

# **Business Land Evaluation**

## **Colchester, Connecticut**

**May 2005**



Economic Development Analysts & Strategists

# **Business Land Evaluation Colchester, Connecticut**

## **TABLE OF CONTENTS**

<b>Section</b>	<b>Page</b>
Executive Summary	1
Introduction	5
Analysis of Development Trends and Data	6
External Trends and Forces	6
Internal Development Trends	13
Potential Types of Development	24
Assessment of Existing and Proposed Business Areas	32
Estimates of Land Needed for Business Development	36
Conclusions and Recommendations	42
Appendices	
A. Colchester Traffic Counts	
B. Colchester at a Glance Data Table	



Economic Development Analysts & Strategists

# **Business Land Evaluation**

## **Colchester, Connecticut**

### **Executive Summary**

This report assesses the future demand and location of land intended for business development purposes in the Town of Colchester, Connecticut. The conclusions and recommendations presented are based on careful study of the Town's current development trends and a projection of what those trends will be in the future. The report also positions Colchester's consideration of its economic development future in terms of current competitive trends in the economic development business.

The following summarizes the findings, conclusions and recommendations in this report:

- There is ample evidence demonstrating Colchester has been, and will continue to be a highly desirable community for new families, especially younger ones with good jobs and above average disposable income. These families will create increasing demand for locally available goods and services. The growing population will also provide an expanding labor force, many of who will need to out-commute unless new jobs are created in Town. This sets the stage for increased development of other types of businesses besides retail and personal services.
- Increasing population growth will also create additional pressure on the Town's budget for more municipal services, in particular, education. Colchester's growth planning and management must seek to provide an appropriate balance between preservation of its small town, New England character and needed economic development to pay for community services and facilities in the future.
- Colchester will be a strong location for locally needed retail and personal services and will continue to develop as a strong, regional hub for retail, personal and business services. The Town is also well-situated to function as a location for distribution uses in the immediate area. There will be a smaller demand for sites for offices, manufacturing and the hospitality industry, although this demand may strengthen over time as competing developments in the region are fully developed. To capitalize on these opportunities, Colchester must provide attractive, well-

---

planned, mixed use locations that can house a wide variety of businesses in the same area.

- The primary forms of business development in Colchester in the immediate future will be retail and services (both personal and business); these will generally be small in size, although high traffic counts on Route 2 will make Colchester desirable for one or more "big box" retailers. There will be scattered industrial or distribution projects if suitable sites (in terms of size and infrastructure) are available; these will be small to medium-sized and may occupy multi-occupant, flex-space buildings.
- The longer term will see a continuing demand for retail and service space to serve a growing local and regional population. Again, if a suitable business park environment is created, there will be some activity in the industrial, distribution, office and hospitality markets. As local and regional population grows and provides an expanded labor force, and other business parks in the region are developed out, Colchester may see increased demand for somewhat larger facilities.
- Recent levels of demand are not indicative of Colchester's potential. In part, the recent recession and lingering slowdown have limited demand and resulted in few projects. Perhaps more importantly, a known lack of available, zoned and serviced land, competing land elsewhere in the region and a perceived anti-growth image have all discouraged real estate brokers from considering Colchester for their clients.
- The Town should plan for an inventory of 400 acres of land for retail, services, office and other commercial uses over the next 20 to 25 years. This type of development can occur equally well in a variety of locations in Town depending on the nature of the specific project. In general, traffic counts, traffic congestion, access to labor and the potential of public water and sewer mean this development will radiate from downtown Colchester along routes that parallel or intersect with Route 2 and the northernmost part of Route 11. A small amount of this type of development may occur in Westchester, but this will primarily be conversion of space already in business use to new purposes to meet the needs of residents living in or nearby the area, or to capture drive-through traffic on Route 16. Any large retail facilities should be located in close proximity to a highway interchange to minimize traffic congestion on local streets.
- The Town should plan for an inventory of 250 – 300 acres of land for manufacturing, distribution, larger office, R&D and hotel use. This will meet the community's needs for the next 25± years. While some of the smaller projects of these types can be scattered throughout the community in existing zoning districts suitable for these uses, Colchester needs one or more well-planned, good quality, mixed-use business parks of substantial size to allow a clustering of these uses. Creating this type of environment will be especially important if the Town is to have

---

any significant chance of capturing research and development facilities, which we have been told is desired. Such an environment will also be necessary to facilitate diversification of Colchester's economic base away from an over-reliance on retail and personal services.

- The recommended supply of land for business development in the two prior paragraphs totals 650 – 700 acres. Given that the reported supply in town of undeveloped land considered most developable in Commercial, Industrial or Transitional Business Zones is only 459 acres, and some of this acreage is not available on the market and may not be in the foreseeable future, it is obvious that Colchester needs to expand its inventory of available sites, in particular in a business park environment.
- The Town has been considering two areas for such business park development. In our estimation, and subject to the detailed land analysis being prepared by the Environmental Review Team, the proposed Business Park East area is superior to the proposed Business Park West Area due to better, 4-directional highway access, larger size and fewer owners, lack of limitations from the Aquifer Protection Zone, and likely lower opposition from neighborhood residents.
- Additional engineering study should take place to determine the feasibility of extending public water and sewer to the Industrial district associated with Exit 16 of Route 2 (the North Westchester area). The trunk sewer line from East Hampton passes through this area already. Consideration should be given to expanding this area south of Westchester Road, east of Cato Corner Road and west of Route 2 where there are large blocks of land relatively free of development constraints.
- Our inspection of the Town did not reveal other large land areas we consider to be more suitable for business development in terms of adequate road access and public utilities.
- Primary development areas should be zoned to allow a broad mixture of uses except in sensitive areas such as the downtown historic district and the Westchester Village Center, which should be limited to retail, service and small office uses. Avon Park North and South is a good example of a quality and complementary mix of manufacturing, distribution, office, R&D, sales, service and retail uses, all in the same area.
- Consideration should be given to rezoning land adjacent to arterial roads for business and commercial uses. As traffic on these roads increases over time, these areas will become less desirable as residential areas, but more desirable for businesses. The Town of Farmington had the foresight to do this, has attracted quality businesses, and now has one of the lowest effective tax rates.

- 
- Downtown Colchester can be positioned as a dining area for the region by growing the already existing cluster of restaurants. Downtown Colchester has enough critical mass of businesses and its historic character and architecture are a strength that will attract both local residents and visitors, so that the downtown is positioned to become even more successful in the future. A niche development strategy focusing on additional dining opportunities would both meet a local need reported in our survey work and support the Town's tourism efforts.
  - An increasingly common alternative to public sewers is the use of a package treatment plant specifically sized and designed to service larger developments. Where soils characteristics or nearby watercourses are suitable for taking treated effluent from such a plant, Colchester should seriously consider allowing them.
  - Regulations for the Aquifer Protection Zone and their enforcement should be realistic with regard to actual risks from development over the aquifer. As an example, Marlborough's industrial park sits atop an aquifer, but has been fully developed with a variety of industries that have posed no problem to water quality. Often it is necessary to educate community members about the fact that development over an aquifer is not by definition deleterious.
  - Colchester should rethink its policy that requires developers to pay the cost of extending public water and sewer services. Many communities recognize that by investing in this infrastructure in partnership with the developer, they can stimulate capital investment and increase tax revenues. For projects very desirable for the Town, consideration should be given to use of the Town's bonding capability, which usually has lower financing costs than a developer can arrange, to pay for the infrastructure, and a Tax Increment Financing District from the project that will pay some or all of the bonding costs.

---

## Introduction

The *Colchester 2001 Plan of Conservation & Development* identifies a number of strategies associated with business and economic development and the Town has been implementing a number of them. In order to assist the community Garnet Consulting Services, Inc. was retained to:

1. Perform an economic analysis of the near-term market demand for non-residential development in Colchester (such as retail, office, industrial) by using available data and regional studies.
2. Extend the economic analysis to estimate the long-term market demand for non-residential development in Colchester by considering the overall build-out potential of Colchester and surrounding communities.
3. Assess the amount of land area needed for the projected demand for non-residential development, both in the near-term and long-term.
4. Consider and recommend the potential location(s) of additional areas that may be needed, if any, for non-residential development.
5. Prepare a written report providing a summary of findings and recommendations on the amount and location of land needed in Colchester to support future economic development.

The Town of Colchester is forward looking in its approach to analyzing the amount of land needed for commercial and industrial development in the foreseeable future. This is prudent for a number of reasons. First, since Colchester has a large land area and due to its desirability as a place to live, the potential for future residential growth is great. If additional business growth does not take place to provide a balance with residential development, there will be an increasing burden on the homeowner to carry the cost of providing municipal services.

It is also prudent to identify those areas for potential development while the community is still rural in nature, both because it is easier to properly zone properties now with little impact on neighborhoods and also because it will help retain the Town's rural character if proper planning and implementation is done.

The Town's approach to economic development emphasizes a well-planned and managed approach. Many communities find themselves in the midst of major intra-community arguments about the direction, location and quality of development because they have spent inadequate time discussing these issues when there is no specific project involved. To its credit, Colchester is paying close attention to the issues of growth management, design review, and similar issues as a logical extension of the updating of its Plan of Conservation and Development.

---

## Analysis of Development Trends and Data

### *External Trends and Forces*

As we proceed with the analysis of development trends it is important to remember the competitiveness of economic development and to fully understand the external trends and forces on a national and global basis—that is, the broader context in which modern economic development occurs. Economic development is a continually evolving process and discipline. How it occurs today is much different than how it occurred as recently as five years ago. It is important to understand some of the key philosophies and trends upon which modern economic development is dependent. The next several pages provide a discussion of the major competitive realities that Colchester residents must be aware of as they think about their community's economic development future.

### **Economic Development Is Extremely Competitive**

Whittaker Associates, citing the Conway Data Scoreboard, reports that in 2003 there were 5,427 project announcements (new construction and expansions) that met any of 3 tests: an investment of at least \$1 million, 50 or more employees, or a facility of 20,000 square feet or larger. The 2003 activity was a decline of 53% from 2000 when there were 11,602 such announcements. According to The Wadley-Donovan Group, Ltd., one of the nation's most active site location consultants (based in Edison, New Jersey) each year there are only 2200 to 2400 new (as opposed to expansions) manufacturing and office facilities employing 20 or more announced in the US. These projects represent both new facilities and relocations. There are 11,000 or more economic development agencies in the United States alone, competing for these projects (source: Growth Strategies Organization, Vail, Colorado). Worldwide, there are approximately 10,000 existing business and industrial parks (of which about half are in the United States), complete with all infrastructure, being used as a primary tool to win these projects (source: Conway Data, Atlanta, Georgia). In other words, in the United States alone, there are about 5 times as many economic development agencies as there are new projects of substantial size announced annually, and nearly twice the number of business and industrial parks as the number of larger projects. **The competition to attract and retain the capital investment and job creation brought by business locations is fierce.**

### **Avoiding Elimination and the Importance of a Strong Region**

Due to the abundance of locational opportunities, the site selection process relies on an initial phase that emphasizes rapid elimination of regions and communities so as to reduce to a workable number the areas to be studied in detail. Companies in a search mode begin by evaluating regions; if they like a region, they will consider the individual

---

communities in it. Even the smallest regional or community flaw can result in elimination. Critical regional and community attributes currently are:

- Essential community data and the ability to quickly produce customized reports
- Adequate labor supplies and skills
- An inventory of available, fully serviced sites and buildings
- Expedited permit and approval procedures
- Incentives and assistance programs
- A business climate that shows the community is seriously interested in the project.

