



Westbrook Public Meeting

Westbrook Outlets – Reimagined Public Listening & Input Session

July 18, 2024

Westbrook High School Auditorium



Agenda

- ❑ Introduction of Project Team and Key Stakeholders
- ❑ Project History – From Retail to Mixed-Use Community
- ❑ Reimagine Flat Rock Place into a Residential Community
- ❑ Design Inspiration
- ❑ Sustainability and Environmental Considerations
- ❑ Economic and Community Impact
- ❑ Next Steps and Timeline
- ❑ Closing Remarks
- ❑ Q&A



Westbrook Outlets: Team

Owners:	Eric Fazilleau, Inovalis Greg Hayden, Hoche Partners
Partner/Developer:	Chris Reilly, Lexington Partners Patrick Kenny, Lexington Partners
Architect:	JCJ Architecture
Engineers/ Hydrogeologists:	Pio Lombardo, P.E. , Lombardo Associates Wastewater System Engineer of Record + Drip Disposal Option Engineer Richard Desrosiers, GZA GeoEnvironmental, Inc. Hydrogeologist + Conventional Disposal System Responsibility Geoff Fitzgerald, P.E., Bohler Engineering Site Civil Engineer
Impact Consultant:	Don Poland, Goman & York
Legal & Entitlements	Edward Cassella, Cloutier & Cassella, LLC
Community Relations	Mary Coursey, Coursey & Co.
Affordability Consultant	Maria DeMarco, President – DeMarco Management

INOVALIS
REAL ESTATE INVESTMENT TRUST



Westbrook Outlets

Current Ownership

An international group dedicated to serve the family offices and middle-sized businesses with high growth potential through three activities : Advisory Services, Private Equity and Real Estate.



Lexington Partners

Lexington is one of Connecticut's most active class-A real estate developers with an emphasis on Multi-family Residential housing and fostering community partnerships. Lexington has experience with building and managing apartment communities with ground level commercial/restaurant space. Lexington is a long-term manager and owner of its properties.



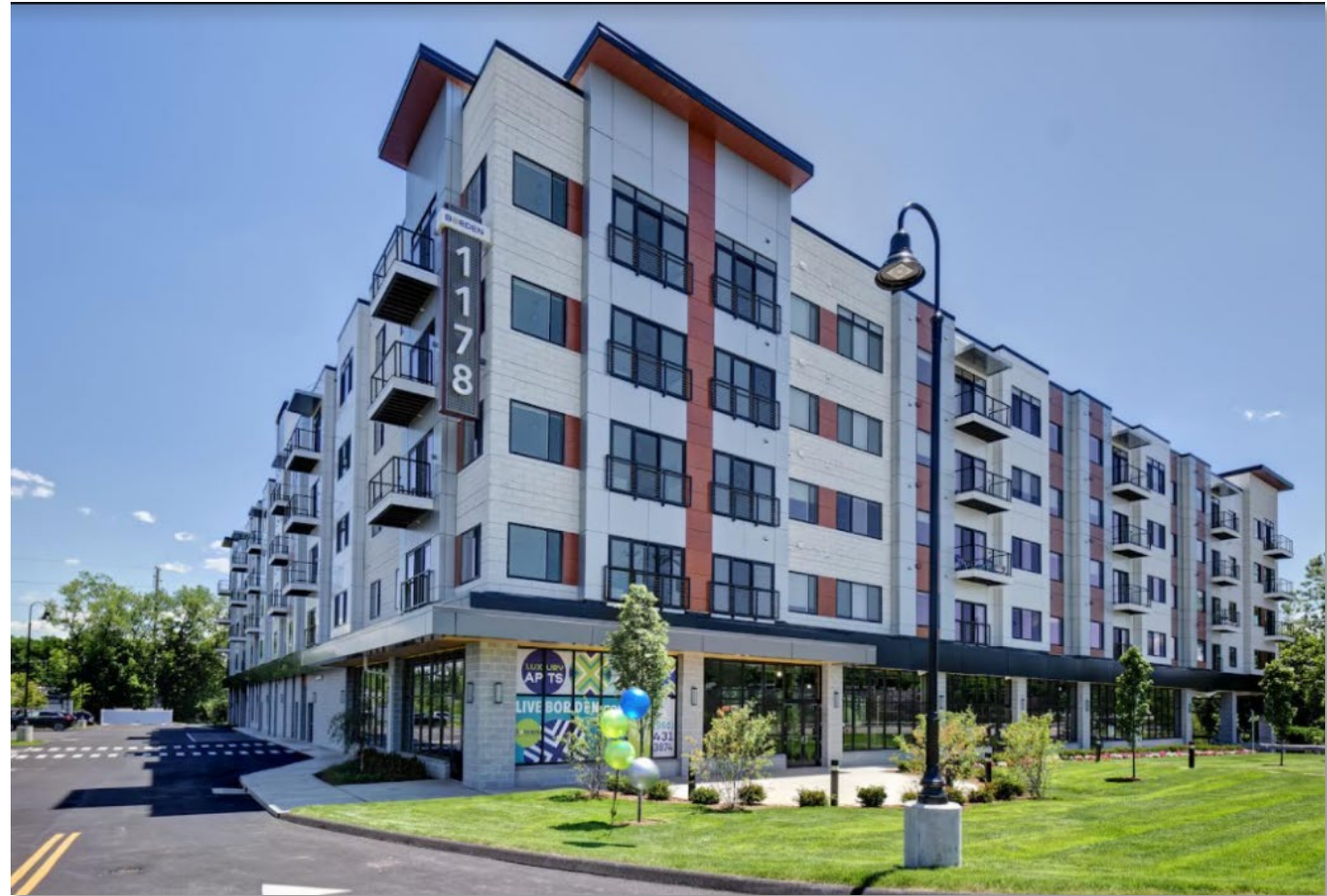
THE TANNERY – GLASTONBURY MIXED-USE DEVELOPMENT

