



CHAPTER VI: ECONOMIC DEVELOPMENT



A. THE NEW HAVEN ECONOMY

The **New Haven region has a diverse economic base** focused on health care, education, biotechnology and biomedical research, professional services, software and application development and advanced manufacturing. Within the city, the employment changed dramatically, with shifts in aggregate numbers, in types of industries, and in the location of major job centers in the latter half of the 20th century. Employment figures reached 92,000 in 1990 at the tail end of a long-term economic expansion. The recession of the early 1990s heavily impacted the city's employment base, with total employment at a decade-low 72,000 in 1997. Since then, employment has rebounded significantly. The 2000 employment base of 77,890 represented an 8 percent increase from 1997. While the city experienced decreases in employment base from 2002 to 2005 (with 73,160 total jobs in 2005), **employment was on the rise during the latter half of the decade** with 4.4 percent increase in employment from 2005 to 2006 and another 3 percent increase from 2006 to 2011, despite the severe economic recession experienced nationwide from 2007 to 2009.

Due to the presence of world-class educational and medical institutions, multi-modal transportation network, and diverse arts, cultural, and entertainment facilities, New Haven is uniquely positioned to be the hub of knowledge/ innovation based economy within the region and the state in the 21st century. Maximizing New Haven's connection to the global economy and enhancing the city's status as a regional transportation center are both key goals of the city's economic development strategy.



Economic Development

Unemployment

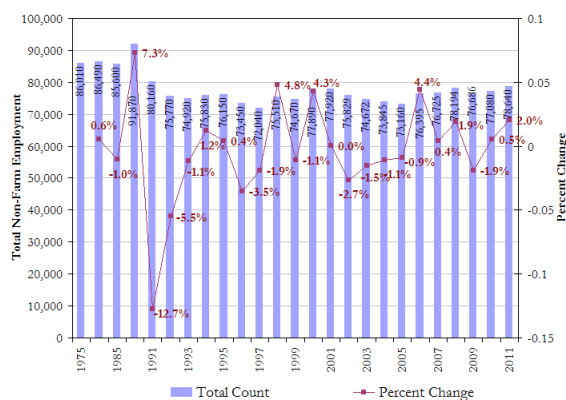
While the unemployment rate in the city decreased from 1997 to 2000, it has increased significantly from 3.3 percent in 2000 to 13.2 percent in 2010. A similar trend was observed state-wide and among other peer cities as well. **Recent unemployment figures mirror the slow recovery** from the post-2008 recession, with a peak rate reaching 13.2 percent in 2010 and now recovering to a post-recession level of 6.7 percent in early 2015. (See Databook in Appendices for further information.)

Employment by Sector

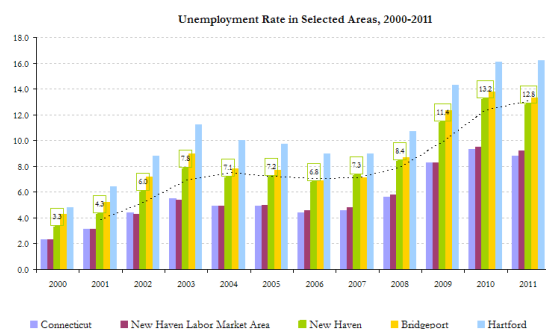
While New Haven's mid-century economy was characterized by a diverse set of goods-producing industries, including heavier industries (metal works, armaments, etc.) and non-durable goods (textiles, food products, etc.), industrial production employment has been declining for over 40 years. In the interval since the last Comprehensive Plan, deregulation, international competition, and industry-specific consolidation have had profound impacts on what have historically been the city's largest private-sector employers, including Frontier Communications (formerly SNET) and UIL Holdings (formerly United Illuminating and Southern Connecticut Gas) as well as the local banking sector. Since the depths of the 2008 recession, the local economy has emerged with greater diversity and even stronger focus on the knowledge base provided by the education and health care sectors. Manufacturing continues to be an important component to the city's employment base, but with far greater specialization, fewer employees, and **advanced technology manufacturing** processes. Meanwhile, service industries (in particular health services and education services) have led a rebound in total employment.

New Haven remains the central employment destination within the total **17-town Labor Market Area** (LMA). Approximately 30 percent of the LMA's 265,000 jobs are in New Haven, including 44 percent of all jobs in transportation, communications, and public utilities (TCPU) and professional services. By comparison, total employment in the adjacent cities of Meriden (26,710), Wallingford (24,380), and North Haven (21,490) is more focused on the local government, manufacturing, and retail sectors.

Education and health care continue to dominate the employment base in both the South Central Region and the City of New Haven. The largest local employers are Yale University, with approximately 12,000 employees, and Yale-New Haven Hospital, which has

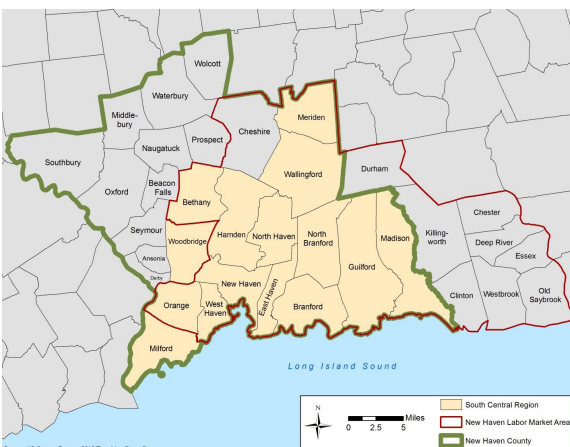


The number of jobs within the city has grown in recent years, even in the years following the economic crash of 2008.



Source of both charts: CT Department of Labor, 2012

Unemployment in the City of New Haven remains higher than both the New Haven Labor Market Area and state as a whole.



Geographic boundaries of New Haven Labor Market Area, SCRCOG, and New Haven County.

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merged with the Hospital of St. Raphael, and now has a total of approximately 11,000 employees. Quinnipiac University, Southern Connecticut State University, Gateway Community College, and Albertus Magnus College also contribute to the role of New Haven as an educational center. Other large health sector employers include Temple Medical Center and American Medical Response.

In 2014, Frontier Communications acquired the former business lines of AT&T (previously SNET) in New Haven, thus becoming the largest non-institutional private employer in New Haven, with approximately 2,000 employees. Frontier has indicated that New Haven will remain a regional headquarters. Other large private sector employers include First Niagara Bank (formerly New Alliance); Comcast Communications; UIL (formerly United Illuminating and Southern Connecticut Gas); Knights of Columbus; Assa Abloy; Higher One, Inc.; WalMart; and Covidien.

Overall, the basic economy within the region is organized into three broad sectors: education; advanced manufacturing; and health care.

Education: With the largest overall basic employment (17,187) and location quotient (3.09), educational services is a core element to the region's economy. The strength of this industry includes the higher education cluster: Yale University, Southern Connecticut State University, Gateway Community College, Albertus Magnus, University of New Haven, and Quinnipiac University. Aside from its core educational functions, this sector is increasingly active in local economic initiatives. In particular, Yale University's technology transfer activities have been instrumental in the **siting of new biotechnology companies** in the region.

