

# Campbell Grain Elevator

**BLIGHT**

**INTERVENTION**

**Pilot Project**

TOWN OF STONINGTON  
DEPARTMENT OF PLANNING  
6.25.2018

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**About the Department of Planning**

The Stonington Department of Planning is a Town Charter-established agency that works under the direction of the First Selectman of the Town of Stonington. The team is comprised of land use and community development professionals, that work to implement recommendations in the Town’s Plan of Conservation and Development, review land use applications, and enforce land use regulations.

## Overview

The Campbell Grain Elevator Building at 27 West Broad Street Pawcatuck has been a long-challenged property. Built at a time when grain elevators were needed to support local agriculture it has outlived its useful life and there were few adaptive reuse options because of how the building was constructed.



Town of Stonington Geographic Information System (GIS)

Over the years, various tenants had tried to adapt to the space and use it for their purposes, but that economic model was not sustainable and the building increased in vacancy and lost the economic value needed to enable capital improvements.

Having little-to-no economic value as a structure, the building was vacated and fell into disrepair. Perhaps its lowest point of dilapidation occurred in August of 2011, when two stories of the tower were ripped off during Hurricane Irene. The building was condemned; the town of Stonington was forced to intervene and implement a partial demolition to stabilize the structure. The town hired a contractor to stabilize the building, valued at \$77,673.50, and a lien in favor of the Town, has been recorded on the Stonington Land Records. The property has not recovered from this low point.

## PROPERTY DETAILS

ADDRESS:  
27 West Broad Street  
MBL 1-4-18

LOT AREA:  
1.74 acres

OWNER:  
Frank C. DeCiantis, Trustee of  
the Helen C. DeCiantis Trust  
2855 Gaynel Drive  
Powhatan, Virginia 23139

DEBT:

- No mortgages
- Taxes are current
- \$77,673.50 lien (10/2011)  
in favor of the Town of  
Stonington.

APPRAISED LAND VALUE:  
\$109,700

ZONING:

- Pawcatuck Village 5 (PV-5)
- Downtown Pawcatuck  
Parking Overlay District  
(DPPOD)
- Flood Hazard Overlay  
District (FHOD)

ENFORCEMENT CASE:  
18-019D  
REFERENCE #4302  
NOV 4.17.2018  
EC 5.17.2018

Demolition Permit is still  
ACTIVE per Building Official's  
Office



Hurricane Irene Damage – New London Day

In June of 2017, the current property owner undertook a project to demolish the remaining structure. His strategy involved the utilization of a demolition contractor who specialized in salvaging wood products from historic structures. This strategy was effective for about 70% of the project and resulted in a significant improvement to the neighborhood.



Demolition – Harold Hanka, The Westerly Sun

On April 12, 2018, the property owner informed community leaders that the project was stalled and that he no longer had the capacity or resources to complete the demolition project. The town began a distressed premises enforcement action.

## MUNICIPAL ABATEMENT / PILOT INTERVENTION PROJECT

Because the demolition of this structure is a high value objective, and the remaining structure is a significant blight, health / safety concern, the Blight Enforcement Officer began the process of taking an enforcement action against the property, with a goal of leveraging the Municipal Abatement provision in the Town's Distressed Premises Ordinance (Section VIII – see sidebar). This proposal involves using town resources to address the blight condition and complete the demolition work. Funding will be needed to implement this idea.

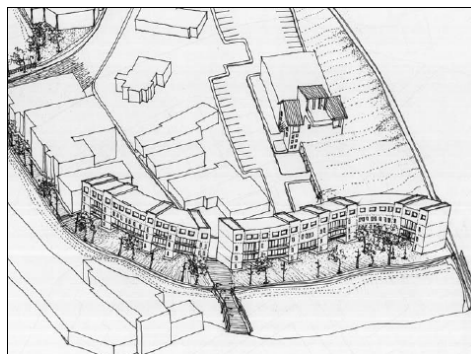
Demolition activity is estimated to cost \$40,000 and will be performed by a Connecticut-licensed commercial demolition contractor. The contractor will be selected in accordance with Town procurement processes.

## FUTURE USE

The Campbell Grain Elevator building sits on a two-acre parcel fronting the Pawcatuck River, and in close proximity to historic Downtown Westerly, which has undergone a significant revitalization over the past decade. The property's unique location, and the potential for the investment in Westerly to continue to emerge in Pawcatuck, coupled with all of the necessary development infrastructure, makes this an attractive redevelopment site. In addition, Stonington's Economic Development Commission has identified this property as a key redevelopment area in their efforts to attract investment in Pawcatuck. Concept drawings developed from planning workshops held in the neighborhood depict a mixed-use environment with enhanced connectivity to Westerly, Rhode Island via a pedestrian bridge.