- 250 Apartment Units
- 6,000 s.f. restaurant
- Industry leading amenities



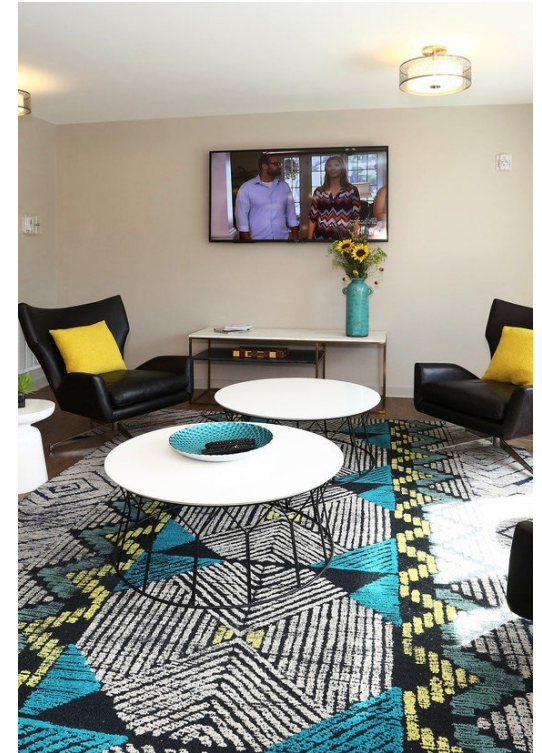
THE BORDEN – WETHERSFIELD, CT MIXED-USE DEVELOPMENT

- 150 Apartment Units
- 13,165 s.f. commercial
- 108 seat restaurant
- Premier Amenities



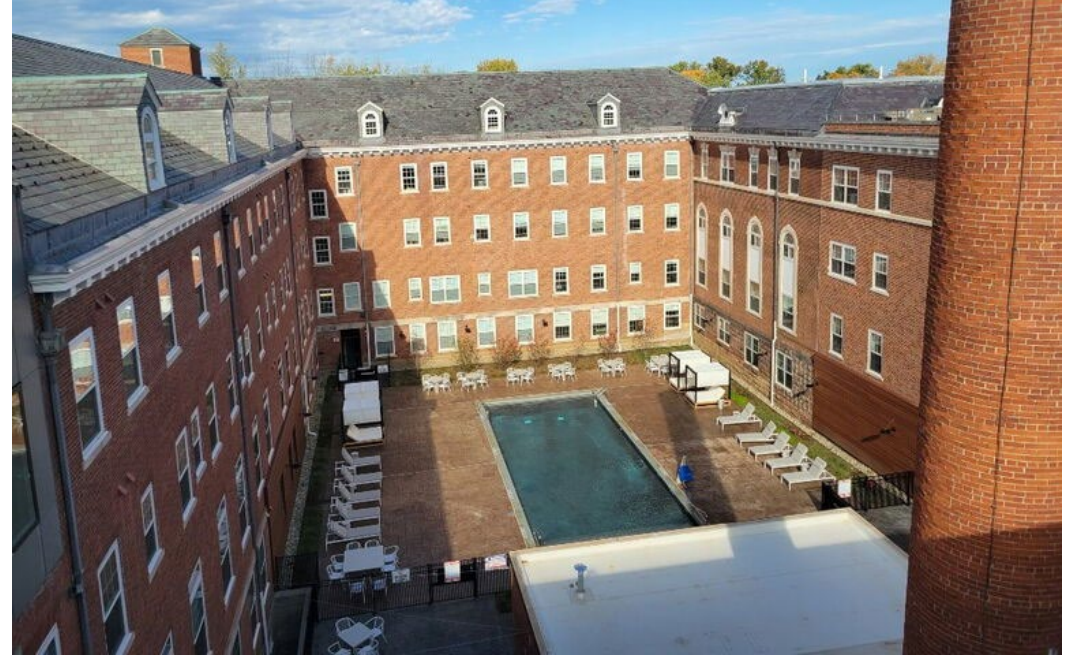
WINDSOR STATION APARTMENTS

130 apartment units in 2 buildings across from an Amtrak Train Station in the town
Center of Windsor, CT. Completed in 2017



ONE PARK APARTMENTS – WEST HARTFORD

292 luxury, Class A apartment units located in West Hartford, CT. Residential units within the building will range in size from studio to three-bedroom layouts. The construction is a combination of renovation and additions on the 22-acre property. First phase of apartments delivered April, 2023. Remaining 200 apartment units delivered in Fall of 2023. Currently 85% leased.