There are many other variables evaluated, and different industry sectors and companies will have their own set of priorities, but those listed above are currently the most important to most companies. **Colchester's economic development planning must include the identification of impediments to economic growth and the Town's efforts must aim at eliminating those impediments.**

Companies already in a community, but in need of new space, will also consider these and other factors, and compare their current community with alternative locations.

Colchester's economic development future is also entwined with that of Southeastern Connecticut. **It is in Colchester's best interests to continue to support a strong, regional economic development effort.**

### **Speed Has Become Essential**

The duration of the typical site location process has been cut in half from only 5 to 7 years ago. The Wadley-Donovan Group reports that the typical time frame for larger projects now allows 6 to 8 weeks from the beginning of the process to the selection of the "preferred" community, and another 6 to 8 weeks to have a site under control. These companies would like to receive all local permits and approvals within a 14 day time frame (with 7 days preferred) and all state permits and approvals within a 45 day period (30 days is preferred). Smaller companies may have longer time frames, but delay is still a project killer. **While the timeframes suggested above may not be achievable in Colchester and the community will want to continue to give adequate attention to proposed projects to make sure they are in the Town's best interests, expediting the permit and approval process as much as possible is highly desirable.**

### **Staff Empowerment to Expedite Projects**

Due to this need for expeditious project processing, an increasing number of communities are responding by creating clear land use regulations and empowering

---

staff to issue necessary permits and approvals when projects are found to be in full compliance with regulations after careful staff review. Competitive communities are constantly evaluating their project approval procedures in order to streamline them.

**Colchester should think about how it can better use its professional staff to review and approve appropriate projects.**

### **Available Sites and Buildings are Essential**

Between 65% and 75% of all prospects conducting a site search begin looking for an existing building into which they can move quickly – this includes both companies from out of the area and those already in a community who have found their current location to be undesirable. In most states, about 50% of projects that actually occur use existing buildings. Again, this is a function of the need for speed. This puts a premium on having available both vacant space and fully serviced sites on which construction can begin immediately and be completed in a short time frame. The majority of companies are unwilling to wait for a community to debate whether to help make a site ready, prepare designs, commit financing and undertake infrastructure construction. There are too many other communities already fully prepared. If you are not ready, you lose.

**Colchester has a relatively small inventory of available buildings; this project addresses the potential need for increasing the Town's supply of land for business development.**

According to CERC's *SiteFinder* inventory, there are only 3 parcels totaling 26 acres that are available for development in Colchester and only a 3,840 square foot building for purchase. The MLS Listing only identifies 4 properties on the market in the Town. These range from a former church on .41 acres of land to the same 3,840 square foot building with an additional 5.8 acre parcel of land. According to real estate brokers located in the community, there are additional parcels that are not listed with brokers.

To compare that with the area, CERC's *SiteFinder* inventory shows there are a total of 7 parcels containing 221 acres and four buildings containing 37,342 square feet in the communities contiguous with Colchester and 67 parcels containing 2,903 acres and 2,602,783 square feet in 133 buildings in just New London County alone. Then there are the Hartford and Middletown markets that Colchester also competes against.

It should be remembered that site search consultants do initial research on-line and since there are few parcels and buildings listed, Colchester is being passed over.

### **You Must Be Aggressive**

We are in an era, expected to continue for a long time, of a "global jobs auction". Companies have jobs to offer (and the capital investment and tax revenues that come with them) and can put them in a variety of locations. Colchester competes not only

---

with other communities in the area, but with locations in Rhode Island, New York and Massachusetts, and places such as Barbados, Ireland and India as well. This competition is reflected both in the process of trying to recruit new businesses to town as well as in the contacting of companies already in Colchester by other states and countries in an attempt to convince them to move or put branch locations somewhere other than Colchester. It is a buyers' market, and communities like Colchester are both the sellers and the commodity being sold. Having an adequate inventory of available buildings and sites is one common community response. Increasingly, communities are also creating aggressive incentive and assistance packages and comprehensive informational databases in order to increase community competitiveness. The work is being done before the prospect arrives—not after. **Colchester must be proactive in identifying the types of economic growth it wants and working to make it happen, rather than waiting for it to happen. The Town's approach to the extension of water and sewer infrastructure, which requires that property developers pay the costs, will discourage some projects from locating in Colchester. The Town should consider using its bonding capacity, or some other approach for assisting projects to lower development costs, as an incentive for those projects the Town believes are most desirable to have.**

### **Home Occupations Have Become More Important**

For the past several years, there has been an entrepreneurial explosion occurring. Annually more than 1million new businesses are created in the US (source: Dun & Bradstreet), and in 1997 for the first time, more than half were home-based. In 2000, there were 1,573,256 companies started, of which 910,361 (57.9%) were home-based (source: New Business USA as reported in *Inc.* Magazine). While the past few years of recession and economic sluggishness have somewhat curtailed new business formations, this entrepreneurial trend is expected to continue. **Colchester must make sure its regulations concerning home occupations support their formation.** Regulations should include a registration process to assure that Colchester receives applicable tax revenues. More important however, is showing that the community is interested in incubating new, small businesses that will want to remain in the community when they have outgrown their home offices.

### **The Changing Nature of Retailing**

Retailing as we have known it is changing. Many communities are experiencing a decline in the vitality of older shopping areas. On the other hand, well located communities such as Colchester are in demand as regional retail locations even though the local population may be relatively small. Communities are being impacted by the following regional and national trends:

- 
- Overbuilding of retail space (from 13.1 square feet per capita in 1980 to 20.2 square feet per capita in 2003) has resulted in increased retail competition, retailer bankruptcies and increased vacancy rates.
  - Department store consolidations have caused store closures in commercial centers where sales were below par and where similar merchandise was offered.
  - Big box and "category killer" stores have caused closures and bankruptcies among local stores and smaller store chains that cannot match their prices and promotional budgets. This has resulted in fewer tenants for shopping centers and more competition for those fewer tenants.
  - Bankruptcies and closures within the big box category (e.g. Kmart, Caldors, Ames) have created large blocks of vacant space that are being used for non-retail purposes. Call centers are a common use, but this space lends itself to other uses as well. (As one example, two former Kmart stores in Lee County, Florida have been purchased by the County for conversion into schools. *National Real Estate Investor*, February 2004.)
  - Big box developers such as Home Depot, Wal-Mart and Best Buy are already developing smaller stores (40,000 – 50,000 square feet) for smaller population centers. Other chains such as Target, Kohl's and Toys R Us are expected to follow this trend. (*Newsweek*, June 3, 2002)
  - Retail establishments are seeking to cluster in larger, master-planned and coordinated environments to draw larger numbers of shoppers and then pass them among multiple stores. Lifestyle centers (defined as "an open-air design with upscale architecture and a critical mass of specialty retailers and restaurants" are generating between \$400 and \$500 per square foot compared with a \$330 average for U.S. malls in 2002. (*National Real Estate Investor*, July 1, 2003)
  - Catalogue and Internet shopping are reducing sales in traditional retail establishments.
  - Entertainment retailing is intended to give shoppers an experience beyond just the purchase of goods. Usually this requires larger amounts of space. The DestiNY USA project in Syracuse will be over 5 million square feet, have more than 400 stores, restaurants and entertainment venues, and contain a 100,000 square foot tourism exposition center.
  - Grocery stores are expanding in size (Wal-Mart is experimenting with freestanding 40,000 square foot grocery stores) and drugstores are moving toward larger freestanding stores.
  - Chain restaurants are proliferating, causing more competition for local restaurants.

It is likely, due to employment commuting patterns, that Colchester has significant retail leakage, with substantial amounts of money spent by Colchester residents outside the community. On the other hand, drive-through traffic on Route 2 may be a source of additional retail shoppers for Colchester stores. **Colchester must give careful thought as to where retail fits in the community's future and take action to support retail merchants already in Town.**

## **E-Commerce is Changing the Need for Space**

A common fear is that the expansion of electronic commerce will cause a significant reduction in the demand for space. While this may be true at the retail end of the chain as more people buy more goods without visiting a store, the opposite is occurring at the distribution end. More e-commerce vendors are requiring increasing amounts of order fulfillment space, scattered in a variety of locations. Many of these facilities do not need high bay space for racking systems—rather, they need large footprint space with sophisticated conveyor, sorting and shipping systems. Many older, low ceiling manufacturing or retail buildings are ideal for conversion into this type of use. E-commerce fulfillment facilities also frequently employ more workers than traditional distribution warehouses. The current state of e-commerce is one of rapid change, and perhaps turmoil. **At present, business-to-business e-commerce appears stronger than business-to-consumer transactions, but the impact of e-commerce on retailing is still indisputable and Colchester should think about how it is impacted by and can take advantage of this trend.**

## **Education to Overcome Community Concerns**

Modern business facilities are vastly different from their predecessors. Architectural design, building code requirements and performance standards all aim at making business buildings and operations more attractive and better neighbors. Frequently, community hesitation to committing to more economic development is a reflection of a deserved dissatisfaction with the negative consequences of older projects. Our interviews for this project indicate that many Colchester residents immediately consider the idea of “industrial development” to mean ugly factories surrounded by a sea of asphalt. **Community education is often a necessity to demonstrate that these kinds of negatives are no longer likely under the community’s current regulations, policies and procedures. Colchester’s economic development efforts must include a significant community education element.**

## **Think—and Behave—Entrepreneurially**

**Economic development is one of the few areas of community expenditure where a return-on-investment can—and should—be expected.** Across the country, communities are increasingly thinking and behaving entrepreneurially. They are willing to make strategic investments in projects or the community infrastructure necessary to obtain and support company expansions and locations, with the calculated expectation that this investment will reap the jobs, tax base and quality of life improvements the community desires. Increasingly, communities are investing in projects located outside their boundaries and being compensated like private developers. Often these projects are joint ventures by multiple governmental units.

---

**Colchester's economic development effort must focus on assuring that projects that are supported have a good return-on-investment. Not every project is right for every community. On the other hand, it may be necessary for Colchester to "invest" in highly desirable projects in order to have a good chance of winning them.**

### **Community Preparation is Paramount**

In the world of economic development, communities (or regions) are commodities. Companies select locations based on how well the location meets the company's needs—not based on how aggressive and sophisticated the area's marketing program is. **While an aspect of Colchester's economic development program is a marketing program, the Town must constantly strive to make necessary improvements in itself as an economic development product in a highly competitive marketplace.** Some of these improvements will be physical in nature; some will be procedural; and some will require additional planning. **Marketing is expensive; wherever possible, Colchester should continue to take advantage of regional marketing programs such as seCTer's and perhaps even that of the MetroHartford Alliance.**

### **Community Image and Attitude Can Make or Break You**

Every resident of Colchester is a member of the community's marketing team and should be made to realize this—but business executives rely on other sources of information in forming their opinions of an area's business climate. A 2002 survey by Development Counsellors International (New York, NY) reported that corporate executives use articles in newspapers and magazines followed by dialogue with industry peers as the leading sources of information influencing their perception of a state's and region's business climate. (In prior DCI surveys, these two factors had been in the reverse order, but were still the two most important.) A positive image and attitude can be an important marketing tool—a negative image and attitude can be a huge obstacle. **Understanding how Colchester businesspeople feel about the Town as a location for business is an essential – and ongoing – element of the community's economic development preparation and marketing efforts.**



Table 1 clearly shows both Colchester's emergence as a regional employment center and its continuing status as a labor supplier for other communities. The 2000 data shown below and provided by the Connecticut Economic Resource Center reports commuting patterns for the communities with the 10 highest numbers. Nearly 600 more Colchester residents also worked in the town in 2000 compared to 1990, and 7 other communities had also seen significant increases in their residents working in Colchester. Despite this, however, a large number of Colchester residents continue to out-commute to other communities each day. This indicates that Colchester may be able to both retain and recruit workers to support new businesses in the Town.

