

**Stillmanville Mill**

**PROPERTY**

**ABANDONMENT**

**Report**

75 STILLMAN AVENUE, PAWCATUCK

TOWN OF STONINGTON  
DEPARTMENT OF PLANNING

DRAFT 9.4.2018

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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 Stillmanville / Connecticut Castings Mill at 75 Stillman Avenue Pawcatuck has been a long-challenged property. Built at a time when small mills were powered by water, this structure have become functionally obsolescent for modern industry. There are a few reuse options, especially when economic vitality is factored.



Town of Stonington Geographic Information System (GIS)

This property has been vacant for over 20 years. The property is considered a brownfield (see sidebar), which has been a significant factor in its vacancy and abandonment, as few private investors can absorb costs associated with environmental remediation of a brownfield property. In 2005, a private investment team was able to develop a master plan and earn zoning approval to improve the mill structure and construct additional buildings on the property, to host 37 apartments.

Irrecoverable costs (see sidebar) resulting from an estimated \$1 million in environmental cleanup, has stalled the master plan implementation. Further, the economic downturn of 2007 forced the project into dormancy. An additional decade of deferred maintenance has only added additional irrecoverable costs to any potential investment. The fear of the unknown accumulation of irrecoverable costs is preventing private investment in this property.

## PROPERTY DETAILS

ADDRESS:  
75 Stillman Avenue  
MBL 1-1-1

LOT AREA:  
1.28 acres

LAST KNOWN OWNER:  
Pawcatuck Landing LLC  
68 Barry Road  
Worcester, MA 01609

DEBT:  
• No mortgages  
• Taxes are in arrears: **\$7,824**  
to-date and accruing

APPRAISED VALUE:  
\$151,900

ZONING:  
• Industrial Heritage Reuse District (IHRD)  
• Flood Hazard Overlay District (FHOD)

ENFORCEMENT CASE:  
18-027D  
REFERENCE #3243  
NOV 5.22.2018  
EC 6.22.2018

Distressed Premises Citation is accruing at a rate of \$100 per day: **\$7,500** to-date

### BROWNFIELD

A former industrial / commercial site where future use is affected by real or perceived environmental contamination.

### IRRECOVERABLE COST

Unrecoverable expenses, sometimes referred to as sunk costs, are monies spent on a service that cannot be redeemed as equity. Private investment is often dissuaded because the fear of losing money due to unrecoverable expenses.

## MILL BUILDING

Stillmanville Woolen Mill

F.R. White & Co.

ca. 1875-ca. 1880

Stillmanville Woolen Mill

1848-ca. 1875

Westerly Woolen Co.

Connecticut Castings Company

## 2004 PAWCATUCK REVITALIZATION STRATEGIES RECOMMENDATION

*Assure that this historic mill building and site contributes to the viability of the residential neighborhood of which it is a part. Provide zoning and other support to promote eventual housing reuse. In particular, be flexible about parking. Be prepared for possibility that the building will need to be demolished if not properly mothballed while awaiting redevelopment.*



Sketch of the approved IHRD-3 master plan, adopted 11/2005

In April of 2018, Stonington's Tax Collector conducted a tax sale on the property. There were no interested parties. This summer, a former investor informed community leaders that the current ownership group is walking away from the master plan project and the property. This report has been generated in response to this anticipated change of ownership (i.e., abandonment).

## PROPERTY HISTORY

The site of the former Stillmanville Woolen Mill was the location of a saw and oil mill during the early 1800s. These were acquired by an Englishman, John Schofield, who added a woolen mill before Oremus M. Stillman purchased the property in 1831. A skilled businessman and a talented inventor, Stillman both expanded the woolen mill as well as established a small industrial village in its vicinity. Stillman replaced the original mill with the present brick plant in 1848, and went on to establish a number of other industrial ventures throughout the area during the 1850s and 1860s.