* Received largest CT Energy Conservation (C-PACE) loan at the time of construction

Westbrook Outlets Current Status

- Purchased in 2017.
- Covid accelerated the decline of the Outlets. This property is no longer viable as a mall/outlet center.
- Currently 38% occupied.
- Plan to redevelop will primarily focus on residential with experiential retail (restaurants/entertainment) needed to balance and help create a vibrant community center.



Westbrook Outlets – 2024



Redevelopment Vision

- Creation of vibrant mixed-use community that balances multi-family and for sale housing with retail that supports the residents of the development and the surrounding community.
- Environmentally Responsible
- Provides the town with additional tax revenue
- Bring Hotel to an underserved market
- Exciting amenities which can include outdoor recreation, rooftop experiences, a year-round water feature, and maintaining an entertainment component.



Buildings & Unit Mix

Summary of Proposed Development Plan:

- ❑ Apartments: 595 units
- ❑ Retail/Restaurant & Entertainment: 76,000 sf
- ❑ Hotel: 100 guestrooms
- ❑ Townhome Condominiums: 100 homes (with garages)

Unit Mix:	Phase 1	Phase 2	Totals:
Studios	5	25	30
One Bedrooms	88	121	209
Two Bedrooms	204	102	306
Three Bedrooms	42	8	50

