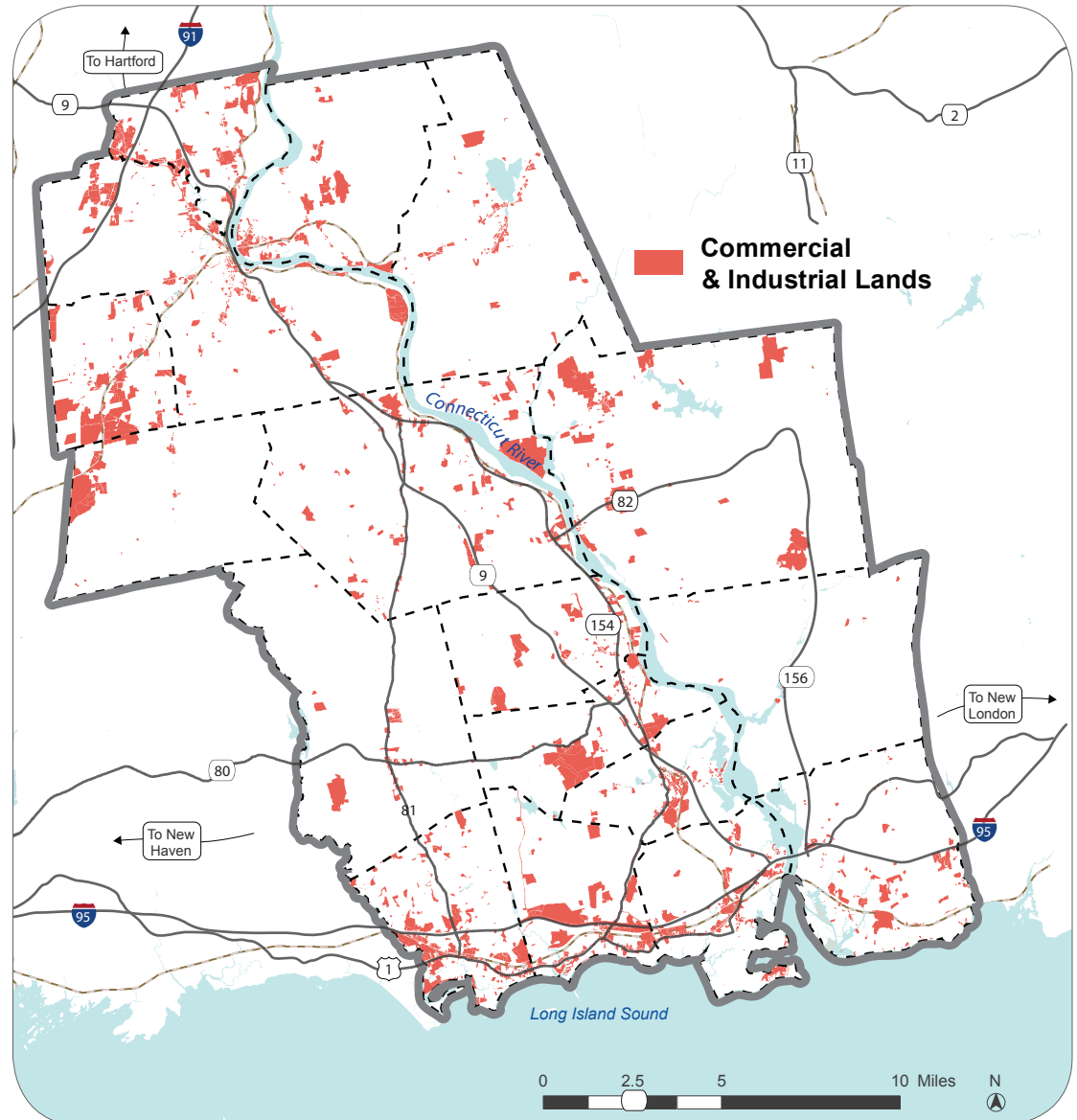


## Economic Infrastructure

Economic infrastructure is the capacity to support physical development and job creation. For purposes of this discussion, it includes appropriately zoned areas, water and wastewater, transportation access, real estate quality and availability, and in this digital age, access to high speed fiber for the end user.

Commercial and industrial lands are scattered throughout the RiverCOG region. (Figure 22)

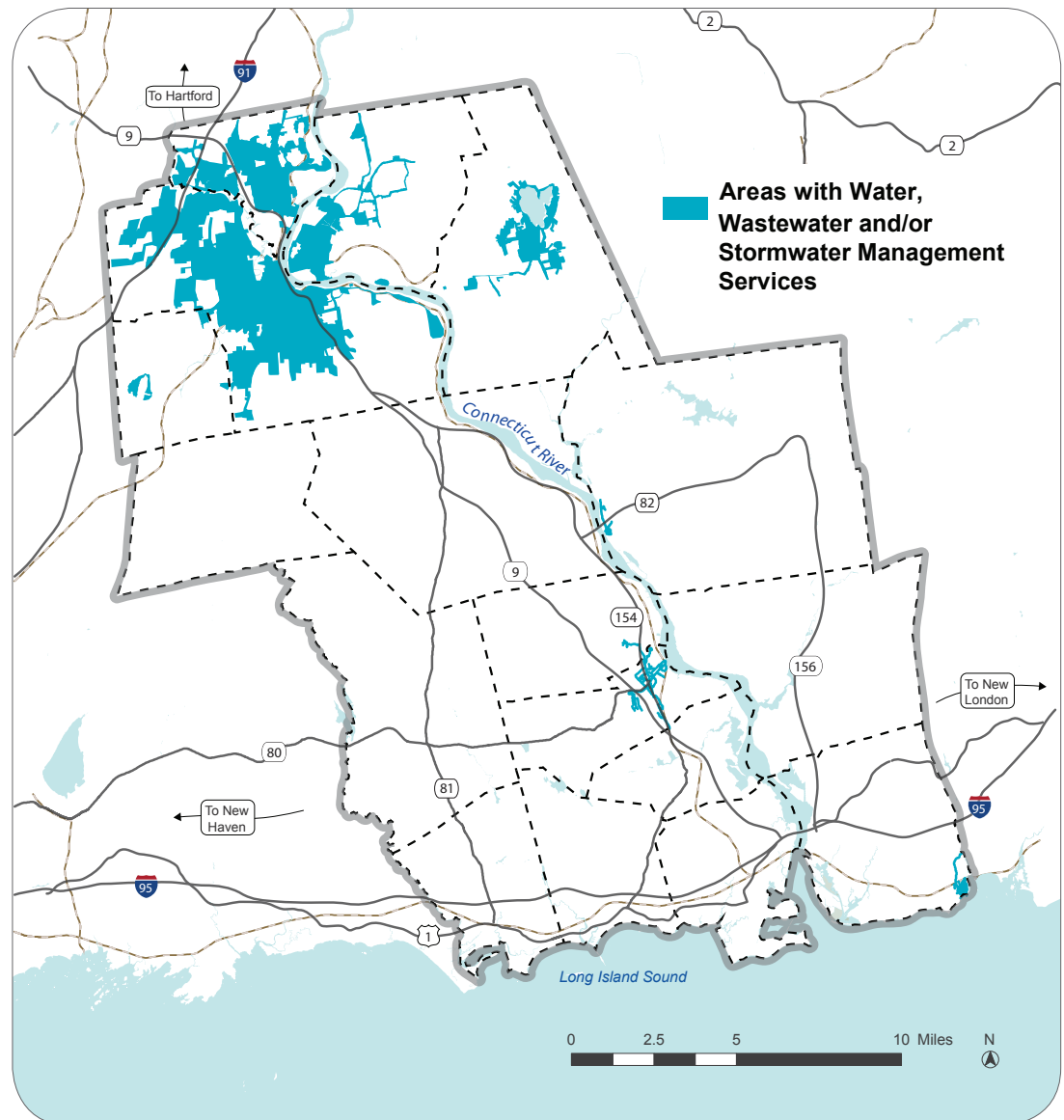
**FIGURE 22**  
**Commercial & Industrial Lands**