Advanced Manufacturing: Although many of the city's traditional manufacturing companies have moved operations overseas, others have opened or modified to meet the needs of the global marketplace. A good example of the shift is the former Acme Chemical on Chapel Street. The company is now a division of Von Roll Isola, producing world-class insulating materials. Cyclone Microsystems, located at 370 James Street, designs and manufactures intelligent communications controllers. Science Park, located in the former Winchester Arms factory complex, has been transformed over the last decade from a vacant manufacturing center to a multi-tenant business and industrial park. A number of biotechnology and high technology manufacturing companies have sited at Science Park, as well as at 300 George Street.

The bio-science career ladder is a collaboration between the City's Economic Development Corporation, CURE (a state-wide biotech organization), SCSU, and other workforce development partners.



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Yale University School of Medicine (Sterling Hall) lies at the core of the city's health care and biomedical research sector.



Biotech workers are an important component of the regional economy.



Alexion Pharmaceuticals' world headquarters under construction at 100 College Street represents the growing importance of the biotechnology sector in the city's overall economic profile.

Health Care: Given the sheer size of the health care industry across the country, the health services sector is highest in total employment (48,813) and second highest in basic employment (13,235). Within the New Haven region, its 2011 location quotient was 1.37. The medical services industry is concentrated around Yale-New Haven Hospital, as well as many associated facilities, such as the Temple Medical Center and **Yale School of Medicine**.

Pharmaceutical and Biotechnology Research and Production: Combining aspects of both advanced manufacturing and health care, chemicals and allied products, which includes a significant portion of businesses in the biotechnology sector, accounts for approximately **4,000 jobs regionally**. Within the New Haven region, the largest companies in this sector include Alexion Pharmaceuticals, which is expanding its presence within city with an impending move from Cheshire to a **500,000 square foot, twelve-story purpose-built research center** at 100 College Street.

Other significant biotech companies include Clinical Data Associates, Ikonyxis, and Transgenomic at 5 Science Park; Achillion Pharmaceuticals at 300 George Street; Covidien (in both New Haven and North Haven); Idexx Laboratories at 670 State Street; Kolltan Pharmaceuticals at 300 George Street; and Marinus Pharmaceuticals at 142 Temple Street; as well as regional employers such as Axerion Therapeutics, Celldex Therapeutics, Bristol Myers Squibb, and Gilead Sciences in Branford, PerkinElmer, in Branford and Shelton, and Novartis.

A 16,500-square-foot genomics research facility was opened at Mount Sinai in Branford last fall and has a staff of 19 people. This facility is expected to more than double its workforce over the remainder of this year by adding another 30 employees.

Labor Force Characteristics

Out of the nearly 100,000 people in 16 years and over age group in New Haven in 2011, 66,685 (64.1 percent) were in the civilian labor force and 37,349 (35.9 percent) were not in the labor force. Compared to the state and peer cities like Stamford, Bridgeport, and Hartford, New Haven had the second highest percentage of population not in labor force, next to Hartford.

Wages

Total annual wages for all industries in the New Haven Workforce Investment Act (WIA) region in 2011 was nearly \$16.3 billion,

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with more than a quarter of these wages (\$4.7 billion) earned by workers in New Haven. The average annual wage for all industries in the city generally increased from 2005 to 2010 and from 2010 to 2011. Only the average annual wage in construction industry and in local/municipal government jobs dropped slightly from 2010 to 2011. (See Employment chapter in Databook--Appendices for WIA boundaries).

Even though **health care and social assistance sector had the highest share of total employment** and highest total annual wages in the city in 2011, the average annual wage (\$58,107) was not the highest for this industry. The top three industries with the highest average annual wages in the city in 2011 were management of companies and enterprises (\$118,187); finance and insurance (\$90,024); and professional, scientific, and technical services (\$89,416).

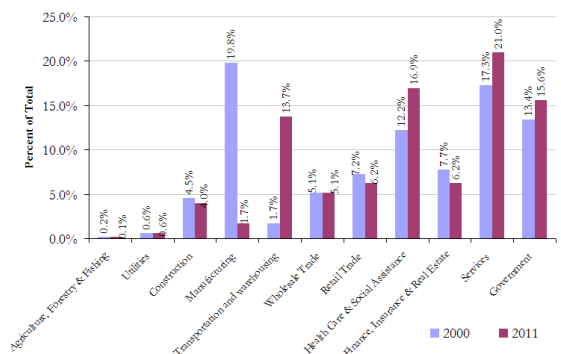
Employee Commuting Patterns

New Haven had the second highest count of jobs (72,616) compared to peer cities like Hartford, Stamford, Norwalk and Danbury in 2010. Nearly **57 percent of people living in New Haven were employed outside New Haven** and nearly 77 percent of people employed in New Haven lived outside New Haven.

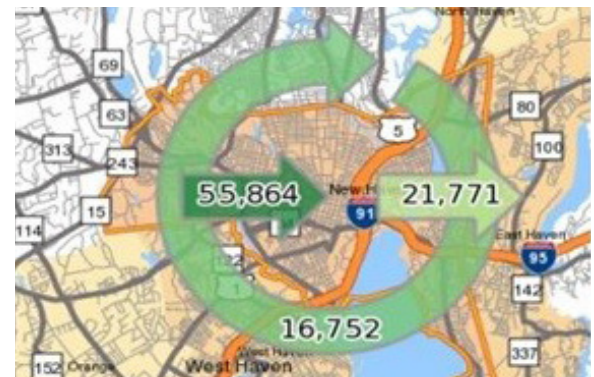
When compared to the neighboring towns in the region, **New Haven had the lowest percentage of population commuting to a different town to work** (nearly 45 percent) in 2010. The 12 percentage point gap between employment outside New Haven and commuting to work outside New Haven is likely due to workers who telecommute or commute infrequently. The majority of the people commuting for work to New Haven were from neighboring towns such as Hamden, North Haven, Branford, and East Haven. The majority of the people living in New Haven commuting outside of the city for work go to West Haven.

State of the Workforce

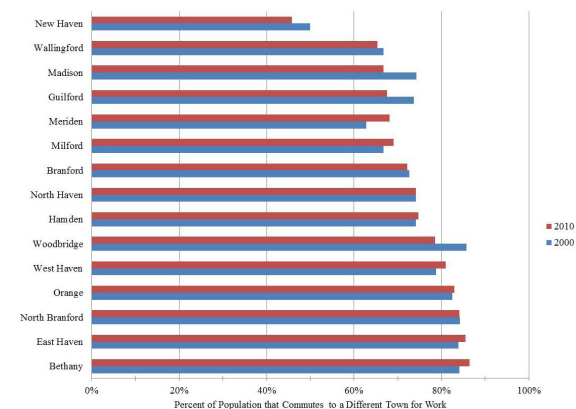
Research conducted by Workforce Alliance, Inc., in 2009 on the skills of workforce indicated that many **people with high school diplomas lacked the required analytical, reading, and math skills** to enter a community college. For example: 42 percent of students entering Gateway Community College needed developmental writing skills, 58 percent needed developmental reading skills, and 94 percent needed developmental math skills in 2008. These figures also exceed national averages.