Total Units: 595

Design Team



Peter N. Stevens LEED AP
President/Principal-in-Charge



Daniel A. Thornton RA, CDT, LEED AP
Associate Principal/Senior Project Manager



Philip Maheu NCARB
Senior Project Architect



Christine Faverio RA
Senior Associate/Senior Project Designer



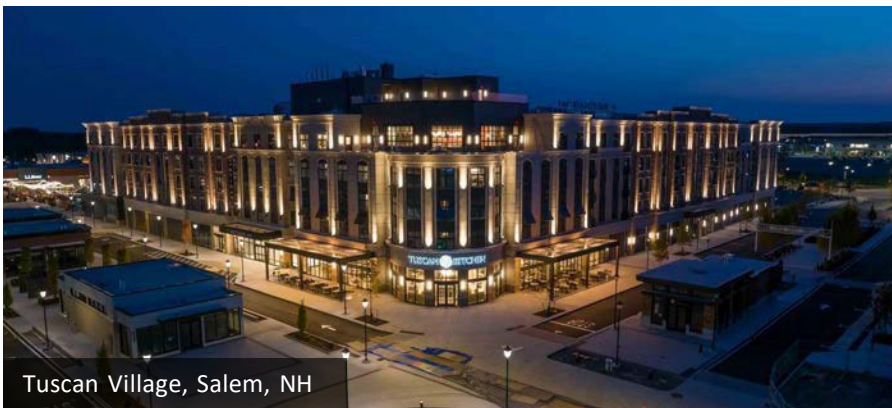
Aloft Hotel, Easton, OH



Hyatt Place Hotel, Boston, MA



Wild Horse Pass, Chandler, AZ



Tuscan Village, Salem, NH



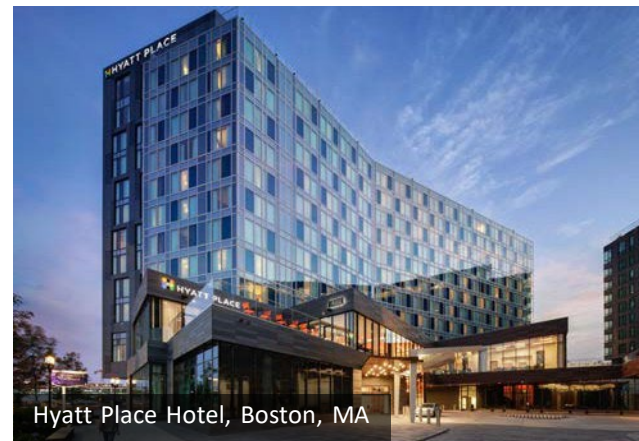
Wild Horse Pass, Chandler, AZ



Envoy Hotel, Boston, MA



Canopy Hotel, Boston, MA



Hyatt Place Hotel, Boston, MA



Mixed Use Development, Cleveland, OH



Snake River Wine Country Estates, ID



Mohawk River Retail/Entertainment Development, NY



1000 Main Street, Hartford, CT



Tidewater Landing, Pawtucket, RI



Tuscan Village, Salem, NH



Mixed Use Development, Greenwich, CT



Aloft Hotel, Aventura, FL



Snake River Wine Country Estates, ID



The Ellis Block, New Britain, CT

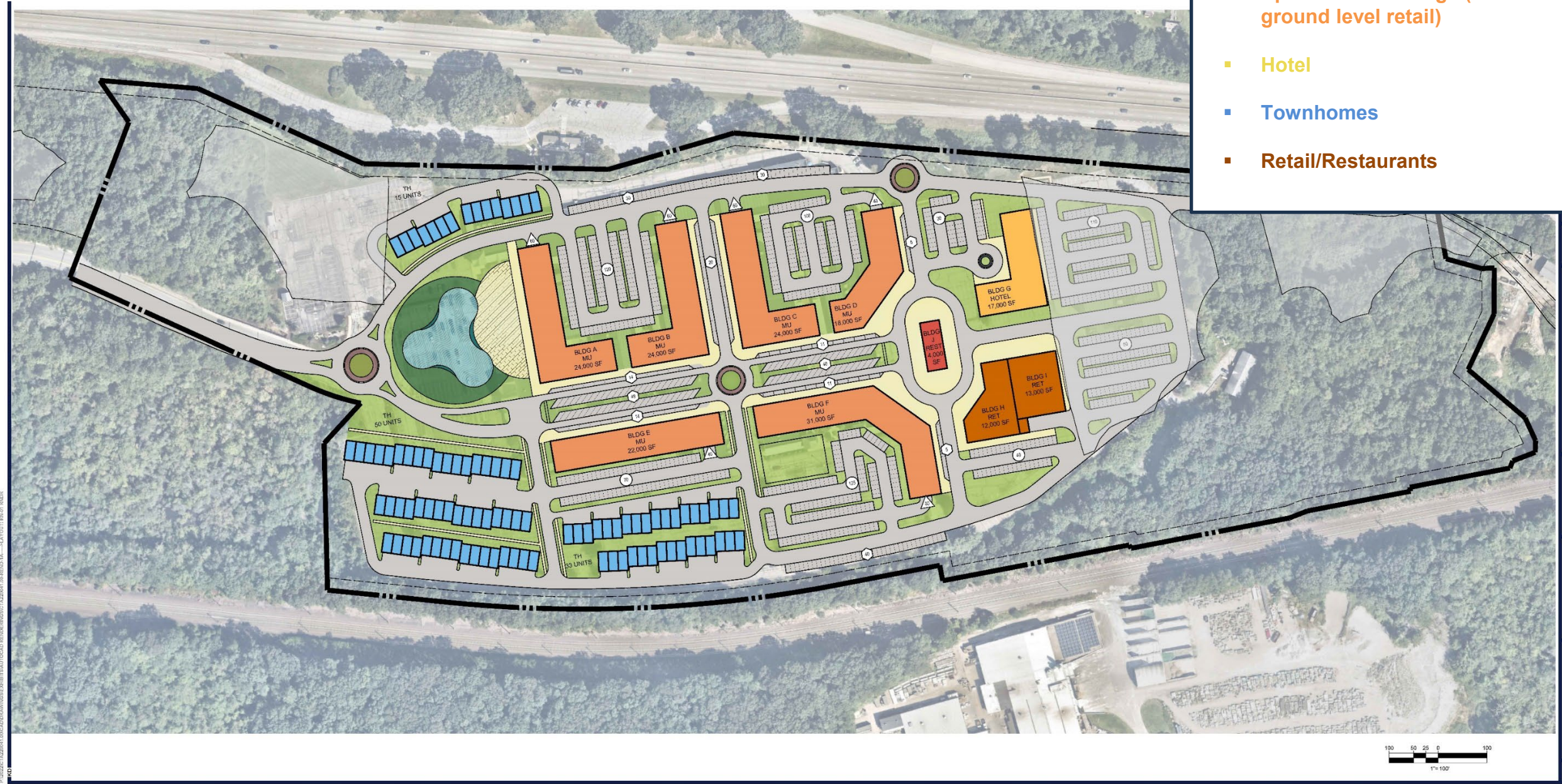


Mixed Use Development, Cleveland, OH



Landry's Oceanaire Standards, Various Locations

- Apartment Buildings (with ground level retail)
- Hotel
- Townhomes
- Retail/Restaurants



PROJECT LOCATION: 10000 WINTER HAVEN AVENUE, WINTER HAVEN, FL 32909. DATE: 01/15/2019. DRAWN BY: JAMES

Connectivity & Community





Amenities



Sustainability – Environmental Considerations

- Energy Efficient HVAC units
- Car Charging Stations
- Water use solutions
- Reduction in overall traffic
- Energy Conservation & Sound attenuation insulation
- High efficiency building design
- Sustainable building materials
- Increase in overall greenspace

Hometown Heroes

Implementation of a program to help those in the community such as firefighters, police officers, nurses, teachers, first responders, and others to find housing in our development.



