

courant.com/news/custom/topnews/hc-naugyrevival.artdec30,0,7541705.story?coll=hc-headlines-nh

Courant.com

New Life Settling Into Valley

After Years Of Decline, Naugatuck, Nearby Towns Enjoy Residential Rebirth

By RINKER BUCK

Courant Staff Writer

December 30, 2007

NAUGATUCK

Petra and Roger Unander had no idea that they were joining one of Connecticut's most conspicuous housing trends last year when they moved from a small, split-level ranch in Hamden to a spacious colonial atop the eastern ridges of the Naugatuck Valley.

They simply knew they needed more space than they could afford in Hamden, with a new baby in the house and Petra's home-craft business prospering. The 2,500-square-foot house they built in the attractive Fawn Meadow subdivision high above downtown Naugatuck for \$400,000 would have cost at least \$500,000 in Hamden, the couple says. And Roger could still easily commute to his job as an electrical engineer at the Sikorsky Aircraft factory in Stratford.



But the Unanders realized after they had settled in and met the neighbors that they were part of a wave of people fleeing high home prices along the suburban coast, in New Haven County, Fairfield County — even Long Island, in the case of one neighbor.

"Something very new is happening in these towns when you have yearly population growth rates in Seymour and Shelton, say, that are significantly higher than what was expected," said Orlando Rodriguez, the demographer who manages UConn's State Data Center. "Particularly Shelton, where the yearly growth rate is more than double what we forecast. It may be that these towns are growing as bedroom communities, but it's important to keep in mind that it's impossible to say how long this trend will continue."

The residential rebirth of the Naugatuck Valley reflects a trend in dozens of former industrial regions nationwide that are recycling their shuttered factory buildings for loft space, coffee bars and Barnes & Noble bookstores.

In November, Naugatuck was in the news when the last of its big-brand industrial employers, the Peter Paul candy factory, shut its doors, leaving 220 workers unemployed and robbing the borough of more

than \$500,000 in annual taxes. Since 1977, when Naugatuck lost its largest employer, Uniroyal, and more than 9,000 jobs, the town has become synonymous with Connecticut's industrial decline — a classic, decaying factory town that has traded in a prosperous, blue-collar past for the low wages of the service economy.

But economists and public officials insist that this image no longer describes an area that is exchanging its wage earners for a new population of bedroom-town commuters.

"The way I see it is that a forest fire comes through and destroys everything and then you get this fantastically green regrowth through the ashes," said Mike Bronko, who was elected mayor of the borough of Naugatuck last spring and has worked extensively on redevelopment issues since then. "We are now re-sprouting through the industrial ashes of the Naugatuck Valley."

Sections of the downtown business area of Naugatuck and some of the neighboring towns still look shabby. But the suburban growth along the hills climbing above downtown is dramatic. A lot of the optimism about reviving the towns rests on the hope that this new suburban wealth can be converted into redevelopment of the urban cores.

In downtown Naugatuck, the first phase of \$700 million Renaissance Place — a project akin to West Hartford's new Blue Back Square, with a mix of retail, residential and office space — is scheduled to begin construction next year.

Housing Demand

Several large subdivisions are being carved out of the slopes on either side of the Naugatuck Valley, evidence of a trend reflected in both population growth and housing start statistics — which are still relatively strong despite the current housing slump and tightening of credit.

From 1990 to 2000, according to figures compiled by the state Department of Economic and Community Development, Naugatuck added an average of 41 new homes every year. But the city added 92 homes in 2005 and 66 last year, a number that economists expect will pick back up after the housing slump ends. Beacon Falls, a neighboring town, had a yearly average of 11 new homes before 2000; last year the town added 38.

The median sales price of homes in Naugatuck grew 76 percent between 2000 and last year, from \$132,250 to \$233,580.

Meanwhile, population growth in most of the Naugatuck Valley towns is projected to dramatically outpace state averages. Between 2000 and 2030 (demographers calculate growth rates over several decades) Naugatuck's population of 31,800 is expected to grow by 35.3 percent, according to the Connecticut State Data Center at the University of Connecticut.

Seymour's population is predicted to grow by 20.6 percent over the same period, and Shelton's by 12.6 percent.

Over the same period, the projection for Connecticut overall is 8.7 percent.