Percent of Total Annual Wages for Key Industries in New Haven WIA, 2000 and 2011



Jobs inflow and outflow in 2010



Jobs inflow and outflow in 2010

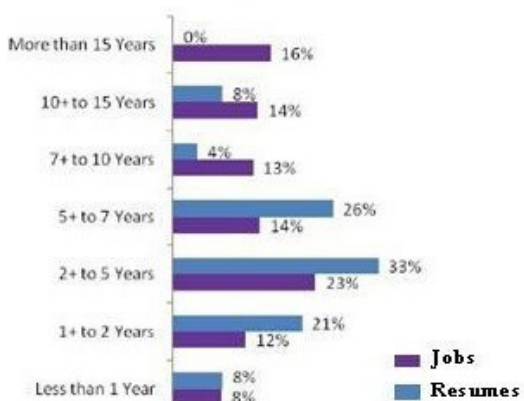
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As of 2005, more than 7,000 disconnected young adults between the ages of 18 and 24, unemployed and not in school, lived in the South Central Connecticut region with the majority living in New Haven. In addition, out of the 43,000 children between 0 and 4 years of age more than 50 percent lived in the region's poorest communities.

They represent the largest share of workforce entrants for the next decade. (State of the Workforce Report, 2005)



Source: Workforce Alliance, 2012
Jobs inflow and outflow in 2010



View of the historic English Station site located in Mill River industrial area.

The lack of literacy skills has also been a barrier to ex-offenders finding jobs, accessing training, and staying out of prison in future. Although 92 percent of prisons offer education programs, only 30 percent of inmates take part in it.

A presentation made by Workforce Alliance in 2012 shows that there is a mismatch between labor supply and labor demand within the city. New Haven has a **large supply of students (16 percent of resumes) and entry-level candidates (18 percent of resumes)**, whereas mid-career roles are more in demand (71 percent of postings). The city had the lowest percentage of job seekers with a bachelor's degree or higher (39 percent of resumes), but the highest percentage of employers seeking candidates with a bachelor's degree or higher (70 percent of postings). **Only 30 percent of candidates in the city had 10 years or more of experience**, compared to 42 percent in the larger SCRCOG region.

In an October, 2011 presentation at Governor Malloy's Jobs Summit, McKinsey & Company reported that, "the U.S. workforce will continue to grow until 2020 but under current trends workers will not have the right skills for the available jobs...progress on four dimensions is essential: develop the U.S. workforce's skills, expand U.S. workers' global share, spark emerging industries and speed up regulatory decision-making." Based on these trends, it is evident that enabling the workforce of the city to become competitive in the job market is a top priority for the overall economic growth and development of the city.

Industrial Land Use Patterns

As manufacturing employment has dropped with the city over the past 40 years, former manufacturing buildings in the Long Wharf area have increasingly become the focus for large-scale retail, educational, and health services uses, such as IKEA and the future Jordan's Furniture at opposite ends of Sargent Drive. Other former industrial buildings have been re-purposed for residential use, such as Brewery Square. However, many under-utilized industrial buildings and sites have been demolished or recycled for lower intensity uses, such as warehouses, transportation, and waste processing facilities. This is particularly true in the **Mill River District** and the **port area**. The City recently adopted a Mill River District Plan (2014) for the revitalization of Mill River industrial area.

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Port of New Haven

Of the nearly 10,100 acres of total land in New Haven, just over 1,100 (nearly 12 percent) are classed industrial. Approximately 85 percent of all industrial space is located in just six neighborhoods, all located east of Downtown. Port-related uses, primarily petroleum processing, storage and distribution, and scrap/waste material storage, account for over 25 percent of all industrial-class property but a much smaller share of industrial employment or economic activity. The map on the following page indicates noteworthy vacancies in the industrial sector.

Commercial Sector

Commercial class property, including office space in Downtown and throughout the city, represents 15 percent of all assessed land in New Haven. The demand for office space correlates with the trends in economic activity and employment. In comparison to the state's other large office markets, New Haven is remarkably stable. In 2013, the vacancy rate (Class A and Class B space) in the greater New Haven office market hovered around 15 percent, which was significantly lower than the vacancy rates in Hartford and Fairfield Counties.

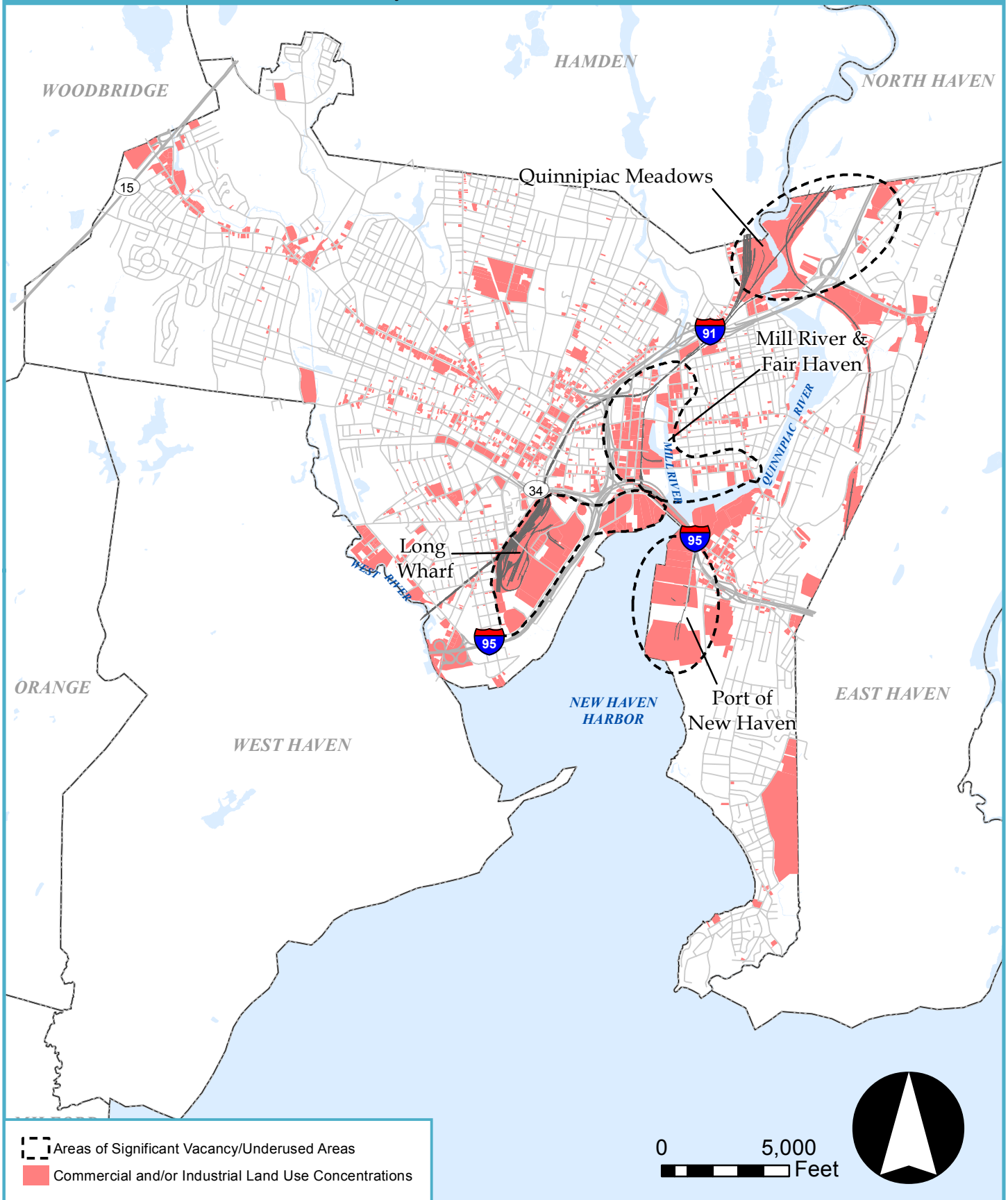
Particularly in the downtown core, the low vacancy rate is due to a comparatively small inventory of general market office space, the absence of strong competition from surrounding suburban office centers, and the withdrawal from this inventory of **several recent office to residential conversions**, such as 227 Church Street (now the Eli Apartments), 205 Church Street (the former Union Trust/Connecticut Trust building) and the former office space at 900 Chapel Street, which is currently marketed as Residences on the Green. Yale University and other non-profit uses play a significant role in the commercial office market.



