

# Market Feasibility Study for the Wall Street-West Avenue Redevelopment Area

City of Norwalk Redevelopment Agency  
December 6, 2018

---



Connecticut  
Economic  
Resource Center

*Collaboration at Work*

# About CERC

---

- CERC drives economic development in Connecticut by providing research-based data, planning and implementation strategies to foster business formation, recruitment and growth.
- Private, nonprofit organization; founded in 1993
- Funded by utility and telecommunication companies, state contracts, and fee-based services
- Provides research, municipal, business, real estate, and marketing services
  - Research includes demographic, industry, employment, retail, housing, fiscal impact and economic impact analyses for a wide range of private and public clients across Connecticut

# Overview

---

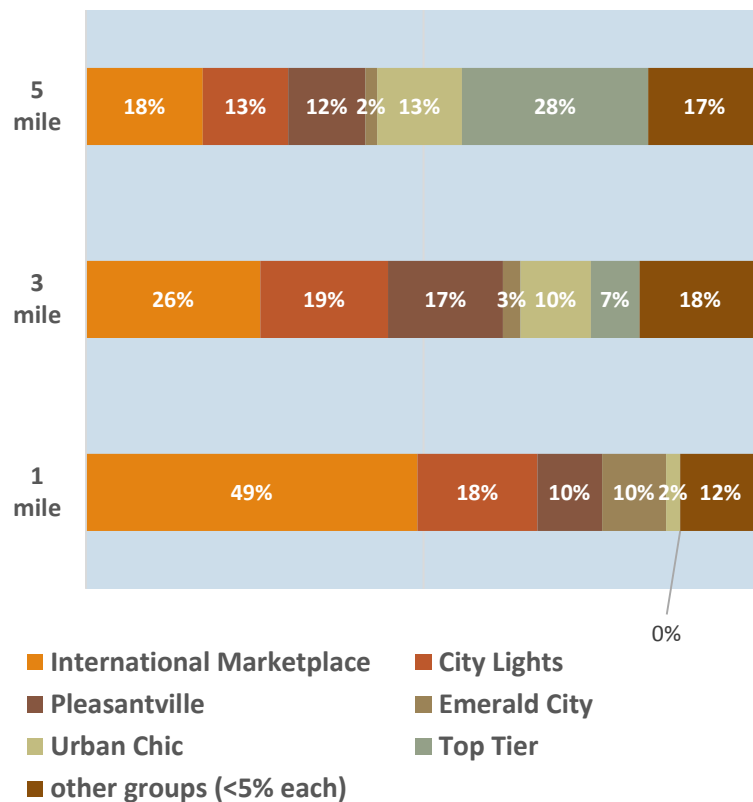
- Research into industry, demographic, housing, retail and employment conditions to determine market and economic support for Wall Street-West Avenue Neighborhood Plan
- Conclusion: Area is very well-positioned to meet the goals of the Neighborhood Plan

# Demographic Trends

---

- Compared Norwalk to Fairfield County and Connecticut on a variety of indicators
  - Data from U.S. Census Bureau, Emsi, Esri
- Key Findings:
  - Norwalk has a higher portion of working-age population as well as fewer families and retirees
  - Norwalk has a greater variety of household types than Fairfield County or the state does
  - Norwalk households have higher incomes than Connecticut but lower than Fairfield County

# Demographic Trends: Tapestry Segmentation



- 49% of households within 1-mile of neighborhood:
  - Diverse range of cultures and backgrounds
  - High labor force participation rate and typically employed in white-collar or service jobs
  - Lower incomes and higher housing costs
- 18% of households within 1-mile:
  - Also diverse, but higher incomes (still lower than national averages)
- 28% of households within 5-miles:
  - Older, wealthy, married with no or older children