**Table 1**  
**Colchester Journey to Work Data – 1980, 1990, 2000**



Workers in Colchester Coming from				Colchester Residents Working in			
Community	1980	1990	2000	Community	1980	1990	2000
Colchester	1206	1026	1,614	Colchester	1206	1026	1,614
Norwich	37	179	258	Hartford	459	1072	832
East Haddam	83	59	238	Glastonbury	41	230	400
Lebanon	88	178	190	East Hartford	443	295	358
Windham		29	129	Norwich	124	274	340
Salem	92	75	121	Middletown	179	323	323
Hebron	15	98	119	Groton	166	180	307
East Hampton	12	73	94	Waterford		80	206
Griswold	0	45	79	Manchester	24	117	206
Manchester		41	74	Ledyard		17	157
Montville	38	94		Hebron	14	114	
Griswold	0	45		Marlborough	75	132	
Mansfield	22	40		East Hampton	64	104	
Middletown	58	31		West Hartford	79	111	
Columbia	0	35		New London	111	68	
Other							

Sources U.S. Bureau of Census, Census 2000, CERC, Planimetrics

Detailed traffic counts for all Colchester locations surveyed by the Connecticut Department of Transportation are provided in Appendix A. It is likely that the counts shown on or associated with Route 2 are low because they were last done in 2001. Nonetheless, this data demonstrates that there is significant drive-by traffic on Route 2, ranging between 20,000 and 30,000 cars per day. As this traffic increases, areas along this highway will increase in desirability as retail locations. Areas with good exposure to the highway will also have demand as sites for other kinds of businesses seeking such exposure. There are also several off-highway locations in Colchester with high traffic counts, in particular along Route 16 (several locations with Average Daily Traffic

between 12,000 and 16000+) and Route 85 (several locations with Average Daily Traffic between 13,000 and 18,000).

## 2. Population



The population of Colchester nearly doubled in the two decades between 1980 and 2000, and the Town continues to be one of the fastest growing communities in the state. Its growth rate between 1980 and 2000 was 35.5%. Its growth during the 1990 to 2000 period was 32.5% and well exceeded that of its neighbors, New London County (1.6%), the State of Connecticut (3.6%) and the nation (13.15%) as can be seen in Table 2.

In fact, between 1990 and 2000, Colchester was growing at even a faster rate than state projections had indicated; the 2000 population used in the 2001 Plan of Conservation and Development was estimated to be 13,140, but the 2000 Census found the population to actually be 14,551.

**Table 2**  
**Area Population Change**  
**1990-2000**

Area	1990 Population	2000 Population	% Change Population 1990-2000
Bozrah	2,297	2,357	2.6%
<b>Colchester</b>	<b>10,980</b>	<b>14,551</b>	<b>32.5%</b>
East Haddam	6,676	8,333	24.8%
East Hampton	10,428	13,352	28.0%
Hebron	7,079	8,610	21.6%
Lebanon	6,041	6,907	14.3%
Marlborough	5,513	5,709	3.1%
Salem	3,310	3,858	16.6%
New London County	254,957	259,088	1.6%
Connecticut	3,287,116	3,405,565	3.60%
United States	248,709,873	281,421,906	13.15%

*Source: U.S. Bureau of Census*

Town officials believe this substantial rate of growth is continuing, although housing starts are down from the levels of 10 years ago, as shown in Table 3:

**Table 3**  
**Colchester Housing Starts, 1993 – 2004**



Year	Housing Units
1993	219
1994	256
1995	114
1996	92
1997	110
1998	102
1999	107
2000	95
2001	85
2002	75
2003	89
<b>1993-2003 Total</b>	<b>1344</b>
<b>Annual Average</b>	<b>122</b>
January-October 2004	67

*Source: Department of Economic & Community Development*

Connecticut's Office of Policy and Management is no longer preparing long range population projections for the state's communities. Table 4 shows short range projections for Colchester through 2007 and clearly demonstrates that the Town is expected to continue to grow at a significant rate. The population projection for 2007 shown below (16,674) is almost the same as shown for 2020 (16,801) in the Plan of Conservation and Development, clearly showing that the Town was growing more rapidly than readily available data indicated. Again, this population growth will result in increasing demand for locally available goods and services.

**Table 4**  
**Short Range Population Projection**

Area	2002	2007	% Growth 2002-2007	2002-2007 Annual Growth %
<b>Colchester</b>	<b>15,155</b>	<b>16,674</b>	<b>10.0%</b>	<b>1.9%</b>
New London County	258,924	259,386	0.18%	0.0%
Connecticut	3,416,172	3,454,708	1.13%	0.23%
United States	286,999,830	302,000,077	5.2%	.0103%

*Source: CERC DataFinder*

According to the U.S. Bureau of the Census, Colchester's population was estimated at 15,158 as of July 1, 2003. In spite of the growth, the population density is still low (296 people per square mile—see Table 5) and overall Colchester remains a rural community, something that defines the community's desirable quality of place. Colchester's economic development program must operate within the context of preserving and enhancing this essential element of the community's character. The residents like the small town atmosphere and are afraid that the town is growing too fast. Growth management will be an important tool to both balance the increase in population and provide the non residential tax base to pay for the essential municipal services needed.

**Table 5**  
**Population Density**  
**1990-2000**

Area	Land Area (sq. miles)	1990 Population	1990 Population per sq. mile	2000 Population	2000 Population per sq. mile
<b>Colchester</b>	<b>49.1</b>	<b>10,980</b>	<b>224</b>	<b>14,551</b>	<b>296</b>
New London County	687.4	254,957	371	259,088	377
Connecticut	4,844.8	3,287,116	678	3,405,565	702.9
United States	103,599,330	248,709,873	70.3	281,421,906	79.6

*Source: U.S. Bureau of Census, Census 2000, Department of Economic & Community Development compiled by Cosgrove Development Services*

There are 1,242 children under the age of 5 in Colchester (see Table 6) and this percentage (8.5%) exceeds that of New London County (6.3%), the State of Connecticut (6.56%) and that of the nation (6.81%). School age children (5-19 years of age) number 3,331 and represent over a fifth of the population (22.5%), exceeding New London County (20.7%), the State of Connecticut (20.62%) and the nation (21.8%). The Town of Colchester is an attractive community due in part to its educational system and is considered a good place to raise a family. It is anticipated that school enrollment will continue to increase, at least through 2010. The implication is that the growing number of students is placing demands on the school system and the town's ability to pay for education.

The population age 20-64 represents the primary local work force and numbered 8,645 people in 2000. This represents 59.4 percent of the total population, about the same as New London County (60%), Connecticut and the nation (both 59%). This indicates that there is a reasonably sized workforce in the community.

There are 1,333 people 65 and over and this 9.2% portion is well below that of the County (13%), the State (13.8%) and the nation (12.4%). This underscores the fact that Colchester is currently a community that appeals to younger families who will need nearby employment opportunities, locally available goods and services and quality education for their children. However, as the Baby Boomers age, there will be an increase in demand for services for an aging population. The development of age restricted housing is being promoted by many communities as a form of residential development that meets a housing need, allows aging residents to remain in a community, and meets economic development purposes because such developments, if of good quality and investment value, pay more in taxes than they cost in municipal services.

**Table 6**  
**Population Age Distribution**  
**2000**

Area	2000 Population	Total Under 5 (%)	Total 5 - 19 years (%)	Total 20-64 (%)	Total 65 years + (%)
<b>Colchester</b>	<b>14,551</b> <b>(100%)</b>	<b>1,242</b> <b>(8.5%)</b>	<b>3,331</b> <b>(22.9%)</b>	<b>8,645</b> <b>(59.4%)</b>	<b>1,333</b> <b>(9.2%)</b>
New London County	259,088 (100%)	16,379 (6.3%)	53,448 (20.7%)	155,496 (60.0%)	33,765 (13.0%)
Connecticut	3,405,565 (100%)	223,344 (6.56%)	702,358 (20.62%)	2,009,680 (59.0%)	470,183 (13.8%)
United States	281,421,906 (100%)	19,175,798 (6.81%)	61,297,467 (21.8%)	165,956,888 (59.0%)	34,991,753 (12.4%)

*Source: U.S. Bureau of Census, Census 2000, compiled by Cosgrove Development Services*

## Income and Employment



The 2000 median household income in Colchester (\$64,807) exceeded that of New London County (\$50,646), Connecticut (\$53,935) and the nation (\$41,433). The median family income (\$72,346) also exceeded that of New London County (\$59,857), Connecticut (\$65,521) and the nation (\$49,600). Colchester's per capita income (\$27,038) exceeded that of the county (\$24,678) and the nation (\$21,690), but not that of the State of Connecticut (\$28,766) (See Table 7).

The same situation pertained in 1990. This data clearly demonstrates that Colchester is attracting individuals and households with good jobs and income, providing a pool of disposable income much of which will be spent somewhere in the area. As part of its economic development strategy, Colchester should seek to minimize retail leakage and maximize retail trade inflow by providing adequate local shopping opportunities.

**Table 7**  
**Income Data for**  
**1990 and 2000**

<b>Community</b>	<b>Median Household Income</b>	<b>Median Family Income</b>	<b>Per Capita Income</b>
<b>Colchester</b>	<b>2000 - \$64,807</b> <b>1990 - \$46,389</b>	<b>2000 - \$72,346</b> <b>1990 - \$51,534</b>	<b>2000 - \$27,038</b> <b>1990 - \$17,143</b>
New London County	2000 - \$50,646 1990 - \$37,488	2000 - \$59,857 1990 - \$43,256	2000 - \$24,678 1990 - \$16,702
Connecticut	2000 - \$53,935 1990 - \$41,721	2000 - \$65,521 1990 - \$49,199	2000 - \$28,766 1990 - \$20,189
United States	2000 - \$41,433 1990 - \$30,056	2000 - \$49,600 1990 - \$35,225	2000 - \$21,690 1990 - \$14,420

*Source: U.S. Bureau of Census, Census 1990 and 2000*

Table 8 shows that nearly 90 percent of the households in Colchester are earning money by working in the labor force. This 88.6 percent rate exceeds that in the County (81.6%), the State (81.2%) and the nation (80.5%). Again, this demonstrates Colchester's younger population with more people in the workforce. This also implies that more people who currently commute could potentially work in town if adequate employment opportunities exist.