The site of the former Chapel Square Mall at 900 Chapel Street has been converted to a residential and retail mixed-use development over the past decade.

NEW HAVEN VISION 2025

COMMERCIAL/INDUSTRIAL CONCENTRATIONS



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Retail Sector

While the development of new downtown retail destinations is limited, in certain cases, there is an opportunity for contextual infill development of new or expanded retail centers. This is particularly the case along existing mixed-use **neighborhood commercial corridors**, such as Dixwell Avenue, Grand Avenue, State Street, and Whalley Avenue. In other areas, more specialized, neighborhood-oriented retail is appropriate. Retail opportunities in Downtown are also addressed in Housing and Neighborhood Planning chapter under Downtown sub-section.

The three busiest shopping districts in Downtown New Haven are the Audubon/Whitney District, Broadway Shopping District, and Chapel Historic District. Over the past decade, Downtown retail options increased with the opening of several new stores, especially at the Broadway Shopping District, such as Urban Outfitters (43 Broadway), J Crew (29 Broadway), Origins (11 Broadway), American Apparel (51 Broadway), GANT Clothing, (268 York St) and an Apple Store (65 Broadway). In addition, two new supermarkets were opened in and near Downtown: Elm City Market at 360 State Street in Downtown and Stop and Shop in Dwight neighborhood (150 Whalley Avenue).

Neighborhood Commercial Districts

As a city built around the fabric of its neighborhoods, the city's **smaller commercial districts are an integral component of the quality of life in New Haven**. In general, the small number of large retail and so-called power centers has helped to **preserve the identity of the smaller commercial districts**. Although the business mix continues to evolve, much of the original architectural character and the district layouts has been retained. These pedestrian-oriented storefronts and commercial buildings are located in most neighborhoods. Smaller markets, non-durable goods, and other convenience stores are often within walking distance of a residential population.

Still, **the neighborhood commercial districts are among the most at-risk sections of the city**. There are price pressures from larger chain stores and suburban strips as well as internal pressure within the district. The internal pressures relate to the intrusion of nuisance uses, the lack of off-street parking, lack of common hours, and incompatible urban design (particularly signage).

Neighborhood businesses could be re-connected to economic opportunities by revitalizing neighborhood commercial corridors throughout the city.



Existing view of Dixwell Plaza shopping center in Dixwell neighborhood.

The city's Buy Local initiative aims to strengthen New Haven's small and minority-owned businesses by gaining them access to large-scale vendor opportunities with the City, Yale University, and YNHH.

City Economic Development staff have recently completed (June 2014) an assessment of targeted neighborhood commercial districts and began implementation of a "Main Streets" approach, partnering with residents and local business owners to promote economic revitalization.



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Existing view of Wooster Street (Little Italy) in Wooster Square neighborhood, home to many historic homes with distinct architectural features.

New Haven has the largest concentration of arts and entertainment organizations within the region providing a unique identity to the city. These arts organizations attract visitors not just locally but from all across the globe. This programming plays a vital role in fostering economic development in the city as well as enhancing quality of life for city residents.

Certain uses, if not properly operated can have a deleterious effect on the district and the surrounding neighborhood. These include convenience stores, package stores, automotive-related uses, taverns, and adult uses. Although most of these uses require special review by the City Plan Commission or the Board of Zoning Appeals, enforcement of conditions remains a priority concern. Of note, grandfathered uses do not typically require periodic review, often leading to lower levels of property stewardship. Over time, the success of the neighborhood business districts depends on the mix of uses—properly operated—in order to generate sufficient customer traffic.

Urban design issues relate to the compatibility of new construction and renovations to the existing and prevailing building form. New buildings are too often pre-designed structures more suitable to suburban locations. Similarly, renovated façades often fail to respect the inherent architectural qualities of the building mainly through inappropriate signage. Likewise, site planning must account for the urban environment, including provisions for shared parking.

Arts, Cultural, and Entertainment Facilities

New Haven welcomes over 1.3 million visitors each year who enjoy the largest university art collection in the world (Yale University Gallery), the largest collection of British Art outside the United Kingdom (Yale Center for British Art), and an always dynamic theater, dance, visual and gallery scene. The city is a **host to 442 creative businesses and organizations** including professional schools, performing arts groups, museums, and publications—all components of sheltering organizations such as Yale University (Yale museums, the Lyman Center for Performing Arts, the Educational Center for the Arts, etc). Together, these businesses, museums, and creative organizations constitute 15 percent of New Haven's 2,939 businesses. Nearly 7.5 percent of all New Haven's workers (more than 5,600) work in these cultural core businesses.

Performance groups, architectural firms, graphic and web design firms, bookstores, galleries/exhibition spaces, media publications, photography, colleges/universities, and libraries are the top ten components of New Haven's cultural core. Exact employment figures were unavailable for these businesses. However, the range of business size by number of employees was available for key businesses listed within Bureau of Labor Statistics web page.

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These data indicate that the majority of creative businesses within New Haven's cultural core are small, with nearly 70 percent having fewer than 10 employees

New Haven **hosts more than twenty summer festivals** including the hugely successful New Haven Jazz Festival and the International Festival of Arts and Ideas. The city and its immediate suburbs are home to six colleges and universities that provide a significant base of resources and institutional support for the arts. These cultural assets have the ability to draw from a wide geographic area and contribute to New Haven's economy in a significant way.

These art and entertainment events have a huge economic impact on the city and the region. In June 2012, New Haven's International Festival of Arts & Ideas events alone attracted 143,637 people to New Haven for an arts-related event, an increase of 28 percent from the 2011 festival (Source: Hartford Courant, 2012). The total economic impact was \$25,114,478, an approximately 28 percent increase from the previous year. Among those who attended this festival, New Haven-area residents accounted for 51 percent; other areas of the state constituted another 34 percent; and 15 percent came from out of state, with the largest numbers from Massachusetts, New York, Pennsylvania, and California.

The arts are complemented by a full array of sports including the New Haven Open Tennis Tournament, held in the 13,000 seat Connecticut Tennis Center; college sports hosted by Yale and Southern Connecticut State Universities; and the Floyd Little Athletic Center on Sherman Parkway owned by New Haven Public Schools. Additionally, the many colleges and universities in New Haven provide sporting facilities and events, including regional events.