Source: RiverCOG

**FIGURE 23**  
**Waste & Stormwater Infrastructure**

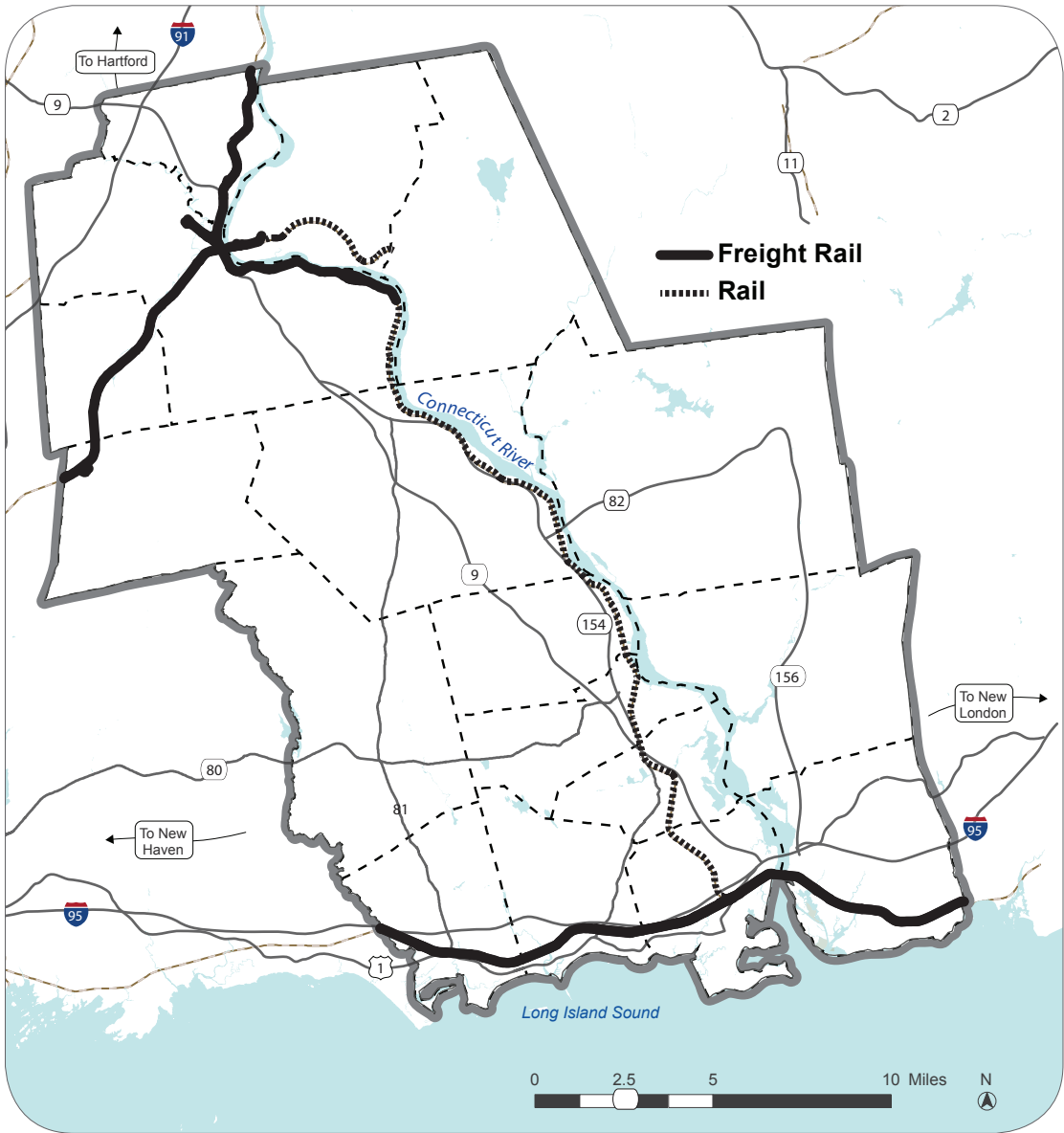
Waste and stormwater infrastructure is widely available in the Middletown/Cromwell area. It is available in small pockets in a few locations across the region. It is notably lacking along the 95 corridor. (Figure 23)



Source: RiverCOG

The region has significant north-to-south and east-to-west highway access and freight rail is available in some selected locations. (Figure 24)

FIGURE 24  
Rail Infrastructure

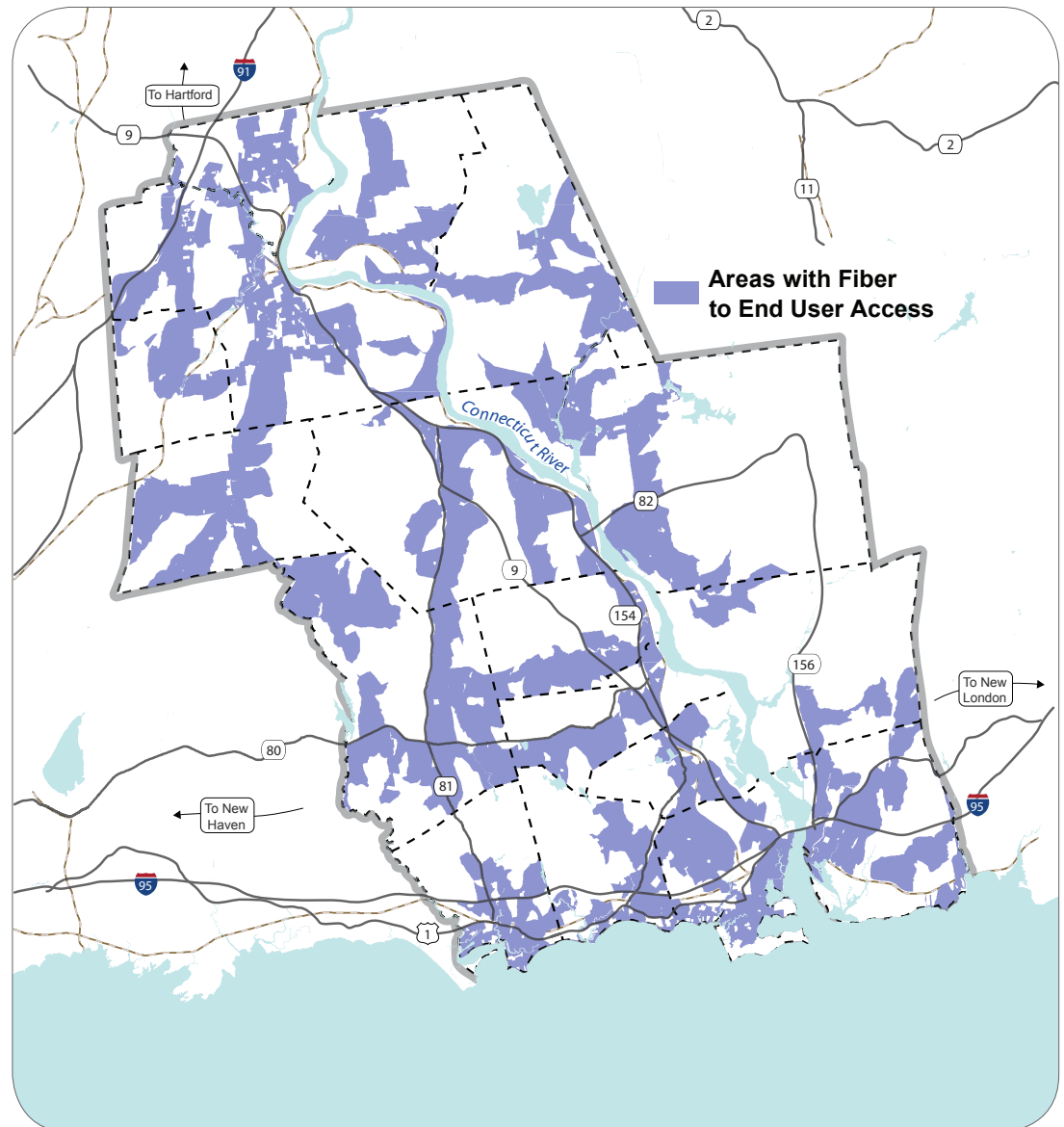


Source: RiverCOG



Fiber to end user is a fiber-optic based broadband network that can transmit data faster than other broadband technologies. This infrastructure is critical to any users who require a high speed Internet connection, which includes businesses from larger employers to home based businesses. Fiber to the end user is available along the major transportation corridors and areas with development density. (Figure 25)