Charette Concept (2003)



Yale Urban Design Studio Concept (2005)

## WHAT CAUSES BLIGHTED PROPERTIES?

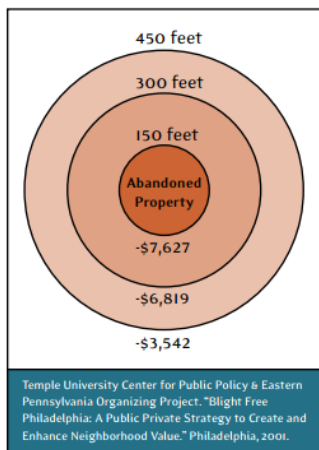
It is important to recognize that blight is a symptom that has many causes. While blight it is a symptom, it is generally defined as "The visible and physical decline of a property, neighborhood or community due to a combination of economic downturns, residents and businesses leaving the area and the cost of maintaining the quality of older structures. These factors tend to feed on themselves, with each

## ORDINANCE RE: DISTRESSED PREMISES SECTION VIII – MUNICIPAL ABATEMENT

1. In the event any owner, agent, tenant or person in control of real property shall fail to abate or correct any violation specified in any notice, after the issuance of an enforcement citation for such failure, which citation has become final through the failure of such owner, agent, tenant or person in control of real property to appeal from the issuance of said citation, or by such appeal being sustained, the Town of Stonington, acting through its designated Enforcement Officer issuing such notice of violation, may cause or take such action as is necessary to correct such violation. The cost to take such action shall be a civil claim by the Town against such owner, agent, tenant or person responsible for such property, and the Town Attorney may bring an action to recover all such costs and expenses incurred.
2. If the owner, agent, tenant or responsible person fails to correct the violations, the Town of Stonington may take any action necessary pursuant to C.G.S. § 7-148(c)(7)(E) to abate the nuisance at any time after the initial twenty-four (24) hour notice of such property.

## IMPACT OF BLIGHT

In a 2001 Study by Temple University in Philadelphia, researchers found that vacant properties had a negative value on adjacent properties, leading to more disinvestment (i.e., it becomes contagious). The following graphic depicts the impact of property values based on proximity to vacant buildings:



Graphic source:  
[astro.temple.edu/~ashlay/blight.pdf](http://astro.temple.edu/~ashlay/blight.pdf)

## BLIGHT IN CONNECTICUT

There is no universal property maintenance code or definition of blight in the federal or state regulations. Each Connecticut community is empowered by state law to determine whether they want to identify and blight. In 2010, the Town of Stonington chose to adopt an ordinance to address blight. The ordinance established the community's values and the definition of blight. It is a unique document, as are most of the blight ordinances found in other communities.

one contributing to an increase in the occurrence of the others.”  
[investopedia.com/terms/e/economic-blight.asp](http://investopedia.com/terms/e/economic-blight.asp)

“Few studies of blighted properties address the production of blight. But when the subject is addressed, the conclusion is unanimous: blighted land is not a problem that cities inherited from the past, but an active creation of contemporary urban policies and a series of non-economic forces, such as the uneven distribution of city services. Blighted properties are not happenstance or inevitable. Vacancy and abandonment, in other words, are the outcome of a particular set of structural forces, institutional mechanisms, and powerful decisions by individuals. ***Even though the actors and structural conditions are difficult to see, blighted properties are the expected consequences of urban development that is organized around market forces*** [EMPHASIS ADDED].”

[kab.org/sites/default/files/ChartingtheMultipleMeaningsofBlight\\_FinalReport.pdf](http://kab.org/sites/default/files/ChartingtheMultipleMeaningsofBlight_FinalReport.pdf)

## WHY DOES BLIGHT MATTER?

Blighted and vacant properties have an adverse impact on a neighborhood and the community. They send signals to the market that there is a lack of investment here, which erodes investor and consumer confidence. For the Town of Stonington, these signals then result in a loss of property tax revenue and neighborhood quality of life, as other properties are likely to see a decline in their property values as well. Areas in decline also send signals to those who seek to exploit the situation.

The cycle of disinvestment can then spiral out of control. The private sector has not found an effective way to prevent blight from becoming viral. Several studies have been conducted in order to quantify the economic impact of blight. They have found that vacant and blighted buildings:

- Have 3.2 times as many illegal drug calls, and 1.8 times as many theft calls (Austin, Texas).
- 12,000 fires and \$73 million in property damage from arson (US Fire Administration).
- Millions in annual site cleanup / public maintenance expenses by governmental agencies.
- \$7,600 in lost property value for properties within 150 feet (Philadelphia, Pennsylvania). See the “Impact of Blight” sidebar.