**Table 8**  
**Sources of Household Income**  
**2000**

<b>Community</b>	<b>% Households with Type of Income</b>				
	<b>Earned Income</b>	<b>Social Security</b>	<b>Supplemental Social Security</b>	<b>Public Assistance</b>	<b>Retirement</b>
<b>Colchester</b>	<b>88.6%</b>	<b>19.3%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>13.6%</b>
New London County	81.6%	26.5%	3.2%	3.1%	20.1%
Connecticut	81.2%	27.0%	3.3%	3.7%	17.6%
United States	80.5%	25.7%	4.4%	3.4%	16.7%

*Source: U.S. Bureau of Census, Census 2000*

Table 9 indicates that the percentage of people in Colchester working in the private sector (private wage and salary workers) generally mirrors that of the county, State and nation.

**Table 9**  
**Class of Worker 2000**

Area	Private Wage & Salary Workers	Government Workers	Self Employed Workers in Own Not Incorporated Business	Unpaid Family Worker
<b>Colchester</b>	<b>6,096</b> <b>(78.3%)</b>	<b>1,132</b> <b>(14.5%)</b>	<b>529</b> <b>(6.8%)</b>	<b>29</b> <b>(0.4%)</b>
New London County	98,471 (78.7%)	19,065 (15.2%)	7,387 (5.9%)	271 (0.2%)
Connecticut	1,330,368 (79.9%)	221,412 (13.3%)	108,945 (65%)	3,715 (0.2%)
United States	101,794,361 (78.5%)	18,923,353 (14.6%)	8,603,761 (6.6%)	400,037 (0.3%)

Source: U.S. Bureau of Census, Census 2000

### 3. Colchester's Existing Economic Base and Business Formations

There are a number of sources that identify the number of companies in a community; we have used data from Reference USA. After adjusting for over-counts (for instance, Colchester Dental Group is listed both in the health services category as well as under educational & social services; in the health services category, each doctor in a practice is counted as a separate business; similarly each department in the municipal government is counted separately) we estimate there are 550 businesses and organizations in Colchester, broken down as follows:

**Table 10**  
**Number of Firms/Organizations According to Major Industry Classification 2004**

Category	Number of Firms		Number of Firms
Agriculture, Forestry & Mining	13	Legal Services	9
Contractors & Construction	55	Education & Social Services	37
Manufacturing	18	Art & Membership Organizations	15
Transportation, Communications & Utilities	8	Engineering, Agriculture & Accounting	17
Wholesale Trade	30	Household & Miscellaneous Services	1
Retail Trade	115	Government (Public Administration)	13
Finance, Insurance & Real Estate	46	Non-classifiable Establishments	11
Business & Personal Services	120		
Health Services	42	<b>Total</b>	<b>550</b>

Source: Reference USA

This is a good blend of business and organizational types, indicating that Colchester has been a desirable location for a wide range of operations, a situation that is expected to continue and probably strengthen in the future. However, the dominance of retail trade and services is evident.

An indicator of business growth is the filing of trade names. Colchester's Town Clerk provided the following information on business filings of trade names:

**Table 11**  
**Trade Name Filings in Colchester**

<b>Year</b>	<b>Number of Certificates</b>
1993	44
1994	36
1995	71
1996	32
1997	44
1998	37
1999	65
2000	40
2001	34
2002	44
2003	54
January-October 2004	49
<b>Total 1994-2003</b>	<b>501</b>
<b>Annual Average 1994-2003</b>	<b>46</b>

*Source: Town of Colchester Town Clerk*

The number of trade names filed usually undercounts business formations in most communities because many small businesses do not register with the local government. Based on national data that indicates an annual business startup rate of 1 business per 200 - 250 people, Colchester's 2003 population of 15,158 would yield 60-75 new businesses per year. This data indicates a start-up business community that could generate demand for additional space in Colchester in the future as these small businesses grow.

Colchester receives a modest portion of its property tax revenues from business sources. Table 12 shows that this business portion has risen slightly over the past six years from 13.5% to 14.6%. (These percentages are undoubtedly somewhat low as no

---

attempt was made to allocate a portion of vehicles registered as combination vehicles as part of the business portion of the Grand List.)

As the Town's population and related demand for municipal services continues to grow, business investment must at least remain at this level if the residential tax burden is not to increase. An increase in the business portion of the Grand List would reduce the reliance on homeowners paying the cost of providing municipal services. This would become particularly important if the amount of revenue received from the state is significantly decreased.

### **Internal Development Trends Summary**

There is ample evidence demonstrating Colchester has been, and will continue to be a highly desirable community for new families, especially younger ones with good jobs and above average disposable income. These families will create increasing demand for locally available goods and services. The growing population will also provide an expanding labor force, many of who will need to out-commute unless new jobs are created in Town. This sets the stage for increased development of other types besides retail and personal services.

Increasing population growth will also create additional pressure on the Town's budget for more municipal services, in particular, education. Colchester's growth planning and management must seek to provide an appropriate balance between preservation of the Town's small, New England character and needed economic development to pay for community services and facilities in the future.

**Table 12**  
**Business Portion of the Colchester Grand List**

Grand List for	2003	2002	2001	2000	1999	1998
Commercial Real Estate	\$61,424,570	\$60,655,270	\$59,753,470	\$52,894,380	\$52,029,910	\$49,186,720
Industrial Real Estate	\$8,334,000	\$8,180,600	\$8,180,600	\$7,780,640	\$7,780,640	\$7,891,390
Apartments	\$15,006,200	\$16,618,010	\$15,389,000	\$5,123,590	\$5,305,650	\$5,305,650
Public Utility	\$344,500	\$344,500	\$344,500	\$2,110	\$2,110	\$2,110
Commercial Vehicles	\$2,829,220	\$2,716,518	\$3,502,902	\$2,943,610	\$2,791,880	\$2,405,030
Farm Vehicles	\$267,130	\$243,160	\$237,859	\$276,790	\$257,270	\$276,120
Industrial Machinery & Equipment	\$5,471,020	\$5,546,710	\$4,285,930	\$4,735,764	\$4,061,580	\$4,598,480
Mfg. Machinery & Equipment	\$2,206,260	\$1,442,830	\$1,367,580	\$1,269,340	\$1,425,370	\$1,376,820
Furniture, Fixtures & Equipment	\$7,865,410	\$7,919,150	\$7,432,120	\$6,677,353	\$7,111,224	\$6,064,190
Farm Machinery	\$758,170	\$705,220	\$724,329	\$649,945	\$607,110	\$598,830
Farm Tools	\$21,320	\$22,180	\$17,080	\$21,350	\$25,350	\$28,620
Mechanics Tools	\$272,290	\$266,910	\$269,160	\$255,220	\$261,150	\$254,380
Data Processing Equipment	\$2,992,640	\$3,389,570	\$3,377,130	\$3,307,380	\$3,035,619	\$2,279,540
Telecom Equipment	\$667,770					
Cables, Conduits, Etc.	\$7,106,250	\$6,100,230	\$5,970,840	\$6,934,290	\$4,998,680	\$4,698,660
Monthly Average Supplies	\$173,270	\$168,040	\$91,510	\$102,220	\$102,500	\$84,820
All Other Personal Property	\$1,968,740	\$1,577,680	\$1,041,380	\$1,044,370	\$687,510	\$905,170
Total Business Ratables	\$117,708,760	\$115,896,578	\$111,985,390	\$94,018,352	\$90,483,553	\$85,956,530
Gross Grand List	\$806,778,034	\$790,627,666	\$764,813,012	\$696,170,781	\$667,055,762	\$638,386,755
Business Portion of Grand List	14.6%	14.7%	14.6%	13.5%	13.6%	13.5%

---

## Potential Types of Development



### 1. Residential

Although this study focuses on the need for and adequacy of land in Colchester for business development, it is important to understand residential development because of the linkages and interrelationships between residential and other forms of development.

There has been growth in residential development due to land availability, coupled with a convenient location and affordable prices. From the period 1990 through 2003, Colchester has issued 1,623 new housing permits, an average of 116 permits per year over this 14-year period. There is a wide range in the number of permits issued from a low of 75 permits issued in 2002 to a high of 256 permits in 1994. For the period of 1990 to 2000, Colchester was one of the fastest growing communities in the State of Connecticut. Its 32.5 percent increase in population has put a strain on municipal services and the related costs, as is evident when three referenda were needed to pass the 2004-2005 budget.

Colchester has already demonstrated that it is a desirable location for residential development and all signs are that this will continue as the predominant type of development. Because residential development typically pays in taxes only 25 – 50%<sup>1</sup> of what they cost in services, this puts a premium on balancing residential growth with other forms of development.

While there will continue to be a strong demand for single-family lots in Colchester, the Town also has the kind of ambiance that might prove attractive to developers of age-restricted housing. This type of residential development, which does not have an impact on the local schools system, can provide positive tax benefits even from relatively modest dwelling units. For many communities, age-restricted housing is considered a form of economic development. Some forms of this type of development (e.g., an assisted living complex), which include medical and other services, can provide several hundred jobs of a wide variety of types, including doctors, nurses, physical therapists, health aids, landscape maintenance, and many others. In addition, because many older residents are financially secure, age-restricted housing can provide a critical mass of shoppers who will support other local businesses.

The market for elderly and age restricted housing is booming nationwide and will continue for many years as Baby Boomers reach retirement age and beyond. This would allow for residents to remain in the community and have an adequate retirement lifestyle. Often residents want to downsize, but like the community and would like to stay there.

---

<sup>1</sup> Robert Burchell, Center for Urban Policy Research, Rutgers University, 1997.



## 2. Retail and Personal Services

Retail and personal services typically follow residential growth; simply stated, if there are not enough customers to support a retail or personal services business, the business will not be established or will not survive. In a telephone survey that was part of the process of developing the **2001 Plan of Conservation & Development** 41% of Colchester's residents strongly agreed that the Town should encourage more retail growth, specifically in Westchester.

Colchester has already developed fairly robust retail and personal services sectors in the local economy. Continuing residential development will increase the demand for goods and services that are available in Colchester, and this will be a strong form of business development in the future. Periodic analysis of retail leakage should be undertaken to identify those types of retail purchases that are being made by Colchester residents in significant amount outside the town, with a recruitment effort to establish that type of business in Colchester.

In addition, because of its location on Route 2 (and when completed at some point in the future, Route 11) Colchester is well positioned to be an even stronger regional retail and personal services center for the residents of other more rural communities in the area and for a substantial drive-by traffic flow through the community. Effectively located and marketed retail and services venues can capture some of this traffic.

## 3. Business Services



This sector is generally acknowledged to be the fastest growing part of the U.S. economy over the past decade or more, with the trend expected to continue. As one example, during the twelve months ending in August 2004, professional and business services gained 523,000 jobs nationally, the largest growth of all sectors.<sup>2</sup>

In 2001 in Colchester, there were 242 businesses in this business service sector, 40.8% of all businesses. This sector provided 1,489 jobs in town and represents 45.3% of all employment.

Except for the existing retail and services sector, Colchester does not have an existing nucleus of businesses that might transact with business services firms. Depending on the form of future business development in Colchester, this may change.

---

<sup>2</sup> Growth Strategies Organization, *Economic & Demographic Trends Newsletter*, Supplemental Statistical Report on Employment Trends – October 2004.