Stillman retained control of the woolen mill into the mid-1870s, whereupon it was acquired by F.R. White and Company, another woolen goods manufacturer, which maintained an extensive plant opposite the Stillmanville mill on the east bank of the Pawcatuck River in Westerly, Rhode Island. This arrangement lasted for several years, however, after the death of its president, Fenner R. White, in 1880, F.R. White and Company was acquired by brothers Warren O. and Louis W. Arnold and the firm's name was changed to the Westerly Woolen Company.

The Arnold brothers made substantial improvements to their facilities on both sides of the river, this including constructing a three-story brick addition to the former Stillmanville Woolen Mill that was demolished during the mid-2010s. By 1881, the Westerly Woolen Company plant numbered two-dozen buildings and employed 450 hands. The Westerly Woolen Company continued to operate into

the early 1910s, however, the plant and all of its machinery was liquidated at auction in 1912.

The mill was eventually repurposed as a foundry during the middle of 20th century, with the plant on the Connecticut side of the river owned by the Connecticut Investment Casting Corporation, and that on the Rhode Island side occupied by the Westerly Casting Company.

SOURCE Connecticut Trust for Historic Preservation: Mills, Making Places of Connecticut [connecticutmills.org/find/details/stillmanville-woolen-mill](http://connecticutmills.org/find/details/stillmanville-woolen-mill)

## INVOLUNTARY MUNICIPAL OWNERSHIP

It is anticipated that the current owners will abnegate their claims of ownership on this property. It is, or very soon will be, an abandoned property. As an abandoned property, there will be no one to call to secure windows and doors that are left open to vagrants, there will be no maintenance of the perimeter security fence, and there will be no entity paying taxes or fines that continue to accrue. On this current trajectory (i.e., “do nothing”), every current and future dollar spent by taxpayers will be irrecoverable.

The absence of an ownership interest in the property will continue to cause deferred maintenance to compound (there is already water damage and roof damage), and most-likely lead to the worst possible (and most expensive) outcomes: fire or comingled demolition. Neighborhood quality of life will also be impacted without purposeful ownership or interest in the property.

## FUTURE USE

While a master plan has been proposed for this property, it cannot be implemented without costly environmental remediation. Any future use of the property (e.g., business, housing, park, open space) will require some amount of remediation. The standards of remediation vary and depend on the proposed use. For example, housing and park uses have a higher remediation standard than a business use.

For Stonington, as an involuntary property owner, the community has been (or will be) burdened with a property for which they did not intend a public ownership or use. This “lack of vision” for the property is not unique, as communities do not have control over private property. However, the community is now being put into a position where it must make choices about what to do with this property.

## ARCHITECTURE

The former Stillmanville Woolen Mill consists of a three-and-a-half-story red brick building located at the southeast corner of the intersection of Stillman Avenue and Arch Street. The factory stands along the west bank of the Pawcatuck River and abuts the ruins of a stone dam that formerly provided power to the plant. The mill measures 102’ x 50’ and there is a four-story, 16’ x 18’ stair tower roughly centered on its east elevation.

The plant is of brick pier construction, 14 bays wide and 4 bays deep, and with a pedimented, side-gabled roof. Denticulated brick beltcourses delineate each of the floors and arched brick corbelling graces the cornices. The building’s rectangular window openings have stone sills and lintels and the majority of the six-over-six double-hung wood sash have been replaced or the window openings infilled.

Seven dormers with pedimented gable roofs are evenly spaced across the east and west sides of the roof and a pair of unique teardrop-shaped windows can be found in each of the building’s gable ends.

A pair of wooden entry doors are located on the second floor of the stairtower’s east elevation, these accessed via a walkway spanning a 15’ gap between the building and Stillman Avenue. The third and fourth floors of the stairtower have paired loading doors with hoist beams situated directly above the openings. A stone plaque that reads “1848” is centered within a recessed brick panel located just below the tower’s cornice and low-pitch pyramidal roof.

