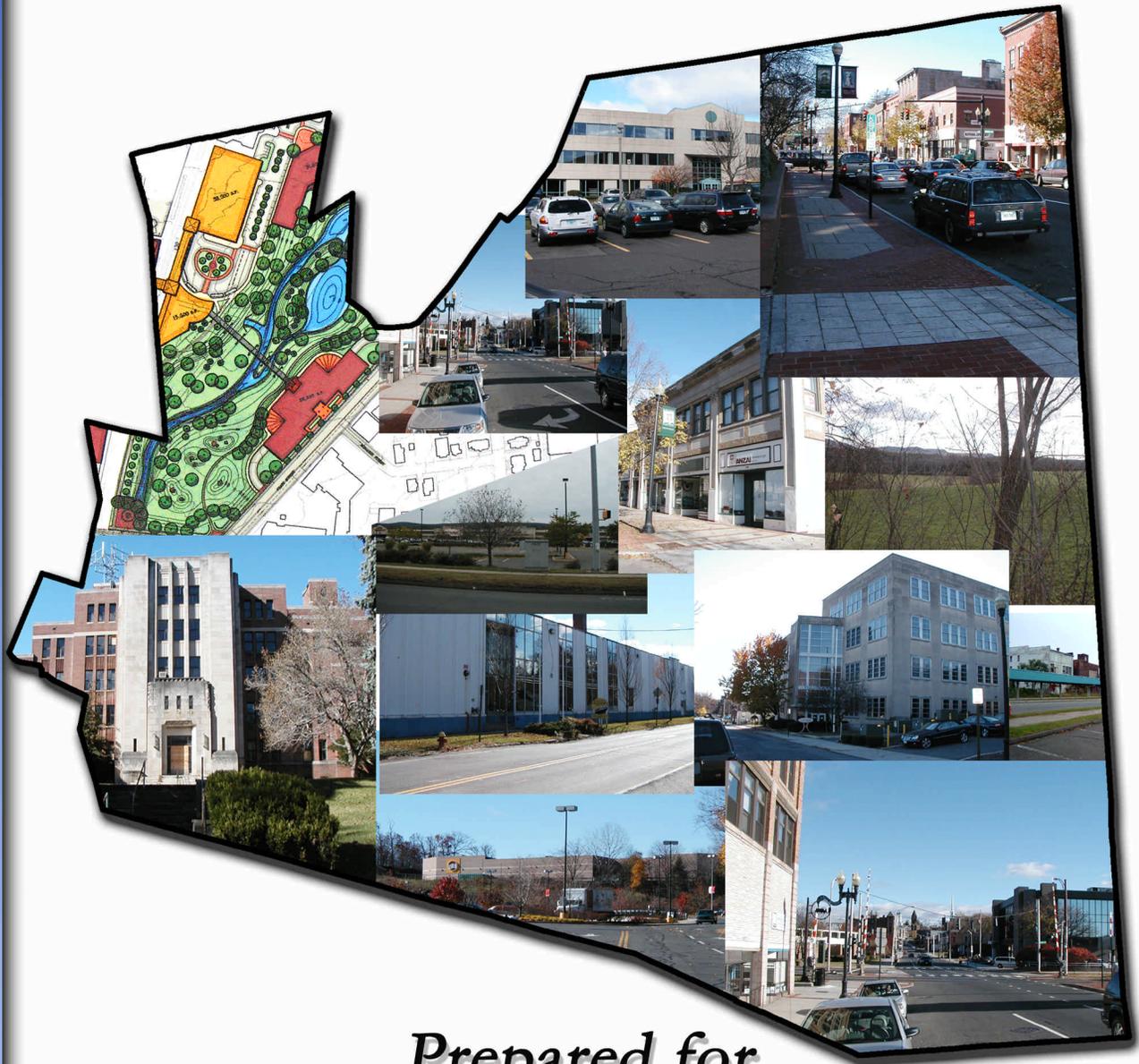


Plan of Conservation and Development

Economic Development



*Prepared for
City of Meriden
Planning Commission*

December 2007

CITY OF MERIDEN

**PLAN OF CONSERVATION
&
DEVELOPMENT**

Economic Development

December 2007

**Prepared For:
City of Meriden
Planning Commission**

**Prepared By:
Harrall-Michalowski Associates, Inc.
Hamden, Connecticut**

TABLE OF CONTENTS

	Page
I. The Economies of Connecticut, the Region and Meriden.....	1
A. Introduction.....	1
B. Connecticut, New Haven Labor Market and Meriden Economies	1
II. Meriden’s Economic Base	6
A. Existing Characteristics of Meriden’s Employment Base.....	6
B. Changing Characteristics of Meriden’s Employment Base.....	7
C. Meriden’s Resident Labor Force.....	9
D. Meriden’s Grand List.....	10
III. Recent Economic Development Trends in Meriden	12
A. Research Parkway	12
B. East Main Street	12
C. South Broad Street	13
D. West Main Street.....	13
E. Mall/MidState Medical and Chamberlain Highway	13
F. Other Areas	13
IV. Future Economic Development Potential	15
A. Market Potentials.....	15
B. Industrial and Service-Based Economic Development.....	15
C. Economic Development that is Local Population Dependent.....	17
V. Estimated Retail Demand in Meriden.....	18
A. Demand Calculations	18
B. Meriden Demand Allocation	20
C. Estimated Retail Space Supply	23
D. Supply/Demand Analysis and Potential Retail Growth	23
VI. Office Market – Demand and Supply.....	27
A. Corporate Office Space Development.....	28
B. Office Space Demand	28
C. Estimated Office Space Supply	28
D. Demand Calculations	29
VII. Economic Designations and On-Going Major Initiatives.....	31
A. Designations Affecting Future Economic Development	31
B. On-Going Major Economic Development Initiatives.....	31
C. Economic Development Opportunities in Meriden	33
D. Economic Development Constraints.....	36
VIII. Issues, Goals and Strategies	37

Maps

Follows Page

New Haven – Meriden Metropolitan Statistical Area (MSA)	2
New Haven Labor Market Area (LMA)	2
Top Taxpayers for 2006	10
Commercial & Industrial Properties By Assessed Value	10
General Economic Development Areas	14
Planned and Potential Retail Development	25
Economic Development Initiatives and Opportunity Sites	36

I. THE ECONOMIES OF CONNECTICUT, THE REGION AND MERIDEN

A. Introduction

The purpose of this memorandum is to describe the existing conditions and characteristics of Meriden's economy relative to the regional and State economies, discuss the changes in the City's economic base since the preparation of the previous Plan of Development, describe Meriden's future economic development potentials and provide a discussion of economic development issues, recommended goals and suggested strategies to achieve identified goals.

B. Connecticut, New Haven Labor Market Area and Meriden Economies

During the past ten years, the Connecticut economy has provided most residents with a high economic standard of living, enabled by one of the highest per capita income levels in the United States. Table 1, Trends in Population, Labor Force, Employment and Unemployment describes how Meriden and the New Haven Labor Market Area (LMA) function within Connecticut's economy.

Population Changes:

From July of 2000 through July of 2006, the population of Connecticut grew by only 2.7%, adding 92,270 people. Over the same time

	2000	2001	2002	2003	2004	2005	2006	
Connecticut								
Population	3,412,539	3,433,201	3,457,927	3,482,326	3,493,893	3,500,701	3,504,809	
Labor Force	1,736,831	1,754,839	1,778,994	1,803,477	1,803,653	1,822,874	1,844,235	
Employed	1,697,670	1,700,046	1,700,949	1,704,693	1,714,758	1,734,386	1,765,075	
Unemployed	39,161	54,793	78,045	98,784	88,895	88,488	79,160	
% Unemployed	2.3	3.1	4.4	5.5	4.9	4.9	4.3	
New Haven LMA								
Population	572,107	575,053	578,887	582,651	583,504	584,453	584,107	
Labor Force	288,178	281,791	297,731	300,632	300,911	302,844	307,989	
Employed	281,508	272,733	285,024	284,371	286,106	287,733	294,240	
Unemployed	6,670	9,058	12,707	16,261	14,805	15,111	13,749	
% Unemployed	2.3	3.2	4.3	5.4	4.9	5.0	4.5	
Meriden								
Population	58,279	58,422	58,619	58,905	59,033	59,484	59,439	
Labor Force	31,263	30,558	30,296	30,667	30,569	30,768	31,533	
Employed	30,296	29,282	28,719	28,596	28,775	28,938	29,827	
Unemployed	967	1,276	1,577	2,071	1,794	1,830	1,706	
% Unemployed	3.1	4.2	5.2	6.8	5.9	5.9	5.4	
Sources:	Population Information - U.S. Census Bureau (July 1st reporting period)							
	Labor Information- Connecticut Dept. of Labor (By Place of Residence - Not Seasonally Adjusted)							

period the population of the New Haven LMA grew by only 2.1%, adding just 12,000 people, and actually had a small population loss between 2005 and 2006. The New Haven LMA, which accounted for 16.8% of the State's population in 2000, recorded 13.0% of the State's population growth between 2000 and 2006. By comparison, the population of Meriden grew by 1,160 people (2.0%), and accounted for 9.7% of the population growth in the New Haven LMA between 2000 and 2006.

Labor Force

On the statewide level, despite the low rate of population growth and the aging of Connecticut's population, the total labor force increased in size between 2000 and 2006. The state added 107,404 workers to its labor force (a 6.2% increase) while only adding 92,270 people to its population total. These seemingly contradictory figures can be explained to a certain degree by the fact that many older workers are choosing to remain in the workforce well past the traditional age range for retirement, and that many immigrants entering the state are of working age. Similarly, the New Haven Labor Market Area had an increase of 14,666 workers between 2000 and 2005, while only adding 13,742 people to the population total. The resident labor force of Meriden only increased by 270 workers (0.9%) between 2000 and 2006.

Journey to Work

The City of Meriden's workforce is predominantly locally-based, with two-thirds of identified workers over the age of 16 employed in the New Haven-Meriden

Metropolitan Statistical Area (MSA). In addition, 11,245 Meriden workers are employed in either Meriden or New Haven, and only 8,898 workers have jobs outside of the local MSA. Further discussion of journey to work data can be found in the Transportation and Circulation memorandum.

	# of Meriden workers
Workers Age 16+	27,345
Working in New Haven-Meriden MSA	18,447 (67.5%)
Central city	11,245 (41.1%)
Remainder of MSA	7,202 (26.3%)
Outside of New Haven-Meriden MSA	8,898 (32.5%)
Different MSA	8,775 (32.1%)
Outside any MSA	123 (0.4%)

Source: U.S. Census Bureau, 2000.

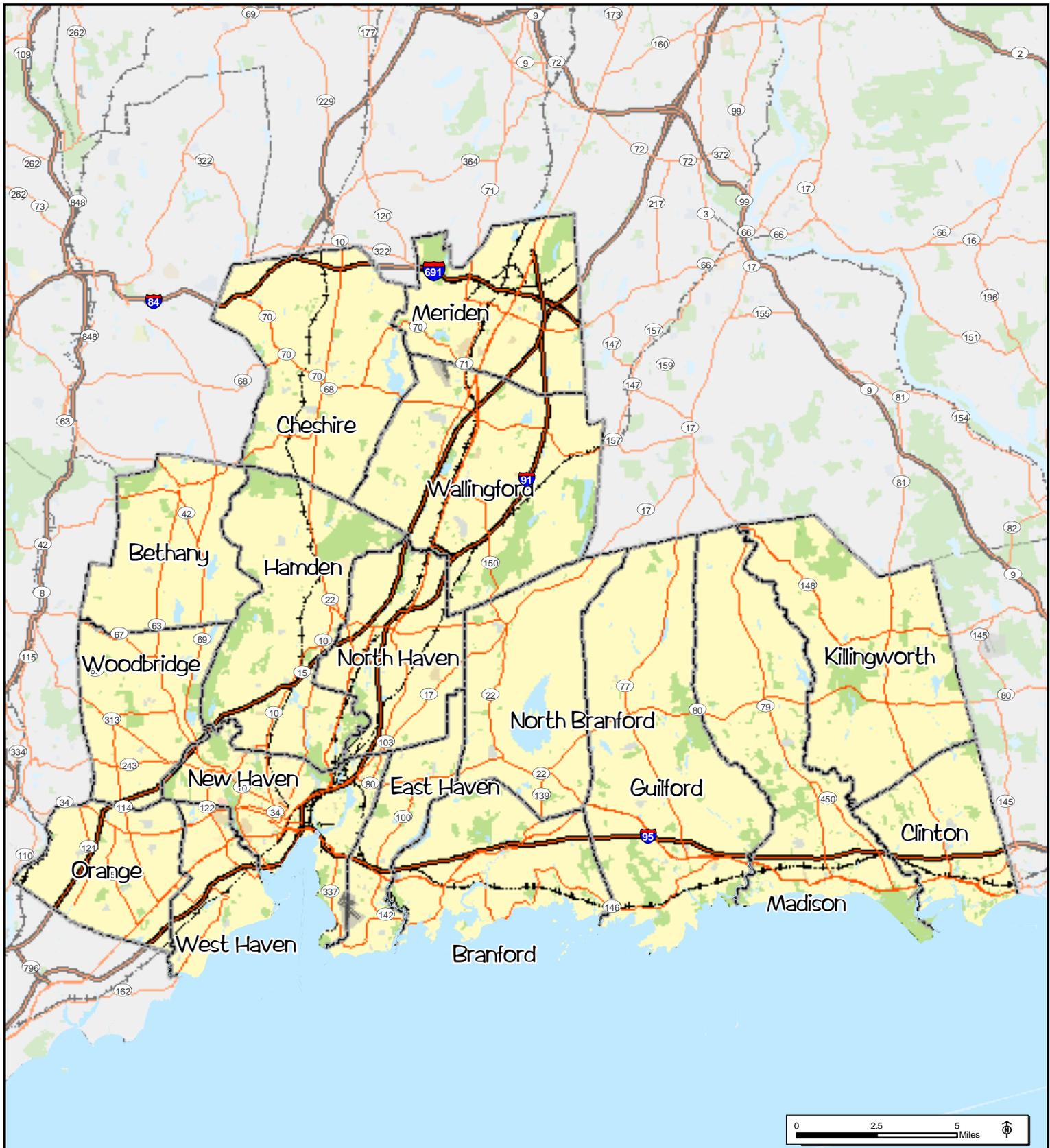
Median Household Income

Median household income data for both 2000 and 2007 was examined for both the City of Meriden and 11 surrounding communities. This data is summarized in Table 3.

Municipality	MHI, 2007	MHI, 2000	% Change
Durham	\$94,691	\$78,113	21.2%
Cheshire	\$91,463	\$79,908	14.5%
Berlin	\$83,698	\$67,744	23.6%
Prospect	\$83,247	\$67,984	22.5%
Southington	\$72,117	\$60,590	19.0%
Wolcott	\$68,925	\$61,101	12.8%
Cromwell	\$68,750	\$60,644	13.4%
Wallingford	\$67,751	\$57,842	17.1%
Middlefield	\$64,163	\$59,415	8.0%
Middletown	\$54,870	\$47,933	14.5%
Meriden	\$47,940	\$43,499	10.2%
Waterbury	\$37,000	\$34,485	7.3%

Source: Claritas, Inc.

The income data shows that over the past seven years, median household income in the towns of Berlin, Prospect and Durham have increased substantially. Most of the



City of Meriden
Plan of Conservation & Development Update



Legend

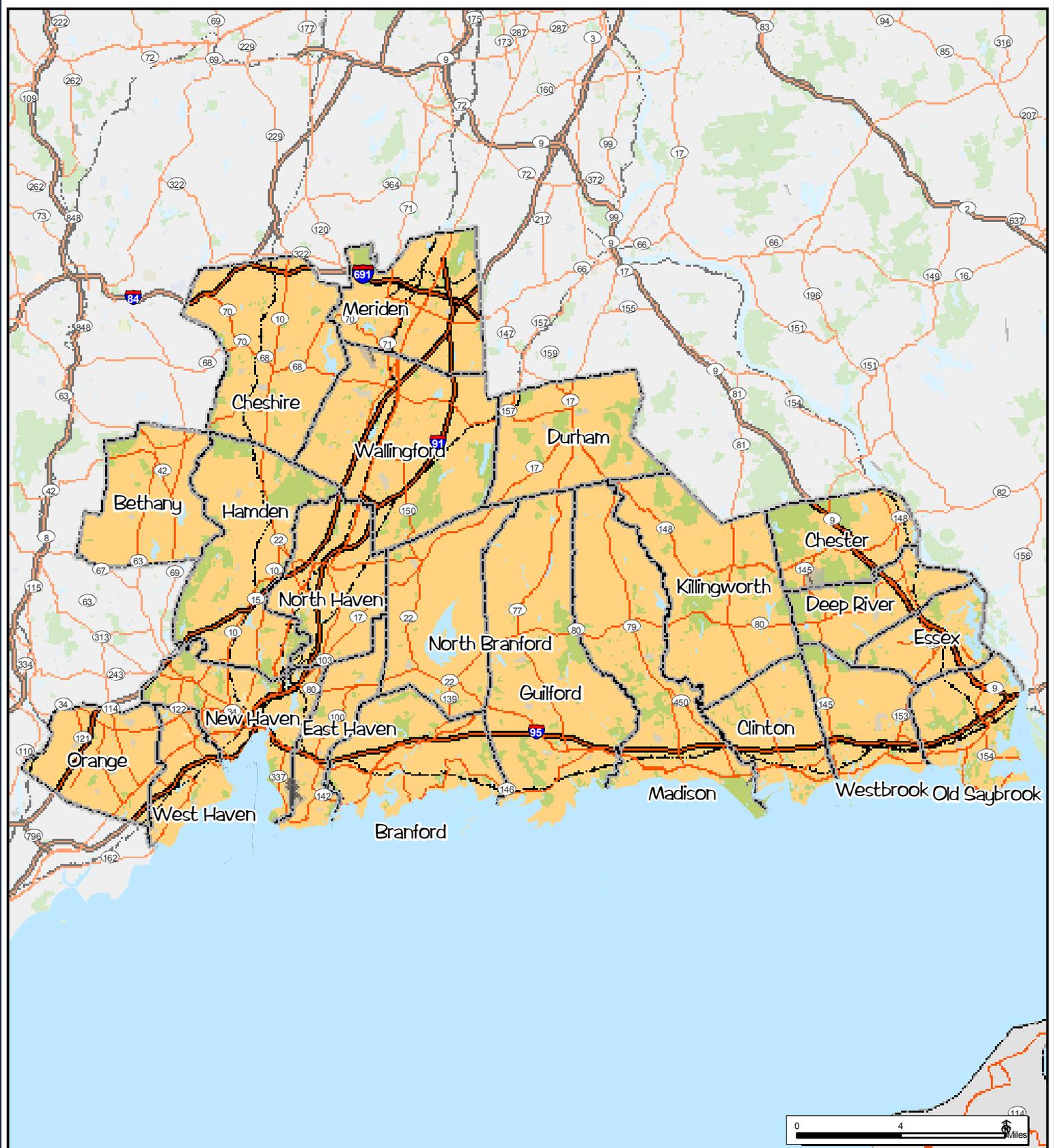
 New Haven - Meriden MSA

**New Haven - Meriden
 Metropolitan Statistical
 Area (MSA)**

Source:
 City of Meriden MIS Department (2006).
 Connecticut Department of Environmental Protection
 Environmental & Geographic Information Center,
 1982-2004.
 U.S. Census Bureau, 2000.
 Environmental Systems Research Institute
 Base Data for Northeast (ESRI).