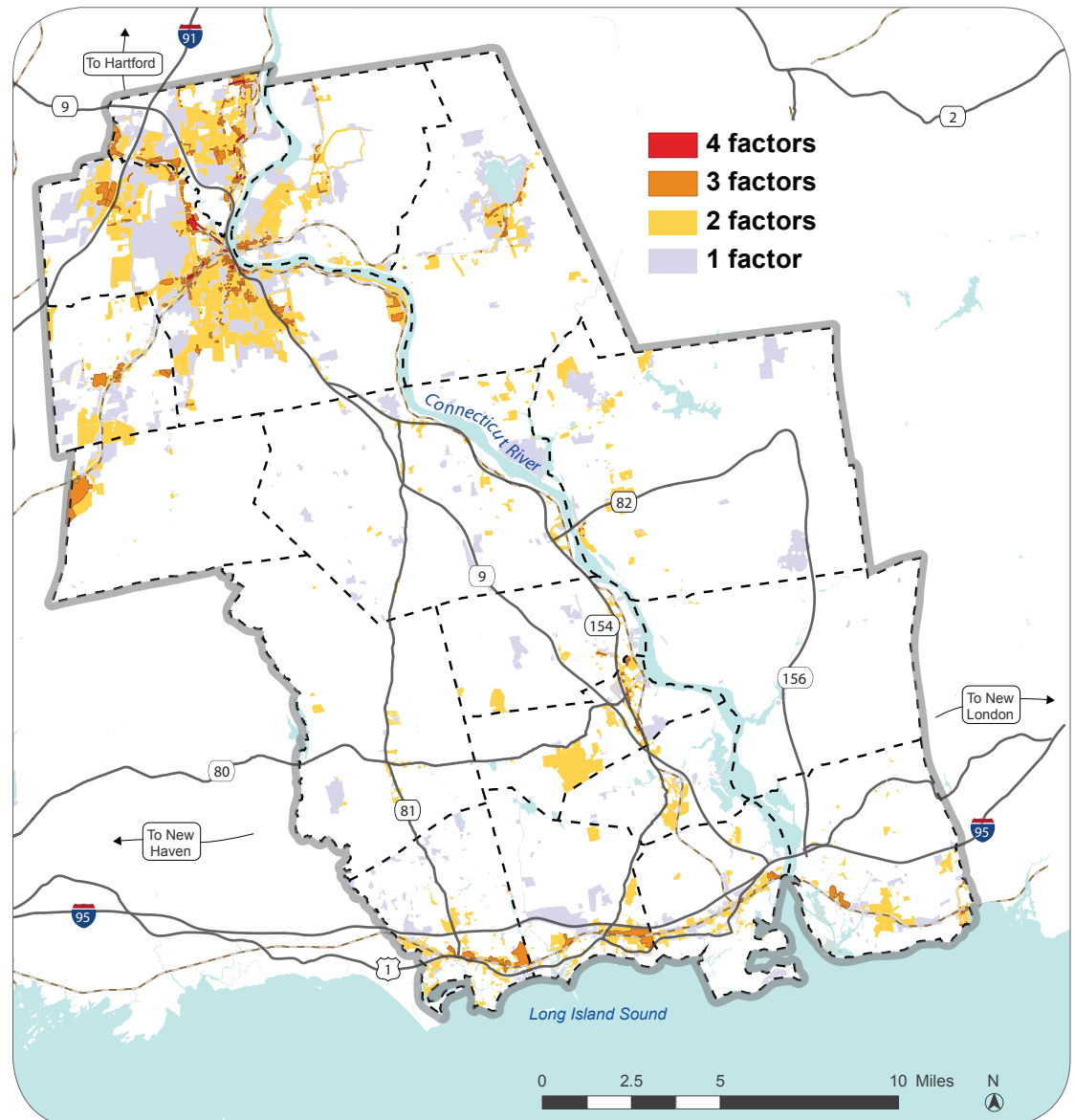
**FIGURE 25**  
**Fiber End User Access**



Source: National Broadband Map <http://www.broadbandmap.gov/technology>

Overlaying the key factors of economic infrastructure illustrates the relative development potential and opportunity in the region. Figure 26 maps how these different development factors combine. The darker colors represent areas where 3 or more factors are present.

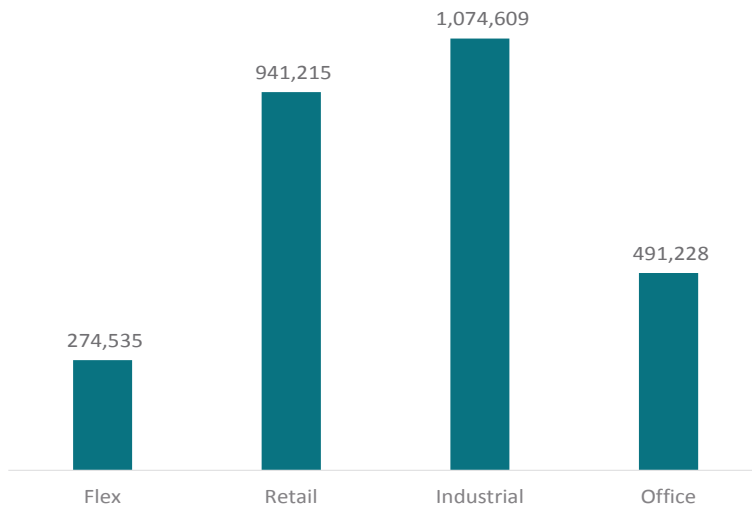
**FIGURE 26**  
**Economic Infrastructure Assessment**



Source: NP analysis of RiverCOG GIS data

According to real estate capacity analysis found at the time of this writing, 101 buildings were available to support employment and 37 sites representing 330 acres were being marketed for development. There is a notable lack of sites for large scale users and a notable lack of contemporary high bay flexible space. Of the flex space only 86,000 square feet is less than 25 years old. Of the available industrial space less than 10% is under 25 years old. Figures 27 shows the total available space by category.

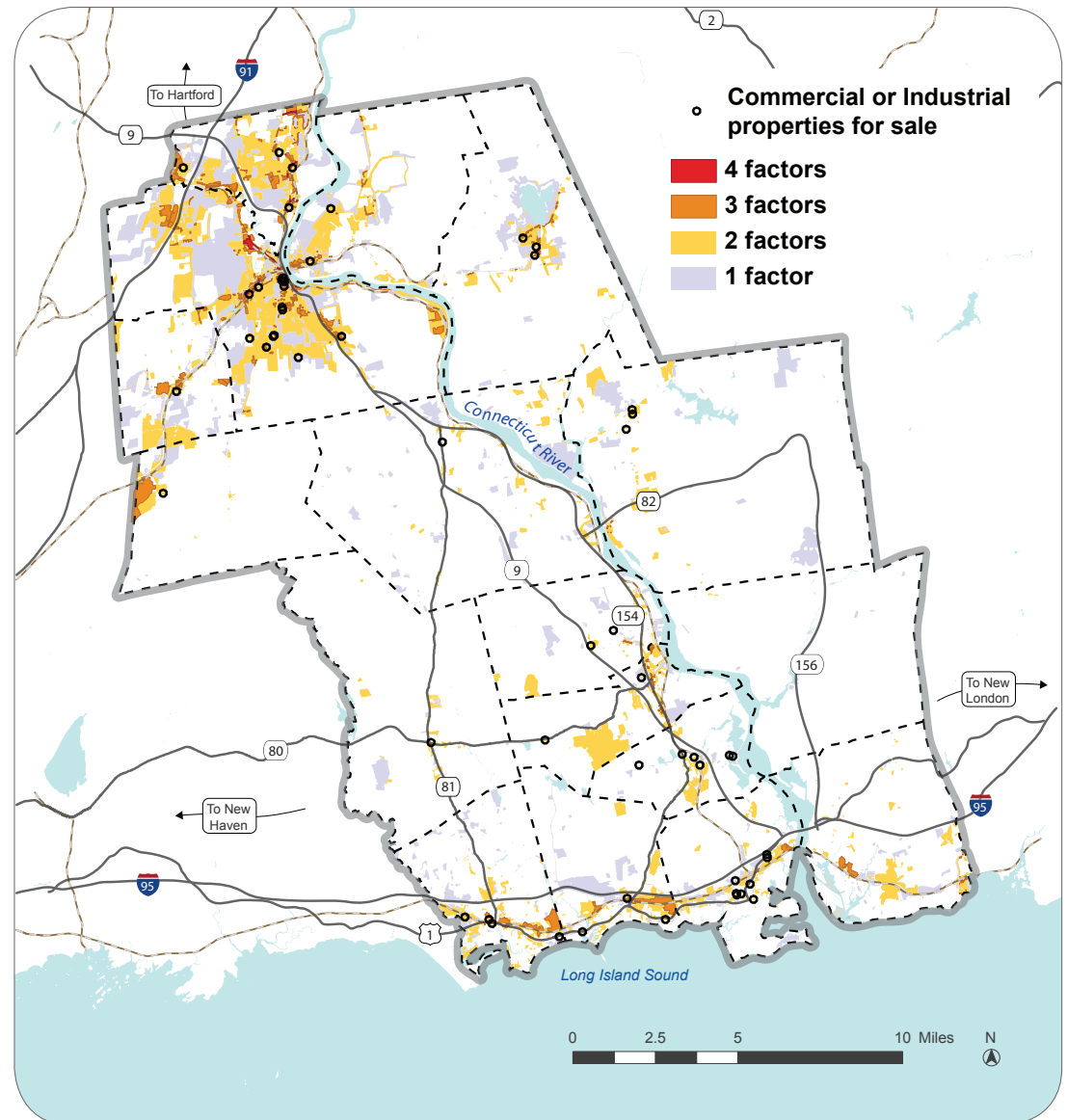
**FIGURE 27**  
Available Square Footage (as of January 2016)



Source: RiverCog costar data pull; NP analysis

Taking the economic infrastructure assessment one step further plots available marketed properties and facilities against the development factors. Figure 28 identifies the property locations and where they fall within the economic opportunity areas.