# What is the Public’s Role in Addressing Abandoned 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 STILLMANVILLE MILL APPROACH

	<b>DO NOTHING</b>	<b>PUBLIC / PRIVATE PARTNERSHIP (P3)</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 property. 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>• Leverages private investment (reduces overall municipal investment)</li> <li>• Enables access to state and federal resources</li> <li>• High potential that the historic mill is saved</li> <li>• Tax revenue producing option</li> </ul>	<ul style="list-style-type: none"> <li>• Control over the outcome</li> <li>• Access to the most state and federal resources</li> <li>• Some potential that the historic mill building is saved</li> <li>• Removal of a significant investment barrier</li> </ul>
<b>RISKS</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> <li>• Public decision-making is intentionally cumbersome</li> <li>• Likely to introduce new municipal costs with no revenue offset</li> <li>• Potential for a lawsuit to prevent demolition</li> </ul>

*Least aggressive*

*Most aggressive*

# Choices

As identified above, the community has several choices as to how to proceed.

**Doing nothing, leveraging private-sector interests, and independently-leading a project** are the three main choices the community has. Here is some additional context, and potential development proforma for the latter two choices, along with **very basic cost estimates**:

FUTURE	PUBLIC / PRIVATE PARTNERSHIP (P3)	PUBLIC-LED INTERVENTION
<b>OWNERSHIP</b>	<b>PRIVATE</b>	<b>TOWN</b>
<b>PROBABLE USE</b>	<b>MIXED USE</b>	<b>PARK</b>
<b>TOWN INVESTMENT (TI)</b>		
STABILIZATION	\$200,000	\$200,000
ABATEMENT	\$0	\$100,000
DEMOLITION	\$0	\$144,000
BRICK SALVAGE	\$0	(\$80,000)
BROWNFIELD	\$110,000	\$220,000
MASTER PLAN	\$56,000	\$56,000
INFRASTRUCTURE	\$0	\$560,000
LEGAL	\$20,000	\$20,000
CONTINGENCY	\$70,000	\$200,000
<b>SUBTOTAL TI</b>	<b>\$456,000</b>	<b>\$1,420,000</b>
<b>PRIVATE INVESTMENT</b>	<b>\$4,500,000</b>	<b>\$0</b>
<b>BROWNFIELD GRANT</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>TOTAL INVESTMENT</b>	<b>\$5,956,000</b>	<b>\$2,420,000</b>
<b>TOWN INVESTMENT %</b>	<b>8%</b>	<b>59%</b>
<b>FUTURE LOCAL REVENUE</b>	<b>\$45,000</b>	<b>(\$2,500)</b>
<b>FUTURE MAINTENANCE</b>	<b>\$0</b>	<b>\$42,500</b>
<b>LOCAL FIXED ASSESSMENT</b>	<b>\$450,000</b>	<b>\$0</b>

## TOWN INVESTMENT ASSUMPTIONS

### STABILIZATION

Roof, structure and access points need to be stabilized; grounds need short-term maintenance and garbage removal. [VERY ROUGH ESTIMATE]

### ABATEMENT

Hazardous Materials placeholder

### DEMOLITION

\$8/SF based on the high-end of national estimates  
105,500 bricks in the building, and the brick salvage value is estimated between \$25,000 and \$80,000

### BROWNFIELD

\$1MM current estimate from 2006 Remedial Action Plan (RAP)  
\$200,000 estimated funding for Environmental Site Assessment (ESA) Updates: Phase I, II and new RAP  
\$20,000 (10% ESA Project Admin)  
\$90,000 Brownfield Land bank facilitation (P3 ONLY)

### MASTER PLAN

Park Master Plan with public participation, based on Mystic River Boathouse Park Project

### INFRASTRUCTURE

Park engineering, permitting and construction

### LEGAL

\$20,000 estimate for transactional assistance

## PRIVATE INVESTMENT ASSUMPTIONS

18,000 x \$250/SF

10-YEAR, 100% Fixed Assessment

## TOWN OUTCOMES

Desired outcomes can range from Open Space (removing all of the structures from the property and allowing nature to take over the property), to a full redevelopment of the historic mill building.