**THIS MAP WAS DEVELOPED FOR USE AS A PLANNING
 DOCUMENT. DELINEATIONS MAY NOT BE EXACT.**

 **HARRALL-MICHALOWSKI
 ASSOCIATES, INCORPORATED**
 HAMDEN, CONNECTICUT October 2007



City of Meriden
Plan of Conservation & Development Update
New Haven Labor Market Area (LMA)



Legend

 New Haven Labor Market Area (LMA)

Source:
 City of Meriden MIS Department (2006).
 Connecticut Department of Environmental Protection
 Environmental & Geographic Information Center,
 1962-2004.
 U.S. Census Bureau, 2000.
 Environmental Systems Research Institute
 Base Data for Northeast (ESRI).

THIS MAP WAS DEVELOPED FOR USE AS A PLANNING DOCUMENT. DELINEATIONS MAY NOT BE EXACT.

HARRALL-MICHALOWSKI ASSOCIATES, INCORPORATED
 HAMDEN, CONNECTICUT October 2007

communities have median household incomes that fall between \$64,000 and \$84,000; Durham and Cheshire form the high end, with median incomes over \$90,000. Waterbury, Meriden and Middletown form the low end of the area in terms of income. However, Waterbury has by far the lowest median household income at \$37,000; this income level is only approximately 40% of the income level in communities such as Durham and Cheshire.

Educational Attainment of the Adult Population

Claritas data for 2007 regarding educational attainment for the population age 25 and older was examined for the same communities studied for median household income. The data is summarized in Table 4.

TABLE 4 Educational Attainment by Community, 2007 Population Age 25+		
Municipality	BA/BS or Higher	Less Than HS Diploma
Cheshire	48.1%	7.5%
Durham	39.2%	8.0%
Cromwell	33.6%	12.9%
Berlin	31.3%	12.7%
Middletown	30.9%	16.2%
Wallingford	29.0%	13.6%
Southington	27.4%	13.9%
Middlefield	26.5%	12.9%
Prospect	22.9%	12.8%
Wolcott	19.4%	12.1%
Meriden	16.1%	22.8%
Waterbury	13.7%	28.2%

Source: Claritas, Inc.

As Table 4 shows, the communities with the highest percentage of adults with at least a four-year college degree generally have the highest median household incomes as shown in Table 3. Once again, similar to the income statistics in Table 3, the spread between

communities at either end of the spectrum is substantial. While over 48% of Cheshire’s age 25 and older population has at least a bachelor’s degree, this figure is only 13.7% in Waterbury. Similar to median household income, Meriden population is second to last within the 12 communities in terms of advanced educational attainment, on a percentage basis.

Employment

In 1992-1993, the Connecticut economy bottomed-out from a recession which began in 1989. Employment in Connecticut grew steadily from 1993 through mid 2000, when historic employment levels in Connecticut peaked in July of 2000 at 1,700,700 jobs. However, after this point Connecticut experienced another recession stretching to September of 2003, during which time the number of jobs in the State declined by 60,200. Since September 2003, the State has experienced slow but steady job growth to reach a level of 1,696,600 jobs as of April 2007. Thus nearly all of the jobs lost during the 2000-2003 recession have been regained in the State economy.

In the summer of 2006, the Connecticut Department of Labor published a document entitled “Connecticut’s Industries and Occupations – Forecast 2014” which projected future employment in Connecticut by industry category for the year 2014 and highlighted those industries and occupations that would be in the greatest demand. These projections used a base total of 1,760,690 jobs for the year 2004 and projected that there would be 1,910,870 jobs in Connecticut in 2014. As of April 2007, there were

approximately 1,696,600 jobs in Connecticut, which is actually 64,090 fewer jobs than the base number used for 2004. Given that it has taken 43 months (September 2003 to April 2007) to gain 56,100 jobs, the State would be hard pressed to reach a total of 1,800,000 jobs within seven years. The State would need to experience a 12.6% job growth rate over the next seven years to reach the projected total of 1,910,870 jobs in 2014; this would require an economic climate similar to that of the period from 1982 to 1989, which saw a greater than 15% increase in jobs in Connecticut, and an economic climate stronger than that of the mid and late 1990s when there was an over 10% increase in the number of Connecticut jobs. Thus, as the midpoint of this projection period rapidly approaches, it is likely that these projections are overly optimistic. It is much more likely that Connecticut will continue a slow economic growth pattern, perhaps increasing the number of jobs in the State by 5%-6% over the next seven years.

loss of almost 40,000 jobs in this sector between 2000 and 2005.

Table 5 provides a sector by sector description of employment trends in Connecticut between 2000 and 2005. This period of time covers the recession of 2000-2003 and the subsequent economic rebound. The manufacturing, utilities, information, management of companies, and arts, entertainment and recreation sectors all experienced significant job losses, while the education, health care/social assistance, government, and accommodation and food service sectors experienced significant increases in employment. Manufacturing employment was particularly hard hit, with a

TABLE 5
CONNECTICUT EMPLOYMENT TRENDS
Average Annual Employment: 2000 to 2005

	2000	2001	2002	2003	2004	2005	Change, 2000-2005	% Change, 2000-2005
Total Non-Farm Employment	1,669,628	1,660,345	1,643,431	1,620,075	1,626,303	1,638,530	-31,098	-1.9%
Goods Producing	299,902	292,647	275,573	261,962	263,476	261,868	-38,034	-12.7%
Mining	756	718	707	707	723	705	-51	-6.7%
Construction	64,275	65,379	63,368	61,807	65,717	65,910	1,635	2.5%
Manufacturing	234,871	226,550	211,498	199,448	197,036	195,253	-39,618	-16.9%
Service Producing	1,369,117	1,366,646	1,367,369	1,357,889	1,362,568	1,376,127	7,010	0.5%
Utilities	9,652	9,255	9,039	8,818	8,659	8,575	-1,077	-11.2%
Retail Trade	196,280	194,848	194,806	191,712	192,982	192,301	-3,979	-2.0%
Wholesale Trade	67,750	67,555	66,013	65,472	65,635	66,456	-1,294	-1.9%
Trans. & Warehousing	40,902	39,172	37,958	37,945	38,895	41,212	310	0.8%
Information	46,193	44,675	41,145	39,661	38,932	38,061	-8,132	-17.6%
FIRE	142,269	143,193	143,005	142,796	140,695	142,404	135	0.1%
Professional and Technical	95,159	94,318	91,287	88,144	87,717	88,324	-6,835	-7.2%
Mgmt. Of Companies	29,283	28,436	27,329	27,660	25,727	25,100	-4,183	-14.3%
Admin. & Waste Management	90,391	86,473	82,979	81,335	84,180	86,140	-4,251	-4.7%
Education	40,391	41,033	42,609	43,712	45,075	46,133	5,742	14.2%
Health Care/Social Assistance	202,856	206,668	212,795	214,682	217,454	220,655	17,799	8.8%
Arts, Entertainment & Rec.	39,684	23,128	23,526	23,956	24,523	24,077	-15,607	-39.3%
Accommodation & Food Service	97,867	97,019	99,338	101,105	102,951	105,393	7,526	7.7%
Other Services	54,573	55,385	55,851	55,496	55,995	56,202	1,629	3.0%
Government	215,867	235,488	239,689	235,395	233,148	235,094	19,227	8.9%
Nonclassified	609	1,052	489	224	259	535	-74	-12.2%
Farm Employment	5,198	5,358	5,179	5,500	5,545	5,433	235	4.5%

Source: CT Dept. of Labor, QCEW Program Data, 2000-2005.

Note: Discrepancy between "Arts, Entertainment and Recreation" and "Government" employment figures between 2000 and 2001 most likely due to change from SIC industry classification to NAICS industry classification format.

II. MERIDEN'S ECONOMIC BASE



Meriden Executive Park, Bldg. #2

A. Existing Characteristics of Meriden's Employment Base

Economic activity within Meriden is influenced by the demands for goods and services generated by residents, businesses and government activities within and beyond the City's borders. Meriden's economy is influenced by the economic health of several surrounding economic regions, particularly Greater New Haven and Greater Hartford, and to a lesser extent Waterbury and Middletown. Economic activity in Meriden and these regions are in turn linked to and influenced by the conditions of the national and world economies, such as the New York metropolitan area.

The size and composition of a community's employment base over time are good indicators of that community's economic health. Data from the State of Connecticut Department of Labor from 2005 indicates that Meriden's economy contains over 1,300 businesses that provide a broad variety of goods and services, employing over 25,000 people. Data from the U.S. Census Bureau's

Zip Code Business Patterns for 2004 indicates that over 68% of businesses in Meriden have fewer than 10 employees, while 24.3% had between 10 and 49 employees, and only 7.1% had 50 or more employees. While Meriden has several high-profile businesses that employ several hundred people each, the City's economy is very much centered around small businesses.

Table 6 describes employment in Meriden, by sector of the economy, between 2000 and 2005. In 2000, over 79% of the quantified jobs in Meriden were within the "service producing" sector of the economy and the balance in the "goods producing" sector; by 2005, this percentage has increased to slightly over 81%. This compares to employment in the New Haven Labor Market Area, where 83.4% of the quantified jobs fell within the "service producing" sector of the economy and the balance in the "goods producing" sector.

TABLE 6
CITY OF MERIDEN EMPLOYMENT TRENDS
Average Annual Employment: 2000 to 2005

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	Change, 2000-2005	% Change, 2000-2005
Total Employment	26,496	25,759	25,646	23,974	24,930	25,067	-1,429	-5.4%
Goods Producing	5,430	5,155	4,897	4,783	5,041	4,679	-751	-13.8%
Mining	*	*	*	*	*	*	N/A	N/A
Construction	1,341	1,313	1,270	1,153	1,196	1,179	-162	-12.1%
Manufacturing	4,089	3,842	3,627	3,630	3,845	3,500	-589	-14.4%
Service Producing	20,923	20,463	20,588	15,444	19,740	20,217	-706	-3.4%
Utilities	*	*	*	*	*	*	N/A	N/A
Retail Trade	3,458	3,485	3,600	3,551	3,631	3,720	262	7.6%
Wholesale Trade	512	430	464	485	592	540	28	5.5%
Trans. & Warehousing	410	372	318	287	530	578	168	41.0%
Information	1,741	1,692	1,590	*	1,552	1,593	-148	-8.5%
FIRE	1,152	1,236	1,480	1,424	1,324	1,232	80	6.9%
Professional and Technical	546	567	598	687	739	777	231	42.3%
Mgmt. Of Companies	617	630	552	*	258	282	-335	-54.3%
Admin. & Waste Management	3,652	3,199	2,952	*	1,675	2,049	-1,603	-43.9%
Education	95	148	207	221	243	245	150	157.9%
Health Care/Social Assistance	3,841	3,831	3,908	3,934	4,089	4,173	332	8.6%
Arts, Entertainment & Rec.	15	*	4	5	20	*	N/A	N/A
Accommodation & Food Service	1,065	1,085	1,120	1,201	1,359	1,389	324	30.4%
Other Services	785	772	768	741	737	722	-63	-8.0%
Government	3,034	3,016	3,027	2,908	2,991	2,917	-117	-3.9%
Nonclassified	0	*	*	*	*	*	N/A	N/A
Farm Employment	*	*	*	*	*	*	N/A	N/A

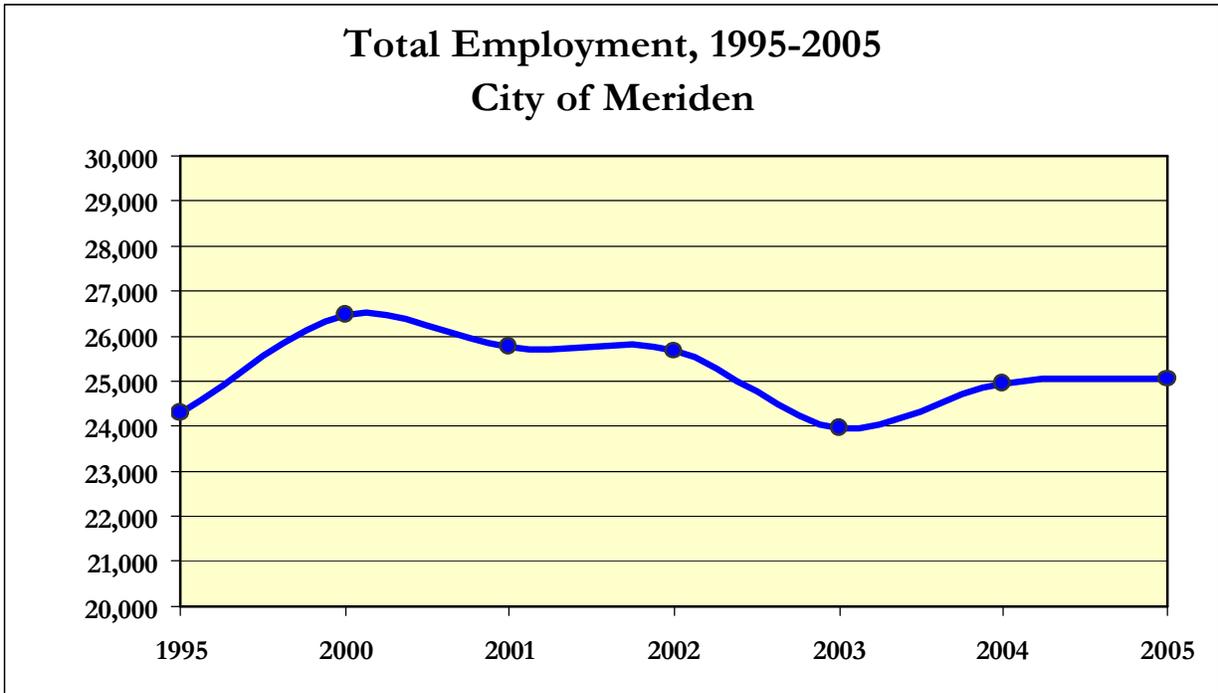
Source: CT Dept. of Labor, QCEW Program Data, 2000-2005.

B. Changing Characteristics of Meriden's Employment Base

Between 1995 and 2005, the Meriden's economy experienced notable fluctuations in employment levels. From 1995 to 2000, employment levels in Meriden increased significantly by 2,430 jobs (10.0%). Most of this increase in employment was concentrated in the services and construction sectors. However, the recession of 2000 to 2003 hit Meriden particularly hard, causing a decrease in employment of 2,736 jobs between 2000 and 2003 and wiping out all of the employment gains made during the economic expansion of the late 1990s.

Between 2003 and 2005, Meriden's employment base rebounded from the recession and grew by a modest 4.6%. This employment rebound was fueled primarily by increases in the retail, health care, administrative and waste management, and accommodation and food service sectors. Meriden's goods producing sector continued to decline over this period. In comparison, employment in Connecticut during the same period grew by only 1.1%, as described in Table 2, and employment in the seventeen town New Haven Labor Market Area, which includes Meriden, grew by only 1.1%. Thus, Meriden's economic recovery from the last recession is occurring at a much faster rate

Total Employment, 1995-2005 City of Meriden

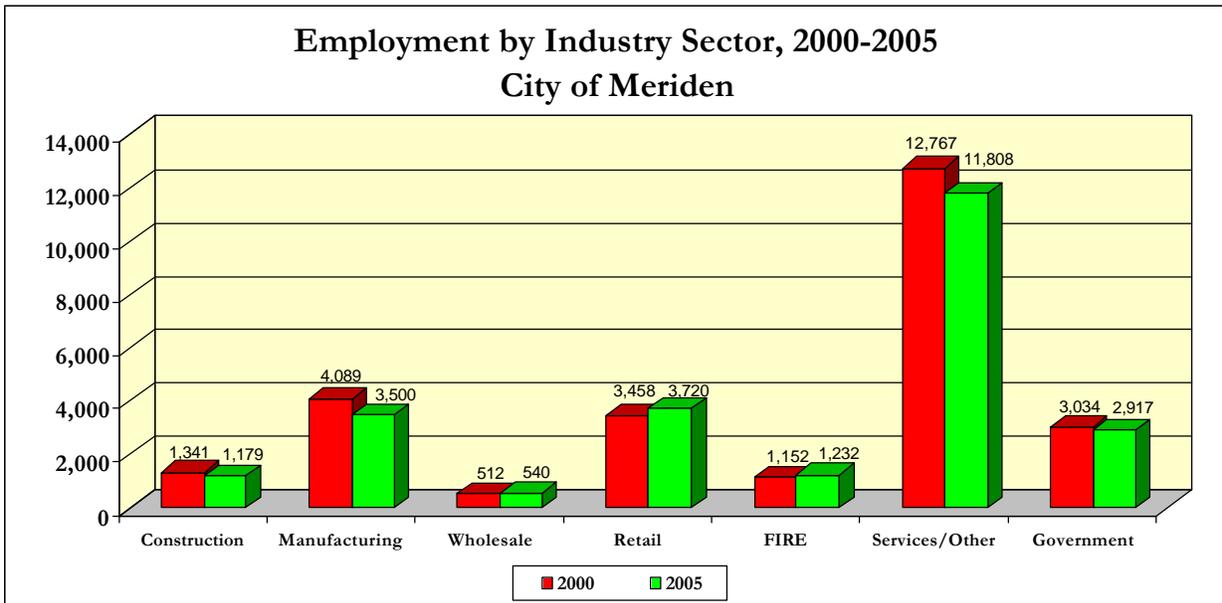


than in both the LMA and the State as a whole.