Community and Economic Impact

Demographics – Population Growth (2010 – 2020)

- Connecticut = 1%
- Middlesex County = -1%
- Westbrook = -2%

Demographics – Under 18 Population Growth (2010 – 2020)

- Connecticut = -10%
- Middlesex County = -19%
- Westbrook = -30%

Demographic Outcome – School District Enrollments (2008 – 2021)

- Connecticut = -10.8%
- River COG = -21.4%
- Westbrook = -34%
- Westbrook = -40.4% (2007-2023)

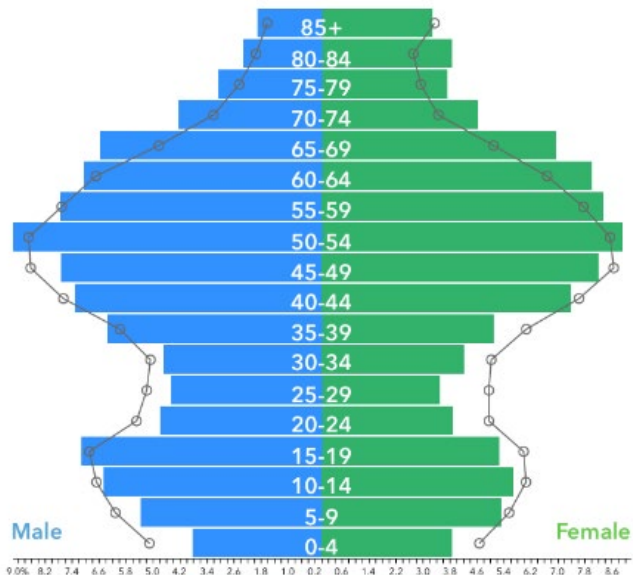
Demographic Outcome – Median Age (2022)

- United States = 38.1
- Connecticut = 41.1
- River COG = 46.7
- Westbrook = 55.0

SCHOOL DISTRICT ENROLLMENTS	Enrollment 2008	Enrollment 2021	Enrollment Change	Enrollment 2021 % of 2008
Connecticut	574,848	513,079	-61,769	-10.8%
Chester	341	201	-140	41%
Clinton	2,113	1,570	-543	-25.7%
Cromwell	2,000	1,989	-11	-0%
Deep River	389	218	-171	-46%
Durham (R-13)	2,156	1,440	-716	-33.2%
East Haddam	1,433	935	-498	-34.8%
East Hampton	2,087	1,824	-263	-12.6%
Essex	551	313	-238	-43.2%
Haddam (R-17)	2,562	1,849	-713	-27.8%
Killingworth (R-17)	2,562	1,849	-713	-27.8%
Lyme (R-18)	1,538	1,283	-255	-14.6%
Middlefield (R-13)	2,156	1,440	-716	-33.2%
Middletown	5,088	4,409	-679	-13.4%
Old Lyme (R-18)	1,538	1,283	-255	-14.6%
Old Saybrook	1,621	1,074	-547	-33.7%
Portland	1,433	1,279	-154	-10.7%
Westbrook	985	650	-335	-34%
LCRVR	24,297	19,034	-5,263	-21.4%