However, a more immediate opportunity is the positioning of Colchester as a central location for business services firms that serve a broad marketplace including Norwich, New London, Middletown and Hartford. Multi-occupant, flex-space buildings that house several such companies have proven very successful in other parts of the state. To serve these businesses, attractive, reasonably priced environments must be created with excellent access to the Route 2/Route 11 road system.

Colchester's economic development efforts should continue to aggressively position the community as a regional hub for retail and services.

#### 4. Offices



Most forms of professional offices would fall into the personal or business services categories already discussed. These uses tend to be relatively small in size.

Other forms of offices include corporate or regional headquarters or a variety of back offices (defined as "A facility which is operationally significant to an organization but does not need a high-visibility 'curb-side' presence for access to/from customers or clients."<sup>3</sup>). These office facilities tend to be fairly large.

For the foreseeable future, we do not see Colchester as a primary location for these types of operations, which tend to prefer larger population bases from which to draw workers and environments that include restaurants and other services. There are many existing office or business parks that already compete for this market sector in Connecticut and we consider it unlikely that a private sector developer will devote the resources or take the risk of developing such a complex aimed at multiple, larger offices in Colchester.

However, it is possible, on a case-by-case basis, that a local or regional business owner who desires the kind of exposure a facility located in view of Route 2 or 11 would provide, may build a freestanding office building for their own use. Therefore, land devoted to business development with Route 2 or 11 exposure should be zoned to accommodate office uses as well as any other forms of development also anticipated.

#### 5. Hospitality and Lodging



Colchester's history includes a period where it was a major destination for visitors, but this is no longer the case, and it is unlikely that the Town will regain its image as such a

<sup>3</sup> "A Summary of Economic Development Terms", May 2004, Greg Last, CEcD, ASLA, AICP.

---

destination. In the tourism and hospitality industries there is an important distinction between destinations that are magnets for visitors and places that are aimed at the drive-by traffic, most frequently business travelers.

Because of the existence of hospitality clusters in other locations closer to larger office and manufacturing environments, we do not consider this to be a primary market opportunity for Colchester although this does not mean that Colchester will not be able to attract one or more hotels in the future. A hotel and a facility to accommodate banquets were often cited as community facility needs during the research phase of this project.

## 6. Manufacturing



This is not a growth sector for Connecticut or the U.S. Although there was a gain of 96,000 manufacturing jobs in the country between August 2003 and August 2004 <sup>4</sup>, this was primarily a short-term recovery from layoffs during the recent recession and slowdown, rather than a reversal of the long-term trend of reductions in manufacturing employment. Similarly, manufacturing jobs in Connecticut declined 3.2% from the 2<sup>nd</sup> Quarter of 2003 to the 2<sup>nd</sup> Quarter of 2004 <sup>5</sup>, and this is a continuation of a multi-year trend.

While more highly-automated production plants will still need locations, Colchester and Connecticut will probably not be a primary location. In large part, this is a function of our Northeast location that, increasingly, is not effectively located to serve customers in the growing southeastern and western portion of the country. Although manufacturing employment in Connecticut has been declining, Colchester's manufacturing employment has been growing. In 1970 there were only 240 manufacturing jobs in Colchester, but this number increased to 620 jobs in 2001, a 158% percent increase. According to CERC, most recent data shows 22 manufacturing operations in Colchester, which represented 3.7% of the business establishments in town. Manufacturing firms are important due to the positive economic impacts associated with them. These generally are considered base or primary economic activity because they sell their goods outside the local area and bring in new money that expands the local economy. Often the machinery & equipment in the industry provides more to the community in personal property taxes than the real estate.

On the 2003 Grand List, industrial real estate was valued at \$8,334,000 and manufacturing machinery & equipment at \$2,206,260. At the present mill rate of 31.02 this will result in \$228,871 in annual taxes for the Town of Colchester. Vehicles associated with the manufacturing operations were not included in this calculation.

---

<sup>4</sup> Op. cit., Growth Strategies Organization.

<sup>5</sup> The Connecticut Economy, Summer 2004, The University of Connecticut.

If manufacturing operations locate in Colchester, it is more likely to be by a local or regional resident with a small operation that chooses to stay in the region because of quality of life or family reasons. The demand will not be strong enough to devote an entire area as an industrial park. The national trend is to create mixed use business parks rather than pure industrial/manufacturing parks, something Colchester should consider.

If the Town of Colchester wanted to increase the non-residential portion of the tax base over both the short and long terms, it could develop a municipally-owned business park such as its neighbor to the north, Marlborough, which has been very successful with this approach.

## 7. Distribution



At first glance, Colchester's location on a divided highway might suggest that it is a good place for distribution uses. When one looks further at the high-speed road network however, there are obvious deficiencies. First is the fact that both Routes 2 and 11 end as large, high speed highways not too far to the south or east. In addition, even if the highways continued to the south, they would quickly end at Long Island Sound. Finally, while there is good highway access to the north, the access east and west is not particularly good. All these factors make it unlikely that major distribution uses would locate in Colchester.

On the other hand, and similar to the discussion of business services, smaller distribution firms that may want to service a market territory that includes Norwich, New London, Middletown and Hartford (and perhaps Springfield), might find Colchester to be a convenient central location.



## 8. Other Potential Market Niches that Could be Developed

The 1995 the *Town Center Cultural Resource Development and Heritage Plan* made the recommendation to increase marketing and tourism for the town center area through public awareness, education and the creation of tourism amenities. In addition, seCTer's Comprehensive Economic Development Strategy for Southeastern Connecticut has developed a strategy to support the tourism industry and maximize benefit for residents and businesses.

Tourism is a component of economic development and can add to the vibrancy of the area. Its impact on Colchester is chiefly through direct and indirect employment

impacts. It does not add appreciably to the Town's Grand List unless it is profit-making with taxable property.



However, travel and tourism can enhance economic development in Colchester through increased exposure to visitors, and can provide customers for existing businesses. It can introduce Colchester to people who may later move to the community and/or bring new businesses that increase the tax base. It will help position the town, particularly its historic district, as a tourism attraction.

The tourism and entertainment cluster has been identified as one of the industries that will drive job growth and economic development in the future. In 2001, the latest figures available, the impact of tourism in Connecticut:

- Produced \$9.89 billion in travel and tourist spending in Connecticut including the multiplier effects;
- Generated \$9.46 billion in new GSP (6% of state total);
- Generated \$10.3 billion in new person income (7% of state total);
- Generated 146,178 new jobs in CT (8.6% of state total);
- Generated \$1.4 billion in new state revenue (11% of state total);
- Generated \$951 million in new local revenue (14% of state total);
- Employed more workers than in the Manufacturing and FIRE sectors; and
- Connecticut's Travel and Tourism industry grew faster than its Manufacturing and FIRE employment over the past 10 years.

Connecticut's heritage institutions are a critical component of the state's tourism industry. The desire for "heritage experiences" is the second highest motivator for the more than 15 million tourists visiting the state each year. Colchester possesses many of the characteristics for the heritage tourism experience and can capitalize on this opportunity.



Another strategy in seCTer's ***Comprehensive Economic Development Strategy for Southeastern Connecticut*** is to support agriculture to create jobs and preserve the natural landscape (by supporting the development of value-added agriculture). Two existing Colchester businesses that could be tourism related as well as part of a mini-cluster of agricultural businesses:

- Cato Corner Farm which makes artisanal cheese.
- Priam Vineyard which produces wine.

Other businesses suggested during our research as having potential in Colchester are:

Target Market	Industry Definition
Arts, Entertainment and Recreation	The sector includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment and recreational interests of their patrons. Subsector groups with strength in Colchester must be researched.
Health and Medical Services, Life Sciences R&D	The health care industry consists of public, private and nonprofit institutions. Institutions include hospitals, offices and clinics of medical doctors, nursing homes and home health care facilities; other specialized health care facilities; and managed care organizations consisting of prepaid plans such as health maintenance organizations (HMOs), preferred provider organizations (PPOs), and independent practice associations (IPAs). Beyond the service providers, there is a broad range of medically related research and development operations.
Information Services	Information services are defined primarily as professional computer services, data processing and network services, and electronic information services.
Insurance	Insurance provides financial protection for individuals, commercial businesses, and others against illness, death, loss of property, or losses by a third party for which the insured is liable. Insurance companies are classified under life insurance, accident, and health, and property/casualty.
Professional Business Services	The professional business services industry includes accounting, auditing, and bookkeeping services, advertising services; legal services; and management consulting and public relations services
Specialty Retailing	Retailers generally sell merchandise primarily for personal or household consumption. In some instances, retailers may further process goods before sales, but such processing is relatively minor. The specialty niche vendors who could succeed in Colchester must be researched further.
Travel and Tourism	Tourism includes the activities of persons traveling to and staying in places outside their usual environment for not more than one continuous year for leisure, business, or other purposes

Definitions established in *U.S. Industry & Trade Outlook 2000, North American Industry Classification System, 1997 and Standard Industrial Classification Manual, 1987.*

---

## **Potential Types of Development Summary**

Colchester will be a strong location for locally needed retail and personal services and will continue to develop as a strong, regional hub for retail, personal and business services. The Town is also well-located to function as a location for area distribution uses. There will be a smaller demand for sites for offices, manufacturing and the hospitality industry, although this demand may strengthen over time as competing developments in the region are fully developed. To capitalize on these opportunities, Colchester must provide attractive, well-planned, mixed use locations that can house a wide variety of businesses in the same area.

---

## Assessment of Existing and Proposed Business Areas

### Existing Business Areas

The following commentary reflects discussions with Town staff and the committee overseeing this study, our observations of the Town, and substantial input from a series of interviews conducted as part of this project.

#### 1. Downtown Area

This is a well-established area of retail and service establishments, with one major manufacturing establishment. It is attractive and vibrant, and has good accessibility from Route 2. The downtown has public water and sewer available and is a mix of General Commercial and Urban Special Residential zoning, which allows retail, business services, restaurants and B&B/inn operations. Much of the downtown is also in the Town's Historic Preservation Overlay Zone, which adds additional restrictions to development potential, but may actually enhance desirability. Houses in the HPOZ could be converted to business use. The vacancy rate appears to be small, with fairly rapid reoccupancy of vacated space. There is not a lot of vacant land for new or infill development. Types of new uses suggested for the future were more restaurants, small scale retail establishments, and additional business & personal services firms.

#### 2. Route 615 Corridor West from Downtown

This is a well-established business area associated with Old Hartford Road and Broadway with a mixture of retail, services and manufacturing operations. Included in this area is the Town's original Colchester Business Park. The Industrial Park West area discussed below is adjacent to the central portion of this corridor. The area is reasonably attractive, although visual improvements are possible. There appears to be some additional land that could be developed, plus the opportunity to reuse sites that are currently underdeveloped. The zoning is a mix of Business, General Commercial and Industrial from the downtown west to just beyond the Mill Hill Road exit (Exit 17) off Route 2. This exit is not a full interchange, which both adds to congestion in the downtown and reduces the desirability of this area for economic development. Future development may also be constrained by the fact that this area is partially in the Town's Aquifer Protection Zone. Some of this area already has public water and sewer, with the remainder having the potential for obtaining these services. The Town's position is that any extensions will be developer-initiated and funded, which reduces desirability somewhat.