Local public investment can range from \$0 to well over \$3 million, depending on the town’s objectives, and the speed with which a resolution is desired.

There are certain actions that are needed regardless of the final desired outcome can be implemented. The “Minimum Effort Required...” table highlights where town investment would advance the thinking on this property.

**“What is given attention, gets attention”**

Robert Mills  
President, NCDC  
Economic Development Expert

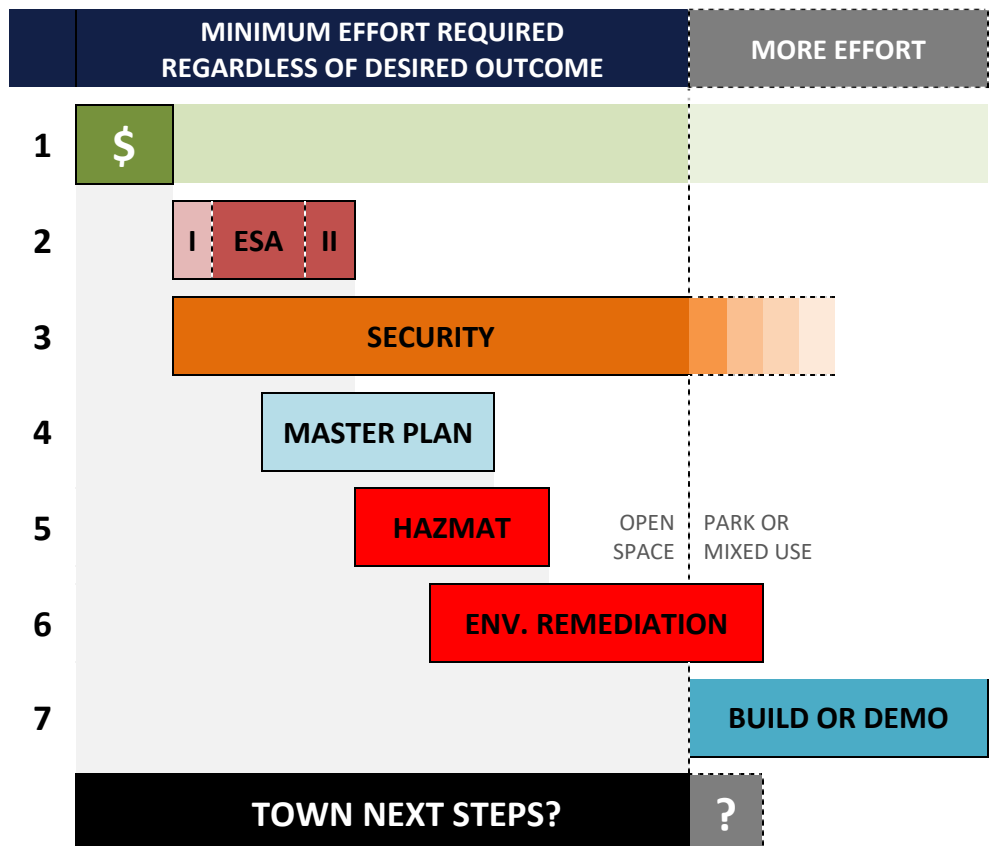
## LEVERAGING

Knowing that the property is effectively abandoned, and that the community will need to be a leader in developing a solution does not mean that we need to decide on the solution today. Rather, we can take steps to advance the knowledge that is needed for either of the choices listed above, and then make a better-informed decision in the future. What is clear about our decision-making ability at this time is that we do not know what we do not know.