The composition of Meriden’s employment base also experienced fluctuations between 2000 and 2005. The percent of jobs in the goods producing sector (construction and manufacturing) in 2000 was 20.5%, but

decreased to 18.7% in 2005. The trade sector (wholesale and retail) saw its percent of total jobs climb from 15.0% in 2000 to 17.0% in 2005. The FIRE sector (finance, insurance and real estate) increased from 4.3% of the total jobs in Meriden in 2000 to 4.9% in 2005, while other services actually decreased from 48.2% in 2000 to 47.1% in 2005. Finally, the

Employment by Industry Sector, 2000-2005 City of Meriden



government sector remained virtually unchanged from 11.5% in 2000 to 11.6% in 2005. The chart below illustrates the changes in the composition of Meriden's employment base from 2000 through 2005.

C. Meriden's Resident Labor Force

In 2005, the labor force generated by Meriden residents numbered 30,768 people. This compares to 25,067 persons employed within Meriden. In 2005, Meriden's resident labor force exceeded the number of jobs located in the City by 22.7%, meaning that Meriden produces 5,701 more workers than the City employs within its borders. Meriden's resident labor force represented 10.2% of the

total labor force in the New Haven Labor Market Area in 2005. Table 7 describes the employment characteristics of Meriden's economy relative to the six adjacent communities. Note that each municipality in the immediate vicinity of Meriden has a unique distribution of labor.

Given Meriden's larger population, one would expect to find more jobs located in the City than in the smaller surrounding communities. Middletown, which has over 12,200 fewer people than Meriden, has almost 5,500 more jobs and Wallingford, which has roughly 15,000 fewer people than Meriden, has almost 2,000 more jobs than Meriden. Middletown's

	<u>Berlin</u>	<u>Cheshire</u>	<u>Meriden</u>	<u>Middlefield</u>	<u>Middletown</u>	<u>Southington</u>	<u>Wallingford</u>
Total Employment	11,389	14,876	25,067	1,741	30,563	15,189	27,025
Goods Producing	2,828	3,657	4,679	935	5,099	2,904	6,170
Mining	0	0	*	0	0	0	0
Construction	618	537	1,179	252	725	842	883
Manufacturing	2,210	3,120	3,500	683	4,374	2,062	5,287
Service Producing	5,968	10,475	20,217	449	24,127	9,765	20,355
Utilities	*	*	*	0	*	0	*
Retail Trade	1,270	1,529	3,720	56	1,845	2,119	2,945
Wholesale Trade	645	1,657	540	45	511	622	1,809
Trans. & Warehousing	167	361	578	*	455	378	490
Information	*	72	1,593	*	424	110	1,005
FIRE	140	903	1,232	23	6,376	101	1,341
Professional and Technical	528	958	777	52	996	424	1,269
Mgmt. Of Companies	84	*	282	*	119	*	126
Admin. & Waste Management	760	519	2,049	*	1,299	472	1,122
Education	122	*	245	*	*	*	*
Health Care/Social Assistance	521	1,125	4,173	47	5,209	1,818	4,169
Arts, Entertainment & Rec.	180	144	*	*	*	*	458
Accommodation & Food Service	436	473	1,389	38	987	1,710	1,614
Other Services	348	464	722	41	793	643	1,137
Government	767	2,270	2,917	147	5,113	1,368	2,870
Nonclassified	*	*	*	0	*	*	5
Farm Employment	*	338	*	*	*	*	*

*Disclosure provisions of Connecticut's Unemployment Insurance Law prohibit the release of figures which tend to reveal data reported by individual firms

Source: CT Dept. of Labor, QCEW Program Data, 2005.

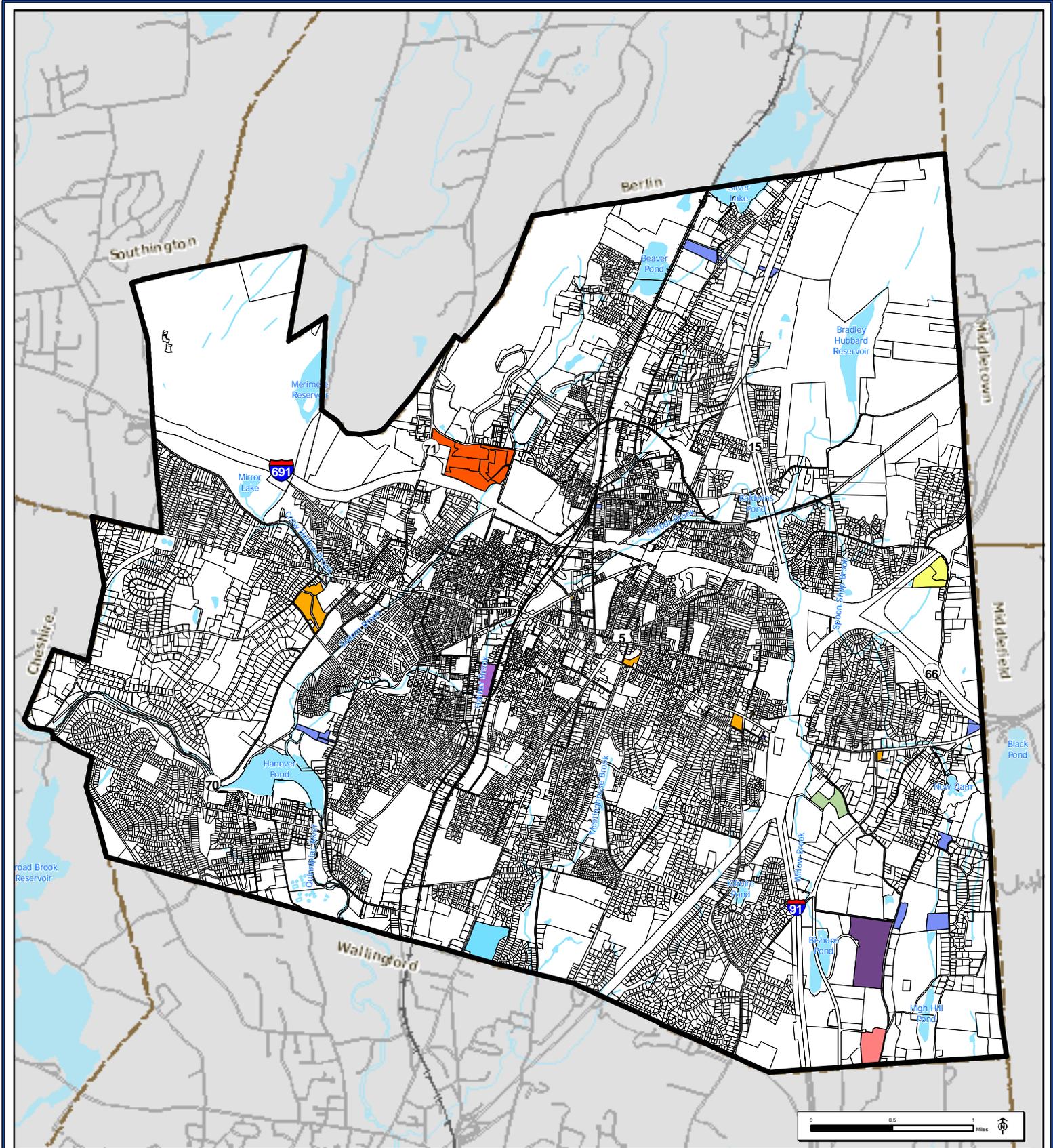
high number of FIRE jobs is mainly attributable to the presence of Aetna.

Although Meriden has significant retail development along East Main Street, Broad Street, and the Westfield Shoppingtown mall, as well as the successful Research Parkway area and the Midstate Medical Center, the City is still a predominantly residential community. While Wallingford and Middletown also have significant residential development, their non-residential land uses are generally of a higher intensity than those in Meriden and require more workers to be employed. As noted in the Development Patterns and Trends memorandum, only 9.9% of Meriden's land area is devoted to commercial or industrial use. East Hartford, Milford and West Haven, three communities of a similar size as Meriden, have anywhere from 12% to 15% of their land in commercial or industrial use. North Haven, which has a well-developed commercial and industrial base, has 12% of its land used for commercial or industrial development. The City of New Haven, even with the dominating presence of institutional land uses including four colleges, two hospitals, courthouses and government offices, still has 11% of its land used for industrial or commercial purposes. With such a differential between Meriden and these other example communities in terms of the percentage of each municipality's land utilized for industrial and commercial purposes, Meriden is at a distinct disadvantage in terms of land and building inventory for economic development.

D. Meriden's Grand List

The need for Meriden to diversify its tax base is very evident from an analysis of the City's Grand List. The 2006 total real property Grand List had a value of \$3,251,850,410, of which 77.1% was residential and apartments. Commercial real property accounted for 17.3% of the Grand List, while industrial real property only accounted for 5.0% of the Grand List. The remaining 0.6% was composed of public utilities, vacant land and use assessments. With such a high concentration of the City's real property value tied into residential properties, any increase in municipal expenditures for general government services and education is felt acutely by the average City homeowner in the form of property taxes.

The Westfield Meriden Shoppingtown is the largest taxpayer in Meriden by a significant margin. The mall has a net assessment of approximately \$142.6 million; the next largest taxpayer, Computer Sciences Corporation, has a net assessment of only \$47.9 million. Connecticut Light & Power is next with a net assessment of \$32.1 million, followed by Urstadt Biddle, owners of the Townline Square shopping plaza, at \$23.4 million. Rounding out the top taxpayers are Radio Frequency Systems, Inc., Yankee Gas, Carabetta Enterprises, Inc., Newberry Village Development, LLC, and Fusco-Meriden Associates Limited Partnership. The *Top Taxpayers for 2006* map illustrates the location of properties owned by these taxpayers, and the map entitled *Commercial & Industrial Properties By Assessed Value* highlights the commercial and industrial areas of Meriden with the highest and lowest assessed values.

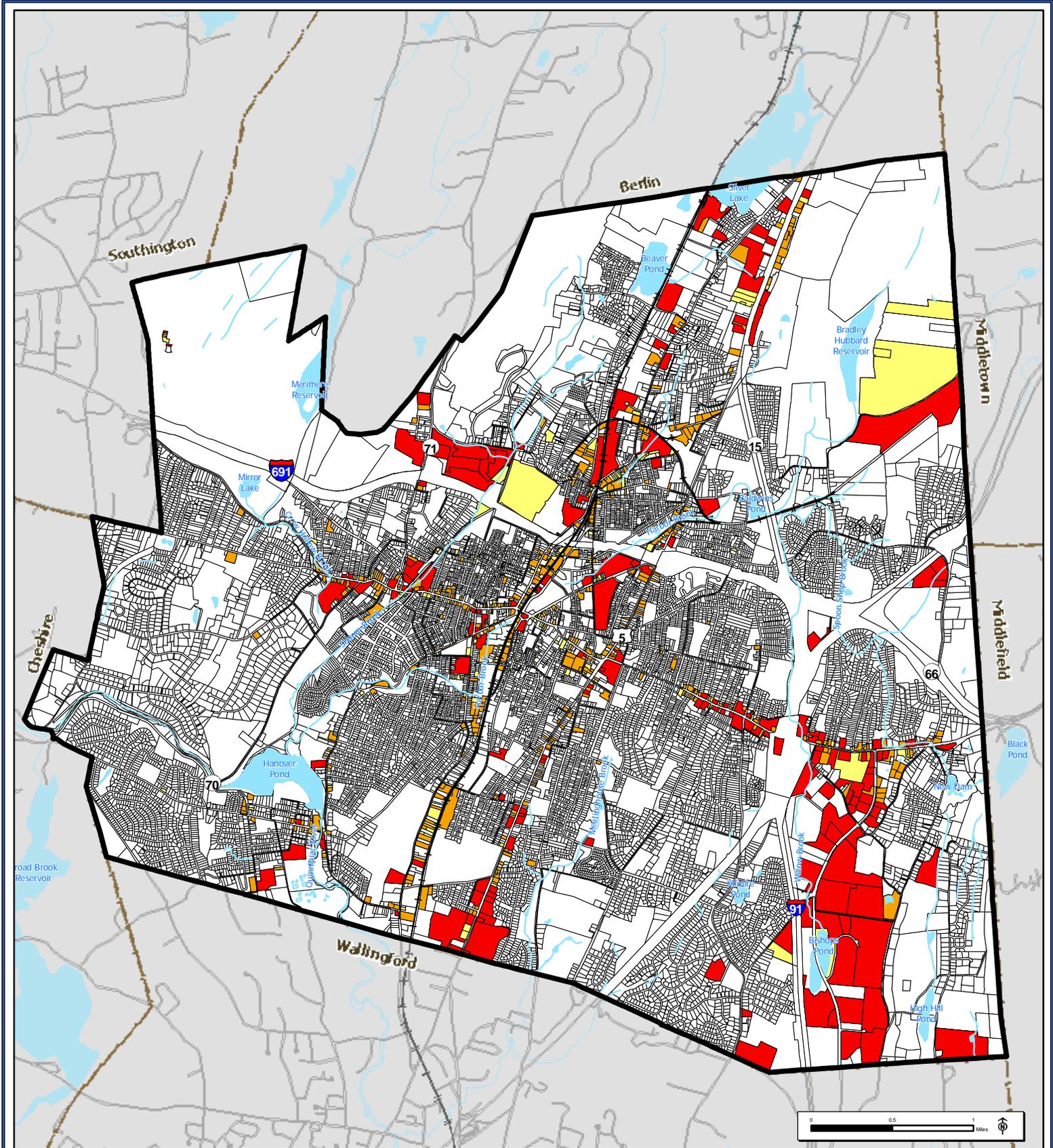


City of Meriden
Plan of Conservation & Development Update
Top Taxpayers For 2006



- | | | | |
|---|------------------------|---|--------------------------------|
|  | CT Light & Power |  | Radio Frequency Sys. |
|  | Carabetta |  | Townline Square |
|  | Computer Sciences Corp |  | Westfield Meriden Shoppingtown |
|  | Fusco-Meriden Assoc. |  | Yankee Gas Svcs. |
|  | Newberry Village Dev. | | |

Source:
 Taxpayers: City of Meriden Tax Assessor's Grand List (2006).
 Basemap Data: Connecticut Department of Environmental Protection Map and Geographic Information Center, Environmental and Geographic Information Center 1962- 1995.
THIS MAP WAS DEVELOPED FOR USE AS A PLANNING DOCUMENT. DELINEATIONS MAY NOT BE EXACT.



Commercial & Industrial By Assessed Value

- Bottom 25% of Assessed Values
- Middle 50% of Assessed Values
- Top 25% of Assessed Values

City of Meriden

Plan of Conservation & Development Update



Commercial & Industrial Properties By Assessed Value

Source:
 Parcel Base Map: City of Meriden M.I.S. Department.
 Basemap Data: Connecticut Department of Environmental Protection Map and Geographic Information Center.
 Assessment Data: City of Meriden Tax Assessor, 2006 Database.
THIS MAP WAS DEVELOPED FOR USE AS A PLANNING DOCUMENT. DELINEATIONS MAY NOT BE EXACT.

It is important to note that the net assessment values presented in the previous paragraph represent both real and personal property assessments for each taxpaying entity. For example, while Computer Sciences Corporation has a net assessment of \$47.9 million, only \$10.2 million is in the form of real property. The remaining \$37.7 million of assessed value is from business equipment, which in the case of Computer Sciences Corporation includes very sophisticated and expensive information technology equipment.

III. RECENT ECONOMIC DEVELOPMENT TRENDS IN MERIDEN



Walgreen's Pharmacy, West Main St./Chamberlain Highway

A. Research Parkway

The Research Parkway area has been the epicenter of much of Meriden's economic growth during this decade. Table 8 lists the firms that have either moved into Research Parkway area facilities or expanded existing space during the past five years, along with the industry sector they represent.

These businesses have added several hundred employees to the area and have occupied over 500,000 square feet of commercial space.

B. East Main Street

While the additions to the Research Parkway area have been impressive, economic development in Meriden over the past five years has not been limited to this area alone. Retail and service sector businesses have continued to grow along East Main Street, particularly the area around the I-91 Exit 16 interchange. Recent developments have included the newly renovated Comfort Suites hotel; the new Burger King and soon to be

TABLE 8 Research Parkway Area, New/Expanded Firms, 2002-2007
Aplicare, Inc. – 550 Research Parkway (Biotech)
J&J TriState Delivery – 550 Research Parkway (Warehouse/Distribution)
Infinity Warehouse and Distribution – 550 Research Parkway (Warehouse/Distribution)
CDG-Fraternal Order of Police Center – 210 Pomeroy Avenue (Social Organization)
Four Points by Sheraton – 275 Research Parkway (Accommodations)
Yogi's All-American Sports Bar & Grill – 275 Research Parkway (Restaurant)
Electrical Wholesalers – 54 Research Parkway (Wholesale)
Environmed – 476 Murdock Avenue (Biotech)
IbasedT – 639 Research Parkway (Information technology)
Closets, Etc. – 200 Research Parkway (Custom carpentry)
MidState VNA & Hospice – 1 Research Parkway (Health care)
Securitas – 321 Research Parkway (Security services)
Tickets.com – 321 Research Parkway (Entertainment)
Nest Egg Auctions – 30 Research Parkway (Gallery/auction house)
Perricone Cosmeceuticals – 377 Research Parkway (Cosmetics)
Protein Sciences – 1000 Research Parkway (Biotech)
Holiday Meriden Cinemas 10 – 61 Pomeroy Avenue (Entertainment)

constructed Walgreen's at the corner of East Main Street and Paddock Avenue; a new farmer's market at 1320 East Main Street; the rebuilding of the Spoon Shop Deli, a new State Farm Insurance office at 230 East Main Street; the renovation of a previously blighted building by Diversified Physical Therapy; and the renovated McDonalds and Kentucky Fried Chicken restaurants on East Main Street. Finally, a 125,000 square foot Lowe's home improvement and garden center will

soon take the place of the former Ames site on East Main Street, along with a newly-constructed retail building for the displaced Ocean State Job Lot. This development will significantly increase the presence of national retailers along this critical roadway through the City.