A western extension of this corridor includes an industrial district at Exit 16 of Route 2. There is some existing development in this area which also appears to have some big blocks of undeveloped land. However, this area lacks public water and sewer. While a

---

sewer trunk line/force main traverses the area, the Town's Plan of Conservation and Development shows no plan for sewerage for this part of town.

### **3. Route 85/354 Corridor East from Downtown**

This is an established commercial area associated with South Main Street, New London Road, Fedus Road, Lake Hayward Road and Parum Road. The zoning is a mix of General Commercial from the downtown to Exit 20 of Route 2; there is very little undeveloped land in this area, although demolition and reuse is a possibility. The area east of the junction of Routes 2 and 11 is Industrial or Transitional Business District. We judge the Industrial district to be too restricted to manufacturing and distribution uses to accommodate the mixture of uses we believe Colchester will attract. Conversely, while the TBZ district allows business and professional offices, medical, dental or optical laboratories, research facilities and hotels/motels, it does not allow manufacturing or distribution. Thought should be given to combining allowable uses throughout this area. The westernmost portion of this area has public water and sewer services, with the remainder having the possibility of getting them at developer expense. As noted previously, this will limit interest in the area somewhat when compared with areas in other communities that either already have municipal services or that will provide them at community expense because of the recognition of long range payback through significant tax revenues. Additional blocks of land east of this area currently zoned residential could be rezoned for business development purposes.

### **4. Route 2 Corridor Between Routes 354 and 616**

A band of land east of Route 2 between Parum Road and Chestnut Hill Road (exits 20 and 21 of Route 2) is zoned General Commercial and has the potential for public water and sewer at developer expense. The GC district allows professional offices, retail businesses, restaurants/eating & drinking establishments, personal and business services and repair services. Because of the exposure of the frontage of this area to Route 2, this area may also be desirable for manufacturers, research & development laboratories and other business uses desiring visibility to a high drive-by traffic count. The area around Exit 21 of Route 2 is zoned Transitional Business District. As previously noted, the TBZ district allows business and professional offices, medical, dental or optical laboratories, research facilities and hotels/motels, but does not allow manufacturing or distribution. The portion of the area north of Route 2 has the potential for public water and sewer, but the area between Route 2 and Chestnut Hill Road is not shown as having that possibility, which will significantly reduce its desirability.

Additional blocks of land east of this area currently zoned residential could be rezoned for business development purposes; this includes the area discussed below as the Business Park East area.

---

## 5. Westchester Center

This is a small village center with a General Commercial area at the intersection of Middletown Road (Route 16) and Westchester Road (Route 149); this GC district extends along the south side of Middletown Road east to the intersection with Loomis Road. There were 400 people surveyed as part of the planning process to develop the *2001 Plan of Conservation & Development*; a majority of town residents (72%) wanted more retail development in Westchester. Future development is anticipated to be less intense than in the Town Center and it will be more of a rural center with a village flavor. Businesses that would be compatible with the village concept include restaurants, small scale retail, and business & personal services that cater to residents of the area or the moderate amount of drive-through traffic on Routes 16 and 149.

## Proposed Business Park Areas

### 6. Proposed Industrial Park West

This 275± acre area (a preliminary estimate from the Town's GIS system) is located on both sides of Miller Road, north of Old Hartford Road, extending nearly to Judd Brook/Hebron Roads. This area has been suggested for rezoning from Suburban Residential to Business Park use because it is adjacent to an existing business area, is relatively free of major development constraints, is near Route 2, and has the potential of being served by public water and sewer.

A current limitation is the fact that Exit 17 of Route 2 is only a partial interchange with an eastbound off-ramp and a westbound on-ramp; however, the Plan of Conservation and Development lists making Exit 17 a full interchange as a community goal. Another limitation is the fact that most of the area east of Miller Road is in the Aquifer Protection Zone, which means some forms of development that could harm the aquifer are not allowed. There is also a band of wetlands associated with a watercourse in this area. Finally, this area also includes more than a dozen existing single-family homes, most quite nice. Rezoning of this area can be expected to be opposed by these residential occupants on the basis of a change in character of the area and a negative impact on property values. This second argument may actually not be accurate as land value information obtained during this project suggests that land zoned for commercial or industrial use has a higher per acre value than residential lots.

### 7. Proposed Business Park East

As noted above, this 350± acre area (a preliminary estimate from the Town's GIS system) is an easterly extension of the existing General Commercial district that fronts Route 2 between exits 20 and 21. The area is currently zoned Suburban Residential but is proposed for rezoning to Business Park because of the large land area that can be

---

amassed from relatively few current owners, its proximity to a full interchange of Route 2 and the potential for obtaining public water and sewer. The desirability of this area will increase when Route 11 is completed down to I-395 and I-95.

There are some development limitations, primarily from wetlands or areas with high groundwater. This area has been the focus of a study by Connecticut's Environmental Review Team (ERT), the results of which had not been published when this analysis was prepared. Pending the results of that study, we consider this area to be the better of the two proposed for Business Park zoning.

## Estimates of Land Needed for Business Development

There are 31,482 acres in Colchester. At the time the *2001 Plan of Conservation and Development* was prepared, 1909 acres were zoned for business development (511 acres for commercial use, 1351 acres for industrial use and 47 acres as other business zones). This represented 6% of the total land in town. Of this, 312 acres of the Commercial zones, 53 acres of the Industrial Zones and 42 acres of mixed use areas were already developed.

During preparation of the Plan, several areas of Town zoned for business uses were recommended to be removed from this category due to inadequate locational factors such as poor access, inability to obtain necessary utilities, significant development constraints or incompatibility with surrounding land uses. As a result, recent rezoning has converted 204+ acres previously zoned for Industrial use to Residential. In addition, 43+ acres were rezoned from Industrial to Transitional Business and nearly 75 acres were rezoned from Industrial to Business or Commercial use.

Thus the Town's original supply of 1098 vacant or underdeveloped acres zoned for Industrial use has been reduced to 775 acres, while the supply of vacant or underdeveloped land for other business uses (Business, General Commercial and Transitional Business Districts) has been increased to 383 acres. This provides a total of 1158 acres that are vacant or underdeveloped and zoned for some form of business development.

As with any land, particularly in New England, not all of this is developable due to slopes, wetlands and other development limitations. During this study, the Town provided us with a list of Undeveloped Land in Commercial, Industrial or Transitional Business Zones considered most developable. This list contained 42 sites totaling only 459 acres, many of which are very small as can be seen from Table 13:

**Table 13**  
**Undeveloped Sites Zoned Commercial, Industrial or Transitional Business**

	Size Range					
	< 1 acre	1-5 acres	6-10 acres	11-25 acres	26-50 acres	> 50 acres
# Sites	13	15	5	3	4	2
Size range	.06 - .99	1.0 - 5.08	6.8 - 10.25	14.71 - 23.0	26.6 - 40.0	53.68 - 107.0
Total Acres	6.6	46.24	41.12	55.45	141.6	160.68

No matter what the size range, Colchester has only a limited supply of business-zoned land. A further limitation on land availability in Colchester is the fact that not all these sites are on the market or available at all. Thus, Colchester started with a relatively

---

small amount of land zoned for business development purposes, has significantly reduced that amount through rezoning (this has been particularly noticeable in zoning that would allow manufacturing or distribution uses), and has a very small but unknown amount of land with adequate infrastructure, actually on the market for business development. This leaves the community land-poor for attracting new business capital investment that will pay additional taxes, and provide necessary shopping, personal and business services, and local employment opportunities.

The purpose of this study is to advise the Town on whether it has enough land for economic development in the future, and if not, where in Town land should be rezoned from residential to business use. Our ability to do this with any degree of accuracy is hampered by an almost complete lack of data to support our conclusions. In part, this is a result of the Town's lack of suitably located and serviced land, which has resulted in limited development. A more significant obstacle is the fact that no one appears to collect this information on development activity:

- Unlike many other states, Connecticut (neither DECD nor CERC) does not collect information on economic development project announcements.
- Similarly, the seCTer, the regional economic development agency, does not collect such data. While the regional Comprehensive Economic Development Strategy published earlier this year notes that the region has experienced relatively rapid job growth over the past decade and is now "importing workers" from other regions; and has experienced an unusual shift from defense to casino jobs, nowhere in the CEDS is any data presented that quantifies the amount and type of development activity. We suspect that Mt. Auburn Associates, who prepared the CEDS, encountered the same lack of data that we have.
- A number of real estate brokers who work in the commercial and industrial market and are familiar with the Colchester area were interviewed. While none had a source of data about projects in Colchester or the region, they did provide useful insights into what they believe to be future development demands:
  - No broker contacted knew the vacancy rate for commercial/industrial property in Colchester. One ventured to say it is low and that there is more property available than is actively on the market. People know people and available property is identified by word of mouth.
  - Comments concerning Colchester's strength as a commercial marketplace included:
    - There is a growing need for space for commercial businesses
    - Colchester serves as a hub for and draws from other towns

- There are small business looking for retail space to lease
  - These is a lack of existing commercial buildings
  - There is demand for:
    - 2500-3000 square feet of retail space
    - Medical, doctors offices and professional service space
    - Gasoline stations & retail space
  - The community needs:
    - A hotel & accommodations
    - A banquet hall
    - A family restaurant
  - While some brokers stated that there was "some interest" for offices, and that the market was "not huge" or was "slow for office" uses, one broker reported making 30 deals over the last 20 years
- Brokers reported looking for but having difficulty finding the following kinds of properties:
- Commercial property in general. Only a few people handle commercial property and may sit on it and ask too much money for it.
  - Space for a hobby shop
  - Space for carpet store
  - Property for a large shopping center
  - Parcels for business development in general
  - 2500-3000 sq. ft. blocks of business space
  - 1500 sq. ft. for business
  - Land for multi-family development
- Brokers believe the following kinds of development are most likely to occur in Colchester in the short term:

<b>Type of Development</b>	<b>Reason It Will Occur in Colchester</b>
<ul style="list-style-type: none"> <li>• Restaurants</li> <li>• Entertainment/Amusement Sports-batting cages</li> <li>• Health care</li> <li>• Retail &amp; services</li> <li>• Heavy retail</li> <li>• Chain grocery store</li> <li>• Grocery</li> <li>• Department Store</li> <li>• Restaurants</li> <li>• Hotel/Accommodations</li> <li>• Banquet facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Serve the growing population</li> <li>• Mostly a bedroom community—needs recreational facilities</li>   <li>• Needs of the population</li> <li>• Serve residential bedroom community</li> <li>• Residential growth rapid in town and region too</li>   <li>• Town and surrounding area can</li> </ul>

<ul style="list-style-type: none"> <li>• Variety stores</li> <li>• Basic clothing stores</li> <li>• Apartment buildings</li> <li>• Need for 5,000-10,000 sq. ft. distribution in region for warehousing, mail order, contractors and service oriented operations</li> </ul>	<p>support the growth</p> <ul style="list-style-type: none"> <li>• Colchester is located right off Rt. 2, I-395 is close, cost of land \$40,000-\$55,000 is reasonable</li> </ul>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- Brokers believe the following forms of business development are most likely to occur in Colchester in the long term:

Type of Development	Reason It Will Occur in Colchester
More residential Health care facilities Dentist, doctors including general practitioners Service, insurance, telecommunications and engineering Warehouse center if Rt. 11 is done Hotel Variety store Department store	Aging of population  Easy commute

- When asked if there is an adequate amount of land zoned in Colchester for future business development, half of the brokers thought there was adequate land zoned for retail, office, other commercial and industrial uses, while the other half thought there was inadequate land zoned for those uses. More felt there was not enough land zoned for warehousing/distribution.
- Those who believed more land for business development is needed in Colchester were asked how much and where it should be located, with the following responses:

Use	Retail	Office	Other Commercial	Industrial	Warehouse/ Distribution
Acres Needed	Not sure	50 – 400 acres	Downtown (Acres not specified)	200 – 400 acres	Included with Industrial
Location(s)	<ul style="list-style-type: none"> <li>• W to NW to attract people from Marlborough</li> </ul>	<ul style="list-style-type: none"> <li>• Center</li> <li>• 7 acres across from Stop &amp; Shop</li> <li>• Knock down old</li> </ul>	<ul style="list-style-type: none"> <li>• NW side to attract market</li> <li>• N or S for corporate</li> </ul>	<ul style="list-style-type: none"> <li>• SE of Rt. 2, exit 19 &amp; 20</li> <li>• One of the interchanges</li> </ul>	<ul style="list-style-type: none"> <li>• SE of Rt. 2, exit 19 &amp; 20</li> <li>• One of the interchanges</li> </ul>

	and Hartford area towns. • RT 2 at 354, but problems with neighbors and wetlands	residential or businesses • Exit 18, but some congestion • Corp HQ at exit 21 • Exit 20 – 1 property available	headquarters • Westchester • At exit 17, but only partial interchange	• Off Exit 16 on west side	
--	-------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------	----------------------------	--

- Brokers specifically mentioned the following areas as desirable for future development
  - 7 acres across from Stop & Shop
  - 400 acres by High School
  - Exit 20 off Rt. 2, but this area has no water, sewer, access and only partial interchange which only goes to Hartford
  
- When asked about Industrial prospects, brokers reported:
  - Not had inquiries in a few years – considers this a small market
  - Poor
  - Not having inquiries and not sure why. Is it the existing job base?
  - Flex space has potential, but not purely industrial in the region
  - A few pieces have sold on Upton Road
  
- Other relevant comments received from brokers included the following:
  - Residential is a very strong market because of Colchester's location and proximity to Hartford, New London, Middletown & Norwich (easy commute)
  - Town wants to slow down residential development. When the town put a moratorium on industrial development, it sent out a signal that it does not want growth.
  - People terrified of Wal-Mart and big boxes in general
  - Moved office, but it was difficult to find a good location on a main road
  - Commercial condos (one in Hebron cited as an example) might work and give businessman ownership
  - People want too much for land
  - The Town could use more commerce
  - There is a good diversity of businesses in town
  
- Information on projects during the 2000 – 2003 timeframe was obtained from the Town based on building permits. This information is summarized in Table 14:

**Table 14**  
**Colchester Commercial and Industrial Construction Summary**

Year	New Construction			Changes in Use		
	Sq. Ft.	Type of Use	Lot Size (Acres)	Sq. Ft.	Type of Use	Lot Size (Acres)
<b>2000</b>	2,280	Doctors' Offices	4.02	3,200	Retail to Medical	0.58
	75,000	New Car Dealership	2.83			
	600	Office Space Addition	0.58			
<b>2001</b>	3,500	Convenience Store	0.48	6,000	Retail to Day Care	0.94
	1,200	Restaurant Addition	1.5	3,350	Daycare to Gym	8.2
	5,600	Medical Offices	0.81	6,000	Storage to Gym	0.94
	6,800	Mini-Storage	1.6			
	6,400	Mini-Storage	1.6			
	4,320	Retail/Storage	0.71			
<b>2002</b>	9,400	Retail Addition	10.9	4,500	Residential to Liquor Store	0.55
	5,700	Retail	3.69			
	9,760	Dog Kennel/Training	1.57			
<b>2003</b>	11,900	Business Suites	1.21	2,953	Retail	3.69
	13,000	Storage Building	4.1	3,850	Retail	0.75
	8,100	Storage Building	4.1	840	Daycare to Florist	0.6
	4,800	Retail	1.5			
	6,400	Mini-Storage	1.6			
	13,095	Retail	6.2			
	4,300	Retail	1.0			
	1,392	Cold Storage	1.8			
4,200	Medical Building	2.6				
<b>2004</b>		None reported				
<b>Totals</b>	<b>197,747</b>		<b>54.4</b>	<b>30,693</b>		<b>16.25</b>

Table 14 demonstrates the following about development in Colchester:

- The 21 new construction projects were generally small, but totaled nearly 200,000 square feet or an average of nearly 50,000 square feet per year. This average is obviously skewed by a larger number of projects and project sizes in 2003. However, this may be reflective of a more normal demand as the economy worked its way out of a slowdown in prior years.
- Lot sizes were also small, averaging about 2.6 acres per project.
- The predominant type of project was retail (8 projects), followed by storage (6), services (3 – all medical), offices (2), restaurant (1) and other (1 dog kennel &

---

training). Retail was also the predominant new use where a property had had a change in use.

- There were no manufacturing projects, reflecting the small activity in this sector throughout Connecticut and the region. We suspect that manufacturing activity in Colchester was further limited by a lack of developed environments (either a business park or a flex-space building) intended for this purpose.

## Conclusions and Recommendations

- The primary forms of business development in Colchester in the immediate future will be retail and services (both personal and business); these will generally be small in size, although high traffic counts on Route 2 will make Colchester desirable for one or more "big box" retailers. There will be scattered industrial or distribution projects if suitable sites (in terms of size and infrastructure) are available; these will be small to medium sized and may occupy multi-occupant, flex-space buildings.
- The longer term will see a continuing demand for retail and service space to serve a growing local and regional population. Again, if a suitable business park environment is created, there will be some activity in the industrial, distribution, office and hospitality markets. As local and regional population grows, providing an expanded labor force, and other business parks in the region are developed out, Colchester may see increased demand for somewhat larger facilities.
- Recent levels of demand are not indicative of Colchester's potential. In part, the recent recession and lingering slowdown has limited demand and resulted in few projects. Perhaps more importantly, a known lack of available, zoned and serviced land, competing land elsewhere in the region and a perceived anti-growth image have all discouraged real estate brokers from considering Colchester for their clients.
- The Town should plan for an inventory of 400 acres of land for retail, services, office and other commercial uses over the next 20 to 25 years. This type of development can occur equally well in a variety of locations in Town depending on the nature of the specific project. In general, traffic counts, traffic congestion, access to labor and the potential of public water and sewer mean this development will radiate from downtown Colchester along routes that parallel or intersect with Route 2 and the northernmost part of Route 11. A small amount of this type of development may occur in Westchester, but this will primarily be conversion of space already in business use to new purposes to meet the needs of residents living in or nearby the area, or to capture drive-through traffic on Route 16. Any large retail facilities should be located in close proximity to a highway interchange to minimize traffic congestion on local streets.

- 
- ❑ The Town should plan for an inventory of 250 – 300 acres of land for manufacturing, distribution, larger office, R&D and hotel use. This will meet the community's needs for the next 25± years. While some of the smaller projects of these types can be scattered throughout the community in existing zoning districts suitable for these uses, Colchester needs one or more well-planned, good quality, mixed-use business parks of substantial size to allow a clustering of these uses. Creating this type of environment will be especially important if the Town is to have any significant chance of capturing research and development facilities which we have been told is desired. Such an environment will also be necessary to facilitate diversification of Colchester's economic base away from an over-reliance on retail and personal services.
  - ❑ The recommended supply of land for business development in the two prior paragraphs totals 650 – 700 acres. Given that the reported supply in town of undeveloped land in Commercial, Industrial or Transitional Business Zones considered most developable is only 459 acres, and some of this acreage is not available on the market and may not be in the foreseeable future, it is obvious that Colchester needs to expand its inventory of available sites, in particular in a business park environment.
  - ❑ The Town has been considering two areas for such business park development. In our estimation, and subject to the detailed land analysis being prepared by the Environmental Review Team, the proposed Business Park East area is superior to the proposed Business Park West Area due to better, 4-directional highway access, larger size and fewer owners, lack of limitations from the Aquifer Protection Zone, and likely lower opposition from neighborhood residents.
  - ❑ Additional engineering study should take place to determine the feasibility of extending public water and sewer to the Industrial district associated with Exit 16 of Route 2 (the North Westchester area). The trunk sewer line from East Hampton passes through this area already. Consideration should be given to expanding this area south of Westchester Road, east of Cato Corner Road and west of Route 2 where there are large blocks of land relatively free of development constraints.
  - ❑ Our inspection of the Town did not reveal other large land areas we consider to be more suitable for business development in terms of adequate road access and public utilities.
  - ❑ Primary development areas should be zoned to allow a broad mixture of uses except in sensitive areas such as the downtown historic district and the Westchester Village Center, which should be limited to retail, service and small office uses. Avon Park North and South is a good example of a quality and complementary mix of

---

manufacturing, distribution, office, R&D, sales, service and retail uses, all in the same area.

- Consideration should be given to rezoning land adjacent to arterial roads for business and commercial uses. As traffic on these roads increases over time, these areas will become less desirable as residential areas, but more desirable for businesses. The Town of Farmington had the foresight to do this, has attracted quality businesses, and now has one of the lowest effective tax rates.
- Downtown Colchester can be positioned as a dining area for the region by growing the already existing cluster of restaurants. Downtown Colchester has enough critical mass of businesses and its historic character and architecture are a strength that will attract both local residents and visitors, so that the downtown is positioned to become even more successful in the future. A niche development strategy focusing on additional dining opportunities would both meet a local need reported in our survey work and support the Town's tourism efforts.
- An increasingly common alternative to public sewers is the use of a package treatment plant specifically sized and designed to service larger developments. Where soils characteristics or nearby watercourses are suitable for taking treated effluent from such a plant, Colchester should seriously consider allowing them.
- Regulations for the Aquifer Protection Zone and their enforcement should be realistic with regard to actual risks from development over the aquifer. As an example, Marlborough's industrial park sits atop an aquifer, but has been fully developed with a variety of industries that have posed no problem to water quality. Often it is necessary to educate community members about the fact that development over an aquifer is not by definition deleterious.
- Colchester should rethink its policy that requires developers to pay the cost of extending public water and sewer services. Many communities recognize that by investing in this infrastructure in partnership with the developer, they can stimulate capital investment and increase tax revenues. For projects very desirable for the Town, consideration should be given to use of the Town's bonding capability, which usually has lower financing costs than a developer can arrange, to pay for the infrastructure, and a Tax Increment Financing District from the project that will pay some or all of the bonding costs.