**FIGURE 28**  
Available Commercial & Industrial Properties



Source: NP analysis of RiverCOG GIS data



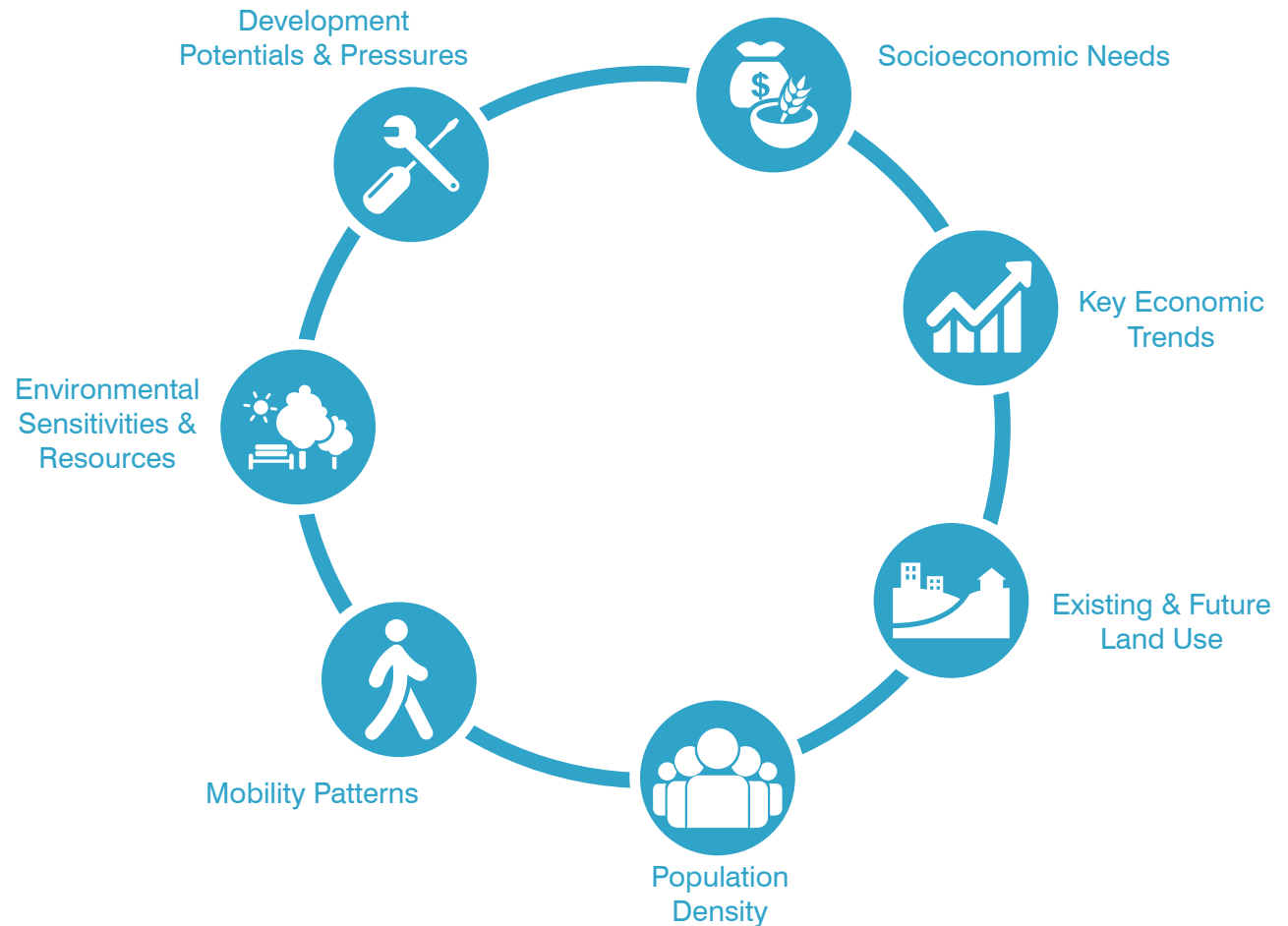
## Striking a Balance of Appropriate Growth and Conservation

Land use policies have long been used as a way to limit development in the region. From large lot zoning to a lack of support for sewer and water infrastructure, many towns in the region have been able to limit significant new growth.

The upside to these policies is that the region has maintained a high quality of life characterized by quaint downtowns, bucolic residential patterns and large swaths of open space. The downside is that many of the region's towns are expensive to buy into and the aging population cannot continue to support the economic or social fabric that makes communities healthy and vibrant places to live.

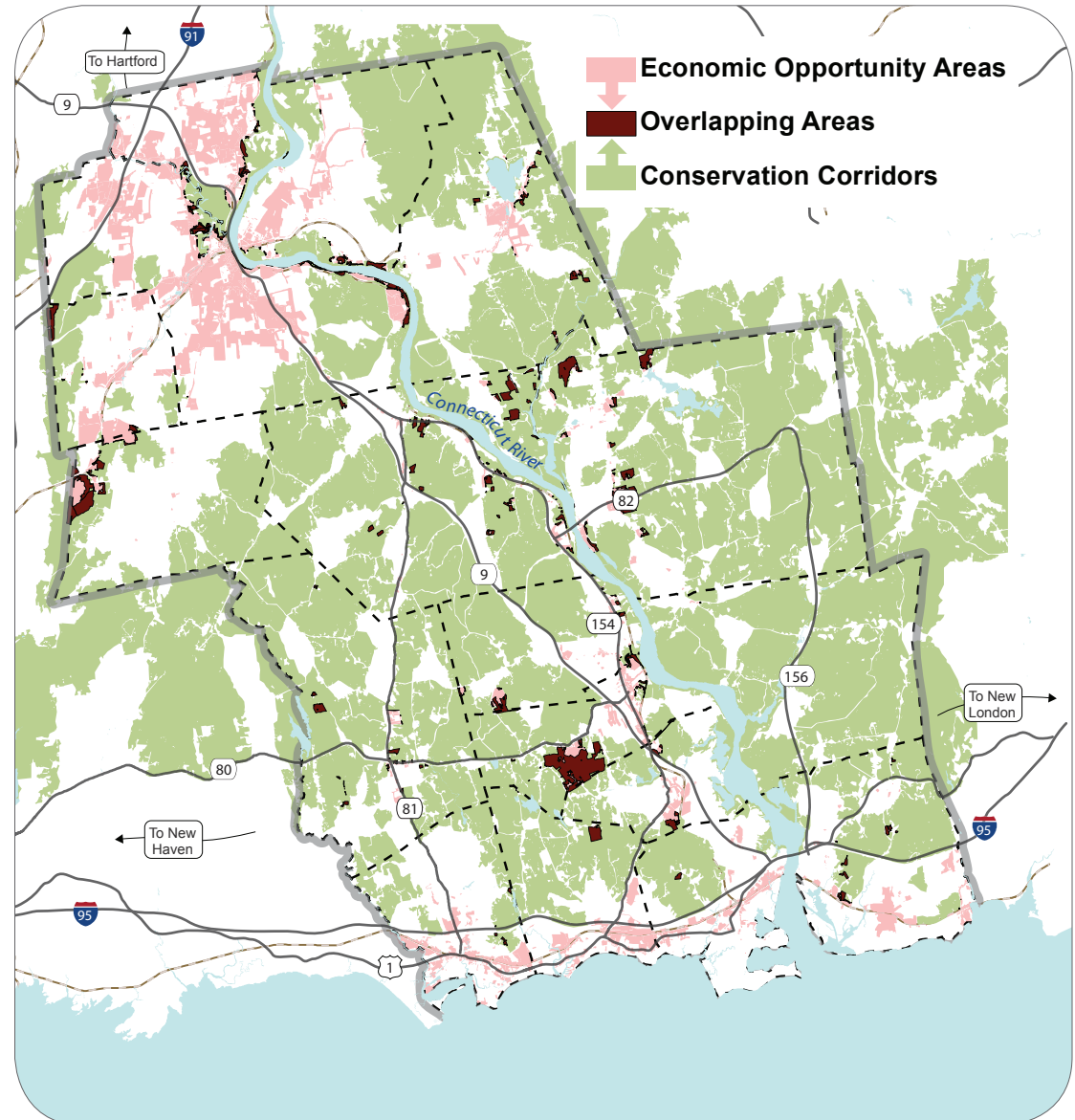
Also, while residents often focus on the costs of development there are costs of conservation too. Open space requires ongoing maintenance, which can be costly for a small town unless there is a partnership or constituency there to help. For residents who want to preserve their land but need the income that a property sale would provide, there needs to be openness to ways that the land could be used for income generating purposes, such as small scale agriculture.