C. South Broad Street

The South Broad Street area has been enhanced with renovations at the Townline Plaza, the JPress Building and Robert's Dodge dealership. A new Subway restaurant and a Dunkin Donuts have opened along South Broad Street, and a new retail plaza named Silver Commons at 500 South Broad Street will be completed soon. This plaza will likely contain a Starbuck's, Cold Stone Creamery, and a Sakura Japanese restaurant. The Circa Food Bag on South Broad Street has also rebuilt its gas station facilities. The office/industrial complex at 500 South Broad Street has nearly reached full occupancy, as well, with Response Insurance Group expanding to encompass 65,000 square feet of space and growing from 50 employees to 200 employees.

D. West Main Street

A wireless Internet network (WiFi) has been created in this portion of Downtown Meriden, with service starting at the corner of West Main Street and Colony Street and extending 1,000 feet to the north and the west. Middlesex Community College, located at 55 West Main Street, brings over 600 students into the Downtown and continues to expand its operations. Several mixed use projects combining ground floor retail and office space and upper-story residential units

have either been completed or are in the planning stage. One property is being renovated into 12 units of artist housing. A new AutoZone store has located at the corner of Cook Avenue and West Main Street and Castle View Plaza, located at the corner of West Main Street and Centennial Avenue, will be completed soon, and will be followed by the construction of a self-storage facility on Carl Street adjacent to the plaza. McDonald's has also recently completed renovations of its restaurant on West Main Street. West Main Street has also been targeted as an arts district in the City Center Initiative.

E. Mall/MidState Medical & Chamberlain Highway

The Westfield Shoppingtown Meriden has added a number of new stores, including Borders bookstore, Dick's Sporting Goods, Best Buy, Steve & Barry's, and Perfumania. Stores that have expanded recently include Lane Bryant, Victoria's Secret, Torrid Sizes, Dunkin Donuts, and Hannoush Jewelers. Additional retail developed along Chamberlain Highway includes Circuit City and Sleepy's. Finally, the MidState Medical Center has expanded three times over the course of six years, and is currently planning to expand its emergency department with a 100,000 square foot building addition. This addition will include 52 treatment spaces, space for behavioral health patients, increased open floor space areas for improved circulation and access, and a new radiology suite.

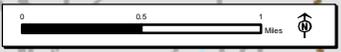
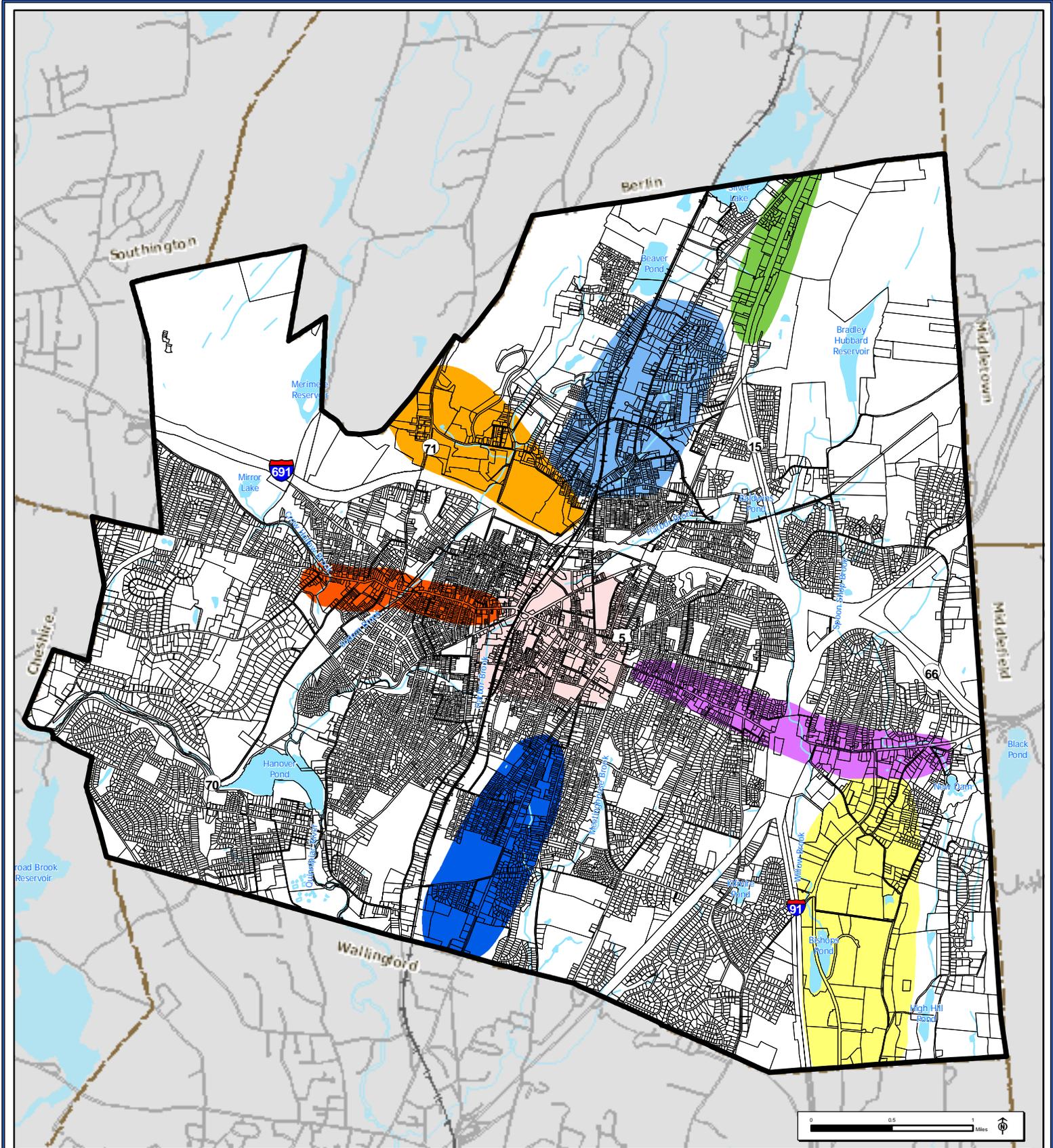
F. Other Areas

Economic development has also occurred in other parts of Meriden, particularly in the

areas surrounding Downtown. Firms and non-profits that have expanded, consolidated in or relocated to Meriden include Thompson Brands; Ragozzino Foods; Hint Peripherals; Webster Insurance; National Cabinet and Millwork; Advanced Turbine Systems; Central Auto Auction/Statewide Recovery; Ground Up; Kuhn, Inc.; Meriden Child Care Center;

the Meriden Boys and Girls Club; Parker Bros. Makers, Inc., and the United States Postal Service.

The map entitled *General Economic Development Areas* shows the traditional areas of economic development in the City of Meriden.



Legend

- Berlin Tpke
- Downtown
- East Main St
- Mall / Midstate / Chamberlain Hwy
- North Colony St. / Gracey Ave
- Research Pkwy
- South Broad
- West Main St

City of Meriden

Plan of Conservation & Development Update



General Economic Development Areas

Source:
 Taxpayers: City of Meriden Tax Assessor's Grand List (2006).
 Basemap Data: Connecticut Department of Environmental Protection Map and Geographic Information Center, Environmental and Geographic Information Center 1962- 1995.
THIS MAP WAS DEVELOPED FOR USE AS A PLANNING DOCUMENT. DELINEATIONS MAY NOT BE EXACT.



IV. FUTURE ECONOMIC DEVELOPMENT POTENTIAL



Hall farm property, Preston Avenue

A. Market Potentials

Forecasts for future economic growth in Connecticut by region for the period 2002-2012 were prepared by the Connecticut Department of Labor (CT DOL) concurrent with the State's most recent recession. Given current economic conditions and more recent CT DOL near term employment figures, it is doubtful that these forecasts will be realized. However, the forecasts can be used to indicate that the CT DOL believes the economic region in which Meriden is located (the South Central region) will achieve the second lowest rate of economic growth in Connecticut in the near future. (Source: "Regional Data: Employment Outlook by Occupation, 2002-2012", prepared by CT DOL)

B. Industrial and Service Based Economic Development

Industrial and general service businesses (such as administrative services, information, arts & entertainment, healthcare, and accommodation & food services) generate 63.5% of the total jobs located in Meriden.

The market for industrial space in the greater Hartford/Central Connecticut area presently is average to good. The average sales price per square foot for industrial space in this area over the past twelve months is \$54, which is lower than the national average of \$67 per square foot. However, Hartford's average price per square foot is comparable to other Northeast centers such as Boston and Northern New Jersey, and considerably higher than places such as Albany. The four New York City boroughs of Queens, Brooklyn, Staten Island and the Bronx, Northern New Jersey and Boston dominate the Northeast industrial space market in terms of volume of sales. Manhattan has by far the highest price per square foot at over \$480 per square foot; the other New York City boroughs are a distant second at roughly \$150 per square foot. The Hartford market area has experienced a rather steep decline in price per square foot for industrial space over the past two years, dropping from roughly \$80 per square foot to \$54 per square foot. However, this period of decline was preceded by one quarter where Hartford's price per square foot jumped from \$38 to almost \$80; thus, the \$80 per square foot price figure was likely an anomaly and the current price level is more in line with the reality of the market.

In terms of space for lease, six properties with industrial space for lease in Meriden were identified using the CERC Sitefinder internet resource, as of October 2007. The largest space was the 290 Pratt Street building, with 152,760 square feet of available space. This space was also listed as available for office use, with an asking lease price of \$3.50 per square foot. The other five properties had a

combined 147,573 square feet of available space with an average asking lease price of \$4.62 per square foot and a median asking lease price of \$3.00 per square foot. The surrounding communities of Berlin, Cheshire, Middletown, Southington and Wallingford have a substantial amount of for-lease industrial space inventory, but at prices somewhat higher than those found in Meriden. Asking rents were generally triple net.

Manufacturing Space: As described in Table 5 previously, manufacturing employment comprises about 12% of the total jobs in Connecticut and has been on the decline for many years; a decline which is projected by the CT DOL to continue through their 2014 forecast period. The manufacturing sector of Meriden's economy continues to employ roughly 14% of the total jobs in the City, and will likely remain a stable and important element of Meriden's economy. For certain manufacturers, Meriden continues to have the locational advantages of access to major markets. In addition to directly contributing to Meriden's employment base, the manufacturing sector also generates the need for goods and services essential to the manufacturing process, representing the potential for further contributions to the City's overall economic base.

Keeping manufacturers that may expand requires having buildings or land to meet expansion needs is an issue in Meriden. In addition, manufacturers and businesses that choose to relocate out of the City are often influenced by the acquisition of their companies by international/foreign entities

that consolidate and close facilities to increase productivity. These are the decisions of corporate powers not located in Meriden or in Connecticut, and sometimes not even within the United States. This issue is occurring throughout the country, and is certainly not unique to the Meriden economy.

Service Business Space: While the goods producing sector of Meriden's economy has continued to lose jobs even as Meriden's economic base has been expanding since the end of the 2000-2003 recession, the service sector has been leading the way in terms of job creation. Although there were still fewer service industry jobs in Meriden as of 2005 than in 2000, employment in the subsectors of retail, transportation and warehousing, accommodation and food service, healthcare/social assistance, and professional and technical services have increased by a combined 977 jobs since 2003. In addition, the administrative and waste management services subsector grew by 374 jobs in one year between 2004 and 2005. A portion of this sector provides services to Meriden's local population. Meriden has experienced a demand for building space to house service sector businesses. In recent years, satisfying the demand for this type of space has been realized through a combination of the rehabilitation of existing buildings and the construction of new buildings. Typically, this type of use does not require highway visibility, but does require ready access to the area's highway system. This type of business provides services to other businesses and provides mostly non-retail services to the general population.

However, there is currently little vacant land appropriately zoned to build new office space for service businesses. There are also very few desirable and larger office buildings than can be used for Class A or Class B office space. Companies and businesses wishing to acquire properties often find none available for sale that fit their needs. Leasable space of 30,000 square feet or more is virtually nonexistent. These market realities present a host of problems for business recruitment, retention and expansion efforts in Meriden.

C. Economic Development that is Local Population Dependant

One of the several factors affecting market support for future economic development activity in Meriden is the growth in the City's population and that of surrounding communities. Meriden's population is projected to experience continued growth during the next 10 years. Economic development activity generated by the demands for goods and services from the local population are the most likely to grow during the next ten years. Portions of this demand will manifest itself in the form of population serving businesses located in office and retail space:

Office Space: The demand for local population serving office space uses will continue, especially office space associated with the health care, social services, and other service sector industries. These types of uses can be satisfied in multiple tenant buildings hosting a variety of office space users or in multiple tenant office buildings with a single focus, such as a medical office building. More detailed information regarding potential office

space demand in Meriden is discussed later in this memorandum.

Retail Space: The demand for retail services serving the local population is expected to grow to meet the needs of Meriden's slowly expanding population base. Most of this demand would normally be accommodated in the expansion of existing free-standing retail stores and shopping centers, with a limited amount of the demand being met through the development of new retail complexes. However, Meriden's lack of commercially-developable land makes siting new retail complexes extremely difficult, and there is little room for expansion of existing retail uses. More detailed information regarding potential retail space demand in Meriden is discussed later in this memorandum.

V. ESTIMATED RETAIL DEMAND IN MERIDEN



JC Penney, Westfield Meriden Shoppingtown

Data for the State of Connecticut regarding retail sales for 2005 was examined in terms of total sales in numerous retail subcategories. Using the 2005 estimated population for Connecticut from the U.S. Census Bureau, annual per capita sales numbers were derived for the State of Connecticut in each of these retail subcategories. The estimated per capita income for the State for 2006, obtained from Claritas, Inc., was compared to the per capita income for both the City of Meriden and the larger regional market area, and a ratio reflecting the difference between these income numbers was determined. This

income difference ratio was used to adjust the annual per capita sales numbers of the local and regional market areas vis-à-vis the State totals. Utilizing sales per square foot data for different retail subcategories from the Urban Land Institute’s “Dollars and Cents of Shopping Centers: 2002” under the Community Shopping Centers category, an estimated square footage demand for each retail subcategory was derived.

The regional market area was defined as the area from which retail establishments in the City of Meriden were most likely to draw a significant volume of their customers. Delineation of the regional market area was based upon existing travel and shopping patterns, as well as land use and the availability and distribution of shopping options.

A. Demand Calculations

The table below illustrates the retail sales within the State of Connecticut for 2005 as tabulated by the Department of Revenue Services. The Total Retail Sales reflect only sales that occurred within retail establishments; on-line sales and non-store

TABLE 9		
Connecticut Retail Sales Per Capita, 2005		
	State Sales, 2005	Per Capita Sales, 2005
Retail Store TOTAL	\$43,557,556,732	\$12,443
Motor Vehicle and Parts Dealers	\$8,693,683,076	\$2,483
Furniture and Home Furnishings	\$2,697,597,955	\$771
Electronics and Appliances	\$1,601,966,203	\$458
Building Materials and Garden Supplies	\$3,462,980,551	\$989
Food and Beverage	\$5,834,488,636	\$1,667
Health and Personal Care	\$3,200,578,596	\$914
Gas Stations	\$2,787,344,365	\$796
Clothing and Clothing Accessories	\$2,702,673,449	\$772
Sporting Goods, Hobby, Books and Music	\$1,084,705,271	\$310
General Merchandise	\$4,954,880,836	\$1,415
Miscellaneous	\$3,637,257,204	\$1,039

Source: State of Connecticut Department of Revenue Services; U.S. Census Bureau; compiled by HMA.

purchases were subtracted out of the total. These total sales numbers for the various retail categories were then divided by the State-estimated 2005 population of 3,500,701 to determine the per capita retail expenditures for the State as a whole.

To estimate how the Meriden and the regional market area differ from the State as a whole in terms of spending power, per capita income for the City of Meriden was compared to the State per capita income using estimated data from Claritas for 2006. To estimate the 2006 per capita income for the regional market area, an assumption was made that between the 2000 Census and the year 2006 the per capita income level of the regional market area increased at a rate similar to the overall State rate. Based upon 2000 Census data and estimated data from Claritas, the State per capita income increased by 12.18% between 2000 and 2006. Thus, the per capita income for the regional market area in 2000 of \$24,627 was estimated to have increased to \$27,627.

As illustrated in Table 10, the City of Meriden has a significantly lower per capita income than both the State as a whole and the regional market area, meaning that Meriden has a level of spending power lower than its neighboring communities in the regional market area.

In order to determine retail sales demand for the City of Meriden and the regional market area, the per capita retail sales for each subcategory was modified by the income difference ratio computed above, and the result was multiplied by each area's respective population; Meriden's estimated 2006 population is 59,653 and the remainder of the regional market area's estimated 2006 population is 443,713, for a total population of 503,366. The results are illustrated in Table 11.

	State of Connecticut	City of Meriden	Regional Market Area
Per Capita Income, 2006	\$32,270	\$22,689	\$27,627
Ratio to State Per Capita	1.000	0.703	0.856

Source: Claritas, Inc.; 2000 Census; compiled by HMA.

TABLE 11
Meriden and Regional Retail Demand and Income Differences

	Meriden Income Difference	Region Income Difference	Meriden Demand (\$)	Region Demand (\$)
Retail Store TOTAL	0.703	0.856	\$487,057,545	\$4,411,320,157
Motor Vehicle and Parts Dealers	0.703	0.856	\$104,144,515	\$943,245,416
Furniture and Home Furnishings	0.703	0.856	\$32,315,421	\$292,683,421
Electronics and Appliances	0.703	0.856	\$19,190,485	\$173,809,795
Building Materials and Garden Supplies	0.703	0.856	\$41,484,193	\$375,725,743
Food and Beverage	0.703	0.856	\$69,893,276	\$633,029,133
Health and Personal Care	0.703	0.856	\$38,340,793	\$347,255,710
Gas Stations	0.703	0.856	\$33,390,523	\$302,420,708
Clothing and Clothing Accessories	0.703	0.856	\$32,376,222	\$293,234,101
Sporting Goods, Hobby, Books and Music	0.703	0.856	\$12,994,044	\$117,688,127
General Merchandise	0.703	0.856	\$59,356,162	\$537,593,629
Miscellaneous	0.703	0.856	\$43,571,911	\$394,634,375

Source: State of Connecticut Department of Revenue Services; 2000 Census; Claritas, Inc.; compiled by HMA.