Naugatuck's recycling as a valley that now manufactures housing units has much to do with business growth, and an inflated housing market, over the past decade in surrounding counties. Hedge funds and other financial services have buoyed Fairfield County, home prices in the Farmington Valley suburbs west of Hartford are discouraging to many middle-class buyers, and southern Litchfield County along

the I-84 commuter corridor is quickly getting priced out of the reach of the middle class. The Naugatuck Valley is getting the overflow.

"Probably the most interesting town down there is Shelton, which has had fantastic growth in the last few years as a business location," said Peter M. Gioia, economist for the Connecticut Business & Industry Association. "It's just become so expensive to grow in the Stamford area, so that has driven growth to Shelton. Well, where do you live if you've just found a job in Shelton, or already have one in unaffordable Stamford or Greenwich? It becomes inevitable. All this huge growth in Stamford pushes everything up the Naugatuck Valley."

Gioia and other economists say that several other areas of the state have experienced the same kind of growth as the vacuum left behind by dying industry is filled by buyers willing to travel longer distances to find affordable housing.

"The popular wisdom on manufacturing job losses is that all that factory work is replaced by low-end service jobs in fast-food chains," said John Tirinzonie, Connecticut's state labor economist. "But in fact, most of the industries seeing the strongest growth in Connecticut tend to be those with managerial and technical jobs that generate high incomes."

In the past five years, Tirinzonie said, Connecticut lost 16,200, or 7.8 percent, of its manufacturing jobs, bringing that job category to under 200,000 workers in the state. But over the same period, he said, the state added 36,000 jobs in education, health and professional services.

All of those new teachers, health-care workers and lawyers need housing, and developers eyeing the Naugatuck Valley are pursuing new models of growth.

Intellectual Economy

Planners refer to the Renaissance Place project, which eventually will cover 60 acres along the Naugatuck River adjacent to downtown Naugatuck, as a "transit-oriented development." It is near the Naugatuck stop of the Waterbury branch of the New Haven commuter railroad, attractive to Fairfield County workers who want an easy commute.

Its mix of residential loft space, restaurants, retailers and hotel rooms will create the kind of "town within the town" atmosphere of the recent Blue Back Square development in West Hartford.

In addition, the project calls for 170,000 square feet of commercial space designed around the needs of high-tech and back-office firms that want to be in Connecticut but might not be able to afford the high rents of Fairfield County.

The Conroy Development Co. of Fairfield, which is building the project, said the development could eventually bring a payroll of more than \$100 million to downtown Naugatuck and generate tax revenues of more than \$4 million a year.

"The Naugatuck Valley is moving from the industrial age to a much more intellectually driven economy," said Michael O'Connor, a former CEO of the Waterbury Development Corp., who is now vice president of operations for Conroy.

"You have to think not simply of the small, dynamic, high-tech businesses that will be drawn to the area, but also the kind of people who will live there," he said. "There will be a lot of single-family homes with kids who want a lot of activities locally, as well as apartment and condominium owners who want all of

the urban amenities: coffeehouses, entertainment, libraries and bookstores."

Petra Unander said that she misses the convenience and variety of shops that she once had in Hamden, but that the promise of downtown revitalization was a major factor in her choice to move to Naugatuck. The borough's "old factory town" reputation, she said, will recede over time.

"It's a shame that Peter Paul had to close and all of those people lost their jobs," Unander said. "But once they build the downtown and get it looking nice, people will come again."

Resigned To Change

Not everyone agrees that the rebirth in towns like Naugatuck is that new or signals a significant trend.

"This is really just the story of America over the last 100 years, but it's just getting to Naugatuck now," said Kenneth T. Jackson, a Columbia University professor who has studied America's urban and suburban history. "People are continually moving further from the city center to find cheaper housing, the trade-off being higher transportation costs and more time traveling. You see some of the same trends in older industrial models like Pittsburgh and Rochester."

Longtime residents, who remember the days when crowds of Uniroyal workers strolled through downtown Naugatuck to shop and visit with friends after the afternoon shift change, seem resigned to change. Jessica Lucuk is the third-generation co-owner of the Al's Hot Dogs restaurant, just down South Main Street from the shuttered Peter Paul factory.

"I'm typical of people in town now, I guess," Lucuk said. "I grew up in Naugatuck, still work in Naugatuck, but I live in Rocky Hill. None of my high school friends live in Naugatuck anymore, and everybody works outside of town."

"It used to be that a town like Naugatuck was a place with jobs. Now it's a place where people live so they can drive somewhere else for jobs."

Sandra Csizmar contributed research to this story.

Contact Rinker Buck at rbuck@courant.com.

Copyright © 2008, [The Hartford Courant](#)