Westbrook Population Structure

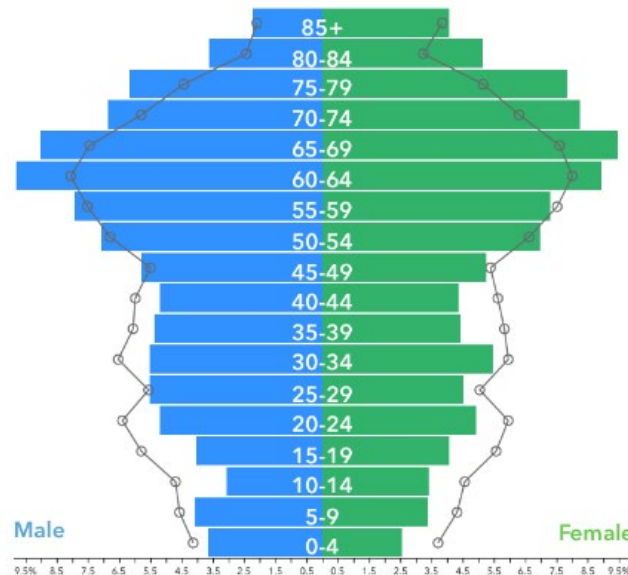
AGE PYRAMID - 2010



The largest group:
2010 Males Age 50-54: Percent

The smallest group:
2010 Males Age 85+: Percent

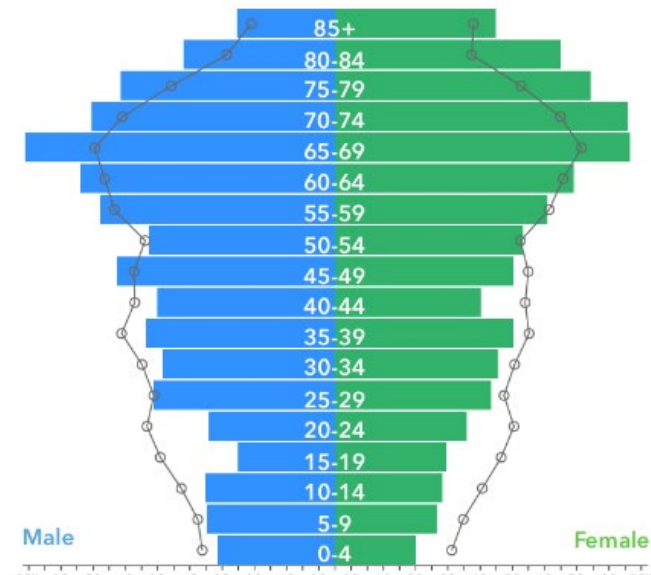
AGE PYRAMID - 2024



The largest group:
2024 Females Age 65-69

The smallest group:
2024 Males Age 85+

AGE PYRAMID - 2029

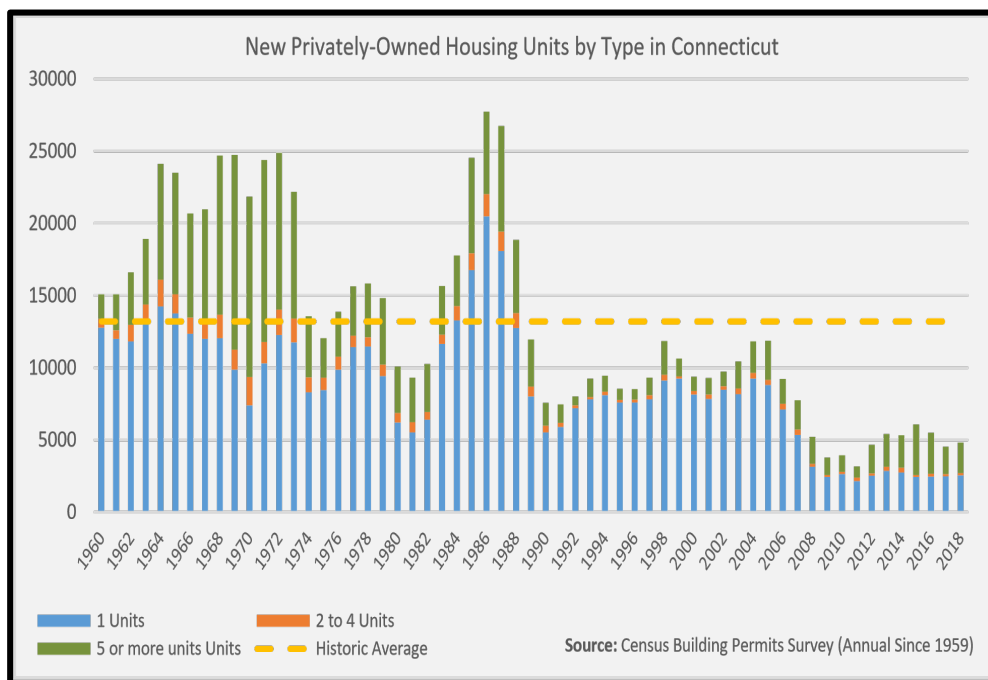


The largest group:
2029 Males Age 65-69

The smallest group:
2029 Females Age 0-4

Market and Demographic Considerations

- Westbrook’s aging population—loss of young persons and households—is not a positive demographic characteristics
- Westbrook’s housing stock is overwhelmingly single-family (87%) and owner-occupied (80%), with mostly 3- or more-bedrooms—designed for households with children (even though Westbrook is losing children)
- Connecticut’s housing market has shifted toward rental and smaller single-family products—the market following demographic driven demand. 45% of new construction now rental, versus less than 20% pre-2008
- Declining household size—a demographic trend—is key to understanding declining population, the loss of children, declining school enrollments, and the shift in the housing market



Housing Occupancy Characteristics, Connecticut 2022

	Percent Occupied	Percent Owner-Occupied	Percent Renter-Occupied
Occupied housing units			
1-person household	29.9%	22.2%	45.2%
2-person household	33.6%	37.0%	26.9%
3-person household	16.0%	17.1%	14.0%
4-or-more-person household	20.4%	23.7%	13.9%

Westbrook School District Enrollments (2007 – 2023)

- New housing increased by 181 units
- Enrollments decreased by 388

Westbrook School District Budget (2007 – 2023)

- Increased from \$12,860,412 to \$18,761,280
- Total Increase = \$5,900,868 (same rate as inflation)
- Per Pupil Expenditures increased from \$12,990 to \$31,425
- Total PPE Increase: \$18,435

Enrollment Outcomes

- While housing units increased (181 units), enrollments decreased (-388 pupils)
 - Housing is not a primary driver of enrollments or education budgets
 - Demographics are driving enrollments and inflation is driving education budgets
- Declining enrollments capitalizing on per pupil expenditures—facilities, administration, and fixed cost spread over fewer enrollments
- *If enrollments had not declined and remained at 985 in 2023, the per pupil expenditures would have only increased by \$5,056 to \$19,046, not \$31,425.*