The total demand in annual retail sales is \$487,057,545 for the City of Meriden and \$4,411,320,157 for the regional market area. Thus, although the City of Meriden has a population level equal to 13.4% of that of the regional market area, it has a retail sales demand level that is only equal to 11.0% of that of the regional market area. This difference is due to Meriden's lower per capita income and therefore lower spending power.

By estimating average annual sales per square foot for various retail categories using data from the Urban Land Institute's "Dollars and Cents of Shopping Centers: 2002", the retail sales demand numbers can be converted in square footage demand for each type of retail subcategory. Table 12 illustrates the demand calculation for both the City of Meriden and the regional market area.

Based upon current spending patterns, existing income levels and population statistics, the City of Meriden's residents can support approximately 2,033,000 square feet of retail space and the regional market area's residents can support roughly 18,413,000 square feet of retail space.

The geographic allocation of retail demand within the local market area is heavily dependent upon the availability of development sites and the existing locations of retail centers and zones. The City of Meriden competes with the other regional market area communities to capture retail demand, most of which have substantial established commercial areas. Being an extensively developed community, Meriden has few large sites readily available for substantial retail development, which puts the City at a disadvantage in attracting regional and national retailers. The map that follows this page highlights the areas within the local market area that are zoned for commercial use and represent potential locations for retail uses.

B. Meriden Demand Allocation

Of the total demand for retail space of 2,033,000 square feet generated by Meriden residents, only a percentage of this can reasonably be expected to be captured within the City itself. Assuming that some portion of in-store retail purchases made by Meriden residents will occur at big-box retailers outside the City and in communities with large and well-established retail areas, a capture rate of 70% of the retail space demand is assumed

TABLE 12
City of Meriden and Regional Retail Demand, Square Footage

	Meriden Demand (\$)	\$/Sq. Ft.	Meriden Demand (Sq. Ft.)
Retail Store TOTAL	\$487,057,545	\$239.58	2,032,951
Motor Vehicle and Parts Dealers	\$104,144,515	\$250	416,578
Furniture and Home Furnishings	\$32,315,421	\$200	161,577
Electronics and Appliances	\$19,190,485	\$475	40,401
Building Materials and Garden Supplies	\$41,484,193	\$250	165,937
Food and Beverage	\$69,893,276	\$300	232,978
Health and Personal Care	\$38,340,793	\$360	106,502
Gas Stations	\$33,390,523	\$250	133,562
Clothing and Clothing Accessories	\$32,376,222	\$250	129,505
Sporting Goods, Hobby, Books and Music	\$12,994,044	\$225	57,751
General Merchandise	\$59,356,162	\$175	339,178
Miscellaneous	\$43,571,911	\$175	248,982
	Region Demand (\$)	\$/Sq. Ft.	Region Demand (Sq. Ft.)
Retail Store TOTAL	\$4,411,320,157	\$239.58	18,412,608
Motor Vehicle and Parts Dealers	\$943,245,416	\$250	3,772,982
Furniture and Home Furnishings	\$292,683,421	\$200	1,463,417
Electronics and Appliances	\$173,809,795	\$475	365,915
Building Materials and Garden Supplies	\$375,725,743	\$250	1,502,903
Food and Beverage	\$633,029,133	\$300	2,110,097
Health and Personal Care	\$347,255,710	\$360	964,599
Gas Stations	\$302,420,708	\$250	1,209,683
Clothing and Clothing Accessories	\$293,234,101	\$250	1,172,936
Sporting Goods, Hobby, Books and Music	\$117,688,127	\$225	523,058
General Merchandise	\$537,593,629	\$175	3,071,964
Miscellaneous	\$394,634,375	\$175	2,255,054

Source: Urban Land Institute, "Dollars and Cents of Shopping Centers: 2002"; State of Connecticut Department of Revenue Services; compiled by HMA.

for the City. This assumption is based in part on the results of the community telephone survey recently completed in Meriden by the Center for Research & Public Policy (CRPP) as part of the Plan of Conservation and Development update process, which showed that 77.0% of residents surveyed indicated that "goods and services sold in Meriden met all their shopping/service needs."

In addition to retail demand generated by its own residents, the City of Meriden captures a small amount of the retail demand generated by the residents of the regional market area

towns. To estimate Meriden's potential capture rate of this retail demand, the City's population is compared to the population of the regional market area. Meriden's population of 59,653 represents 11.9% of the total market area population of 503,366. However, Meriden has the only regional mall in the market area, the Westfield Meriden Shoppingtown with over 800,000 square feet of retail space. Since the City has this unique regional retail destination, it can be expected that the mall would significantly raise the City's retail demand capture ability beyond the proportional population estimate. Thus, it is

estimated that the City of Meriden could potentially capture 20% of the regional market area's retail demand.

Combining the region's retail demand estimated to be captured by Meriden stores with the amount of retail demand generated by Meriden residents that is captured within the City provides an estimate of the total demand for retail space within the City of

Meriden.

As Table 14 illustrates, the total demand for retail space within the City of Meriden is approximately 4 million square feet.

TABLE 13
Meriden Retail Demand, Sales Square Footage

	Meriden Demand (\$)	\$/Sq. Ft.	Meriden Demand (Sq. Ft.)
Retail Store TOTAL	\$487,057,545	\$239.58	2,032,951
Motor Vehicle and Parts Dealers	\$104,144,515	\$250	416,578
Furniture and Home Furnishings	\$32,315,421	\$200	161,577
Electronics and Appliances	\$19,190,485	\$475	40,401
Building Materials and Garden Supplies	\$41,484,193	\$250	165,937
Food and Beverage	\$69,893,276	\$300	232,978
Health and Personal Care	\$38,340,793	\$360	106,502
Gas Stations	\$33,390,523	\$250	133,562
Clothing and Clothing Accessories	\$32,376,222	\$250	129,505
Sporting Goods, Hobby, Books and Music	\$12,994,044	\$225	57,751
General Merchandise	\$59,356,162	\$175	339,178
Miscellaneous	\$43,571,911	\$175	248,982

Source: Urban Land Institute, "Dollars and Cents of Shopping Centers: 2002"; compiled by HMA.

TABLE 14
Retail Demand Captured by Meriden

	Meriden Demand (Sq. Ft.)	70% Local Capture Rate	20% Region Capture Rate	Total Demand
Retail Store TOTAL	2,032,951	1,423,066	2,577,765	4,000,831
Motor Vehicle and Parts Dealers	416,578	291,605	528,217	819,822
Furniture and Home Furnishings	161,577	113,104	204,878	317,982
Electronics and Appliances	40,401	28,281	51,228	79,509
Building Materials and Garden Supplies	165,937	116,156	210,406	326,562
Food and Beverage	232,978	163,084	295,414	458,498
Health and Personal Care	106,502	74,552	135,044	209,595
Gas Stations	133,562	93,493	169,356	262,849
Clothing and Clothing Accessories	129,505	90,653	164,211	254,865
Sporting Goods, Hobby, Books and Music	57,751	40,426	73,228	113,654
General Merchandise	339,178	237,425	430,075	667,500
Miscellaneous	248,982	174,288	315,707	489,995

Source: State of Connecticut Department of Revenue Services; compiled by HMA.

C. Estimated Retail Space Supply

Retail space supply within the City of Meriden was estimated by analyzing tax assessment records. Each property within the City is categorized by its land use in the tax assessment database, and a gross square footage for primary structures on each property is provided. By cross-tabulating the properties identified with “retail” land use with gross building area, an estimate of the amount of gross retail square footage in Meriden was obtainable. Using this methodology and analysis, it was estimated that there is roughly 3.78 million square feet of retail space within the City’s borders.

subcategory basis. However, the community telephone survey recently completed in Meriden as part of the Plan of Conservation and Development update process provides numerous insights into the types of retail uses that are most likely underrepresented in the City and would therefore be the most likely to become successfully established in the market. For example, many Meriden residents polled in the survey noted that there were too few small retail stores, appliance stores, hardware/home improvement stores, grocery stores and clothing stores in the City. At the same time, very few Meriden residents believed that additional gas stations,

	Per Capita Sales, 2017	Meriden Demand (\$)	Region Demand (\$)
Retail Store TOTAL	\$17,192	\$749,329,910	\$6,990,261,587
Motor Vehicle and Parts Dealers	\$3,676	\$160,224,599	\$1,494,684,576
Furniture and Home Furnishings	\$1,141	\$49,716,736	\$463,791,700
Electronics and Appliances	\$677	\$29,524,241	\$275,422,298
Building Materials and Garden Supplies	\$1,464	\$63,822,739	\$595,382,138
Food and Beverage	\$2,467	\$107,529,639	\$1,003,109,970
Health and Personal Care	\$1,353	\$58,986,671	\$550,267,984
Gas Stations	\$1,179	\$51,370,763	\$479,221,590
Clothing and Clothing Accessories	\$1,143	\$49,810,278	\$464,664,318
Sporting Goods, Hobby, Books and Music	\$459	\$19,991,121	\$186,490,837
General Merchandise	\$2,095	\$91,318,465	\$851,881,061
Miscellaneous	\$1,538	\$67,034,659	\$625,345,115

D. Supply/Demand Analysis and Potential Retail Growth

With an estimated retail demand of 4,000,831 square feet and a supply of 3,782,569 square feet, at present Meriden can absorb an estimated additional 218,262 square feet of retail space. However, since the tax assessment database does not provide a breakdown of specific categories of retail under the general heading of “retail” land use, it is difficult to provide specific estimates of retail space supply/demand disconnects on a

pharmacies, beauty/nail salons and automotive stores were needed.

In seeking to realize more retail development, the City should have a comprehensive retail market study conducted by a retail market consultant to assess Meriden’s retail market and identify appropriate types of retail to encourage in the City. The City should also stress a development approach that emphasizes compact development, protection of natural resources, the use of existing infrastructure and the mixing of retail with

other uses such as housing and office space. At present, much of the retail development within Meriden is spread along primary arterial roadways such as East Main Street, Broad Street and West Main Street in a fragmented “strip commercial” format that does not function as a cohesive whole. Emphasis should be placed on better integrating existing buildings and uses with new retail development and associated secondary uses.

to 2017, the populations of Meriden and the regional market area were first estimated by averaging Meriden’s projected populations for 2015 and 2020 from the Population and Demographics memorandum, and employing the assumption that the rate of population growth in the regional market area between 2000 and 2005 would remain relatively constant out to the year 2017. These calculations result in an estimated 2017 population of 62,000 for Meriden and 475,000

TABLE 16
Meriden Square Footage Demand Analysis, 2017

	\$/Sq. Ft.	Meriden Demand (Sq. Ft.)	Region Demand (Sq. Ft.)
Retail Store TOTAL	\$355	2,112,936	19,710,914
Motor Vehicle and Parts Dealers	\$370	432,968	4,039,021
Furniture and Home Furnishings	\$296	167,934	1,566,605
Electronics and Appliances	\$703	41,991	391,717
Building Materials and Garden Supplies	\$370	172,465	1,608,875
Food and Beverage	\$444	242,144	2,258,884
Health and Personal Care	\$533	110,692	1,032,615
Gas Stations	\$370	138,817	1,294,980
Clothing and Clothing Accessories	\$370	134,600	1,255,642
Sporting Goods, Hobby, Books and Music	\$333	60,023	559,940
General Merchandise	\$259	352,523	3,288,573
Miscellaneous	\$259	258,778	2,414,061

As the City and regional market area populations continue to grow, demand for retail space will logically increase as well. To project retail demand ten years into the future

for the balance of the regional market area. In addition, an annual increase of 4% in per capita sales and sales per square foot is assumed to adjust for inflation and increasing income. Utilizing the same methodology as

TABLE 17
Meriden Capture of Local Demand, 2017

	Meriden Demand (Sq. Ft.)	Region Demand (Sq. Ft.)	70% Local	20% Region	Total Demand
Retail Store TOTAL	2,112,936	19,710,914	1,479,055	2,759,528	4,238,583
Motor Vehicle and Parts Dealers	432,968	4,039,021	303,078	565,463	868,541
Furniture and Home Furnishings	167,934	1,566,605	117,554	219,325	336,879
Electronics and Appliances	41,991	391,717	29,393	54,840	84,234
Building Materials and Garden Supplies	172,465	1,608,875	120,726	225,243	345,968
Food and Beverage	242,144	2,258,884	169,501	316,244	485,744
Health and Personal Care	110,692	1,032,615	77,485	144,566	222,051
Gas Stations	138,817	1,294,980	97,172	181,297	278,469
Clothing and Clothing Accessories	134,600	1,255,642	94,220	175,790	270,010
Sporting Goods, Hobby, Books and Music	60,023	559,940	42,016	78,392	120,408
General Merchandise	352,523	3,288,573	246,766	460,400	707,166
Miscellaneous	258,778	2,414,061	181,145	337,969	519,113

above, the sales demand numbers and demand in terms of retail square footage are generated and shown in Table 17.

Using the same assumptions previously employed, a capture rate of 70% of the retail space demand generated by Meriden is assumed for the City. It is also estimated that 20% of the retail spending generated by the regional market area towns is spent within Meriden.

The total retail demand for Meriden in 2017 is approximately 4,238,583 square feet, representing an additional demand of 237,752 square feet of retail space over the next ten years due to expanded demographic and market growth. Thus, combining future demand for the additional 237,752 square feet of retail space with existing demand for 218,262 square feet of retail space results in a total demand of 456,014 square feet of retail space over the next ten years.

	2007	2017
Retail Demand (sq. ft.)	4,000,831	4,238,583
Estimated Retail Supply (sq. ft.)	3,782,569	3,782,569
Demand/Supply Gap (sq. ft.)	218,262	456,014

Potential Retail Development – Surrounding Region

Several municipalities surrounding Meriden were identified as potential locations for retail development that could compete with Meriden in the retail market. In particular, major regional transportation routes were used as a guideline for selecting potential competitive communities. Municipal planning departments and various retail industry sources were consulted to determine new and

potential retail projects in the planning and development stages around the region, along with potential areas for new retail development. Table 19 summarizes this research, and the map entitled *Planned and Potential Retail Development* highlights their respective locations.

As Table 19 and the associated map show, a mix of retail space is either being developed or is planned in the surrounding communities. The retail types identified include larger stores such as Kohl’s, Target and Lowe’s, as well as smaller retail spaces (primarily pharmacy/convenience retail). Of the total potential retail space identified, four developments have regional significance.

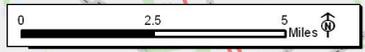
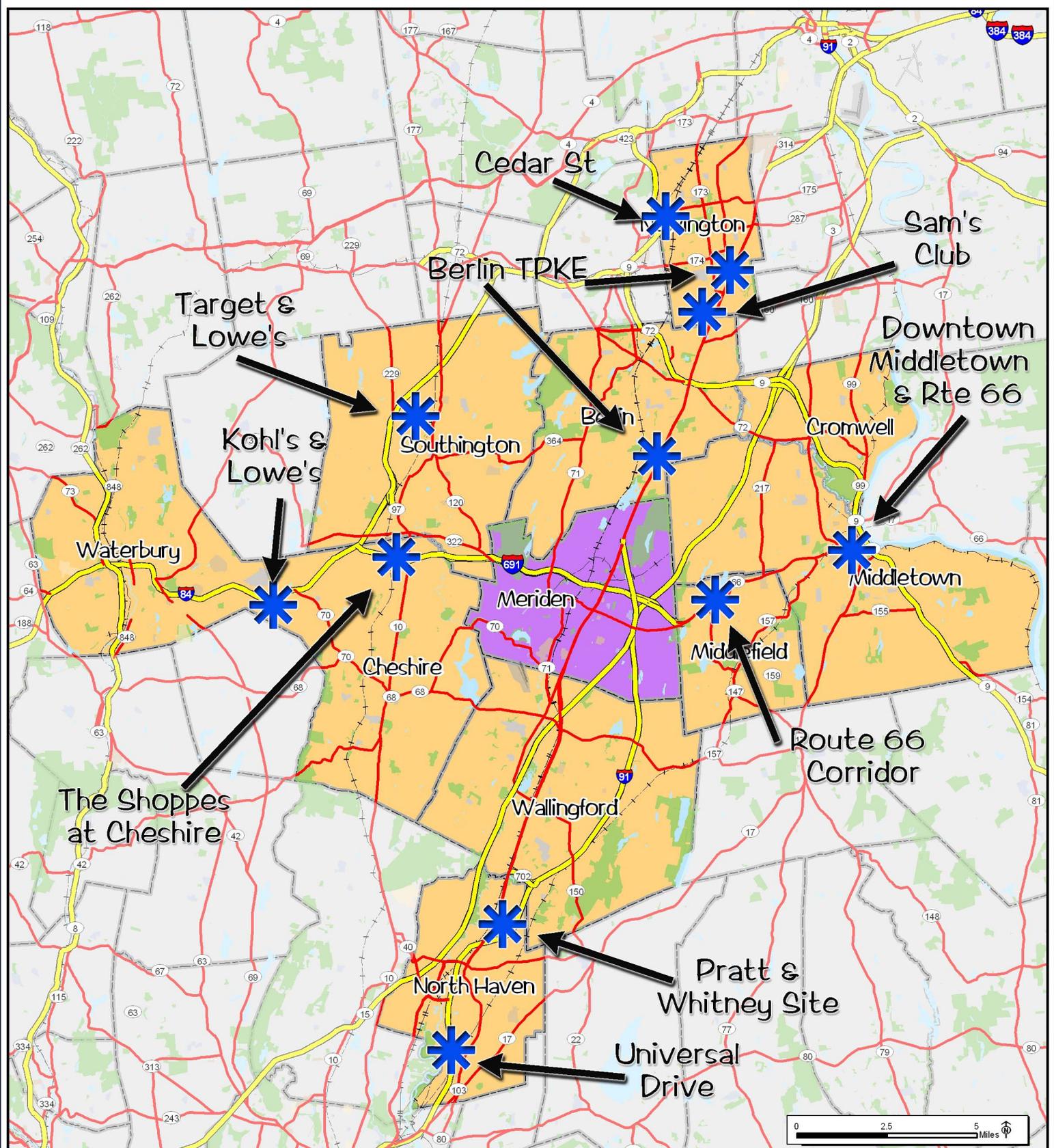
The largest development proposed is the redevelopment of the former Pratt & Whitney facility/property along Route 5 in the northern end of the Town of North Haven. The proposed redevelopment project for the 140 acre site would include 700,000 square feet of retail space; a movie theater; a health club; 29,000 square feet of medical office space; 241,000 square feet of general office space; a 175 room hotel; a commuter rail station; and 780 residential units. Due to both its location and size, this development would almost certainly be a major player in the regional retail market. In addition, 195,000 of retail space is planned for the Universal Drive area in North Haven, near Exit 9 off of I-91. This development, known as North Haven Commons, would continue the process of solidifying an already well-established regional retail center.