# Blight Strategies

Because blight is a symptom, the strategies to address blight need to align to some of the symptoms that are present. For example, is the blight limited to a single property, multiple properties or does it impact an entire neighborhood?

## Geography of Blight

The impact of blight can be a single property, multiple properties or an entire neighborhood. Understanding the scale of the issue is an important step in developing an action plan to address distressed properties.

### SCALE OF BLIGHT

SINGLE PROPERTY	MULTIPLE PROPERTIES	NEIGHBORHOOD
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Likewise, understanding potential reasons for why the property is distressed, can help define the type of strategies that may be effective in developing the action plan.

### TYPES OF BLIGHTED PROPERTY

MAINTAINED / NO BLIGHT	DISTRESSED		
	DEFERRED MAINTENANCE	VACANT BUILDING	ABANDONED PROPERTY
	<i>Less Distressed</i>		<i>Most Distressed</i>

## Deferred Maintenance

Deferred maintenance can be as innocuous as a lawn mowed a couple of days past it's perfect manicure to a point where significant physical property distress is noticeable. Often, a call or letter from town officials can initiate a resolution to these types of distressed properties. Note: Stonington does not regulate landscaping-related blight - the most often cited complaint.

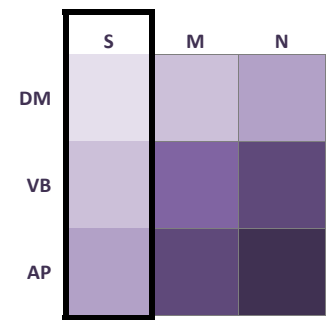
## Vacant Building

Some properties have extensive deferred maintenance due to absenteeism or vacancy. The lack of a revenue source, particularly on commercial properties, can lead to a blighted condition, as the property owner does not have as many resources to invest in the property.

## Abandoned Property

An "effectively ownerless" condition exists when a property owner abandons the basic responsibilities of ownership (e.g., paying property taxes, maintenance). In effect, the property owner is conceding their interest in the property. Often, when a site has known (or perceived) environmental contamination, the tax

### SCALE AND TYPE OF BLIGHT



Most of Stonington's Distressed Property issues involve single properties that are not performing well.

### SOLVING THE CAUSE OF BLIGHT

The causes for blight are many. Blight can result from functional issues (e.g., technology, obsolete properties, quantity of tenants/customers) and social issues (e.g., public policy, lack of owner resources / capacity, quality of tenants/customers). There is no one size fits all solution to the causes of blight.

## **IMPACTS OF VACANT BUILDINGS AND ABANDONED PROPERTIES**

Researchers and scholars in other disciplines have cited blighted neighborhoods as both a cause and symptom of larger socioeconomic problems such as poverty, crime, poor public health, educational deficits, and other personal or systemic distress.

collecting agency will defer to foreclose on the property. In some instances, and in lieu of foreclosure, the tax collecting agency will try to sell the tax lien via an auction. The auction process can also fail because of environmental risk.

A “truly ownerless property” involves a dissolved entity for which there is no traceable responsible party. While not common, properties can fall into an abyss of ownerless-ness via this process.

### **Current Approach**

Stonington’s current blight enforcement approach is aligned with the resources provided for enforcement. Since no resources had been assigned, the approach is to issue a Notice of Violation, provide 30 days for corrective action, and then issue Enforcement Citations (and liens) if the property remains in violation of the Distressed Premises Ordinance. This process is effective with properties that are in the Deferred Maintenance category. Often, the property owner knows that the issue needs to be resolved but has been procrastinating.

This approach is zero percent effective for vacant or abandoned properties.

Since this approach is not working for the most egregious and challenging distressed premises, other options should be considered. Additional options include:

- Foreclosure on the Blight Citation Lien
- Town intervention

### **Foreclosure**

Towns are authorized to foreclose on a lien related to the Blight Citation. Town ownership of the property comes with the liability to address distressed premises conditions and address the property in its facility plans. Sale of Town-owned property can only be achieved through the legislative process (Town meeting), which adds risk to ownership. Further, the town has very limited property management resources and this approach would significantly impact current operations.

### **Intervention**

Towns are also authorized to take corrective actions to address the distressed premises, and to lien the property for the costs associated with those actions. This tool enables a potentially quick resolution to a property in the vacant and abandoned columns. Project management resources would also be added to the lien, which would solve some of the resource issues associated with enforcement of the distressed premises ordinance.