Year	New Housing Permits	Enrollments	Change in Enrollments	BOE Budget	PPE
2007-2023	181	---	-388	\$5,900,868	\$18,435
2023	10	597	-20	\$18,761,280	\$31,425
2022	9	617	-19	\$19,486,960	\$31,330
2021	8	636	-14	\$19,705,494	\$30,742
2020	4	650	-19	\$18,853,825	\$28,784
2019	8	669	-9	\$18,295,971	\$27,065
2018	-2	678	-53	\$18,428,310	\$26,903
2017	5	731	-36	\$18,300,890	\$24,832
2016	8	767	-105	\$18,134,509	\$23,521
2015	40	872	65	\$18,102,125	\$23,521
2014	32	807	-32	\$16,667,978	\$20,527
2013	17	839	-38	\$16,790,711	\$19,847
2012	15	877	-51	\$15,929,357	\$18,081
2011	7	928	-22	\$14,912,690	\$15,984
2010	8	950	-26	\$14,635,820	\$15,325
2009	4	976	6	\$14,057,361	\$14,315
2008	8	970	-15	\$13,555,482	\$13,903
2007	---	985	---	\$12,860,412	\$12,990

Westbrook Outlet’s Proposed Housing Units & Projected Demographics

- 508 rental units and 98 townhome/ownership (606 total units)
- Unit mix favors 1- and 2-bedroom units—driven by demand for 1- and 2-person households
- Anticipated Tenant Characteristics – Young Professionals (20 to 40 Age) and Empty Nesters (55 to 75 Age)
- Anticipated persons per household, 1.95 (or 1,181 total persons)

Westbrook Outlet’s Projected School District Enrollments

- 122 total enrollments (or 0.201 per unit)—consistent with enrollments from newly constructed multi-family
- 63 new-to-district enrollments
- 63 enrollments over 13 grades (K-12) equals approximately 5.3 per grade

Westbrook Outlet’s Projected Enrollments

Unit Mix – Bedrooms	Units	Multiplier	PSAC	N-T-D	NTD-E	NTD -Enrollment
Studio (1%)	9	0.04	0.36	50%	0.18	1
One-Bedroom (26%)	133	0.04	5.32	50%	2.66	3
Two-Bedroom (60%)	403	0.25	100.75	50%	50.375	51
Three-Bedroom (12%)	61	0.59	15.25	50%	7.625	8
Total	606	0.201	121.68 (122)	50%	57.75	63 (51.6%)

Notes:

- **Multipliers:** Derived from the Rutgers University, Center for Urban Policy Research “Residential Demographic Multipliers – Connecticut (2006).”
- **PSAC = Public School-age Children:** Another way of saying school enrollments.
- **N-T-D = New-To-District:** Represents the percent (and number) of student enrollments who are projected to be new to the Westbrook School District—most enrollments from new residential development are associated with students already enrolled in the School District. This consideration is derived from the South Windsor Public Schools Enrollment Projections reports commissioned by the South Windsor Board of Education (2018, 2019, 2020, 2021, 2022, & 2023) that have shown New-to-District enrollments fluctuate between 13% to 30% of enrollments from newly constructed multi-family housing. We conservatively utilize 50% for estimating new-to-district enrollments.

Projected Enrollments & Education Expenditures

Estimated Enrollment Expenditures

- 508 rental units and 98 ownership units
- Mostly 1- and 2-bedroom units which generate few school age children and enrollments

Calculating Actual Cost of Enrollments

- Five calculations aimed at providing the incremental cost of enrollments from newly constructed housing
 - Total Expenditures
 - Local-Share Expenditures
 - Allocated Expenditures
 - Capitalization Adjustments
 - New-to-District Enrollments
- Estimated cost of new enrollments per pupil is approximately \$10,377
- Total cost of 63 New-to-District enrollments is approximately \$653,751

BOE Expenditures	Per Pupil	Total PSE	Total Cost	N-T-D	N-T-D Cost
Total Expenditures	\$33,559	122	\$4,094,198	63	\$2,114,217
Local-Share Expenditures	\$30,472	122	\$3,717,584	63	\$1,919,736
Allocated Expenditures	\$18,282	122	\$2,230,404	63	\$1,151,766
Capitalization Adjustment	\$10,377	122	\$1,265,994	63	\$653,751

Calculation Notes:

- **Total Expenditures:** is the BOE budget divided by the total enrollment. BOE Operating budget 2024-25 = \$20,034,742 / October 1, 2023, enrollment of 597 = \$33,559 per pupil.
- Local-Share Expenditures: is the per pupil expenditures less non-local tax revenues (federal, state, and other revenue sources). Westbrook’s total 2024-25 budget is \$34,106,110. However, only 90.8% (\$30,971,433) of the budget is funded from local property taxes. Therefore, to calculate the fiscal impact to local property taxes, the Local-Share Expenditures for education cost per pupil are reduced to 90.8% of the Total Expenditures (\$33,559) or \$30,472 per pupil.
- **Allocated Expenditures:** is based on a general analysis of the BOE budget that isolates approximately 40% of the budget that is unlikely to be impacted by changes in enrollment. For example, district office expenditures, school administrative offices, utilities, building operations and maintenance, prorated staffing, etc. Therefore, the Local-Share Expenditure (\$30,472) is reduced by 40% to provide for the Allocated Expenditure (\$18,282). The \$18,282 Allocated Expenditure is conservatively higher than recent and actual findings by the Avon School District of \$8,800 per new enrollment and the South Windsor School District of \$6,209 per new enrollment.
- **Capitalization Adjustment:** As discussed earlier, the declining enrollments are capitalizing on the per pupil expenditures. For example, if enrollments had not declined and remained at 985 in 2023, the per pupil spending would have only increased by \$5,056 to \$19,046, not \$31,425. Therefore, we total per pupil expenditures of \$19,046, reduced to 90.8% for Local-Share Expenditure or \$17,294, and reduced by 40% for the Allocated-Expenditure of \$10,377 per pupil.
- **N-T-D (New-To-District):** represents the portion or percent of student enrollments who are anticipated to be new to the Stonington School District. This consideration is derived from the South Windsor Public Schools Enrollment Projections reports commissioned by the South Windsor Board of Education (2018, 2019, 2020, 2022, and 2023) that have shown New-to-District enrollments fluctuate between 13% to 30% of total enrollments. Therefore, our utilization of 50% new-to-district enrollments is conservatively high.