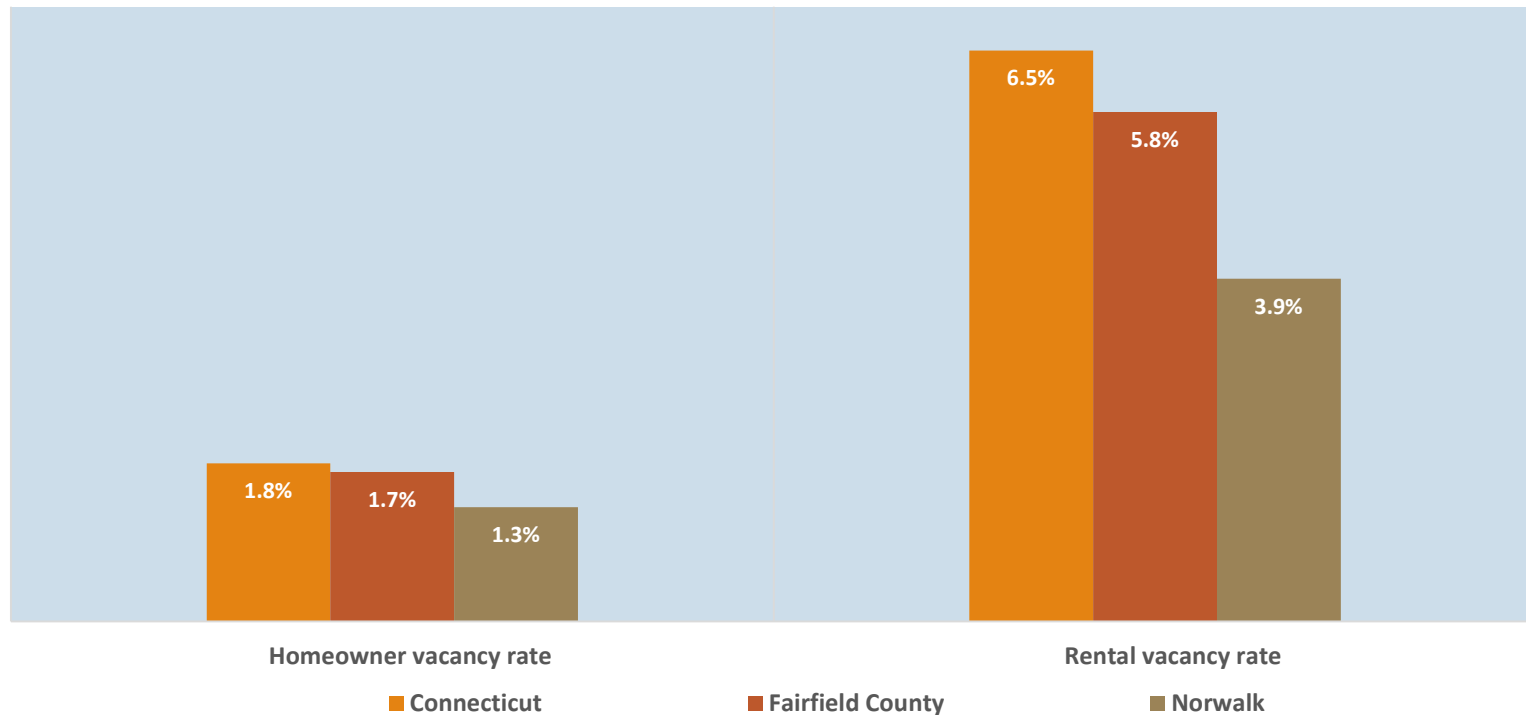
# Housing Analysis

---

- Compared Norwalk to Fairfield County and Connecticut on a variety of indicators
  - Data from U.S. Census Bureau, Emsi
- Key Findings:
  - Largest components of the existing population consist of young, mobile professionals who are not ready to buy and lower-income, asset-constrained families who may not have the financial means to purchase
  - Consider additional housing options, such as microunits or studio apartments, which could be more accessible financially