## **Appendices**

- A. Colchester Traffic Counts
- B. Colchester at a Glance (Data Table)

Appendix A

Town of Colchester Traffic Counts



Location		24 Hour ADT	Peak				Year
Route or Street	At		AM		PM		
			Time	Count	Time	Count	
Route 2 both directions	West of Exit 16 (Rt 149)	32700					2001
Route 2 both directions	At Exit 16 (Rt 149)	29400					2001
Route 2 both directions	West of Exit 17 Mill Hill Rd	31300					2001
Route 2 both directions	West of Exit 18 (Rt 16)	26700					2001
Route 2 both directions	At Exit 18 (Rt 16)	22900					2001
Route 2 both directions	East of Exit 18 (Rt 16)	30200					2001
Route 2 both directions	At Exit 19 (Rt 11)	30200					2001
Route 2 both directions	East of Exit 19 (Rt 11)	20600					2001
Route 2 both directions	At Exit 20 (Rts 85 & 354)	18800					2001
Route 2 both directions	Between Exits 20 and 21	21400					2001
Route 2 both directions	At Exit 21 (Rt 616)	20100					2001
Route 2 both directions	East of Exit 21 (Rt 616)	21400					2001
Route 2 West	WB on ramp from Rt 149 (Westchester Rd.)	1600	7	342	1	78	2001
Route 2 West	WB off ramp to Rt 149 At Exit 16	1000	11	58	5	98	2001
Route 2 East	EB off ramp to Rt 149 at Exit 16	1700	11	62	4	318	2001
Route 2 East	EB on ramp from Rt 140 (Westchester Rd)	900	7	91	5	91	2001
Route 2 West	WB on ramp from SR 615 (Old Hartford Rd)	2100	7	306	5	154	2001
Route 2 East	EB off ramp to Mill Hill Rd at Exit 17	2500	11	140	5	398	2001
Route 2 West	WB on ramp from Rt 16 (Linwood Ave.)	2000	7	263	4	125	2001
Route 2 West	WB off ramp to Rt 16 at Exit 18	3400	7	229	4	384	2001
Route 2 East	EB off ramp to Rt 16 at Exit 18	1800	8	93	5	269	2001
Route 2 East	EB on ramp from Rt 16 (Linwood Ave.)	3900	8	266	5	389	2001
Route 2 West	WB on ramp from Rt 85 (new London Rd)	1800	7	312	4	115	2001
Route 2 East	EB off ramp to Rt 11 SB at Exit 19	5700	7	441	5	664	2001
Route 2 West	WB on ramp from Rt 11 NB	3900	7	332	5	427	2001
Route 2 West	WB off ramp to Rt 354 at Exit 20	1200	7	95	4	109	2001
Route 2 East	EB on ramp from Rt 354 (Parum Rd)	1400	7	136	5	127	2001
Route 2 West	WB on ramp from SR 616 (Norwich Ave.)	600	7	96	12	58	2001
Route 2 West	WB off ramp to SR 616 (Norwich Ave.) at Exit 21	700	7	68	4	69	2001
Route 2 East	EB off ramp to Chestnut Hill Rd at Exit 21	700	7	103	5	81	2001
Route 2 East	EB on ramp from Chestnut Hill Rd	600	7	64	5	67	2001
Route 16	NE of Hayward Ave.	7,000	11	426	4	706	2003
Route 16	Lebanon Town Line	2,500	7	200	4	235	2003
Route 16	NE of Rt 2 WB off Ramp (Exit 18)	12,600	7	912	4	1,179	2003
Route 16	SW of Cabin Road	12,100	7	966	5	1,097	2003
Route 16	East of Windham Ave.	4,400	7	335	4	436	2003
Route 16	East of Rt 16	8,800	7	646	5	807	2003

Location		24 Hour ADT	Peak				Year
Route or Street	At		AM		PM		
			Time	Count	Time	Count	
Route 16	South of Rt 85 (E JCT)	16,400	11	1,138	4	1,445	2003
Route 16	East of Elm St.	3,700	7	283	5	333	2003
Route 16	Southwest of Windham Ave.	6,200	7	420	5	592	2003
Route 16	Southwest of Mill St.	6,100	7	439	5	599	2003
Route 16	Southwest of Rt 2 EB on ramp	13,600	7	1,067	5	1,231	2003
Route 16	Northeast of Rt 2 EB off ramp (Exit 18)	13,000	7	990	4	1,209	2003
Route 16	Southwest of Buckley Hill Rd	11,000	7	801	5	1,017	2003
Route 16	West of Rt 149	6,400	7	536	4	591	2003
Route 16	East of Cato Corner Rd	9,400	7	686	5	862	2003
Route 85	Hebron Town Line	4,900	7	369	4	436	2003
Route 85	North of SR 615 (Broadway)	6,000	7	435	4	560	2003
Route 85	South of SR 616 (Norwich Ave.)	16,100	11	1,131	4	1,382	2003
Route 85	SE of Rt 354 (Parum Road)	6,600	7	509	5	503	2003
Route 85	SE of SR 637 (Lake Hayward Road)	5,900	7	378	5	531	2003
Route 85	Salem Line	3,700	7	216	5	362	2003
Route 85	North of SR 616 (Norwich Ave.)	18,200	11	1,243	4	1,558	2003
Route 85	Southeast of West Rd	3,900	7	233	4	362	2003
Route 85	Northwest of SR 637 (Lake Hayward Rd)	7,800	7	642	5	630	2003
Route 85	South of Beechwood Dr.	5,300	7	396	4	463	2003
Route 85	Northwest of Rt 354	13,100	7	874	4	1,039	2003
Route 85	Southeast of SR 615 (Old Hartford Rd)	14,600	7	941	4	1,399	2003
Route 149	North of Rt 16	3,000	6	277	5	310	2003
Route 149	SW of Rt 2 EB off ramp (Exit 16)	4,600	7	436	5	473	2003
Route 149	South of Loomis Rd.	5,000	7	396	5	488	2003
Route 149	North of Rt 2 WB on ramp	2,700	7	231	5	253	2003
Route 149	South of Rt 2 WB off ramp (Exit 16)	4,100	7	454	5	340	2003
Route 149	South of Cato Corner Rd	4,000	7	369	5	395	2003
Route 149	South of Rt 16	4,900	7	389	5	482	2003
Route 149	Southwest of Rt. 2 EB on ramp	4,100	7	431	5	354	2003
Route 354	SE of Rt 85	5,600	7	374	4	454	2003
Route 354	SE of SR 637 (Lake Hayward Road)	4,500	7	300	4	401	2003
Route 354	Salem Line	2,400	7	153	4	231	2003
Route 354	Northwest of Stanavage Rd	3,200	7	215	5	304	2003
Route 354	Southeast of McDonald Rd	3,700	7	254	4	335	2003
Route 354	Northwest of SR 637 (Lake Hayward Rd)	4,800	7	307	4	407	2003
Route 429 (Peck Lane)	North of Rt 149	70	10	4	12	9	2003
Route 615 (Old Hartford Road)	West of Wall Street	8,800	7	589	4	859	2003
Route 615 (Old Hartford Rd)	SE of Old Hebron Rd	11,200	11	667	4	1,074	2003

Location		24 Hour ADT	Peak				Year
Route or Street	At		AM		PM		
			Time	Count	Time	Count	
Route 615 (Old Hartford Rd)	Northwest of Rt 85	10,500	7	647	4	988	2003
Route 615 (Old Hartford Rd)	Southeast of Mill Hill Rd	6,600	7	505	5	702	2003
Route 615 (Old Hartford Rd)	Northwest of Mill Hill Rd	4,100	7	367	5	353	2003
Route 616 (Norwich Ave.)	NE of Hayward Road	7,800	7	644	4	728	2003
Route 616 (Norwich Ave.)	West of Rt 2 WB on ramp	3,000	7	207	5	5,267	2003
Route 616 (Norwich Ave.)	East of Rt 2 WB off ramp	2,100	7	157	5	217	2003
Route 616 (Norwich Ave.)	West of Chestnut Hill Rd	5,700	7	691	2	539	2003
Route 616 (Norwich Ave.)	Northwest of Elm St.	5,400	7	546	5	476	2003
Route 616 (Norwich Ave.)	Northeast of Rt 85	8,200	7	642	4	749	2003
Route 616 (Norwich Ave.)	Southeast of Elm St	6,300	7	657	5	559	2003
Route 637 (Lake Hayward Rd.)	West of Rt 85	4,400	7	328	5	435	2003
Route 637 (Lake Hayward Rd)	NE of Rt 11 SB off ramp	3,900	7	272	5	410	2003
Route 647 (Lake Hayward Rd)	Southwest of Route 354	2,600	7	214	4	250	2003
Lake Hayward Rd	South of Cabin Rd	1,700	7	103	5	159	2003
Chestnut Hill Rd	Northwest of Rt 2 EB off ramp	2,400	7	247	4	217	2003
Chestnut Hill Rd	Southeast of Rt 2 EB on ramp	1,400	7	114	4	140	2003
Halls Hill Rd	Southwest of Pleasant St.	4,500	7	392	3	445	2003
Lake Hayward Rd East direction only	East of Cabin Rd	1,100	7	169	4	74	2003
Lake Hayward Rd West direction only	East of Cabin Rd	1,200	7	41	5	157	2003
Park Avenue	North of Lynn Street	850	7	57	5	86	2003
Windham Ave.	Northeast of Rudden Lane	1,200	7	103	5	132	2003

Note: Traffic Count in both directions unless noted.



Appendix B  
**COLCHESTER AT A GLANCE**

<b>County</b>	New London County				
<b>Labor Market Area</b>	Hartford				
<b>Size</b>	49.1 square miles				
<b>Colchester Population</b>	1980	7,761	US Bureau of Census		
	1990	10,980	US Bureau of Census		
	2000	14,551	US Bureau of Census		
<b>Composition of 2000 Population</b>	White	13,900	95.5%		
	Black	200	1.4%		
	Asian	87	0.6%		
	Multi-race	192	1.3%		
	Hispanic	280	1.9%		
<b>2000 Colchester Population Distribution</b>	Under 5 years	1,242	8.5%		
	5-19 years	3,331	22.9%		
	20-64 years	8,645	59.4%		
	65 years +	1,333	9.2%		
<b>2000 Median Age</b>	Colchester	35.3			
	New London County	37.0			
	Connecticut	37.4			
	United States	35.3			
<b>Number of Housing Units</b>	1990	4,150			
	2000	5,407			
<b>Housing Starts</b>					
	1993	219			
	1994	256			
	1995	114			
	1996	92			
	1997	110			
	1998	102			
	1999	107			
	2000	95			
	2001	85			
	2002	75			
	2003	89			
<b>Per Capita Income</b>		Colchester	\$27,038		
		New London County	\$24,678		
		Connecticut	\$28,766		
<b>Educational Attainment</b> (2000 Bureau of Census)		Town	County	State	
		High School Diploma	26.9%%	32.0%	28.5%
		Bachelor's Degree	21.8%%	15.2%%	18.2%
		Graduate Degree	9.8%%	11.0%	13.3%

Source: U.S. Bureau of Census, Census 2000

---

<b>COLCHESTER AT A GLANCE – continued</b>	
<b>Labor Force</b> (September 2004)	7,427
<b>Employed</b>	7,144
<b>Unemployed</b>	283
<b>Unemployment Rate</b>	
Colchester	3.8%
Hartford Labor Market Area	4.6%
New London Labor Market Area	3.7%
Connecticut	4.2%
United States	5.1%

Source: U.S. Bureau of Census, Census 2000