The Shoppes at Cheshire is a mixed-use development proposed along the Cheshire-

Southington town line at the junction of Route 10 and I-691. This proposed development would consist of 334,250 square feet of general retail space; a 50,000 square foot organic grocery store; a movie theater; a 120 room hotel; a health and wellness center; 50,000 square feet of restaurant space; and 146 residential units.

Finally, the Town of Middlefield is in the process of evaluating the potential rezoning of the Route 66 corridor for expanded retail use. Since most of the property located along the Route 66 corridor in Middlefield does not have access to public sewers, the potential retail development in this area will ultimately be based upon the capacity of on-site septic systems for individual properties. The evaluation of this potential rezoning is still a work in progress.

Municipality	Potential Retail Sq. Ft.	General Description
Berlin	17,000+	Misc. grocery & retail along Berlin Tpke.
Cheshire	384,000	The Shoppes at Cheshire - Rt. 10/I-691
Cromwell	35,000	Walgreens, CVS, bank, Starbucks - between I-91 & Rt. 9
Middlefield	Variable	Potential future development along Rt. 66
Middletown	45,000-65,000	Pharmacies & grocery along Main St.; possible redevelopment along Rt. 3 & Rt. 66
Newington	167,000	Sam's Club & small grocery along Berlin Tpke.; pharmacy near New Britain town line
North Haven	895,000	Redevelopment of Pratt & Whitney site; Universal Drive retail expansion (North Haven Commons)
Southington	255,000	Target and Lowe's near Exit 31 off I-84
Wallingford	0	No current projects
Waterbury	215,000	Kohl's and Lowe's near Exit 25A off I-84



City of Meriden
Plan of Conservation & Development Update



Planned & Potential Retail Development

Legend
 Planned & Potential Retail Development

Source:
 City of Meriden MIS Department (2006).
 Connecticut Department of Environmental Protection
 Environmental & Geographic Information Center, 1962-2004.
 U.S. Census Bureau, 2000.
 Environmental Systems Research Institute
 Base Data for Northeast (ESRI).

THIS MAP WAS DEVELOPED FOR USE AS A PLANNING DOCUMENT. DELINEATIONS MAY NOT BE EXACT.

HMA HARRALL-MICHALOWSKI ASSOCIATES, INCORPORATED
 RAMDEN, CONNECTICUT November 2007

VI. OFFICE MARKET – DEMAND AND SUPPLY



AT&T/Cingular offices, Butler Street

The market for office space in the greater Hartford/Central Connecticut area presently can best be described as sluggish but improving. The average price per square foot for office space in this area over the past twelve months is quite low when compared to the rest of the nation and the Northeast region as a whole. Manhattan dominates the Northeast office market, both in terms of price and volume of sales, trailed by Boston at a distant second. Office space in Manhattan sells for an average of over \$700 per square foot, and Boston's average price is almost \$300 per square foot. The Hartford market area is too small to effectively compare with these two markets, and is more comparable to places such as Northern New Jersey, the New York City Boroughs, Long Island, Albany and Buffalo. At an average sales price of \$93 per square foot, Hartford's office space price is significantly lower than the national average of \$224 per square foot and the Northeast region average of approximately \$380. However, it should be noted that the massive presence of the Manhattan market and, to a

lesser extent, the Boston market skew the sales price per square foot for office space in the Northeast artificially high. Hartford average sales price for office space has remained relatively flat over the past three years, although an uptick in price was registered between the last two quarters.

As a point of comparison, the price per square foot on Long Island is roughly \$240 per square foot, followed by Northern New Jersey and the NYC Boroughs at \$185 and \$160, respectively. Albany's office space commands \$50 per square foot, and Buffalo is at only \$25 per square foot. In terms of sales volume over the last twelve months, Hartford exceeded the Buffalo, Albany and NYC Boroughs markets, but was far behind the Long Island, Northern New Jersey, Boston and Manhattan markets. In a stark demonstration of Hartford's relatively small market size, the \$299,000,000 of office space sales in the last year in the Hartford area was dwarfed by the \$30,000,000,000 of office space sales completed in Manhattan over the same time period. The difference is a factor of 100 to 1.

It is important to note, however, that the Hartford area twelve month sales volume indicator has risen substantially over the past three years, from roughly \$100 million in the first quarter of 2004 to \$299 million in the first quarter of 2007.

According to listings on the CERC Sitefinder internet resource, there is approximately 314,333 square feet of office space available for lease in Meriden. However, this total includes two properties that are also potentially available for retail uses: 965 East

Main Street (23,920 sq. ft.) and 74-78 South Broad Street (3,424 sq. ft.), as well as 290 Pratt Street (152,760 sq. ft.) which is available for industrial use. When these properties are subtracted out, there is only 134,229 square feet of available office space for lease. Both the average and median asking lease prices for office space are around \$14.50 per square foot in Meriden.

Of the surrounding communities of Berlin, Cheshire, Middletown, Southington and Wallingford, only Wallingford has a large supply of available office space for lease. Wallingford's available inventory is approximately 1.36 million square feet, while the other communities range from 48,000 square feet to 189,000 square feet. Asking lease prices for office space in these communities range from a low of \$8.73 per square foot in Berlin to a high of \$12.75 per square foot in Southington. Lower lease prices in the area, similar regional locations and the large supply of available office space in Wallingford are all competitive constraints for Meriden's office space market.

A. Corporate Office Space Development

The future demand for corporate office space in Meriden is somewhat limited. With a lack of developable land, Meriden is constrained in the amount of corporate office space that it can generate. The City is also too far from both New York City and Boston to capitalize on these markets, although some capture of office space demand due to Meriden's excellent location at the midpoint of the I-91 corridor has happened and will likely continue to occur over the coming years. While Meriden has a locational advantage in being

located equidistant from New Haven and Hartford, as well as between New York City and Boston, the City's ability to supply additional new corporate office space is constricted by the built-out nature of Meriden, which makes it difficult to assemble a large acreage site which could be developed as a corporate campus.

B. Office Space Demand

The demand for office space in Meriden was estimated by utilizing existing employment data, employment projections, existing office space supply within the City and some mathematical analysis of these economic factors. Office space demand was calculated for the years 2005 and 2015 in order to provide an estimate of the amount of office space which could potentially be absorbed over the next decade. These numbers were then compared to the existing supply of office space in Meriden to determine the overall demand for potential additional office space in the City.

C. Estimated Office Space Supply

In the same manner as in estimating the current supply of retail space, office space supply within the City of Meriden was estimated by analyzing tax assessment records. By cross-tabulating the properties identified with "commercial office" land use with gross building area, an estimate of the amount of gross office square footage in Meriden was obtainable. Using this methodology and analysis, it was estimated that there is roughly 2.96 million square feet of commercial office space within the City's borders.

D. Demand Calculations

As illustrated previously in Table 4, Meriden experienced a growth rate of 4.6% between 2003 and 2005. This percentage growth is similar to the other local market area communities of Middletown and Wallingford, and better than the growth rates in Southington, Cheshire and Berlin. According to the State of Connecticut's Department of Labor "Regional Data: Employment Outlook by Occupation, 2002-2012", the South Central Region (of which Meriden is a part) was projected to experience an 8.8% increase in jobs between 2002 and 2012. However, job growth has been relatively slow in this region over the past few years, and the combination of the high cost of doing business in Connecticut, transportation issues and the lack of affordable housing for workers in many industries will likely constrict job growth in south central Connecticut for the foreseeable future. Therefore, a more reasonable job growth rate of 5%, or roughly 1,250 additional jobs, is assumed for the City of Meriden over the next ten years.

To estimate the demand for office space in Meriden, the following formula was utilized:

$$W_i = (Z_i/0.95)(Y_i)$$

Where:

W_i = Demand in square feet in year "i"

Z_i = Occupied space per office employee in year "i"

Y_i = Office employment in year "i"

0.95 = assumption that occupancy rate will be approximately 95%

In order to determine the demand for office space using this equation, the number of office employees in Meriden needs to be estimated. According to 2005 employment data from the State of Connecticut (the most recent year that is available) presented earlier in this memorandum, the employment level in Meriden was 25,067 jobs. By examining this data by employment category, it was estimated that roughly 9,500 of the 25,067 jobs were office jobs. This represents 37.9% of the total jobs in the City. Therefore, the demand equation for the year 2005 appears as follows.

$$W_i = (Z_i/0.95)(Y_i)$$

$$W_{2005} = [(2963654/9500)/0.95](9500)$$

$$W_{2005} = (311.964/0.95)(9500)$$

$$W_{2005} = (328.383)(9500)$$

$$W_{2005} = 3,119,639 \text{ square feet}$$

The demand for office space in Meriden in 2005 was roughly 3.12 million square feet.

Consistent with the projected overall job growth of 5% in Meriden over the next decade, it is assumed that the number of office jobs will also increase by 5% over this time period. Such an increase would result in a total of 9,975 office jobs in Meriden in 2015. Using the previously developed methodology above, the projected demand for year 2015 can be computed as follows.

$$W_i = (Z_i/0.95)(Y_i)$$

$$W_{2015} = (311.964/0.95)(9975)$$

$$W_{2015} = (328.383)(9975)$$

$$W_{2015} = 3,275,620 \text{ square feet}$$

Thus, the difference between the projected 2015 office space demand and the current

estimated office space supply is **3,275,620 - 2,963,654 = 311,966 square feet**. Therefore, the City of Meriden could conceivably absorb an additional 312,000 square feet of office space over the course of the next decade, given the continuation of general current market conditions.

TABLE 20		
Office Demand/Supply Gap, 2005 & 2015		
	2005	2015
Office Demand (sq. ft.)	3,119,639	3,275,620
Estimated Office Supply (sq. ft.)	2,963,654	2,963,654
Demand/Supply Gap (sq. ft.)	155,985	311,966

VII. ECONOMIC DESIGNATIONS AND ON-GOING MAJOR INITIATIVES



Undercliff Property

A. Designations Affecting Future Economic Development

Several economic development designations have the potential to affect the future economic development of the City of Meriden. First, the establishment of Meriden's Information Technology Zone (ITZ) is designed to spur the development of information sector businesses in Meriden. This zone, which begins at the Wallingford-Meriden town line and runs north generally between South Broad Street/Broad Street and Old Colony Road/Cook Avenue through Downtown and up to the Britannia Street/Kensington Avenue area, provides real and personal property tax abatements for 45 different types of companies if these companies locate within the zone's boundaries and complete various dollar amounts of real property improvements. This zone designation has already led to the successful occupancy of space at 500 South Broad Street. However, the ITZ's target area substantially overlaps the boundaries of the

City's Enterprise Zone area, which actually offers better tax incentives for businesses. This limits the impact of the ITZ, and a future strategy for the City should be to reevaluate the boundaries of the ITZ area.

The State of Connecticut's Enterprise Zone (EZ) program provides tax benefits to manufacturing firms, warehousing and distribution businesses, and certain types of service sector businesses that locate in Meriden's Enterprise Zone. The City's own EZ program offers tax deferrals to other property owners who rehabilitate or construct buildings in the Zone and to tenants occupying space in these buildings. The City also offers a Manufacturing Assistance Program (MAP) that provides supplemental financing through qualified lenders for up to \$500,000 to help fund the expansion of manufacturing businesses. Efforts such as these are particularly important in a community where a relative small amount of land is designated for commercial and industrial uses.

B. On-Going Major Economic Development Initiatives

Several future economic development projects



Hub Site (2005)

are already in the planning and development stages. These include the following:

The Hub Site

By the far the most significant and highest profile development initiative underway in the City, the demolition and redevelopment of the Hub Site in Downtown Meriden has the potential to generate substantial economic benefits for the City.

As discussed previously in the Transportation and Circulation memorandum, demolition of the Hub site is complete, and the design element of the redevelopment project is moving forward. At present, three different development scenarios have been proposed by Milone & MacBroom and Metcalf & Eddy, the two engineering firms working on the design of the Hub site. The development scenarios place a heavy emphasis on remedying the flooding problems that have plagued Harbor Brook, but also lay out different options for creating commercial development on the site along with a central City green. One of the key pieces of any development on the Hub site would be the expansion of the existing rail station on State Street into a larger intermodal transportation center in conjunction with the State's planned New Haven to Springfield commuter rail line.

The reuse of the Hub site has the potential to be the linchpin of Downtown Meriden's transition into a transit-oriented "village" style of development. With the addition of the intermodal transportation center, Downtown Meriden would fit many of the criteria that are generally needed for a successful "transit village". It would be centered around a transit

facility, have underutilized or deteriorated buildings within walking distance that can be reused and redeveloped, have a strong residential element in the area (which is found in the neighborhoods immediately adjacent to the Downtown core), have good pedestrian access around the area, and have strong historical and architectural built environment elements. In addition, the City Center Initiative calls for the redevelopment of portions of the area surrounding the Downtown in a manner consistent with many transit-oriented development guidelines and principles.



Lowe's Site (2005)

Lowe's Home Improvement Store – East Main Street

As mentioned previously, a new Lowe's home improvement store is under construction at the former Ames site on East Main Street. The site will include the 125,000 square foot store along with additional new space to accommodate Ocean State Job Lot, which recently re-opened. In addition to adding jobs to the local economy and property taxes to the City, Lowe's will also provide a significant national retail presence along this critical retail strip, as well as diversifying Meriden's retail mix by offering residents the first large-scale home improvement shopping center within

Meriden's borders. This in turn will likely have a positive impact on the marketability of other properties along East Main Street as well as their property values.



MidState Medical Center (2005)

MidState Medical Center Expansion

After completing the \$18.7 million "Pavilion D" expansion and an expansion to existing administrative office space, MidState Medical Center is planning additional expansions to their emergency room facilities. In a relatively short period of time, MidState has rapidly expanded its Lewis Avenue campus, fueling construction jobs and highlighting Meriden as a regional center for medical care. As



Undercliff Property (2005)

mentioned previously, the hospital is in the process of seeking approval for a 100,000

square foot expansion of its emergency department.

Undercliff Property

The Undercliff Property is approximately 103 acres in size and is currently occupied by the State of Connecticut's Department of Mental Retardation and the Department of Public Works. Its proximity to I-691, the Westfield Meriden Shoppingtown mall and other retail development enhance its potential for economic development purposes. The City of Meriden is currently in discussions with the State of Connecticut regarding a possible transfer of the site to City ownership. This site will be studied further by HMA in a future report to analyze the economic development potential that could be realized on the property.

C. Economic Development Opportunities in Meriden

In addition to the economic development initiatives already in the process of being studied, designed or implemented and discussed above, Meriden has several properties/locations where additional substantial economic development could be realized. These sites and their future use are important to the City from an economic development standpoint since Meriden has few relatively large sites remaining for tax base development.



NRG Site (2005)

The Former NRG Site

Located along the north central edge of the City, the former NRG site comprises roughly 330 acres of land. While topographic issues limit the development potential of this site to a certain degree, a study by HMA is currently underway to determine the likely amount of developable acreage on the site and to analyze the economic development potential that could be realized on the property.

The Saab Site

The Saab site is a 50 acre property situated along the Meriden-Wallingford town line between I-91 and Murdock Avenue. The site is currently zoned “M-4 – Planned Industrial”, and has been vacant for some time. Its existing industrial zone designation and its proximity to industrial development over the



Saab Site (2005)

town line in Wallingford make the site a logical location for economic development. However, the present owner of the property is pursuing a plan to develop the property as an auto auction site.



Ives Property (2005)

The Ives Property

The Ives property is a 22 acre parcel of partially wooded, partially open land located along Ives Avenue in the southeastern section of Meriden. Its close proximity to existing commercial and industrial properties on nearby Research Parkway gives the site excellent potential for economic development, and the site is already zoned “M-1 – Research, Development and Manufacturing”. At present, the owner of the property is not willing to sell the property or develop it.



Hall Property (2005)

The Hall Property

The Hall property is a 70 acre parcel located within the triangle formed by I-91, I-691/Route 66 and Preston Avenue. Its location provides excellent access to the regional transportation system. The site is adjacent to an existing corporate office space campus further north on Preston Avenue, making the Hall property a logical site for office or light industrial use. The property is currently zoned “S-R – Suburban Residential”, and is across the street from a newly-constructed, small age-restricted residential community. A zone change would be required to develop the property for commercial use. The western edge of this property abuts the north branch of Spoon Shop Brook and some wetland areas, which could potentially be acquired by the City for flood control purposes. This site will be studied further by HMA in a future report to analyze the economic development potential that could be realized on the property.

The Bilger Property

The Bilger property is located between Westfield Road and the railroad tracks, across the street from the Hunter Memorial Golf Course. Like the Hall property, its proximity



Bilger Property (2005)

to the interstate highway system gives the site a locational advantage in terms of economic development potential. However, similar to the Hall property, the 46 acre site is currently zoned “S-R – Suburban Residential”, yet is located adjacent to other properties already developed for commercial or industrial uses.



Esposito Property (2005)

The Esposito Property

Located near the junction of Oregon Road and Route 70 across the street from Hanover Pond, the 52 acre Esposito property is adjacent to the new Quinnipiac Gorge Trail as well as several residential streets. The site is currently zoned “R-R – Rural Residential”, and is somewhat limited in its development potential due to topography. The surrounding neighborhood is entirely residential, although Oregon Road’s use as a key north-south connection between West

Main Street and Route 70 provides the traffic and transportation linkage to enable some economic development on the site. This site will be studied further by HMA in a future report to analyze the economic development potential that could be realized on the property.