Several municipal initiatives help ensure the preservation and growth of art and artists within the city. These include Project Storefronts, Mayor's Community Art Program, Percent for Art program, and Winchester Revitalization Art Project (WRAP) as discussed within Chapter IX of the Databook—Appendices.



New Haven's International Festival of Arts and Ideas held annually in June is a major regional draw for visitors.



Economic Development

B. PLANNING CONSIDERATIONS

- ❖ The expansion of the economic base across diverse sectors provides a solid foundation for business development. Basic industries, including advanced manufacturing, education, and health care, will attract compatible businesses and institutions to the city. Clustering activities are consistent with recent City policy and are well-suited to the business climate in New Haven.
- ❖ The lack of easily developable property will impair new business development. Brownfields, parking and access issues, and physical deterioration all complicate economic development efforts.
- ❖ Similarly, the inappropriate conversion of industrial property to lower intensity or non-economic use will have a long-term, deleterious effect on the city's economic base. Areas most at-risk for conversions include the Long Wharf food terminal, Mill River, the upper State Street area, and the lands in and around the port terminals.
- ❖ Transportation and access remain central issues for New Haven. Various highway projects, if not adequately managed, staged, and phased, will encourage businesses to seek suburban and even exurban locations.
- ❖ The Port of New Haven is an integral component to the regional economy, providing access to energy, raw materials, and international markets. The port's direct economic impact, however, is limited. Therefore, the spatial needs of the port must be accommodated in an efficient manner without absorbing additional land that may be suitable for more intense (basic industries, jobs, taxes, etc.) economic development.
- ❖ At the same time, port traffic can spur indirect economic development through value-added manufacturing and warehouse functions.
- ❖ Although the demographic changes within the city are increasing demand for retail services, there is limited land available for suburban-oriented developments. However, contextual infill retail opportunities do exist. In particular, redevelopment of the Dixwell Plaza and certain sections of Whalley Avenue are top candidates for additional retail activity within an urban setting.

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- ❖ The city's neighborhood commercial districts, including Grand Avenue, Westville Center, and State Street, are unique assets that must be stewarded from incompatible suburban-oriented redevelopment. Design review and targeted business development are prime issues for these districts.
- ❖ Community survey responses and data findings indicate that connecting residents to local jobs, enhancing the skills of local workforce to meet the requirements of current and potential employers, and encouraging and sustaining local entrepreneurs are key economic development priorities for the next decade.

C. **GUIDING PRINCIPLES FOR RECOMMENDATIONS**

- ❖ Promote sustainable and balanced economic growth.
- ❖ Continue to promote business retention and attraction.
- ❖ Support start-up and small businesses.
- ❖ Enhance the skills of local workforce.
- ❖ Promote revitalization of all of the existing business corridors in the city.
- ❖ Support private sector efforts to maintain positive trends of reduction in vacancy rates within Downtown commercial and office space.
- ❖ Promote the redevelopment of industrial areas of the city.
- ❖ Remediate brownfields and where appropriate, propose interim uses for such sites.
- ❖ Continue improvements to infrastructure to promote economic development, such as roadway enhancements, coastal resiliency planning, and information technology implementation.
- ❖ Reinforce the city's position as a world-class destination for arts, cultural, and entertainment events.
- ❖ Continue to raise awareness on economic development and workforce development initiatives in the city.
- ❖ Continue efforts to integrate the economic development of Downtown with complementary development initiatives in the Medical Center and Long Wharf areas.
- ❖ Enhance New Haven's economic competitiveness within the region.



D. RECOMMENDATIONS

Balanced Economic Growth

- ❖ Coordinate economic development efforts with land use, housing, transportation, and environmental planning and implementation efforts since a healthy economy is only possible when the neighborhoods are revitalized; when there is an improvement in the overall quality of life; and when jobs are easily accessible to people of all ages, incomes, and abilities.
- ❖ Promote an all-inclusive economy within the city by encouraging neighborhood-based economic development initiatives that take into account a neighborhood's assets and opportunities and by supporting equitable distribution of resources.
- ❖ Continue to strengthen the Downtown core by promoting mixed-income, transit-oriented "work force" housing developments that help increase economic activity beyond the traditional business hours, promote vibrancy, and attract potential employers to relocate to the city.
- ❖ Support efforts to increase the concentration of other "basic" industries such as business and financial/professional services (including auditing, accounting, tax filing, credit reporting, architecture, investment companies, etc) and manufacturing and advanced materials production that bring revenues from outside the city and further enhance and diversify the local economy.
- ❖ Ensure that zoning of land for commercial and industrial purposes is adequate to meet the current and future employment needs of the residents. As a first step, maintain an accurate database of all commercial/industrial properties in the city. Pursue Zoning Ordinance amendments based on the mixed-use commercial and industrial land use classifications proposed within the future land use map of this document.

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- ❖ Continue to enhance the skill set of New Haven's workforce, especially in low-income neighborhoods where the majority of the future workforce is located (based on Databook results) and **connect them to local job opportunities**. Specifically, focus on preparing them for a technology-based economy predominant in the 21st century. Also, **prepare them for jobs in bio-medical and life sciences industry** that continues to dominate New Haven city and the region.
- ❖ Continue to work toward enhancing New Haven's economic competitiveness and strengthening its positioning as a regional growth center by investing in transit and bike/ped improvements and managing traffic and parking demand effectively.
- ❖ Continue to work with the Greater New Haven Chamber of Commerce and Regional Economic Development Agency (REX) in coordinating, planning, and implementing regional economic activities with a special focus on attracting more living wage jobs to the region.

In January 2012, the New Haven Board of Aldermen created "New Haven Works," a jobs pipeline to connect local workforce to jobs through partnerships with local institutions. As of 2014, 323 members were hired or placed, 674 members became ready to hire, 1,526 residents became members, and 2,319 residents attended orientation. (New Haven Works Annual Report, 2014)

New Haven's economy is primarily based on "Eds and Meds" due to the presence of Yale University and Yale-New Haven Hospital, which are the (top two) major employers in the city.

Business Attraction and Retention

Attraction:

- ❖ Continue to maintain and increase economic activity and vibrancy in Downtown New Haven—the commercial core of the city and a destination for unique shopping, restaurants, and entertainment and professional/government services. The Commission recommends the continuance of these efforts, as well as, encourages investment in a fixed route, more frequent, and visible local commuting option that links Downtown to the neighborhood-based commercial districts to further enhance economic activity and vitality.
- ❖ Reduce vacancies in Downtown New Haven through enhanced marketing and promotion of key sites; recommending upgrades to older buildings; and encouraging reuse of selective commercial buildings for mixed-use residential purposes with an active ground floor environment (such as pedestrian-oriented retail uses).



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The City of New Haven Façade Improvement Program helps to fight blight in New Haven neighborhoods and stimulate economic rehabilitation through programmatic matching grants that typically leverage \$1 of public façade money into \$12.85 in private investment.

The Mill River District was awarded a Community Development Block Grant Disaster Recovery Program(CDBG-DR) grant of \$192,000 in 2014 to plan coastal resiliency improvements within the district.