# Housing Analysis: Norwalk Has Tighter Markets

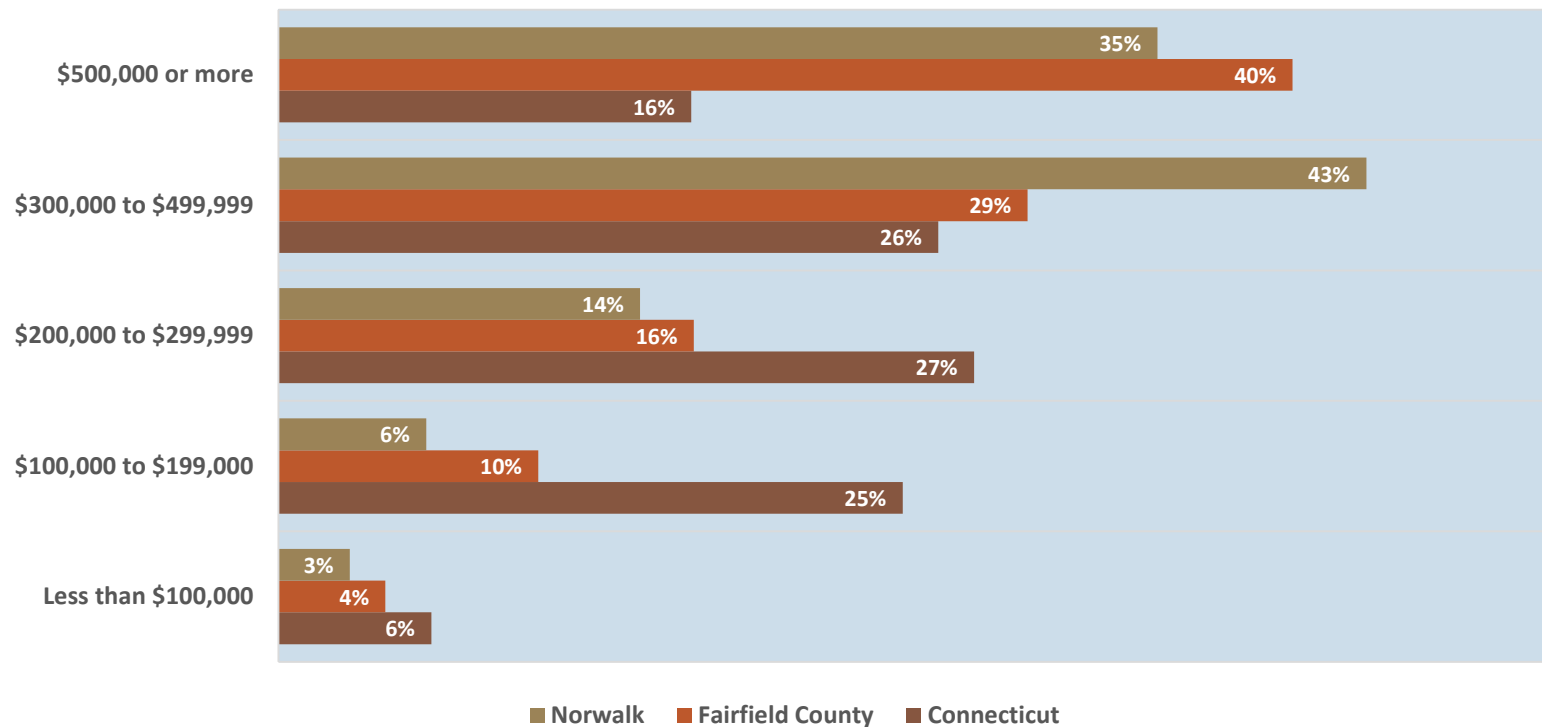
Housing Vacancy Rates, 2016



Source: US Census, American Community Survey Five-Year Estimates, 2012-2016

# Housing Analysis: Norwalk Housing is Expensive

Value of Owner-Occupied Units, 2016



Source: US Census, American Community Survey Five-Year Estimates, 2012-2016



# Housing Analysis: Changing Household Numbers

Age of Householder	Headship Rate	Number of Households			Change, 2015-2028
		2018	2023	2028	
15-24	7%	783	767	733	(51)
25-34	38%	4,855	5,570	5,970	1,115
35-44	51%	6,036	5,991	6,052	16
45-54	56%	7,183	6,502	6,088	(1,095)
55-64	55%	6,977	7,062	6,498	(480)
65-74	62%	5,029	5,812	6,488	1,460
75-84	60%	2,301	2,723	3,108	807
85 and over	63%	1,243	1,203	1,273	31
<b>Total Households</b>		<b>34,407</b>	<b>35,629</b>	<b>36,210</b>	<b>1,803</b>

- Headship rate refers to percent of population within an age group that is considered head of household
- Young worker and retiree households to increase, while older worker households to decrease
  - Suggests need for smaller, more affordable housing with amenities
  - Also may need different mix of public services

# Housing Analysis: Projected Housing Needs in 2030

---

	Single-Person Households	Multiple-Person Households	Total by Tenure
Rent	345-420	390-395	735-815
Own	440-530	460-630	900-1,160
<b>Total by Size</b>	<b>785-950</b>	<b>850-1,025</b>	

- Norwalk will need more renter- and owner-occupied housing for both single- and multi-resident households in 2030
- Other findings of note:
  - Half of young (ages 15-34) renter households in Norwalk have roommates
  - Married couple families in Norwalk are less likely to own their home (than in state)