The right balance of growth and conservation cannot be resolved at the regional scale. It's a question that each RiverCOG community must answer. Yet, there is benefit in thinking through how each city and town fits into the larger region.



Previously we discussed the region's conservation corridors and its economic opportunity areas. In a region that needs to find a balance between the two competing imperatives, Figure 29 combines these two maps to identify how much conflict may exist.

**FIGURE 29**  
**Overlap Areas**



Source: NP analysis of RiverCOG GIS data

## A Range of Land Use Typologies

Typologies represent a range of land use patterns and development trends that exist across the region. Thinking about the region as a set of typologies sharpens and expands knowledge of regional problems, interregional differences, and internal variations within the region.

Typologies can:

- Provide a way to categorize, understand, influence development and preservation patterns within the region.
- Highlight overall trends affecting the region.
- Inform decision making and policy to help plan for the most appropriate land use, building density, and development pattern.
- Identify what kinds of development are appropriate for which areas.

- Indicate key considerations that will be taken into account for future studies.
- Create a framework to control and promote growth.

GrowSMART has identified five different land use typologies within the region (Figure 30). These typologies were developed as a tool communities can use to think about their future land use.

Taking into consideration the community typologies and available economic infrastructure, certain areas across the RiverCOG region have development capacity. These areas may make sense to consider as primary development zones as part of a quality of life / quality of place preservation strategy.





**FIGURE 30**  
**Land Use Typologies**





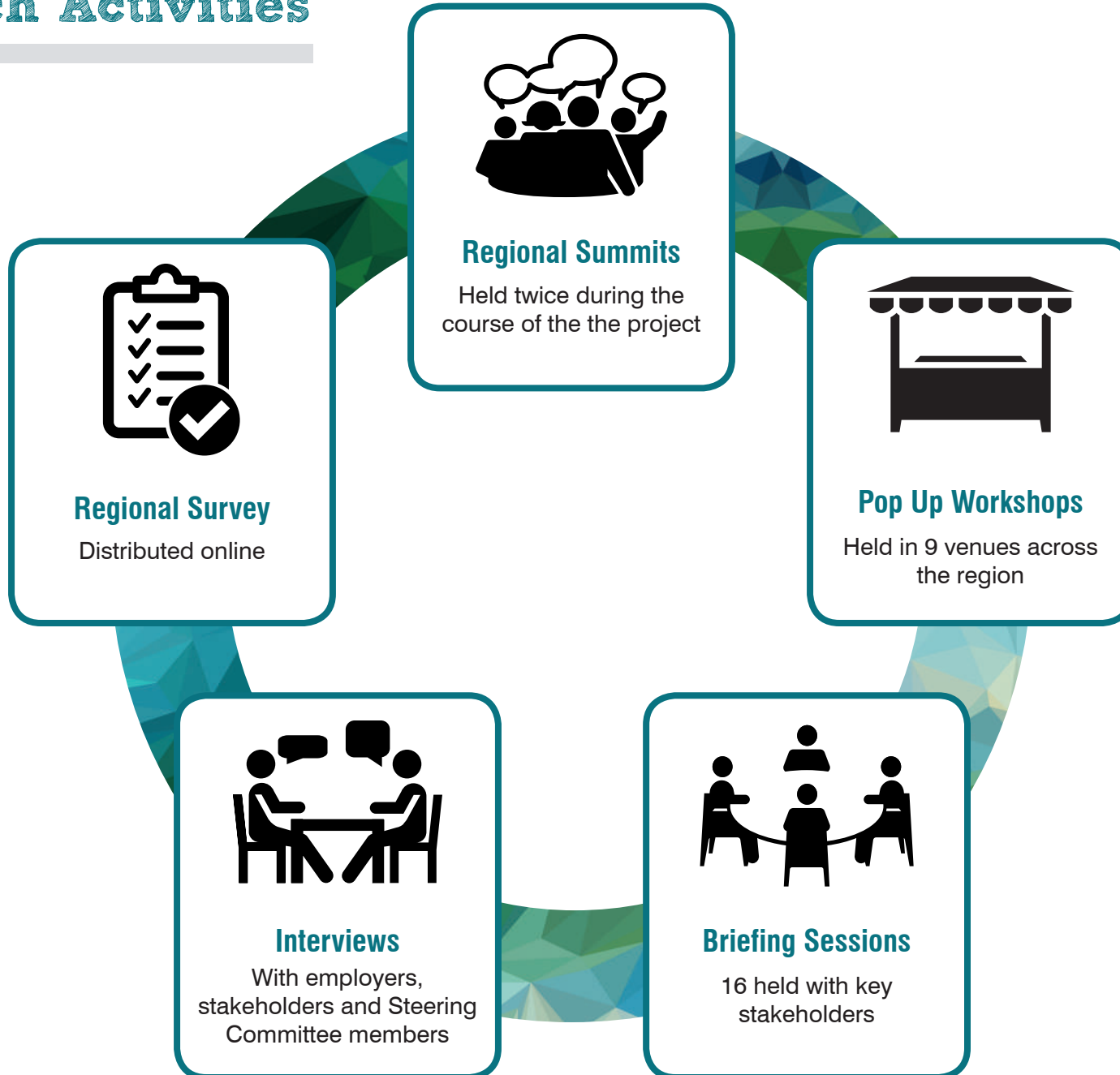


# What We Heard



GrowSMART collected input from residents and employers throughout the process using a variety of different activities. This section presents key findings from these activities.

## Outreach Activities





The first regional summit and complementary pop up workshops explored what regional stakeholders see as the region's greatest strengths, weaknesses, opportunities and threats (SWOT). The summit and workshops were complemented by an online survey open to the general public.

## STRENGTHS & OPPORTUNITIES

Many participants spoke to the potential of tourism, particularly as it relates to outdoor recreation. Key assets include the Connecticut River, the wide variety of outdoor activities, and the region's rich history.

Others spoke to grow the region's small businesses by capitalizing on the existing workforce and proximity to larger metro areas.

[illegible]



## WEAKNESSES & THREATS

Participants were also asked about the region's weaknesses and threats. Participants' top two concerns were the aging population and the cost of living.

The demographic challenge is described in the Conditions & Trends section of this plan. Cost of living concerns related primarily to the lack of affordable housing. A number of participants also mentioned challenges related to transportation.

A number of participants spoke to the lack of available jobs as well as the overall business climate in Connecticut. Nine out of ten residents believe their town's economy has weakened or stayed the same in the past ten years.