- ❖ Continue to encourage façade improvement of commercial/mixed-use properties in the city to eliminate blight and further stimulate economic growth through the city's **Façade Improvement Program**. Market this program more robustly so that more business owners can take advantage of this program.
- ❖ Continue to encourage the location of locally-owned destination businesses and restaurants that add to the uniqueness of the city.
- ❖ Promote beautification of the Port District and improve access and connectivity to the port area to further increase regional economic activity within the port.
- ❖ Implement the vision of Downtown Crossing (Route 34 East) project and the Hill to Downtown plan and develop Route 34 West (based on recently approved zone change and design guidelines manual) to create new economic opportunities within the city and also enhance the city's tax base.
- ❖ Implement the recommendations of the **Mill River District Plan**, including exploration of an Industrial Preservation Zone for the district, rezoning of the Grand Avenue corridor as a General Business (BA) or BA-1 throughout the district, exploration of context-based zoning for pre-existing industrial buildings and the waterfront area, and creation of a PDD for the Farnham Courts complex. The goal for this area is to preserve existing light industrial/ manufacturing sector in the city; encourage more pedestrian activity and visibility; and attract new investments.
- ❖ Continue to utilize economic development planning as a tool to prepare sites for the development of targeted industries. Develop a sound land use plan for the Long Wharf and Canal/Belle Dock area where opportunities exist for promoting large-scale, mixed-use commercial developments and enhancing waterfront access. The Commission recommends adaptive reuse of existing vacant buildings on Sargent Drive, to the extent possible.

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- ❖ **Improve land use and design standards** and marketing and coordinating efforts within the city's neighborhood-oriented commercial districts and transform them into Connecticut Main Streets by implementing the action steps outlined in 'Building a Neighborhood Commercial District Revitalization Program report' (Connecticut Main Street Center, May 2014). The commission recommends that more specific attention be given to the following areas: Dixwell Plaza, Grand Avenue, Westville Village, Whalley Avenue, Kimberly Square, and State Street, including Cedar Hill.
- ❖ Evaluate the City's approach to development review and permitting, and consider options to efficiently streamline the permitting process, wherever appropriate.
- ❖ Re-evaluate permitting process for temporary restaurants and other itinerant vendors (such as food trucks and mobile food vendors) to facilitate and encourage entrepreneurship.
- ❖ Improve the aesthetics and quality of developments on all development corridors of the city such as Church Street, Dixwell Avenue, Whalley Avenue, Kimberly Avenue, Route 34, Grand Avenue, and Middletown Avenue. Build on **Phase I of the Wayfinding Signage Program** and more local signage initiatives to create neighborhood gateways at these locations as Phase II.
- ❖ Develop plans for streetscape enhancements in the neighborhood business corridors.
- ❖ Pursue amendments to state grant programs, which would allow for acquisition and remediation of brownfield sites and allow for the use of condemnation in order to facilitate a public-purpose taking. For properties not acquired, landscape considerations should be further incorporated into the site plan review process, particularly through additional regulations concerning soil removal, blasting, and/or significant proposed grade changes.



Land use and design standards in mixed-use commercial districts should be improved through the incorporation of form-based elements and effective streetscaping, thus promoting compact, mixed-use, and pedestrian-oriented developments with appropriate scale and densities that enhance neighborhood identity and further increase economic activity in these areas.



The City in partnership with the Town Green Special Services District (TGSSD) is currently bidding on recommended designs for wayfinding signage within the Downtown (as part of Phase I), utilizing federal grant money to help visitors reach their destinations easily and further promote economic development. The installation of signs will be most likely complete by early 2016.



Economic Development

The agri-business/agri-bioscience cluster is one of the emerging business clusters in the region (CEDS, 2013-2018). In New Haven, plans are underway to open a food processing incubator at the old Goffe Street Armory site to meet the growing demand for this type of facility.

A 2014 joint report by SCRCOG, the New Haven Chapter of the NAACP, and the Workforce Alliance highlights the difficulty that New Haven residents face in accessing suburban job opportunities due to limited public transportation services in the region. Some of the areas for further evaluation include transit routes serving areas outside downtown and schedule changes to better align with workforce needs.

Several efforts are already underway to attract and retain businesses such as: encouraging mixed-use developments including high-density, transit-oriented residential developments; promoting Arts and Ideas and other events within the green; coordinating with local restaurant owners in promoting New Haven restaurant week; implementing bike/ped and traffic calming infrastructure; and reducing parking requirements.

- ❖ Consider the possibility of promoting urban agriculture, such as community gardens, following appropriate clean up on some of the existing brownfield sites by working with DEEP and the United States Environmental Protection Agency (EPA) in addressing associated risks and implementing site cleanups accordingly. This would have a multitude of benefits besides promoting economic development such as mitigation of public health concerns, elimination of blight, improved neighborhood aesthetics, improved access to healthy food, and fostering of community building efforts.
- ❖ Continue to advocate for state investments and implement a regulatory environment at the City level to further expand economic opportunities within the **agri-business and bioscience cluster**.
- ❖ Continue to maintain and improve the inventory of targeted infill development sites and available vacant commercial/industrial spaces by area, land use and zoning, utilities available, lease terms, and taxes.
- ❖ Encourage **multi-modal transportation planning** within the city by promoting transportation infrastructure and traffic calming improvements and effective transportation demand management strategies. (Also see Transportation chapter recommendations).
- ❖ Develop a business-focused marketing campaign for the city using television and other local media as a means to publicize the recent growth trends and strategic assets of the city, particularly its unique concentration of arts, entertainment, cultural facilities, and restaurants.

Retention:

Targeted Recruiting

- ❖ Continue to encourage economic development professionals, commercial brokers, and leaders in the community to engage in high-end target recruiting and retention efforts and thus **build a deeper economic base in the region**.
- ❖ Mentor and facilitate the entry of historically under-represented groups within local workforce (such as minorities, women, immigrants, etc.) by identifying deficiencies in each industry sector and through effective partnerships with local educational institutions and workforce development boards/professionals.

Economic Development



- ❖ Continue to connect local jobs and workforce through job training and placement opportunities, as discussed earlier under Business Attraction.

Small Business Assistance

- ❖ Continue to offer technical/financial assistance and counseling **services for small business owners** and start-up entrepreneurs within the city.
- ❖ Raise awareness on City-sponsored **small business/entrepreneur assistance programs** and networking opportunities through enhanced marketing efforts.
- ❖ Continue to maintain effective partnership with the Economic Development Corporation (EDC/REX) and other partners to solicit feedback from small businesses and organizations through e-mails, surveys, regular meetings, and networking events.
- ❖ Encourage neighborhood associations/organizations to organize annual business festivals to showcase local artists' talent and skills and further promote the local economy.

Education and Training

- ❖ Support person-to-person outreach initiatives to encourage literacy, including English as a second language (ESL) and other forms of bilingual education and workforce training.
- ❖ Improve the retention of college graduates within the city by involving them in community-based voluntary activities while they are still in school. Engage them in community building efforts by encouraging entrepreneurship opportunities, encouraging their participation in the City's boards and commissions, and partnering with local businesses and organizations to offer paid or unpaid internships.
- ❖ Continue to support school reform efforts and the **New Haven Promise program** as options to encourage career opportunities for New Haven public school students and graduates.

The City recently (2015) launched a Small Business Service Center to help small, aspiring small businesses and entrepreneurs to develop and grow by providing capital and technical assistance.