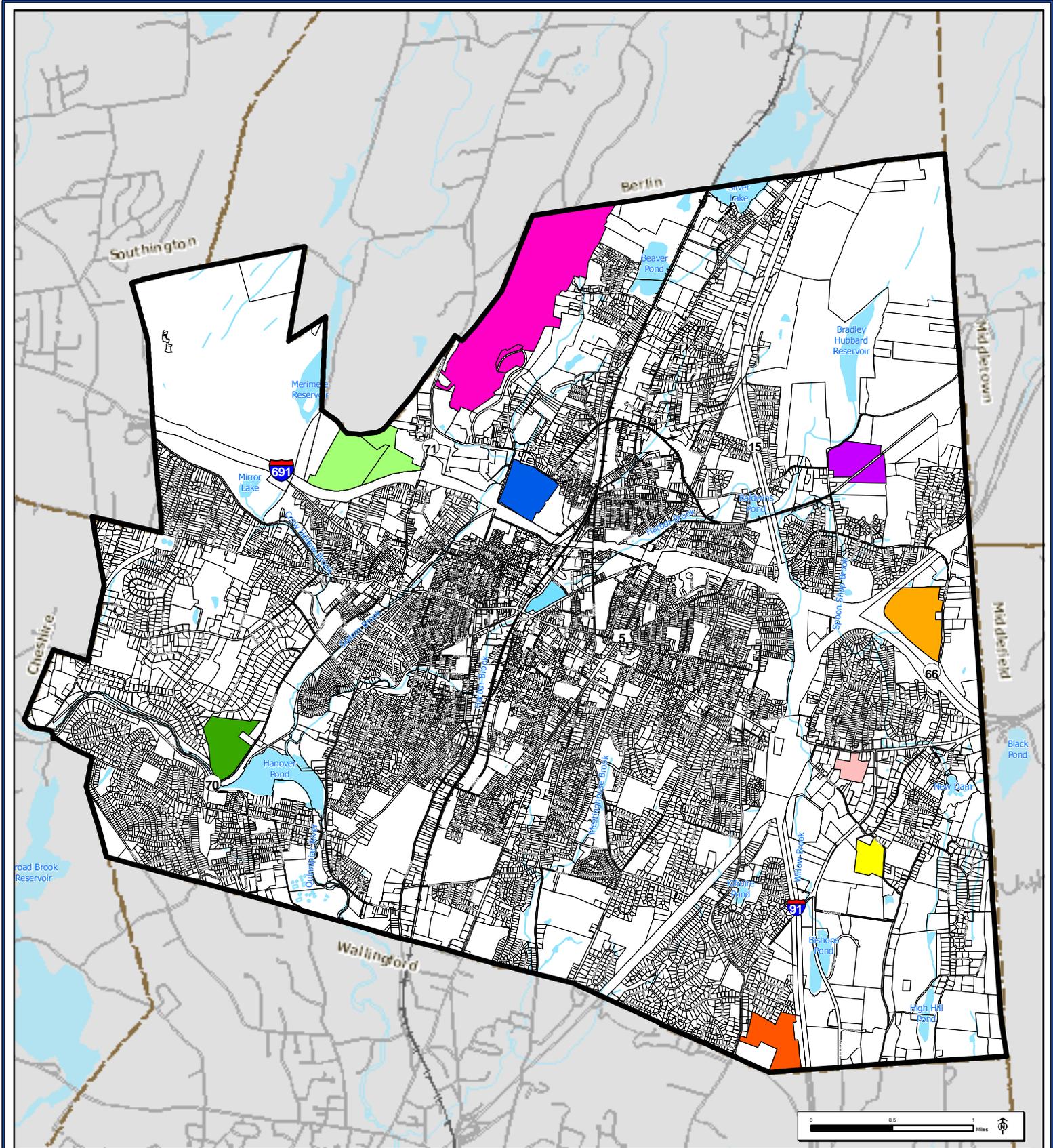
The map entitled *Economic Development Initiatives and Opportunity Sites* shows the locations of the sites and properties discussed in the preceding section.

D. Economic Development Constraints

There are several structural limitations to future economic development in the City of Meriden. First and foremost, Meriden is largely a built-out community; there is little in the way of vacant undeveloped land in the City which is zoned for commercial or industrial use. Therefore, redevelopment activity would be required to transform well-located sites into new activity centers. Second, there is little existing building inventory in Meriden that is ready for immediate tenant occupancy, particularly for office or industrial use. This fact limits business recruitment efforts since it is difficult to find vacant, ready-to-occupy space for potential new businesses. To locate a potential new business in Meriden often requires more effort and more time than in other, less built-out communities. For businesses looking for a quick relocation process, this process may not be attractive.

While there are currently no identified brownfield sites available in Meriden, the City should position itself to be responsive should a new site or sites be identified in the future.

The City should continually focus on stimulating recycling of existing industrial and commercial properties to create inventory, and attracting high value uses that can sustain the higher costs of adapting properties to new uses. Meriden has strong locational advantages in the region but requires commercial inventory to take advantage of this attribute. The next section of this report outlines some of the strategies that the City can pursue to expand Meriden's economic base.



City of Meriden

Plan of Conservation & Development Update



Economic Development Initiatives & Opportunity Sites

Legend

- | | |
|-------------------|-------------------------|
| Bilger Property | MidState Medical Center |
| Esposito Property | NRG Site |
| Hall Property | Saab Site |
| Ives Property | Undercliff Site |
| Hub Site | Lowe's Home Improvement |

Source:
 Taxpayers: City of Meriden Tax Assessor's Grand List (2006).
 Basemap Data: Connecticut Department of Environmental Protection Map and Geographic Information Center.
 Ironmental and Geographic Information Center 1962- 1995.
THIS MAP WAS DEVELOPED FOR USE AS A PLANNING DOCUMENT. DELINEATIONS MAY NOT BE EXACT.

HARRALL-MICHALOWSKI ASSOCIATES, INCORPORATED
 HAMDEN, CONNECTICUT
 October 2007

VIII. ISSUES, GOALS AND STRATEGIES

As a substantially built-out community, Meriden faces the difficulty of creating new areas for economic development and expansion, a significant hurdle for growing Meriden's economy and tax base. One excellent option to overcoming this development deterrent in many communities is reclaiming and remediating brownfield sites. However, at the present time, Meriden actually has few abandoned and identified brownfield sites. The City has conducted a brownfields inventory through the use of a U.S. Environmental Protection Agency (EPA) grant, and there are no current tax delinquent, abandoned or on-the-market brownfields sites in the City other than the Factory H site and the Hub site. Most suspected brownfield sites in the City are still used for some type of industrial or commercial purpose, and are not readily available for remediation and reuse.

The two high-profile sites in Meriden that require remediation, the Hub site (15 acres) and the "Factory H" property (7 acres), are already in the process of being cleaned up. Remediating these sites is a benefit to Meriden's environment and will improve the quality of life for those residents living in proximity to them. Both sites, however, will be primarily used for flood storage areas and therefore have limited development potential. If in the future sites do become available and are definitively identified as brownfields, the City should be prepared to be proactive in securing remediation funding and returning the properties to economic use.

Over the short-term, a more achievable goal for the City would be to focus on identifying, marketing and, in some selected cases, acquiring vacant or underutilized industrial and commercial properties. As noted in the Development Patterns and Trends memorandum, the City only has approximately 353 acres of vacant land that are appropriately zoned for economic development. Of this total, approximately 169 acres are development-constrained, usually due to steep slopes or the presence of wetlands; this leaves only 184 acres of developable vacant land in the City for economic development purposes. The City already has a very active Economic Development office, Chamber of Commerce, and multiple business organizations and commissions that aggressively pursue and promote reinvestment in Meriden. The City should continue to build upon this institutional and private market sector strength.

It has been clearly established that Meriden faces economic development challenges due to a lack of readily available land for development. However, several key sites in the City identified and discussed previously in this memorandum could provide some opportunity for economic expansion. These sites should be studied and analyzed, and if ultimately developed, should be done so in a way that is sensitive to surrounding areas and environmental features and that produces a high-quality product. Continued infill development along established commercial corridors, where feasible, should be an on-going strategy for the City as well. The physical enhancement of industrial and

commercial areas, via improved streetscapes, better and more attractive signage, proper access management and road maintenance should be pursued to show that the public sector is willing to make an investment in these areas that matches private reinvestment in properties. Continuing to assist businesses in expanding when needed, keeping such businesses in the City, and recruiting new ones to enter Meriden's economic mix will also be vital in maintaining Meriden's economic base.

Small cities around the country such as Meriden are discovering that being a successful small city often hinges on the strength or weakness of the community's Downtown area. The City of Meriden, as well as both the public and private sector, has taken a number of intelligent and aggressive steps to improve the Downtown area, with projects and initiatives such as the Hub site redevelopment, the City Center Initiative, residential and commercial rehabilitation and the relocation of Middlesex Community College to the Downtown being critical to spurring reinvestment in the City's center. Downtown development should continue to be the cornerstone of economic development in Meriden over the coming years, particularly by way of the unique opportunity to pursue transit-oriented development and the "transit village" concept with the redevelopment of the Hub site, the initiation of the New Haven to Springfield commuter rail service, and the implementation of the City Center Initiative program.

Finally, it should be recognized that the older models and strategies for economic

development are in the process of shifting and changing. It is often not enough for a community to simply try to lure businesses and jobs to locate within its borders. While this approach is still important to build the economic base, it is just as important to develop a supply of educated and highly skilled workers who, by their very presence in the community, will attract high-end businesses and industry. Meriden should make efforts to create such a workforce by attracting educated and skilled workers to the City by highlighting and marketing the many positive features of Meriden, and should also strive to produce highly skilled students from within its school system. These students will constitute the future workforce of the City, and the skill sets that they acquire while in school will ultimately determine the types of businesses that will choose to locate in Meriden. Transit-oriented development Downtown should include residential development that would attract a young, skilled workforce.

The 1985 Plan provided a number of general and specific economic goals and objectives for the City of Meriden. These included the provision of well-defined commercial and industrial areas; the encouragement of use or re-use of appropriate land parcels and buildings for economic development purposes; full development of the then-vacant Research Parkway area; expansion of industrial use areas between North Colony Road and the railroad tracks; infill development of office and research facilities; limiting strip-style commercial development from encroaching on residential neighborhoods; enhancing the Downtown

through commercial development; reducing the extent of some commercial zones along West Main Street, South Broad Street and North Colony Road; designating properties such as vacant land along Murdock Avenue, the Undercliff property and the State Police property on Route 66 for regional development; and creating an R-D Regional Development zoning designation. Many of these goals, most notably the development of Research Parkway, have been accomplished over the past 22 years. Others, such as the revitalization of Downtown and the development of the Undercliff site, are works in progress.

In 2004, the Connecticut Economic Resource Center (CERC) conducted an Economic Development Study for the City of Meriden. Section 8 of this study provided a list of programmatic and land use recommendations related to business development, property availability, and general economic development issues. These recommendations are still germane to Meriden's current economic situation and should be incorporated as part of the Plan of Conservation and Development. The Recommendations section from the 2004 CERC study is attached as part of the Appendix.

The following goals and objectives are designed to provide guidance for Meriden's economic development efforts over the next 10 years:

GOAL #1: Identify, market and, in some selected cases, acquire vacant or underutilized industrial and commercial properties.

Objectives:

- Work with individual property owners to identify and overcome land use or other issues which may impede the development of vacant parcels. Issues of focus should be those the City may impact through the change of municipal policies or through the use of public programs and subsidies to spur development.
- Although the City's recent EPA-funded brownfields inventory conducted by a qualified consultant found that the city has a very limited number of brownfield properties, the City should continue to investigate properties that may become available for development and explore any brownfields-related issues. If existing, the City should assist owners and developers in using public programs for remediation.
- Assist developers in conducting site assemblage of smaller vacant and underutilized parcels to create larger, more marketable development sites in areas such as along East Main Street, South Broad Street and the Berlin Turnpike.

GOAL #2: Strengthen and enhance the commercial corridors in Meriden to create critical densities of economic development in established corridors and build the City's Grand List by continuing to aggressively promote and encourage commercial infill development in these areas.

Objectives:

- Corridors of particular focus should be East Main Street, West Main Street, South Broad Street and Chamberlain Highway, where a planning has already been conducted.

- Build upon existing clusters of uses in specific areas (retail, office, hi-tech) when marketing the corridors and recruiting new businesses.
- Coordinate design and access management for infill development along commercial corridors. Ensure that quality development occurs in these areas.
- As a planning and zoning policy objective, prevent the fragmentation of existing commercial corridors by non-commercial uses to preserve as much land as possible for economic development.
- Consider modifying the City's zoning regulations for industrial zones to permit a wider array of commercial uses to help maintain existing industrial properties as sites for economic development.

GOAL #3: In addition to efforts geared toward attracting businesses and jobs to the City, place emphasis on attracting skilled workers to Meriden and, via the Meriden school system, producing future workers with the skill sets needed to flourish in the 21st century global economy.

Objectives:

- Encourage and expand current linkages between educational institutions and local businesses to tie students' educational experience to real-world employment and economic situations.
- Reassess the target area of Meriden's IT Zone to include additional areas that lie outside of the Enterprise Zone boundaries. Expand boundaries to include areas where IT clusters are already located. Aggressively market the IT Zone tax benefits and the City's loan financing to lure hi-tech firms to Meriden.

- Consider expanding the City's MAP loan program to include IT companies.
- Utilize Meriden's relatively affordable housing stock, access to regional transportation networks, proximity to prestigious colleges and universities and central geographic location as salient points for marketing Meriden as an attractive place for hi-tech businesses.
- Work with other cities and towns in south central Connecticut to further strengthen a regional market for high-tech firms.

GOAL #4: Place strong emphasis on developing the "creative economy" in Meriden, centered around arts, culture, education, the non-profit sector and entrepreneurship.

Objectives:

- Promote the continued development and expansion of community assets such as Middlesex Community College.
- Support the development of a Phase I Arts Facility, as proposed and discussed in the Meriden Arts Study conducted by Hunter Interests, Inc., offering space for a variety of different art media, to further develop the nascent Meriden arts community.
- Encourage additional development of loft-style housing units, gallery space and studio space in Meriden, particularly in the Downtown or in the future redevelopment of the Hub and the City Center Initiative target areas, to promote the growth of the arts community and young business professionals.

- Work with local arts, music, cultural and philanthropic organizations to coordinate the existing assets and needs of the creative community to develop a framework for action for expanding the creative community and economy in Meriden.

GOAL #5: Pursue economic development objectives for already identified potential development sites to create sustainable, high-quality commercial, office and industrial space that is designed in a manner that maximizes tax revenue while being sensitive to surrounding neighborhoods and environmental assets.

Objectives:

- Continue the process of acquiring the Undercliff site from the State of Connecticut for economic development purposes and the redevelopment of the Hub site and the larger area to the north as specified in the City Center Initiative.
- Study the other potential economic development sites discussed previously, such as the Hall property and the NRG site, to determine if economic development of each is feasible and, if so, to what extent and for uses each should be developed.
- Insist upon high-quality, innovative physical design in the economic development components of each of these sites that maximizes tax revenue, limits traffic impacts, protects and retains important natural features and blends harmoniously with the surrounding neighborhood.

GOAL #6: Make redevelopment and reinvestment in Downtown Meriden the

cornerstone of the City’s economic development efforts.

Objectives:

- Continue to pursue the City Center Initiative, the redevelopment of the Hub site, and other on-going projects in the Downtown area that will strengthen the built environment as well as draw in residents, shoppers, visitors and commuters.
- Redevelopment of the Hub site should focus first and foremost on solving the Harbor Brook flood control issues, followed by solidifying the Downtown center through the creation of a central green space/public use area, positioning the Downtown to capitalize on multimodal transportation opportunities by way of rail access and the development of new transit facilities, and creating development “pads” that will provide space for new economic development opportunities in the center of Downtown.
- Continue to work with applicable organizations and governmental agencies to bring commuter rail service into the Downtown, and develop plans to capitalize on its presence.
- Encourage a mix of higher-density housing types in the Downtown, particularly in mixed-use buildings, to create a critical mass of residents in the area to support local businesses and stores.

GOAL #7: Continue to strengthen efforts in the areas of business recruitment, business retention, and expansion of existing businesses in Meriden.

Objectives:

- Continue to provide the resources to maintain a vibrant economic development marketing and promotion effort via the Economic Development Office.

GOAL #8: Enhance the physical attractiveness of commercial and industrial areas.

Objectives:

- Review existing applicable regulations, such as signage and landscaping requirements, to gauge their impact on the physical design and appearance of Meriden's economic generation areas. Make appropriate changes to these regulations where necessary.
- Present an attractive and inviting physical environment for businesses and their employees. Highlight the fact that Meriden is a physically appealing place to do business.
- Develop a façade improvement program for the Downtown business district utilizing a combination of loans and grants to improve the physical appearance of Downtown properties while spurring individual owners to invest in their respective properties.
- Create a new City program similar to the existing C.I.D.E.W.A.L.K. program to focus on improving sidewalks in commercial and industrial areas, where needed.

APPENDIX

CERC Ec. Study
Dev 200 A

8. Recommendations

A successful business strategy requires a range ongoing methods and procedures that are coordinated to assist the existing businesses within the City.

It requires the implementation of a range of polices, procedures and regulations that continuously improve the City's business climate.

An economic development and business retention strategy should reflect the needs and priorities of the community. The top economic development priority in Meriden is job creation and retention, followed closely by enhancement of the tax base.

The economic development priorities are reflected in the following recommendations for the City's business retention effort. These recommendations have been categorized into three groups; business development, property availability and general recommendations. The business development recommendations include direct business assistance. The property availability recommendations present ways in which the supply of property available for business retention and economic development can be increased or utilized more efficiently, and the general recommendations address a range of other issues that impact the economic competitiveness of the City.

1. Business Development

a. Business Assistance – Procurement

Many small businesses within the City face challenges in procurement of clients. The Economic Development Office can assist these businesses in the following ways:

- Provide information and technical assistance in the form of seminars or written material concerning government procurement.
- Act as a clearinghouse for private sector procurement that may be of advantage to Meriden companies. This will be particularly valuable for the firms within the identified clusters.