## Weaknesses



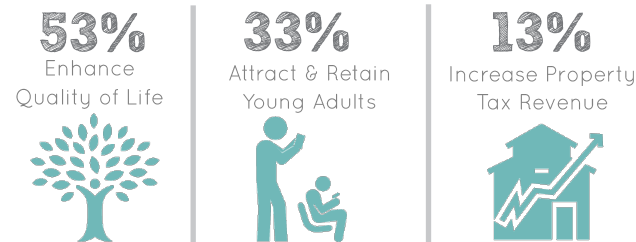
## Threats



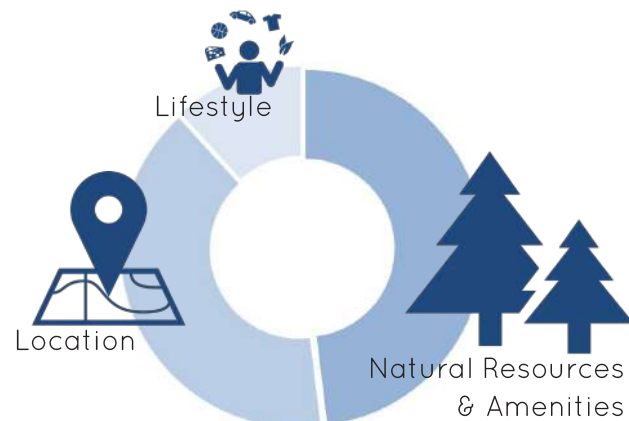
## Survey Findings

*echoed the Key Words & Phrases from the summits and workshops.*

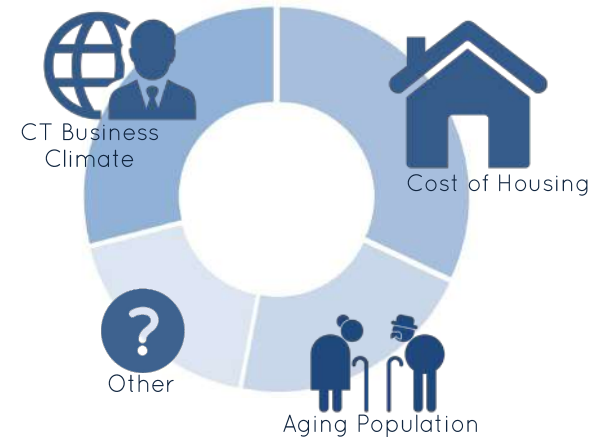
*We asked, "What should be the #1 priority of this economic plan?"*



*When asked in a survey to identify the region's single greatest strength, residents responded with...*



*We asked, "What is the region's biggest SINGLE challenge?"*





## Regional Summit 2

The second Regional Summit presented findings from early engagement activities as well as key insights on conditions and trends in the region. Participants shared their reactions to the findings and provided input on a vision for the future and top investment priorities.

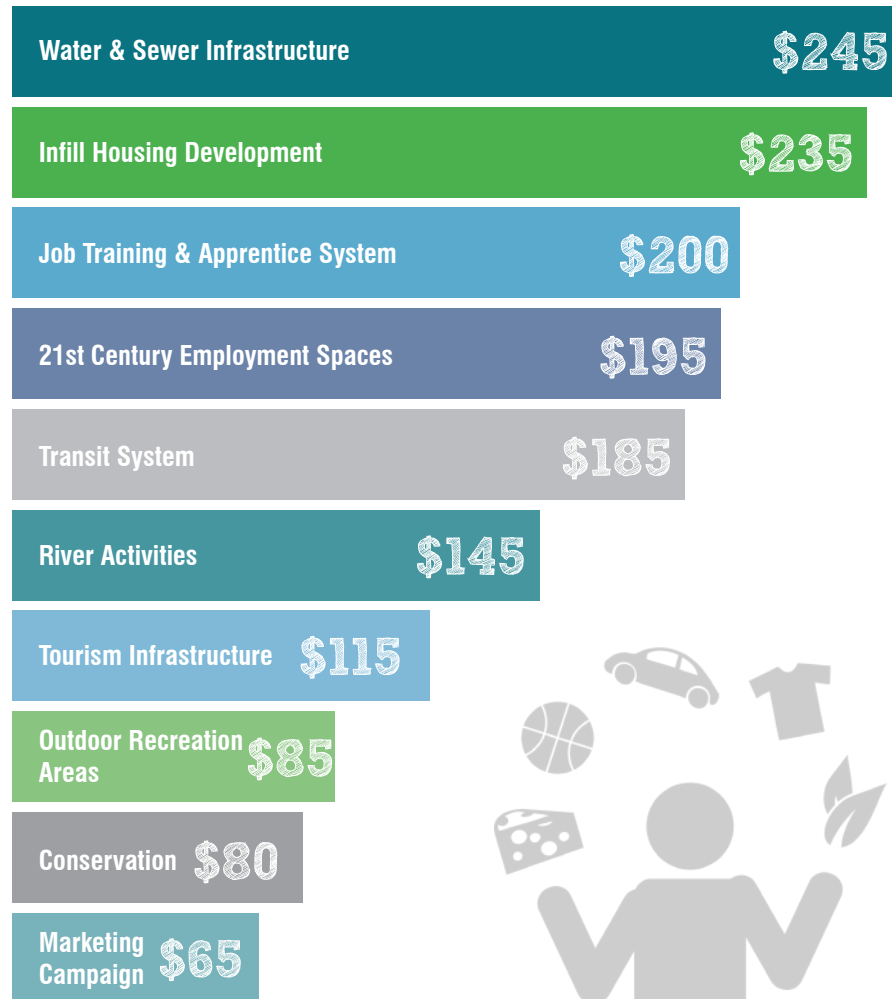


*At GrowSmart's second Regional Summit, participants were asked to write headlines that spoke to their hopes for the region's future.*



## TOP INVESTMENT PRIORITIES

Summit participants were asked to allocate \$50 dollars towards what they see as the top investment priorities for the region.



## Briefing Sessions

GrowSMART engaged in a series of briefing sessions with key stakeholders to help better understand the context, opportunities, and challenges in the region.

### ECONOMIC DEVELOPMENT COMMISSIONS

In the summer and fall of 2015 RiverCOG staff met with representatives of all the municipal Economic Development Commissions to raise awareness for the project and get initial input. A few key issues were raised in the discussions including:

- Questions about the purpose of GrowSMART and its relationship to a Comprehensive Economic Development Strategy (CEDS) for the region.
- Interest in thinking regionally on some issues but also acknowledgment that some towns compete with each other for businesses.
- Concern of the state of infrastructure like sewer and transportation systems.
- Focus on town specific issues like the redevelopment of specific brownfields.

### CT RIVER VALLEY GATEWAY COMMISSION

In November, RiverCOG and Ninigret Partners staff met with the Connecticut River Gateway Commission to introduce and elicit feedback on the GrowSMART project. The Gateway Commission's responsibility is to preserve the aesthetic and ecological natural beauty of the Lower Connecticut River valley, which runs in parallel with the GrowSMART vision elements. Members of the Gateway Commission made the following suggestions:

- Reach out to local land trusts and conservation commissions for input on regional economic development strategies.

- Review the Silvio O. Conte National Fish and Wildlife Refuge Draft Comprehensive Conservation Plan and Environmental Impact Statement that was recently completed in August 2015. A large portion of this plan impacts the Lower Connecticut River Valley and surrounding communities.



## MILLENNIALS

Given the aging issue facing the region, the project held a discussion group with millennials who live in the region to gain greater understanding of their perspective. Top findings include:

- Housing options and housing costs are a key issue.
- The ability to be involved in the community, ranging from community service to serving on important committees, is an advantage of smaller communities.
- The range of the activities (indoor and outdoor) are attractive but “improvement” in certain areas such as nightlife options and access to the river were highlighted.
- There are open questions as to whether they can continue to pursue their career within the RiverCOG region and several were either starting businesses or considering the possibility to help make remaining in the region more plausible.

## DIVERSITY

As demographics change it is increasingly important to understand how to support diversity in the region. GrowSMART held an in depth conversation focused on this issue. Key findings include:

- There is a need for equity in terms of employment and other opportunities.
- A regional vision is necessary to increase opportunity for underrepresented populations as well as a set of programs that are structured to support it.
- Current businesses development programs don't offer enough support; there needs to be more “resource centers” to help after the training programs have ended.
- There is a need for a Steering Committee to guide implementation of the vision that is diverse in its composition and reflects the groups you are trying to attract.



## Interviews

In depth interviews were conducted with the stakeholder committee and supplemented with interviews with employers in the region. The stakeholders represent a broad cross section of the political, employer and citizens throughout the RiverCOG region. Our interviews provided some important insights and a series of key takeaways to help inform the plan's strategic direction. The top five findings are:

1



### Changing Demographics

Demographic shifts are front and center in people's mind. Cost of living, particularly housing, was cited as a key factor and interviewees noted the need to look at how state investment, local infrastructure (or lack thereof) and local land use policies affect where future development can go.

2



### Small Business Potential

While it's possible to attract or grow bigger employers, the potential for job growth is more in helping small businesses (particularly cottage industries) get to the next level or in helping suppliers make connections to larger firms outside the region. The smaller businesses are likely a better fit with the existing character and infrastructure of many of the region's communities.