The Grid in New Haven (95 Orange Street) is a co-working space that draws entrepreneurs from all over the state as part of State-sponsored innovation hub and connects high-potential companies and entrepreneurs in and around New Haven with resources to grow and succeed.

New Haven Promise is a phased scholarship and support program with the goals of cultivating an aspiration for a college education in New Haven public school students, building community and parental engagement, and growing economic development in the City of New Haven. More than 550 Promise scholars were funded in the city over the past four years.



Economic Development

Advanced manufacturing companies produce highly specialized products, pay higher wages, and typically employ local workforce.

Connecticut's Dream It! Do It! brings together a coalition of business and trade associations, educational institutions, economic development and workforce organizations, and manufacturers from throughout the state to focus on enhancing Connecticut's manufacturing workforce and the industry.

The increasing costs of flood insurance coupled with loss of business during major storm events is making it difficult to retain existing coastal businesses or attract new businesses to vacant sites along the coast.

- ❖ Continue to partner with local educational institutions to encourage career pathways for local high school students and undergraduate students that promote practical learning experiences that can lead into industry recognized credit at the higher education level. To that end, maintain strong relationships with local educational institutions and businesses to better understand local industry needs and train local workforce accordingly.
- ❖ Encourage enhanced before/after school care programming and programming of other community-based facilities and provide vocational training opportunities for local youth to further promote community building and economic development.
- ❖ Continue to raise awareness among local workforce about career prospects in **advanced manufacturing sector** (manufacturing of medical devices, biotechnology, pharmaceutical, and aerospace products), which continues to be a strong component of regional economy.
- ❖ Continue to promote programs such as “**Connecticut’s Dream it! Do it!**” in local high schools and community colleges and advocate for additional state investments into this program to further expand employment opportunities in this sector including Southern Connecticut State University’s Bio Lab.
- ❖ Continue to capitalize on city’s image as an arts and entertainment destination by further enhancing employment opportunities within this industry cluster. To that end, partner with local educational institutions to offer targeted vocational training opportunities in key art clusters that indicate a promising future for the growth of local, as well as regional, economy.

Coastal Area Development

- ❖ The Commission recommends participation in **FEMA’s Community Rating System (CRS) program** so that all property owners in coastal areas, including businesses, can avail a discounted rate on their flood insurance costs.
- ❖ Identify and seek new sources of funding to address and improve the resiliency of properties within the V and VE flood zones.

Economic Development



- ❖ Encourage a diverse mix of retail, restaurant, and open space uses besides light industrial uses on the parcels located along the coast in Mill River and Fair Haven (River Street) as discussed within the Land Use chapter.

Arts, Culture, and Tourism

- ❖ Develop a **comprehensive, city-wide web based mapping portal of all existing arts, culture, and tourism areas/facilities in New Haven** to increase visibility, facilitate further use, and guide the location of sites for future venues. Such type of portal could also include details of economic impacts of each facility, which is useful in seeking competitive grants as well as links to local art councils and commissions.
- ❖ Continue to encourage local artisans to apply for the Mayor's Community Arts Grant program to promote and celebrate cultural diversity in city neighborhoods.
- ❖ Continue to support the **temporary re-use of vacant and under-utilized building façades** to showcase art murals through the City's Project Storefronts program, thus improving the aesthetics in commercial areas.
- ❖ Integrate arts, culture, and history into Phase 2 of the city's wayfinding and gateway signage systems to enhance neighborhood identity and further attract visitors/retail customers to neighborhood commercial corridors.
- ❖ Partner with local private institutions, major employers, arts organizations, and other non-profit organizations to increase programming, marketing, and funding opportunities for arts and cultural events in New Haven and further stabilize New Haven's positioning as a regional, as well as, world-class destination for arts and entertainment.

A Smart Phone app has been achieved for historic New Haven Green, the oldest green in continuous use in America.
(www.OTTOCAST.com)



This empty storefront at 55 Church Street was temporarily re-used as a free clothes store in 2011 through the Project Storefronts program.



Economic Development

With a two percent residential vacancy rate (among the lowest in the United States) plus 2,000+ units of residential housing to be constructed in the immediate future, the City anticipates a robust growth in public art installations incorporating signature digital experiences



The historic Palace Theater was re-opened and re-branded as the College Street Music Hall in 2015. The former 3,500 seat golden era of beaux arts movie theater and performance hall is now a 2,650 adaptable seating venue for concerts with state-of-the-art sound and lighting systems.

- ❖ Continue to support and maintain existing cultural facilities, programs, and events and explore new opportunities for **integrating arts in future development projects within the city**. To that end, the vision for the next decade includes: re-imagining 45 Church Street (vacant 9 years) as a creative center for 21st Century informal science learning and innovation in downtown New Haven; re-imagining a signature Marcel Breuer building on Long Wharf (vacant 10+ years) as a Global Creative Consortium to bring world-renowned studio, digital, and decorative artists to New Haven to enjoy a fellowship for a year; and pursuing a vacant property on Chapel Street as a premiere continuing education center for “Baby Boomers” in a new signature building.
- ❖ Continue to work with New Haven Arts Council, New Haven Historic Preservation Trust, Greater New Haven Chamber of Commerce, and other related organizations to organize historic/cultural tours to enhance visitor experience and further **increase awareness of local arts, culture, history, and architecture**.
- ❖ Continue to encourage increased collaboration among local artists, designers, and product engineers to leverage artistic talent to attract and grow product-based design businesses.
- ❖ Engage local artists as key stakeholders in community-based planning efforts so as to further support the development of art spaces and better understand the housing/working needs of local artists and promote the creation of such spaces accordingly; also explore the possibility of promoting arts, culture, and entertainment-type uses as interim uses on some of the existing under-utilized/abandoned industrial sites.
- ❖ Encourage the integration of artists in the design and redevelopment of the city’s waterfront along Mill River, Long Wharf, and Canal/Belle Dock areas to promote a working waterfront and further increase the city’s tourism activity.

Economic Development



- ❖ Advocate for increased funding at the state level for arts, culture, and tourism within New Haven and **create innovative recurring funding sources** within the city. To that end, encourage naming of buildings for philanthropists with “reserves” for the general enjoyment of the arts and create novel social media platforms for funding events together with an exploration of on-line sponsorship to help generate funding for non-profit arts and humanities operating budgets.
- ❖ Partner with the state and region to regionalize arts programming whenever/wherever possible to achieve a new brand: THE PLACE TO BE! To that end, explore opportunities to pursue conventions and visits to the region’s major culturally significant cities such as Newport, Rhode Island, Hartford, and New Haven.
- ❖ Explore the feasibility of encouraging passenger-related maritime activity at the core port area (deep-water access is available at various sites east of the Maritime Center and at Canal Dock) and east of the Tomlinson Bridge. These locations are ideal for passenger-related maritime activities, such as cruise ship docking and passenger ferries.
- ❖ Enhance tourism dollars and visitor revenues by encouraging opportunities for **water-dependent recreation at the city’s waterfront** by Long Wharf/Canal Dock area. Integrate art, architecture, and history within such waterfront recreational developments to promote New Haven’s identity as the arts capital for the region.
- ❖ Explore the feasibility of deploying “driverless” vans up and down Chapel and Church Streets with pre-recorded tours and historic commentary using technology.