# Industry Analysis

---

- Assessed each industry in Fairfield County and Fairfield County + New York County on basis of:
  - Employment growth in region and nationally
  - Employment concentration in region
  - Region's jobs as share of national jobs
  - Job growth nationally
  - Regional employment and income multipliers
  - Average regional wage compared to average regional wage overall
  - If region has a competitive share (i.e., if job growth in industry in region cannot be explained by national industry)
  - Local input
- Data from Emsi

# Industry Analysis: Growing Industries with Strong Presence

---

- Industries have relatively high concentration in Fairfield County and are growing nationally
- Industries:
  - NAICS 454 Nonstore Retailers
  - NAICS 512 Motion Picture and Sound Recording Industries
  - NAICS 519 Other Information Services
  - NAICS 713 Amusement, Gambling, and Recreation Industries
- Design development strategy to retain businesses as they grow

FAIRFIELD COUNTY VENDING

BOW•TIE  
C I N E M A S 



# Industry Analysis: Mature Industries with Strong Presence

---

- Industries have relatively high concentration in Fairfield County but are not growing nationally
- Industries:
  - NAICS 425 Wholesale Electronic Markets and Agents and Brokers
  - NAICS 511 Publishing Industries (except internet)
  - NAICS 515 Broadcasting (except internet)
  - NAICS 517 Telecommunications
- Design development strategy to help businesses retain their local presence



# Industry Analysis: Potential Attraction Candidates

---

- Industries do not yet have strong concentration in Fairfield County but are growing nationally
- Industries:
  - NAICS 312 Beverage and Tobacco Product Manufacturing
  - NAICS 518 Data Processing, Hosting, and Related Services
  - NAICS 522 Credit Intermediation and Related Activities
  - NAICS 523 Securities, Commodity Contracts, and Other Financial Investments and Related Activities
  - NAICS 524 Insurance Carriers and Related Activities
  - NAICS 551 Management of Companies and Enterprises
- Do further research to determine which are best fit for Norwalk and what will encourage them to locate in Norwalk



# Industry Analysis: Priority Retention Targets

---

- Industries have previously done well in region but are demonstrating slower growth in region than nationally
- Industries:
  - NAICS 445 Food and Beverage Stores
  - NAICS 519 Other Information Services
  - NAICS 541 Professional, Scientific and Technical Services
  - NAICS 562 Waste Management and Remediation Services
  - NAICS 621 Ambulatory Healthcare Services
  - NAICS 632 Nursing and Residential Care Facilities
  - NAICS 624 Social Assistance
- Do further research to determine why they are not growing locally and how Norwalk can support them



# Industry Analysis: Anchor Industries

---

- Locally determined key clusters
  - Healthcare
    1. Ambulatory Healthcare Services – strong and growing, but lower multipliers and wages
    2. Hospitals – higher employment multiplier but otherwise ranked low; however, existing hospitals are key anchors in Norwalk contributing to local growth
    3. Nursing and Residential Care Facilities - ranked as Priority Retention Target
  - Science, Design and Technology
    1. Professional, Scientific, and Technical Services - ranked as Priority Retention Target



Norwalk Senior Center



# Retail Analysis

- Identified if retail has:
  - Surplus (attracting sales beyond what resident population would suggest)
    - ➔ Develop complementary industries
  - Leakage (retail demand not met locally and residents shopping elsewhere)
    - ➔ Encourage retail growth to capture those sales
- Data from Esri

## Retail Gap Index (+ Leak -Surplus)

1-mile radius



# Economic and Employment Analysis

- Compared Norwalk to Fairfield County and Connecticut on a variety of indicators
  - Used data from U.S. Census Bureau, CT Department of Labor
- Key Findings:
  - Norwalk's employment profile by industry is similar to Fairfield County and Connecticut
  - Number of businesses growing but employment declining in Norwalk
  - Significant employment in high wage industries