- Help plan and coordinate the marketing of “Buy Meriden” campaigns and promotions. This does not have to be limited to retail as it can include business to business transactions.

b. Establish Cluster Working Groups

An industry cluster is a geographic concentration of companies and industries that serve similar customers, have similar products, and are impacted by a common set of economic and geographic forces. Many states and regions, including Connecticut, have found the “Cluster Concept” a useful economic development tool. The use of the cluster concept is a public – private cooperative effort to identify the specific issues and problems confronting the group of businesses within the cluster, and take common action to benefit all of the businesses.

The State has an active cluster program, which includes nine separate industry groups. The concept is also useful at the local level in business retention, as businesses within these groups can work with each other on mutually beneficial efforts, as well as work with the City to identify issues, problems and solutions that may benefit the businesses within the cluster.

We have identified the following potential industry clusters within Meriden:

- **Medical and Health Services**

Employment within this industry within the City has been growing. This industry also serves a regional client base. Mid – State Medical Center is the foundation of this local cluster, with many of the other health care providers having a functional relationship to the hospital.

- **Manufacturing**

Meriden grew and prospered as a manufacturing city during the 19th and first half of the 20th centuries, and the physical characteristics of the City today reflect this economic heritage. Manufacturing has declined in importance in Meriden over the past several decades, an economic trend that mirrors that of the State.

However, despite the decline in relative importance, manufacturing remains an important component of the Meriden economy. The City's location and labor force offer locational advantages that indicate that manufacturing can continue to be economically viable in Meriden. However, there is an element of fragility to manufacturing throughout Connecticut, and Meriden manufacturers may benefit from the cluster approach to formulate strategies that would address the concerns of this sector.

All the manufacturers probably have some common concerns, but different sectors may have some specific problems or concerns. The key manufacturing sectors in Meriden include transportation equipment; primary metals; and industrial machinery and computer equipment.

- **Retail**

The data shows that Meriden is unique amongst the other urban centers of Central Connecticut, in that it has maintained its role as a regional retail destination. This is due to the presence and periodic growth of Westfields Shoppingtown, which attracts shoppers throughout central and southern Connecticut.

The merchants within the mall essentially function as a cluster, as they have coordinated marketing and common services. However, there are other existing and potential retail areas of the City that may have the opportunity to draw upon the retail traffic to the Mall and capture a greater share of regional retail dollars. These areas include existing and potential retail development on the Chamberlain Highway, near the Westfield Mall, Downtown, South Broad Street and East Main Street areas.

- **Tourism and Hospitality**

Tourism and hospitality is one of the state cluster industries. Although Meriden may not be considered a conventional tourism destination, its crossroads location has led to the development of hotels and motels, many of them centered on the area around the East Main Street interchange of Interstate 91 and the Wilbur Cross Highway. Several major hotels are located within this area, including a

recently redeveloped property. However, the hospitality facilities are not limited to this area, as a new motel is under construction on North Broad Street. The recent re-opening of the movie theatre may also strengthen this cluster group.

- **Computer and Data Processing**

This appears to be a growing component of the City's economic base. The Information Technology Zone appears to be aiding in the growth and development of these industries.

The specific needs of these clusters should then be identified by working sessions of each cluster group. These needs could include specialized training, joint marketing or some other business cooperation, enhancement or advocacy for regulatory or policy change on the State and local level. Each group would prepare an initial report to identify its needs, and how the City may be of assistance.

c. Small Business Assistance Center- Technical Assistance

A series of targeted training programs should be established for the owners and managers of small businesses in Meriden. The City should work with the Chamber of Commerce, Middlesex Community College, Smart Start and other potential training and technical assistance partners to establish the program that can offer "one stop shopping" to small and start-up businesses on an ongoing basis.

Programs can be designed to address the following needs:

- Potential entrepreneurs may require technical assistance to start a business, or small business owners may need specialized assistance in accounting, data processing or other skills. The program should be multi-lingual to address the needs of the various members of the business community.
- Provide information for the needs for permitting, and licensing through the Connecticut Business Response Center.
- Serve as a clearinghouse for management consultants.

- Sponsor or conduct business seminars the showcase methods to improve business operation or cut costs.
- Exporting opportunities, including participation in trade shows and technical assistance on how to export.

The technical business assistance should be available on an on-going basis.

d. Small Business Assistance Center- Financial Assistance

The Meriden Manufacturing Assistance Program (MAP) provides financing assistance to manufacturing business. However, there are small, non-manufacturing businesses in Meriden that may have problems accessing financing, or may be unaware of the options available to them.

There is a network of banks and private non-profit lenders that are able to provide an array of financing to meet the needs of the small businesses. However, many small businesses may be unaware of these options, or be reluctant to take advantage of the available financing. This may be due to uncertainties about the overall economic future, lack of time on the part of the entrepreneur to plan for future expansion, or unawareness of the range of resources.

The City, in cooperation with the Chamber and local private lenders should continue to make these businesses aware of these opportunities. The other recommendations cited here, including email news and business visitation would be helpful in this effort.

e. Main Street Program

The city, in cooperation with downtown business interests, should begin the process toward the initiation of a Main Street Program. The Connecticut Main Street Center follows a national model called the Main Street Approach to Downtown Revitalization. Developed by the National Trust for Historic Preservation, the program advances economic development within the context of historic preservation and advocates public-

private partnerships to ensure lasting success. It is based upon a four-point approach to increasing the value of a community's central business area: organization, promotion, design and economic restructuring/business improvement. Even if the City does not become a formal participant in the Main Street program, the overall approach is invaluable for downtown revitalization.

2. Property Availability

Property available for development is crucial to business recruitment, but it is also important for business retention. Growing businesses need space for expansion, or should relocation be necessary, property is needed on which to locate the business. As there is a limited supply of land available for development in Meriden, an effort is needed to ensure that this land is made ready for development.

a. Regulatory

The City zoning regulations have been amended periodically. However, it would be beneficial to have the regulations within each zone reviewed to assure that they permit and encourage the type of economic development desired by the community. The regulations may in some circumstances permit uses and designs that may not be appropriate in some of the zones.

b. Chamberlain Highway – Westfield Mall Area

The Westfield Mall is a major regional shopping destination. However, unlike other regional shopping malls there has been little spin-off retail development, until recently. Regional malls are traffic generators that usually attract retail development to nearby parcels. Local examples of this include the Connecticut Post Mall in Milford, and the Westfarms Mall in West Hartford – Farmington.

The City has been involved in a planning effort to provide for more commercial development in the Kensington Road area, just west of the mall. The planning is considering a range of potential recommendations to facilitate the sound development of

this area, including the provision of centralized parking. This planning effort should be completed, and the land rezoned to implement the plan.

c. Center City Initiative

The Meriden Economic Resource Group, in cooperation with the City, is currently involved in a major planning effort to promote the redevelopment of the “Hub” and nearby properties. This program could result in significant economic development, by eliminating the flooding problem in the downtown area, improving access to downtown, physically improve the area, and provide suitable locations for new and expanding businesses. The implementation of this project can enhance business retention efforts by providing an attractive location for an expanding business. It would also improve the image of downtown and the entire City.

d. Review of Land Use

Questions have been raised concerning the potential economic development of residentially zoned property. In addition, the specific zoning regulations of commercial and industrial properties may no longer be conducive to future economic growth, and may need to be re-examined.

The most appropriate venue for the reconsideration of land uses would be the update of the City Plan of Conservation and Development. A full fledged update would be an expensive and time-consuming process, but the City could undertake an initial step that would be oriented towards consideration of additional economic development opportunities. Key properties with some potential for development or redevelopment could be analyzed to determine their most appropriate use. This Targeted Development Analysis would start by identifying the key areas where significant development or redevelopment would be possible. The process would then identify the strengths and limitations to the development of these properties, and identify the most appropriate potential uses for these properties.

e. Establish Data base of property available for development or re-use.

All commercial and industrial properties within the Town should be inventoried. The information should be updated on an ongoing basis by the economic development department. The database should include type of property, use or vacancy, owner, contacts etc. It could be used to respond quickly to requests by prospective businesses and developers.

The database should also include an inventory of vacant or otherwise developable property. This could be used in the planning process described above, as well as to respond to potential users or developers. The inventory could include:

- All undeveloped and vacant properties with commercial or industrial zoning;
- Commercial/industrial properties that include land in excess of the requirements of the existing level of development;
- Commercial/industrial properties that may be redeveloped, including brownfield sites

The inventory would include street address, assessor's identification, owner, owner address, parcel size, zoning, assessment, presence of wetlands, potential or known environmental contaminations, floodplain aquifer protection areas, and utility availability. This information would be very helpful in all of the Town's planning efforts.

f. Use of State Property

The property known as the Undercliff property is owned by the State and is currently unused. This property is adjacent to Interstate 691 just off of the Chamberlain Highway. One section of the property should be preserved as open space, but the remainder of it would be suitable for economic development. The City should work with the appropriate state officials to have this property made available for economic development.

3. General

a. Business Visitation

The Economic Development office should expand upon the business visitation program. Currently, a team of public officials, including elected and staff officials, visit the major

companies in the City. This is very beneficial in that it demonstrates the City's commitment to its business community and helps foster a spirit of cooperation.

The business visitation program should be enhanced to become a more systematized means of communication and a method to monitor the needs and concerns of the businesses. The City and its economic development partners would then have the opportunity to address those needs, whether it is some work force training, street repairs or regulatory issues. The visitation program is also an effective way to help determine if a business facility has expansion plans, or is in danger of closing or downsizing. If there are expansion plans, staff will have the opportunity from an early point to help them expand within the City. If there is the possibility of relocation, or contraction, a visitation program can sometimes address the problems early, to prevent this from occurring.

An expanded business visitation program is needed. There are approximately 50 businesses in Meriden with 50 or more employees. The business visitation program should strive to visit each of these businesses over a two to three year period. A visitation program that includes these businesses would encompass the broad range of businesses that encompass the existing economic base of Meriden. An interview form should be used, to assure that all the information is obtained. Each interview should receive a follow-up contact; whether it is in response to a question, issue, or complaint. These should be tracked.

The business list can be used to track contacts. Additional columns may be added that indicate the date of initial contact, whether follow up actions are needed, and the date of follow-up contacts.

b. Workforce Training

There are a number of organizations engaged in various aspects of workforce training in Connecticut. The Meriden Business and Learning Center was established as a partnership for adult education. These efforts should continue and expand as needed with ongoing coordination amongst the service providers.

c. Upscale Housing

The City has a large supply of affordable housing. This is beneficial for economic development purposes, as it is a factor in the availability of a work force needed by the businesses and industries of Meriden.

However, to achieve a more balanced housing inventory, Meriden needs development of more housing oriented towards higher income groups. This would provide housing for managers and professionals of the businesses in the Town. It would also increase the potential customer base of city retailers.

Overall perceptions of the community, lack of available land and overall market factors have contributed to the lack of production of this type of housing. However, there are opportunities for this type of development in the City:

- ***Downtown Housing – Mixed Use*** High quality multi-family housing in and around the downtown area would greatly contribute to overall revitalization efforts. The housing developed here can be of a relatively high density, but must be of a high level of design and quality. It can be made part of a mixed use development, with commercial uses.
- ***Empty Nester Housing***. There is a growing demand for housing oriented towards the aged 55 and over market. Many of these potential residents may prefer an urban setting. Properly designed, located and constructed developments for these potential residents would also diversify the City's housing stock, and increase the potential commercial base.

d. High Speed Communications

High speed communications is critically important to all categories of businesses. Many existing businesses require high speed communications to continue to evolve and be profitable.

The City should continue to work with the providers of high speed communications to ensure that the major commercial and industrial areas of the City have access to these

facilities. In addition, the City should actively pursue the establishment of wireless information technology facilities downtown to enable it to become a “wi-fi”

e. Business Appreciation Events

It is important that there be a regular, visible official city appreciation of the Meriden Business community. This is best done by an annual event, in which a series of awards are presented by the Mayor, on behalf of the City to various Meriden businesses. The process should be well publicized, with an inclusive nomination process, and formalized presentations. The awards can include those businesses that have grown, shown the greatest civic responsibility, contributed most to the community, best new business, best small business, etc.

f. Continue and Expand the Recently Established E-News for Economic Development

The recent beginning of the E-News for Economic Development is an excellent way for the city to communicate directly with the real estate and development community. The first E-News was oriented towards members of the development community. An additional E-News should be distributed to members of the existing business community. This would offer an excellent method to educate the members of the community about all the business assistance activities that are available. It can also include success stories of cooperative efforts, and offer the businesses the opportunity for direct feedback or contact with City officials.

The City should obtain the email addresses of as many businesses as it could. This could be done by placing an article in the newspaper, or mailing post cards asking for an email address.

g. Public Relations – Continue to Improve Meriden's image.

Image is important to the economic and community development efforts of a community. Unfortunately, the poor image of Meriden was mentioned by many as a weakness in the ongoing economic development efforts.

Meriden's image problems include the following:

- Apparently, residents and some local business people have an unfavorable image of the City, and that may have a tendency to pervade discussions of policy.
- The presence of a strong local media was mentioned as both a strength and weakness of the city. It is an obvious strength, as there is more news and information about the City and the Region. However, some interviewees expressed the opinion that the negative reporting portrayed the City poorly.
- The potentially unfavorable image of the City to people from out of town is apparently limited in scope, as Meriden continues to attract people from throughout the region to shop and use the medical services and facilities.
- There have been significant physical improvements to the City in recent years, such as South Meriden and East Main Street. However, certain areas of the City, such as much of the downtown area, still suffer from physical deterioration, and convey a poor image of the City.
- A strong positive image of the City would greatly enhance business retention efforts. Businesses have grown and expanded within the community, but if the business-owner has a poor image of the City, he/she is more likely to move if expansion is needed.

The City has been engaged in a public relations campaign, aimed at marketing the City and improving its image. It would be prudent to re-evaluate this campaign to determine if it has been effective in the ways that were intended.

h. Market the IT Zone

The IT Zone offers important incentives to prospective businesses, and can be an important factor in the Town's economic development. The Town should initiate a targeted marketing program to prospective information technology companies both within and outside the City. This should include a marketing plan that would identify potential IT users within the Greater Meriden Region, analysis of the needs of these companies and a potential marketing approach to these companies.

i. Parking

The availability of parking is an issue for the business downtown, and to a lesser extent, some other areas of the City. The City should formulate a parking plan that is part of the comprehensive plan and vision for downtown. Additional surface parking that is made available due to the demolition of buildings may not be the most appropriate response to the problem. A parking study is needed to identify the supply, ownership and level of utilization of on and off street parking within the downtown area. The inventory should include areas that may be used for parking, as well as areas under-utilized due to design or safety consideration.

The result should be the formulation of a parking plan that emphasizes use and management of existing resources and includes recommendation for design lighting and sign improvements to more effectively use under-utilized facilities. The plan also should include recommendations for management and ownership.

j. Transportation

Meriden is fortunate to be well served by a regional highway network. The City is regionally accessible by limited access highway to points throughout Central Connecticut. However, there are other elements of the City transportation system that need improvement to serve existing and potential businesses.

Bus System The City is served by three Connecticut Transit routes that converge on downtown. The routes serve the major employment areas of the City. However, the service ends at 6:00 PM, which limits its utility serving employers that have schedules past 6:00 PM, such as Westfield Mall and Mid - State Medical Center. Evening bus service would also better serve the downtown facility of Middlesex Community College.

Railroad Meriden is served by a downtown railroad station, but its utility to City businesses is somewhat limited. Its most significant benefit to business at the current time is for local business people with meetings in New York, or somewhere else along the main Amtrak corridor.

The Connecticut Department of Transportation is undertaking a feasibility study of commuter rail service along the New Haven – Hartford – Springfield corridor. The institution of commuter rail service along this corridor, through Meriden can be very beneficial to the businesses community as well as the residents of the City. The rail service would give downtown Meriden a unique regional access in that by providing an alternative means of commutation into the City, it could expand the potential labor pool for employees. Commuter rail service would also assist downtown revitalization efforts.

Multi-Modal Access The efficiency of a transportation system can be improved by a strong emphasis on the coordination of the different modes of transportation, such as bus, railroad and automobile. This coordination could include scheduling and improved facilities designed to enable the transfer from one mode to another. The construction of a new railroad station can be designed to be such a multi-modal center as a point that enables riders to switch transportation modes.

k. Incentives – Existing Businesses

The City of Meriden has a wide range of incentives for different types of businesses seeking to locate or expand within the City. The City economic development office fully utilizes state programs, as well as the municipal programs that have been established to meet the needs of the City. However, programs and incentives for existing businesses that do not have expansion plans but just want to maintain the status quo are not available. This situation is by no means unique to Meriden. There are few communities that have such programs.

The incentives need not be tax based. Some other incentives that may be explored include:

- Public Infrastructure maintenance and improvement. The Director of Public Works has worked with City businesses to establish a relationship with the physical facilities staff to resolve potential problems with drainage, road surface, etc. This could be expanded to a formalized program in which the City would contribute resources to resolve related problems and issues, even if they are not technically the responsibility of the City.

- Financing The city could work with private and non-profit lenders to provide financing assistance on the acquisition of private property for eligible businesses. This could involve working with non-profit financing providers as well as other private financial institutions to create a pool of financing money to assist in the retooling and expansion of existing businesses within the City.

l. Incentives – Service Sector

The City has been targeting manufacturers through the Manufacturers Assistance Program. Certain service businesses have also received incentives by locating within the Information Technology Zone. However, the opportunity for incentives for service businesses elsewhere is limited. The City should consider broadening its base of incentives to include a range of service based businesses.

m. Economic Development Entities

Municipal economic development efforts are often aided by private, non-profit development corporations with close ties to the municipality. Meriden has had the benefits of the efforts and resource of the Meriden Economic Development Corporation, (MEDCO) and the Meriden Economic Resources Group, (MERG). MERG's work has been focused on one project, the Center City Initiative. This is an important redevelopment initiative, but there may be other opportunities for the functioning of a development corporation. For example the development corporation may acquire tax delinquent downtown properties, and prepare them for redevelopment.

Consideration should be given to having MEDCO and MERG merge activities and have a more active role in the redevelopment of key properties within the City.