## PATHWAY FORWARD

There are several steps that have to happen regardless of who owns the property, and what is done with the property (i.e., open space, park or mixed-use development). All three of these outcomes require local resources. Here is a framework of a work plan that would advance all efforts for this property:

1. Source town funding (provide resources)
2. Conduct Environmental Site Assessment (ESA) Phase I and Phase II
3. Secure the property (e.g., repair/improve fencing, secure windows and doors from illegal entry)
4. Prepare master plan for town participation and identify desired outcomes
5. Conduct hazardous materials remediation of the building
6. Conduct environment remediation of the contaminated soil (varies)
7. Build or Demo





# Additional Context

## WHAT CAUSES BLIGHTED PROPERTIES?

It is important to recognize that blight is a symptom that has many causes. While blight 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 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?

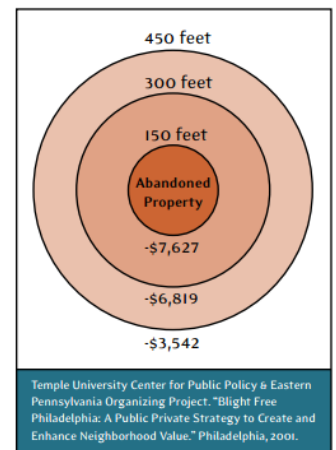
Blighted and vacant properties have an adverse impact on a neighborhood and the community. They send signals to the market that there is a lack of investment here, which erodes investor and consumer confidence. For Stonington, these signals then result in a loss of property tax revenue and neighborhood 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. Studies have been conducted in order to quantify the economic impact of blight, and have found:

- 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.

## 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:

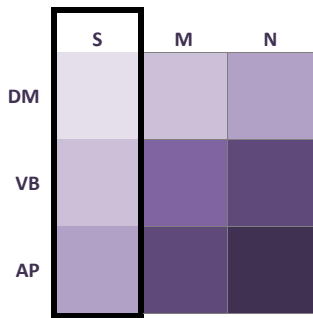


Graphic source: [astro.temple.edu/~ashlay/blight.pdf](http://astro.temple.edu/~ashlay/blight.pdf)

## 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 enforce 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.

**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.

**BLIGHT**

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 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 (i.e., Town meeting), which adds risk to ownership. Further, the general government arm of 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.

## **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.

**BRICKS**

7.969 bricks per square foot of façade.

[hqora.com/How-many-bricks-are-required-for-1-000-sq-ft](https://www.hqora.com/How-many-bricks-are-required-for-1-000-sq-ft)

SALVAGE VALUE  
\$0.23-0.75/Brick

[cdrecycler.com/article/cdr1113-recovering-recycling-bricks](https://www.cdrecycler.com/article/cdr1113-recovering-recycling-bricks)



**SALVAGE THE BRICKS**

One of the ideas that would be considered involves trying to minimize town investment in the demolition through the salvaging of materials. Bricks and wood beams are likely salvageable. While it is difficult to place a value on the wood beams, we were able to find some estimated values of the bricks in the building. These estimates assume that the salvaged materials have no environmental issues, such as lead paint or PCBs – common materials used in the past.

The building has a footprint of 45’ wide by 101’ long, and the maximum height is 45’. There is also a 15’ wide x 15’ long tower. The building façade square footage is as follows:

FACADE	DIM	AREA	ESTIMATED BRICKS & VALUE
North	45’ x 35’; ½(45’ x 10’)	1,800	14,000 \$3,220 – 10,500
South	45’ x 35’; ½(45’ x 10’)	1,800	14,000 \$3,220 – 10,500
East	101’ x 35’	3,535	28,000 \$6,440 – 21,000
West	101’ x 35’	3,535	28,000 \$6,440 – 21,000
Tower	15’ x 45’ x 4	2,700	21,500 \$4,945 – 16,125
<b>TOTAL</b>			105,500 \$24,265 – 79,125
<b>EST. SALVAGE VALUE</b>			<b>\$25,000 – 80,000</b>

Salvaged materials only have a value when there is a buyer. If the Town is seeking to use this approach, it will be critical to find a reputable salvage company that is committed to the entire demolition effort. Many similar projects, conducted within the region, have witnessed only a partial demolition.