# What is the Public’s Role in Addressing Blighted Property?

Vacant and abandoned property will not be improved until someone gives it attention. Knowing that citations and liens are not effective, a community has three viable options when confronted with blighted property:

<b>DO NOTHING</b>	<b>PUBLIC / PRIVATE PARTNERSHIP</b>	<b>PUBLIC-LED BLIGHT INTERVENTION</b>
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▼ CURRENT CAMPBELL GRAIN ELEVATOR APPROACH

	<b>DO NOTHING</b>	<b>PUBLIC / PRIVATE PARTNERSHIP</b>	<b>PUBLIC-LED INTERVENTION</b>
<b>OVERVIEW</b>	A laissez faire approach, is a typical strategy for municipalities, since they are not the owner of the property, and there is diverging interests within the public realm as to whether public resources should be used to address private property. Further, municipalities do not have personnel that are capable of addressing the multitude of issues with a blighted, environmentally-contaminated property.	An engaged municipality might consider having some role in the redevelopment of the deep blighted property. This role can range from a small allocation of resources to a truly Public Private Partnership (P3), and anywhere in between.	The most engaged approach for a municipality is to seek to redevelop the property using local, state and federal grant funding. An initial step is to identify the municipality’s public policy objective for the project. Is there a public need that can be satisfied with the redevelopment of this property?
<b>PROS</b>	<ul style="list-style-type: none"> <li>• No perceived cost or expenditures</li> <li>• Limited direct impact on municipal resources or capacity</li> <li>• Citation continues to accrue</li> </ul>	<ul style="list-style-type: none"> <li>• Reduces overall municipal investment (leveraging other resources)</li> <li>• Access to state and federal resources</li> </ul>	<ul style="list-style-type: none"> <li>• Control over the outcome</li> <li>• Access to state and federal resources</li> </ul>
<b>CONS</b>	<ul style="list-style-type: none"> <li>• Real, undocumented costs and expenditures (e.g., policing, safety)</li> <li>• No expectation of a conclusion</li> <li>• Impacts neighborhood consumer confidence</li> <li>• Potential for town costs after a disaster (e.g., fire)</li> </ul>	<ul style="list-style-type: none"> <li>• Requires local resources and it can be intensive</li> <li>• Project exceeds municipal capacity</li> <li>• Public perception exposure</li> </ul>	<ul style="list-style-type: none"> <li>• Most intensive impact on municipal resources and investment</li> <li>• Project exceeds municipal capacity</li> <li>• Public perception exposure</li> </ul>

*Least aggressive*

*Most aggressive*

**WHY \$40,000?**

The property owner has sourced estimates from two capable Connecticut-licensed demolition contractors.

We are currently estimating \$35,000 in demolition work and \$5,000 in project management costs. The Town will need to hire a project manager to oversee this project and to ensure that town funding is properly utilized.

# This Proposal

Source \$40,000 from the Board of Finance to institute a Municipal Abatement in accordance with Ordinance re: Distressed Premises Section VIII.

Funding would be used for two purposes:

**Hire a project manager to oversee the project** – The town of Stonington has insufficient expertise and project management resources. To undertake this project, stress would be placed on existing resources, which result in a loss of productivity in core service-delivery functions of town personnel. The town of Stonington should not have to bare the burden of providing project management for this project. Project management activities include: procurement (e.g., bid document preparation and award), inspection activities, stakeholder communication and fiscal oversight.

**Hire a demolition contractor to perform demolition work** – The town of Stonington would hire the lowest responsible bid to perform the work. Work is expected to take two weeks to complete. Weather may impact project completion, and additional time has been added to anticipate unforeseen circumstances especially as hurricane season approaches.

**CONCEPTUAL SCOPE OF WORK AND SCHEDULE**

PROJECT ELEMENTS	PROJECT MONTH											
	1	2	3	4	5	6	7	8	9	10	11	
Create case file	Completed											
Conduct inspection to document non-compliance	Completed											
Issue Notice of Violation	Completed											
Issue Distressed Premises Enforcement Citation		Completed										
Prepare and issue report			Completed									
Present pilot intervention idea to Board of Selectmen				Future activities								
Source funding from Board of Finance				Future activities								
Hire project manager (professional services)				Future activities								
Prepare and Issue RFP for demolition					Future activities							
Hire demolition contractor						Future activities						
Demolition						Future activities	Future activities					
Place demolition cost lien on property							Future activities					