Sustainability

- ❖ Continue to enhance the growth of arts, culture, and tourism industry within New Haven to achieve a sustainable economy.
- ❖ Encourage local businesses and industries to **conserve energy** by making energy efficient structural as well as process-based improvements.
- ❖ Enable urban farm siting locations and support commercial food production and processing in accordance with the vision set forth in the *Mill River District Plan* to promote food independence within the city.

With ever reduced levels of funding by the State of Connecticut, the National Endowment for the Arts, and National Endowment for the Humanities, it is a priority of the Department to create recurring funding sources now being explored by the City. The City envisions to be a leader in promoting shared programming to reduce overhead costs for hosting events.



The City is developing a public waterfront recreation center on New Haven Harbor incorporating historic architectural elements removed from the Yale Adees Boathouse prior to its demolition and reusing them in new interpretive displays and exhibits. This project will provide a venue for water-dependent recreation and education, public access to the water for boating and viewing, and indoor and outdoor spaces for community activities focused on the harbor.

With 22 LEED certified buildings, New Haven is a leader in energy conservation in the state and ranked second in New England.



Economic Development

The lack of adequate technological advancements would impact the city's economic competitiveness, sustainability, as well as overall quality of life in the near future.

Studies indicate that green jobs enhance the local economy by rebuilding a strong middle class and providing pathways out of poverty for the low-income population. In addition to these economic and social impacts, they also help protect the natural environment (US Green Jobs Council).

- ❖ Support the **expansion of city-wide fiber optic network** to ensure that the entire city is well connected through wireless communication systems. Also, encourage private network providers to enhance the speed of existing broadband networks and foster partnerships among various providers to effectively manage public/private Internet traffic and security. The Commission further recommends that careful consideration should be given to the design and location of any new wireless communication facilities within the city so that they do not adversely impact a community's character.
- ❖ Promote commercial recycling programs and encourage all new/existing businesses to promote waste reduction through recycling. Perhaps, the city could consider requesting all potential commercial developers (applicants) to include a waste reduction plan during official site plan review process.
- ❖ Explore the feasibility of sharing and re-using industrial waste within the city's light industrial areas.
- ❖ Develop and require mandatory recycling practices at all local cultural/art events and enforce these requirements effectively through the allocation of additional resources.
- ❖ Continue to encourage the **growth of green jobs** within the city to ensure a sustainable future. The Commission recommends the promotion of green jobs training opportunities to other industries besides the construction industry. The City should set a definite target for increasing the number of green jobs in the city over the next decade, identify partners and new sources of funding, and acknowledge the achievements of employers who meet or exceed a threshold number of green jobs based on the organization size.



Build...

E. SUMMARY OF RECOMMENDATIONS

- ❖ ...an all-inclusive economy by encouraging neighborhood-based economic development initiatives that considers a neighborhood's assets and opportunities and by supporting equitable distribution of resources.
- ❖ ...a stronger Downtown core by promoting mixed-income, transit-oriented workforce housing developments that help increase economic activity beyond the traditional business hours, promote vibrancy, and attract potential employers to relocate to the city.
- ❖ ...a fixed route, more frequent, and visible local commuting option that links Downtown to the neighborhood-based commercial districts to further enhance economic activity and vitality.
- ❖ ...the tax base of the city and also create new economic opportunities by implementing the vision of *Hill-to-Downtown Community Plan*, *Mill River District Plan*, and Downtown Crossing (Phase IV) and redeveloping Route 34 West based on the recently approved zone change and design guidelines manual (January 2015) for this area.
- ❖ ...a business-focused marketing campaign for the city using television and other local media to publicize recent growth trends and strategic assets for the city, particularly its unique concentration of arts, entertainment, cultural facilities, and restaurants.
- ❖ ...a comprehensive, city-wide, web based mapping portal of all existing arts, culture, and tourism areas/facilities in New Haven to increase visibility, facilitate further use, and guide the location of sites for future venues.
- ❖ ...large-scale, mixed-use commercial developments in Long Wharf and enhance waterfront access and connectivity through the development of a sound land use plan for this area.
- ❖ ...city-wide fiber optic network to ensure that the entire city is well connected through wireless communication systems.



Connect...

- ❖ ...local workforce to local jobs by enhancing their skills through partnerships with workforce boards and educational institutions and preparing them for a technology-based economy predominant in the 21st century. Promote training opportunities in advanced manufacturing, life sciences, and arts clusters, which are proven to be the strengths of the New Haven economy.
- ❖ ...historically under-represented groups within the local workforce to local jobs by identifying deficiencies in each industry sector and promoting training and placement opportunities (through New Haven Works) accordingly.
- ❖ ...residents/employees to City-sponsored small business/entrepreneur assistance programs and networking opportunities through enhanced marketing efforts.
- ❖ ...local college students to community-based voluntary activities while they are still in school and encourage their participation in the City's boards and commissions. Encourage entrepreneurial opportunities to improve the retention of college graduates within the city.

Preserve...

- ❖ ...the quality of the natural environment by encouraging local businesses and industries to make energy efficient structural, as well as, process-based improvements.
- ❖ ...the quality of the natural environment by exploring the feasibility of sharing and re-using industrial waste within the city's light industrial areas.
- ❖ ...the quality of the natural environment by developing and requiring mandatory recycling practices at all local cultural/art events and through proper enforcement of these practices.

Adapt...

- ❖ ... to sea level rise and other coastal/inland flooding events by identifying and seeking new sources of funding to address and improve the resiliency of properties in V and VE flood zones.
- ❖ ...to sea level rise and other coastal/inland flooding events by participating in FEMA's Community Rating System so that all property owners in coastal areas, including businesses, can avail a discounted rate on their flood insurance costs.



Grow...

- ❖ ...neighborhood-based commercial corridors into Connecticut's Main Streets by improving land use and design standards, and marketing and coordinating efforts as outlined within CT Main Street's 'Building a Neighborhood Commercial District Revitalization Program Report' (May 2014).
- ❖ ...awareness among local workforce about career prospects in advanced manufacturing sector (manufacturing of medical devices, biotechnology, pharmaceutical, and aerospace products) which continues to be a strong component of regional economy.
- ❖ ...the city's image as an arts and entertainment destination by further enhancing employment opportunities within this sector through targeted vocational training; by regionalizing arts programming, where feasible; and by re-imagining a signature Marcel Breuer building on Long Wharf (vacant 10+ years) as a global creative consortium.
- ❖ ...tourism opportunities within the city by deploying "driverless" vans with pre-recorded tours and historic commentary up and down Chapel and Church Streets.
- ❖ ... regional economic activity within the city's Port district by improving access and connectivity to the Port area.
- ❖ ...locally-owned destination businesses and restaurants that add to the uniqueness of the city by continuing to offer small business training and technical/financial assistance to small business owners and start-up entrepreneurs.
- ❖ ...career pathways for local high school students and enhance before/after school care programming of community-based facilities to further promote community building and economic development.
- ❖ ...jobs in agri-business/bioscience cluster, which is one of the emerging business clusters within the region, by opening a food processing incubator at the Goffe Street Armory site and by enabling urban farm siting locations through local land use regulations.
- ❖ ...green jobs within other industries besides the construction industry to ensure a sustainable economy.
- ❖ ...informal science learning and innovation in Downtown New Haven by re-imagining long vacant 45 Church Street property as a creative center.



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