3



### Workforce Development

Ensuring a skilled workforce for existing jobs is a challenge. Small business growth is hampered by the challenges related to recruiting, training and retaining workers. There is a need to connect workers and employers to existing training programs and to fill in any training gaps in order to help overcome this barrier for firms and employees.

4



### Tourism Potential

Tourism is seen as having great potential but there is an open question about just how much and what type. While many interviewees cited the potential to grow the number of day trips and short stays to the region they were also concerned about the impacts additional tourism traffic would have on communities. In the short term, there is a need to better connect and market existing assets.

5



### Quality of Life

Quality of life is central to the attractiveness of the region. It's been largely protected by land use policies and a lack of water and sewer infrastructure. However, without a change in the approach to growth, many communities won't be able to sustain themselves as they are now.







# Recommendations



This section will present the vision and strategic direction for economic development in the RiverCOG region, as well as recommendations for moving forward.

## Vision

### The Lower Connecticut River Valley in the 21st century has...

- ✓ Cities, towns and villages that are great places to live for all of our citizens.
- ✓ A system of mobility that links citizens to our region's job opportunities and amenities.
- ✓ Development respectful of the distinctive character and natural beauty of our communities.
- ✓ Thriving businesses and economic opportunities consistent with the nature of our communities.
- ✓ Natural and historic assets that are celebrated and accessible, supportive of our region's lifestyle and economy.



# Take Aways

## Challenges to the Vision for the Lower Connecticut River Valley in the 21st Century

Through the interviews and data analysis a series of critical, interconnected issues were identified that need to be addressed to help make the vision a reality.



### The interrelationship between housing, commuting and jobs

Housing that is affordable and desirable across a range of incomes and demographics was a recurring theme during the public process. Commuting patterns into the region reinforce information obtained during the interviews of the dependence on the region of requiring workers from the urban areas of Connecticut for certain jobs. Employee retention becomes an issue when job opportunities arise closer to their place of residence. Housing costs in the RiverCOG are out of reach for many of these employees.



### Demographic shifts, changing lifestyles, and job opportunities

The aging demographic of the region raises a number of concerns over the long-term sustainability of the area's real estate market and employee/talent intensive businesses. However, lifestyle choices among the millennials and Gen X (and active Boomers as they begin to downsize) are moving toward more walkable, denser environments (not necessarily larger cities) and an expressed desire to live closer to work. Population migration data suggests that the vast majority of moves away from the region are to be closer to the major employment centers of New Haven and Hartford. However, given the development constraints in much of the region, employment opportunities will likely come through a creative solution of entrepreneurship and businesses that complement the region's asset and lifestyle base.



### Growth management approaches and the risk of unintended consequences

A number of communities have utilized passive strategies to manage growth such as lack of infrastructure particularly wastewater systems. However, development pressure continues. Infrastructure is paid for by developers thus raising the cost of development and creating "islands" of density. These unconnected "islands" make place-making difficult. Moreover, the lack of development standards runs the risk of upsetting the quality of place and aesthetic appeal of many of region's towns through lower quality projects and lack green infrastructure to increase the region's sustainability.



# Strategic Direction

## DEVELOPING AN ECONOMIC STRATEGY FOR THE RIVERCOG REGION

The structure of the region's economy and the key role that quality of place and lifestyle play in driving the area's economic well being needs to be foremost in the minds of our leaders and stakeholders. It is the region's strongest asset. It is also perhaps its greatest vulnerability.

Therefore, achieving the vision articulated during this process will require a smart approach to internal growth and development, and an awareness of, and ability to respond to, emerging trends outside of the region that can influence the shape and form of our communities moving forward.

There are several items for consideration:

- Encouraging and assisting the creation of professional and/or entrepreneurial opportunities for everyone in the region.
- Promoting the appropriate development patterns for each community given the range of community and neighborhood types across RiverCOG.
- Determining the appropriate tradeoff between additional housing options to shorten the commute versus more elaborate transit to assist in commute.
- Understanding the growth trajectory of Fairfield County and New Haven, the cost of living differentials versus Fairfield County and the potential development pressure on the Shoreline communities in RiverCOG.
- Focusing on what the communities and region can control and implement on their own versus factors that are beyond the region's ability to respond.



## STRATEGIC DIRECTION FOR THE RIVERCOG REGION

To help create the vision set forth during this process the RiverCOG region needs to:

- Create balanced development consistent with the typologies and character of the region's communities.
- Build on the region's existing economic assets and attractiveness as a lifestyle option as the basis for its future economic growth.
- Manage the future as best we can by creating some capacity to hedge the uncertainty that exists in today's rapidly changing economic environment.



## From Strategic Direction to Recommendations

GrowSMART aims to achieve the region-wide vision through a series of recommendations. These recommendations are organized by the three parts of the Strategic Direction and specifically address the key issues identified in the Take Aways section of this report.

### Key Issues



### Our Recommendations



# Balance Development & Conservation

## RECOMMENDATION 1.1

Encourage communities to develop detailed and specific development design standards consistent with their characteristics and typologies.

### RATIONALE

The region will continue to face development pressure. Conservation strategies play an important role in protecting the natural beauty and open space in a community. Design standards, including parking requirements and “green” development approaches should be drafted to support and empower high quality of development taking place in the region as well as protect the visual character that is a hallmark of the region.

A concern often mentioned with this approach is that it increases the cost of development. A countervailing perspective is that providing a design and site requirements road map with illustrations and images establishes clear standards from which developers can work and reduces the amount of rework required from the developer helping to reduce the cost of development.



Given the wide range of community characteristics and neighborhood typologies within the RiverCOG region, community specific rather than region-wide models are the most appropriate.

RiverCOG should be tasked with the role of developing a range of templates based on regional models and outside examples that can be used by the communities that lack comprehensive design standards.

### EXAMPLES & ADDITIONAL INFORMATION

#### Portland, CT:

<http://www.portlandct.org/Portals/12/Departments/Land%20Use/PDF/VillageDistrictGuidelines.pdf>

#### York Beach Village District, ME:

<http://www.yorkmaine.org/LinkClick.aspx?fileticket=ZuD-JKrdGkc%3D&tabid=181>

#### Discussion document on guidelines:

<http://www.nypf.org/editable/documents/DesignGuidelines-BehanPlanning.pdf>

<http://www.capecodcommission.org/index.php?id=462&maincatid=25>

# Balance Development & Conservation

## RECOMMENDATION 1.2

Target larger scale and more intensive development to areas with existing infrastructure or capacity to add additional infrastructure, and consider a structure to share revenues and expenses.

### RATIONALE

Parts of the Lower Connecticut River Valley have managed development pressure through a combination of land acquisition and limited infrastructure availability. However, the development pressure continues and the appropriate infrastructure lags behind.

The provision of wastewater and stormwater infrastructure if left to each individual development runs the risk of creating a series of detached “communities” built around wastewater treatment capacity. This type of infrastructure development drives up development costs requiring higher prices and rents. Moreover, without proper design standards these types of development patterns run the risk of creating isolated communities with the feel and effect of a gated community, disrupting the very fabric trying to be protected.

Another consideration is access to transportation alternatives including car and specifically transit accessibility. When combined with existing infrastructure, several areas of the region are more readily capable of absorbing additional new development as either infill, brownfield or on occasion greenfield development sites. However, given the property tax pressures felt in many of the communities, a sharing of costs and benefits should be considered.



### EXAMPLES & ADDITIONAL INFORMATION

#### Multi-community wastewater system:

<http://www.mattabassettdistrict.org/>

#### Overview of revenue sharing:

<http://www.regionalplans.org/featured-regional-planning-programs-and-issues/tax-base-sharing/>

#### Regional revenue & expense sharing in the Connecticut context:

[http://www.ct.gov/opm/lib/opm/igp/org/final\\_rrs-rad\\_report\\_7-13-10.pdf](http://www.ct.gov/opm/lib/opm/igp/org/final_rrs-rad_report_7-13-10.pdf)

# Build on Existing Economic Assets

## RECOMMENDATION 2.1

Create and integrate as necessary a full continuum of business creation, launch and bridge services to support a new generation of entrepreneurs and business owners in the region.

### RATIONALE

Self-employment is a major economic driver for the region. Discussions during the project also suggested a strong desire among some millennials and members of the minority community to pursue starting their own businesses to create desired opportunities. For the Lower Connecticut River Valley this promotion of entrepreneurship and its ongoing support is critical to providing the necessary career and job opportunities needed to retain and attract the next generation of business and community leaders.