Estimated Tax Value of Proposed Mixed-Use Redevelopment

- Methodology: construction cost approach to value and taxes
- Existing real property taxes from the Westbrook Outlets is approximately \$228,655 per year
- Estimated real property taxes when redevelopment is completed is \$2,617,162 per year
- An increase of approximately \$2,388,507 per year in real property taxes
- \$2,617,162 in real property taxes is equal to 8.5% of Westbrook’s total real and personal property taxes

Proposed New Units – Tax Value

Use	Building(s) Sq. Sf.	Const. Cost/Sq. Ft.	Market Value/Sq. Ft.	Appraised Value	Assessed Value	Tax Value
Residential – Apartments	482,600	\$265	\$212	\$102,311,200	\$71,617,840	\$1,554,107
Residential – Townhomes	196,000	\$270	\$216	\$42,336,000	\$29,635,200	\$643,083
Hotel – 100 Rooms	68,000	\$240	\$192	\$13,056,000	\$9,139,200	\$198,320
Commercial – Retail	76,000	\$240	\$192	\$14,592,000	\$10,214,400	\$221,652
Total	408,830	---	---	\$59,902,900	\$41,932,030	\$2,617,162

Notes:

- Mill Rate = 21.70 (or 0.02170)
- To calculate the estimated Market Value per square foot for the residential and commercial space we reduce the construction cost per square foot by approximately 20% (rounded) to account for soft costs that do not contribute to property value.

Municipal Fiscal Impact (estimates/year)

- Revenue (real/personal property taxes) = \$3,014,726
- Expenditures (BoE /general government) = **-\$1,279,832**
- Fiscal Impact – Net Positive = **\$1,734,894**

Economic Impact (estimates/year)

- Jobs Created = 233 construction & 304 permanent
- Total Discretionary Spending = \$15,815,388
- Local Consumer Spending = \$4,744,374
- Hotel – Tourism Spending = \$5,584,500

Municipal Fiscal Impact – Revenues & Expenditures

Mixed-Use Redevelopment – Revenues & Expenditures	Total
Revenues	
- Residential Real Property Taxes (606 Units @ \$4,327/unit)	\$2,197,190
- Personal Property Taxes (1,064 Motor Vehicles @ \$334/vehicle)	\$355,567
- Commercial Real Property Taxes (144,000 sq. ft @ \$2.91/sf)	\$419,972
- Commercial Personal Property Taxes (10% of Real Property Taxes)	\$41,997
Total Revenue:	\$3,014,726
Expenditures	
- Education Expenditures (63 Allocated N-T-D @ \$10,377/pupil)	(\$653,751)
- General Government Services – Residential (22.05% of residential taxes)	(\$501,349)
- General Government Services – Commercial (27% of commercial taxes)	(\$124,732)
Total Expenditures:	(\$1,279,832)
(Positive) Municipal Fiscal Impact:	\$1,734,894

General Government Services

The estimated \$501,349 for general government services is a high estimate—not incremental.

- For example, the mixed-use development will not have direct impact on Public Works, since no new public roads are being created and solid waste collection and sewage will be handled on-site.
- Public Works accounts for 5.4% of the total property taxes and 13.1% of the Town Government (general government services) budget.

Other Government Services

- Tenants (households) anticipated to be younger than Westbrook’s existing population—resulting in minimal impact on senior services and VNA.
- Robust on-site amenities will minimize impacts on other government services (i.e., library, parks & recreation, beaches, etc.)
- Beaches: Only 41% of population has been to a beach at least once in the past year—that equals 485 of the estimated 1,182 person who will live on-site.
 - Daily Beach Visits = 17

Economic Impact

	Job Creation	Discretionary & Consumer Spending
Construction Jobs	233	Total Discretionary \$15,815,388
Permanent Jobs	304	Local Consumer \$4,744,374

Next Steps:

Entitlement Process and Timeline

1. DEEP Application – submitted February 2024
2. Text Change Application – public hearing July 22, 2024
3. Inland Wetlands Application
4. Special Permit/Site Plan Application to Zoning Commission.
5. DEEP Approval
6. Traffic Approval





Q&A