Average Annual Wage in Norwalk, 2017



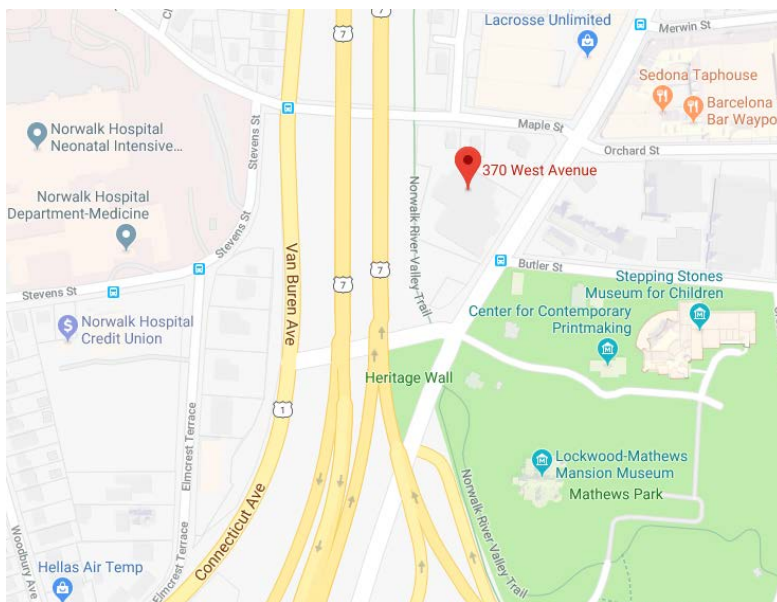
Source: State of Connecticut, Department of Labor

# Redevelopment Sites

---

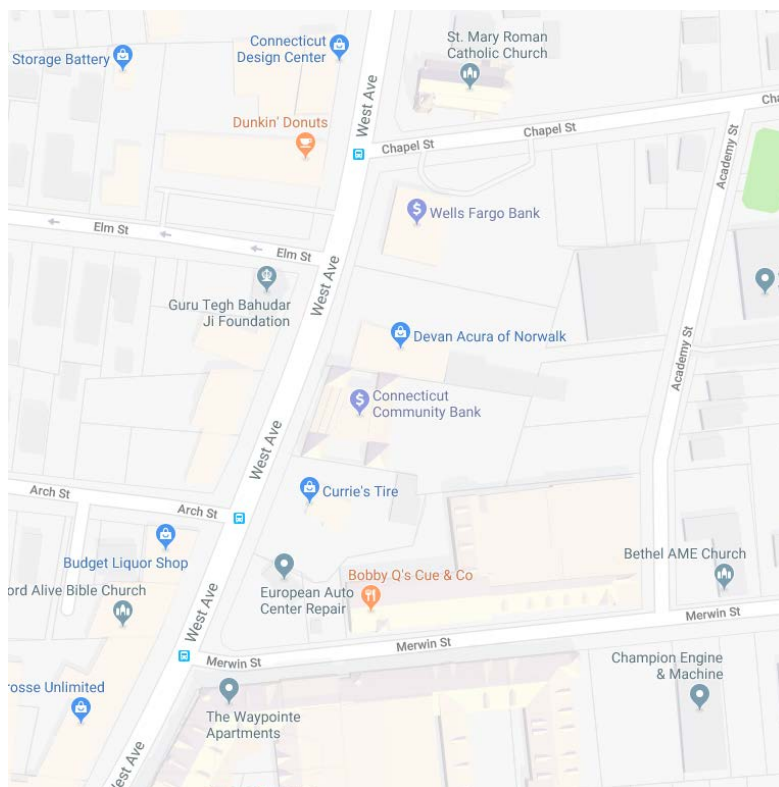
# Redevelopment Site 1

## 370 West Avenue (former YWCA site)



- Proposed mixed-use focused on health and wellness
- Data supports focus on healthcare for this site, although Professional, Scientific and Technical Services could also be well-situated here
- Convenience retail complementary to healthcare would be suitable on ground floor or nearby

# Redevelopment Site 2



## West Avenue between Merwin and Chapel Streets

- Proposed infill development with uses that generate pedestrian activity
- Data suggests auto-related leakage, but these businesses generate less pedestrian activity
- Consider growth industries of Nonstore Retailers and Amusement, Gambling and Recreation Industries

# Redevelopment Site 3

## Wall Street, West Avenue, Leonard and Commerce Street



- Proposed residential development with variety of industries for active and pedestrian-oriented ground floors
- Data supports residential development, especially single family homes although these may not be appropriate density for city center; consider also workforce housing
- Data suggest a number of relevant industries that would be good fits for street-level activity

# Redevelopment Site 4

## Wall Street between High and Main Streets



- Proposed mixed-use development maximizing connection to park and keeping parking spaces
- Data supports residential development, and park would be significant amenity
- Data suggest a number of relevant industries and retail that would be good fits

# Redevelopment Site 5

---

## Library and adjacent sites



- Proposed mixed-use development with new/expanded library that takes advantage of nearby transit hub
- Transportation resources suggest good location for workforce housing
- Data suggest a number of relevant industries and retail that would be good fits



# Thank You

---

860.571.6206 or 1.800.392.2122

[www.cerc.com](http://www.cerc.com)



@CERCInc