Efforts should be made on not only assisting with “entrepreneur self discovery” and basic business education but also with downstream activities such as favorable leasing arrangements, ongoing mentoring, customer development activity including supplier qualification. Given the diversity of employment in the region, a mix of programs to support everything from retail, manufacturing and professional/technical services should be considered. Where possible existing programs should be stitched together into a support network for entrepreneurs.

### EXAMPLES & ADDITIONAL INFORMATION

#### Virtual Retail Incubator

<http://dtsf.com/doing-business-downtown/dtsf-retail-incubator-program/>

#### Manufacturing & Hardware

<http://allentownedc.com/business-incubation/bridgeworks-enterprise-center/>

#### CT Supplier Connection

<https://www.supplier-connection.net/SupplierConnection/opportunity-marketplace.html>



# Build on Existing Economic Assets

## RECOMMENDATION 2.2

Build on region's historic artist presence and manufacturing heritage by developing a facility that can support artisans in materials and food.

### RATIONALE

The region has a long standing historic presence with the arts community as a place for artists to train, explore and live. The area through its extensive tourism and seasonal residence community, as well as the mix of retail in its village centers, provides access to customers with the ability and interest in these types of products.

Emergence of the artisan culture in both industrial arts as well food products offers the opportunity to enhance components of the region and state's manufacturing industry through the development of supply chain linkages where appropriate. Moreover, artisans are businesses and can provide employment opportunities that require less skill than tech or professional service industries.



Shared facilities mitigate the risk of investing in a specific company. Instead by providing access to expensive equipment or unique facilities, these can serve as magnets for entrepreneurs. Consideration should also be given to creating live/work space.

This type of activity is a strong candidate for adaptive reuse of some of the region's older industrial spaces.

### EXAMPLES & ADDITIONAL INFORMATION

#### Artisan Food Incubator

<http://www.blueridgefoodventures.org/>

#### Industrial Arts Incubator

<http://allentowncdc.com/business-incubation/bridgeworks-enterprise-center/>

#### Consortium

[https://www.facebook.com/RudyCollective?fref=ts&ref=br\\_tf](https://www.facebook.com/RudyCollective?fref=ts&ref=br_tf)

## Build on Existing Economic Assets

### RECOMMENDATION 2.3

Build on current regional tourism effort and also focus on growing "wallet share" of tourism expenditures.

#### RATIONALE

Tourism plays a significant role in the region's economy. Typically growing tourism means increasing the number of visitors. A large percentage of visitors to the region are day trippers. Given the wealth of outdoor, scenic and cultural resources in the area, a strategy focused on "wallet share" as well as visitor growth could pay substantial dividends for the region.

"Wallet share" strategies are focused on grabbing all the associated revenue with an activity. For tourism the typical spending components are accommodations, food, gifts/memorabilia, transportation, and event/activity spend.

In addition the growth in experiential tourism increasing access to the Connecticut River could be an important component of supporting this type of strategy as well as increasing the available amenities to residents. To that end create a working group with a focus on improving existing natural amenities (river, conservation land) and accessibility and identify what is required). Consideration should be given to include the communities on both sides of Long Island Sound.



#### EXAMPLES & ADDITIONAL INFORMATION

##### Springfield Museums

<https://springfieldmuseums.org/>

##### Litchfield Hills

[http://www.litchfieldhills.com/virtual\\_tours/index.jsp](http://www.litchfieldhills.com/virtual_tours/index.jsp)

##### Newport County

<http://www.discovernewport.org/itineraries>

## Hedge the Future

### RECOMMENDATION 3.1

Consider creation of a regional land bank to support housing development where infrastructure and multimodal transportation access is available.

#### RATIONALE

Housing costs were repeatedly mentioned as a major issue confronting the RiverCOG region and the statistics support the perception of high housing costs.

Housing costs consist of 4 major drivers: land costs; development and construction; financing costs, and development margin. To create more affordable market rate housing attacking different elements of the cost structure is essential. A land banking model could help to reduce the costs of accessing land for housing.

The majority of land banking efforts are focused on dealing with foreclosed, blighted, underutilized and tax delinquent properties. The RI Housing Land Bank acquires housing on behalf of non profit developers while they acquire construction financing.

This proposal suggests using the land bank framework developed for low income individuals but applied to creating market rate housing that is affordable for middle income households as a complement to existing social housing programs. A variety of mechanisms are possible for disposition of land acquired by the Land Bank.

In addition the various Conservation Trusts and land acquisition activities could assist in support of this effort by the creation of policies that are supportive of housing development consistent with their land protection missions.



#### EXAMPLES & ADDITIONAL INFORMATION

##### State Land Bank Enabling Legislation

[http://www.smartgrowthamerica.org/documents/sga\\_statepolicy\\_toolkit.pdf](http://www.smartgrowthamerica.org/documents/sga_statepolicy_toolkit.pdf)

##### Champlain Housing Trust

<http://www.getahome.org/about-us>

##### Nantucket Islands Land Bank Housing Policy

<http://nantucketlandbank.org/Documents/NLBAffordableHousingPolicy-Adopted11.10.15.pdf>

##### National Community Land Trusts Network

<http://cltnetwork.org/topics/community-land-trusts/>



## Hedge the Future

### RECOMMENDATION 3.2

Work with region's metro edge community on creating destination communities for those seeking "just big enough" urban-type living environments.

#### RATIONALE

The Lower Connecticut River Valley region has the opportunity to provide a range of housing options and living environments to a diverse population. It has the ability to offer traditional New England villages, seaside communities, rural options, and suburban cul-de-sac style living. It can also offer "big enough but not too big" urban options abutting the metropolitan regions of Hartford and New Haven. Both cities are easily accessible from the region's densest communities.

A destination community offers the mix of housing, nightlife, recreational, cultural, mobility options, and accessibility to professional opportunities. Strengthening these communities' attractiveness enhances the region's ability to compete for a wider demographic and talent pool vital to the long term economic success of the region.

A comprehensive active implementation plan could identify both immediate and near term physical as well as programmatic approaches to creating a "just big enough" destination community should be developed.

In addition a continuing active, advisory panel consisting millennials, Gen Xers, and Active boomers interested in this type of lifestyle option should be formed to stay abreast of perceptions and concerns.

#### EXAMPLES & ADDITIONAL INFORMATION

##### Future community preferences for Millennials and Active Boomers

<https://www.planning.org/policy/polls/investing/pdf/pollinvestingreport.pdf>

##### Millennial living characteristics

<http://www.nielsen.com/us/en/insights/reports/2014/millennials-breaking-the-myths.html>





# Hedge the Future

## RECOMMENDATION 3.3

Consider creation of a regional development entity.

### RATIONALE

A number of the initiatives identified in this strategy require dedicated staff capacity and the appropriate implementation tools ranging from project management, financing, and marketing/recruitment skills. It also became clear during this process that the small size of most of the planning and development staffs in the region coupled with limited resources and economic development expertise would make implementing many aspects of this strategy difficult. A development entity allows for the creation of an organization with greater economies of scale.

A regional development entity that also had the financial capacity to serve as a key catalyst or partner in development could help shape future opportunities available in the region by creating and supporting emerging types of workspaces.

An entity could take several different legal forms. Regardless it should have the ability to receive and manage grants from multiple types of funding sources including federal and philanthropic funds, borrow funds, provide long term “patient” capital into projects, launch and manage initiatives that meet the job development, economic infrastructure and training needs of the region.



### EXAMPLES & ADDITIONAL INFORMATION

#### Economic Development Foundation of RI

<http://www.edf-ri.com/>

#### Worcester Business Development Corporation

<http://www.thewbdc.com/company.html>

#### Green Mountain Economic Development Corporation

<http://www.gmedc.com/gm/>

## Moving Forward

The Lower Connecticut River Valley sits at a pivotal time in its history. Demographic trends coupled with changing lifestyles will alter the shape and form of how people live in its communities. Technology is altering the “where” and the “how” people work and shop. Sustainability both economic and environmental, will factor into the majority of decisions looking forward.

The region has many great natural assets and offers a range of lifestyle options and quality of place. The challenge will be to balance the desire to protect what makes it a great place to live while providing opportunities and amenities that will help attract and retain the next generation. Managing that transition requires some forethought and tools that are flexible and adaptive to enable the vision set forth for the region in this plan.

The Lower Connecticut River Valley can lead the State of Connecticut in creating a model of conservation and development that is resilient through the inevitable economic, demographic and environmental transformations that occur. Moving this strategy forward will require a partnership between the communities, the private sector, outreach and inclusion of the people who will inherit the decisions made today.

